

# VOTE 7

## Health

Operational budget	R 36 576 815 423
MEC remuneration	R 1 821 577 <sup>1</sup>
Total amount to be appropriated	R 36 578 637 000
Responsible MEC	MEC for Health
Administering department	Health
Accounting officer	Head: Health

### 1. Overview

#### Vision

The vision of the Department of Health is: *Optimal health for all persons in KwaZulu-Natal.*

#### Mission Statement

The department's mission statement is: *To develop and implement a sustainable, co-ordinated, integrated and comprehensive health system at all levels, based on the primary health care approach through the district health system, to ensure universal access to health care.*

#### Strategic objectives

**Strategic policy direction:** Directly linked with the National Development Plan (NDP) 2030 with the main focus on improving the health and well-being of the population and strengthening the health system effectiveness.

The department's strategic goals, each comprising a number of strategic objectives and sub-outcomes, have been aligned with the NDP 2030, the MTSF 2014-2019, the PGDP 2030 and National Health sector priorities. The overarching goal remains “*Increasing the life expectancy of all South Africans*”. The strategic goals for 2015-2019 are:

- Strengthen health system effectiveness.
- Reduce and manage the burden of disease.
- Universal health coverage.
- Strengthen human resources for health.
- Improved quality of health care.

#### Core functions

The main purpose of the department is to develop and implement a sustainable, co-ordinated, integrated and comprehensive health system based on the primary health care approach, which encompasses promotive, curative, rehabilitative, supportive and palliative care. This is guided by the principles of accessibility, equity, quality and efficiency, sustainability, community participation, appropriate technology, and inter-governmental and inter-sectoral collaboration.

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<sup>1</sup> At the time of going to print, the proclamation determining the 2015 salary adjustment relating to office bearers had not been signed by the Premier, hence this amount remains unchanged from the 2015/16 EPRE.

The department provides health services primarily to the uninsured population of KZN, who comprise about 87.5 per cent of the province's total population of 10 919 077 (2015 Mid-Year Population Estimates, Stats SA). In addition, the department provides central health services to people beyond provincial boundaries. The following main categories of health services provided by the department are:

***Primary health care services***

Primary health care services are rendered at community/household level by community outreach teams and mobile clinics and in fixed clinics and community health centres. Services include health promotion and prevention, screening and early detection of health conditions or risk factors, referral and curative and rehabilitative services.

***Hospital services***

District hospitals render hospital services at a general practitioner level, while provincial hospitals render hospital services at a specialist level. District hospitals provide clinical outreach services to primary health care (PHC) clinics. Specialised hospitals render specialised hospital services for patients with TB, psychiatric illnesses and those patients requiring long-term or chronic step-down/rehabilitative care. Tertiary and central hospitals render tertiary, central and quaternary hospital services at specialist level. Tertiary and central hospitals also provide clinical outreach services to provincial and district hospitals and participate in research to improve evidence-based practice.

***Forensic pathology services***

This category renders specialised forensic and medico-legal services including establishing the circumstances and causes surrounding unnatural death, ensure integrity of forensic evidence and providing an Inspector of Anatomy Services.

***Emergency medical services***

This category provides emergency care for trauma patients including patients from road traffic accidents, and provides emergency transport for emergency medical and obstetric patients. Planned patient transport is provided for inter-hospital transfer, while indigent patients are transported between clinics and hospitals.

**Legislative mandate**

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

- The Constitution of the Republic of South Africa (Act No. 108 of 1996)
- KwaZulu-Natal Health Act (Act No. 1 of 2009) and Regulations
- National Health Act (Act No. 61 of 2003)
- Mental Health Care Act (Act No. 17 of 2002)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and the Treasury Regulations
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Annual Division of Revenue Act
- Public Service Act (Act No. 103 of 1994) and the Public Service Regulations
- Medicines and Related Substances Act (Act No. 101 of 1965, as amended)
- Pharmacy Act (Act No. 53 of 1974, as amended)
- Nursing Act (Act No. 33 of 2005)
- Choice of Termination of Pregnancy Act (Act No. 92 of 1996, as amended)
- Labour Relations Act (Act No. 66 of 1995)
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Skills Development Act (Act No. 97 of 1998)
- National Health Laboratory Service Act (Act No. 37 of 2000)
- Occupational Health and Safety Act (Act No. 85 of 1993)

- Traditional Health Practitioners Act (Act No. 35 of 2004)
- Health Professions Act (Act No. 56 of 1974)
- Human Tissue Act (Act No. 65 of 1983)
- Allied Health Professions Act (Act No. 63 of 1982)

## 2. Review of the 2015/16 financial year

Section 2 provides a review of 2015/16, outlining the main achievements and progress made by the department, as well as providing a brief discussion on the challenges and new developments.

***Preventing and reducing the burden of disease*** with the main focus on maternal, neonatal, child and women's health and nutrition, TB, HIV and AIDS, and non-communicable conditions. According to 2015/16 mid-year data:

- According to Stats SA 2015/16 mid-year estimates, the total life expectancy increased from 56.9 years to 57.7 years.
- The facility maternal mortality ratio reduced from 124.9 per 100 000 live births in 2014/15 to 123 per 100 000 live births.
- The mother to child transmission of HIV was reduced from 1.3 per cent in 2014/15 to 1.1 per cent in 2015/16.
- The child under 5 years severe acute malnutrition incidence decreased from 6.3 per 1 000 in 2014/15 to 6.2 per 1 000 in 2015/16.
- The cumulative number of HIV positive clients remaining on anti-retroviral (ARV) therapy increased from 897 270 in 2014/15 to 1 028 595 in 2015/16.
- The TB incidence decreased from 828 per 100 000 population in 2014/15 to 776 per 100 000 population in 2015/16.
- Hypertension and diabetes incidence both showed an increase between 2014/15 and 2015/16, which is expected as a result of more effective screening and detection at household level. Hypertension incidence increased from 19.2 per 1 000 to 22.3 per 1 000 and diabetes incidence increased from 1.6 per 1 000 to 3.6 per 1 000.
- Malaria incidence decreased slightly from 0.07 per 1 000 in 2014/15 to 0.06 per 1 000 in 2015/16 in the at-risk population.

***Scale up primary health care (PHC) re-engineering*** including Ideal Clinic Realisation and Maintenance (ICRM – Operation Phakisa):

- The main focus remains strengthening of community-based services including health promotion, as well as early screening and detection of disease or at-risk patients to ensure early referral and treatment.
- According to 2015/16 mid-year data, a total of 6 650 044 and 4 272 230 clients were screened for hypertension and diabetes, respectively.
- Household visits increased from 103 852 in 2014/15 to an estimated 151 954 visits for 2015/16.
- The PHC headcount is estimated to increase from 31 232 092 in 2014/15 to 31 410 546 in 2015/16 (based on 2015/16 mid-year data).
- A total of 54 653 school children were screened as part of the school health programme.

***Strengthening of hospital services:***

- Clinical governance was prioritised including outreach programmes and mentorship. Outreach services were strengthened through the partnership with the Red Cross Aero Medical Services. Intensive consultation with clinical disciplines, service providers and managers is at an advanced stage to inform the finalisation of the Hospital Rationalisation Plan aimed at improving hospital efficiencies and improving utilisation of scarce resources.

***Improving human resources for health:***

- Consultation in collaboration with the University of KwaZulu-Natal (UKZN) is ongoing for the implementation of the Decentralised Training in a PHC Model, with the first pilot to commence in 2016 in the uThungulu district. This will have a positive impact on alignment of the service delivery and training platforms, as well as production of skilled and competent human resources for health.
- Incremental increases in health sciences student numbers at UKZN will increase the pool of human resources in the medium to long term which falls within the vision of the department to strengthen the health system and quality of care. The final student numbers will depend on funding made available from the Department of Higher Education and Training.
- The review of organisational structures of all facilities commenced in earnest in 2014/15 and continued in 2015/16. Structures will be aligned with functions, as well as norms and standards from the Workload Indicator of Staffing Need (WISN).

***Strengthening health information systems and management:***

- 90 per cent of hospitals and 45 per cent of PHC facilities in KZN have broadband access, which serves as an enabler for the implementation of a web-based health information system to improve data quality and reduce workload.
- The department continued the roll-out of the Revenue Enhancement Strategy in collaboration with Provincial Treasury, with the implementation of the Meditech software at six institutions by the end of 2015/16. This project is bearing fruit with R30.479 million allocated back to the department in 2015/16, being excess revenue collected in 2014/15 as a result of the collaboration. This funding will be utilised to upgrade the existing patient billing systems at six more institutions, to reduce the dependence on manual systems.

***Improving quality of care:***

- The department continued to implement the National Core Standards, including annual self-assessments and development of Quality Improvement Plans to address identified challenges.
- The department continued to strive to meet the 2020 target of 60 per cent of hospitals compliant with all vital and extreme measures. These include, but are not limited to, measures which ensure that the safety of patients and staff are safeguarded so as to not result in unnecessary harm or death.

***Improve universal health coverage:***

- The department continued to implement the NHI pilot in uMgungundlovu, Umzinyathi and Amajuba Districts. The department contracted 45 private practitioners to render services at PHC clinics, thereby providing services at community level. Note that the NHI conditional grant ceases from 2017/18 to become part of the National Department of Health's (NDOH) national indirect grant for NHI. The funding of NHI costs in the province will be affected by this and discussions with NDOH are currently underway to determine a way forward in this regard.

***Improving financial management***

- The purchase of St. Aidan's Hospital was processed in 2015/16 with the payment of R60 million. A VAT settlement of R8.400 million as negotiated and agreed to by all parties will be paid in 2016/17.
- As mentioned, the department continued the roll-out of the Revenue Enhancement Strategy in collaboration with Provincial Treasury, with the implementation of the Meditech software at six institutions by the end of 2015/16. This software is an electronic billing system that has potential to add a patient record system and reduce the dependence on manual systems.
- The department has commenced with a pilot of a pharmacy stock control system.

### **3. Outlook for the 2016/17 financial year**

Section 3 looks at the key focus areas of 2016/17, outlining what the department is hoping to achieve, as well as briefly looking at the challenges facing the department, and proposed new developments. The department plans to achieve the following:

The bulk of the department's budget allocation is for the delivery of PHC services to the approximately 87 per cent uninsured population of KZN. The main services rendered at PHC level include the comprehensive management of HIV and AIDS, as well as the provision of clinic (including mobiles) and hospital care at a district level. The department also provides hospital care at a general, tertiary and central level, for patients whose levels of care require more specialised services, as well as emergency transport for patients who require urgent attention. In 2016/17, the department will continue with these services and will strive to achieve improvements and enhancements to these services, as set out below.

***Prevent and reduce the burden of disease*** with the main focus on maternal, neonatal, child and women's health, nutrition, TB, HIV and AIDS, and non-communicable conditions, as follows:

- Reduce the mother to child transmission rate of HIV to less than 1 per cent by March 2017.
- Reduce the facility maternal mortality ratio to 115 maternal deaths per 100 000 live births by March 2017.
- Decrease the child under 5 year severe acute malnutrition incidence to 5.2 per 1 000 by March 2017.
- Decrease the TB incidence to 700 per 100 000 population by March 2017.
- Increase the TB client treatment success rate to 86 per cent by March 2017.
- Increase the total number of clients remaining on ARV therapy to 1 205 438 by March 2017.
- Decrease the hypertension incidence to 16.5 per 1 000 by March 2017. This will be monitored to determine the impact of improved screening and early detection of hypertension.
- Decrease the diabetes incidence to 1.3 per 1 000 by March 2017. This will be monitored to determine the impact of improved screening and early detection of diabetes.

***Scale up PHC re-engineering*** with the main focus on implementing the ICRM (Operation Phakisa):

- Increase the percentage of fixed PHC facilities that score above 80 per cent against the Ideal Clinic criteria (dashboard) to 40 per cent by March 2017.

***Strengthen and improve hospital efficiencies*** with the main focus on implementation of an approved hospital rationalisation plan over the next 5 to 10 years:

- Re-classification of hospitals based on service packages, aligned post establishment, review of bed norms per clinical discipline, hospital complexes, emergency units in selected hospitals, roll-out of a patient information system in a phased approach, telehealth, and strengthening of clinical governance. Hospitals targeted will include King Edward VIII, Ngwelezane, King Dinuzulu, and McCord.

***Improving human resources for health*** with the main focus on the finalisation of a costed long term human resources plan:

- Costed organisational structure based on service gaps and established norms and standards (using empirical evidence from current research conducted by the Epidemiology Unit, the Health Economics and HIV and AIDS Research Division (HEARD) at UKZN and supported by WISN, currently implemented in the NHI pilot districts).
- The department will undertake a comprehensive headcount exercise in 2016/17, in conjunction with Provincial Treasury, to identify any ghost employees, with any savings realised to be reprioritised towards existing pressures in *Compensation of employees*, as well as pressures in medicines and medical supplies brought about by the weakening Rand/Dollar exchange rate.
- Pilot the Decentralised Training in a PHC Model in Northern KwaZulu-Natal, with increased intake in the Pietermaritzburg area. This programme seeks to expose health sciences students to practical training at PHC level, as opposed to only at hospital level, as was done in the past.
- The Cuban Doctors' programme will continue. However, as per an instruction from NDOH, no further students are to be enrolled in the programme, and the first graduates are expected to return to the province from 2016/17. The department will continue to carefully monitor this programme as pressures result from exchange rate fluctuations.

**Improving financial management** where the department intends to:

- Provide an electronic inventory management system in all hospitals and community health centres, along with an electronic billing system in central, tertiary and regional hospitals and selected high volume district hospitals, with 12 institutions expected to be online by the end of 2016/17. As mentioned, the billing system is supplied by Meditech and, apart from billing, will assist in developing a patient record system. In addition, the department plans to introduce an electronic pharmacy management system at all facilities (Rx Solution), an electronic NHLS system in all hospitals and CHCs, and roll out an electronic ordering system for clinics.
- Regarding the NHLS pressures, the department receives additional funding to address the funding gap resulting from the move to the fee-for-service payment mechanism. To further address the gap, the department will review and implement gate-keeping processes to reduce costs.
- Introduce organisational wide roll-out and training on standard operating procedures in finance and SCM, leadership training of district finance managers, benchmarking of best finance practices, mentoring and coaching of junior staff.
- The department will finalise its draft report on addressing the growing problem of medico-legal claims. The report was drafted following a workshop held in 2015 to plan the way forward in addressing the unacceptably high levels of claims against the department and seeks to provide a working framework for medical, clinical, and legal personnel, as well as planning to mitigate and prevent adverse incidents and to promptly deal with the consequences thereof. In conjunction with Provincial Treasury, the recommendations of the report will be finalised and implemented with a view to reducing the financial burden resulting from claims.

**Improving quality of care** with focus on implementation and annual self-assessment of the National Core Standards and development and implementation of Quality Improvement Plans to address identified gaps:

- Increase the percentage of hospitals that are compliant with all extreme and vital measures of the core standards to 60 per cent (or more) by March 2020. As mentioned, these include, but are not limited to, measures which ensure that the safety of patients and staff is safeguarded so as to not result in unnecessary harm or death.
- Sustain a patient satisfaction rate of 95 per cent (or more) in all health facilities by March 2020.

**Improve universal health coverage by implementing the NHI pilot in the 3 identified districts.**

- Roll out of the Chronic Medication Dispensing and Supply Model.
- Pilot appropriate referral systems across all institutions in the province.
- As mentioned earlier, the effect of the withdrawal of the NHI grant funding from 2017/18 is still under discussion with NDOH.

## **4. Receipts and financing**

### **4.1 Summary of receipts**

Table 7.1 below gives the source of funding for Vote 7 over the seven year period 2012/13 to 2018/19. The table also compares actual and budgeted receipts against actual and budgeted payments.

In 2012/13, the department received provincial cash resources of R252.320 million for the following:

- R12 million for a vaccine campaign to reduce maternal and child mortality.
- R6.250 million to improve the department's PABX telecommunication systems.
- R185.963 million to address pressures due to the acceleration of various infrastructure projects.
- The balance of R48.107 million was top-up funding for the cost of the higher than budgeted 2012 wage agreement, not fully funded by National Treasury.

Table 7.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Equitable share	22 014 761	23 428 519	24 636 764	26 017 187	26 017 310	26 017 310	29 275 163	31 527 554	33 284 270
Conditional grants	5 023 849	5 429 296	6 428 886	6 903 719	6 903 596	6 903 596	7 302 804	8 013 983	8 899 603
Health Professions Training and Development grant	261 860	276 262	292 837	299 513	299 513	299 513	312 377	331 943	351 196
Health Facility Revitalisation grant	1 176 452	1 072 531	1 362 469	1 229 775	1 229 775	1 229 775	1 114 693	1 095 910	1 153 707
National Tertiary Services grant	1 323 114	1 415 731	1 496 427	1 530 246	1 530 246	1 530 246	1 596 286	1 696 266	1 794 649
Comprehensive HIV, AIDS and TB grant	2 225 423	2 652 072	3 257 992	3 813 094	3 812 972	3 812 972	4 244 243	4 889 864	5 555 075
Social Sector EPWP Incentive Grant for Provinces	-	-	2 580	13 000	13 000	13 000	13 000	-	-
EPWP Integrated Grant for Provinces	1 000	3 000	2 581	3 683	3 682	3 682	7 122	-	-
National Health Insurance grant	33 000	9 700	14 000	14 408	14 408	14 408	15 083	-	-
AFCON: Medical Services grant	3 000	-	-	-	-	-	-	-	-
Human Papillomavirus Vaccine grant	-	-	-	-	-	-	-	-	44 976
<b>Total receipts</b>	<b>27 038 610</b>	<b>28 857 815</b>	<b>31 065 650</b>	<b>32 920 906</b>	<b>32 920 906</b>	<b>32 920 906</b>	<b>36 577 967</b>	<b>39 541 537</b>	<b>42 183 873</b>
<b>Total payments</b>	<b>27 390 533</b>	<b>29 531 410</b>	<b>31 245 510</b>	<b>32 981 786</b>	<b>33 969 992</b>	<b>34 314 275</b>	<b>36 578 637</b>	<b>39 541 537</b>	<b>42 183 873</b>
Surplus/(Deficit) before financing	(351 923)	(673 595)	(179 860)	(60 880)	(1 049 086)	(1 393 369)	(670)	-	-
Financing									
of which									
Provincial roll-overs	-	14 949	5 848	-	1 449	1 449	-	-	-
Provincial cash resources	252 320	346 446	47 967	60 880	1 047 637	1 047 637	670	-	-
<b>Surplus/(Deficit) after financing</b>	<b>(99 603)</b>	<b>(312 200)</b>	<b>(126 045)</b>	<b>-</b>	<b>-</b>	<b>(344 283)</b>	<b>-</b>	<b>-</b>	<b>-</b>

Also in 2012/13, the department over-spent by R99.603 million. This was related to the addressing of critical staff needs at PHC level, which included the closing of the gap in standards for municipal clinics taken over from local government, the progressive commissioning of CHCs and the King Dinuzulu Hospital, whereby the department's budget was not keeping pace with new developments. There were also pressures from infrastructure commitments being higher than the budget, and the department being unable to slow down delivery sufficiently during the year to match the final appropriation.

In 2013/14, the department received a roll-over of R14.949 million in respect of the NHI grant. The funds were to be used to pay for medical and surgical equipment, and information technology equipment, which was ordered in 2012/13, but only delivered in 2013/14. Also in 2013/14, the department received additional funding of R346.446 million from provincial cash resources as follows:

- R94.866 million for the take-over costs of McCord Hospital and malpractice insurance premiums.
- R200 million from equitable share funding for infrastructure development pressures.
- R1 million for spending on Operation Sukuma Sakhe (OSS) initiatives, as identified by the MEC.
- R50.580 million for the upgrading and refurbishment of the regional laundry in Dundee.

The over-spending of R312.200 million in 2013/14 relates mainly to pressures against medical supplies and medicines from the clearing of backlog payments from 2012/13 (particularly for ARV drugs), and the introduction of new (more expensive) tenders in District Health Services (DHS). Also causing pressure was the increased demand for regional services, as well as costs for TB medication. In addition, there was pressure resulting from medico-legal claims and higher than expected staff exit costs. Most of the litigation is at regional hospital level, with the additional challenge of a high attrition rate among medical specialists (who provide leadership) and critical shortage of specialised nursing staff. Furthermore, there were more staff exits than anticipated, particularly among the nursing staff.

This 2013/14 over-spending resulted in unauthorised expenditure in terms of the adoption of the resolutions of SCOPA by the Legislature on 9 December 2014. Thus, in terms of Section 34(2) of the PFMA, the department is liable for the repayment thereof. This resulted in the first instalment of the first charge of R107.607 million being implemented in 2015/16 and 2016/17. A final instalment of R107.608 million is implemented in 2017/18. This is reflected as a footnote in Tables 7.6 and 7.7 below.

In 2014/15, the department's equitable share was reduced by R1.769 million related to previous years' irregular expenditure. Cabinet approved that, where departments were unable to provide sufficient justification for the irregular expenditure, it becomes a first charge against the vote. Also in 2014/15, the department received additional funding of R200 million for the Health Facility Revitalisation grant to fund in-year infrastructure pressures. This amount was taken from the indirect National Health grant and allocated to the province as a direct grant.

In addition, a roll-over of R5.848 million was approved in respect of the NHI grant, to pay for the development of a patient record system, with orders placed in 2013/14, but the development process of the system only getting underway in 2014/15.

The department began rolling out the human papillomavirus (HPV) vaccine in 2014/15, which has shown to prevent cervical cancer in women. The funding for the roll-out in 2014/15 and 2015/16 was made available through the NDOH as an indirect grant. An amount of R42.661 million was added to the provincial equitable share in 2016/17 as the programme was intended to become integrated into the normal business of provincial health departments. However, this has since been revised with the HPV vaccine grant, which was scheduled to end in 2015/16, now continuing as an indirect grant for the first two years of the 2016/17 MTEF before changing to a direct grant in 2018/19.

The department was also allocated additional funding of R47.967 million from provincial cash resources in 2014/15 for:

- Trade creditors and VAT at McCord Hospital (R15.870 million, with minor carry-through of R880 000 in 2015/16 and R670 000 in 2016/17, with R703 000 removed from the baseline in 2017/18 as this funding is no longer required).
- Operational costs at St. Mary's Hospital (R30.907 million), pending the finalisation of the transaction advisors' investigation into the potential provincialisation of the hospital.
- Own revenue reallocated back to the department (R1.190 million) being the sale of the McCord Hospital debtors' book, with the funding returned to the department for various infrastructure changes that needed to be made at the hospital to convert it to a specialised eye-care hospital.

In 2015/16, a roll-over of R1.449 million was approved in respect of the NHI conditional grant, to pay for the procurement of four mobile caravan clinics, with orders placed in 2014/15, but only delivered in 2015/16. Also in 2015/16, the department was allocated additional funding of R1.048 billion from provincial cash resources for the following:

- R60 million for the purchase of St. Aidan's Hospital.
- R880 000 for trade creditors and VAT at McCord Hospital.
- R617.778 million for the above-budget 2015 wage agreement.
- R30.479 million for higher than budgeted collection of patient fees, reallocated to the department to fund the Revenue Enhancement Strategy.
- R270.500 million allocated for the NHLS to assist in pressures as a result of moving from a flat-fee payment mechanism to a fee-for-services mechanism.
- R68 million to address pressures arising from medico-legal claims.

In the December 2015 IYM, the department is projecting to over-spend its 2015/16 budget by R344.283 million mainly due to expected home-owners' allowance back-pay (part of the 2015 wage agreement) still to be processed on PERSAL, the costs of ongoing forensic investigations and external service providers assisting in disciplinary cases, as well as NHLS costs which increased due to the department changing its policy from a flat-fee payment to a more expensive fee-for-services payment.

In 2016/17, the department is allocated additional funding of R670 000 from provincial cash resources related to carry-through costs for trade creditors and VAT at McCord Hospital. In addition, additional funding was allocated to the department against the equitable share as follows:

- The department receives R664.889 million, R712.135 million and R765.440 million over the 2016/17 MTEF being carry-through costs of the above-budget 2015 wage agreement.
- The equitable share is reduced over the MTEF by R42.548 million, R42.477 million and R42.406 million due to the previously mentioned revision of the indirect HPV vaccine grant, which was scheduled to end in 2015/16, now continuing as an indirect grant for the first two years of the 2016/17 MTEF before changing to a direct grant in 2018/19.
- Funding of R80 million is provided in 2016/17 only for the once-off purchase of hospital linen.



- Additional funding is allocated to address pressures which have arisen from the change in payment mechanism for NHLS to a fee-for-service payment, with R310.497 million, R329.124 million and R348.872 million allocated over the three years of the MTEF. This amount fully compensates the department for this pressure.
- Funding for pressures related to the weakening exchange rate affecting imported medicines, medical equipment and supplies is allocated R785.696 million, R1.640 billion and R1.648 billion over the MTEF. This cost was calculated at R1.875 billion in 2016/17, growing to R2.122 billion in 2018/19. It is anticipated that the previously mentioned headcount to be undertaken by the department could result in savings which could then be redirected to address this pressure.

Note that, over the 2016/17 MTEF, the Health Facility Revitalisation grant baseline decreases in 2017/18 due to the reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure. Provinces were informed in 2012/13 by National Treasury that they will be required to bid for the infrastructure allocation two years in advance and financial incentives will be built into the infrastructure grant for provinces that implement best practices. In this regard, the department received an increase in 2016/17 in this grant of R109.454 million, as the required planning documents were submitted. This amount subsequently declined to R67.172 million due to the cuts imposed by National Treasury in an effort to lower the country's expenditure ceiling. The outer year shows growth of R53.809 million.

Note also that a number of conditional grants are affected by the effects of fiscal consolidation announced by the National Minister of Finance in 2014, with cuts in 2015/16 and 2016/17 in the Health Professions Training and Development grant, the National Health Insurance grant and the National Tertiary Services grant. The Comprehensive HIV and AIDS grant (now renamed the Comprehensive HIV, AIDS and TB grant) was protected from these cuts.

Further cuts have been affected against three grants over the 2016/17 MTEF due to the adverse economic outlook for the country. These include the Health Facility Revitalisation grant and the Comprehensive HIV, AIDS and TB grant. In addition, the NHI grant ceases as from 2017/18, with the baseline returned to NDOH as part of the national indirect grant for NHI.

The department has been allocated nine national conditional grants over the seven year period, and these are described in more detail in Section 5.5.

## 4.2 Departmental receipts collection

A summary of revenue collected by the Department of Health over the seven year period under review is reflected in Table 7.2. Details of these departmental receipts are given in *Annexure – Vote 7: Health*.

**Table 7.2 : Summary of departmental receipts collection**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	218 326	237 077	250 237	231 538	231 538	236 777	255 372	270 359	284 935
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	17	29	31	21	21	37	21	22	23
Interest, dividends and rent on land	186	5 988	143	217	217	49	135	142	149
Sale of capital assets	35 941	9 607	14 009	10 000	10 000	3 900	12 000	12 600	13 230
Transactions in financial assets and liabilities	12 601	18 046	25 513	16 182	16 182	24 633	16 182	17 040	17 892
<b>Total</b>	<b>267 071</b>	<b>270 747</b>	<b>289 933</b>	<b>257 958</b>	<b>257 958</b>	<b>265 396</b>	<b>283 710</b>	<b>300 162</b>	<b>316 229</b>

The bulk of revenue collected by this department is against *Sale of goods and services other than capital assets*. The major receipts under this category relate to patient fees, boarding fees, rentals, parking fees, and commission charged on PERSAL deductions for insurance premiums and garnishees. The high

collection in 2013/14 and 2014/15 was due to higher than anticipated receipts on patient fees. This was due to the continued implementation of revenue enhancement initiatives by the department, in conjunction with Provincial Treasury. Also, the revenue retention incentive by Provincial Treasury, focusing solely on patient fees, is expected to further improve the department's performance going forward. The higher than anticipated collection in the 2015/16 Revised Estimate is mainly from patient fees. The collection on patient fees could have been even higher, but was affected by an unstable pattern of claims paid by the Road Accident Fund due to cash flow challenges with the fund and Compensation for Occupational Injuries and Diseases Act claims not being accepted by the Department of Labour's new IT system. The department anticipates that this issue will be resolved during 2016/17.

Most of the remaining revenue categories do not follow a predictable trend, such as the sale of redundant equipment and vehicles. For this reason, projections for the MTEF were formulated based on historic trends. The collection of revenue from patient fees is influenced by the following factors:

- Due to the socio-economic challenges that exist in the province, most recipients of health services are unable to make a meaningful contribution for the services provided. Through the revenue enhancement programme, the department is focusing on how to optimise revenue from patients who can afford but are currently receiving free services. The department is in the process of improving the revenue and billing system. This system will, among others, be able to identify and verify patients who can afford to pay for health services and eventually identify those who are members or beneficiaries of medical aid schemes. At the time of going to print, the department had not yet been able to revise patient fee projections for the 2016/17 MTEF. These will be revised in 2016/17, for inclusion in the 2017/18 MTEF process. At present, six institutions have implemented the system, with a further six expected to implement during 2016/17.
- The provision of free services at health institutions is for pregnant women, social pensioners, formally unemployed citizens and patients on the ART programme, who do not belong to any medical aid scheme.
- The ongoing review of the Uniform Patient Fee Structure (UPFS) that is applicable to private hospital patients (PHP), i.e. medical aid patients, statutory cases and patients whose income exceeds the limit for free services, resulting in more groups being exempt from the payment of fees and the reduction in fees payable by certain categories of patients.

*Fines, penalties and forfeits* reflects revenue from parking transgressions, which are difficult to anticipate accurately.

*Interest, dividends and rent on land* largely reflects interest on staff debts. The reduced collection in this regard in 2014/15 was due to the reversal of interest charged on in-service debts incorrectly set up as interest bearing debts. The fluctuation over the seven-year period is due to the volatility in staff debts, coupled with interest rate changes.

The category *Sale of capital assets* relates largely to the sale of redundant assets such as motor vehicles and equipment. The amounts collected in 2013/14 and 2014/15 are based on the auction sale of vehicles. The lower than anticipated revenue in the 2015/16 Revised Estimate is due to the auction of motor vehicles not conducted as anticipated by the department. The budget over the 2016/17 MTEF is very conservative due to the inconsistency in collecting revenue from this source.

*Transactions in financial assets and liabilities* relates to the recovery of staff debts, which emanate mainly from salary reversals from previous financial years, breached bursary contracts, refunds of previous years' expenditure, etc. The 2015/16 Revised Estimate is significantly higher than anticipated. Over MTEF the department is very conservative in terms of budgeting for this category, due to its uncertain nature.

### **4.3 Donor funding**

Donor funding received by the department, which falls outside its voted fund allocation, is summarised in Tables 7.3 and 7.4 below.

Table 7.3 : Details of donor funding receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Donor funding</b>	<b>884</b>	<b>3 677</b>	<b>927</b>	<b>960</b>	<b>960</b>	<b>960</b>	-	-	-
European Union PHC project	-	2 000	-	-	-	-	-	-	-
HWSETA Learnership - Edendale Campus	126	-	-	-	-	-	-	-	-
HWSETA Learnership - Head Office	199	-	-	-	-	-	-	-	-
HWSETA Learnership - King Edward Sub-Campus	262	-	-	-	-	-	-	-	-
HWSETA Learnership - Ngwelezane	-	158	-	-	-	-	-	-	-
HWSETA Learnership - Nkandla	105	-	-	-	-	-	-	-	-
HWSETA Learnership - Pharmacy	-	28	-	-	-	-	-	-	-
HWSETA Learnership - Social & Aux	137	-	-	-	-	-	-	-	-
HWSETA	-	1 266	718	960	960	960	-	-	-
MRI Novartis Training	55	-	-	-	-	-	-	-	-
PSETA Learnership - Church of Scotland, Ekombe and Nkandla Hospitals	-	225	84	-	-	-	-	-	-
MASEA Awards	-	-	125	-	-	-	-	-	-
<b>Total</b>	<b>884</b>	<b>3 677</b>	<b>927</b>	<b>960</b>	<b>960</b>	<b>960</b>	-	-	-

Table 7.4 : Details of payments and estimates of donor funding

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Donor funding</b>	<b>5 353</b>	<b>668</b>	<b>1 132</b>	<b>10 282</b>	<b>11 242</b>	<b>11 242</b>	-	-	-
Aspen	2 500	-	-	-	-	-	-	-	-
Astra Zeneca	79	88	-	29	29	29	-	-	-
Atlantic Philanthropies	1 507	305	60	7 557	7 557	7 557	-	-	-
Bayer Health Care: Greys	6	-	-	-	-	-	-	-	-
COGTA	225	-	-	3	3	3	-	-	-
Conforth Investments	101	-	18	32	32	32	-	-	-
European Union PHC project	602	-	-	-	-	-	-	-	-
HWSETA Learnership - Bethesda Sub-Campus	101	-	-	20	20	20	-	-	-
HWSETA Learnership - Edendale Campus	-	-	-	126	126	126	-	-	-
HWSETA Learnership - Head Office	-	-	-	236	236	236	-	-	-
HWSETA Learnership - HIV and AIDS Support	-	-	-	45	45	45	-	-	-
HWSETA Learnership - King Edward Sub-Campus	109	1	23	255	255	255	-	-	-
HWSETA Learnership - Mosvold	-	-	-	91	91	91	-	-	-
HWSETA Learnership - Mseleni	-	-	-	12	12	12	-	-	-
HWSETA Learnership - Ngwelezane	-	-	-	158	158	158	-	-	-
HWSETA Learnership - Nkandla	-	73	6	26	26	26	-	-	-
HWSETA Learnership - Pharmacy	-	-	-	28	28	28	-	-	-
HWSETA Learnership - Prince Mshiyeni Hospital	21	18	-	15	15	15	-	-	-
HWSETA Learnership - Social and Auxilliary	102	-	-	35	35	35	-	-	-
HWSETA Learnership - St Aidan's	-	128	-	195	195	195	-	-	-
HWSETA	-	-	1 025	959	1 919	1 919	-	-	-
Impumelelo Trust Innovation	-	-	-	24	24	24	-	-	-
MRI Novartis Training	-	55	-	-	-	-	-	-	-
PSETA Learnership - Church of Scotland, Ekombe and Nkandla Hospitals	-	-	-	309	309	309	-	-	-
SA Breweries	-	-	-	2	2	2	-	-	-
<b>Total</b>	<b>5 353</b>	<b>668</b>	<b>1 132</b>	<b>10 282</b>	<b>11 242</b>	<b>11 242</b>	-	-	-

It is noted that spending on donor funds in Table 7.4 exceeds receipts in Table 7.3. This is due to the roll-over of unspent receipts from previous financial years offsetting expenditure incurred in future years. These roll-overs related mainly to the European Union PHC project and the funding provided by Atlantic Philanthropies. The bulk of the remaining donations are small once-off allocations. The European Union PHC project funding received in 2013/14, was returned to the donor in 2014/15, as the department was not informed of the purpose of the funding.

In 2008/09 and 2009/10, the department received a donation in two instalments of R6 million each from Atlantic Philanthropies, which was used to strengthen the capacity of nursing education institutions in KZN. These funds could not be fully utilised by 2014/15 due to continued delays experienced with the tender process, and R7.557 million was rolled over to 2015/16. The department anticipates fully spending this funding in 2015/16.

The department received new donor funding in 2015/16 from HWSETA amounting to R960 000. These are funds for the learnership programmes in various hospitals and will be spent in 2015/16. No donations are expected over the 2016/17 MTEF, at this stage.

## 5. Payment summary

This section provides information pertaining to the vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 6 below, as well as in the *Annexure – Vote 7: Health*.

### 5.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- Although provision should have been made for an inflationary wage adjustment of 7.2 per cent in 2016/17, 6.8 per cent in 2017/18 and 6.8 per cent for 2018/19, as well as 1.5 per cent per year for pay progression, this was not possible due to pressures from the weakening exchange rate and non-negotiables. The department has only provided for a 5.6 per cent, a 6.6 per cent and a 6.1 per cent increase in the three years of the MTEF, respectively. This situation will be reviewed by the department during 2016/17, with the previously mentioned headcount exercise to be undertaken, possibly assisting with these pressures if ghost employees are detected.
- Where feasible, CPI projections were used to calculate inflation related items.
- Funding for the eThekweni Metro municipal clinics will be provided *via* transfer payments over the 2016/17 MTEF.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2015/16, will continue to be adhered to over the 2016/17 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures. In addition, as a result of the need to lower the expenditure ceiling across the country (as explained under Section 5.2 below), departments had to adhere to the following guidelines:
  - Expenditure on *Compensation of employees* was lowered by freezing ALL vacant non-OSD posts. This cut does not affect Education or Health as these are to be protected in this process. Both departments are required to review their vacant administration staff posts and to decrease the numbers in this area with the savings from this exercise to be redirected within the votes to service delivery spending. Provision was made for the filling of critical vacant posts to enable the department to meet its service delivery needs, while taking cognisance of the need for government to reduce its *Compensation of employees* spend.
  - Departments' equitable share funded *Goods and services* budgets were cut by 2 per cent (also not affecting Education or Health).
  - Departments' and public entities' hosting of events budgets were cut over the MTEF.
  - Other baseline cuts were effected against the Office of the Premier and the Department of Economic Development, Tourism and Environmental Affairs in line with a directive from national in this regard.
  - Departments must not absorb the impact of these cuts against their capital budgets. Capital projects may be re-scheduled or slowed in instances where this is practical.

### 5.2 Additional allocations for the 2014/15 to 2016/17 MTEF

Table 7.5 shows additional funding received by the department over the three MTEF periods: 2014/15, 2015/16 and 2016/17. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The carry-through allocations for the 2014/15 and 2015/16 MTEF periods (i.e. for the financial year 2018/19) are based on the incremental percentage used in the 2016/17 MTEF.

**Table 7.5 : Summary of additional provincial allocations for the 2014/15 to 2016/17 MTEF**

R thousand	2014/15	2015/16	2016/17	2017/18	2018/19
<b>2014/15 MTEF period</b>	<b>231 986</b>	<b>311 746</b>	<b>396 378</b>	<b>416 196</b>	<b>440 335</b>
Re-grading of clerical staff	59 505	68 132	72 561	76 189	80 608
Carry-through of previous wage agreements	125 704	242 734	280 486	294 510	311 592
National priorities:	-	-	42 661	44 794	47 392
<i>Roll-out of HPV vaccine</i>	-	-	42 661	44 794	47 392
McCord Hospital (trade creditors and VAT)	15 870	880	670	703	743
St Mary's Hospital - operations	30 907	-	-	-	-
<b>2015/16 MTEF period</b>		<b>47 368</b>	<b>(1 137)</b>	<b>36 104</b>	<b>38 198</b>
Function shift to Port Health Services to NDOH		(20 379)	(21 459)	(22 597)	(23 908)
Provincial cash resources: Assist with 2014 wage agreement carry-through		79 755	95 748	138 470	146 501
NHLS - Function shift of NICD, NIOH, NCR and training		(72 008)	(75 426)	(79 066)	(83 652)
Removal of McCord Hospital (trade creditors and VAT) in 2017/18		-	-	(703)	(744)
Purchase of St Aidan's Hospital		60 000	-	-	-
<b>2016/17 MTEF period</b>			<b>1 798 534</b>	<b>2 639 093</b>	<b>2 720 278</b>
Above-budget 2015 wage agreement			664 889	712 135	765 440
HPV vaccine reduction			(42 548)	(42 477)	(42 406)
Hospital linen			80 000	-	-
NHLS fee-for-service pressures			310 497	329 124	348 872
Exchange rate pressures - medicine, equipment and supplies			785 696	1 640 311	1 648 372
<b>Total</b>	<b>231 986</b>	<b>359 114</b>	<b>2 193 775</b>	<b>3 091 393</b>	<b>3 198 811</b>

In the 2014/15 MTEF, the following changes were made to the department's baseline:

- Carry-through costs of the re-grading of clerical staff from level 4 to 5 in line with DPSA requirements, as well as the carry-through of previous wage agreements.
- Funding for the roll-out of the HPV vaccine commencing in 2016/17.
- Additional funding related to the take-over costs for McCord Hospital.
- Additional funding in 2014/15 only for operational costs at St. Mary's Hospital, pending the activities of transaction advisors investigating the possible provincialisation of the hospital.

In the 2015/16 MTEF, the following changes were made to the department's baseline:

- Carry-through costs of the above-budget 2014 wage agreement. Note that this did not cover the full carry-through costs as National Treasury did not provide these as part of fiscal consolidation and the province assisted as far as possible in this regard, with only about 40 per cent of the costs covered.
- Additional funding related to the purchase of St Aidan's Hospital.
- The budget was reduced as a result of the function shift of Port Health Services to the National Department of Health.
- Also shown is the ceasing of funding for the takeover of McCord Hospital in 2017/18.

With regard to the 2016/17 MTEF, due to data updates of the equitable share formula, a declining provincial own revenue, as well as cuts implemented by National Treasury as a result of the need to lower the expenditure ceiling across the country and to reprioritise to fund various national priorities that have recently arisen, the funding available to the province has been reduced or cut. In order to effect these cuts in the province, expenditure on *Compensation of employees* was lowered by freezing all vacant non-OSD posts, and departments' equitable share funded *Goods and services* budgets were cut by 2 per cent over the MTEF. However, provinces were also instructed that the baselines of provincial Departments of Health be protected in view of the impact that the exchange rate has had on the affordability of medicines, which are largely imported. As such, the department was protected from these cuts.

In the 2016/17 MTEF, the following changes are made to the department's baseline:

- Carry-through costs of the above-budget 2015 wage agreement.
- The HPV vaccine funding, which was scheduled to end as an indirect grant in 2015/16 and become part of the department's equitable share from 2016/17, continues as an indirect grant for the first two years of the 2016/17 MTEF before changing to a direct grant in 2018/19. This funding is thus removed from the equitable share baseline.

- Funding is provided in 2016/17 only for the once-off purchase of hospital linen.
- Additional funding to fully address pressures which have arisen from the change in payment mechanism for NHLS to a fee-for-service payment.
- Additional funding for pressures related to the weakening exchange rate affecting imported medicines, medical equipment and supplies. Note that, as mentioned earlier, these pressures are not fully funded.

Note that additional funding was allocated in the 2012/13 MTEF for improving infrastructure support. Although no longer visible in Table 7.5, this funding was specifically and exclusively appropriated and the department has not yet completed the implementation of its revised infrastructure staffing structure that this funding was intended for. Thus amounts of R22.743 million, R23.880 million and R25.265 million remain ring-fenced for this purpose over the three years of the 2016/17 MTEF.

### 5.3 Summary by programme and economic classification

The department has eight budget programmes in total, with four of them directly linked to the core functions of the department, and they fully adhere to the generic Health sector structure.

Tables 7.6 and 7.7 below provide a summary of payments and estimates of these eight programmes, as well as per economic classification.

As explained previously, the department is liable for the repayment of over-expenditure in 2013/14, resulting in a first charge against the department's budget from 2015/16 to 2017/18, and this is reflected under Programme 1: Administration and against *Payments for financial assets*. This is shown as a footnote in Tables 7.6 and 7.7 below.

Most programmes show sustained growth from 2012/13 to 2018/19, with conditional grants accounting for a significant portion of this increase, along with the previously mentioned additional funding by the province for exchange rate and NHLS pressures.

Note that, as previously mentioned, the allocation for the Health Facility Revitalisation grant is relatively low in the outer years due to the reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure. This affects Programme 8: Health Facilities Management and *Buildings and other fixed structures* in 2017/18 and 2018/19.

The increase over the 2016/17 MTEF incorporates the carry-through costs of previous wage agreements and the increases to existing conditional grants, as well as the previously mentioned additional funding, with carry-through, for the pressures in NHLS due to the change in payment mechanism to fee-for-service, and to assist with the pressures on imported medicines, medical supplies and equipment, resulting from the weakening exchange rate.

**Table 7.6 : Summary of payments and estimates by programme: Health**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Administration	635 763	689 089	701 925	737 119	768 148	883 320	839 035	851 680	861 440
2. District Health Services	11 516 435	12 947 599	14 334 353	15 578 862	15 969 171	16 064 356	17 370 402	19 014 674	20 568 421
3. Emergency Medical Services	926 036	1 009 940	1 068 113	1 160 311	1 185 636	1 185 636	1 199 775	1 277 350	1 347 186
4. Provincial Hospital Services	7 567 375	8 121 196	8 473 425	8 775 638	9 213 546	9 213 546	9 723 434	10 310 751	10 910 116
5. Central Hospital Services	3 338 850	3 640 586	3 817 800	3 984 966	4 088 601	4 193 956	4 435 839	4 849 362	5 076 659
6. Health Sciences and Training	901 935	999 351	1 018 949	1 055 250	1 055 250	1 055 250	1 100 150	1 166 683	1 234 351
7. Health Care Support Services	130 541	122 844	151 908	138 288	138 288	166 859	326 487	255 354	270 163
8. Health Facilities Management	2 373 597	2 000 806	1 679 037	1 551 352	1 551 352	1 551 352	1 583 515	1 815 683	1 915 537
<b>Total</b>	<b>27 390 533</b>	<b>29 531 410</b>	<b>31 245 510</b>	<b>32 981 786</b>	<b>33 969 992</b>	<b>34 314 275</b>	<b>36 578 637</b>	<b>39 541 537</b>	<b>42 183 873</b>
Unauth. Exp. (1st charge) not available for spending	-	-	-	(107 607)	(107 607)	(107 607)	(107 607)	(107 608)	-
<b>Baseline available for spending after 1st charge</b>	<b>27 390 533</b>	<b>29 531 410</b>	<b>31 245 510</b>	<b>32 874 179</b>	<b>33 862 385</b>	<b>34 206 668</b>	<b>36 471 030</b>	<b>39 433 929</b>	<b>42 183 873</b>

Table 7.7 : Summary of payments and estimates by economic classification: Health

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>24 746 845</b>	<b>26 890 291</b>	<b>28 911 128</b>	<b>30 780 575</b>	<b>31 631 280</b>	<b>32 021 520</b>	<b>34 374 587</b>	<b>36 984 175</b>	<b>39 633 268</b>
Compensation of employees	16 886 345	18 676 776	20 014 542	21 138 481	21 625 944	21 830 915	23 096 722	24 633 318	26 187 519
Goods and services	7 860 500	8 213 347	8 895 900	9 642 094	10 005 170	10 190 139	11 277 865	12 350 857	13 445 749
Interest and rent on land	-	169	686	-	166	466	-	-	-
<b>Transfers and subsidies to:</b>	<b>486 764</b>	<b>740 159</b>	<b>828 088</b>	<b>648 156</b>	<b>843 119</b>	<b>858 059</b>	<b>734 473</b>	<b>786 547</b>	<b>825 156</b>
Provinces and municipalities	26 330	79 199	122 618	111 290	211 540	210 157	174 707	206 347	211 991
Departmental agencies and accounts	25 351	11 370	15 895	16 171	19 046	18 960	20 025	17 876	18 912
Higher education institutions	57	501	16	-	-	-	-	-	-
Foreign governments and international organisations	-	-	66	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	277 586	256 751	222 051	215 100	197 039	196 932	203 313	210 687	222 241
Households	157 440	392 339	467 442	305 595	415 494	432 010	336 428	351 637	372 012
<b>Payments for capital assets</b>	<b>2 156 923</b>	<b>1 867 332</b>	<b>1 505 879</b>	<b>1 445 448</b>	<b>1 387 977</b>	<b>1 324 660</b>	<b>1 361 970</b>	<b>1 663 207</b>	<b>1 725 449</b>
Buildings and other fixed structures	1 662 936	1 530 972	1 206 505	1 143 659	1 097 558	1 102 958	896 221	967 681	989 128
Machinery and equipment	493 987	336 179	299 374	301 789	290 419	221 702	465 749	695 526	736 321
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	181	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>1</b>	<b>33 629</b>	<b>415</b>	<b>107 607</b>	<b>107 616</b>	<b>110 036</b>	<b>107 607</b>	<b>107 608</b>	<b>-</b>
<b>Total</b>	<b>27 390 533</b>	<b>29 531 410</b>	<b>31 245 510</b>	<b>32 981 786</b>	<b>33 969 992</b>	<b>34 314 275</b>	<b>36 578 637</b>	<b>39 541 537</b>	<b>42 183 873</b>
Unauth. Exp. (1st charge) not available for spending	-	-	-	(107 607)	(107 607)	(107 607)	(107 607)	(107 608)	-
<b>Baseline available for spending after 1st charge</b>	<b>27 390 533</b>	<b>29 531 410</b>	<b>31 245 510</b>	<b>32 874 179</b>	<b>33 862 385</b>	<b>34 206 668</b>	<b>36 471 030</b>	<b>39 433 929</b>	<b>42 183 873</b>

The increase in Programme 1: Administration in 2013/14 was due to improved personnel capacity at head office to reduce dependence on consultants, as well as to improve audit outcomes, to cover extensive fraud investigations at head office and to provide for an increase in municipal and security costs. Also contributing to the growth in 2013/14 were pressures from forensic investigations, communications and computer services. The minimal growth in 2014/15 was attributed to the decision to scale down in respect of the procurement of new computers and motor vehicles. As previously mentioned, the department was liable for the first charge of the unauthorised expenditure which was to be paid over a period of three years, hence the increase in 2015/16. The increase in the 2015/16 Revised Estimate is due to pressures from forensic/disciplinary investigations, higher than expected A-G costs, as well as business advisory services. The reduction in 2016/17 from the 2015/16 Revised Estimate is attributable to a decision to utilise internal capacity to conduct disciplinary inquiries, with only complex cases to be referred to consultants, with growth thereafter for inflationary purposes only.

The increase in Programme 2: District Health Services over the seven years relates mainly to the restructuring of the department to improve service delivery at the PHC level. In addition, expenditure included the various wage agreements and increases in the Comprehensive HIV, AIDS and TB grant. The increase in 2013/14 was caused by over-expenditure due to the restructuring of PHC services, increased costs in ARV medication and micro-nutrients, municipal domestic charges, computer and essential medical equipment. The increase in 2014/15 was due to the filling of critical posts related to community outreach programmes and the roll-out of flu vaccines with no funding from the National Department of Health. The increase in the 2015/16 Adjusted Appropriation and the further increase in the Revised Estimate are due to the above-budget 2015 wage agreement, an increase in NHLS payments due to the fee-for-services payment method that was introduced, the municipal clinics carry-over expenditure from 2014/15 and the extreme pressure in respect of non-negotiable items such as medicines, medical supplies, laboratory services, patient catering, security and cleaning services. This group of items is under extreme pressure due to increases in contract prices of security and cleaning services and increased medicine costs due to the weakening of the Rand. The MTEF includes funding for the carry-through costs of previous wage agreements, general capacity building, additional NHLS and exchange rate pressure funding, as well as strong growth in the Comprehensive HIV, AIDS and TB grant, particularly in 2018/19.

In Programme 3: Emergency Medical Services, the overall growth is due to the continued drive to improve emergency medical services. The growth in 2013/14 and the 2015/16 Adjusted Appropriation is due to the once-off purchase of additional ambulances to continue the expansion of services to under-served areas. The increase in 2013/14 was also due to the increased demand for air ambulance services, increasing fuel

costs and pressures arising from the implementation of danger allowances for paramedic staff. Spending in 2015/16 also includes emergency vehicles and aeromedical services carry-over expenditure from 2014/15, hence the slower growth in 2014/15 and minimal growth in 2016/17. The relatively flat growth in 2016/17 relates to the expected decline in repair costs of emergency vehicles due to the stringent control measures to be implemented in 2016/17 and over the MTEF period. These measures will involve the appointment of an assessor to manage all the repairs and there will be verification of invoices before any commitment.

Overall, Programme 4: Provincial Hospital Services grows consistently over the entire period. The increase in 2013/14 was mainly due to the higher than expected medico-legal claims against the state and staff exit costs were significantly higher than anticipated, as well as pressures in the cost of medicines. The increase in 2015/16 is due to the previously mentioned NHLS fee-for-services payments, increased costs of non-negotiable items, water, electricity, as well as claims against the state. The slightly slower growth in 2016/17 is due to medico-legal claims not being budgeted for, mitigated by an increase in funding for the previously mentioned increase in NHLS fee-for-services costs. The 2016/17 MTEF includes carry-through costs for previous wage agreements, as well as the NHLS costs.

The sustained growth in Programme 5: Central Hospital Services from 2012/13 to 2018/19 relates mainly to the provision for the development and improvement of tertiary services. The impact of the introduction of the various OSDs for medical personnel, higher medical inflation and the Rand/Dollar exchange rate are also reflected in the trends. The increase in 2013/14 to 2015/16 was mainly due to higher than expected costs for the PPP at the Inkosi Albert Luthuli Central Hospital (IALCH). These costs are subject to exchange rate fluctuations. In addition, there was some over-spending against medical supplies, also influenced by the exchange rate and medical inflation. The lower growth in 2014/15 was due to the delay in the final quarterly payment to the PPP at IALCH. The increase in the 2015/16 Revised Estimate is mainly related to the filling of critical posts to strengthen neonatal services, as well as the PPP payment carry-over expenditure from 2014/15. The 2016/17 MTEF includes carry-through costs of previous wage agreements. Although additional funding has been received for NHLS and exchange rate pressures, the 2016/17 MTEF does not fully fund higher medical inflation, the effect of the weakening Rand/Dollar exchange rate on medicine, medical supplies, the PPP agreement, as well as the 2015 wage agreement carry-through costs, which are the major cost drivers under this programme. The latter pressure has resulted from the housing allowance increase causing many more employees taking up the allowance, whereas initial costs were based on the original number of recipients.

Programme 6: Health Sciences and Training shows consistent growth. The increase in 2013/14 related to training of an additional 351 doctors under the Cuban Doctors' programme, which commenced in 2012/13. Additional doctors were enrolled in this programme in 2014/15 and 2015/16, whereas the intake in some nursing training programmes was scaled down, hence the slower growth in 2014/15 and 2015/16. The weakening Rand/Dollar exchange rate has contributed to the increased costs for this programme. Growth over the 2016/17 MTEF accounts for inflation only. The department has received a written directive from NDOH that there should be no further recruitment for the Cuban Doctors' programme for the 2016 intake. It is projected that the number of students returning from Cuba will be 14 in 2016/17, 14 in 2017/18 and 13 in 2018/19, as mentioned previously.

Programme 7: Health Care Support Services is to enable the Provincial Medical Supply Centre (PMSC) to carry sufficient medical stock to meet demand. The significant reduction in 2013/14 was because there was no need to top up the Medicine Trading Account, due to sufficient funding. Funding for 2015/16 and 2016/17 provides for the commissioning of the KwaZulu Provincial Laundry. Once-off additional linen and laundry trucks will be procured during this period, explaining the increase in the 2015/16 Revised Estimate. Furthermore, the previously mentioned once-off additional funding of R80 million for hospital linen is allocated in 2016/17, accounting for the negative growth in 2017/18. In addition, there were delays in the commissioning of the KwaZulu Provincial Laundry in 2015/16, hence there were further costs in 2015/16 related to the outsourcing of laundry services.

Programme 8: Health Facilities Management is mainly financed through conditional grant funding, and the performance of this programme is directly linked to the Health Facility Revitalisation grant. The variances in this programme also account for the variances against *Buildings and other fixed structures*. The high base in 2012/13 was due to the acceleration in the delivery of infrastructure projects such as Dr.



Pixley Ka Seme Hospital, the Pomeroy and Dannhauser CHCs, the King Dinuzulu Hospital (former King George V Hospital) TB Complex, alterations and additions to the Lower Umfolozi War Memorial (LUWM) Hospital, as well as the upgrade of electrical reticulation at the Ngwelezane District Hospital. The pressure in the delivery of infrastructure projects already on site continued in 2013/14, hence the relatively high spending in 2013/14 which also included pressures in the supply of the KwaZulu Provincial Laundry and essential health technology equipment, LUWM Hospital for alterations and additions, as well as for the upgrade of electrical systems at the Ngwelezane District Hospital. The slightly lower trend over the 2016/17 MTEF is due to the previously mentioned reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure. As mentioned, baseline cuts were effected against both the equitable share and conditional grants from 2013/14 onward, and funding was also reprioritised from the equitable share portion of this programme, to other programmes, to cover the cost of commissioning facilities which have been completed and for which no funding was provided, for example, King Dinuzulu Hospital, Dannhauser CHC, Pomeroy CHC and clinics. These reductions have been offset to some extent by additional funding allocated over the MTEF for the impact of the weakening exchange rate on the cost of medical equipment.

*Compensation of employees* shows a strong upward trend from 2012/13 to 2015/16, mainly due to the carry-through costs of the various OSDs for medical personnel and other staff categories, as well as higher than anticipated wage agreements. In addition, from 2010/11, the department commenced restructuring its service delivery by strengthening services at PHC level. This required the employment of additional personnel at clinics and CHCs. Funding was provided from 2011/12 for the OSDs for medical personnel, health team pilots and models and improving hospital norms and standards, among others, with substantial growth in 2012/13 and 2013/14 for the latter items. In addition, there were carry-through costs for OSDs and improving infrastructure support. The increase in 2013/14 was mainly due to the late implementation of OSD for maternity nursing staff, and the filling of critical HIV and AIDS and CHC posts. The increase in 2014/15 was due to pressures from the takeover of McCord Hospital (R53 million), the above-budget 2014 annual wage agreement (R171 million) and the absorption of staff (mainly community service) with contractual obligations (R70 million). The increase in the 2015/16 Revised Estimate relates to the increase in the housing allowance, which formed part of the 2015 wage agreement. The low growth in 2016/17 is attributable to the previously mentioned under-funded increase in housing allowance at this stage, as well as the need to fund the increasing costs of the non-negotiables. The growth over the outer years of the 2016/17 MTEF is also low and does not cover inflationary adjustments due to exchange rate pressures and the funding of non-negotiables. As mentioned, this will need to be reviewed in-year by the department.

*Goods and services* increases substantially from 2012/13 to 2016/17. As mentioned, the department now provides for the payment of NHLS costs via a fee-for-services mechanism which is significantly higher than the previous flat-fee rate. The pressure under this item is primarily related to the increase in demand for health services, the high rate of inflation on medical supplies and services, as well as increased catering and fuel costs. Other contributing factors are the increasing demand for ART, treatment of MDR/XDR TB, the introduction of specific projects such as the reduction of infant and child mortality through immunisation, increased costs of non-negotiables, increased costs of water and electricity, as well as a substantial increase in the Comprehensive HIV, AIDS and TB grant. The increase in 2013/14 included pressure from ARVs and other medication, forensic investigations and rising fuel costs. The increase in 2014/15 related to the acceleration in the maintenance and repairs of existing facilities, pressures in forensic investigations, IT services and consultants. In addition, there were pressures against medicine (flu vaccines and oral contraceptives), increased contract prices for medical supplies and security, patient catering and groceries. The growth in 2015/16 and 2016/17 includes additional funding for NHLS pressures, ARV treatment, the carry-through costs of national priority initiatives, acceleration in the day-to-day maintenance of existing facilities, as well as inflationary adjustments. The growth in 2018/19 relates to the previously mentioned additional funding for the inclusion of TB into the Comprehensive HIV, AIDS and TB grant. Note that the department's costs for medicines, medical supplies and medical equipment will be impacted by the deteriorating Rand/Dollar exchange rate as more than 90 per cent of these items are imported, and this is likely to add significant pressure if the exchange rate does not improve. As mentioned earlier, additional funding in this regard has been allocated for these pressures over the 2016/17 MTEF, however, the funding falls short of the amount required.

The 2013/14 and 2014/15 spending on *Interest and rent on land* largely relates to interest costs on medico-legal claims, while the expenditure in 2015/16 relates to interest on over-due accounts.

The strong growth from 2013/14 to 2015/16 against *Transfers and subsidies to: Provinces and municipalities* relates mainly to the commitment to strengthen the treatment of HIV and AIDS by municipal clinics and ensure that the levels of care provided meet provincial standards. There were delays in the signing of SLAs with the eThekweni Metro in 2014/15 which resulted in expenditure being carried over to 2015/16, hence the high growth in the 2015/16 Adjusted Appropriation followed by negative growth in 2016/17.

The decrease against *Transfers and subsidies to: Departmental agencies and accounts* in 2013/14 was because there was no need to top up the Medicine Trading Account in that year. The increase in 2014/15 and the 2015/16 Adjusted Appropriation provides for the HWSETA levy, in line with the growth in *Compensation of employees*. Growth over the 2016/17 MTEF is for inflationary purposes only.

The decrease in *Transfers and subsidies to: Non-profit institutions* in 2013/14 was due to the transfers budgeted for McCord Hospital no longer being required following the negotiations and take-over by the state. The negative growth in 2014/15 was due to the provincialisation of McCord Hospital as the funding for the hospital has moved to other categories, and is discussed in more detail in Section 5.9. In addition, the department had made provision for the phased-in contribution to the KZN Children's Hospital infrastructure and renovations up to 2013/14, with no provision made thereafter. The reduction in the 2015/16 Adjusted Appropriation is due to funds that were earmarked for further negotiations with the non-profit institutions across various sub-programmes and thus not allocated to any specific project, which were reprioritised to offset previously mentioned pressures under municipal clinics.

The fluctuating trend reflected in *Transfers and subsidies to: Households* relates to staff exit costs and medico-legal claims. The increasing trend from 2013/14 to 2015/16 was related to the higher than expected medico-legal claims and pressures regarding the Cuban Doctors' programme. Although, as previously mentioned, NDOH has given instructions that no further recruitment is to take place, the costs for those already in Cuba are influenced by the fluctuating exchange rate, with an average of 14 per year expected to return over the MTEF, and thereafter undergo a further 18 months of local training before graduating. There are no provisions for the medico-legal claims in the 2016/17 MTEF, hence the declining trend over the MTEF period. The department cannot reprioritise funds to medico-legal claims at this stage due to other competing service delivery needs, and this will need be addressed in-year by the department.

As mentioned in Programme 8 above, the trends for *Buildings and other fixed structures* show high spending in 2012/13 and 2013/14 due to the ongoing focus on improving physical facilities, including the provision of essential equipment. Much of this increase was attributable to significant increases in the Health Facility Revitalisation grant, as well as the development of forensic pathology services, affecting mainly *Buildings and other fixed structures*. The high 2012/13 amount was attributed to acceleration in a number of infrastructure projects on site that could not be stopped without incurring further costs to the department. These included the Dr Pixley ka Seme Hospital, the Pomeroy and Dannhauser CHCs, the King Dinuzulu Hospital TB Complex, alterations and additions to the LUWM Hospital, as well as the upgrade of electrical reticulation at the Ngwelezane District Hospital. From 2013/14, the trend reduces in line with the availability of funds, and the reprioritisation of some of this funding from new projects to accelerate the day-to-day maintenance of existing infrastructure. The 2016/17 MTEF trend is affected by the previously mentioned reduction in the Health Facility Revitalisation grant from 2016/17.

The high base in *Machinery and equipment* in 2012/13 relates mainly to the drive undertaken to clear the backlog in the procurement of essential health technology equipment and to replace all redundant and leased computer and printing equipment. In addition, there were purchases of additional motor vehicles for the ward-based community outreach programme, the replacement of old ambulances, the purchase of additional ambulances to expand emergency medical services to under-served rural areas, which all started in 2011/12. The census related baseline cuts resulted in the department having to reprioritise funding to other non-negotiable service delivery imperatives, hence the decrease in this category over this period. The negative trend in 2014/15 and 2015/16 can mainly be attributed to the census related baseline budget cuts which were made, as the funding was required for the committed and contracted capital projects

which were in construction phase. The high growth in 2016/17 is attributable to the increased allocation to clear the backlog in the procurement of medical equipment caused by the previously mentioned budget cuts. The 2016/17 MTEF trend is affected by the previously mentioned reduction in the Health Facility Revitalisation grant from 2016/17, as well as the increase in funding to address exchange rate pressures.

*Payments for financial assets* reflect debts that were written-off over the period, as well as the payments for the unauthorised expenditure first charge.

## 5.4 Summary of conditional grant payments and estimates

Tables 7.8 and 7.9 illustrate conditional grant payments and estimates from 2012/13 to 2018/19. Details of all conditional grants are listed below, with further detail given in *Annexure – Vote 7: Health*.

Note that the historical figures set out in Table 7.1 for the period 2012/13 to 2015/16 indicate the actual receipts for each grant, as well as other technical adjustments, and therefore should not be compared to the figures reflected in Table 7.8 below.

**Table 7.8 : Summary of conditional grants payments and estimates by name**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Health Professions Training and Development grant	261 860	276 262	292 847	299 513	299 513	299 513	312 377	331 943	351 196
Health Facility Revitalisation grant	1 176 514	1 072 529	1 362 469	1 229 775	1 229 775	1 229 775	1 114 693	1 095 910	1 153 707
National Tertiary Services grant	1 323 114	1 415 743	1 496 426	1 530 246	1 530 246	1 530 246	1 596 286	1 696 266	1 794 649
Comprehensive HIV, AIDS and TB grant	2 225 423	2 651 997	3 258 231	3 813 094	3 812 972	3 812 972	4 244 243	4 889 864	5 555 075
Human Papillomavirus Vaccine grant	-	-	-	-	-	-	-	-	44 976
Social Sector EPWP Incentive Grant for Provinces	-	-	2 580	13 000	13 000	13 000	13 000	-	-
EPWP Integrated Grant for Provinces	1 000	3 000	2 581	3 683	3 682	3 682	7 122	-	-
National Health Insurance grant	17 115	15 520	18 399	14 408	15 857	15 857	15 083	-	-
AFCON 2013: Medical Services grant	1 672	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5 006 698</b>	<b>5 435 051</b>	<b>6 433 533</b>	<b>6 903 719</b>	<b>6 905 045</b>	<b>6 905 045</b>	<b>7 302 804</b>	<b>8 013 983</b>	<b>8 899 603</b>

**Table 7.9 : Summary of conditional grants payments and estimates by economic classification**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>3 710 600</b>	<b>4 339 798</b>	<b>5 043 090</b>	<b>5 676 469</b>	<b>5 894 088</b>	<b>5 899 188</b>	<b>6 451 573</b>	<b>7 112 913</b>	<b>7 991 991</b>
Compensation of employees	2 132 513	2 725 666	3 001 076	3 176 492	3 208 562	3 207 497	3 319 815	3 715 010	4 014 601
Goods and services	1 578 087	1 614 127	2 042 013	2 499 977	2 685 526	2 691 691	3 131 758	3 397 903	3 977 390
Other	-	5	1	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>11 336</b>	<b>16 464</b>	<b>64 454</b>	<b>67 009</b>	<b>82 247</b>	<b>84 072</b>	<b>91 020</b>	<b>95 564</b>	<b>101 106</b>
Provinces and municipalities	-	7	40 001	30 000	60 000	60 000	70 000	73 500	77 763
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	11 336	12 742	14 291	27 000	12 607	14 586	11 507	12 174	12 880
Households	-	3 715	10 162	10 009	9 640	9 486	9 513	9 890	10 463
<b>Payments for capital assets</b>	<b>1 284 762</b>	<b>1 078 789</b>	<b>1 325 989</b>	<b>1 160 241</b>	<b>928 710</b>	<b>921 785</b>	<b>760 211</b>	<b>805 506</b>	<b>806 506</b>
Buildings and other fixed structures	979 788	1 021 351	1 171 045	1 143 659	891 271	891 271	731 455	778 832	775 832
Machinery and equipment	304 974	57 438	154 944	16 582	37 439	30 514	28 756	26 674	30 674
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>5 006 698</b>	<b>5 435 051</b>	<b>6 433 533</b>	<b>6 903 719</b>	<b>6 905 045</b>	<b>6 905 045</b>	<b>7 302 804</b>	<b>8 013 983</b>	<b>8 899 603</b>

The *Health Professions Training and Development grant* supports the department in providing funding for operational costs associated with the training and development of health professionals, development and recruitment of medical specialists in under-served provinces and support and strengthen under-graduate teaching and training processes in health facilities. The trend in this grant over the seven years reflects inflationary increases only. A decision was taken in 2011/12 to use the grant to fund the personnel costs of registrars only. The grant receives an inflation related adjustment of R19.253 million in 2018/19.

The **Health Facility Revitalisation grant** has the following aims:

- To accelerate the construction, maintenance, upgrading and rehabilitation of new and existing health infrastructure.
- To enable provinces to plan, manage, modernise, rationalise and transform the infrastructure, health technology, monitoring and evaluation of hospitals and to transform hospital management and improve quality of care, in line with national policy objectives.
- To supplement provincial funding of health infrastructure, to accelerate the provision of health facilities including office furniture and related equipment, as well as to ensure proper maintenance of provincial health infrastructure for nursing colleges and schools.

The high spending in 2012/13 in the Health Facility Revitalisation grant relates primarily to the intensive drive to improve the physical health facilities in KZN. The decrease in 2013/14 relates to the census based budget cuts. As mentioned previously, the allocation for this grant reduces in the outer years due to the reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure. However, the department received an increase in 2016/17 in this grant of R109.454 million, as the required planning documents were submitted. However, this grant was subject to reductions over the 2016/17 MTEF because of the constrained national economy amounting to R42.282 million in 2016/17, resulting in a net increase of R67.172 million. The grant is reduced by R3.988 million in 2017/18 and grows in 2018/19 by R53.809 million.

The **National Tertiary Services grant** is used to enable provinces to plan, modernise, rationalise and transform the tertiary hospital service delivery platform in line with national policy objectives, including improving access and equity. The increasing trend relates mainly to additional funding provided for the modernisation of tertiary services. The grant receives additional funding of R98.383 million in 2018/19.

The **Comprehensive HIV, AIDS and TB grant** is provided to enable the sector to develop effective and integrated management of HIV, AIDS and TB, to support the implementation of the National Operational Plan for comprehensive HIV and AIDS treatment and care and to subsidise, in part, funding for the ARV treatment programme. Note that the grant has been extended with the focus to now include TB. As such, the name of the grant is amended to take this into account and a sizeable additional allocation is received, particularly in the outer year. The substantial growth indicates the critical importance placed on managing this pandemic. From 2012/13, funding was increased to enable the ARV threshold to be reduced to a CD4 count of 350. The grant continues to grow strongly over the 2016/17 MTEF, with the growth in 2016/17 providing for increased ARV take-up rate and the impact of the withdrawal of PEPFAR donor funding used for HIV and AIDS prevention, care and treatment programmes within this grant. Furthermore, the province has succeeded in motivating for an increase in funding based on the fact that historical funding saw KZN receive 25 per cent of the national grant funding, while carrying approximately 31 per cent of the national case-load. This funding, reallocated from other provinces, is phased in over two years (2014/15 and 2015/16) to allow the other provinces time to adjust to their lower levels of funding. The grant allocation also provides for the rising CD4 threshold rising from 350 to 500 from 2015/16 onwards. The increase in the baseline is for the continued expansion of the Antiretroviral Treatment Programme (in 2018/19), HIV prevention and to cater for TB screening and treatment (in the outer years). Note that this grant was subject to baseline cuts in the first two years of the 2016/17 MTEF due to the constrained national economy with R48.853 million cut in 2016/17 and R3.084 million in 2017/18. However, the reduction in 2017/18 is offset by an increase of R52 million for the extension in focus to now include TB, with a further significant increase in 2018/19 of R714.127 million.

The **Human Papillomavirus Vaccine grant**, which was scheduled to end in 2015/16, continues as an indirect grant for the first two years of the 2016/17 MTEF before changing to a direct grant in 2018/19, with R44.976 million allocated to this grant in 2018/19.

The **Social Sector EPWP Incentive Grant for Provinces** subsidises non-profit organisations in home community-based care programmes to provide stipends to previously unpaid volunteers to maximise job creation and skills development in line with the EPWP guidelines. There was no funding for this grant in 2012/13 and 2013/14 and these functions were paid from the equitable share. With the resumption of the

grant in 2014/15, the department utilises the funding to subsidise home community-based care-givers and receives R13 million in 2016/17.

The *EPWP Integrated Grant for Provinces* is used to enhance the number of full time equivalent jobs created through labour intensive infrastructure programmes, which utilises local people to maintain grounds and clean buildings. Note that funding is provided for 2016/17 only, with R7.122 million allocated in this regard.

The *National Health Insurance grant* has been allocated to provide financial support for the development of projects directed at improving health delivery in line with the requirements of the introduction of the NHI. The grant was reduced significantly from 2013/14, due to an indirect National Health grant, which will be spent by the NDOH on behalf of provinces. The new grant has two components, one to support infrastructure projects and the second to support the NHI scheme pilots. The high amount in 2013/14 is due to a roll-over from 2012/13 for medical, surgical and information technology equipment ordered in 2012/13, but only delivered in 2013/14. Similarly, the high 2014/15 amount relates to a roll-over of R5.848 million from 2013/14 for a patient record system, ordered in 2013/14 but only delivered in 2014/15. The growth in 2016/17 is for inflation only, and the grant ceases in 2016/17, to become part of the indirect grant at NDOH.

The *AFCON 2013: Medical Services grant* was a grant which provided once-off funding allocated in 2012/13 for support to the African Cup of Nations (AFCON) tournament.

The increase from 2013/14 in *Compensation of employees* results mainly from the decision to incorporate the payment of registrars (medical specialists in training) into the Health Professions Training and Development grant, the increase in the number of HIV and AIDS projects driven by the improved HIV and AIDS ARV policy resulting in the need to employ more staff, and the implementation of the OSDs for medical personnel. The high growth in the outer year relates to additional funds for the Comprehensive HIV, AIDS and TB grant, allocated to enhance staffing levels to match the growth in levels of treatment and to cater for TB screening and treatment.

The significant increase in *Goods and services* from 2012/13 onward is directly linked to the growth in the Comprehensive HIV, AIDS and TB grant. This is linked to the funding provided for ARVs, the anticipated increase in the uptake of additional patients on the ARV programme, the increased cost of the ARV medicines to be covered by the department's budget due to the ceasing of funding by international donors, the increased costs of micro-nutrients, as well as provision for the male circumcision programme. As previously mentioned, this grant is extended in focus to now include TB and therefore the significant growth is for the continued expansion of the ARV programme, HIV prevention and to cater for TB screening and treatment (in the outer years). The increase in the 2015/16 Adjusted Appropriation relates to funding reprioritised from *Buildings and other fixed structures* (within the Health Facilities Revitalisation grant) due to slower than expected progress on the Dr. Pixley ka Seme Hospital due to slow SCM processes by the implementing agent. This funding will be used for maintenance and repairs of existing infrastructure.

*Transfers and subsidies to: Provinces and municipalities* grows significantly in 2014/15 related to support for municipal clinics in the treatment of HIV and AIDS. The further increase in 2015/16 is due to the carry-over of expenditure from 2014/15 resulting from delays in finalising the SLAs with the eThekweni Metro for municipal clinics. The funding against *Transfers and subsidies to: Non-profit institutions* relates to similar support to NGOs for treatment related to HIV and AIDS.

The increasing trend in *Buildings and other fixed structures* from 2012/13 to 2014/15 relates to the drive to improve infrastructure, in line with the trends in the Health Facility Revitalisation grant. The decrease in the 2015/16 Adjusted Appropriation was mainly due to the previously mentioned slower than expected progress on the Dr. Pixley ka Seme Hospital, with funding redirected to maintenance projects. The 2016/17 MTEF trend is lower from 2016/17 onward due to the previously mentioned decrease in the Health Facility Revitalisation grant.

The fluctuating trend in *Machinery and equipment* relates to the variation in the business plans of the grants related to this category, mainly the Health Facility Revitalisation grant and the National Tertiary

Services grant. The decrease in 2013/14 is attributed to reprioritisation to *Buildings and other fixed structures* to address pressures. The decrease in 2016/17 relates to the previously mentioned decrease in the Health Facility Revitalisation grant. Allocations over the 2016/17 MTEF have been made in accordance with the business plans of the relevant grants.

## 5.5 Summary of infrastructure payments and estimates

Table 7.10 below presents a summary of infrastructure payments and estimates by categories for Vote 7. Detailed information on infrastructure is given in the *Annexure – Vote 7: Health*.

The infrastructure trend decreases between 2012/13 to 2015/16, resulting from the previously mentioned census based budget cuts. Thereafter, the trend stabilises and is largely in line with the Health Facility Revitalisation grant, affecting mainly *New infrastructure assets: Capital, Upgrades and additions: Capital*, as well as *Refurbishment and rehabilitation: Capital*.

The department provided for the building of additional CHCs and clinics, particularly from 2012/13 to 2014/15, in line with its service delivery plan, as well as the upgrading or replacement of hospitals and clinics in a state of disrepair.

**Table 7.10 : Summary of infrastructure payments and estimates by category**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Existing infrastructure assets</b>	<b>1 675 290</b>	<b>1 480 827</b>	<b>1 259 591</b>	<b>925 285</b>	<b>983 616</b>	<b>1 033 644</b>	<b>955 355</b>	<b>1 193 882</b>	<b>1 312 683</b>
Maintenance and repair: Current	439 636	325 401	354 977	363 758	317 202	338 410	440 294	356 002	413 809
Upgrades and additions: Capital	1 015 627	840 089	633 455	402 569	481 643	530 636	360 261	684 098	732 427
Refurbishment and rehabilitation: Capital	220 027	315 337	271 159	158 958	184 771	164 598	154 800	153 782	166 447
<b>New infrastructure assets: Capital</b>	<b>654 434</b>	<b>475 909</b>	<b>395 254</b>	<b>578 921</b>	<b>527 131</b>	<b>483 982</b>	<b>581 160</b>	<b>579 801</b>	<b>560 854</b>
<b>Infrastructure transfers</b>	<b>20 000</b>	<b>20 022</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Infrastructure transfer: Current	-	22	-	-	-	-	-	-	-
Infrastructure transfer: Capital	20 000	20 000	-	-	-	-	-	-	-
<b>Infrastructure: Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Infrastructure: Leases</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2 349 724</b>	<b>1 976 758</b>	<b>1 654 845</b>	<b>1 504 206</b>	<b>1 510 747</b>	<b>1 517 626</b>	<b>1 536 515</b>	<b>1 773 683</b>	<b>1 873 537</b>
<i>Capital infrastructure</i>	<i>1 910 088</i>	<i>1 651 335</i>	<i>1 299 868</i>	<i>1 140 448</i>	<i>1 193 545</i>	<i>1 179 216</i>	<i>1 096 221</i>	<i>1 417 681</i>	<i>1 459 728</i>
<i>Current infrastructure</i>	<i>439 636</i>	<i>325 423</i>	<i>354 977</i>	<i>363 758</i>	<i>317 202</i>	<i>338 410</i>	<i>440 294</i>	<i>356 002</i>	<i>413 809</i>

*Maintenance and repair: Current* expenditure shows a fluctuating trend over the period. The high spending in 2012/13 is a result of a conscious decision taken by the department to accelerate delivery on day-to-day maintenance and small maintenance projects, after Provincial Treasury expressed a concern over significant under-expenditure against this category. The reduction in 2013/14 was due to poor performance relating to no-period contracts in place for the department, as well as poor performance from contractors. The funding was moved to *Buildings and other fixed structures* to accommodate the over-committed value of projects in construction. The decrease in the 2015/16 Adjusted Appropriation relates to funding reprioritised to *Machinery and equipment* to address pressures in the medical equipment replacement programme. These savings resulted from over-budgeting for maintenance, which was corrected in the department's final infrastructure plan approved in April 2015, after the original budget was tabled. The increase in 2016/17 relates to a more focused application of the DORA requirements for the Health Facility Revitalisation grant, which requires a 25 per cent allocation of the grant to maintenance. In addition, there is a drive to address backlogs in fixed equipment maintenance (lifts, air-conditioners, chillers, boilers, etc), hence the reduction in 2017/18. Note that the previously mentioned cuts in the Health Facility Revitalisation grant related to the constrained economic outlook were effected against this category over the 2016/17 MTEF.

*Upgrades and additions: Capital* was high in 2012/13 as a result of good progress at the King Dinuzulu Hospital TB Complex, alterations and additions to the LUWM Hospital, as well as the upgrade of electrical reticulation at the Ngwelezane District Hospital. The significant decrease in 2013/14 was due to the Dundee Regional Laundry not commencing operation, the acquisition of St. Aidan's Hospital did not materialise, as well as slow spending on the King Dinuzulu Hospital health technology equipment and

Natalia building phase 1 and 2 projects. The further decrease in 2014/15 relates to reprioritisation to *Maintenance and repair: Current* to address spending pressures in maintenance. Mitigating this movement to some degree was once-off additional funding received for the Health Facility Revitalisation grant. The increases in the 2015/16 Adjusted Appropriation and the Revised Estimate relate to pressures for replacement equipment, as well as faster than anticipated progress on a number of projects including the KwaZulu Provincial Laundry, as well as the Stanger and Edendale Hospital projects. As mentioned above, this category shows a decrease in 2016/17 related to the previously mentioned decrease in the Health Facility Revitalisation grant. The strong growth in 2017/18 and 2018/19 is due to additional funding allocated for exchange rate related pressures in the costs of essential medical equipment.

*Refurbishment and rehabilitation: Capital* shows strong growth in 2013/14 due to the refurbishment of Addington Hospital and the KwaZulu Provincial Laundry in eThekweni. Also contributing was the renovation of the maternity, female and paediatric wards at the Mosveld Hospital and the renovation of the Ekuhlengeni Life Care Centre. The decline in 2015/16 is due to the Census-based cuts effected in 2013/14. The increase in the 2015/16 Adjusted Appropriation relates to pressures from projects progressing faster than expected, including projects at RK Khan, King Edward VIII and Ngwelezane Hospitals. The decrease in 2016/17 relates to the previously mentioned decrease in the Health Facility Revitalisation grant.

The declining trend in *New infrastructure assets: Capital* from 2012/13 to 2014/15 relates to a decision by management to increase funding for the maintenance, upgrading, rehabilitation and refurbishment of existing infrastructure in order to preserve these facilities. The high spending in 2012/13 relates to the faster than expected progress at the Pomeroy and Dannhauser CHCs, as well as office and residential accommodation lease agreements being higher than initially forecast. The leases were identified as current expenditure, and from 2013/14 they are being paid as such. The decrease from 2013/14 relates to the above-mentioned budget cuts and to slowing the pace of construction so that spending remained within budget at the King Dinuzulu and Dr. Pixley ka Seme Hospitals, as well as the Phoenix Mortuary. The main project contributing to the growth in 2015/16 is the Dr. Pixley ka Seme Hospital. Also affecting the growth is the construction of CHCs in Dannhauser, Jozini and Bruntville. The decrease in the 2015/16 Adjusted Appropriation relates to slower than expected progress on the Dr. Pixley ka Seme Hospital project. The trend over the MTEF relates to this project, which is expected to be complete in 2019/20.

The funds reflected under the category *Infrastructure transfers: Capital* from 2012/13 to 2013/14 are for the transfer to the KZN Children's Hospital Trust for the development and refurbishment of the KZN Children's Hospital in eThekweni, which was completed in 2013/14.

## 5.6 Summary of Public Private Partnerships (PPP)

Table 7.11 provides a summary of PPP projects in the department. In 2002/03, the department entered into a PPP with Impilo Consortium (Pty) Ltd. The agreement covered the provision of equipment, information management and technology and facilities management for the IALCH. This agreement enables the department to focus on the clinical services at the hospital, and to promote the hospital as a central referral hospital, operating at the highest standards in terms of quality, efficiency, effectiveness and patient focused care. The current contract with Impilo Consortium (Pty) Ltd comes to an end in 2016/17, and PT's PPP unit is currently assisting the department regarding its exit strategy and final works.

Table 7.11 : Summary of Public Private Partnership projects

R thousand	Annual cost of project Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Projects signed in terms of Treasury Regulation 16	647 788	679 454	681 636	874 478	768 478	837 138	814 000	-	-
PPP unitary charge	647 788	679 454	681 636	874 478	768 478	837 138	814 000	-	-
<b>Total</b>	<b>647 788</b>	<b>679 454</b>	<b>681 636</b>	<b>874 478</b>	<b>768 478</b>	<b>837 138</b>	<b>814 000</b>	<b>-</b>	<b>-</b>

Payments made for services rendered are index-linked and are thus subject to movements in CPI. Payments in 2016/17 have been calculated based on current estimates. The increasing trend over the period relates mainly to the deterioration in the Rand/Dollar exchange rate. The decline to zero in 2017/18 is due to the anticipated ending of the PPP in 2017. In line with the PPP agreement, the transaction

advisors will, in 2016/17, conduct the feasibility study survey, prepare the exit strategy and assist with the implementation thereof. The funds, from 2017/18 onward, are reflected against the standard categories of *Goods and services* and *Machinery and equipment* within Programme 5: Central Hospital Services.

## 5.7 Transfers to public entities listed in terms of Schedule 3 of the PFMA – Nil

## 5.8 Transfers to other entities

Table 7.12 provides a list of entities that receive funding from the department.

**Table 7.12 : Summary of departmental transfers to other entities**

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Austerville Halfway House	2.2: Comm. Hlth Clinics	525	520	536	552	552	552	569	-	-
Azalea House	2.2: Comm. Hlth Clinics	485	480	495	510	510	510	525	-	-
Claremont Day Care Centre	2.2: Comm. Hlth Clinics	371	367	378	389	389	389	401	-	-
Ekuhanyeni Clinic (AIDS step down centre)	2.2: Comm. Hlth Clinics	926	946	920	967	967	967	-	-	-
Elandskop Clinic	2.2: Comm. Hlth Clinics	458	187	-	-	-	-	-	-	-
Enkumane Clinic	2.2: Comm. Hlth Clinics	276	271	265	-	-	-	-	-	-
Ethembeni Care Centre	2.6: HIV and AIDS	4 366	4 715	4 189	5 179	5 179	5 179	-	-	-
Genesis Care Centre	2.6: HIV and AIDS	2 891	2 487	2 857	2 861	2 861	2 861	-	-	-
Humana People to People	2.6: HIV and AIDS	-	2 073	3 291	3 131	-	-	-	-	-
Ikwezi Cripple Care	2.2: Comm. Hlth Clinics	1 515	1 136	1 170	1 205	1 205	1 205	1 242	-	-
John Peattie House	2.2: Comm. Hlth Clinics	1 348	1 335	1 139	1 173	1 367	1 173	1 408	-	-
Jona Vaughn Centre	2.2: Comm. Hlth Clinics	2 359	2 335	2 017	2 077	2 420	2 077	2 493	-	-
KZN Blind and Deaf Society	2.2: Comm. Hlth Clinics	-	-	800	824	824	824	849	-	-
Lyn House	2.2: Comm. Hlth Clinics	590	584	593	611	611	611	629	-	-
Madeline Manor	2.2: Comm. Hlth Clinics	849	841	866	892	892	892	919	-	-
Magaye school for the Blind	2.2: Comm. Hlth Clinics	-	-	458	515	515	515	530	-	-
Matikwe Oblate Clinic	2.2: Comm. Hlth Clinics	496	491	486	481	481	481	-	-	-
Mountain View Hospital	Various	9 971	9 871	9 773	9 675	9 675	9 675	-	-	-
Noyi Bazi Oblate Clinic	2.2: Comm. Hlth Clinics	501	496	178	-	-	-	-	-	-
Philanjalo Hospice (step down centre)	2.6: HIV and AIDS	2 881	3 378	1 935	2 525	2 525	2 500	-	-	-
Power of God	2.6: HIV and AIDS	-	-	1 100	1 133	1 133	1 133	1 167	-	-
Rainbow Haven	2.9: District Hospitals	393	385	397	409	409	409	421	-	-
Scadifa Centre	2.2: Comm. Hlth Clinics	959	949	925	953	953	953	982	-	-
Siloah Hospital	Various	19 149	18 958	21 873	21 934	21 934	21 934	-	-	-
Sparkes Estate	2.2: Comm. Hlth Clinics	1 067	445	1 099	1 132	1 132	1 132	1 166	-	-
St Lukes Home	2.2: Comm. Hlth Clinics	730	430	443	456	456	456	470	-	-
St Mary's Hospital Marianhill	Various	112 226	116 963	150 961	124 174	124 174	124 174	-	-	-
The Bekimpelo Trust	2.2: Comm. Hlth Clinics	7 600	7 904	8 141	8 385	8 385	8 385	-	-	-
Other entities	Various	104 654	78 204	4 766	1 547	3 207	6 378	5 517	-	-
Earmarked for further negotiations	Various	-	-	-	21 410	4 283	1 567	184 025	210 687	222 241
<b>Total</b>		<b>277 586</b>	<b>256 751</b>	<b>222 051</b>	<b>215 100</b>	<b>197 039</b>	<b>196 932</b>	<b>203 313</b>	<b>210 687</b>	<b>222 241</b>

The transfers include the provision of general clinic, HIV and AIDS, district hospital, general hospital and TB services. The varying trend across the seven years relates mainly to the inclusion/exclusion of entities, as well as to the implementation of OSD for doctors in certain institutions which qualify.

The effect of the higher than anticipated wage agreements and the OSD for doctors is shown under those institutions which qualify for the state salary increases.

The reduction in 2013/14 is a result of the previously mentioned reduction in transfer to McCord Hospital following its take-over by the province, as well as delays in signing SLAs for various NGOs.

The further decrease in 2014/15 is due to the ceasing of funding for McCord Hospital as it was taken over as a provincial hospital and funding is now from other categories. In addition, the funding for the KZN Children's Hospital Trust for the development and refurbishment of this hospital in the eThekweni Metro ceases, due to the completion of the contract.

The decrease in the 2015/16 Adjusted Appropriation was due to unallocated funds that were earmarked for future negotiations but were unlikely to be allocated, as well as institutions received ARV medication from the department instead of transfers. These funds were moved to *Transfers and subsidies to: Provinces and municipalities* to offset pressures arising from the department's decision to increase HIV and AIDS funding at municipal clinics.



Over the MTEF, the baseline growth is for inflationary purposes only. Note that the funds against *Earmarked for further negotiations* are funds awaiting recommendations upon receipt of requests for additional or new funding from the districts (for NGOs). These funds will be allocated as soon as the figures from the department's Committee for Grant Funding are received. For the 2016/17 amount, this will take place early in 2016/17 and will therefore be formalised in the 2016/17 Adjustments Estimate, while the process for 2017/18 onward will be completed in time for the 2017/18 MTEF budget process.

## 5.9 Transfers to local government

Table 7.13 shows transfers to local government, per category of municipality. All transfers are made to a single grant, namely municipal clinics in the sub-programme: Community Health Clinics. It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds are not transferred to any municipality, and hence are excluded from the table.

Although these funds are earmarked for transfer to municipalities, the transfer is dependent upon the provision of satisfactory services in line with SLAs signed by municipalities. The purpose of the transfer is to subsidise primary health care for services provided by local authorities/municipal clinics. Until the negotiations for the take-over of these clinics has been finalised, these funds will remain in this category. Further details of amounts per grant type and municipality are given in *Annexure – Vote 7: Health*.

**Table 7.13 : Summary of departmental transfers to local government by category**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Category A	-	61 051	105 000	105 000	205 250	205 250	169 048	200 000	205 394
Category B	22 893	13 685	12 404	-	-	-	-	-	-
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>22 893</b>	<b>74 736</b>	<b>117 404</b>	<b>105 000</b>	<b>205 250</b>	<b>205 250</b>	<b>169 048</b>	<b>200 000</b>	<b>205 394</b>

The increase from 2013/14 to 2015/16 in Category A, which represents the eThekweni Metro, pertains mainly to inflation, and relates to transfers to municipal clinics within the Metro. The nil expenditure in 2012/13 and the significant increase in 2014/15 against Category A was due to a delay in the signing of the SLAs with eThekweni. The significant increase from 2013/14 to the 2015/16 Revised Estimate relates to the department's decision to provide additional funding to meet the health funding requirements of the clinics in the Metro and the transfer payment expenditure carried over from 2012/13, 2013/14 and 2014/15, respectively, due to delays in the signing of SLAs, as previously mentioned. The further increase in 2016/17 (as compared to the 2015/16 Adjusted Appropriation) is largely due to the commitment to assist clinics with pressures in the treatment of HIV and AIDS, the extension of hours of services, as well as to cater for an increase in neonatal services.

The varying trend in Category B relates to the anticipated provincialisation of the municipal clinics. The majority of the municipal clinics were taken over by the department by the end of 2012/13, and funding in 2014/15 only provided for the uMhlathuze Municipality whose clinics were provincialised by December 2014, hence no funding was provided from 2015/16 onward. In addition, funding was provided in 2012/13 for the finalisation of the provincialisation of clinics in Umlalazi (uThungulu), as well as municipalities in the uMgungundlovu and Ilembe Districts. Funding will continue to be provided over the 2016/17 MTEF for the eThekweni Metro only, as mentioned previously.

## 5.10 Transfers and subsidies

Table 7.14 gives a summary of spending on *Transfers and subsidies* by programme and main category. The various trends in each programme are explained above and below the table.

- In Programmes 1 to 5, the amounts reflected against *Departmental agencies and accounts* relate to TV licences which arose from an amendment to SCOA in 2012/13, shifting the allocation from *Goods and services* to this category. Historical data was restated for comparison purposes.

Table 7.14 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>1. Administration</b>	<b>7 977</b>	<b>3 201</b>	<b>7 249</b>	<b>6 101</b>	<b>6 651</b>	<b>6 429</b>	<b>6 519</b>	<b>6 845</b>	<b>7 242</b>
Provinces and municipalities	1 900	1 952	3 267	3 100	3 100	3 423	3 359	3 527	3 732
Motor vehicle licences	1 900	1 952	3 267	3 100	3 100	3 423	3 359	3 527	3 732
Departmental agencies and accounts	-	-	-	1	1	1	1	1	1
SABC - TV licences	-	-	-	1	1	1	1	1	1
Higher education institutions	-	3	-	-	-	-	-	-	-
Donations and gifts higher education institutions	-	3	-	-	-	-	-	-	-
Foreign government and international organisations	-	-	66	-	-	-	-	-	-
Foreign government gift exchange	-	-	66	-	-	-	-	-	-
Households	6 077	1 246	3 916	3 000	3 550	3 005	3 159	3 317	3 509
Social benefits	2 289	1 236	3 862	3 000	3 000	2 305	3 159	3 317	3 509
Other transfer to households	3 788	10	54	-	550	700	-	-	-
<b>2. District Health Services</b>	<b>268 218</b>	<b>333 524</b>	<b>411 766</b>	<b>332 658</b>	<b>416 887</b>	<b>425 976</b>	<b>397 062</b>	<b>435 802</b>	<b>454 206</b>
Provinces and municipalities	22 893	74 736	117 404	105 000	205 250	205 250	169 048	200 000	205 394
Municipalities - municipal clinics	22 893	74 736	117 404	105 000	205 250	205 250	169 048	200 000	205 394
Departmental agencies and accounts	6	21	10	38	35	44	41	43	45
SABC - TV licences	6	21	10	38	35	44	41	43	45
Non-profit institutions	204 686	207 922	190 405	182 000	165 157	165 856	170 213	175 844	185 377
Non-profit institutions	204 686	207 922	190 405	182 000	165 157	165 856	170 213	175 844	185 377
Households	40 633	50 846	103 947	45 620	46 445	54 826	57 760	59 915	63 390
Social benefits	29 841	47 441	73 065	45 620	45 311	52 346	57 760	59 915	63 390
Other transfers to households	10 792	3 405	30 882	-	1 134	2 480	-	-	-
<b>3. Emergency Medical Services</b>	<b>4 165</b>	<b>3 946</b>	<b>4 684</b>	<b>4 891</b>	<b>5 216</b>	<b>3 474</b>	<b>4 392</b>	<b>5 017</b>	<b>5 171</b>
Provinces and municipalities	1 537	2 511	1 947	3 190	3 190	1 482	2 300	2 820	2 865
Motor vehicle licences	1 537	2 511	1 947	3 190	3 190	1 482	2 300	2 820	2 865
Departmental agencies and accounts	-	-	2	1	1	2	2	2	2
SABC - TV licences	-	-	2	1	1	2	2	2	2
Households	2 628	1 435	2 735	1 700	2 025	1 990	2 090	2 195	2 304
Social benefits	970	862	2 098	750	750	1 575	1 654	1 737	1 823
Other transfers to households	1 658	573	637	950	1 275	415	436	458	481
<b>4. Provincial Hospital Services</b>	<b>68 886</b>	<b>124 336</b>	<b>124 026</b>	<b>63 607</b>	<b>116 194</b>	<b>115 832</b>	<b>62 233</b>	<b>65 219</b>	<b>69 001</b>
Departmental agencies and accounts	56	15	64	77	92	50	82	86	91
SABC - TV licences	56	15	64	77	92	50	82	86	91
Non-profit institutions	37 770	28 829	31 646	33 100	31 882	31 076	33 100	34 843	36 864
Non-profit institutions	37 770	28 829	31 646	33 100	31 882	31 076	33 100	34 843	36 864
Households	31 060	95 492	92 316	30 430	84 220	84 706	29 051	30 290	32 046
Social benefits	26 561	35 867	46 755	30 430	31 812	30 215	29 051	30 290	32 046
Other transfers to households	4 499	59 625	45 561	-	52 408	54 491	-	-	-
<b>5. Central Hospital Services</b>	<b>4 920</b>	<b>45 259</b>	<b>40 875</b>	<b>10 324</b>	<b>23 959</b>	<b>23 021</b>	<b>10 763</b>	<b>11 306</b>	<b>11 961</b>
Provinces and municipalities	-	-	-	-	-	2	-	-	-
Motor vehicle licences	-	-	-	-	-	2	-	-	-
Departmental agencies and accounts	-	52	51	54	54	-	57	60	63
SABC - TV licences	-	52	51	54	54	-	57	60	63
Households	4 920	45 207	40 824	10 270	23 905	23 019	10 706	11 246	11 898
Social benefits	4 812	11 387	14 391	10 270	10 270	9 799	10 706	11 246	11 898
Other transfers to households	108	33 821	26 433	-	13 635	13 220	-	-	-
<b>6. Health Sciences and Training</b>	<b>96 105</b>	<b>208 586</b>	<b>238 187</b>	<b>230 000</b>	<b>273 909</b>	<b>283 075</b>	<b>252 824</b>	<b>261 647</b>	<b>276 823</b>
Departmental agencies and accounts	10 119	11 282	15 768	16 000	18 863	18 863	19 842	17 684	18 710
HWSETA	10 119	11 282	15 768	16 000	18 863	18 863	19 842	17 684	18 710
Higher education institutions	57	498	16	-	-	-	-	-	-
Donations and gifts higher education institutions	57	498	16	-	-	-	-	-	-
Non-profit institutions	15 130	-	-	-	-	-	-	-	-
Non-profit institutions	15 130	-	-	-	-	-	-	-	-
Households	70 799	196 806	222 403	214 000	255 046	264 212	232 982	243 963	258 113
Social benefits	1 650	2 083	2 324	2 000	2 014	2 489	2 982	2 302	2 436
Other transfers to households	69 149	194 723	220 079	212 000	253 032	261 723	230 000	241 661	255 677
<b>7. Health Support Services</b>	<b>16 493</b>	<b>1 285</b>	<b>1 264</b>	<b>575</b>	<b>303</b>	<b>252</b>	<b>680</b>	<b>711</b>	<b>752</b>
Departmental agencies and accounts	15 170	-	-	-	-	-	-	-	-
Medicine Trading Account	15 170	-	-	-	-	-	-	-	-
Households	1 323	1 285	1 264	575	303	252	680	711	752
Social benefits	1 318	1 285	1 264	575	303	252	680	711	752
Other transfers to households	5	-	-	-	-	-	-	-	-
<b>8. Health Facilities Management</b>	<b>20 000</b>	<b>20 022</b>	<b>37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Non-profit institutions	20 000	20 000	-	-	-	-	-	-	-
KZN Childrens' Hospital Trust	20 000	20 000	-	-	-	-	-	-	-
Households	-	22	37	-	-	-	-	-	-
Social benefits	-	22	37	-	-	-	-	-	-
<b>Total</b>	<b>486 764</b>	<b>740 159</b>	<b>828 088</b>	<b>648 156</b>	<b>843 119</b>	<b>858 059</b>	<b>734 473</b>	<b>786 547</b>	<b>825 156</b>

- In all programmes (apart from Programme 6) the variable trend against *Households* relates largely to staff exit costs, which are difficult to budget for. In Programmes 2, 4 and 5, the variable trend is exacerbated by medico-legal claims, which are also erratic in nature. No provision was made for

these claims over the 2016/17 MTEF, and hence there is negative growth in 2016/17 against most programmes. Note that, as mentioned previously, the department will finalise its draft report in 2016/17 on addressing the growing problem of medico-legal claims. The recommendations of the report will be implemented with a view to reducing the financial burden resulting from claims. The department cannot reprioritise funds to medico-legal claims at this stage due to other competing service delivery needs, and this will need to be reviewed in-year, when the need arises.

- All motor vehicle licences are centralised within Programme 1 and historical data has been restated.
- In Programme 2, the significant increase against *Provinces and municipalities* in 2013/14 and 2014/15 relates to the eThekwin Metro and uMhlathuze Municipality for additional funding allocated to assist clinics in the treatment of HIV and AIDS. Also contributing to the increases in 2014/15 and 2015/16 was carry-over expenditure from 2013/14 and 2014/15, respectively, due to the late presentation of invoices by the municipalities. The consistent increase over the period relates to additional funding to strengthen the HIV and AIDS programme under the municipal clinics.
- In Programme 2, the minimal growth in *Non-profit institutions* in 2013/14, the decrease in 2014/15 and further reduction in 2015/16 is due to the provincialisation of McCord Hospital. The amounts allocated over the 2016/17 MTEF provide for inflationary increases only.
- In Programme 4, the reduction against *Non-profit institutions* in 2013/14 was the result of the department's reassessment of all non-profit institutions. The decrease in the 2015/16 Adjusted Appropriation is due to the decision to reallocate unallocated funding for non-profit institutions to other service delivery pressures. This decision was carried through over the 2016/17 MTEF, hence the provision for inflationary increases only in the outer years.
- In Programme 6, *Departmental agencies and accounts* relates to the compulsory levy paid to the HWSETA on an annual basis and shows strong growth from 2012/13 to the 2015/16 Revised Estimate, ascribed to the HWSETA levy, in line with the growth in *Compensation of employees*.
- Also in Programme 6, the significant increase against *Households* (and particularly in 2013/14 and 2015/16) relates to the department's decision to implement intensive training programmes through bursaries in order to address the shortage of personnel in the health fields, including the previously mentioned Cuban Doctors' programme. The increase over the MTEF relates to inflationary adjustment with no plans to expand the bursary programme due to budget pressures. The high growth in 2015/16 in particular is due to the increase in the number of students enrolled in the Cuban Doctors' programme. As mentioned, there will be no further students added to this programme in line with a NDOH instruction, with an average of 14 students returning per year over the 2016/17 MTEF.
- In Programme 6, the spending against *Non-profit institutions* in 2012/13 was for the training college portion of the subsidy paid to McCord Hospital, which ceased in 2012/13.
- In Programme 7, the spending against *Departmental agencies and accounts* in 2012/13 results from the additional funding that was required to enable the provincial Medical Supply Centre (Medicine Trading Account) to carry sufficient medical stock to meet demand. The decrease in 2013/14 was due to the account having sufficient funding for the supply of pharmaceuticals and medical sundries, with no top-up needed. This situation is carried through to the 2016/17 MTEF.
- In Programme 8 in 2012/13 and 2013/14, the department transferred funds to the KZN Children's Hospital Trust for the development and refurbishment of the KZN Children's Hospital in the eThekwin Metro. There is no funding over the MTEF and the contract is finalised.

## 6. Programme description

The services rendered by this department are categorised under eight programmes, further details of which are discussed below. The department largely conforms to the uniform budget structure for the Health sector. The information for each programme is given in terms of sub-programmes and economic classification, with details of economic classification given in *Annexure – Vote 7: Health*.

## 6.1 Programme 1: Administration

Programme 1 comprises two sub-programmes, namely Office of the MEC and Management, with the objectives of providing overall strategic leadership, co-ordination and management of activities toward the achievement of optimal health status of all the communities in the province, as well as the administration of the department in line with good governance practice. The programme also includes the formulation of policies and strategies in line with national and provincial priorities.

Tables 7.15 and 7.16 summarise information for the period 2012/13 to 2018/19. It is the department's policy to keep the allocation of this programme to a maximum of two per cent of total budget, which has been achieved over the past four years and will be maintained over the 2016/17 MTEF. Note that the costs for computer services against *Goods and services* were centralised from all programmes to this programme in 2013/14, and historical data was amended for comparative purposes.

**Table 7.15 : Summary of payments and estimates by sub-programme: Administration**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Office of the MEC	20 371	17 011	16 818	18 189	18 189	17 544	19 634	20 891	22 285
2. Management	615 392	672 078	685 107	718 930	749 959	865 776	819 401	830 789	839 155
<b>Total</b>	<b>635 763</b>	<b>689 089</b>	<b>701 925</b>	<b>737 119</b>	<b>768 148</b>	<b>883 320</b>	<b>839 035</b>	<b>851 680</b>	<b>861 440</b>
Unauth. Exp. (1st charge) not available for spending	-	-	-	(107 607)	(107 607)	(107 607)	(107 607)	(107 608)	-
<b>Baseline available for spending after 1st charge</b>	<b>635 763</b>	<b>689 089</b>	<b>701 925</b>	<b>629 512</b>	<b>660 541</b>	<b>775 713</b>	<b>731 428</b>	<b>744 072</b>	<b>861 440</b>

**Table 7.16 : Summary of payments and estimates by economic classification: Administration**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>531 385</b>	<b>610 665</b>	<b>678 837</b>	<b>615 311</b>	<b>645 790</b>	<b>757 867</b>	<b>695 434</b>	<b>732 184</b>	<b>848 863</b>
Compensation of employees	246 972	273 361	292 983	326 673	326 673	325 245	356 418	379 788	401 959
Goods and services	284 413	337 290	385 799	288 638	319 117	432 552	339 016	352 396	446 904
Interest and rent on land	-	15	55	-	-	71	-	-	-
<b>Transfers and subsidies to:</b>	<b>7 977</b>	<b>3 201</b>	<b>7 249</b>	<b>6 101</b>	<b>6 651</b>	<b>6 429</b>	<b>6 519</b>	<b>6 845</b>	<b>7 242</b>
Provinces and municipalities	1 900	1 952	3 267	3 100	3 100	3 423	3 359	3 527	3 732
Departmental agencies and accounts	-	-	-	1	1	1	1	1	1
Higher education institutions	-	3	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	66	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	6 077	1 246	3 916	3 000	3 550	3 005	3 159	3 317	3 509
<b>Payments for capital assets</b>	<b>96 400</b>	<b>41 594</b>	<b>15 827</b>	<b>8 100</b>	<b>8 100</b>	<b>11 416</b>	<b>29 475</b>	<b>5 043</b>	<b>5 335</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	96 400	41 413	15 827	8 100	8 100	11 416	29 475	5 043	5 335
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	181	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>1</b>	<b>33 629</b>	<b>12</b>	<b>107 607</b>	<b>107 607</b>	<b>107 608</b>	<b>107 607</b>	<b>107 608</b>	<b>-</b>
<b>Total</b>	<b>635 763</b>	<b>689 089</b>	<b>701 925</b>	<b>737 119</b>	<b>768 148</b>	<b>883 320</b>	<b>839 035</b>	<b>851 680</b>	<b>861 440</b>
Unauth. Exp. (1st charge) not available for spending	-	-	-	(107 607)	(107 607)	(107 607)	(107 607)	(107 608)	-
<b>Baseline available for spending after 1st charge</b>	<b>635 763</b>	<b>689 089</b>	<b>701 925</b>	<b>629 512</b>	<b>660 541</b>	<b>775 713</b>	<b>731 428</b>	<b>744 072</b>	<b>861 440</b>

The slow growth overall in 2014/15 relates to the decision to scale down in respect of the procurement of new computers and motor vehicles and focus on the replacement of essential equipment only. The replacement of all leased computer and printing equipment was also mostly completed in 2012/13, hence there was minimal spending on this project from 2013/14. The significant growth in the 2015/16 Adjusted Appropriation relates to health patient fee over-collection as recorded in the 2014/15 year-end revenue outcome. These funds were specifically and exclusively appropriated for activities related to the department's Revenue Enhancement Strategy. The further growth in the Revised Estimate is due to pressures from forensic/disciplinary investigations, higher than expected A-G costs, as well as business advisory services. Growth in the two outer years of the MTEF is for inflationary purposes only. The growth in the amount available for spending in 2018/19 is due to the last installment of the first charge being paid in 2017/18 and hence the funding is redirected to other service delivery needs.

The increasing trend in *Compensation of employees* from 2013/14 to 2015/16 relates to the need to improve management capacity at head office to address the challenges of service delivery. The high growth in 2013/14 is attributed to provision for financial management capacity to improve audit outcomes and filling of various critical posts related to the SCM and asset management functions. The slower growth in 2014/15 was due to the decision to defer the filling of head office posts to 2015/16, hence the higher growth in 2015/16. Note that additional funding was allocated in the 2012/13 MTEF for improving infrastructure support. As mentioned earlier, this funding was specifically and exclusively appropriated and the department has not yet completed the implementation of its revised infrastructure staffing structure that this funding was intended for. Thus, amounts of R22.743 million, R23.880 million and R25.265 million remain ring-fenced for this purpose over the three years of the 2016/17 MTEF. The 2016/17 MTEF growth provides for inflationary adjustments only.

The growth in *Goods and services* from 2013/14 reflects the increasing costs of forensic investigations and higher SITA costs related to software licences and other SITA service charges. The reduction in the 2015/16 Main Appropriation and over the MTEF relates to the projected forced savings from computer services and the reduced utilisation of consultants in disciplinary cases, with only complex cases to be referred to consultants. The increase in the 2015/16 Adjusted Appropriation relates to R30.479 million allocated to the department from higher than expected patient fee revenue to fund the Revenue Enhancement Strategy. The high Revised Estimate is due to the previously mentioned pressures from forensic/disciplinary investigations, higher than expected A-G costs, as well as business advisory services.

The expenditure against *Interest and rent on land* relates to interest paid on over-due accounts.

*Transfers and subsidies to: Provinces and municipalities* provides for motor vehicle licences. The increase over the 2016/17 MTEF is for inflationary adjustments, as only replacement vehicles will be purchased.

*Transfers and subsidies to: Departmental agencies and accounts* relates to payments for TV licences.

The fluctuating trend in *Transfers and subsidies to: Households* is due to staff exit costs.

The high base in *Machinery and equipment* in 2012/13 relates to funding that was made available for purchasing of replacement vehicles at head office, as well as vehicles for the Ministry. The reductions in 2013/14 and 2014/15 are attributed to the scaling down of the purchase of replacement computer equipment and vehicles due to the previously mentioned census based budget cuts. Over the 2016/17 MTEF, funding is provided to replace essential equipment only.

As previously mentioned, the department is liable for the repayment of the over-expenditure with the first instalment of the first charge of R107.607 million being implemented against the budget in 2015/16 and the last instalment in 2017/18, hence the negative growth in *Payments for financial assets* in 2018/19.

## Service delivery measures – Programme 1: Administration

Table 7.17 illustrates the main service delivery measures relating to Programme 1. The performance indicators provided comply fully with the customised measures for the Health sector.

**Table 7.17 : Service delivery measures – Programme 1: Administration**

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2015/16	2016/17	2017/18	2018/19	
To conduct the strategic management and overall administration of the Department of Health	• Audit opinion from the Auditor-General	Unqualified	Unqualified	Unqualified	Unqualified	
	• Percentage hospitals with broadband access	90%	100%	100%	100%	
	• Percentage fixed PHC facilities with broadband access	45%	55%	65%	75%	

## 6.2 Programme 2: District Health Services

The purpose of Programme 2: District Health Services is to render primary health care services and district hospital services. This programme comprises nine sub-programmes, which are used to facilitate identification of the different functions. The main aims of these sub-programmes are:

- To render primary health care services with a nurse-driven service at clinic level, including visiting points, mobile and local authority clinics.
- To provide service planning, administration of services, managing personnel and financial administration and the co-ordination and monitoring of district health services.
- To render primary health care services in respect of maternal child and women's health, geriatrics, occupational therapy, physiotherapy, psychiatry, speech therapy, communicable diseases, oral and dental health, mental health, rehabilitation and disability and chronic health.
- To render primary health care services at non-health facilities in respect of home-based care, abuse victims, mental and chronic care, school health.
- To render primary health care services related to the comprehensive management of HIV, AIDS and TB campaigns and special projects.
- To provide services directed at providing nutrition for the malnourished members of the population.
- To render forensic pathology services and medico-legal services in the province.
- To render hospital services at general practitioner level.

Tables 7.18 and 7.19 summarise payments and estimates for Programme 2.

The significant allocation supports the policy of providing access to the less expensive, but most important level of health care. The programme provides for, *inter alia*, the commissioning of new clinics and community health centres, and the comprehensive management of HIV and AIDS and its related diseases, especially TB.

The increases over the seven-year period for Programme 2 as a whole relate to the higher than anticipated wage agreements and carry-through costs of the various OSDs for medical personnel and other categories of staff. Also contributing was additional funding provided for inflationary increases in medical supplies and services, improving infant and child mortality rates, as well as substantial increases in HIV and AIDS funding each year. Further amounts were allocated for national priorities from 2011/12, with carry-through costs over the 2016/17 MTEF, to provide for capacity building for personnel and *Goods and services*, funding for family health team pilots/models, improving hospital norms and standards, and the general policy adjustment. In addition, the NHI grant commenced from 2012/13, aimed at establishing two pilot districts in line with the implementation of NHI. As mentioned, this funding decreased in 2013/14 due to a new indirect National Health grant, to be spent by the NDOH on behalf of provinces. The high growth in 2013/14 was related to the addressing of critical staff needs at PHC level, which included the closing of the gap in standards for municipal clinics taken over from local government. This includes addressing staffing levels, basic medical equipment, and infrastructure backlogs, an increased number of school health teams, district family and specialist teams, and TB tracing and injection teams, the progressive commissioning of CHCs and the King Dinuzulu Hospital, higher than expected litigation costs (medico-legal claims), as well as the filling of critical posts for accelerating the HIV and AIDS programme and staff exit costs, with more nurses leaving employment than expected.

**Table 7.18 : Summary of payments and estimates by sub-programme: District Health Services**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. District Management	218 582	217 300	230 547	238 592	250 041	250 788	289 975	292 643	318 637
2. Community Health Clinics	2 480 318	2 790 347	3 072 816	3 321 028	3 547 112	3 520 981	3 880 589	4 148 564	4 399 023
3. Community Health Centres	955 647	1 048 435	1 208 843	1 388 550	1 388 550	1 408 786	1 564 694	1 688 184	1 787 259
4. Community Based Services	790	-	2 580	13 000	13 000	26 289	40 000	32 000	34 726
5. Other Community Services	692 921	906 723	1 013 430	1 089 351	1 101 276	1 096 118	1 177 971	1 281 986	1 401 317
6. HIV and AIDS	2 392 689	2 725 639	3 257 870	3 813 094	3 813 094	3 813 094	4 244 243	4 889 884	5 555 075
7. Nutrition	44 433	44 089	43 763	50 000	39 769	38 548	55 000	62 920	66 569
8. Coroner Services	146 073	156 225	163 356	173 157	173 157	173 194	192 428	205 288	217 194
9. District Hospitals	4 584 982	5 058 841	5 341 148	5 492 090	5 643 172	5 736 558	5 925 502	6 413 205	6 788 621
<b>Total</b>	<b>11 516 435</b>	<b>12 947 599</b>	<b>14 334 353</b>	<b>15 578 862</b>	<b>15 969 171</b>	<b>16 064 356</b>	<b>17 370 402</b>	<b>19 014 674</b>	<b>20 568 421</b>

Table 7.19 : Summary of payments and estimates by economic classification: District Health Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>11 151 083</b>	<b>12 510 682</b>	<b>13 774 307</b>	<b>15 106 704</b>	<b>15 467 255</b>	<b>15 577 093</b>	<b>16 842 647</b>	<b>18 448 194</b>	<b>19 971 813</b>
Compensation of employees	7 690 784	8 714 714	9 481 720	10 184 010	10 382 275	10 501 461	11 229 114	11 952 802	12 733 963
Goods and services	3 460 300	3 795 947	4 292 441	4 922 694	5 084 841	5 075 398	5 613 533	6 495 392	7 237 850
Interest and rent on land	-	22	146	-	139	234	-	-	-
<b>Transfers and subsidies to:</b>	<b>268 218</b>	<b>333 524</b>	<b>411 766</b>	<b>332 658</b>	<b>416 887</b>	<b>425 976</b>	<b>397 062</b>	<b>435 802</b>	<b>454 206</b>
Provinces and municipalities	22 893	74 736	117 404	105 000	205 250	205 250	169 048	200 000	205 394
Departmental agencies and accounts	6	21	10	38	35	44	41	43	45
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	204 686	207 922	190 405	182 000	165 157	165 856	170 213	175 844	185 377
Households	40 633	50 846	103 947	45 620	46 445	54 826	57 760	59 915	63 390
<b>Payments for capital assets</b>	<b>97 134</b>	<b>103 393</b>	<b>148 259</b>	<b>139 500</b>	<b>85 027</b>	<b>61 285</b>	<b>130 693</b>	<b>130 678</b>	<b>142 402</b>
Buildings and other fixed structures	-	-	210	-	-	-	-	-	-
Machinery and equipment	97 134	103 393	148 049	139 500	85 027	61 285	130 693	130 678	142 402
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>11 516 435</b>	<b>12 947 599</b>	<b>14 334 353</b>	<b>15 578 862</b>	<b>15 969 171</b>	<b>16 064 356</b>	<b>17 370 402</b>	<b>19 014 674</b>	<b>20 568 421</b>

The strong growth from 2013/14 to 2015/16 in the Community Health Clinics and Community Health Centres sub-programmes includes additional funding for the various wage agreements, the OSDs for medical personnel, funding for inflationary costs in medical related *Goods and services* and reducing infant and child mortality. The increase from 2013/14 was mainly related to the increased costs of medicines, vaccines, property related payments and increased patient demand at PHC level, the addressing of critical staff needs at PHC level, which included the closing of the gap in standards for municipal clinics taken over from local government. This included addressing staffing levels, basic medical equipment, etc. The strong growth over the MTEF relates to the ongoing phased in commissioning of new clinics and CHCs, as well as closing staffing gaps for both clinical and non-clinical staff. The non-clinical staff gap relates to the need to appoint the general orderly staff for the cleaning of buildings since the EPWP Integrated Grant for Provinces provides for grounds and gardens only. Additional funding is also allocated over the MTEF for the previously mentioned NHLS and exchange rate pressures.

The sub-programme: Community Based Services is funded mainly through the Social Sector EPWP Incentive Grant for Provinces which was phased out from 2012/13, and it was decided to place all community health workers' expenditure into other sub-programmes within Programme 2, where the costs are incurred, hence there was no spending or allocations in respect of this sub-programme in 2013/14. The grant was funded again (from 2014/15 to 2016/17 only), and the funding supports the community health workers' stipends. The increase in the 2015/16 Revised Estimate relates to the chronic medication pilot project, whereby patients on chronic medication will collect their medication at designated community drop off points. Expenditure for such medicine is thus reflected under this sub-programme going forward.

The increase from 2013/14 onward in the sub-programme: Other Community Services was due to the introduction of community nursing services and an additional intake of community doctors resulting from the extension of the medical intern programme to two years, as well as the various OSDs for medical personnel.

The strong growth in the HIV and AIDS sub-programme relates mainly to increases in the Comprehensive HIV, AIDS and TB grant to cater for increased uptake of patients on ARV therapy. Additional funds were allocated from 2012/13 to 2016/17 to assist with the increase of the ARV threshold to a CD4 count of 350 in 2012/13 and 500 in 2014/15, the introduction of the Fixed Dose Combination ARV drugs, as well as provision for equipment and the increasing costs of ARV medication. The strong growth over the entire period aligns with the growth in the Comprehensive HIV, AIDS and TB grant to fund the increase in patient numbers and the targets over the period. The increase in the 2016/17 MTEF baseline is for the continued expansion of the ARV Programme (in 2018/19), HIV prevention and to cater for TB screening and treatment in line with the grant's extended focus to now include TB.

The sub-programme: Nutrition has negative growth from 2013/14 to 2015/16 due to this sub-programme being subjected to budget cuts. The growth in 2016/17 and the steady growth in the outer years is attributed to the need to restore the nutrition budget due to the population's vulnerability to malnutrition taking into account the current drought levels and increasing food prices.

The stable growth in the sub-programme: Coroner Services across the seven years includes the various wage agreements and inflationary increases only.

The increase in the sub-programme: District Hospitals in 2013/14 was largely due to the increase in the NHLS flat-fee rate. The increase in the 2015/16 Adjusted Appropriation relates to additional funding to address the NHLS fee-for-service costs, as well as the above-budget 2015 wage agreement. The growth in 2016/17 is due to the additional funding for the pressures in the NHLS fee-for-service costs, exchange rate pressures on medicines and medical supplies, as well as carry-through costs for the 2015 wage agreement.

The increase in *Compensation of employees* from 2013/14 relates to an increased number of school health teams, district family teams and district specialist teams, as well as TB tracing and injection teams. Also affecting the growth was the closing of the gap in standards for municipal clinics taken over from local government, as previously mentioned. This included addressing staffing levels and basic medical equipment. The slow growth in 2016/17 is attributable to the under-funding of the carry-through cost of the above-budget 2015 wage agreement.

The consistently strong growth in *Goods and services* up to 2015/16 was mainly due to the CPI over the period, high medical inflation, the increase in NHLS costs, an increase in property related costs such as water and electricity, security services and cleaning services, as well as the increase in the number of patients treated for HIV, AIDS and TB. In addition to the carry-through costs from previous allocations, funding for national priorities in 2011/12 provided for family health teams, the general policy adjustment, capacity building and, in 2012/13 and 2013/14, additional funding for the reduction of the ARV threshold to a CD4 count of 350. The carry-through costs of these initiatives are reflected over the 2016/17 MTEF. The growth in 2013/14 was attributed to pressures from ARVs and other medication. The increase in the 2015/16 Revised Estimate is caused by the move to a fee-for-services payment mechanism for the NHLS. Additional funding for the NHLS fee-for-service carry-through costs and exchange rate pressures contribute to the growth over the 2016/17 MTEF period.

The significant growth in *Transfers and subsidies to: Provinces and municipalities* from 2013/14 to 2015/16 relates to the eThekweni Metro receiving additional funding to assist the municipal clinics in the treatment of HIV and AIDS, as well as the carry-over expenditure from 2012/13 to 2013/14 due to the delays in the signing of SLAs with the municipality. The negative growth in 2016/17 is attributed to the once-off carry-over expenditure in 2015/16 due to delays in finalising the SLAs.

*Transfers and subsidies to: Departmental agencies and accounts* relates to payments for TV licences.

The minimal growth in *Transfers and subsidies to: Non-profit institutions* in 2013/14, as well as the reductions in 2014/15 and 2015/16 are due to the provincialisation of McCord Hospital. The reduction in 2015/16 is also due to the NPI patients receiving ARV medication directly from the department, as well as the reprioritisation of funds that were not allocated to any specific entity but were earmarked for further negotiations with the NPIs under this programme. The amounts allocated over the 2016/17 MTEF provide for budgeted contributions towards inflationary increases only.

*Transfers and subsidies to: Households* relates to staff exit costs and medico-legal claims, and historical fluctuations are based on actual payments made. The high growth in 2014/15 is due to more medico-legal claims cases being finalised. This is erratic in nature and accounts for the fluctuations under this category. The negative growth in 2015/16 is attributed to budget cuts and the department not being in a position to reprioritise additional funding to these costs at this stage due to other competing service delivery needs. The 2016/17 MTEF allocation provides for staff exit costs only.

The increase against *Machinery and equipment* in 2014/15 was due to the need to procure additional vehicles for the new outreach teams. In the 2016/17 MTEF, additional amounts are provided to replace essential equipment.



## Service delivery measures – Programme 2: District Health Services

Table 7.20 illustrates the main service delivery measures of Programme 2: District Health Services. The performance indicators provided comply fully with the customised measures for the Health sector.

**Table 7.20 : Service delivery measures – Programme 2: District Health Services**

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2015/16	2016/17	2017/18	2018/19	
1. Clinics and Community Health Centres						
To provide facilities for patients to be treated at PHC level	No. of districts piloting NHI interventions	3	3	3	3	
	Established NHI Consultation Forum	Not established	Established	Established	Established	
	Percentage of fixed PHC facilities scoring above 70% on the Ideal Clinic Dashboard	10.1%	40%	60%	80%	
	Client Satisfaction Survey Rate (PHC)	30.8%	100%	100%	100%	
	Client Satisfaction Rate (PHC)	83%	85%	88%	90%	
	Outreach household registration visit coverage (annualised)	6%	30%	35%	40%	
	No. of districts with fully fledged District Clinical Specialist Teams	0	2	3	4	
	PHC utilisation rate (annualised)	3	3	3	3	
	Complaint resolution rate	80%	85%	90%	95%	
Complaint resolution within 25 working days rate	94.8%	95%	95%	95%		
2. District Hospitals						
Rendering hospital service at district level	National core standards self-assessment rate	63.2%	100%	100%	100%	
	Quality improvement plan after self-assessment rate	62.5%	100%	100%	100%	
	Percentage of hospitals compliant with all extreme and vital measures of the national core standards	0%	21%	39%	53%	
	Client satisfaction survey rate	84%	100%	100%	100%	
	Client satisfaction rate	80%	95%	95%	95%	
	Average length of stay – total	6.3 days	6 days	6.4 days	6.9 days	
	Inpatient bed utilisation rate – total	62.1%	65.8%	68.3%	70%	
	Expenditure per patient day equivalent	R2 071	R1 947	R2 024	R2 000	
	Complaints resolution rate	73.8%	80%	90%	90%	
	Complaint resolution within 25 working days rate	91.5%	95%	95%	95%	
3. HIV and AIDS, TB and STI control						
Rendering primary health care service in respect of HIV and AIDS, TB and STI control	Adults remaining on ART – total	968 964	1 205 438	1 328 706	1 433 843	
	Total children (under 15 years) remaining on ART – total	58 736	68 286	75 773	82 820	
	TB / HIV co-infected clients on ART rate	70%	90%	90%	90%	
	Client tested for HIV (including ANC)	2 436 884	2 659 268	3 058 158	3 516 882	
	TB symptom 5 years and older screened rate	27.5%	35%	45%	55%	
	Male condom distribution coverage (annualised)	48.1	81	84	87	
	Medical male circumcision performed – total	157 634	491 684	516 268	542 081	
		605 910 cum	1 096 604 cum	1 612 872 cum	2 154 953 cum	
	TB client treatment success rate	85.8%	86%	87%	89%	
	TB client lost to follow up rate	3.8 %	3.4%	2.9%	2.4%	
	TB client death rate	3.7 %	3.5%	3.0%	2.4%	
	TB MDR confirmed treatment initiation rate	Denominator not available from NHLS	70%	80%	80%	
	TB MDR treatment success rate	58%	60%	62%	65%	
4. Maternal, child and women health						
Rendering a comprehensive and integrated maternal, child and women health at primary health care level	Antenatal 1st visit before 20 weeks rate	62.2%	62.6%	65%	68%	
	Mother postnatal visit within 6 days rate	70%	82%	90%	95%	
	Antenatal client initiated on ART rate	96.4%	97%	98%	99%	
	Infant 1st PCR test positive around 10 weeks rate	1.1%	>1%	>0.5%	>0.5%	
	Immunisation coverage under 1 year (annualised)	90.1%	92%	94%	95%	
	Measles 2nd dose coverage (annualised)	85.3%	90%	95%	95%	
	DTaP-IPV/Hib 3 - Measles 1st dose drop-out rate	7.9%	6%	5%	4%	
	Child under 5 years diarrhoea case fatality rate	2.5%	2.5%	2.4%	2.3%	
	Child under 5 years pneumonia case fatality rate	3.2%	3%	2.9%	2.8%	
	Child under 5 years severe acute malnutrition case fatality rate	8.9%	8%	7.5%	7%	
	School Grade 1 learners screening coverage (annualised)	12.4%	25%	30%	35%	
	School Grade 8 learners screening coverage (annualised)	6.1%	20%	25%	30%	
	Couple year protection rate (annualised)	48.2%	60%	65%	70%	
	Cervical cancer screening coverage (annualised)	73.1%	75%	75%	75%	

**Table 7.20 : Service delivery measures – Programme 2: District Health Services**

Table 122: Service delivery measures – Programme 2: District health services						
Outputs	Performance indicators		Estimated performance	Medium-term targets		
			2015/16	2016/17	2017/18	2018/19
	<ul style="list-style-type: none"><li>Human papillomavirus vaccine 1st dose coverage</li><li>Human papillomavirus vaccine 2nd dose coverage</li><li>Vitamin A dose 12-59 months coverage (annualised)</li><li>Infant exclusively breastfed at HepB 3rd dose rate</li><li>Maternal mortality in facility ratio (annualised)</li><li>Inpatient early neonatal death rate</li></ul>	22% 72% 63% 54.3% 123/ 100 000 10.2/ 1000	85% 85% 65% 60% 115/ 100 000 9.3/ 1000	90% 90% 70% 62% 105/ 100 000 9/ 1000	90% 90% 75% 65% 94/ 100 000 8.7/ 1000	
5. Disease prevention and control						
Rendering preventive and promotive health services	<ul style="list-style-type: none"><li>Clients screened for hypertension</li><li>Clients screened for diabetes</li><li>Clients screened for mental health</li><li>Cataract surgery rate (annualised)</li><li>Malaria case fatality rate</li></ul>	6 650 044 4 272 730 Not reported 527.7/ 1 mil 1.4%	7 980 052 5 127 276 100 000 1 154/ 1 mil < 0.5%	9 576 062 6 152 731 120 000 1 395/ 1 mil <0.5%	11 491 274 7 383 277 144 000 1 627/ 1 mil <0.5%	

### 6.3 Programme 3: Emergency Medical Services

The purpose of Programme 3: Emergency Medical Services is to render pre-hospital emergency medical services, including inter-hospital transfers and planned patient transport.

Poverty and topography are major cost drivers for both the Emergency Transport and Planned Patient Transport sub-programmes. Tables 7.21 and 7.22 below summarise payments and budgeted estimates pertaining to Programme 3.

**Table 7.21 : Summary of payments and estimates by sub-programme: Emergency Medical Services**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Emergency Services	863 099	967 208	1 026 983	1 094 031	1 123 127	1 131 370	1 131 508	1 211 049	1 275 988
2. Planned Patient Transport	62 937	42 732	41 130	66 280	62 509	54 266	68 267	66 301	71 198
<b>Total</b>	<b>926 036</b>	<b>1 009 940</b>	<b>1 068 113</b>	<b>1 160 311</b>	<b>1 185 636</b>	<b>1 185 636</b>	<b>1 199 775</b>	<b>1 277 350</b>	<b>1 347 186</b>

**Table 7.22 : Summary of payments and estimates by economic classification: Emergency Medical Services**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>870 638</b>	<b>975 416</b>	<b>1 061 869</b>	<b>1 095 120</b>	<b>1 120 120</b>	<b>1 145 211</b>	<b>1 143 802</b>	<b>1 217 333</b>	<b>1 282 015</b>
Compensation of employees	641 810	715 735	768 178	789 187	814 187	825 417	842 003	899 259	944 492
Goods and services	228 827	259 679	293 675	305 933	305 933	319 766	301 799	318 074	337 523
Interest and rent on land	-	2	16	-	-	28	-	-	-
<b>Transfers and subsidies to:</b>	<b>4 165</b>	<b>3 946</b>	<b>4 684</b>	<b>4 891</b>	<b>5 216</b>	<b>3 474</b>	<b>4 392</b>	<b>5 017</b>	<b>5 171</b>
Provinces and municipalities	1 537	2 511	1 947	3 190	3 190	1 482	2 300	2 820	2 865
Departmental agencies and accounts	-	-	2	1	1	2	2	2	2
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 628	1 435	2 735	1 700	2 025	1 990	2 090	2 195	2 304
<b>Payments for capital assets</b>	<b>51 234</b>	<b>30 578</b>	<b>1 189</b>	<b>60 300</b>	<b>60 300</b>	<b>36 951</b>	<b>51 581</b>	<b>55 000</b>	<b>60 000</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	51 234	30 578	1 189	60 300	60 300	36 951	51 581	55 000	60 000
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>371</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>926 036</b>	<b>1 009 940</b>	<b>1 068 113</b>	<b>1 160 311</b>	<b>1 185 636</b>	<b>1 185 636</b>	<b>1 199 775</b>	<b>1 277 350</b>	<b>1 347 186</b>

The increase in 2013/14 was mainly due to inflationary adjustments, the gradual filling of vacant posts, as well as increased fuel costs. The overall increase in the sub-programme: Planned Patient Transport results from the successful implementation of the inter-hospital transfer programme.

The increase in *Compensation of employees* over the entire period relates to the various wage agreements, the introduction of the OSD for emergency personnel, as well as reprioritisation of funding to bring the salaries of emergency medical workers in line with those in other provinces, in order to retain staff and avoid strike action. The high growth in 2013/14 relates to the absorption of trainees, the strengthening of obstetrical ambulance services, as well as the provision for standard danger allowances to various categories of Emergency Medical Services personnel. The growth over the 2016/17 MTEF provides for inflation only.

The main cost drivers under *Goods and services* are fuel and repairs to emergency vehicles, the latter being related to the rough terrain in rural areas, and these costs will increase as the service expands. The high growth in 2013/14 and 2014/15 was due to high fuel costs, the related maintenance and repair costs, as well as costs on aeromedical services. The negative growth in 2016/17 is attributed to the targeted savings to be realised from stringent maintenance and repairs control measures to be implemented. As mentioned previously, the department will appoint assessors who will carry out all the necessary assessment and verification for repairs before any commitment. All vehicle repairs will be centralised and approved by the CFO. This central control seeks to reduce expenditure relating to fuel consumption, usage of tyres, maintenance of vehicles and to conduct fleet inspections, especially related to mileage and vehicle utilisation.

The variable trend in *Transfers and subsidies to: Provinces and municipalities* relates to motor vehicle licences which are driven by the size of the fleet of emergency medical service vehicles in each year, with ambulances being procured and the old fleet being disposed of, and registration and licensing costs thereof will thus vary accordingly.

With regard to *Transfers and subsidies to: Households*, the variable trend is due to the unpredictability of staff exit costs. The high 2012/13 and 2014/15 amounts relate to a legal claim against the department by the First Aid League, and an increase in staff exit costs.

Regarding *Machinery and equipment*, the low expenditure in 2014/15 and the significant high expenditure in 2015/16 is attributed to the late delivery of ambulances ordered in 2014/15 and additional ambulances purchased to address shortages. This was supporting the drive to meet the national norms for this service. The reduction in the 2015/16 Revised Estimate is part of the 2015/16 savings plan to reduce over-spending, with the procurement of emergency vehicles deferred to 2016/17. The drive to increase the number of ambulances will continue over the 2016/17 MTEF, hence a steady growth in the allocated budget for this period.

The expenditure against *Payments for financial assets* relates to the write-off of various losses.

### Service delivery measures – Programme 3: Emergency Medical Services

Table 7.23 below illustrates the main service delivery measures pertaining to Programme 3. The performance indicators provided comply fully with the customised measures for the Health sector.

**Table 7.23 : Service delivery measures – Programme 3: Emergency Medical Services**

Table 7.23 : Service delivery measures – Programme 3: Emergency Medical Services					
Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2015/16	2016/17	2017/18	2018/19
1. Emergency Medical Services					
Rendering emergency medical services including ambulance services, special operations, communications and air ambulance services	• EMS P1 urban response under 15 minutes rate	5%	6%	7%	8%
	• EMS P1 rural response under 40 minutes rate	33%	34%	35%	36%
	• EMS inter-facility transfer rate	41%	40%	38%	36%

## 6.4 Programme 4: Provincial Hospital Services

The purpose of this programme is the delivery of hospital services which are accessible, appropriate and effective and the provision of general specialist services including a specialised rehabilitation service, and a platform for training health professionals and research. Programme 4 comprises five sub-programmes, with the following main objectives:

- To render regional hospital services at a general specialist level and a platform for training of health workers and research.
- To render hospital services for tuberculosis, including multi-drug resistance.
- To render specialist psychiatric hospital services for people with mental illness and intellectual disability and providing a platform for training of health workers and research.
- To provide medium to long-term care to patients who require rehabilitation and/or a minimum degree of active medical care but cannot be sent home.
- To render an affordable and comprehensive oral health service, based on primary health care.

Tables 7.24 and 7.25 summarise payments and estimates relating to Programme 4.

**Table 7.24 : Summary of payments and estimates by sub-programme: Provincial Hospital Services**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. General (Regional) Hospitals	6 115 757	6 560 190	6 727 470	6 881 905	7 281 397	7 283 245	7 668 159	8 126 048	8 598 700
2. Tuberculosis Hospitals	591 880	631 342	673 267	746 111	764 772	761 101	793 589	846 781	895 894
3. Psychiatric-Mental Hospitals	641 596	686 549	753 333	797 229	793 223	791 736	845 859	899 958	952 156
4. Sub-acute, Step-down and Chronic Medical Hospitals	203 274	226 848	301 940	331 496	355 257	358 567	395 897	416 707	440 876
5. Dental Training Hospital	14 868	16 267	17 415	18 897	18 897	18 897	19 930	21 257	22 490
<b>Total</b>	<b>7 567 375</b>	<b>8 121 196</b>	<b>8 473 425</b>	<b>8 775 638</b>	<b>9 213 546</b>	<b>9 213 546</b>	<b>9 723 434</b>	<b>10 310 751</b>	<b>10 910 116</b>

**Table 7.25 : Summary of payments and estimates by economic classification: Provincial Hospital Services**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>7 486 935</b>	<b>7 969 342</b>	<b>8 316 935</b>	<b>8 644 111</b>	<b>9 064 962</b>	<b>9 069 087</b>	<b>9 636 201</b>	<b>10 206 427</b>	<b>10 799 742</b>
Compensation of employees	5 654 254	6 146 682	6 505 622	6 735 829	6 988 789	7 005 681	7 334 492	7 808 100	8 261 147
Goods and services	1 832 681	1 822 532	1 811 170	1 908 282	2 076 146	2 063 273	2 301 709	2 398 327	2 538 595
Interest and rent on land	-	128	143	-	27	133	-	-	-
<b>Transfers and subsidies to:</b>	<b>68 886</b>	<b>124 336</b>	<b>124 026</b>	<b>63 607</b>	<b>116 194</b>	<b>115 832</b>	<b>62 233</b>	<b>65 219</b>	<b>69 001</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	56	15	64	77	92	50	82	86	91
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	37 770	28 829	31 646	33 100	31 882	31 076	33 100	34 843	36 864
Households	31 060	95 492	92 316	30 430	84 220	84 706	29 051	30 290	32 046
<b>Payments for capital assets</b>	<b>11 554</b>	<b>27 518</b>	<b>32 459</b>	<b>67 920</b>	<b>32 390</b>	<b>26 208</b>	<b>25 000</b>	<b>39 105</b>	<b>41 373</b>
Buildings and other fixed structures	-	79	-	-	-	-	-	-	-
Machinery and equipment	11 554	27 439	32 459	67 920	32 390	26 208	25 000	39 105	41 373
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>2 419</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>7 567 375</b>	<b>8 121 196</b>	<b>8 473 425</b>	<b>8 775 638</b>	<b>9 213 546</b>	<b>9 213 546</b>	<b>9 723 434</b>	<b>10 310 751</b>	<b>10 910 116</b>

The sustained growth in Programme 4 over the seven year period relates to the various wage agreements, the OSD for medical personnel, high inflation rates on medical supplies and services, as well as NHLS costs. Further contributing factors include the carry-through costs of the MDR/XDR TB facilities opened in the Greytown, Murchison and Thulasizwe Hospitals.

The increase in 2013/14 in the General (Regional) Hospitals sub-programme relates to the commissioning of an additional 80 beds at the LUWM Hospital, pressures in the costs of medicines, as well as funding for

unbudgeted medico-legal claims against the state. The low growth in 2014/15 is due to the decision to reduce the medicine levy as part of the savings plan, the correct booking of NHLS expenditure to other service delivery programmes, as well as fewer claims against the state paid in 2014/15. The increase in the 2015/16 Adjusted Appropriation relates to increased NHLS payments due to the adoption of the fee-for-service payment mechanism, increased cost of cleaning services, security services and water and electricity. The growth over the 2016/17 MTEF includes additional funding for the increased NHLS costs, as well as the exchange rate pressures in medicines and medical supplies.

The Tuberculosis Hospitals sub-programme shows an increase in *Goods and services* in 2015/16 attributable to the medicine payments that were deferred from 2014/15, and the increased costs of TB medication. Thereafter, the increase includes inflationary adjustments only. The reduction in 2016/17 is mainly due to the closure of the FOSA TB Hospital, as part of the rationalisation of services.

The increasing trend in the sub-programme: Psychiatric-Mental Hospitals relates to the various wage agreements and OSDs, and the MTEF includes carry-through costs and inflationary increases only.

The spending in the sub-programme: Sub-acute, Step-down and Chronic Medical Hospitals shows a significant increase in 2014/15 that is attributed to the take-over of McCord Hospital, as well as the commissioning of the KwaZulu-Natal Childrens' Hospital in eThekweni. The 2016/17 MTEF allocation makes provision for the operational costs of McCord Hospital to function as a specialised eye-care hospital with more funding allocated in the outer year.

The Dental Training Hospital sub-programme shows steady growth over the entire period, with inflationary growth over the 2016/17 MTEF.

The increase against *Compensation of employees* in 2013/14 was due to the above-budget 2013 wage agreement and clerical re-grading, as well as the commissioning of 80 additional beds at LUWM Hospital. The increase in 2015/16 is mainly due to the provision for the commissioning of McCord Hospital as a specialised eye-care hospital, the carry-through costs of the commissioning of additional beds at LUWM Hospital and also to cover the existing *Compensation of employees* budget gaps in this programme. The low growth in 2016/17 is due to the shortfall in the carry-through costs for the 2015 wage agreement, as explained previously.

The expenditure on *Goods and services* from 2013/14 onward includes the national priority funding for improving norms and standards at public hospitals, additional capacity for purchasing *Goods and services* and funding for the general policy adjustment. The negative growth in 2013/14 was attributed to the reduction in the "buying out" of beds from private hospitals, as well as the correct allocation of NHLS expenditure, mainly to Programme 2. The decrease in 2014/15 was due to the previously mentioned reduction in the medicine levy at the PPSD. The growth from 2015/16 provides for the commissioning of McCord Hospital as a specialised eye-care hospital. The increase in 2016/17 is attributable to the previously mentioned additional funding for NHLS and exchange rate pressures.

The amounts against *Transfers and subsidies to: Departmental agencies and accounts* relate to TV licences.

The substantial reduction in *Transfers and subsidies to: Non-profit institutions* in 2013/14 was the result of the reassessment of all the department's non-profit institutions. The further decrease in the 2015/16 Adjusted Appropriation is due to the decision to reallocate unallocated funding for non-profit institutions to other service delivery pressures. This decision was carried through over the 2016/17 MTEF, with provision for inflationary increases only in the outer years.

The high spending against *Transfers and subsidies to: Households* from 2013/14 to 2015/16 relates to a number of medico-legal claims. There is no provision for medico-legal claims over the 2016/17 MTEF due to the department not being in a position to reprioritise funding to these costs at this stage because of other competing service delivery needs, hence the drop in 2016/17 and minimal growth thereafter. This will be reviewed in-year as medico-legal costs arise.

The low base in 2012/13 against *Machinery and equipment* relates mainly to the delay in the delivery of replacement essential equipment ordered for provincial hospitals. This equipment was ordered in 2012/13

but only delivered in 2013/14 and contributes to the significant growth in 2013/14. Additional funding is provided over the 2016/17 MTEF for the replacement of redundant essential equipment under this programme, and increases are matched to identified cyclical replacement needs.

### Service delivery measures – Programme 4: Provincial Hospital Services

Table 7.26 below illustrates the main service delivery measures pertaining to Programme 4. The measures comply fully with the customised measures of the health sector.

**Table 7.26 : Service delivery measures – Programme 4: Provincial Hospital Services**

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2015/16	2016/17	2017/18	2018/19
1. General (Regional) Hospitals					
Rendering of hospital services at a general specialist level and a platform for training of health workers and research	• National core standards self-assessment rate	100%	100%	100%	100%
	• Quality improvement plan after self-assessment rate	100%	100%	100%	100%
	• Percentage of hospitals compliant with all extreme and vital measures of the national core standards	0%	23%	38.4%	53.8%
	• Client satisfaction survey rate	100%	100%	100%	100%
	• Client satisfaction rate	87%	89%	91%	93%
	• Average length of stay – total	6.5 days	6.5 days	6.5 days	6.5 days
	• Inpatient bed utilisation rate – total	67.8%	70.7%	70.7%	71%
	• Expenditure per PDE	R2 837	R2 822	R2 971	R3 127
	• Complaints resolution rate	82.2%	86%	88%	90%
	• Complaints resolution within 25 working days rate	97%	97.5%	97.8%	98.2%
2. Specialised Hospitals					
Rendering of hospital services at a specialist level including TB, psychiatric, oral and dental, step-down and chronic	• National core standards self-assessment rate	100%	100%	100%	100%
	• Quality improvement plan after self-assessment rate	100%	100%	100%	100%
	• Percentage of hospitals compliant with all extreme and vital measures of the national core standards	0%	33%	56%	67%
	• Client satisfaction survey rate	100%	100%	100%	100%
	• Client satisfaction rate	72%	89%	94%	100%
	• Average length of stay - total	39.3 days	39.1 days	39 days	39 days
	• Inpatient bed utilisation rate - total	62.9%	63%	63.2%	63.3%
	• Expenditure per PDE	R1 491	R1 582	R1 675	R1 774
	• Complaints resolution rate	30.7%	55.5%	68.6%	77.4%
	• Complaints resolution within 25 working days rate	89%	92%	94.3%	94.7%

## 6.5 Programme 5: Central Hospital Services

The main purpose of Programme 5: Central Hospital Services is to provide tertiary health services and to create a platform for the training of health workers.

Tables 7.27 and 7.28 below summarise payments and budgeted estimates relating to the two sub-programmes that fall under this programme.

**Table 7.27 : Summary of payments and estimates by sub-programme: Central Hospital Services**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Central Hospital Services	1 697 441	1 785 076	1 914 646	2 154 298	2 063 323	2 150 507	2 333 471	2 528 972	2 593 644
2. Provincial Tertiary Hospital Services	1 641 409	1 855 510	1 903 154	1 830 668	2 025 278	2 043 449	2 102 368	2 320 390	2 483 015
<b>Total</b>	<b>3 338 850</b>	<b>3 640 586</b>	<b>3 817 800</b>	<b>3 984 966</b>	<b>4 088 601</b>	<b>4 193 956</b>	<b>4 435 839</b>	<b>4 849 362</b>	<b>5 076 659</b>

Table 7.28 : Summary of payments and estimates by economic classification: Central Hospital Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>3 326 365</b>	<b>3 563 853</b>	<b>3 774 252</b>	<b>3 962 062</b>	<b>4 061 896</b>	<b>4 166 479</b>	<b>4 419 576</b>	<b>4 831 864</b>	<b>5 058 147</b>
Compensation of employees	1 805 528	1 984 474	2 135 330	2 226 728	2 266 728	2 333 609	2 407 673	2 607 315	2 805 152
Goods and services	1 520 837	1 579 379	1 638 596	1 735 334	1 795 168	1 832 870	2 011 903	2 224 549	2 252 995
Interest and rent on land	-	-	326	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>4 920</b>	<b>45 259</b>	<b>40 875</b>	<b>10 324</b>	<b>23 959</b>	<b>23 021</b>	<b>10 763</b>	<b>11 306</b>	<b>11 961</b>
Provinces and municipalities	-	-	-	-	-	2	-	-	-
Departmental agencies and accounts	-	52	51	54	54	-	57	60	63
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	4 920	45 207	40 824	10 270	23 905	23 019	10 706	11 246	11 898
<b>Payments for capital assets</b>	<b>7 565</b>	<b>31 474</b>	<b>2 673</b>	<b>12 580</b>	<b>2 746</b>	<b>4 456</b>	<b>5 500</b>	<b>6 192</b>	<b>6 551</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	7 565	31 474	2 673	12 580	2 746	4 456	5 500	6 192	6 551
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 338 850</b>	<b>3 640 586</b>	<b>3 817 800</b>	<b>3 984 966</b>	<b>4 088 601</b>	<b>4 193 956</b>	<b>4 435 839</b>	<b>4 849 362</b>	<b>5 076 659</b>

The positive trend over the entire period is due to the increasing demand for tertiary and central hospital services, as well as the various OSDs and annual wage agreements, and related carry-through costs. The significant increase in 2015/16 relates mainly to the high inflation rate on medicines, medical supplies and service costs, the Rand/Dollar exchange rate, accruals from 2014/15, as well as increased costs of blood products and increased stock levels of medical supplies to meet the increasing demand for services. The drop in the 2015/16 Main Appropriation was due to an error during the 2015/16 budget process that was rectified during the Adjustments Estimate, affecting the PPP payment against *Goods and services*. The 2016/17 MTEF includes the carry-through costs of wage agreements, OSDs and national priorities. Also, additional funding was received for the previously mentioned pressures in NHLS costs, as well as items affected by the deteriorating Rand/Dollar exchange rate including medicines, medical supplies and equipment.

The high trend in *Compensation of employees* in 2013/14 and 2014/15 was due to the above-budget 2012 wage adjustment and the reclassification of Grey's Hospital as a tertiary hospital, as indicated in Government Gazette No. 35101, as well as the filling of critical posts in order to reduce the buying out of beds. The high growth in 2014/15 is also attributable to the filling of critical posts to strengthen neonatal services. The increase in the 2015/16 Revised Estimate is due to the carry-through costs for the filling of critical posts in 2014/15 which was not fully funded during the 2015/16 MTEF budget process. The growth in 2016/17 is restricted by the previously mentioned above-budget 2015 wage agreement.

The low growth in *Goods and services* in 2013/14 and 2014/15 is attributed to efficiency gains from high cost drivers such as medicines, medical supplies and blood products, as well as the accruals of PPP and medicine payments from 2014/15 to 2015/16, accounting for the increase in 2015/16 and negative growth in 2016/17. The high expenditure in the 2015/16 Revised Estimate was due to PPP payment accruals from 2014/15, as well as the reduction in the medicine levy in 2014/15 as part of previously mentioned savings plan. The growth over the 2016/17 MTEF caters for the carry-through of the NHLS and exchange rate pressures.

The high expenditure against *Transfers and subsidies to: Households* from 2013/14 to 2015/16 relates to medico-legal claims against the department. No provision was made for these claims over the 2016/17 MTEF period due to competing service delivery needs, hence the negative growth in 2016/17. The department will assess this in-year as the need arises.

The increase in spending against *Machinery and equipment* in 2013/14 was due to critical medical equipment ordered in 2012/13, but only delivered and paid for in 2013/14. The slow spending in 2014/15 and 2015/16 was due to reprioritisation of the *Machinery and equipment* budget to other service delivery

needs due to budget constraints, as well as the slow pace in the delivery of medical equipment. The increase in the 2016/17 MTEF relates to the provision for the planned replacement and modernisation of critical major medical equipment for tertiary services, as well the clearing of the backlog due to the previously mentioned shortage of funds.

### Service delivery measures – Programme 5: Central Hospital Services

Table 7.29 illustrates service delivery measures pertaining to Programme 5: Central Hospital Services. The measures comply fully with the customised measures of the health sector.

**Table 7.29: Service delivery measures – Programme 5: Central Hospital Services**

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2015/16	2016/17	2017/18	2018/19	
1. Tertiary Hospitals						
To provide tertiary health services and create a platform for the training of health workers	• National core standards self-assessment rate	100%	100%	100%	100%	
	• Quality improvement plan after self-assessment rate	0%	100%	100%	100%	
	• Percentage of hospitals compliant with all extreme and vital measures of the national core standards	0%	66%	100%	100%	
	• Client satisfaction survey rate	100%	100%	100%	100%	
	• Client satisfaction rate	94%	96%	97%	100%	
	• Average length of stay – total	7.8 days	7.7 days	7.6 days	7.4 days	
	• Inpatient bed utilisation rate – total	76.3%	78.9%	81.7%	84.5%	
	• Expenditure per PDE	R5 375	R4 780	R5 146	R5 364	
	• Complaints resolution rate	83.5%	85%	90%	94.5%	
	• Complaints resolution within 25 working days rate	100%	100%	100%	100%	
2. Central Hospitals						
Rendering of a highly specialised medical health and quaternary service on a national basis and a platform for the training of health workers and research	• National core standards self-assessment rate	0%	100%	100%	100%	
	• Quality improvement plan after self-assessment rate	0%	100%	100%	100%	
	• Percentage of hospitals compliant with all extreme and vital measures of the national core standards	0%	100%	100%	100%	
	• Client satisfaction survey rate	100%	100%	100%	100%	
	• Client satisfaction rate	94%	96%	97%	100%	
	• Average length of stay – total	8.6 days	8.5 days	8.5 days	8.5 days	
	• Inpatient bed utilisation rate – total	67.2%	67.1%	67.1%	67%	
	• Expenditure per PDE	R8 088	R8 173	R8 637	R8 992	
	• Complaints resolution rate	75%	80%	85%	90%	
	• Complaints resolution within 25 working days rate	96.3%	96.5%	97%	98%	

## 6.6 Programme 6: Health Sciences and Training

The purpose of this programme is to render training and development opportunities for actual and potential employees of the department. The five sub-programmes have the following main aims:

- To provide for training of nurses at under-graduate and post-basic level.
- To provide training of rescue and ambulance personnel.
- To provide PHC related training for personnel.
- To provide skills development interventions for all occupational categories in the department.
- To provide bursaries for health science training at undergraduate and post-graduate levels.

Tables 7.30 and 7.31 summarise information relating to Programme 6 for the period 2012/13 to 2018/19.



Table 7.30 : Summary of payments and estimates by sub-programme: Health Sciences and Training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Nursing Training Colleges	334 013	292 602	276 189	296 953	280 341	279 813	280 382	300 650	318 088
2. EMS Training Colleges	10 890	5 968	5 039	4 709	4 575	3 772	18 176	18 304	19 366
3. Bursaries	82 997	205 880	243 405	237 500	283 379	289 297	255 910	268 912	284 509
4. Primary Health Care Training	54 574	47 043	41 957	49 610	40 913	41 161	38 530	41 481	43 887
5. Training Other	419 461	447 858	452 359	466 478	446 042	441 207	507 152	537 336	568 501
<b>Total</b>	<b>901 935</b>	<b>999 351</b>	<b>1 018 949</b>	<b>1 055 250</b>	<b>1 055 250</b>	<b>1 055 250</b>	<b>1 100 150</b>	<b>1 166 683</b>	<b>1 234 351</b>

Table 7.31 : Summary of payments and estimates by economic classification: Health Sciences and Training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>804 266</b>	<b>789 339</b>	<b>778 344</b>	<b>816 250</b>	<b>777 965</b>	<b>771 940</b>	<b>842 326</b>	<b>898 400</b>	<b>950 507</b>
Compensation of employees	746 254	736 405	722 027	743 354	719 538	714 227	776 000	828 732	876 798
Goods and services	58 012	52 931	56 317	72 896	58 427	57 713	66 326	69 668	73 709
Interest and rent on land	-	3	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>96 105</b>	<b>208 586</b>	<b>238 187</b>	<b>230 000</b>	<b>273 909</b>	<b>283 075</b>	<b>252 824</b>	<b>261 647</b>	<b>276 823</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	10 119	11 282	15 768	16 000	18 863	18 863	19 842	17 684	18 710
Higher education institutions	57	498	16	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	15 130	-	-	-	-	-	-	-	-
Households	70 799	196 806	222 403	214 000	255 046	264 212	232 982	243 963	258 113
<b>Payments for capital assets</b>	<b>1 564</b>	<b>1 426</b>	<b>2 412</b>	<b>9 000</b>	<b>3 369</b>	<b>228</b>	<b>5 000</b>	<b>6 636</b>	<b>7 021</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 564	1 426	2 412	9 000	3 369	228	5 000	6 636	7 021
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>7</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>901 935</b>	<b>999 351</b>	<b>1 018 949</b>	<b>1 055 250</b>	<b>1 055 250</b>	<b>1 055 250</b>	<b>1 100 150</b>	<b>1 166 683</b>	<b>1 234 351</b>

The negative growth against the sub-programme: Nursing Training Colleges in 2013/14 and 2014/15, low growth in 2015/16, as well as the declining trend against the sub-programme: Primary Health Care Training from 2012/13 to 2016/17 is mainly due to the reduced intake of nursing students, as well as the department's change in policy, with student nurses being paid by stipend and no longer on the more expensive permanent salary basis. In addition, there has been reprioritisation of funding to other areas of critical clinical needs due to shortfalls in funding.

The negative growth from 2013/14 to 2015/16 and very high growth in 2016/17 under EMS Training Colleges was due to the incorrect linking of EMS training staff against Programme 3, which is corrected in 2016/17. Historical figures have not been restated as yet, due to delays in correcting the error on PERSAL.

The increase in the sub-programme: Bursaries over the entire period is attributed to the pressures in bursary payments related to the increase in student numbers on the Cuban Doctors' programme. These payments are subject to Rand/Dollar exchange rate pressures which has not been favourable in the recent past. As mentioned earlier, there will be no further students added to this programme in accordance with a NDOH instruction, with an average of 14 students returning from Cuba per year over the 2016/17 MTEF.

In the sub-programme: Training Other, the increase over the seven year period is due to the extension of the medical internship period to two years, as well as the OSD for doctors. The reduction in the 2015/16 Adjusted Appropriation and Revised Estimate is due to the decision to put on hold the training and development of administrative support staff as part of the cost-containment measures. The 2016/17 MTEF increase provides for the carry-through costs of the various wage agreements.

The trend across the seven year period shows a steady increase in *Compensation of employees* and includes carry-through costs for OSDs for medical personnel and wage agreements. The low growth from 2012/13 through to 2014/15 reflects the change in the department's policy with regard to nurses being paid by stipend and no longer on the more expensive permanent salary basis. The decision to discontinue

certain nurse training programmes in light of budget cuts also contributed to this low growth. The decrease in 2014/15 is also related to the movement of nutrition advisors to the Other Community Services sub-programme in Programme 2. The training programme for these employees was under Programme 6 and, after completion of training, the staff were shifted to Programme 2.

The fluctuating trend in *Goods and services* is attributed to the travelling costs related to the Cuban Doctors' programme where travelling is linked to exchange rate fluctuations, as well as the training of personnel in health related fields. The decrease in 2013/14 and again in the 2015/16 Adjusted Appropriation is due to forced savings to address the previously mentioned bursary pressures related to the Cuban Doctors' programme. Growth over the 2016/17 MTEF addresses the related travelling costs of the students in the Cuban Doctors' programme and inflationary growth only in the outer two years.

The category *Transfers and subsidies to: Departmental agencies and accounts* shows strong growth from 2012/13 through to 2015/16, which is ascribed to the HWSETA levy, which is in line with the growth in *Compensation of employees*.

*Transfers and subsidies to: Non-profit institutions* in 2012/13 relates to the McCord Hospital. The ceasing of funding from 2013/14 is attributed to the provincialisation of McCord Hospital during 2013/14.

The significant increase in *Transfers and subsidies to: Households* over the entire period relates to the department's decision to implement intensive training programmes through bursaries to address the shortage of personnel in the health fields, including the previously mentioned Cuban Doctors' programme.

The funding against *Machinery and equipment* makes provision for additional equipment at the various training campuses. The reduced amount in 2013/14 relates to funding moved to the service delivery programmes, to address pressures in these programmes. The increase from 2015/16 seeks to address shortages that have arisen in the past, and the budget grows marginally over the 2016/17 MTEF.

The expenditure against *Payments for financial assets* relates to the write-off of losses.

## Service delivery measures – Programme 6: Health Sciences and Training

Table 7.32 below illustrates service delivery pertaining to Programme 6. The measures comply fully with the customised measures of the health sector.

**Table 7.32 : Service delivery measures – Programme 6: Health Sciences and Training**

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2015/16	2016/17	2017/18	2018/19
2. Bursaries					
Provision of bursaries for health science training programmes at undergraduate and postgraduate levels. Target group includes actual and potential employees	• No. of bursaries awarded for first year medicine students	91	50	50	50
	• No. of bursaries awarded for first year nursing students	450	450	450	450

## 6.7 Programme 7: Health Care Support Services

The aim of this programme is to house a number of centralised services including:

- The PMSC, which manages the supply of pharmaceuticals and medical sundries to hospitals, community health centres, clinics and local authorities, via the Medicine Trading Account.
- Provision of laundry services to hospitals, care and rehabilitation centres and certain local authorities.
- Provision of specialised orthotic and prosthetic services to hospitals and clinics.

Tables 7.33 and 7.34 below summarise the payments and estimates relating to this programme for the period 2012/13 to 2018/19.

Table 7.33 : Summary of payments and estimates by sub-programme: Health Care Support Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Medicine Trading Account	15 170	-	6	-	-	-	-	-	-
2. Laundry Services	90 040	90 271	125 667	104 280	104 280	135 642	281 884	217 767	230 396
3. Orthotic and Prosthetic Services	25 331	32 573	26 235	34 008	34 008	31 217	44 603	37 587	39 767
<b>Total</b>	<b>130 541</b>	<b>122 844</b>	<b>151 908</b>	<b>138 288</b>	<b>138 288</b>	<b>166 859</b>	<b>326 487</b>	<b>255 354</b>	<b>270 163</b>

Table 7.34 : Summary of payments and estimates by economic classification: Health Care Support Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>112 663</b>	<b>121 545</b>	<b>147 452</b>	<b>135 113</b>	<b>135 485</b>	<b>161 707</b>	<b>317 307</b>	<b>251 771</b>	<b>266 372</b>
Compensation of employees	78 745	81 357	84 524	95 700	94 149	91 632	106 900	115 322	122 008
Goods and services	33 918	40 188	62 928	39 413	41 336	70 075	210 407	136 449	144 364
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>16 493</b>	<b>1 285</b>	<b>1 264</b>	<b>575</b>	<b>303</b>	<b>252</b>	<b>680</b>	<b>711</b>	<b>752</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	15 170	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 323	1 285	1 264	575	303	252	680	711	752
<b>Payments for capital assets</b>	<b>1 385</b>	<b>14</b>	<b>3 192</b>	<b>2 600</b>	<b>2 500</b>	<b>4 900</b>	<b>8 500</b>	<b>2 872</b>	<b>3 039</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 385	14	3 192	2 600	2 500	4 900	8 500	2 872	3 039
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>130 541</b>	<b>122 844</b>	<b>151 908</b>	<b>138 288</b>	<b>138 288</b>	<b>166 859</b>	<b>326 487</b>	<b>255 354</b>	<b>270 163</b>

Note that, from 2013/14, the department has centralised the Laundry Services and the Orthotic and Prosthetic Services as separate sub-programmes within Programme 7, which is in line with the budget and programme structure for the Health sector. These functions were previously spread over Programmes 2, 4 and 5. Historical data has been adjusted accordingly.

The expenditure against the Medicine Trading Account sub-programme in 2012/13 results from the additional funding that was required to enable the PMSC to carry sufficient medical stock to meet demand. The reduction in 2013/14 was due to the account having sufficient funding for the supply of pharmaceuticals and medical sundries, with no top-up needed. This situation was carried through to 2015/16. The medicine trading account will cease to exist as from 2016/17. This is due to the decision to incorporate the Provincial Pharmacy Supply Depot to be part of the departmental facilities. This also accounts for the trend against *Transfers and subsidies to: Departmental agencies and accounts*.

The notable increase in 2014/15 against the Laundry Services sub-programme is due to the procurement of additional laundry linen and laundry vehicles for the commissioning of the KwaZulu Provincial Laundry. The increase in 2014/15 was also attributed to the outsourcing of laundry services due to delays in the commissioning of the KwaZulu Provincial Laundry. This trend continues in 2015/16 and 2016/17, with an additional R80 million allocated for linen in the latter year, as the department purchases additional hospital linen and laundry trucks to ensure the smooth functioning of the KwaZulu Provincial Laundry. This once-off spending explains the decrease in 2017/18, with inflationary growth in the outer year.

The high growth in 2013/14 under the Orthotic and Prosthetic Services sub-programme was caused by the delivery of medical supplies that were ordered in 2012/13, accounting for the negative growth in 2014/15. The high growth in 2016/17 is a once-off provision for the procurement of critical orthotic and prosthetic medical equipment, hence the decline in 2017/18, with inflationary growth in the outer year.

*Compensation of employees* grows steadily over the seven-year period, driven mainly by the various higher than expected wage agreements, as well as additional laundry services staff.

The high growth in *Goods and services* in 2014/15 through to 2016/17 is due to the provision for the bulk purchase of linen for the commissioning of KwaZulu Provincial Laundry, the once-off procurement of laundry vehicles, as well as the outsourcing of laundry services while awaiting the commissioning.

The fluctuating trend against *Transfers and subsidies to: Households* relates to the unpredictable nature of staff exit costs.

Expenditure against *Machinery and equipment* relates to office equipment and laundry vehicles for the programme. The reduction in 2013/14 was related to the delay in the delivery of laundry vehicles. The increase in 2014/15 was due to the delivery of laundry vehicles ordered in 2013/14, as well as the planned once-off purchase of special/modified laundry vehicles. The increase in 2016/17 relates to the previously mentioned purchase of orthotic and prosthetic medical equipment, hence the drop in 2017/18.

## 6.8 Programme 8: Health Facilities Management

Programme 8: Health Facilities Management 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 provide new health facilities, and rehabilitate, upgrade and maintain existing facilities. This includes the provision of additional PHC facilities, to ensure improved access to health services in under-served areas of the province, as well as the provision of major medical equipment.

Tables 7.35 and 7.36 below summarise payments and estimates relating to Programme 8.

**Table 7.35 : Summary of payments and estimates by sub-programme: Health Facilities Management**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Community Health Facilities	562 070	523 719	443 562	200 842	176 277	195 699	133 293	164 508	210 866
2. District Hospital Services	651 614	588 488	476 652	159 266	186 349	200 373	365 010	452 886	497 523
3. Emergency Medical Services	5 377	1 328	-	2 381	-	-	-	-	-
4. Provincial Hospital Services	812 898	600 958	500 232	941 445	915 282	901 788	840 970	915 440	913 080
5. Central Hospital Services	28 598	24 396	18 685	11 897	31 514	26 963	76 043	134 135	135 636
6. Other Facilities	313 041	261 917	239 906	235 521	241 930	226 529	168 199	148 714	158 432
<b>Total</b>	<b>2 373 597</b>	<b>2 000 806</b>	<b>1 679 037</b>	<b>1 551 352</b>	<b>1 551 352</b>	<b>1 551 352</b>	<b>1 583 515</b>	<b>1 815 683</b>	<b>1 915 537</b>

**Table 7.36 : Summary of payments and estimates by economic classification: Health Facilities Management**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>463 510</b>	<b>349 449</b>	<b>379 132</b>	<b>405 904</b>	<b>357 807</b>	<b>372 136</b>	<b>477 294</b>	<b>398 002</b>	<b>455 809</b>
Compensation of employees	21 998	24 048	24 158	37 000	33 605	33 643	44 122	42 000	42 000
Goods and services	441 511	325 401	354 974	368 904	324 202	338 493	433 172	356 002	413 809
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>20 000</b>	<b>20 022</b>	<b>37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	20 000	20 000	-	-	-	-	-	-	-
Households	-	22	37	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1 890 088</b>	<b>1 631 335</b>	<b>1 299 868</b>	<b>1 145 448</b>	<b>1 193 545</b>	<b>1 179 216</b>	<b>1 106 221</b>	<b>1 417 681</b>	<b>1 459 728</b>
Buildings and other fixed structures	1 662 936	1 530 893	1 206 295	1 143 659	1 097 558	1 102 958	896 221	967 681	989 128
Machinery and equipment	227 152	100 442	93 573	1 789	95 987	76 258	210 000	450 000	470 600
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2 373 597</b>	<b>2 000 806</b>	<b>1 679 037</b>	<b>1 551 352</b>	<b>1 551 352</b>	<b>1 551 352</b>	<b>1 583 515</b>	<b>1 815 683</b>	<b>1 915 537</b>

The high base in 2012/13 is largely the result of a drive to improve and maintain the infrastructure of the department and is also related to increasing conditional grant funding, especially the Health Facility Revitalisation grant, as well as the department's equitable share. The decrease in 2016/17 in some sub-programmes and in *Buildings and other fixed structures*, as well as *Machinery and equipment* relates to the previously mentioned reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure. The increase in 2017/18 and 2018/19 is due to additional funding for the effect of the weakening exchange rate on the cost of medical equipment.

The increase in *Compensation of employees* from 2012/13 to 2013/14 is due to the implementation of the EPWP Integrated Grant for Provinces, which utilises local people to maintain grounds and clean buildings. Although this grant has received funding in 2016/17 only, at this stage, the programme is continuing and thus funds will be made available over the remainder of the MTEF for this.

The day-to-day maintenance drive accounts for the peak against *Goods and services* in 2012/13 and is an effort to bring facilities up to standard for the roll-out of the NHI. The reduction in *Goods and services* in 2013/14 is a result of the hired/leased properties being paid under capital projects, and this has been reversed in 2014/15. The reduction in 2013/14 was also due to the provincial tenders not being in place, poor performing contractors were also reported by some districts and lack of capacity at some institutions in carrying out the maintenance functions. The level of funding for maintenance fluctuates over the 2016/17 MTEF due to the previously mentioned fluctuations in the Health Facility Revitalisation grant, namely the additional once-off funding allocated in 2016/17 for submission of acceptable plans, as well as an additional allocation in the outer year.

With regard to *Transfers and subsidies to: Non-profit institutions*, the department transferred R20 million in 2012/13 and 2013/14 to the KZN Children's Hospital Trust for the development and refurbishment of the KZN Children's Hospital in the eThekweni Metro.

The high base against *Machinery and equipment* in 2012/13 was due to once-off payments for essential medical equipment, needed to meet the requirements of the NHI. The negative growth in 2013/14 can mainly be attributed to this once-off expenditure, as well as reprioritisation undertaken, as the funding was required for the committed and contracted capital projects which were already in the construction phase. The trend over the 2016/17 MTEF caters for the effect of the weakening exchange rate on the replacement of redundant essential medical equipment, for which the department received additional funding.

## Service delivery measures – Programme 8: Health Facilities Management

Table 7.37 below illustrates service delivery pertaining to Programme 8. Note that these are new measures promulgated by the sector from 2014/15.

**Table 7.37 : Service delivery measures – Programme 8: Health Facilities Management**

Table 1.57: Service delivery measures – Programme 6: Health Facilities Management					
Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2015/16	2016/17	2017/18	2018/19
1. Health Facilities Management					
Provision of new health facilities and the refurbishment, upgrading and maintenance of existing facilities	• No. of health facilities that have undergone major and minor refurbishment	21	8	8	8
	• Establish service level agreements (SLAs) with Department of Public Works (and any other implementing agents)	1	1	1	1

## 7. Other programme information

### 7.1 Personnel numbers and costs

Tables 7.38 and 7.39 reflect personnel information for the Department of Health. The following personnel are not included in the information provided as they are not paid from the department's voted funds:

- Personnel working at the Provincial Pharmacy Supply Depot, who are paid from the Medicine Trading Account.
- Staff occupying sub-vented (shared costs) posts and whose salaries are claimed from the UKZN.

The high staff numbers in 2013/14 is largely due to the department placing student nurses and community care-givers (CCG) on the payroll. Although the numbers have increased significantly, the cost to the department for CCGs has not increased, as the affected staff were paid *via* transfers to NGOs previously. In the case of student nurses, the costs are lower as they now receive a stipend, instead of a full salary.

**Table 7.38 : Personnel numbers and costs by programme**

Personnel numbers	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 31 March 2019
1. Administration	781	779	781	817	817	817	817
2. District Health Services	38 895	45 237	46 968	46 531	46 531	46 531	46 531
3. Emergency Medical Services	3 168	3 241	3 104	3 049	3 049	3 049	3 049
4. Provincial Hospital Services	22 099	22 338	22 402	21 788	21 788	21 788	21 788
5. Central Hospital Services	4 507	4 475	4 435	5 845	5 845	5 845	5 845
6. Health Sciences and Training	4 212	4 159	3 311	3 454	2 954	2 954	2 954
7. Health Care Support Services	499	495	469	609	609	609	609
8. Health Facilities Management	565	882	676	779	779	779	779
<b>Total</b>	<b>74 726</b>	<b>81 606</b>	<b>82 146</b>	<b>82 872</b>	<b>82 372</b>	<b>82 372</b>	<b>82 372</b>
Total provincial personnel cost (R thousand)	16 886 345	18 676 776	20 014 542	21 830 915	23 096 722	24 633 318	26 187 519
Unit cost (R thousand)	226	229	244	263	280	299	318

**Table 7.39 : Summary of departmental personnel numbers and costs by component**

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Total for the department</b>									
Personnel numbers (head count)	74 726	81 606	82 146	83 192	82 872	82 872	82 372	82 372	82 372
Personnel cost (R thousands)	16 886 345	18 676 776	20 014 542	21 138 481	21 625 944	21 830 915	23 096 722	24 633 318	26 187 519
<b>Human resources component</b>									
Personnel numbers (head count)	1 138	1 268	1 268	1 268	1 350	1 350	1 350	1 350	1 350
Personnel cost (R thousands)	225 980	312 595	344 527	353 887	379 536	383 137	405 359	432 315	459 594
Head count as % of total for department	1.52	1.55	1.54	1.52	1.63	1.63	1.64	1.64	1.64
Personnel cost as % of total for department	1.34	1.67	1.72	1.67	1.76	1.76	1.76	1.76	1.76
<b>Finance component</b>									
Personnel numbers (head count)	2 702	3 014	3 014	3 014	3 054	3 054	3 054	3 054	3 054
Personnel cost (R thousands)	442 681	547 493	590 112	619 814	710 953	717 699	759 326	809 821	860 920
Head count as % of total for department	3.62	3.69	3.67	3.62	3.69	3.69	3.71	3.71	3.71
Personnel cost as % of total for department	2.62	2.93	2.95	2.93	3.29	3.29	3.29	3.29	3.29
<b>Full time workers</b>									
Personnel numbers (head count)	73 250	80 242	71 945	71 966	65 772	65 772	65 772	65 772	65 772
Personnel cost (R thousands)	16 318 828	18 379 522	19 591 524	20 638 889	19 937 447	20 142 418	21 310 322	22 728 068	24 162 061
Head count as % of total for department	98.02	98.33	87.58	86.51	79.37	79.37	79.85	79.85	79.85
Personnel cost as % of total for department	96.64	98.41	97.89	97.64	92.19	92.27	92.27	92.27	92.27
<b>Part-time workers</b>									
Personnel numbers (head count)	902	825	825	825	773	773	773	773	773
Personnel cost (R thousands)	135 763	220 469	225 016	249 592	256 438	256 438	271 306	289 357	307 615
Head count as % of total for department	1.21	1.01	1.00	0.99	0.93	0.93	0.94	0.94	0.94
Personnel cost as % of total for department	0.80	1.18	1.12	1.18	1.19	1.17	1.17	1.17	1.17
<b>Contract workers</b>									
Personnel numbers (head count)	574	539	9 376	10 401	16 327	16 327	15 827	15 827	15 827
Personnel cost (R thousands)	431 754	76 785	198 002	250 000	1 432 059	1 432 059	1 515 093	1 615 892	1 717 843
Head count as % of total for department	0.77	0.66	11.41	12.50	19.70	19.70	19.21	19.21	19.21
Personnel cost as % of total for department	2.56	0.41	0.99	1.18	6.62	6.56	6.56	6.56	6.56

## 7.2 Training

Tables 7.40 and 7.41 reflect departmental expenditure on training, which is centralised under Programme 6: Health Sciences and Training. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expenses on staff training, to cater for human resource development. As the

percentage spent on training exceeds three per cent of the department's baseline, this requirement is fully achieved.

The costs reflected include the costs of staff and other running costs within Programme 6, hence the total cost is more than that reflected against *Training and development* in Annexure 7B. The training provided is for medical interns, nurses, emergency medical rescue and ambulance personnel and skills development for all occupational categories in the department. The department has several training programmes aimed at developing and retaining skills. These include training at Nursing Colleges, the Cuban Doctors' programme, as well as registrar training programmes in respect of specialist medical training. The most significant portion of the training costs within Programme 6 is for *Other*, and relates to the running costs of the various institutions (including *Compensation of employees* for training staff).

Table 7.40 : Payments on training by programme: Health

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>1. Administration</b>	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>2. District Health Services</b>	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>3. Emergency Medical Services</b>	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>4. Provincial Hospital Services</b>	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>5. Central Hospital Services</b>	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>6. Health Sciences and Training</b>	<b>901 968</b>	<b>1 012 752</b>	<b>1 051 400</b>	<b>1 104 853</b>	<b>1 104 853</b>	<b>1 104 853</b>	<b>1 163 410</b>	<b>1 221 581</b>	<b>1 292 433</b>
Travel and subsistence	18 048	11 157	11 300	11 876	11 876	11 876	12 482	13 118	13 879
Payments on tuition	111 738	241 605	205 650	216 138	216 138	216 138	227 161	238 746	252 593
Other	772 182	759 990	834 450	876 839	876 839	876 839	923 767	969 717	1 025 961
<b>7. Health Care Support Services</b>	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>8. Health Facilities Management</b>	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>901 968</b>	<b>1 012 752</b>	<b>1 051 400</b>	<b>1 104 853</b>	<b>1 104 853</b>	<b>1 104 853</b>	<b>1 163 410</b>	<b>1 221 581</b>	<b>1 292 433</b>

Table 7.41 : Information on training: Health

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Number of staff	74 726	81 606	82 146	82 872	82 872	82 872	82 372	82 372	82 372
Number of personnel trained	24 950	9 530	9 500	11 500	11 500	11 500	13 500	15 500	16 399
of which									
Male	6 904	2 439	3 330	4 130	4 130	4 130	4 930	5 730	6 062
Female	18 046	7 091	6 170	7 370	7 370	7 370	8 570	9 770	10 337
Number of training opportunities	12 410	13 155	8 030	8 916	8 916	8 916	8 975	9 048	9 573
of which									
Tertiary	1 700	1 802	32	100	100	100	120	140	148
Workshops	550	583	618	618	618	618	655	688	728
Seminars	60	64	198	198	198	198	200	220	233
Other	10 100	10 706	7 182	8 000	8 000	8 000	8 000	8 000	8 464
Number of bursaries offered	897	1 487	1 581	1 600	1 600	1 600	1 700	1 800	1 904
Number of interns appointed	500	183	272	150	150	150	200	250	265
Number of learnerships appointed	250	250	181	250	250	250	250	263	278
Number of days spent on training	-	-	-	-	-	-	-	-	-





## ANNEXURE – VOTE 7: HEALTH

Table 7.A : Details of departmental receipts: Health

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Tax receipts</b>	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
<b>Sale of goods and services other than capital assets</b>	<b>218 326</b>	<b>237 077</b>	<b>250 237</b>	<b>231 538</b>	<b>231 538</b>	<b>236 777</b>	<b>255 372</b>	<b>270 359</b>	<b>284 935</b>
Sale of goods and services produced by department (excluding capital assets)	217 499	236 584	249 286	230 728	230 728	235 732	254 519	269 455	283 979
Sales by market establishments	14 141	14 369	14 366	23 185	23 185	14 052	17 944	19 153	19 153
Administrative fees	3 231	4 347	5 262	783	783	5 289	5 600	5 930	6 280
Other sales	200 127	217 868	229 658	206 760	206 760	216 391	230 975	244 372	258 546
Of which									
Health patient fees	125 730	145 608	156 079	138 741	138 741	145 320	166 888	176 568	186 810
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	827	493	951	810	810	1 045	853	903	957
<b>Transfers received from:</b>	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
<b>Fines, penalties and forfeits</b>	<b>17</b>	<b>29</b>	<b>31</b>	<b>21</b>	<b>21</b>	<b>37</b>	<b>21</b>	<b>22</b>	<b>23</b>
<b>Interest, dividends and rent on land</b>	<b>186</b>	<b>5 988</b>	<b>143</b>	<b>217</b>	<b>217</b>	<b>49</b>	<b>135</b>	<b>142</b>	<b>149</b>
Interest	186	5 988	143	217	217	49	135	142	149
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Sale of capital assets</b>	<b>35 941</b>	<b>9 607</b>	<b>14 009</b>	<b>10 000</b>	<b>10 000</b>	<b>3 900</b>	<b>12 000</b>	<b>12 600</b>	<b>13 230</b>
Land and sub-soil assets	35 941	9 607	14 009	10 000	10 000	3 900	12 000	12 600	13 230
Other capital assets	-	-	-	-	-	-	-	-	-
<b>Transactions in financial assets and liabilities</b>	<b>12 601</b>	<b>18 046</b>	<b>25 513</b>	<b>16 182</b>	<b>16 182</b>	<b>24 633</b>	<b>16 182</b>	<b>17 040</b>	<b>17 892</b>
<b>Total</b>	<b>267 071</b>	<b>270 747</b>	<b>289 933</b>	<b>257 958</b>	<b>257 958</b>	<b>265 396</b>	<b>283 710</b>	<b>300 162</b>	<b>316 229</b>

# Estimates of Provincial Revenue and Expenditure

**Table 7.B : Payments and estimates by economic classification: Health**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2015/16	2015/16	2016/17	2017/18	2018/19
<b>Current payments</b>	<b>24 746 845</b>	<b>26 890 291</b>	<b>28 911 128</b>	<b>30 780 575</b>	<b>31 631 280</b>	<b>32 021 520</b>	<b>34 374 587</b>	<b>36 984 175</b>	<b>39 633 268</b>
Compensation of employees	16 886 345	18 676 776	20 014 542	21 138 481	21 625 944	21 830 915	23 096 722	24 633 318	26 187 519
Salaries and wages	14 687 243	16 304 543	17 563 298	18 503 497	18 943 714	19 065 152	20 174 448	21 532 667	22 806 153
Social contributions	2 199 102	2 372 233	2 451 244	2 634 984	2 682 230	2 765 763	2 922 274	3 100 651	3 381 366
Goods and services	7 860 500	8 213 347	8 895 900	9 642 094	10 005 170	10 190 139	11 277 865	12 350 857	13 445 749
Administrative fees	32	30	-	30	8	232	292	257	236
Advertising	12 940	13 790	14 083	25 554	32 463	31 768	49 824	50 539	51 176
Assets less than the capitalisation threshold	68 901	48 440	46 064	50 244	50 492	45 710	75 524	65 276	71 552
Audit cost: External	9 315	15 924	122 572	10 000	10 000	82 110	20 000	20 580	25 457
Bursaries: Employees	151	734	3 694	2 500	2 276	2 454	3 885	4 017	4 245
Catering: Departmental activities	2 314	2 087	2 286	2 095	2 001	4 574	6 581	6 665	6 938
Communication (G&S)	90 818	93 271	99 330	99 521	101 876	99 042	103 494	107 872	115 137
Computer services	152 690	197 733	133 813	175 329	181 739	184 820	176 415	178 958	188 813
Cons & prof serv: Business and advisory services	53 502	74 476	52 943	40 307	37 708	59 709	50 483	49 382	123 446
Cons & prof serv: Infrastructure and planning	72	139	812	7 262	-	-	2 000	76 200	80 504
Cons & prof serv: Laboratory services	539 752	587 579	913 128	937 900	1 208 400	1 357 174	1 630 542	1 642 870	1 705 673
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	7 321	8 907	12 025	13 783	8 663	13 569	12 251	9 566	10 182
Contractors	175 450	149 831	140 172	188 367	139 038	155 715	288 767	211 484	285 666
Agency and support / outsourced services	929 848	946 858	1 034 152	1 053 160	1 064 021	1 126 226	1 192 588	1 281 883	1 306 394
Entertainment	33	6	2	4	4	3	7	7	7
Fleet services (incl. govt motor transport)	205 900	151 338	293 620	288 501	292 675	296 683	272 643	288 403	306 150
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	2 009	11 282	17 296	21 131	18 660	25 830	26 090	27 320
Inventory: Farming supplies	-	2	5	-	-	(7)	-	-	-
Inventory: Food and food supplies	101 721	116 213	120 101	131 976	124 302	119 340	132 825	156 239	165 302
Inventory: Fuel, oil and gas	200 656	263 346	124 589	134 700	120 543	150 841	126 346	129 479	136 919
Inventory: Learner and teacher support material	-	-	29	900	123	140	160	219	231
Inventory: Materials and supplies	27 361	10 007	10 634	15 823	11 152	12 745	15 405	15 506	16 218
Inventory: Medical supplies	1 283 784	1 339 263	1 481 668	1 540 201	1 517 263	1 400 772	1 563 950	1 810 002	1 978 109
Inventory: Medicine	2 317 378	2 520 816	2 392 666	2 999 606	3 028 583	2 953 583	3 117 878	3 796 890	4 280 933
Medcas inventory interface	-	-	3	-	-	-	-	-	-
Inventory: Other supplies	-	1	1 098	226	330	1 563	1 454	1 466	1 551
Consumable supplies	214 645	255 640	262 751	242 953	264 107	289 213	439 549	379 252	400 255
Consumable: Stationery, printing & office supplies	52 930	45 413	73 778	52 524	78 965	81 570	98 908	100 981	107 210
Operating leases	109 010	98 849	135 476	159 431	166 825	154 469	136 823	132 865	137 136
Property payments	1 085 911	1 081 879	1 180 365	1 239 362	1 340 293	1 338 604	1 494 074	1 557 676	1 648 153
Transport provided: Departmental activity	21 840	58 556	72 277	76 115	76 148	86 626	83 280	87 115	90 635
Travel and subsistence	75 510	65 388	80 518	83 863	77 298	70 002	92 336	95 988	102 693
Training and development	45 043	28 420	15 950	30 640	12 228	11 074	24 613	26 992	28 692
Operating payments	73 729	33 995	57 987	18 811	27 296	32 338	33 463	34 335	36 860
Venues and facilities	1 944	2 018	4 826	3 110	7 215	8 813	5 672	5 800	5 953
Rental and hiring	-	390	1 200	-	4	5	3	3	3
Interest and rent on land	-	169	686	-	166	466	-	-	-
Interest	-	169	686	-	-	-	-	-	-
Rent on land	-	-	-	-	166	466	-	-	-
<b>Transfers and subsidies</b>	<b>486 764</b>	<b>740 159</b>	<b>828 088</b>	<b>648 156</b>	<b>843 119</b>	<b>858 059</b>	<b>734 473</b>	<b>786 547</b>	<b>825 156</b>
Provinces and municipalities	26 330	79 199	122 618	111 290	211 540	210 157	174 707	206 347	211 991
Provinces	3 437	4 463	5 214	6 290	6 290	4 907	5 659	6 347	6 597
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	3 437	4 463	5 214	6 290	6 290	4 907	5 659	6 347	6 597
Municipalities	22 893	74 736	117 404	105 000	205 250	205 250	169 048	200 000	205 394
Municipalities	22 893	74 736	117 404	105 000	205 250	205 250	169 048	200 000	205 394
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	25 351	11 370	15 895	16 171	19 046	18 960	20 025	17 876	18 912
Social security funds	-	-	-	-	-	1	-	-	-
Entities receiving transfers	25 351	11 370	15 895	16 171	19 046	18 959	20 025	17 876	18 912
Higher education institutions	57	501	16	-	-	-	-	-	-
Foreign governments and international organisations	-	-	66	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	277 586	256 751	222 051	215 100	197 039	196 932	203 313	210 687	222 241
Households	157 440	392 339	467 442	305 595	415 494	432 010	336 428	351 637	372 012
Social benefits	67 441	100 183	143 796	92 645	93 460	98 981	105 992	109 518	115 854
Other transfers to households	89 999	292 156	323 646	212 950	322 034	333 029	230 436	242 119	256 158
<b>Payments for capital assets</b>	<b>2 156 923</b>	<b>1 867 332</b>	<b>1 505 879</b>	<b>1 445 448</b>	<b>1 387 977</b>	<b>1 324 660</b>	<b>1 361 970</b>	<b>1 663 207</b>	<b>1 725 449</b>
Buildings and other fixed structures	1 662 936	1 530 972	1 206 505	1 143 659	1 097 558	1 102 958	896 221	967 681	989 128
Buildings	1 662 936	1 530 972	1 206 295	1 143 659	1 097 010	1 102 410	896 221	967 681	989 128
Other fixed structures	-	-	210	-	548	548	-	-	-
Machinery and equipment	493 987	336 179	299 374	301 789	290 419	221 702	465 749	695 526	736 321
Transport equipment	112 017	95 348	122 385	134 000	113 830	84 893	127 437	132 057	142 844
Other machinery and equipment	381 970	240 831	176 989	167 789	176 589	136 809	338 312	563 469	593 477
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	181	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>1</b>	<b>33 629</b>	<b>415</b>	<b>107 607</b>	<b>107 616</b>	<b>110 036</b>	<b>107 607</b>	<b>107 608</b>	<b>-</b>
<b>Total</b>	<b>27 390 533</b>	<b>29 531 410</b>	<b>31 245 510</b>	<b>32 981 786</b>	<b>33 969 992</b>	<b>34 314 275</b>	<b>36 578 637</b>	<b>39 541 537</b>	<b>42 183 873</b>
Unauth. Exp. (1st charge) not available for spending	-	-	-	(107 607)	(107 607)	(107 607)	(107 607)	(107 608)	-
<b>Baseline available for spending after 1st charge</b>	<b>27 390 533</b>	<b>29 531 410</b>	<b>31 245 510</b>	<b>32 874 179</b>	<b>33 862 385</b>	<b>34 206 668</b>	<b>36 471 030</b>	<b>39 433 929</b>	<b>42 183 873</b>

Table 7.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2015/16	2015/16	2016/17	2017/18	2018/19
<b>Current payments</b>	<b>531 385</b>	<b>610 665</b>	<b>678 837</b>	<b>615 311</b>	<b>645 790</b>	<b>757 867</b>	<b>695 434</b>	<b>732 184</b>	<b>848 863</b>
Compensation of employees	246 972	273 361	292 983	326 673	326 673	325 245	356 418	379 788	401 959
Salaries and wages	214 728	237 846	255 527	285 945	285 945	283 342	310 689	330 816	344 534
Social contributions	32 244	35 515	37 456	40 728	40 728	41 903	45 729	48 972	57 425
Goods and services	284 413	337 290	385 799	288 638	319 117	432 552	339 016	352 396	446 904
Administrative fees	3	2	-	-	-	115	204	204	204
Advertising	2 235	7 796	3 504	4 020	4 020	2 654	3 543	3 755	4 012
Assets less than the capitalisation threshold	2 239	1 082	416	240	240	443	581	594	610
Audit cost: External	-	15 924	122 566	10 000	10 000	82 110	20 000	20 527	25 401
Bursaries: Employees	24	12	(2)	-	-	52	85	85	85
Catering: Departmental activities	756	635	500	600	600	1 306	2 574	2 605	2 643
Communication (G&S)	7 143	4 009	10 581	13 399	13 399	10 904	11 502	12 204	13 059
Computer services	140 220	176 019	133 465	145 329	175 808	178 751	166 000	173 909	183 544
Cons & prof serv: Business and advisory services	40 204	50 623	33 043	30 035	30 035	51 314	41 954	43 509	115 890
Cons & prof serv: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	25	-	-	4	45	45	45
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	1 108	1 195	504	2 000	2 000	1 141	1 320	1 430	1 564
Contractors	185	2 778	1 507	992	992	994	894	946	1 009
Agency and support / outsourced services	4 577	6 027	7 756	9 600	9 600	6 885	3 100	3 590	4 186
Entertainment	6	6	2	4	4	3	7	7	7
Fleet services (incl. govt motor transport)	2 706	4 233	5 324	4 500	4 500	5 421	5 545	5 782	6 070
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	3 415	100	100	116	225	230	236
Inventory: Farming supplies	-	-	-	-	-	(7)	-	-	-
Inventory: Food and food supplies	48	2 569	18	74	74	48	64	68	73
Inventory: Fuel, oil and gas	1 228	-	6	-	-	31 155	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	26	2	9	25	25	22	42	43	44
Inventory: Medical supplies	-	170	(1 684)	50	50	80	1 213	1 216	1 219
Inventory: Medicine	-	-	318	-	-	176	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 815	4 366	(6 517)	630	630	603	758	792	832
Consumable: Stationery, printing & office supplies	3 894	2 665	8 149	4 800	4 800	5 082	14 447	14 700	15 008
Operating leases	5 471	3 879	5 012	5 580	5 580	5 250	4 707	4 974	5 300
Property payments	33 139	30 139	25 844	31 260	31 260	26 502	32 532	34 180	37 245
Transport provided: Departmental activity	-	18	-	-	-	-	-	-	-
Travel and subsistence	22 714	18 829	18 047	16 000	16 000	15 570	19 190	20 033	21 061
Training and development	2 332	3 020	2 591	2 400	2 400	-	-	116	257
Operating payments	10 766	350	7 745	5 000	5 000	2 626	3 220	1 483	1 803
Venues and facilities	574	943	2 922	2 000	2 000	3 230	5 262	5 367	5 495
Rental and hiring	-	-	733	-	-	1	2	2	2
Interest and rent on land	-	15	55	-	-	71	-	-	-
Interest	-	15	55	-	-	-	-	-	-
Rent on land	-	-	-	-	-	71	-	-	-
<b>Transfers and subsidies</b>	<b>7 977</b>	<b>3 201</b>	<b>7 249</b>	<b>6 101</b>	<b>6 651</b>	<b>6 429</b>	<b>6 519</b>	<b>6 845</b>	<b>7 242</b>
Provinces and municipalities	1 900	1 952	3 267	3 100	3 100	3 423	3 359	3 527	3 732
Provinces	1 900	1 952	3 267	3 100	3 100	3 423	3 359	3 527	3 732
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 900	1 952	3 267	3 100	3 100	3 423	3 359	3 527	3 732
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	1	1	1	1	1	1
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	1	1	1	1	1	1
Higher education institutions	-	3	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	66	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	6 077	1 246	3 916	3 000	3 550	3 005	3 159	3 317	3 509
Social benefits	2 289	1 236	3 862	3 000	3 000	2 305	3 159	3 317	3 509
Other transfers to households	3 788	10	54	-	550	700	-	-	-
<b>Payments for capital assets</b>	<b>96 400</b>	<b>41 594</b>	<b>15 827</b>	<b>8 100</b>	<b>8 100</b>	<b>11 416</b>	<b>29 475</b>	<b>5 043</b>	<b>5 335</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	96 400	41 413	15 827	8 100	8 100	11 416	29 475	5 043	5 335
Transport equipment	7 468	8 873	1 274	3 000	3 000	3 125	3 170	3 329	3 522
Other machinery and equipment	88 932	32 540	14 553	5 100	5 100	8 291	26 305	1 714	1 813
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	181	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>1</b>	<b>33 629</b>	<b>12</b>	<b>107 607</b>	<b>107 607</b>	<b>107 608</b>	<b>107 607</b>	<b>107 608</b>	<b>-</b>
<b>Total</b>	<b>635 763</b>	<b>689 089</b>	<b>701 925</b>	<b>737 119</b>	<b>768 148</b>	<b>883 320</b>	<b>839 035</b>	<b>851 680</b>	<b>861 440</b>
Unauth. Exp. (1st charge) not available for spending	-	-	-	(107 607)	(107 607)	(107 607)	(107 607)	(107 608)	-
<b>Baseline available for spending after 1st charge</b>	<b>635 763</b>	<b>689 089</b>	<b>701 925</b>	<b>629 512</b>	<b>660 541</b>	<b>775 713</b>	<b>731 428</b>	<b>744 072</b>	<b>861 440</b>

# Estimates of Provincial Revenue and Expenditure

**Table 7.D : Payments and estimates by economic classification: District Health Services**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2015/16	2015/16	2016/17	2017/18	2018/19
<b>Current payments</b>	<b>11 151 083</b>	<b>12 510 682</b>	<b>13 774 307</b>	<b>15 106 704</b>	<b>15 467 255</b>	<b>15 577 093</b>	<b>16 842 647</b>	<b>18 448 194</b>	<b>19 971 813</b>
Compensation of employees	7 690 784	8 714 714	9 481 720	10 184 010	10 382 275	10 501 461	11 229 114	11 952 802	12 733 963
Salaries and wages	6 664 600	7 572 469	8 288 913	8 891 351	9 071 401	9 149 053	9 816 221	10 397 516	11 077 659
Social contributions	1 026 184	1 142 245	1 192 807	1 292 659	1 310 874	1 352 407	1 412 893	1 555 286	1 656 304
Goods and services	3 460 300	3 795 947	4 292 441	4 922 694	5 084 841	5 075 398	5 613 533	6 495 392	7 237 850
Administrative fees	29	24	-	30	7	62	72	37	15
Advertising	8 586	3 017	6 701	18 053	25 366	25 797	42 966	43 319	43 493
Assets less than the capitalisation threshold	25 992	14 295	25 771	30 263	33 000	28 106	51 750	41 068	46 831
Audit cost: External	4 413	-	(1)	-	-	-	-	-	-
Bursaries: Employees	-	6	-	-	-	-	-	-	-
Catering: Departmental activities	1 199	1 212	1 473	1 270	1 241	2 893	2 930	2 970	3 142
Communication (G&S)	45 643	53 192	53 110	49 937	52 283	53 347	55 760	57 558	61 031
Computer services	8	8 141	93	30 000	5 705	5 705	10 415	5 049	5 269
Cons & prof serv: Business and advisory services	2 878	13 925	5 070	3 250	6 762	6 946	8 273	5 610	7 279
Cons & prof serv: Infrastructure and planning	-	-	-	-	-	-	-	74 200	78 504
Cons & prof serv: Laboratory services	364 539	421 965	822 165	738 900	838 900	959 670	1 045 000	1 037 932	1 065 651
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	998	2 313	3 026	3 050	2 354	4 767	4 201	1 404	1 498
Contractors	19 531	19 024	23 625	43 566	26 379	25 853	48 757	50 958	53 918
Agency and support / outsourced services	90 454	98 536	104 484	110 440	107 606	100 728	104 310	111 479	117 944
Entertainment	14	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	77 000	88 524	94 603	88 784	91 836	93 633	92 404	96 935	103 900
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	1 987	3 489	2 546	4 948	5 048	5 964	5 051	5 347
Inventory: Farming supplies	-	10	4	-	-	-	-	-	-
Inventory: Food and food supplies	63 800	67 878	69 551	77 500	70 208	67 649	79 220	100 088	105 894
Inventory: Fuel, oil and gas	62 301	54 800	34 179	40 829	33 827	32 079	34 253	32 825	34 753
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	6 501	1 210	4 023	2 929	4 653	5 747	5 903	5 928	6 382
Inventory: Medical supplies	345 827	356 334	423 879	514 012	479 443	416 162	493 873	652 215	764 884
Inventory: Medicine	1 729 191	1 896 528	1 820 811	2 326 057	2 360 514	2 310 406	2 471 061	3 056 563	3 545 244
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	296	446	226	330	350	367	379	401
Consumable supplies	95 014	119 761	114 440	101 373	115 392	115 480	124 945	130 684	143 746
Consumable: Stationery, printing & office supplies	26 864	23 235	35 617	28 280	47 975	43 486	48 523	49 259	52 177
Operating leases	19 371	19 679	41 646	72 885	54 193	50 128	50 227	51 087	54 065
Property payments	415 927	491 428	560 275	596 226	682 359	683 586	771 695	818 024	866 520
Transport provided: Departmental activity	895	938	979	1 115	1 105	1 097	1 229	1 275	1 349
Travel and subsistence	22 810	21 497	26 087	23 028	22 976	21 774	26 241	27 347	30 244
Training and development	15 621	3 426	3 141	6 710	1 897	2 553	19 613	20 739	21 942
Operating payments	14 227	11 614	12 290	10 765	13 357	12 121	13 580	15 408	16 426
Venues and facilities	667	761	1 171	670	224	224	-	-	-
Rental and hiring	-	390	293	-	1	1	1	1	1
Interest and rent on land	-	22	146	-	139	234	-	-	-
Interest	-	22	146	-	-	-	-	-	-
Rent on land	-	-	-	-	139	234	-	-	-
<b>Transfers and subsidies</b>	<b>268 218</b>	<b>333 524</b>	<b>411 766</b>	<b>332 658</b>	<b>416 887</b>	<b>425 976</b>	<b>397 062</b>	<b>435 802</b>	<b>454 206</b>
Provinces and municipalities	22 893	74 736	117 404	105 000	205 250	205 250	169 048	200 000	205 394
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	22 893	74 736	117 404	105 000	205 250	205 250	169 048	200 000	205 394
Municipalities	22 893	74 736	117 404	105 000	205 250	205 250	169 048	200 000	205 394
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	6	21	10	38	35	44	41	43	45
Social security funds	-	-	-	-	-	1	-	-	-
Entities receiving transfers	6	21	10	38	35	43	41	43	45
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	204 686	207 922	190 405	182 000	165 157	165 856	170 213	175 844	185 377
Households	40 633	50 846	103 947	45 620	46 445	54 826	57 760	59 915	63 390
Social benefits	29 841	47 441	73 065	45 620	45 311	52 346	57 760	59 915	63 390
Other transfers to households	10 792	3 405	30 882	-	1 134	2 480	-	-	-
<b>Payments for capital assets</b>	<b>97 134</b>	<b>103 393</b>	<b>148 259</b>	<b>139 500</b>	<b>85 027</b>	<b>61 285</b>	<b>130 693</b>	<b>130 678</b>	<b>142 402</b>
Buildings and other fixed structures	-	-	210	-	-	-	-	-	-
Buildings	-	-	210	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	97 134	103 393	148 049	139 500	85 027	61 285	130 693	130 678	142 402
Transport equipment	65 190	58 239	105 978	64 000	47 944	38 282	67 001	69 571	75 076
Other machinery and equipment	31 944	45 154	42 071	75 500	37 083	23 003	63 692	61 107	67 326
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>11 516 435</b>	<b>12 947 599</b>	<b>14 334 353</b>	<b>15 578 862</b>	<b>15 969 171</b>	<b>16 064 356</b>	<b>17 370 402</b>	<b>19 014 674</b>	<b>20 568 421</b>

Table 7.E : Payments and estimates by economic classification: Emergency Medical Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>870 638</b>	<b>975 416</b>	<b>1 061 869</b>	<b>1 095 120</b>	<b>1 120 120</b>	<b>1 145 211</b>	<b>1 143 802</b>	<b>1 217 333</b>	<b>1 282 015</b>
Compensation of employees	641 810	715 735	768 178	789 187	814 187	825 417	842 003	899 259	944 492
Salaries and wages	540 298	608 066	658 964	673 195	698 195	700 237	716 757	766 418	802 726
Social contributions	101 512	107 669	109 214	115 992	115 992	125 179	125 246	132 841	141 766
Goods and services	228 827	259 679	293 675	305 933	305 933	319 766	301 799	318 074	337 523
Administrative fees	-	3	-	-	-	-	-	-	-
Advertising	391	171	52	100	100	11	10	15	21
Assets less than the capitalisation threshold	1 231	192	424	900	900	321	1 000	1 048	1 106
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	70	4	77	-	-	-	-	-	-
Communication (G&S)	10 766	8 250	8 107	8 399	8 399	8 703	9 050	9 492	10 768
Computer services	-	2 233	45	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	3	11	-	-	-	2	2	-
Cons & prof serv: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	49	140	151	-	-	68	50	50	50
Contractors	7 198	925	901	350	350	2 462	3 205	3 225	3 247
Agency and support / outsourced services	585	542	696	500	500	528	600	626	658
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	59 091	36 055	169 437	173 000	173 000	173 484	149 701	159 134	168 087
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	292	11 000	11 000	7 914	12 000	12 550	13 000
Inventory: Farming supplies	-	-	1	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	83 678	115 351	3 350	-	-	90	1 100	1 101	1 100
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	17	23	91	-	-	31	90	90	90
Inventory: Medical supplies	7 281	6 709	11 086	10 724	10 724	11 840	11 000	11 572	13 120
Inventory: Medicine	319	277	335	500	500	196	100	126	158
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	5 537	10 986	1 009	1 500	1 500	1 192	1 100	1 200	1 294
Consumable: Stationery, printing & office supplies	1 516	280	2 948	500	500	1 118	3 000	3 027	4 070
Operating leases	2 591	2 270	1 441	1 917	1 917	1 483	1 820	1 921	2 047
Property payments	14 034	14 073	17 341	17 293	17 293	20 510	20 875	21 786	23 664
Transport provided: Departmental activity	20 924	57 591	71 283	75 000	75 000	85 476	82 000	85 788	89 231
Travel and subsistence	4 991	3 536	4 503	4 050	4 050	3 604	4 196	4 410	4 673
Training and development	10	14	-	-	-	8	-	-	-
Operating payments	8 485	51	94	200	200	727	900	911	1 139
Venues and facilities	63	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	2	16	-	-	28	-	-	-
Interest	-	2	16	-	-	-	-	-	-
Rent on land	-	-	-	-	-	28	-	-	-
<b>Transfers and subsidies</b>	<b>4 165</b>	<b>3 946</b>	<b>4 684</b>	<b>4 891</b>	<b>5 216</b>	<b>3 474</b>	<b>4 392</b>	<b>5 017</b>	<b>5 171</b>
Provinces and municipalities	1 537	2 511	1 947	3 190	3 190	1 482	2 300	2 820	2 865
Provinces	1 537	2 511	1 947	3 190	3 190	1 482	2 300	2 820	2 865
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 537	2 511	1 947	3 190	3 190	1 482	2 300	2 820	2 865
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	2	1	1	2	2	2	2
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	2	1	1	2	2	2	2
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 628	1 435	2 735	1 700	2 025	1 990	2 090	2 195	2 304
Social benefits	970	862	2 098	750	750	1 575	1 654	1 737	1 823
Other transfers to households	1 658	573	637	950	1 275	415	436	458	481
<b>Payments for capital assets</b>	<b>51 234</b>	<b>30 578</b>	<b>1 189</b>	<b>60 300</b>	<b>60 300</b>	<b>36 951</b>	<b>51 581</b>	<b>55 000</b>	<b>60 000</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	51 234	30 578	1 189	60 300	60 300	36 951	51 581	55 000	60 000
Transport equipment	31 132	21 502	250	55 000	55 000	35 871	45 266	49 000	53 500
Other machinery and equipment	20 102	9 076	939	5 300	5 300	1 080	6 315	6 000	6 500
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>371</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>926 036</b>	<b>1 009 940</b>	<b>1 068 113</b>	<b>1 160 311</b>	<b>1 185 636</b>	<b>1 185 636</b>	<b>1 199 775</b>	<b>1 277 350</b>	<b>1 347 186</b>

Table 7.F : Payments and estimates by economic classification: Provincial Hospital Services

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>7 486 935</b>	<b>7 969 342</b>	<b>8 316 935</b>	<b>8 644 111</b>	<b>9 064 962</b>	<b>9 069 087</b>	<b>9 636 201</b>	<b>10 206 427</b>	<b>10 799 742</b>
Compensation of employees	5 654 254	6 146 682	6 505 622	6 735 829	6 988 789	7 005 681	7 334 492	7 808 100	8 261 147
Salaries and wages	4 923 790	5 376 242	5 711 914	5 869 564	6 104 964	6 113 206	6 415 987	6 884 321	7 207 419
Social contributions	730 464	770 440	793 708	866 265	883 825	892 475	918 505	923 779	1 053 728
Goods and services	1 832 681	1 822 532	1 811 170	1 908 282	2 076 146	2 063 273	2 301 709	2 398 327	2 538 595
Administrative fees	-	1	-	-	1	8	15	15	16
Advertising	1 301	1 855	2 533	2 691	2 061	2 217	2 285	2 420	2 560
Assets less than the capitalisation threshold	28 996	28 696	7 176	9 520	5 056	5 139	6 085	6 507	6 884
Audit cost: External	4 901	-	7	-	-	-	-	-	-
Bursaries: Employees	-	30	-	-	-	-	-	-	-
Catering: Departmental activities	59	72	51	82	102	86	136	142	150
Communication (G&S)	20 922	20 896	20 856	21 415	21 449	19 784	20 590	21 640	22 896
Computer services	805	2 963	165	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	22	2 467	944	7 012	91	106	204	210	223
Cons & prof serv: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	141 716	132 117	90 938	154 000	274 500	281 500	405 497	420 462	444 849
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	3 994	4 319	7 091	8 050	3 512	6 530	6 000	6 001	6 349
Contractors	63 236	28 367	13 843	12 820	23 358	23 697	31 730	32 076	33 937
Agency and support / outsourced services	127 640	132 417	143 019	146 162	155 986	152 549	159 393	166 891	176 572
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	67 031	13 486	16 685	16 006	16 909	17 020	18 099	18 846	19 940
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	1 688	2 700	4 133	3 151	5 374	5 513	5 833
Inventory: Farming supplies	-	(9)	-	-	-	-	-	-	-
Inventory: Food and food supplies	30 895	37 800	42 795	46 900	45 777	43 667	45 341	47 604	50 365
Inventory: Fuel, oil and gas	8 049	54 390	48 190	52 950	52 531	50 204	52 432	55 088	58 284
Inventory: Learner and teacher support material	-	-	2	-	-	-	-	-	-
Inventory: Materials and supplies	332	7 583	2 208	1 870	2 213	3 488	3 730	3 854	4 077
Inventory: Medical supplies	512 510	508 460	547 036	501 882	508 506	507 445	540 520	564 029	597 322
Inventory: Medicine	393 649	413 615	385 535	448 509	443 029	428 574	446 827	472 088	500 048
Medsas inventory interface	-	(6)	-	-	-	-	-	-	-
Inventory: Other supplies	-	(300)	-	-	-	-	-	-	-
Consumable supplies	78 038	64 227	84 441	79 002	80 063	78 774	83 808	87 768	92 859
Consumable: Stationery, printing & office supplies	16 123	16 071	20 100	15 728	21 844	26 658	25 522	26 395	27 927
Operating leases	10 734	9 361	9 578	10 815	11 406	11 187	11 317	11 875	12 564
Property payments	279 837	318 900	355 217	362 563	393 947	391 436	426 758	438 509	463 942
Transport provided: Departmental activity	21	9	14	-	43	52	49	50	53
Travel and subsistence	5 145	4 840	5 118	7 234	4 250	3 546	3 919	4 214	4 459
Training and development	96	405	48	-	-	-	-	-	-
Operating payments	36 628	19 500	5 851	371	5 376	6 452	6 078	6 130	6 486
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	41	-	3	3	-	-	-
Interest and rent on land	-	128	143	-	27	133	-	-	-
Interest	-	128	143	-	-	-	-	-	-
Rent on land	-	-	-	-	27	133	-	-	-
<b>Transfers and subsidies</b>	<b>68 886</b>	<b>124 336</b>	<b>124 026</b>	<b>63 607</b>	<b>116 194</b>	<b>115 832</b>	<b>62 233</b>	<b>65 219</b>	<b>69 001</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	56	15	64	77	92	50	82	86	91
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	56	15	64	77	92	50	82	86	91
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	37 770	28 829	31 646	33 100	31 882	31 076	33 100	34 843	36 864
Households	31 060	95 492	92 316	30 430	84 220	84 706	29 051	30 290	32 046
Social benefits	26 561	35 867	46 755	30 430	31 812	30 215	29 051	30 290	32 046
Other transfers to households	4 499	59 625	45 561	-	52 408	54 491	-	-	-
<b>Payments for capital assets</b>	<b>11 554</b>	<b>27 518</b>	<b>32 459</b>	<b>67 920</b>	<b>32 390</b>	<b>26 208</b>	<b>25 000</b>	<b>39 105</b>	<b>41 373</b>
Buildings and other fixed structures	-	79	-	-	-	-	-	-	-
Buildings	-	79	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 554	27 439	32 459	67 920	32 390	26 208	25 000	39 105	41 373
Transport equipment	5 203	5 239	7 228	5 000	3 646	2 531	6 000	5 238	5 542
Other machinery and equipment	6 351	22 201	25 231	62 920	28 744	23 677	19 000	33 867	35 831
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>2 419</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>7 567 375</b>	<b>8 121 196</b>	<b>8 473 425</b>	<b>8 775 638</b>	<b>9 213 546</b>	<b>9 213 546</b>	<b>9 723 434</b>	<b>10 310 751</b>	<b>10 910 116</b>

Table 7.G : Payments and estimates by economic classification: Central Hospital Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>3 326 365</b>	<b>3 563 853</b>	<b>3 774 252</b>	<b>3 962 062</b>	<b>4 061 896</b>	<b>4 166 479</b>	<b>4 419 576</b>	<b>4 831 864</b>	<b>5 058 147</b>
Compensation of employees	1 805 528	1 984 474	2 135 330	2 226 728	2 266 728	2 333 609	2 407 673	2 607 315	2 805 152
Salaries and wages	1 559 993	1 722 842	1 866 714	1 948 281	1 988 281	2 032 540	2 097 948	2 285 943	2 458 185
Social contributions	245 535	261 632	268 616	278 447	278 447	301 069	309 725	321 372	346 967
Goods and services	1 520 837	1 579 379	1 638 596	1 735 334	1 795 168	1 832 870	2 011 903	2 224 549	2 252 995
Administrative fees	-	-	-	-	-	2	-	-	-
Advertising	272	853	1 070	600	782	777	850	876	927
Assets less than the capitalisation threshold	6 145	199	462	1 500	617	340	500	390	413
Audit cost: External	1	-	-	-	-	-	-	53	56
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	10	13	13	6	5	6	6
Communication (G&S)	4 743	5 449	5 307	4 733	5 063	5 272	5 500	5 750	6 084
Computer services	5 534	3 509	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	340	-	-	-	-	-	-	-	-
Cons & prof serv: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	33 497	33 497	-	42 000	92 000	116 000	180 000	184 431	195 128
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	1 152	758	1 244	683	797	1 006	600	601	636
Contractors	15 925	18 538	9 802	9 200	10 531	10 528	21 707	12 804	24 127
Agency and support / outsourced services	706 589	709 331	777 818	780 485	790 319	865 516	924 151	998 262	1 005 997
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	907	932	856	856	928	886	920	973
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	314	400	400	1 367	1 350	1 361	1 440
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	6 977	7 966	7 737	7 502	8 243	7 976	8 200	8 479	8 970
Inventory: Fuel, oil and gas	34 189	35 056	35 111	36 744	32 351	34 569	35 320	35 232	37 275
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	1	1
Inventory: Materials and supplies	114	453	686	493	493	261	170	181	191
Inventory: Medical supplies	410 139	452 542	492 738	502 533	502 533	451 043	496 167	563 506	583 377
Inventory: Medicine	194 216	210 390	185 667	224 540	224 540	214 231	199 890	268 113	235 483
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	5	652	-	-	1 213	1 087	1 087	1 150
Consumable supplies	26 552	19 132	26 866	28 421	29 947	27 779	25 880	28 201	29 837
Consumable: Stationery, printing & office supplies	3 409	1 725	5 281	1 943	2 908	3 158	3 200	3 302	3 493
Operating leases	1 016	818	732	550	550	806	1 100	881	932
Property payments	66 801	75 143	83 900	89 782	90 275	88 349	103 783	108 505	114 799
Transport provided: Departmental activity	-	-	1	-	-	1	2	2	2
Travel and subsistence	1 341	867	868	1 071	665	541	370	383	405
Training and development	475	537	78	-	-	-	-	-	-
Operating payments	1 410	1 704	1 320	1 285	1 285	1 201	1 185	1 222	1 293
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	326	-	-	-	-	-	-
Interest	-	-	326	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>4 920</b>	<b>45 259</b>	<b>40 875</b>	<b>10 324</b>	<b>23 959</b>	<b>23 021</b>	<b>10 763</b>	<b>11 306</b>	<b>11 961</b>
Provinces and municipalities	-	-	-	-	-	2	-	-	-
Provinces	-	-	-	-	-	2	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	2	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	52	51	54	54	-	57	60	63
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	52	51	54	54	-	57	60	63
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	4 920	45 207	40 824	10 270	23 905	23 019	10 706	11 246	11 898
Social benefits	4 812	11 387	14 391	10 270	10 270	9 799	10 706	11 246	11 898
Other transfers to households	108	33 821	26 433	-	13 635	13 220	-	-	-
<b>Payments for capital assets</b>	<b>7 565</b>	<b>31 474</b>	<b>2 673</b>	<b>12 580</b>	<b>2 746</b>	<b>4 456</b>	<b>5 500</b>	<b>6 192</b>	<b>6 551</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	7 565	31 474	2 673	12 580	2 746	4 456	5 500	6 192	6 551
Transport equipment	1 073	182	421	-	240	368	500	500	529
Other machinery and equipment	6 492	31 292	2 252	12 580	2 506	4 088	5 000	5 692	6 022
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 338 850</b>	<b>3 640 586</b>	<b>3 817 800</b>	<b>3 984 966</b>	<b>4 088 601</b>	<b>4 193 956</b>	<b>4 435 839</b>	<b>4 849 362</b>	<b>5 076 659</b>

Table 7.H : Payments and estimates by economic classification: Health Sciences and Training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>804 266</b>	<b>789 339</b>	<b>778 344</b>	<b>816 250</b>	<b>777 965</b>	<b>771 940</b>	<b>842 326</b>	<b>898 400</b>	<b>950 507</b>
Compensation of employees	746 254	736 405	722 027	743 354	719 538	714 227	776 000	828 732	876 798
Salaries and wages	698 061	696 775	687 353	720 090	684 422	678 843	684 700	731 212	773 622
Social contributions	48 193	39 630	34 674	23 264	35 116	35 384	91 300	97 520	103 176
Goods and services	58 012	52 931	56 317	72 896	58 427	57 713	66 326	69 668	73 709
Administrative fees	-	-	-	-	-	44	-	-	-
Advertising	81	60	144	30	74	74	80	80	85
Assets less than the capitalisation threshold	924	501	530	650	514	513	353	388	411
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	127	686	3 696	2 500	2 276	2 402	3 800	3 932	4 160
Catering: Departmental activities	229	164	175	130	45	283	936	942	997
Communication (G&S)	1 201	1 054	948	1 210	855	706	812	876	927
Computer services	-	2 126	45	-	83	221	-	-	-
Cons & prof serv: Business and advisory services	(0)	54	34	10	219	232	50	51	54
Cons & prof serv: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	15	182	9	-	-	57	80	80	85
Contractors	58	16	1	-	-	1	3	4	4
Agency and support / outsourced services	3	5	59	10	10	20	34	35	37
Entertainment	13	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	69	2 351	2 320	1 780	1 999	1 815	1 480	1 570	1 661
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	123	8	8	8
Inventory: Farming supplies	-	1	-	-	-	-	-	-	-
Inventory: Food and food supplies	1	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	1 905	374	-	200	112	108	160	171	181
Inventory: Learner and teacher support material	-	-	27	800	23	140	160	213	225
Inventory: Materials and supplies	21	48	51	-	1	31	50	50	53
Inventory: Medical supplies	43	198	413	-	45	117	75	75	79
Inventory: Medicine	-	6	-	-	-	-	-	-	-
Medas inventory interface	-	6	3	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 347	1 160	1 373	1 430	1 417	1 377	1 503	1 579	1 671
Consumable: Stationery, printing & office supplies	984	1 369	1 486	1 102	787	1 740	3 767	3 830	4 052
Operating leases	1 168	1 221	1 273	1 580	1 542	1 524	1 502	1 586	1 678
Property payments	4 515	4 752	6 122	6 074	6 443	7 235	8 050	8 384	8 870
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	18 048	15 471	25 585	32 410	28 878	24 369	37 543	38 720	40 966
Training and development	24 413	20 083	10 091	21 530	7 931	8 513	5 000	6 137	6 493
Operating payments	2 206	729	1 199	1 010	182	709	470	524	554
Venues and facilities	640	314	733	440	4 991	5 359	410	433	458
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	3	-	-	-	-	-	-	-
Interest	-	3	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>96 105</b>	<b>208 586</b>	<b>238 187</b>	<b>230 000</b>	<b>273 909</b>	<b>283 075</b>	<b>252 824</b>	<b>261 647</b>	<b>276 823</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	10 119	11 282	15 768	16 000	18 863	18 863	19 842	17 684	18 710
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	10 119	11 282	15 768	16 000	18 863	18 863	19 842	17 684	18 710
Higher education institutions	57	498	16	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	15 130	-	-	-	-	-	-	-	-
Households	70 799	196 806	222 403	214 000	255 046	264 212	232 982	243 963	258 113
Social benefits	1 650	2 083	2 324	2 000	2 014	2 489	2 982	2 302	2 436
Other transfers to households	69 149	194 723	220 079	212 000	253 032	261 723	230 000	241 661	255 677
<b>Payments for capital assets</b>	<b>1 564</b>	<b>1 426</b>	<b>2 412</b>	<b>9 000</b>	<b>3 369</b>	<b>228</b>	<b>5 000</b>	<b>6 636</b>	<b>7 021</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 564	1 426	2 412	9 000	3 369	228	5 000	6 636	7 021
Transport equipment	817	1 313	2 189	5 000	2 000	-	2 500	2 212	2 340
Other machinery and equipment	747	113	223	4 000	1 369	228	2 500	4 424	4 681
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>7</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>901 935</b>	<b>999 351</b>	<b>1 018 949</b>	<b>1 055 250</b>	<b>1 055 250</b>	<b>1 055 250</b>	<b>1 100 150</b>	<b>1 166 683</b>	<b>1 234 351</b>



Table 7.1 : Payments and estimates by economic classification: Health Care Support Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>112 663</b>	<b>121 545</b>	<b>147 452</b>	<b>135 113</b>	<b>135 485</b>	<b>161 707</b>	<b>317 307</b>	<b>251 771</b>	<b>266 372</b>
Compensation of employees	78 745	81 357	84 524	95 700	94 149	91 632	106 900	115 322	122 008
Salaries and wages	64 110	66 664	70 109	79 500	77 680	75 048	89 529	96 021	101 588
Social contributions	14 635	14 693	14 415	16 200	16 469	16 584	17 371	19 301	20 420
Goods and services	33 918	40 188	62 928	39 413	41 336	70 075	210 407	136 449	144 364
Administrative fees	-	-	-	-	-	1	1	1	1
Advertising	54	38	79	60	60	64	90	74	78
Assets less than the capitalisation threshold	18	46	31	300	300	222	255	281	297
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	384	399	417	428	428	327	280	352	372
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	7	-	-	(2)	-	-	-
Cons & prof serv: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	5	-	-	-	-	-	-	-	-
Contractors	273	488	596	-	-	541	510	780	826
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	3	5 782	4 319	3 575	3 575	4 382	4 528	5 216	5 519
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	22	161	550	550	941	909	1 377	1 456
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	9 081	3 223	3 705	1 520	1 520	2 433	2 560	4 541	4 805
Inventory: Learner and teacher support material	-	-	-	100	100	-	-	5	5
Inventory: Materials and supplies	353	105	389	501	501	377	420	360	381
Inventory: Medical supplies	7 977	14 307	5 410	11 000	11 486	9 618	16 102	12 389	13 108
Inventory: Medicine	3	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	5 293	4 639	6 218	7 050	7 050	31 688	163 881	87 649	92 733
Consumable: Stationery, printing & office supplies	138	67	192	150	150	185	229	248	263
Operating leases	26	97	110	104	104	115	150	150	159
Property payments	10 172	10 825	11 684	13 825	13 825	10 893	12 395	14 298	15 127
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	103	106	116	70	70	77	67	71	75
Training and development	33	-	1	-	-	-	-	-	-
Operating payments	2	46	29 488	180	1 617	8 213	8 030	8 657	9 159
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	5	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>16 493</b>	<b>1 285</b>	<b>1 264</b>	<b>575</b>	<b>303</b>	<b>252</b>	<b>680</b>	<b>711</b>	<b>752</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	15 170	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	15 170	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 323	1 285	1 264	575	303	252	680	711	752
Social benefits	1 318	1 285	1 264	575	303	252	680	711	752
Other transfers to households	5	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1 385</b>	<b>14</b>	<b>3 192</b>	<b>2 600</b>	<b>2 500</b>	<b>4 900</b>	<b>8 500</b>	<b>2 872</b>	<b>3 039</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 385	14	3 192	2 600	2 500	4 900	8 500	2 872	3 039
Transport equipment	1 134	-	3 154	2 000	2 000	4 716	3 000	2 207	2 335
Other machinery and equipment	251	14	38	600	500	184	5 500	665	704
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>130 541</b>	<b>122 844</b>	<b>151 908</b>	<b>138 288</b>	<b>138 288</b>	<b>166 859</b>	<b>326 487</b>	<b>255 354</b>	<b>270 163</b>

Table 7.J : Payments and estimates by economic classification: Health Facilities Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>463 510</b>	<b>349 449</b>	<b>379 132</b>	<b>405 904</b>	<b>357 807</b>	<b>372 136</b>	<b>477 294</b>	<b>398 002</b>	<b>455 809</b>
Compensation of employees	21 998	24 048	24 158	37 000	33 605	33 643	44 122	42 000	42 000
Salaries and wages	21 663	23 639	23 804	35 571	32 826	32 882	42 617	40 420	40 420
Social contributions	335	409	354	1 429	779	761	1 505	1 580	1 580
Goods and services	441 511	325 401	354 974	368 904	324 202	338 493	433 172	356 002	413 809
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	20	-	-	-	-	175	-	-	-
Assets less than the capitalisation threshold	3 356	3 429	11 254	6 871	9 865	10 626	15 000	15 000	15 000
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	16	22	4	-	-	-	-	-	-
Computer services	6 123	2 742	-	-	143	143	-	-	-
Cons & prof serv: Business and advisory services	10 058	7 404	13 834	-	601	1 113	-	-	-
Cons & prof serv: Infrastructure and planning	72	139	812	7 262	-	-	2 000	2 000	2 000
Cons & prof serv: Laboratory services	-	-	-	3 000	3 000	-	-	-	-
Cons & prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	69 043	79 696	89 897	121 439	77 428	91 639	181 961	110 691	168 598
Agency and support / outsourced services	-	-	321	5 963	-	-	1 000	1 000	1 000
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	1 923	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	226	152	48	2 457	202	202	521	521	521
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	19 997	583	3 177	10 005	3 266	2 787	5 000	5 000	5 000
Inventory: Medical supplies	7	543	2 790	-	4 476	4 467	5 000	5 000	5 000
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Meddas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	48	31 369	34 921	23 547	28 108	32 320	37 674	41 379	37 283
Consumable: Stationery, printing & office supplies	2	1	5	21	1	143	220	220	220
Operating leases	68 633	61 524	75 684	66 000	91 533	83 975	66 000	60 391	60 391
Property payments	261 486	136 619	119 982	122 339	104 891	110 093	117 986	113 990	117 986
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	358	242	194	-	409	522	810	810	810
Training and development	2 063	935	-	-	-	-	-	-	-
Operating payments	4	1	-	-	279	288	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	128	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>20 000</b>	<b>20 022</b>	<b>37</b>	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	20 000	20 000	-	-	-	-	-	-	-
Households	-	22	37	-	-	-	-	-	-
Social benefits	-	22	37	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1 890 088</b>	<b>1 631 335</b>	<b>1 299 868</b>	<b>1 145 448</b>	<b>1 193 545</b>	<b>1 179 216</b>	<b>1 106 221</b>	<b>1 417 681</b>	<b>1 459 728</b>
Buildings and other fixed structures	1 662 936	1 530 893	1 206 295	1 143 659	1 097 558	1 102 958	896 221	967 681	989 128
Buildings	1 662 936	1 530 893	1 206 295	1 143 659	1 097 010	1 102 410	896 221	967 681	989 128
Other fixed structures	-	-	-	-	548	548	-	-	-
Machinery and equipment	227 152	100 442	93 573	1 789	95 987	76 258	210 000	450 000	470 600
Transport equipment	-	-	1 891	-	-	-	-	-	-
Other machinery and equipment	227 152	100 442	91 682	1 789	95 987	76 258	210 000	450 000	470 600
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>2 373 597</b>	<b>2 000 806</b>	<b>1 679 037</b>	<b>1 551 352</b>	<b>1 551 352</b>	<b>1 551 352</b>	<b>1 583 515</b>	<b>1 815 683</b>	<b>1 915 537</b>

Table 7.K : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>3 710 600</b>	<b>4 339 798</b>	<b>5 043 090</b>	<b>5 676 469</b>	<b>5 894 088</b>	<b>5 899 188</b>	<b>6 451 573</b>	<b>7 112 913</b>	<b>7 991 991</b>
Compensation of employees	2 132 513	2 725 666	3 001 076	3 176 492	3 208 562	3 207 497	3 319 815	3 715 010	4 014 601
Salaries and wages	1 855 637	2 394 996	2 661 917	2 781 702	2 795 877	2 795 115	2 887 851	3 224 980	3 485 803
Social contributions	276 876	330 670	339 159	394 790	412 685	412 382	431 964	490 030	528 798
Goods and services	1 578 087	1 614 127	2 042 013	2 499 977	2 685 526	2 691 691	3 131 758	3 397 903	3 977 390
Administrative fees	-	-	-	-	-	37	62	-	-
Advertising	1 899	873	3 831	15 022	23 217	23 235	14 107	14 404	15 239
Assets less than the capitalisation threshold	6 262	1 442	7 139	14 109	15 898	14 393	15 456	16 731	16 831
Audit cost: External	150	1 566	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	186	220	825	500	700	1 997	1 226	349	369
Communication (G&S)	2 794	998	329	-	300	367	311	3 243	3 431
Computer services	10 236	6 193	-	35 658	5 658	5 658	5 415	57 000	60 306
Cons & prof serv: Business and advisory services	10 059	1 694	15 701	2 537	2 556	2 540	2 663	-	1 500
Cons & prof serv: Infrastructure and planning	-	-	-	7 000	7 000	7 000	2 000	2 000	2 000
Cons & prof serv: Laboratory services	280 004	157 220	601 156	488 900	561 920	559 646	692 000	611 807	647 292
Cons & prof serv: Scientific and tech services	108	4	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	21 865	9 657	6 530	41 692	86 500	86 500	183 697	112 946	171 145
Contractors	119 331	11 651	5 948	20 963	10 108	5 119	5 644	4 065	4 243
Agency and support / outsourced services	-	-	-	-	-	-	-	55 014	58 205
Entertainment	-	452	150	500	-	4	22	68	93
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	4 214	1 815	1 949	-	-	-	2 000	2 125	2 248
Inventory: Clothing material and accessories	27 649	4 270	4 393	-	-	-	4 000	4 730	5 005
Inventory: Farming supplies	-	-	1 923	-	-	-	-	-	-
Inventory: Food and food supplies	3	40	2 468	-	2 500	2 500	47 353	5 000	5 000
Inventory: Fuel, oil and gas	129 131	-	30	-	-	-	-	-	-
Inventory: Learner and teacher support material	778 866	288 830	351 214	448 537	350 550	344 629	446 662	543 555	660 212
Inventory: Materials and supplies	124 377	1 105 246	929 808	1 380 616	1 386 323	1 415 362	1 513 093	1 742 864	2 079 916
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	904	-	-	-	-	-	-	-	-
Medsas inventory interface	5 250	8 712	12 043	4 520	36 208	34 077	46 593	41 236	47 598
Inventory: Other supplies	1 605	800	1 171	2 720	6 586	837	1 075	4 028	4 249
Consumable supplies	1 995	574	78 614	18 806	97 453	97 515	9 844	9 875	20 661
Consumable: Stationery, printing & office supplies	3 492	220	-	-	-	-	-	-	-
Operating leases	34 752	996	3 797	4 122	77 626	77 620	106 074	106 730	106 772
Property payments	1 502	55	-	-	-	-	-	233	247
Transport provided: Departmental activity	6 140	3 283	6 817	2 895	8 047	7 013	10 390	5 765	7 553
Travel and subsistence	5 068	3 642	1 811	6 710	1 000	1 265	17 489	52 340	55 376
Training and development	216	3 473	3 232	3 500	5 376	4 377	4 582	1 092	1 155
Operating payments	29	201	1 134	670	-	-	-	703	744
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	5	1	-	-	-	-	-	-
Interest and rent on land	-	5	1	-	-	-	-	-	-
Interest and rent on land	-	5	1	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>11 336</b>	<b>16 464</b>	<b>64 454</b>	<b>67 009</b>	<b>82 247</b>	<b>84 072</b>	<b>91 020</b>	<b>95 564</b>	<b>101 106</b>
Provinces and municipalities	-	7	40 001	30 000	60 000	60 000	70 000	73 500	77 763
Provinces	-	7	1	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	7	1	-	-	-	-	-	-
Municipalities	-	-	40 000	30 000	60 000	60 000	70 000	73 500	77 763
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	40 000	30 000	60 000	60 000	70 000	73 500	77 763
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	11 336	12 742	14 291	27 000	12 607	14 586	11 507	12 174	12 880
Households	-	3 715	10 162	10 009	9 640	9 486	9 513	9 890	10 463
Social benefits	-	3 715	10 162	10 009	9 640	9 486	9 513	9 890	10 463
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1 284 762</b>	<b>1 078 789</b>	<b>1 325 989</b>	<b>1 160 241</b>	<b>928 710</b>	<b>921 785</b>	<b>760 211</b>	<b>805 506</b>	<b>806 506</b>
Buildings and other fixed structures	979 788	1 021 351	1 171 045	1 143 659	891 271	891 271	731 455	778 832	775 832
Buildings	979 788	1 021 351	1 171 045	1 143 659	891 271	891 271	731 455	778 832	775 832
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	304 974	57 438	154 944	16 582	37 439	30 514	28 756	26 674	30 674
Transport equipment	-	-	68 728	-	14 160	7 235	-	-	-
Other machinery and equipment	304 974	57 438	86 216	16 582	23 279	23 279	28 756	26 674	30 674
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>5 006 698</b>	<b>5 435 051</b>	<b>6 433 533</b>	<b>6 903 719</b>	<b>6 905 045</b>	<b>6 905 045</b>	<b>7 302 804</b>	<b>8 013 983</b>	<b>8 899 603</b>

**Table 7.L : Payments and estimates by economic classification: Health Prof. Training and Dev. grant (Prog 4: Provincial Hospital Services)**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>261 860</b>	<b>276 262</b>	<b>292 847</b>	<b>299 513</b>	<b>299 513</b>	<b>299 513</b>	<b>312 377</b>	<b>331 943</b>	<b>351 196</b>
Compensation of employees	261 860	276 262	292 837	299 513	299 513	299 513	312 377	331 943	351 196
Salaries and wages	227 818	253 650	275 614	260 578	260 578	260 578	271 768	288 791	305 540
Social contributions	34 042	22 612	17 223	38 935	38 935	38 935	40 609	43 152	45 656
Goods and services	-	-	10	-	-	-	-	-	-
Travel and subsistence	-	-	10	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>261 860</b>	<b>276 262</b>	<b>292 847</b>	<b>299 513</b>	<b>299 513</b>	<b>299 513</b>	<b>312 377</b>	<b>331 943</b>	<b>351 196</b>

**Table 7.M : Payments and estimates by economic classification: Health Facility Revitalisation grant (Prog 3: Health Facilities Management)**

R thousand	Audited outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>24 515</b>	<b>18 532</b>	<b>112 438</b>	<b>76 364</b>	<b>323 504</b>	<b>323 504</b>	<b>367 238</b>	<b>298 078</b>	<b>358 875</b>
Compensation of employees	3 647	3 639	4 613	20 000	20 000	20 000	20 000	22 000	25 000
Salaries and wages	3 348	3 274	4 265	18 500	18 500	18 500	18 500	20 460	23 250
Social contributions	299	365	348	1 500	1 500	1 500	1 500	1 540	1 750
Goods and services	20 868	14 893	107 825	56 364	303 504	303 504	347 238	276 078	333 875
Advertising	-	-	-	22	22	22	-	-	-
Assets less than the capitalisation threshold	1 709	83	6 712	13 709	13 709	13 709	15 000	15 000	15 000
Audit cost: External	-	1 566	-	-	-	-	-	-	-
Communication	14	22	-	-	-	-	-	-	-
Computer services	6 124	2 742	-	-	-	-	-	-	-
Cons/prof: Business & advisory services	10 059	2	13 194	-	-	-	-	-	-
Cons/prof: Infrastructure & planning	-	-	-	7 000	7 000	7 000	2 000	2 000	2 000
Contractors	71	270	14	15 192	80 000	80 000	177 172	106 012	163 809
Agency & support/outsourced services	-	7 393	-	15 963	1 000	1 000	1 000	1 000	1 000
Inventory: Clothing materials and Accessories	-	-	1 923	-	-	-	-	-	-
Inventory: Materials and supplies	-	32	2 272	-	2 500	2 500	5 000	5 000	5 000
Inventory: Medical supplies	-	514	1 315	-	4 476	4 476	5 000	5 000	5 000
Inventory: Other consumables	-	344	3 000	100	25 068	25 068	35 000	35 000	35 000
Inventory: Stationery and printing	-	1	-	220	220	220	220	220	220
Lease payments	75	43	75 524	36	91 533	91 533	36	36	36
Property payments	405	714	3 686	3 822	77 566	77 566	106 000	106 000	106 000
Travel and subsistence	346	231	184	300	410	410	810	810	810
Training and development	2 064	935	-	-	-	-	-	-	-
Operating expenditure	1	1	-	-	-	-	-	-	-
Venues and facilities	-	-	1	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>-</b>	<b>22</b>	<b>37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Households	-	22	37	-	-	-	-	-	-
Social benefits	-	22	37	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1 151 999</b>	<b>1 053 975</b>	<b>1 249 994</b>	<b>1 153 411</b>	<b>906 271</b>	<b>906 271</b>	<b>747 455</b>	<b>797 832</b>	<b>794 832</b>
Buildings and other fixed structures	979 788	1 021 351	1 171 045	1 143 659	891 271	891 271	731 455	778 832	775 832
Buildings	979 788	1 021 351	1 171 045	1 143 659	891 271	891 271	731 455	778 832	775 832
Machinery and equipment	172 211	32 624	78 949	9 752	15 000	15 000	16 000	19 000	19 000
Transport equipment	-	-	1 891	-	-	-	-	-	-
Other machinery and equipment	172 211	32 624	77 058	9 752	15 000	15 000	16 000	19 000	19 000
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 176 514</b>	<b>1 072 529</b>	<b>1 362 469</b>	<b>1 229 775</b>	<b>1 229 775</b>	<b>1 229 775</b>	<b>1 114 693</b>	<b>1 095 910</b>	<b>1 153 707</b>

**Table 7.N : Payments and estimates by economic classification: Social Sector EPWP Grant for Provinces (Prog 2: District Health Services)**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>-</b>	<b>-</b>	<b>2 580</b>	<b>13 000</b>	<b>13 000</b>	<b>13 000</b>	<b>13 000</b>	<b>-</b>	<b>-</b>
Compensation of employees	-	-	2 052	13 000	13 000	13 000	13 000	-	-
Salaries and wages	-	-	2 052	13 000	13 000	13 000	13 000	-	-
Goods and services	-	-	528	-	-	-	-	-	-
Inventory: Medical supplies	-	-	528	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2 580</b>	<b>13 000</b>	<b>13 000</b>	<b>13 000</b>	<b>13 000</b>	<b>-</b>	<b>-</b>

Table 7.O : Payments and estimates by economic classification: National Tertiary Services grant (Prog 5: Central Hospital Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>1 212 339</b>	<b>1 396 467</b>	<b>1 491 968</b>	<b>1 525 646</b>	<b>1 525 646</b>	<b>1 525 646</b>	<b>1 590 263</b>	<b>1 689 866</b>	<b>1 787 878</b>
Compensation of employees	716 922	1 067 658	1 190 836	1 203 384	1 203 384	1 203 384	1 254 825	1 333 418	1 410 756
Salaries and wages	623 723	932 999	1 055 282	1 046 178	1 046 178	1 046 178	1 091 698	1 160 074	1 227 358
Social contributions	93 199	134 659	135 554	157 206	157 206	157 206	163 127	173 344	183 398
Goods and services	495 417	328 809	301 132	322 262	322 262	322 262	335 438	356 448	377 122
Advertising	108	-	-	-	-	-	-	-	-
Assets less than the capitalisation threshold	270	344	403	400	400	400	150	159	168
Communication	2 251	500	-	-	-	-	-	-	-
Computer services	-	116	-	-	-	-	-	-	-
Cons/prof: Legal cost	108	-	-	-	-	-	-	-	-
Contractors	20 912	9 387	6 516	6 500	6 500	6 500	6 525	6 934	7 336
Agency & support/outsourced services	116 421	-	2 344	-	-	-	-	-	-
Inventory: Food and food supplies	2 117	1 815	1 949	-	-	-	2 000	2 125	2 248
Inventory: Fuel, oil and gas	27 302	4 221	4 393	-	-	-	4 000	4 251	4 498
Inventory: Materials and supplies	-	2	-	-	-	-	-	-	-
Inventory: Medical supplies	158 598	207 668	241 533	254 207	254 207	254 207	270 266	287 194	303 851
Inventory: Medicine	124 377	97 793	38 889	55 540	55 540	55 540	48 030	51 038	53 998
Inventory: Other consumables	3 460	4 224	4 160	4 420	4 420	4 420	3 683	3 914	4 141
Inventory: Stationery and printing	1 197	143	-	-	-	-	-	-	-
Lease payments	1 995	371	278	500	500	500	500	531	562
Property payments	34 385	6	-	-	-	-	-	-	-
Travel and subsistence	1 035	668	326	195	195	195	107	114	121
Training and development	700	536	-	-	-	-	-	-	-
Operating expenditure	181	1 015	341	500	500	500	177	188	199
<b>Transfers and subsidies to</b>	<b>-</b>	<b>-</b>	<b>4 458</b>	<b>4 600</b>	<b>4 600</b>	<b>4 600</b>	<b>6 023</b>	<b>6 400</b>	<b>6 771</b>
Households	-	-	4 458	4 600	4 600	4 600	6 023	6 400	6 771
Social benefits	-	-	4 458	4 600	4 600	4 600	6 023	6 400	6 771
<b>Payments for capital assets</b>	<b>110 775</b>	<b>19 276</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Machinery and equipment	110 775	19 276	-	-	-	-	-	-	-
Other machinery and equipment	110 775	19 276	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 323 114</b>	<b>1 415 743</b>	<b>1 496 426</b>	<b>1 530 246</b>	<b>1 530 246</b>	<b>1 530 246</b>	<b>1 596 286</b>	<b>1 696 266</b>	<b>1 794 649</b>

Table 7.P : Payments and estimates by economic classification: National Health Insurance grant (Prog 2: District Health Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>9 124</b>	<b>10 075</b>	<b>8 434</b>	<b>9 578</b>	<b>9 578</b>	<b>9 578</b>	<b>10 001</b>	<b>-</b>	<b>-</b>
Compensation of employees	(90)	317	1 527	1 383	1 383	1 383	1 957	-	-
Salaries and wages	(85)	297	1 475	1 234	1 234	1 234	1 713	-	-
Social contributions	(5)	20	52	149	149	149	244	-	-
Goods and services	9 214	9 758	6 907	8 195	8 195	8 195	8 044	-	-
Advertising	-	-	27	-	-	-	-	-	-
Assets less than the capitalisation threshold	2 027	991	5	-	-	-	-	-	-
Audit cost: External	150	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	24	17	-	-	-	-	-	-
Computer services	3 672	3 335	-	5 658	5 658	5 658	5 415	-	-
Cons/prof: Business & advisory services	-	1 692	2 499	2 537	2 537	2 537	2 629	-	-
Contractors	882	-	-	-	-	-	-	-	-
Agency & support/outsourced services	-	497	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	196	-	-	-	-	-	-
Inventory: Clothing materials and Accessories	-	-	30	-	-	-	-	-	-
Inventory: Medical supplies	199	714	27	-	-	-	-	-	-
Inventory: Other consumables	460	171	-	-	-	-	-	-	-
Inventory: Stationery and printing	21	190	774	-	-	-	-	-	-
Property payments	350	261	23	-	-	-	-	-	-
Travel and subsistence	417	245	968	-	-	-	-	-	-
Training and development	1 007	1 480	1 208	-	-	-	-	-	-
Operating expenditure	-	11	-	-	-	-	-	-	-
Venues and facilities	29	147	1 133	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>7 991</b>	<b>5 445</b>	<b>9 965</b>	<b>4 830</b>	<b>6 279</b>	<b>6 279</b>	<b>5 082</b>	<b>-</b>	<b>-</b>
Machinery and equipment	7 991	5 445	9 965	4 830	6 279	6 279	5 082	-	-
Transport equipment	-	-	1 094	-	-	-	-	-	-
Other machinery and equipment	7 991	5 445	8 871	4 830	6 279	6 279	5 082	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>17 115</b>	<b>15 520</b>	<b>18 399</b>	<b>14 408</b>	<b>15 857</b>	<b>15 857</b>	<b>15 083</b>	<b>-</b>	<b>-</b>

Table 7.Q : Payments and estimates by economic classification: Comprehensive HIV, AIDS and TB grant (Prog 2: District Health Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>2 200 090</b>	<b>2 635 462</b>	<b>3 132 242</b>	<b>3 748 685</b>	<b>3 719 165</b>	<b>3 724 265</b>	<b>4 151 572</b>	<b>4 793 026</b>	<b>5 453 066</b>
Compensation of employees	1 148 773	1 374 798	1 506 630	1 635 529	1 667 600	1 666 535	1 710 534	2 027 649	2 227 649
Salaries and wages	999 432	1 201 794	1 320 648	1 438 529	1 452 705	1 451 943	1 484 050	1 755 655	1 929 655
Social contributions	149 341	173 004	185 982	197 000	214 895	214 592	226 484	271 994	297 994
Goods and services	1 051 317	1 260 659	1 625 611	2 113 156	2 051 565	2 057 730	2 441 038	2 765 377	3 225 417
Administrative fees	-	-	-	-	-	37	62	-	-
Advertising	1 571	873	3 804	15 000	23 195	23 213	14 107	14 404	15 239
Assets less than the capitalisation threshold	2 256	24	19	-	1 789	284	306	1 572	1 663
Catering: Departmental activities	186	196	808	500	700	1 997	1 226	349	369
Communication	529	476	329	-	300	367	311	3 243	3 431
Computer services	440	-	-	30 000	-	-	-	57 000	60 306
Cons/prof: Business & advisory services	-	-	8	-	19	3	34	-	-
Cons/prof: Laboratory services	280 004	157 220	601 156	488 900	561 920	559 646	692 000	611 807	647 292
Cons/prof: Legal cost	-	4	-	-	-	-	-	-	-
Contractors	-	-	-	20 000	-	-	-	-	-
Agency & support/outourced services	2 910	3 761	3 604	5 000	9 108	4 119	4 644	3 065	3 243
Entertainment	-	-	-	-	-	-	-	55 014	58 205
Fleet services (incl. GMT)	-	452	150	500	-	4	22	68	93
Inventory: Food and food supplies	2 097	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	347	49	-	-	-	-	-	479	507
Inventory: Materials and supplies	3	6	-	-	-	-	42 353	-	-
Inventory: Medical supplies	129 125	79 934	107 811	194 330	91 867	85 946	171 396	251 361	351 361
Inventory: Medicine	620 063	1 007 453	890 919	1 325 076	1 330 783	1 359 822	1 465 063	1 691 826	1 993 942
Inventory: Other consumables	904	3 973	4 883	-	6 720	4 589	7 910	2 322	2 457
Inventory: Stationery and printing	1 330	466	397	2 500	6 366	617	855	3 808	4 029
Lease payments	312	160	2 812	18 270	5 420	5 482	9 308	9 308	20 063
Rental and hiring	-	220	-	-	-	-	-	-	-
Property payments	2 087	15	88	300	60	54	74	730	772
Transport provided: Departmental activity	17	55	-	-	-	-	-	233	247
Travel and subsistence	1 117	2 131	5 329	2 400	7 442	6 408	9 473	4 841	5 122
Training and development	2 624	691	603	6 710	1 000	1 265	17 489	52 340	55 376
Operating expenditure	3 360	2 446	2 891	3 000	4 876	3 877	4 405	904	956
Venues and facilities	35	54	-	670	-	-	-	703	744
Interest and rent on land	-	5	1	-	-	-	-	-	-
Interest	-	5	1	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>11 336</b>	<b>16 442</b>	<b>59 959</b>	<b>62 409</b>	<b>77 647</b>	<b>79 472</b>	<b>84 997</b>	<b>89 164</b>	<b>94 335</b>
Provinces and municipalities	-	7	40 001	30 000	60 000	60 000	70 000	73 500	77 763
Provinces	-	7	1	-	-	-	-	-	-
Provincial agencies and funds	-	7	1	-	-	-	-	-	-
Municipalities	-	-	40 000	30 000	60 000	60 000	70 000	73 500	77 763
Municipal agencies and funds	-	-	40 000	30 000	60 000	60 000	70 000	73 500	77 763
Non-profit institutions	11 336	12 742	14 291	27 000	12 607	14 586	11 507	12 174	12 880
Households	-	3 693	5 667	5 409	5 040	4 886	3 490	3 490	3 692
Social benefits	-	3 693	5 667	5 409	5 040	4 886	3 490	3 490	3 692
<b>Payments for capital assets</b>	<b>13 997</b>	<b>93</b>	<b>66 030</b>	<b>2 000</b>	<b>16 160</b>	<b>9 235</b>	<b>7 674</b>	<b>7 674</b>	<b>7 674</b>
Machinery and equipment	13 997	93	66 030	2 000	16 160	9 235	7 674	7 674	7 674
Transport equipment	-	-	65 743	-	14 160	7 235	-	-	-
Other machinery and equipment	13 997	93	287	2 000	2 000	2 000	7 674	7 674	7 674
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2 225 423</b>	<b>2 651 997</b>	<b>3 258 231</b>	<b>3 813 094</b>	<b>3 812 972</b>	<b>3 812 972</b>	<b>4 244 243</b>	<b>4 889 864</b>	<b>5 555 075</b>

Table 7.R : Payments and estimates by economic classification: Afcon 2013 Medical Services grant (Prog 3: Emergency Medical Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>1 672</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Compensation of employees	1 401	-	-	-	-	-	-	-	-
Salaries and wages	1 401	-	-	-	-	-	-	-	-
Goods and services	271	-	-	-	-	-	-	-	-
Advertising	220	-	-	-	-	-	-	-	-
Inventory: Medical supplies	6	-	-	-	-	-	-	-	-
Inventory: Medicine	6	-	-	-	-	-	-	-	-
Travel and subsistence	39	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 672</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 7.S : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces (Prog 8: Health Facilities Management)**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>1 000</b>	<b>3 000</b>	<b>2 581</b>	<b>3 683</b>	<b>3 682</b>	<b>3 682</b>	<b>7 122</b>	<b>-</b>	<b>-</b>
Compensation of employees	-	2 992	2 581	3 683	3 682	3 682	7 122	-	-
Salaries and wages	-	2 982	2 581	3 683	3 682	3 682	7 122	-	-
Social contributions	-	10	-	-	-	-	-	-	-
Goods and services	1 000	8	-	-	-	-	-	-	-
Property payments	1 000	-	-	-	-	-	-	-	-
Travel and subsistence	-	8	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 000</b>	<b>3 000</b>	<b>2 581</b>	<b>3 683</b>	<b>3 682</b>	<b>3 682</b>	<b>7 122</b>	<b>-</b>	<b>-</b>

**Table 7.T : Payments and estimates by economic classification: Human Papillomavirus Vaccine grant (Prog 2: District Health Services)**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
<b>Current payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40 976</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	40 976
Cons/prof. Business & advisory services	-	-	-	-	-	-	-	-	1 500
Inventory: Medicine	-	-	-	-	-	-	-	-	31 976
Inventory: Other consumables	-	-	-	-	-	-	-	-	6 000
Travel and subsistence	-	-	-	-	-	-	-	-	1 500
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 000</b>
Machinery and equipment	-	-	-	-	-	-	-	-	4 000
Other machinery and equipment	-	-	-	-	-	-	-	-	4 000
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44 976</b>

Table 7.U : Health - Payments of infrastructure by category

Project name	Project status	Municipality / Region	Type of infrastructure	Project duration		Source of funding	Budget programme name	Delivery mechanism (individual project or packaged programme)	Total project cost	Expenditure to date from previous years	Total available		MTEF Forward estimates	
				Date: Start	Date: Finish						2016/17	2017/18	2017/18	2018/19
<b>R thousands</b>														
<b>Existing infrastructure assets</b>														
<i>of which:</i>														
Maintenance and repair: Current														
Institutional Maintenance: Unkhanyakude District	Various	Unkhanyakude	Institutions	Ongoing	Ongoing	Equitable share	Programme 8	Packaged prog	198 992	17 324	6 145	6 430	6 430	6 893
Institutional Maintenance: Amajuba District	Various	Amajuba	Institutions	Ongoing	Ongoing	Equitable share	Programme 8	Packaged prog	777 710	5 616	4 404	4 625	4 625	4 893
Institutional Maintenance: eThekweni District	Various	eThekweni	Institutions	Ongoing	Ongoing	Equitable share	Programme 8	Packaged prog	626 398	75 597	28 196	29 550	29 550	31 264
Institutional Maintenance: iLembe District	Various	iLembe	Institutions	Ongoing	Ongoing	Equitable share	Programme 8	Packaged prog	130 949	13 338	5 098	5 342	5 342	5 652
Institutional Maintenance: Harry Gwala District	Various	Harry Gwala	Institutions	Ongoing	Ongoing	Equitable share	Programme 8	Packaged prog	258 645	9 888	5 384	5 654	5 654	5 982
Institutional Maintenance: Ugu District	Various	Ugu	Institutions	Ongoing	Ongoing	Equitable share	Programme 8	Packaged prog	249 214	41 252	8 658	9 035	9 035	9 560
Institutional Maintenance: uMgungundlovu District	Various	uMgungundlovu	Institutions	Ongoing	Ongoing	Equitable share	Programme 8	Packaged prog	570 386	44 970	32 699	27 435	27 435	24 026
Institutional Maintenance: uMgungundlovu District	Various	uMgungundlovu	Institutions	Ongoing	Ongoing	Equitable share	Programme 8	Packaged prog	203 048	18 198	5 699	6 180	6 180	6 538
Institutional Maintenance: Unzinyathi District	Various	Unzinyathi	Institutions	Ongoing	Ongoing	Equitable share	Programme 8	Packaged prog	146 080	11 033	4 861	5 104	5 104	5 400
Institutional Maintenance: Uthukela District	Various	Uthukela	Institutions	Ongoing	Ongoing	Equitable share	Programme 8	Packaged prog	269 353	16 923	12 674	13 197	13 197	13 962
Institutional Maintenance: uThungulu District	Various	uThungulu	Institutions	Ongoing	Ongoing	Equitable share	Programme 8	Packaged prog	175 034	22 051	7 844	8 236	8 236	8 714
Institutional Maintenance: Zululand District	Various	Zululand	Institutions	Ongoing	Ongoing	Equitable share	Programme 8	Packaged prog	1 128 809	768 145	318 632	235 214	235 214	291 015
Upgrades and additions: Capital														
St. Benedictine Hospital (Nursing College)	Construction	Zululand	Student accommodation (40 beds) - phase 1	30 September 2014	30 April 2018	Revolutions grant	Programme 8	Individual	2 837 889	487 538	360 261	684 098	684 098	732 427
Catherine Booth Hospital	Design	uThungulu	Demolish and rebuild new wards	01 April 2016	15 April 2020	Equitable share	Programme 8	Individual	38 446	20 000	22 000	412	412	412
Equipping of various completed new facilities	Various	Various	New PHC facilities: Furniture	Ongoing	Ongoing	Various	Programme 8	Packaged prog	95 000	-	10 000	40 000	40 000	40 000
Hlabisa Hospital	Design	Unkhanyakude	Pharmacy and OPD	01 November 2014	01 November 2018	Revolutions grant	Programme 8	Individual	48 434	20 000	10 000	10 000	10 000	10 000
Charles Johnson Memorial Hospital	Construction	Unzinyathi	New staff accommodation - 30 staff (incl. comm. serv. doctors)	01 September 2016	30 September 2018	Equitable share	Programme 8	Individual	13 247	-	2 000	20 000	20 000	20 000
Essential Health Technology Equipment Programme	Various	Various	Procurement of essential health technology equipment	Ongoing	Ongoing	Equitable share	Programme 8	Packaged prog	1 172 984	55 348	154 324	450 000	450 000	470 600
Stanger Hospital	Construction	iLembe	New labour and neo-natal ward	09 April 2013	31 March 2019	Revolutions grant	Programme 8	Individual	155 000	106 045	25 000	5 000	5 000	5 000
St. Margaret's hospital	Feasibility	uMgungundlovu	Building a new male/female TB wards	01 April 2016	31 March 2019	Equitable share	Programme 8	Individual	50 000	-	4 000	20 000	20 000	20 000
Ngwelazane Hospital	Design	uThungulu	8 new theatres, CSSD, 20 bed ICU, isolation unit, 30 bed high care, theatre specialist offices, overnight doctors accommodation. Upgrades to kitchen, laundry, supplies department, cafeteria and occupational therapy department	01 April 2017	31 March 2020	Equitable share	Programme 8	Individual	550 000	-	-	20 000	20 000	57 415
Various	Various	Various	Various	Ongoing	Ongoing	Various	Programme 8	Packaged prog	594 778	272 145	92 937	78 686	78 686	69 000
Refurbishment and rehabilitation: Capital														
Addington Hospital	Construction	eThekweni	Renovation of core block of hospital	19 March 2012	22 March 2017	Revolutions grant	Programme 8	Packaged prog	3 817 097	1 228 194	154 600	153 762	153 762	166 447
Prince Mshiyeni Memorial Hospital	Construction	eThekweni	Water reservoir	01 May 2014	31 March 2019	Revolutions grant	Programme 8	Packaged prog	171 839	176 334	4 000	-	-	11 501
King Edward VIII Hospital	Construction	eThekweni	Unblocking and repair of stormwater pipes and repairs to N and S block roofs	13 July 2014	30 March 2018	Revolutions grant	Programme 8	Individual	67 000	20 000	35 000	2 000	2 000	2 116
McCord Hospital	Feasibility	eThekweni	Renovation of hospital	01 April 2016	31 March 2019	Equitable share	Programme 8	Packaged prog	70 020	19 679	-	-	-	15 000
Ngwelazane Hospital	Construction	uThungulu	Medical wards (192 beds) E.F.G.H and demolish existing crisis centre parklane and construct new crisis centre, demolish old wards E.F.G.H	15 July 2014	31 March 2019	Revolutions grant	Programme 8	Individual	320 000	108 149	85 000	79 262	79 262	80 330
Foot Services	Construction	Various	Repair or replace freezers/cold rooms (48 institutions)	01 June 2015	31 March 2020	Equitable share	Programme 8	Individual	40 000	3 000	5 000	5 000	5 000	5 000
King Dinuzulu Hospital	Design	eThekweni	Renovate staff accommodation	01 November 2015	30 June 2019	Equitable share	Programme 8	Individual	80 000	2 000	20 000	46 000	46 000	46 000
Various	Various	Various	Various	Ongoing	Ongoing	Various	Programme 8	Individual	3 060 238	899 032	3 600	3 500	3 500	3 500



Table 7.U (continued) : Health - Payments of infrastructure by category

Project name	Project status	Municipality / Region	Type of infrastructure	Project duration		Source of funding	Budget programme name	Delivery Mechanism (Individual project or packaged programme)	Total project cost	Expenditure to date from previous years	Total available		MTEF Forward estimates	
				Date: Start	Date: Finish						2016/17	2017/18	2017/18	2018/19
<b>R thousands</b>														
<b>New infrastructure assets: Capital</b>									<b>4 188 354</b>	<b>1 340 231</b>	<b>581 160</b>	<b>579 801</b>		<b>560 854</b>
of which:														
Dr. Pixley ka Seme Hospital	Construction	eThekweni	New 500 bed regional hospital	10 August 2014	30 March 2019	Revitalisation grant	Programme 8	Packaged prog	2 912 459	574 059	505 000	500 000		423 245
Grootville Clinic	Construction	Ilembe	Replacement of clinic Phase 9 (including a separate PMTCT unit)	31 March 2016	30 September 2019	Equitable share	Programme 8	Packaged prog	55 000	-	7 500	16 000		29 500
Osindweni Hospital Clinics	Construction	eThekweni	Replace TB ward	01 April 2017	31 March 2019	Revitalisation grant	Programme 8	Packaged prog	90 350	-	-	20 000		20 000
Masons Clinic	Construction	Various	Installation of generators	01 April 2016	30 June 2017	Equitable share	Programme 8	Packaged prog	55 000	15 847	19 153	-		20 000
	Feasibility	uMgungundlovu	Replacement Clinic (Construction of a large clinic with residence)	01 April 2017	01 April 2018	Revitalisation grant	Programme 8	Packaged prog	22 000	-	-	2 000		20 000
Phoenix CHC	Design	eThekweni	Construction of Admin Block, Block F, Parking - Phase 2	01 April 2017	31 March 2019	Equitable share	Programme 8	Packaged prog	15 000	-	-	7 500		7 500
Makhele / Nkukwana Clinic	Design	Harry Gwala	New clinic	01 June 2015	30 June 2018	Revitalisation grant	Programme 8	Packaged prog	18 000	-	8 000	10 000		100
Ofofo / Nkama Clinic	Design	Harry Gwala	New clinic	01 June 2015	30 June 2018	Revitalisation grant	Programme 8	Packaged prog	18 000	-	8 000	10 000		1 000
Various	Various	Various	Various	Ongoing	Ongoing	Various	Programme 8	Packaged prog	1 002 345	750 325	33 507	14 301		39 509
<b>Infrastructure transfers</b>														
of which:														
Infrastructure transfers: Current														
Infrastructure transfers: Capital														
<b>Infrastructure: Payments for financial assets</b>														
<b>Infrastructure: Leases</b>														
<b>Total</b>									<b>14 877 958</b>	<b>4 100 358</b>	<b>1 536 515</b>	<b>1 773 683</b>		<b>1 873 337</b>
Capital infrastructure									10 843 340	3 055 963	1 096 221	1 417 681		1 459 728
Current infrastructure									4 034 618	1 044 395	440 294	356 002		413 809

Table 7.V : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15		2015/16		2016/17	2017/18	2018/19
<b>A KZN2000 eThekweni</b>	-	61 051	105 000	105 000	205 250	205 250	169 048	200 000	205 394
<b>Total: Ugu Municipalities</b>	<b>7 270</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
B KZN211 Vulamehlo	-	-	-	-	-	-	-	-	-
B KZN212 Umdoni	1 585	-	-	-	-	-	-	-	-
B KZN213 Umzumbe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	861	-	-	-	-	-	-	-	-
B KZN215 Ezingoleni	-	-	-	-	-	-	-	-	-
B KZN216 Hibiscus Coast	4 824	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uMgungundlovu Municipalities</b>	<b>-</b>	<b>5 838</b>	<b>673</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	764	673	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 Impendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	5 074	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Uthukela Municipalities</b>	<b>2 824</b>	<b>-</b>	<b>534</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
B KZN232 Emnambithi/Ladysmith	-	-	534	-	-	-	-	-	-
B KZN233 Indaka	-	-	-	-	-	-	-	-	-
B KZN234 Umtshezi	1 413	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	1 411	-	-	-	-	-	-	-	-
B KZN236 Imbabazane	-	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Umzinyathi Municipalities</b>	<b>1 619</b>	<b>417</b>	<b>746</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
B KZN241 Endumeni	-	-	746	-	-	-	-	-	-
B KZN242 Nqutu	-	-	-	-	-	-	-	-	-
B KZN244 Msinga	-	-	-	-	-	-	-	-	-
B KZN245 Umvoti	1 619	417	-	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Amajuba Municipalities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
B KZN252 Newcastle	-	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Zululand Municipalities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Umkhanyakude Municipalities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
B KZN271 Umhlabyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN273 The Big 5 False Bay	-	-	-	-	-	-	-	-	-
B KZN274 Hlabisa	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uThungulu Municipalities</b>	<b>7 149</b>	<b>6 773</b>	<b>10 451</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
B KZN281 Umfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	5 630	6 773	10 451	-	-	-	-	-	-
B KZN283 Ntambanana	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	637	-	-	-	-	-	-	-	-
B KZN285 Mthorjaneni	882	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Ilembe Municipalities</b>	<b>4 031</b>	<b>657</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
B KZN291 Mandeni	564	657	-	-	-	-	-	-	-
B KZN292 KwaDukuza	3 467	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Harry Gwala Municipalities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
B KZN431 Ingwe	-	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
<b>Unallocated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>22 893</b>	<b>74 736</b>	<b>117 404</b>	<b>105 000</b>	<b>205 250</b>	<b>205 250</b>	<b>169 048</b>	<b>200 000</b>	<b>205 394</b>