

VOTE 7

Health

Operational budget	R45 035 000 205
MEC remuneration	R 1 977 795
Total amount to be appropriated	R45 036 978 000
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 KZN.*

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 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 2035 and National Health sector priorities. The overarching goal remains "*Increasing the life expectancy of all South Africans*". The strategic goals for 2015 to 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.

The department provides health services primarily to the uninsured population of KZN. According to the 2017 General Household Survey, 12.6 per cent of the KZN population are members of medical aid schemes. This translates to 1 434 475 people who are members of medical aid schemes and 9 950 248 (87.4 per cent) who are not members of medical aid schemes. In addition, the department provides central health services to people beyond provincial boundaries. The main categories of health services provided by the department are as follows:

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, ensuring the integrity of forensic evidence and providing Inspector of Anatomy Services.

Emergency medical services

This category renders 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, as amended)
- 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)

- Child Care Act (Act No. 74 of 1983)
- Dental Technicians Act (Act No. 19 of 1979)
- Chiropractors, Homeopaths and Allied Health Service Professions Act (Act No. 63 of 1982)

2. Review of the 2018/19 financial year

Section 2 provides a review of 2018/19 outlining the main achievements and progress made by the department, as well as providing a brief discussion on the challenges and new developments.

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:

- Reduced the mother to child transmission rate of HIV to 0.7 per cent against the 2018/19 target of 0.8 per cent by March 2019.
- The facility maternal mortality ratio decreased to 57.9 maternal deaths per 100 000 live births at the end of the third quarter, against a target of 100 maternal deaths per 100 000 live births.
- Decreased the Child under 5-years severe acute malnutrition incidence to 1.8 per 1 000 against the target of 4.3 per 1 000.
- Recorded a TB client treatment success rate of 74.4 per cent against the target of 87.6 per cent, which is an under-achievement.
- A total of 1 330 587 clients remained on anti-retroviral (ARV) treatment at the end of the third quarter against a target of 1 313 804.
- Increased the number of HIV tests done by 948 168 at the end of the third quarter, against a target of 745 692.
- Increased the number of male medical circumcisions (MMC) by 31 556 at the end of the third quarter, against a target of 30 809.

Scale up PHC re-engineering with the main focus on implementing the Ideal Clinic programme:

- Achieved 92 per cent of fixed health care facilities scoring above 70 per cent on the Ideal Clinic Dashboard, against a target of 87 per cent.

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

- In terms of the hospital rationalisation process (efficiency assessments conducted by the Epidemiology and Health Research units), an in-depth assessment and review were completed for St Margaret's, Richmond, Don McKenzie and Doris Goodwin Hospitals and recommendations were tabled at the Health Operations Cluster, a committee of departmental Deputy Director-Generals. Further consultations are underway prior to final recommendations being tabled at the Management Committee (MANCO).
- The construction of the Dr. Pixley ka Isaka Seme Memorial Hospital (PKISMH) was 85 per cent complete at the end of the third quarter, and is on track to be completed in time for the planned commissioning in the third quarter of 2019/20.

Improving human resources for health with the main focus on the finalisation of a costed long-term human resources plan, which will be included in the department's 10-year long-term plan (2017-2027):

- The development of the Long-term Human Resource (HR) plan and the Service Rationalisation plan commenced, with finalisation expected by March 2019.
- The Minimum Staff Establishment (MSE) for institutions was finalised and approved by MANCO. The process of implementing the MSE while keeping within the budget has commenced and will be completed in 2019/20.
- Implementation of the Registrar Model was planned for 2018/19 to make provision for Registrars in training to circulate between their institution and training institutions. The model was approved by

June 2018 and presented to the provincial Registrar Steering committee in July 2018. The implementation of the model will be monitored through the 2019/20 APP reporting process.

Improving financial management with focus on the following:

- The electronic asset management system aimed at improving audit outcomes is on track with HARDCAT currently functional at head office, with roll-out to institutions hampered by IT infrastructure challenges. Roll-out is now planned for 2019/20, depending on the available budget.
- The department decided to utilise the LOGIS inventory management system and a submission in this regard was forwarded to Provincial Treasury in the third quarter, with roll-out expected in 2019/20. The electronic billing system has not progressed due to budget constraints, with only Northdale Hospital currently implemented.
- The department continued to address the current year's National Health Laboratory Service (NHLS) pressures, with the long-term NHLS debt still not addressed. In an attempt to mitigate costs, the department is limiting NHLS tests to essential tests only (gate-keeping).
- In addressing medico-legal claims, the department collaborated with the joint Treasury/Health assistance team to clean up the medico-legal register in an effort to improve the accuracy of records. The department also began strengthening clinical governance at facilities. A number of matters were finalised including the Adoption of Mediation as an Alternative Dispute Resolution strategy, which was approved by the department. The department commenced with medico-legal roadshows to institutions, as well as the granting of approval for the use of private medical experts for a period of six months which ended in September 2018, and for which an extension for a further six months was requested and received from the Treasury/Health assistance team. Finally, a National Department of Health (NDOH) tender was advertised and is in its final stages of adjudication. The tender will provide provinces with medical and legal experts, forensic investigators and IT systems, with provinces able to access a centralised contract, funded from provincial funds.

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

- The department continued to implement the NCS in all facilities. Approximately 60 per cent of facilities achieved higher than 75 per cent on the NCS elements. More than 95 per cent of hospitals conducted self-assessments during 2018/19. Within the 40 per cent of facilities that under-achieved, the main area of concern was not meeting infrastructure norms and standards.

Improve universal health coverage by implementing the NHI pilot in the 3 identified districts, as follows:

- Implementation of NHI initiatives moved beyond the NHI districts to all districts in the province. Initiatives include patients registered on the Health Patient Registration System (HPRS), which increased to 7 858 149 (78 per cent of the KZN uninsured population).
- The number of clients registered on the Centralised Chronic Medicines Dispensing and Distribution (CCMDD) increased from 1 034 621 in 2017/18 to 1 706 141.
- Best practice in the HPRS was institutionalised, with 579 out of 608 PHC facilities active on the HPRS. The remaining 29 facilities will be institutionalised once broadband access is available. This means facilities are registering client headcounts to assist in determining fund allocations to each facility. Hospital health patient registration started in seven hospitals on a phased-in approach, and is fully active in the three hospitals in Ugu, with the remaining four hospitals in uMgungundlovu in various stages of the implementation of IT systems, including the training of users.

3. Outlook for the 2019/20 financial year

Section 3 looks at the key focus areas of 2019/20, outlining what the department is hoping to achieve, as well as briefly looking at the challenges facing the department, and proposed new developments. The bulk of the department's budget allocation is for the delivery of PHC services to the approximately 87.4 per cent uninsured population of KZN. The main services rendered at this level include preventive, promotive,

screening and referral services for communicable and non-communicable services at community level, and preventive, promotive, screening, referral, rehabilitative, curative and emergency medical services delivered through fixed clinics, community health centres and district hospitals. In 2019/20, the department will focus on the following priorities to further improve service delivery and health outcomes:

Programme 1: Administration

- Improve Information Communication Technology with broadband connectivity established in 92.9 per cent of hospitals and 50.2 per cent of PHC facilities by 31 March 2020.

Programme 2: District Health Services

- Re-engineering of PHC – achieve an Ideal Clinic status rate of 80 per cent by March 2020, to be achieved through the activities of self-assessment teams. Note that NDOH has amended the indicator requirements from 2019/20, hence a lower target is set than was mentioned as achieved in 2018/19 in the Review section.
- Reduce HIV and AIDS incidence and improve TB outcomes, as follows:
 - Increase the TB client treatment success rate from 74.4 per cent to over 87 per cent by March 2020.
 - Increase the total number of clients on ARV therapy to at least 1 578 737 by March 2020.
 - Conduct 3 074 435 HIV tests by March 2020.
 - Perform at least 148 209 MMCs per annum by March 2020.
- Reduce maternal, neonatal and child morbidity and mortality and improve women's health:
 - Reduce the mother to child transmission rate of HIV to 0.6 per cent by March 2020.
 - Reduce the diarrhoea case fatality under 5-years rate from 2.6 per cent in 2018/19 to 2 per cent by March 2020.
 - Reduce the pneumonia case fatality under 5 years rate from 2.8 per cent in 2018/19 to 2.4 per cent by March 2020.
- Reduce the malaria case fatality rate from 0.8 per cent to 0.54 per cent by March 2020.
- Perform 9 700 cataract surgeries by March 2020 compared to 7 717 achieved by the end of the third quarter of 2018/19.
- Achieve a mental disorders screening rate of 35 per cent by March 2020 compared to a current achievement of 34.6 per cent.

Programme 3: Emergency Medical Services (EMS)

- Increase the average number of daily operational ambulances from 179 to 200 by 31 March 2020.
- Approval of the draft EMS turnaround strategy by March 2020, with implementation in 2020/21. This strategy seeks to address staffing and equipment capacity constraints, within budget.

Programme 4: Provincial Hospital Services (regional and specialised)

- Maintain a bed utilisation rate of 75 per cent by 31 March 2020.
- Commission the new PKISMH by March 2020.

Programme 5: Central Hospital Services

- Maintain a bed utilisation rate of 75 per cent by March 2020.

Programme 6: Health Sciences and Training

- Accreditation of the KZN College of Nursing as an institution of higher education by March 2020. Historically, the college received accreditation from the SA Nursing Council. However, the Nursing Act (2005) requires nursing colleges to be accredited through SAQA/higher education processes.

Programme 7: Health Care Support Services

- Improve the management of laundry services by decreasing the incidence of clean linen stock-outs from 5.5 per cent to zero in facilities by March 2020.

- Improve Pharmaceutical Services management by decreasing the incidence of medicine stock-out rates from 13.8 per cent to less than 5 per cent in the Provincial Pharmaceutical Supply Depot (PPSD) and at all health facilities by March 2020.
- Increase the number of clients on CCMDD from 1 706 141 to 2 250 000 by March 2020.

Programme 8: Health Facilities Management

- Create 3 000 jobs through the Expanded Public Works Programme (EPWP) by March 2020.
- Complete 26 upgrade and addition projects by March 2020 including the construction of out-patient, emergency, and pharmacy facilities at Hlabisa Hospital, undertaking major maintenance to various buildings and electrical installations at Newcastle Hospital, renovating staff accommodation, as well as constructing additional parking and recreational areas at King Dinuzulu Hospital.

4. Reprioritisation

The department undertook comprehensive reprioritisation in the preparation of the 2019/20 MTEF budget, with the main movements being the following:

Conditional grants:

- Within the HIV, TB, Malaria and Community Outreach grant, funds of R845 million were moved in 2019/20, with carry-through, from *Goods and services* under medicines to *Compensation of employees* to sustain the current staffing levels. The department notes that donor drugs will be available to address any pressures in this area.
- Under the Health Facility Revitalisation grant, funds amounting to R203 million were moved in 2019/20, with carry-through, from *Goods and services* to *Buildings and other fixed structures* (R194 million) and *Compensation of employees* (R9 million) to align with the 2019/20 business plan, which includes approximately seven additional staff, in line with the Infrastructure Development Management System (IDMS). In addition, funding is reprioritised for projects at King Edward VIII Hospital (renovations to nursery, psychiatric and physiotherapy areas and relocation of the psychology department) and Hlabisa Hospital (construction of out-patient, emergency, and pharmacy facilities).

Equitable share:

- Funding of R378 million was moved from *Compensation of employees* to *Goods and services* to cater for the appointment of a transactional advisor to conduct the final work survey and exit strategy for the public/private partnership (PPP) at Inkosi Albert Luthuli Central Hospital (IALCH), the PPP agreement carry-over expenditure, the strengthening of oncology services at IALCH, the anticipated carry-over expenditure incurred under the maintenance contracts of medical equipment, the expected higher expenditure for the maintenance and repairs of ambulances and planned patient transport vehicles, as well as to address medical equipment accruals from the 2018/19 medical equipment plan.
- Funding of R235 million, with carry-through, was moved from *Transfers and subsidies to: Households* to *Goods and services* to cover the NHLS anticipated carry-over expenditure, as well as the NHLS funding shortfall arising from the inability to realise savings from electronic gate-keeping, as initially anticipated.
- Some funding was reprioritised from *Buildings and other fixed structures* towards the maintenance and repairs of existing infrastructure assets within *Goods and services*.
- Note that the department has reclassified the Mahatma Gandhi Memorial Hospital from a regional hospital in Programme 4 to a district hospital in Programme 2. Historical figures have been restated but 2018/19 figures cannot be restated. It is also noted that this is not strictly reprioritisation, but rather a reclassification, which does impact on the trends in both programmes.
- Note that the department has not made any provision as yet for the commissioning of PKISMH, expected to take place in the third quarter of 2019/20. This will be addressed in-year.
- Note also that the department will be able to draw on an indirect grant at NDOH to assist in funding the appointment of additional staff.

5. Procurement

The department made provision in its procurement plan for a number of major purchases to take place during 2019/20, including:

- Medicines, NHLS, medical supplies and property payments.
- An ongoing item of procurement is for capital infrastructure (including medical equipment) with the continuation of the building of the PKISMH, planned for commissioning in 2019/20.
- The department has planned to procure *Machinery and equipment* in the form of replacement vehicles which includes provision for ambulances, specialised clinic maintenance vehicles (fully equipped with tools and spares to maintain a small health facility), laundry vehicles, as well as medical equipment, including ventilators, anaesthetic machines, X-ray machines and CT scanners. The department has also budgeted to procure non-medical equipment such as trolleys, patient beds, etc.

6. Receipts and financing

6.1 Summary of receipts and financing

Table 7.1 gives the source of funding for Vote 7 over the seven-year period 2015/16 to 2021/22.

Table 7.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18		2018/19		2019/20	2020/21	2021/22
Equitable share	26 017 310	29 275 163	31 462 955	33 154 853	33 154 853	33 204 853	35 375 718	37 941 663	40 236 454
Conditional grants	6 903 596	7 306 804	8 085 518	9 103 605	9 303 113	9 253 113	9 661 260	10 276 673	11 345 899
Health Professions Training and Development grant	299 513	312 377	331 944	351 197	351 197	351 197	370 863	391 260	412 779
Health Facility Revitalisation grant	1 229 775	1 114 693	1 149 355	1 202 480	1 401 988	1 401 988	1 353 497	1 212 653	1 307 702
National Tertiary Services grant	1 530 246	1 596 286	1 696 266	1 794 649	1 794 649	1 744 649	1 895 149	2 022 124	2 133 341
HIV, TB, Malaria and Community Outreach grant	3 812 972	4 244 243	4 852 495	5 677 225	5 677 225	5 677 225	5 840 629	6 470 140	7 300 479
Social Sector EPWP Incentive Grant for Provinces	13 000	13 000	47 058	24 182	24 182	24 182	20 998	-	-
EPWP Integrated Grant for Provinces	3 682	7 122	8 400	8 896	8 896	8 896	10 313	-	-
National Health Insurance grant	14 408	19 083	-	-	-	-	-	-	-
Human Resources Capacitation grant	-	-	-	-	-	-	122 316	130 388	138 734
Human Papillomavirus Vaccine grant	-	-	-	44 976	44 976	44 976	47 495	50 108	52 864
Total receipts	32 920 906	36 581 967	39 548 473	42 258 458	42 457 966	42 457 966	45 036 978	48 218 336	51 582 353
Total payments	34 110 724	37 026 397	39 911 321	42 347 664	42 547 172	42 904 673	45 036 978	48 218 336	51 582 353
Surplus/(Deficit) before financing	(1 189 818)	(444 430)	(362 848)	(89 206)	(89 206)	(446 707)	-	-	-
Financing									
of which									
Provincial roll-overs	1 449	6 363	311	-	-	-	-	-	-
Provincial cash resources	1 047 637	450 670	381 694	89 206	89 206	89 206	-	-	-
Surplus/(Deficit) after financing	(140 732)	12 603	19 157	-	-	(357 501)	-	-	-

The table also compares actual and budgeted receipts against actual and budgeted payments, and these are discussed below. Note that the Comprehensive HIV, AIDS and TB grant has been re-named and is now called the HIV, TB, Malaria and Community Outreach grant, and is referred to as such, hereafter.

In 2015/16, a roll-over of R1.449 million was approved in respect of the NHI grant, to pay for the procurement of four mobile caravan clinics. 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 for NHLS to assist in pressures as a result of moving from a flat-fee payment mechanism to a fee-for-service mechanism.
- R68 million to address pressures arising from medico-legal claims.

The department over-spent its 2015/16 budget by R140.732 million mainly due to an under-estimation of the costs of the housing allowance adjustment, which formed part of the 2015 wage agreement, as well as the higher allowance resulting in an increased uptake of the allowance by staff. Also contributing were NHLS costs due to the move to a fee-for-service payment mechanism.

In 2016/17, a provincial roll-over of R6.363 million was approved in respect of the NHI grant, to pay for an electronic queuing system and internet connectivity for all clinics in NHI districts. The department also received an additional R4 million for the NHI grant, to help strengthen Health Information Systems. Also in 2016/17, the department was allocated additional funding of R450.670 million from provincial cash resources for the following:

- R670 000 for the carry-through costs for trade creditors and VAT at McCord Hospital.
- R350 million to address pressures on imported medicines, medical supplies and equipment resulting from the deterioration of the Rand/Dollar exchange rate.
- R100 million to fully fund the shortfall from the above-budget 2016 wage adjustment.

Despite in-year spending pressures, the department under-spent in 2016/17 by R12.603 million mainly due to a reduction in the levy required by the Medicine Trading Account. This levy is based on the volume of medicines processed *via* the account, however, running costs were substantially less than the levied amount due to vacant posts, as well as cheaper delivery mechanisms. The surplus was thus returned to the books of the department.

In 2017/18, the department received a roll-over of R311 000 from 2016/17 in respect of under-spending against the NHI grant, to be used mainly to pay for the impact assessment on the effectiveness of the implemented digital pen system in the NHI districts. Also in 2017/18, the department was allocated additional funding of R381.694 million from provincial cash resources for the following:

- R331.244 million for the Treasury/Health assistance plan outlined in the Executive Statement presented by the MEC for Finance in the Provincial Legislature on 22 June 2017, which indicated that Provincial Treasury would provide support to the Department of Health.
- R50.450 million for repairs at hospitals and clinics damaged in the storms that mainly affected eThekwin on 10 October 2017.

The department under-spent its 2017/18 budget by R19.157 million mainly due to under-spending against *Machinery and equipment* as a result of challenges including lengthy SCM processes, difficulties related to medical equipment specifications, as well as delays in receiving equipment ordered. This was mitigated to some extent by over-spending related to medico-legal claims.

In 2018/19, the department received additional funding of R89.206 million from provincial cash resources, with R38.757 million allocated for the carry-through costs of the Treasury/Health assistance plan, as well as R50.450 million being carry-through costs for the storm damage repairs at hospitals and clinics. The department also received an additional R199.508 million in the 2018/19 Adjustments Estimate for the storm damage repairs, being funding from the National Disaster Relief Fund and allocated to the Health Facility Revitalisation grant.

The department is projecting to over-spend its 2018/19 budget by R357.501 million as per the December IYM, mainly due to pressures in NHLS fee-for-service payments due to poor savings from gate-keeping. There is also pressure on agency and support/outsourced services related to the higher than expected costs of the PPP at the IALCH due to under-budgeting for VAT. In addition, property payment costs are projected to over-spend as a result of new contracts for security and cleaning services being more expensive than initially expected. There are also pressures from medico-legal claims. The department was instructed to prepare a turnaround plan to manage and reduce this projected over-spending.

The department receives additional funding in 2019/20 in the form of three conditional grants, as follows:

- The Social Sector EPWP Incentive Grant for Provinces receives an allocation of R20.998 million for 2019/20 only, at this stage.
- The EPWP Integrated Grant for Provinces receives an allocation of R10.313 million for 2019/20 only, at this stage.

- A new grant is allocated to the department, namely the Human Resources Capacitation grant, with R122.316 million allocated in 2019/20, with carry-through over the MTEF.

The department received additional equitable share funding of R207.972 million from National Treasury in 2021/22, for the costs of absorbing Cuban Doctors' programme graduates.

6.2 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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	213 371	256 922	268 988	247 718	247 718	268 777	276 510	289 664	313 458
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	54	36	70	65	65	52	68	72	76
Interest, dividends and rent on land	51	3 316	145	149	149	496	157	166	175
Sale of capital assets	-	970	6 897	13 343	13 343	10 188	6 000	8 000	9 000
Transactions in financial assets and liabilities	30 118	36 860	21 672	16 634	16 634	18 000	17 565	18 531	19 550
Total	243 594	298 104	297 772	277 909	277 909	297 513	300 301	316 433	342 259

Sale of goods and services other than capital assets is derived mainly from patient fees, boarding fees, rentals, parking fees, commission charged on PERSAL deductions such as insurance premiums and garnishees, etc. The high collection in 2016/17 and 2017/18 was due to higher than anticipated receipts from patient fees. The department continues to implement the Revenue Enhancement Strategy with the assistance of Provincial Treasury and this has assisted in improving revenue collections. The use of an agent to submit and follow-up on Road Accident Fund (RAF) claims has also yielded positive results. The 2019/20 MTEF shows a positive trend which is largely against patient fees.

Fines, penalties and forfeits shows revenue collected from parking transgressions. The trend fluctuates over the seven-year period, because it is difficult to predict accurately the number of contraventions.

Interest, dividends and rent on land reflects interest collected on staff debts. The fluctuations over the seven-year period are due to the volatility in respect of staff debts, coupled with interest rate changes.

Sale of capital assets relates to the sale of redundant assets such as motor vehicles and equipment. The amounts collected in 2016/17 and 2017/18 are from motor vehicles sold by auction. The budget over the 2019/20 MTEF is conservative due to the difficulty in budgeting for this revenue source as it relies on the asset disposal policy of the department.

Transactions in financial assets and liabilities relates to the recovery of staff debts, which emanate mainly from salary over-payments from previous financial years, breached bursary contracts, refunds of previous years' expenditure, etc. It is difficult to predict salary over-payments, amounts to be paid back to the department, etc. hence the fluctuating trend over the seven-year period.

6.3 Donor and agency funding

Donor and agency funding received by the department, which falls outside its voted fund allocation, is summarised in Tables 7.3 and 7.4. It is noted that spending on donor funds in Table 7.4 exceeds receipts in Table 7.3 in 2015/16 and 2017/18. 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 learnerships received from the HWSETA programme. In addition, the Atlantic Philanthropies was also unspent due to delays experienced with the tender process. Hence, an amount of R6.164 million was part of the roll-over to 2017/18. This donation was received to strengthen the capacity of nursing education institutions in KZN. The department anticipates spending the balance by the end of 2018/19.

The department received new agency funding in 2018/19 from various HWSETA sources amounting to R671 000. These funds are for learnership programmes in various hospitals and will be spent in 2018/19.

Table 7.3 : Details of donor and agency funding receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Donor funding	60	-	-	-	-	-	-	-	-
MASEA Awards	60	-	-	-	-	-	-	-	-
Agency funding	1 857	5 311	2 370	-	-	671	-	-	-
HWSETA	960	1 597	1 717	-	-	671	-	-	-
HWSETA Learnership: Dental/Oral Hygiene	-	1 900	-	-	-	-	-	-	-
HWSETA Learnership: Sign Language Training	-	387	-	-	-	-	-	-	-
HWSETA Learnership: Social Environmental Health	-	280	-	-	-	-	-	-	-
HWSETA Learnership: Tradesman RPL	897	-	-	-	-	-	-	-	-
HWSETA Learnership: TVET Graduates	-	450	-	-	-	-	-	-	-
PSETA	-	697	653	-	-	-	-	-	-
Total	1 917	5 311	2 370	-	-	671	-	-	-

Table 7.4 : Details of donor and agency funding payments and estimates

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Donor funding	171	1 293	3 856	2 462	2 462	2 654	-	-	-
Astra Zeneca	-	-	3	26	26	29	-	-	-
Atlantic Philanthropies	110	1 283	3 791	2 373	2 373	2 500	-	-	-
COGTA	-	-	-	3	3	3	-	-	-
Conforth Investments	-	-	-	32	32	32	-	-	-
Impumelelo Trust Innovation	-	-	-	24	24	24	-	-	-
SA Breweries	-	-	-	2	2	2	-	-	-
MASEA Awards	61	10	62	2	2	64	-	-	-
Agency funding	3 909	931	3 219	4 634	4 634	8 307	-	-	-
HWSETA Learnership - Bethesda Sub-Campus	-	-	-	20	20	20	-	-	-
HWSETA Learnership - Edendale Campus	-	-	65	61	61	61	-	-	-
HWSETA Learnership - Head Office	137	-	-	(59)	(59)	-	-	-	-
HWSETA Learnership - HIV and AIDS Support	-	-	-	45	45	45	-	-	-
HWSETA Learnership - King Edward Sub-Campus	-	-	199	(132)	(132)	-	-	-	-
HWSETA Learnership - Mosvold	188	-	-	-	-	-	-	-	-
HWSETA Learnership - Mseleni	-	-	-	-	-	-	-	-	-
HWSETA Learnership - Ngwelezane	-	-	-	261	261	261	-	-	-
HWSETA Learnership - Nkandla	-	-	-	26	26	26	-	-	-
HWSETA Learnership - Pharmacy	-	-	-	28	28	28	-	-	-
HWSETA Learnership - Prince Mshiyeni Hospital	-	4	5	115	115	115	-	-	-
HWSETA Learnership - Social and Auxilliary	35	-	-	-	-	-	-	-	-
HWSETA Learnership - St Aidan's Hospital	1	84	-	1	1	1	-	-	-
HWSETA Learnership - Dental/Oral Hygiene	2 610	405	-	1 085	1 085	1 085	-	-	-
HWSETA Learnership - Sign Language Training	-	757	659	(725)	(725)	-	-	-	-
HWSETA Learnership - Social Environmental Health	300	230	-	50	50	50	-	-	-
HWSETA Learnership - Tradesman RPL	-	709	-	188	188	188	-	-	-
HWSETA Learnership - TVET Graduates	-	590	540	2 835	2 835	2 835	-	-	-
HWSETA	329	-	-	3 574	3 574	3 574	-	-	-
PSETA	309	(1 848)	827	(1 978)	(1 978)	-	-	-	-
HWSETA - Bridging for enrolled nurse training	-	-	145	18	18	18	-	-	-
HWSETA - isiZulu training	-	-	779	(779)	(779)	-	-	-	-
Total	4 080	2 224	7 075	7 096	7 096	10 961	-	-	-

7. 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 8, as well as in the *Annexure – Vote 7: Health*.

7.1 Key assumptions

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

- The department was required to make provision for an inflationary wage adjustment of 6.3 per cent in 2019/20, 6.5 per cent in 2020/21 and 6.5 per cent for 2021/22, as well as 1.5 per cent per year for pay progression, in the first two years of the 2019/20 MTEF. The department has provided for a 9 per cent increase in 2019/20, 9.3 per cent in 2020/21, but a low 6.2 per cent provision in the outer year of the MTEF. The situation in 2021/22 will be reviewed in the next budget process, as it means the department cannot afford its existing staff complement.

- The department plans to fill 929 medical and non-medical posts deemed to be critical, to be funded from the new Human Resources Capacitation grant, as well as an indirect grant at NDOH. These posts will include 300 nurses, 320 general assistants and porters, 97 registrars, 112 medical interns and 50 pharmacy assistants, among others.
- Where feasible, CPI projections were used to calculate inflation related items. Note that, for medical related items, inflation is at least 2 per cent higher than CPI.
- The running costs for the PKISMH following the expected commissioning in the third quarter of 2019/20 will be identified in-year *via* reprioritisation.
- Funding for the salaries of staff at eThekweni Metro municipal clinics will continue to be provided *via* transfer payments over the 2019/20 MTEF. Additional allocations are made for non-negotiable items like ARV medicine, HIV test kits, medicine, vaccines, contraceptives, etc.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2018/19, will continue to be adhered to over the 2019/20 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.
- In late 2017/18, the department began a process of preparing a turnaround plan in conjunction with an assisting team from Provincial Treasury to address persistent over-spending over the past few years. Again in 2018/19, the department was instructed to prepare a turnaround plan to address the level of projected over-spending. The plan aims to identify areas of cost-cutting/efficiency to reduce accruals and over-spending, and redirect any savings to areas of pressure including NHLS, property payments and medico-legal claims. This will be an ongoing process and reprioritisation will take place in-year.

7.2 Additional provincial and equitable share allocations: 2017/18 to 2019/20 MTEF

Table 7.5 shows additional provincial and equitable share funding received over the 2017/18, 2018/19 and 2019/20 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2021/22) are based on the incremental percentage used in the 2019/20 MTEF.

Table 7.5 : Summary of additional provincial and equitable share allocations for the 2017/18 to 2019/20 MTEF

R thousand	2017/18	2018/19	2019/20	2020/21	2021/22
2017/18 MTEF period	(64 599)	(129 417)	228 172	240 722	253 962
Susp. of balance of funds from V4: Small Business Growth Enterprise for exchange rate pressures	51 000	-	-	-	-
PES and Provincial Own Revenue reductions	(84 370)	(96 452)	(171 079)	(180 488)	(190 415)
Budget cuts to fund remuneration of <i>Izinduna</i>	(31 870)	(33 623)	(35 473)	(37 424)	(39 482)
Additions for exchange rate pressures	-	-	211 111	222 722	234 972
Additional funding from National Treasury	-	-	222 922	235 183	248 118
Baseline adjustment	641	658	691	729	769
2018/19 MTEF period		89 206	-	620 284	654 400
Treasury/Health assistance plan		38 756	-	-	-
Above-budget wage agreement		-	-	620 284	654 400
Disaster relief - flooding of 10 October 2017		50 450	-	-	-
2019/20 MTEF period			(643)	(682)	207 280
Funding for Cuban Doctors			-	-	207 972
Budget cut for remuneration of public office bearers			(643)	(682)	(692)
Total	(64 599)	(40 211)	227 529	860 324	1 115 641

In the 2017/18 MTEF, the following changes were made to the department's baseline:

- Funds were suspended from Vote 4: EDTEA, and allocated to the department in 2017/18 only, specifically toward the exchange rate pressures in procuring medicines and medical supplies.
- The department's budget was reduced as a result of a reduction of the PES allocation due to data updates of the PES formula, fiscal framework reductions, as well as a downward revision of the Provincial Own Revenue numbers.
- The budget was further reduced in line with a Provincial Executive Council decision that the *Izinduna* in KZN must be remunerated, as per a Presidential Proclamation in this regard. As this is an unfunded mandate, the funding required for this payment was financed by Vote 11: COGTA providing 50 per cent of the required amount through reprioritisation of their budget, while the remaining 50 per cent was sourced by proportionately cutting all remaining Votes' budgets.

- The budget was increased in 2019/20 through funding from National Treasury with carry-through to assist with the exchange rate pressures relating to the procurement of medicines and medical supplies.
- National Treasury allocated additional funding to provinces in 2019/20, with carry-through, and this was proportionately allocated to all 15 Votes to ensure that the budget cuts were offset.
- The department also received a minor baseline adjustment over the MTEF.

In the 2018/19 MTEF, the following changes were made to the department's baseline:

- Funds were allocated in 2018/19 only for the Treasury/Health assistance plan. This funding is for carry-through costs related to funding allocated in the 2017/18 Adjustments Estimate.
- National Treasury allocated additional funding in 2020/21, with this proportionately allocated to all 15 Votes to assist with the spending pressures from the above-budget wage agreement.
- There is also some funding allocated for repairing infrastructure that was damaged by floods on 10 October 2017. While funding was provided in the 2017/18 Adjustments Estimate, a further amount was allocated in 2018/19 via the Health Facility Revitalisation grant and is not shown in this table.

In the 2019/20 MTEF, the following changes were made to the department's baseline:

- An allocation is made in 2021/22 by National Treasury to assist provinces with the medical students returning from Cuba and the costs to be incurred during their internship. These funds are specifically and exclusively allocated and may therefore not be used for any other purpose.
- The budget was cut by R643 000 in 2019/20, with carry-through. In this regard, the President announced that there would be minimal or no annual salary increases in 2018/19 for public office bearers. In the case of provincial executives, Premiers, MECs and Speakers did not receive salary increases, while MPLs received a 2.5 per cent increase. The savings realised were cut from provinces in line with fiscal consolidation efforts.

7.3 Summary by programme and economic classification

The department has eight budget programmes in total, with four of them directly linked to the core functions, and they fully adhere to the generic Health sector structure. Tables 7.6 and 7.7 provide a summary of payments and estimates of these programmes, as well as economic classification.

The department is liable for the repayment of over-expenditure in 2013/14, resulting in a first charge against the 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.

Most programmes show sustained growth from 2015/16 to 2021/22, with conditional grants accounting for a significant portion of this increase, along with the additional funding by the province for exchange rate and NHLS pressures. Note that the Mahatma Gandhi Memorial Hospital has been reclassified in 2019/20 from a regional hospital in Programme 4 to a district hospital in Programme 2. Historical figures have been restated for comparative purposes, but the figures in 2018/19 remain unchanged.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Administration	846 622	845 674	836 655	811 207	811 207	811 207	933 361	985 906	1 041 277
2. District Health Services	16 412 693	18 147 911	19 732 316	20 825 714	20 919 499	21 009 060	22 436 939	24 296 020	26 104 025
3. Emergency Medical Services	1 174 406	1 209 263	1 377 577	1 415 686	1 474 686	1 474 686	1 631 158	1 706 554	1 800 411
4. Provincial Hospital Services	8 809 567	9 398 975	10 133 671	11 232 418	11 111 547	11 185 321	11 330 404	12 117 358	12 783 818
5. Central Hospital Services	4 124 929	4 534 157	4 864 123	4 955 993	4 955 993	5 150 159	5 279 898	5 725 021	6 039 894
6. Health Sciences and Training	1 058 794	1 201 074	1 246 050	1 264 350	1 242 436	1 242 436	1 281 885	1 312 749	1 592 921
7. Health Care Support Services	166 095	268 768	198 202	313 640	303 640	303 640	332 359	354 290	373 776
8. Health Facilities Management	1 517 618	1 420 575	1 522 727	1 528 656	1 728 164	1 728 164	1 810 974	1 720 438	1 846 231
Total	34 110 724	37 026 397	39 911 321	42 347 664	42 547 172	42 904 673	45 036 978	48 218 336	51 582 353
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 607)	(107 608)	-	-	-	-	-	-
Baseline available for spending after 1st charge	34 003 117	36 918 790	39 803 713	42 347 664	42 547 172	42 904 673	45 036 978	48 218 336	51 582 353

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	31 899 939	34 739 862	36 961 386	39 695 959	39 652 711	39 994 896	42 316 279	45 685 396	48 836 621
Compensation of employees	21 793 160	23 354 896	24 614 793	26 178 626	26 666 629	26 561 817	28 942 177	31 622 939	33 571 330
Goods and services	10 105 233	11 382 844	12 343 292	13 516 936	12 981 940	13 428 030	13 373 683	14 062 015	15 264 825
Interest and rent on land	1 546	2 122	3 301	397	4 142	5 049	419	442	466
Transfers and subsidies to:	843 093	1 035 657	1 248 707	982 961	976 399	1 181 269	750 139	701 843	740 445
Provinces and municipalities	133 330	159 755	225 674	219 734	219 236	218 719	232 091	244 857	258 324
Departmental agencies and accounts	19 009	20 131	19 280	21 067	21 067	21 140	22 246	23 469	24 759
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	10	-	-	-	-	-	-	-	-
Non-profit institutions	213 402	203 929	141 396	54 870	65 226	64 017	56 513	58 508	61 726
Households	477 342	651 842	862 357	687 290	670 870	877 393	439 289	375 009	395 636
Payments for capital assets	1 257 629	1 106 314	1 592 882	1 668 744	1 918 017	1 728 463	1 970 560	1 831 097	2 005 287
Buildings and other fixed structures	1 052 053	910 917	1 069 333	963 192	1 262 399	1 187 420	786 945	1 077 735	1 218 024
Machinery and equipment	205 576	195 397	523 549	705 552	655 618	541 043	1 183 615	753 362	787 263
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	110 063	144 564	108 346	-	45	45	-	-	-
Total	34 110 724	37 026 397	39 911 321	42 347 664	42 547 172	42 904 673	45 036 978	48 218 336	51 582 353
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 607)	(107 608)	-	-	-	-	-	-
Baseline available for spending after 1st charge	34 003 117	36 918 790	39 803 713	42 347 664	42 547 172	42 904 673	45 036 978	48 218 336	51 582 353

The negative growth in Programme 1: Administration in 2016/17 relates to a decision to use internal capacity to conduct disciplinary inquiries, with only complex cases referred to consultants. The negative growth in 2018/19 is due to the first charge being fully paid in 2017/18. Mitigating the negative growth in 2018/19 to some degree is additional funding for the Treasury/Health assistance plan. These funds are being used to put in place maintenance contracts for SLAs for medical equipment, provide urgent oncology services and carry out maintenance at the PPSD. The high growth in 2019/20 is due to the commencement of the new Human Resources Capacitation grant, allocated to this programme until it is determined in which programmes the posts to be filled will be placed. Growth in the outer two years of the MTEF is 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 HIV, TB, Malaria and Community Outreach grant. The increase in 2016/17 was due to the carry-through cost of the above-budget 2015 wage agreement, an increase in NHLS payments as a result of the fee-for-service payment method that was introduced, the municipal clinics carry-over expenditure from 2015/16 and 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 was under pressure due to increases in the contract prices of security and cleaning services and increased medicine costs due to the weakening of the Rand, hence a further increase in 2016/17, with the procurement of an additional four MMC vehicles, resuscitation equipment for CHCs, ideal clinic major medical equipment, the deferment of medical equipment procurement processes from 2015/16, as well as increased medico-legal claims costs. The increase in 2017/18 was as a result of the previously mentioned change from the NHLS flat-fee regime to the fee-for-service payment method, the ARV medicine pressures brought about by the implementation of the Universal Test-and-Treat (UTT) programme, as well as the withdrawal of the supply of donor medicines. The increase in the 2018/19 Revised Estimate relates to higher than expected costs of new security services contracts. The growth in 2019/20 includes the movement of the Mahatma Gandhi Memorial Hospital to Programme 2, as mentioned, with 2018/19 figures unable to be restated. The 2019/20 MTEF includes strong growth in the HIV, TB, Malaria and Community Outreach grant, particularly in 2020/21 and 2021/22, despite budget cuts from the 2018/19 and 2019/20 MTEF processes.

In Programme 3: Emergency Medical Services, the overall growth is due to the continued drive to improve emergency medical services. The low growth in 2016/17 relates to the once-off purchase of additional ambulances to continue the expansion of services to under-served areas in 2015/16, emergency vehicles and aeromedical services carry-over expenditure from 2014/15, as well as the deferment of ambulance

payments to 2017/18 due to cash blocking. The high growth in 2017/18 and the 2018/19 Revised Estimate relates to unbudgeted overtime payments to paramedic staff, as well as higher than expected EMS vehicle maintenance and repair costs. The growth in 2019/20 is high due to planned new appointments of emergency services staff, to address critical shortages of paramedic staff.

Programme 4: Provincial Hospital Services grows consistently over the period. The increase in 2016/17 was due to the previously mentioned NHLS fee-for-service payments, increased costs of non-negotiable items, water, electricity, claims against the state, as well as the additional pressure from the settlement of outstanding Joint Medical Establishment (JME) payments from 2015/16 (an arrangement with UKZN for registrar and specialist medical training). The low growth in 2019/20 is largely due to the movement of the Mahatma Gandhi Memorial Hospital to Programme 2, as mentioned, with 2018/19 figures unable to be restated. Also impacting on the low growth is a reduced NHLS budget, in line with anticipated savings from electronic gate-keeping, the under-funded increase in security services contracts, which will be reviewed in-year, as well as the reduced medicine budget, as more patients on chronic medication are to be enrolled under the CCMD program. The growth in the outer years is inflationary only. As mentioned, the commissioning of PKISMH has not been provided for, and this will be addressed in-year.

The sustained growth in Programme 5: Central Hospital Services from 2015/16 to 2021/22 mainly relates to 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 is also reflected in the trends. The increase from 2015/16 to 2016/17 was mainly due to higher than expected costs for the PPP at IALCH. These costs were 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 high growth in 2016/17, mainly against medicines, laboratory services and medical supplies, related to the low base in 2015/16, which resulted from the reversal of the medicine levy, the NHLS fee-for-service payment method, as well as the accrual of some medical supply and NHLS payments to 2016/17. The growth in 2017/18 relates to the pressures against NHLS due to the migration from the flat-fee to a fee-for-service payment method, medical supplies due to outstanding payments from previous years and provision for urgent oncology services, as well as medical equipment as a result of the decentralisation of the procurement process for the Health Technology Services (HTS) related medical equipment from Programme 8 to the relevant programmes, in line with the level of care. The slow growth in 2018/19 is due to the anticipated savings from the NHLS electronic gate-keeping, as well as high spending in 2017/18 for the PPP payment carry-over expenditure from 2016/17. The low growth in 2019/20 is due to anticipated savings from the new PPP contract, savings from the optimisation of medical supplies stock levels, as well as a reduced allocation for medico-legal claims as the department is unable to reprioritise sufficient funds to cover these costs because of competing service delivery needs. Growth in 2020/21 is high due to the planned filling of specialist posts (oncologists, obstetricians, urologists, etc.), funded through reprioritisation, as well as the indirect grant at NDOH. The growth in the outer year is inflationary only.

Programme 6: Health Sciences and Training shows consistent but low growth. The increase in 2016/17 was due to the carry-through costs of the increase in the number of students (15) in the Cuban Doctors' programme intake in 2015/16, the accrual of some bursary payments to 2016/17, as well as the increased cost of the programme due to the weakening Rand/Dollar exchange rate. The low growth in 2017/18 was due to the accrued expenditure from 2015/16 to 2016/17. The MTEF trend is low due to students completing their studies and returning to South Africa for the 18-month internships. It is projected that 261 students will return from Cuba in 2018/19 and, based on the current pass rate, approximately 283, 93, 10 and 10 students will return from 2019/20 to 2022/23, respectively, to serve an 18-month internship before absorption into the department, accounting for the low growth in 2019/20 and 2020/21. The significant increase in 2021/22 is due to the specific funding from National Treasury, with carry-through, to assist with the internship costs of medical students returning from the Cuban Doctors' programme. This funding is adequate at this stage, but will need to grow strongly as more students graduate.

Programme 7: Health Care Support Services shows significant growth over the entire period, mainly attributable to the growth under laundry services. Funding for 2015/16 and 2016/17 provided for the commissioning of the KwaZulu Provincial Laundry. Once-off additional linen and laundry trucks were procured during this period, explaining the increase in 2016/17. 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 outsourcing laundry services. The high growth in 2018/19 relates to the planned re-incorporation of the PPSD into the department's budget structure as a sub-programme in this programme. This is in response to audit queries that were raised by the A-G. However, the planned re-incorporation was delayed by the late receipt of the approval letter from National Treasury, hence the reduction in the 2018/19 Adjusted Appropriation and Revised Estimate. The budget in 2019/20 increases at an inflationary rate compared to the 2018/19 Main Appropriation, and growth over the MTEF is inflationary only.

Programme 8: Health Facilities Management is mainly financed through conditional grant funding and the programme's performance 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 decrease in 2016/17 was due to a decrease in the allocation for the Health Facility Revitalisation grant in that year. The allocation for the grant peaks in 2018/19 due to the incentive nature of this grant, as well as the additional funding received for repairs to hospitals and clinics damaged by storms in October 2017. The funding in 2019/20 and over the MTEF is in line with various project requirements, including PKISMH in 2019/20 only. The 2019/20 grant allocation was increased by R200.448 million as part of the incentive for good planning. The negative growth in 2020/21 relates to the once-off procurement of medical equipment in 2019/20, prior to the commissioning of PKISMH, planned for the third quarter of 2019/20.

Compensation of employees shows growth in 2016/17, mainly due to the carry-through costs of the various OSDs for medical personnel and other staff categories, and above-budget wage agreements. The slow growth in 2017/18 was due to slow recruitment processes for the filling of non-OSD vacant posts, the deferment of filling district management posts, as well as the difficulty in attracting suitable applicants for psychiatry, oncology, neurology, obstetrics, orthopaedics and laundry services, etc., at prioritised facilities. The increase in the 2018/19 Adjusted Appropriation and Revised Estimate is due to compliance with an instruction from NDOH during the annual benchmark exercise to address under-funding of filled posts within the HIV, TB, Malaria and Community Outreach grant, as well as pressures resulting from the implementation of the stipend increase agreement to comply with minimum wage requirements for community care-givers (CCG) under the grant. This funding was moved from *Goods and services* (medicines), with carry-through over the 2019/20 MTEF. The growth over the 2019/20 MTEF includes the addition of the new Human Resources Capacitation grant, and provides for inflationary adjustments and the filling of the previously mentioned posts. Note that, as mentioned, the department will have access to the indirect grant at NDOH to assist in funding the filling of posts. Note also that growth in the outer year of the MTEF is insufficient for the current staff, and this will be addressed in the next budget process.

Goods and services grows strongly in 2016/17. As mentioned, the department now provides for the payment of NHLS costs *via* a fee-for-service mechanism which is significantly higher than the previous flat-fee rate. The growth is also 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 Anti-retroviral Therapy (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 HIV, TB, Malaria and Community Outreach grant. The growth in 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 2017/18 relates to the change to the UTT programme for patients diagnosed with HIV and AIDS, the withdrawal of support by donors for the supply of ARVs, NHLS fee-for-service payment pressures due to commitments from 2016/17, as well as pressures on legal fees as a result of the increase in the amount of litigation being defended. Also contributing is funding provided as part of the Treasury/Health assistance plan to assist with NHLS pressures, as well as outstanding medical supplies accounts, among others. The decrease in the 2018/19 Adjusted Appropriation and Revised Estimate is due to the previously mentioned movement within the HIV, TB, Malaria and Community Outreach grant to fund under-budgeted posts linked to the grant, as well as pressures resulting from the implementation of the stipend increase agreement to comply with minimum wage requirements for CCGs under the grant. The negative growth in 2019/20 is due to the anticipated savings from the NHLS electronic gate-keeping whereby the ordering of laboratory tests will be closely monitored, the under-funded increase in the new

security services contract, which will be reviewed in-year, anticipated savings from the new PPP contract at IALCH, as well as savings from the optimisation of medical supplies stock levels. The high growth in 2021/22 is due to additional funding for the HIV, TB, Malaria and Community Outreach grant.

The 2015/16 to 2016/17 spending on *Interest and rent on land* largely relates to interest costs on medico-legal claims and interest on overdue accounts. The increase in the 2018/19 Adjusted Appropriation and Revised Estimate relates to the unanticipated payment of interest on a labour dispute, as well as interest charged on all overdue accounts, such as municipal services accounts and Telkom accounts.

The strong growth in 2016/17 and 2017/18 against *Transfers and subsidies to: Provinces and municipalities* relates mainly to the commitment to strengthen the treatment of HIV and AIDS by municipal clinics in the eThekweni Metro and ensure that the levels of care provided meet provincial standards. There were delays in the signing of SLAs with the eThekweni Metro in 2016/17 which resulted in expenditure being carried over to 2017/18, hence the high growth in 2017/18, followed by negative growth in 2018/19. The growth over the MTEF is inflationary only.

The increase against *Transfers and subsidies to: Departmental agencies and accounts* in 2016/17 provides for the HWSETA levy, in line with the growth in *Compensation of employees*. The negative growth in 2017/18 relates to delays in filling posts. The growth over the 2019/20 MTEF matches that of *Compensation of employees* and is inflationary only.

The negative growth in *Transfers and subsidies to: Non-profit institutions* in 2016/17 was due to provision for the phased-in contribution to the KZN Children's Hospital infrastructure and renovations up to 2015/16, with no provision thereafter. The decline in 2017/18 and the negative growth in 2018/19 is due to the provincialisation of St Mary's and Siloah Hospitals to become departmental facilities. The increase in the 2018/19 Adjusted Appropriation and Revised Estimate is due to delays in the provincialisation of the Siloah Hospital. The 2019/20 MTEF does not provide for the full inflationary adjustment of transfers to NGOs due to the impact of the provincialisation of the Siloah Hospital, with negative growth in 2019/20, and inflationary growth thereafter.

The fluctuating trend against *Transfers and subsidies to: Households* relates to staff exit costs and medico-legal claims. The increasing trend from 2015/16 to 2017/18 related to high medico-legal claims and pressures in the Cuban Doctors' programme. Although, as mentioned, NDOH has given instructions that no further recruitment of students is to take place, the costs for those students already in Cuba are influenced by the fluctuating exchange rate. An estimated 261 are returning in 2018/19. It is projected, based on the current pass rate, that approximately 283, 93, 10 and 10 students will return from 2019/20 to 2022/23, respectively, to serve an 18-month internship before graduating, to be funded *via* reprioritisation within Programme 6, as well as additional funding from National Treasury in 2021/22, as mentioned. There is some provision for medico-legal claims in the 2019/20 MTEF, but this is not sufficient based on current trends, hence the negative growth in 2019/20 and relatively flat growth in the two outer years. The department cannot reprioritise all the funds required towards medico-legal claims at this stage, due to other competing service delivery needs, and this will need to be addressed in-year. The Treasury/Health assistance plan will assist in identifying areas of savings and efficiency, and there is an expectation of reduced costs over the MTEF due to new strategies being developed by the medico-legal unit.

As mentioned under Programme 8, the *Buildings and other fixed structures* trend is largely related to the trend in the Health Facility Revitalisation grant. From 2015/16, the trend fluctuates in line with the availability of grant funds, and the reprioritisation of some equitable share funding from new projects to accelerate the day-to-day maintenance of existing infrastructure. The decrease in 2019/20 is mainly affected by the project plan for PKISMH, due for completion in 2019/20. A significant portion of the grant funding in 2019/20 is allocated to *Machinery and equipment* for the equipping of PKISMH prior to commissioning, hence the negative growth against *Buildings and other fixed structures* in 2019/20, and accounting for the high growth in 2020/21.

The negative growth in *Machinery and equipment* in 2016/17 relates to committed and contracted capital projects against *Buildings and other fixed structures* which were in construction phase and could not be stopped, resulting in the department having to reprioritise funding to other non-negotiable service delivery imperatives, hence the decrease. The high growth in 2017/18 is attributable to funding reprioritised to

clear the backlog in the procurement of medical equipment caused by the previously mentioned budget cuts. The budget remains at this higher level in 2018/19. The peak in 2019/20 is due to the previously mentioned once-off funding for the equipping of PKISMH prior to commissioning, accounting for the negative growth in 2020/21. Growth in the outer year is inflationary only.

Payments for financial assets reflect debts that were written-off over the period, as well as payments for the unauthorised expenditure first charge, which was paid off in 2017/18.

7.4 Summary of conditional grant payments and estimates

Tables 7.8 and 7.9 illustrate conditional grant payments and estimates from 2015/16 to 2021/22. 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 2015/16 to 2017/18, 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, which shows expenditure against the grants.

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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
HIV, TB, Malaria and Community Outreach grant	3 813 455	4 247 525	4 852 495	5 677 225	5 677 225	5 677 225	5 840 629	6 470 140	7 300 479
Health Facility Revitalisation grant	1 231 997	1 121 993	1 151 564	1 202 480	1 401 988	1 401 988	1 353 497	1 212 653	1 307 702
Health Professions Training and Development grant	299 898	312 377	331 944	351 197	351 197	351 197	370 863	391 260	412 779
National Tertiary Services grant	1 530 223	1 596 286	1 696 266	1 794 649	1 794 649	1 744 649	1 895 149	2 022 124	2 133 341
National Health Insurance grant	9 494	25 045	-	-	-	-	-	-	-
Human Papillomavirus Vaccine grant	-	-	-	44 976	44 976	44 976	47 495	50 108	52 864
EPWP Integrated Grant for Provinces	3 682	7 122	8 400	8 896	8 896	8 896	10 313	-	-
Social Sector EPWP Incentive Grant for Provinces	13 000	13 000	47 058	24 182	24 182	24 182	20 998	-	-
Human Resources Capacitation grant	-	-	-	-	-	-	122 316	130 388	138 734
Total	6 901 749	7 323 348	8 087 727	9 103 605	9 303 113	9 253 113	9 661 260	10 276 673	11 345 899

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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	5 888 705	6 398 715	6 882 898	7 973 992	7 900 014	7 938 966	8 276 176	9 024 118	9 995 524
Compensation of employees	3 202 757	3 483 965	3 199 017	2 886 897	3 591 698	3 591 393	4 059 262	4 278 936	4 515 333
Goods and services	2 685 948	2 914 750	3 683 881	5 087 095	4 308 316	4 347 573	4 216 914	4 745 182	5 480 191
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	83 438	62 591	136 385	137 511	135 119	134 355	142 875	150 556	158 820
Provinces and municipalities	60 000	40 000	116 846	115 000	115 000	115 000	121 492	128 174	135 224
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	13 790	11 454	10 034	11 821	10 881	10 633	12 017	12 678	13 375
Households	9 648	11 137	9 505	10 690	9 238	8 722	9 366	9 704	10 221
Payments for capital assets	929 606	862 042	1 068 444	992 102	1 267 980	1 179 792	1 242 209	1 101 999	1 191 555
Buildings and other fixed structures	908 861	801 938	977 075	831 245	1 113 955	1 090 452	779 962	1 008 311	1 093 143
Machinery and equipment	20 745	60 104	91 369	160 857	154 025	89 340	462 247	93 688	98 412
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	6 901 749	7 323 348	8 087 727	9 103 605	9 303 113	9 253 113	9 661 260	10 276 673	11 345 899

As mentioned, the *Comprehensive HIV, AIDS and TB grant* is renamed to the HIV, TB, Malaria and Community Outreach grant. This 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. The grant was extended in 2016/17 to also include TB and a sizeable additional allocation was received, particularly in 2018/19. The substantial growth indicates the critical importance placed on managing this pandemic. The grant also provides for the removal of the CD4 count process which was replaced by the UTT mechanism from 2016/17 onward.

The grant has been restructured in the form of four components. HIV and AIDS remains the main focus with R5.424 billion, R6.031 billion and R6.662 billion allocated over the three years of the MTEF. The Malaria component is funded from funds reprioritised within the grant, with R17.242 million, R18.033 million and R16.489 million allocated over the MTEF. The TB portion of this grant forms a separate component in order to improve monitoring of spending in this area, with R106.985 million, R112.869 million and R119.077 million allocated over the MTEF. Finally, the Community Outreach Services component is allocated to fund the minimum wage of CCGs, with R291.947 million allocated in 2019/20, R308.296 million in 2020/21, increasing to R502.635 million in 2021/22. This is to address the increase in stipends from R1 800 per month to the minimum wage of R3 500 per month. Note that this grant's funding has been cut over the 2019/20 MTEF, with a reduction of R273.590 million in 2019/20, R231.533 million in 2020/21, but increased by R598.806 million in 2021/22. Note also that the decrease in 2020/21 follows a significant increase of R589.999 million, allocated in the 2018/19 MTEF.

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 health 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 grant increased in the 2018/19 Adjusted Appropriation for storm damage repairs, being an allocation from the National Disaster Relief Fund. Note that this grant peaks in 2019/20 due to its incentive nature. The department received an increase of R200.448 million in 2019/20, as the required planning documents were submitted. This grant was cut by R3.814 million in 2020/21 because of fiscal consolidation cuts and grows by R91.235 million in 2021/22.

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, the development and recruitment of medical specialists in under-served provinces, and for strengthening 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 R21.519 million in 2021/22.

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 funds for the modernisation of tertiary services. The grant receives an additional R111.217 million in 2021/22 for inflationary growth.

The **National Health Insurance grant** was 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 ceased in 2017/18, to become part of the NHI Indirect grant under NDOH.

The **Human Papillomavirus (HPV) Vaccine grant**, which was scheduled to end in 2015/16, continued as an indirect grant for 2017/18 before changing to a direct grant in 2018/19. The grant receives an additional R2.757 million in 2021/22 for inflationary growth.

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. Funding of R10.313 million is provided for 2019/20 only, at this stage.

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. The grant receives R20.998 million in 2019/20 only, at this stage, less than in 2018/19 due to both poor reporting and fiscal consolidation.

The *Human Resources Capacitation grant* is a new grant commencing in 2019/20, and provides for the appointment of critical staff in health facilities. The department is allocated R122.316 million in 2019/20, R130.388 million in 2020/21 and R138.734 million in 2021/22. With the support of the indirect grant from NDOH, a total of 929 critical staff are expected to be appointed, including 300 nurses, 320 general assistants and porters, 97 registrars, 112 medical interns and 50 pharmacy assistants.

The increase in 2016/17 in *Compensation of employees* was 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. The decrease in 2017/18 largely relates to vacant posts, particularly within the National Tertiary Services and HIV, TB, Malaria and Community Outreach grants, moved to address pressures in *Goods and services*. The high growth in the 2018/19 Adjusted Appropriation and Revised Estimate relates to funds reprioritised from *Goods and services* within the HIV, TB, Malaria and Community Outreach grant, in compliance with an instruction from NDOH during the annual benchmark exercise to address under-funding of filled posts within the grant, as well as pressures resulting from the implementation of the stipend increase agreement to comply with minimum wage requirements for CCGs under the grant. Although the department has reprioritised funding for the carry-through costs over the 2019/20 MTEF, and the new Human Resources Capacitation grant is included in the baseline, the growth rate of the category is too low for anticipated wage increases, and this will be addressed in-year.

The significant increases in *Goods and services* in 2016/17 and 2017/18 were directly linked to the growth in the HIV, TB, Malaria and Community Outreach grant. This relates to the funding provided for ARVs, the 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 MMC programme. As previously mentioned, this grant was extended in focus to 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. The decrease in the 2018/19 Adjusted Appropriation relates to the previously mentioned movement of funding to *Compensation of employees* within the HIV, TB, Malaria and Community Outreach grant to address under-funding of filled posts within the grant. The department will receive donor drugs if necessary to address any pressure on medicines that may arise. A total of R273.589 million is cut from the baseline of the HIV, TB, Malaria and Community Outreach grant in 2019/20, resulting in negative growth in this category in 2019/20. Thereafter, the category grows strongly, largely due to growth in the HIV, TB, Malaria and Community Outreach grant, with additional funding provided in the 2018/19 MTEF for 2020/21, and a significant increase provided in the 2019/20 MTEF, specifically in 2021/22.

Transfers and subsidies to: Provinces and municipalities relates to support for municipal clinics in the eThekweni Metro for the treatment of HIV and AIDS. The high spending in 2015/16 was due to the carry-over of expenditure from 2014/15 resulting from delays in finalising the SLAs with the eThekweni Metro for municipal clinics. This accounts for the decrease in 2016/17. The increases from 2017/18 onward relate to the ongoing support for municipal clinics.

The funding against *Transfers and subsidies to: Non-profit institutions* relates to support to NGOs for treatment related to HIV and AIDS.

Transfers and subsidies to: Households relates to staff exit costs of staff paid from the various grants.

The decrease in *Buildings and other fixed structures* in 2016/17 was mainly due to slower than expected progress on the PKISMH project, funded by the Health Facility Revitalisation grant, with funding redirected to maintenance projects. The increase in 2017/18 was due to pressures from the PKISMH project. The 2019/20 MTEF trend is linked to the trends in the Health Facility Revitalisation grant, as well as the PKISMH project, which is anticipated to be completed in 2019/20. Projects funded from the grant over the MTEF include renovations to the nursery, psychiatric and physiotherapy areas and relocation of the psychology department at King Edward VIII Hospital, as well as the construction of out-patient, emergency, and pharmacy facilities at Hlabisa Hospital.

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 under-spending projected in the 2018/19 Revised Estimate relates to a delay in the

procurement for a linear accelerator within the National Tertiary Services grant. The 2019/20 MTEF allocations are in accordance with the business plans of the relevant grants, and include costs of essential medical equipment, such as X-ray machines, CT scanners, etc. The peak in 2019/20 is ascribed to once-off procurement of medical equipment prior to the commissioning of the PKISMH.

7.5 Summary of infrastructure payments and estimates

Table 7.10 presents a summary of infrastructure payments and estimates by categories for Vote 7. Detailed information on infrastructure is given in the *2019/20 Estimates of Capital Expenditure*. The infrastructure trend decreases in 2016/17, in line with a decrease in the Health Facility Revitalisation grant. Thereafter, the trend stabilises and is largely in line with the grant, affecting mainly *New infrastructure assets: Capital, Upgrades and additions: Capital*, as well as *Refurbishment and rehabilitation: Capital*. From 2015/16 to 2017/18, the department provided for the building of additional CHCs and clinics, in line with its service delivery plan, as well as the upgrading or replacement of hospitals and clinics in 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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Existing infrastructure assets	898 254	558 192	440 028	728 588	769 999	838 702	1 083 738	1 375 562	1 361 298
Maintenance and repairs: Current	245 428	293 595	271 169	339 329	264 022	364 458	414 835	436 418	412 363
Upgrades and additions: Capital	473 899	190 147	67 923	374 451	173 597	241 640	400 797	612 646	692 340
Refurbishment and rehabilitation: Capital	178 927	74 450	100 936	14 808	332 380	232 604	268 106	326 498	256 595
New infrastructure assets: Capital	399 227	646 320	900 474	573 933	756 422	713 176	118 042	138 591	269 089
Infrastructure transfers	20 000	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	20 000	-	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	87 257	83 109	94 583	98 421	93 766	84 766	82 890	82 890	80 000
Non infrastructure¹	103 698	134 954	422 155	405 829	398 685	342 520	860 503	421 111	426 729
Total	1 508 436	1 422 575	1 857 240	1 806 771	2 018 872	1 979 164	2 145 173	2 018 154	2 137 116
<i>Capital infrastructure</i>	<i>1 072 053</i>	<i>910 917</i>	<i>1 069 333</i>	<i>963 192</i>	<i>1 262 399</i>	<i>1 187 420</i>	<i>786 945</i>	<i>1 077 735</i>	<i>1 218 024</i>
<i>Current infrastructure</i>	<i>332 685</i>	<i>376 704</i>	<i>365 752</i>	<i>437 750</i>	<i>357 788</i>	<i>449 224</i>	<i>497 725</i>	<i>519 308</i>	<i>492 363</i>

1. Non infrastructure is a stand-alone item, and is therefore excluded from Capital infrastructure and Current infrastructure, but it is included in the overall total

Maintenance and repair: Current shows a fluctuating trend. 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 was a drive to address backlogs in fixed equipment maintenance (lifts, air-conditioners, chillers, boilers, etc.). The decrease in 2017/18 and the 2018/19 Adjusted Appropriation was due to reprioritisation of funding to capital projects, mainly the Addington Hospital core block project. The projected over-spending in the Revised Estimate is due to the acceleration of maintenance projects. As the department is in the final stages of completing the PKISMH project, with commissioning planned for the second half of 2019/20, *Maintenance and repair: Current* shows reasonably strong growth from 2019/20 onward, as funds are able to be reprioritised to existing assets. Projects include day-to-day maintenance at all facilities such as urgent unplanned reactive maintenance, as well as servicing of plant, equipment, air-conditioners and lifts. The outer year decreases in line with project requirements, as well as some reprioritisation to *New infrastructure assets: Capital*.

Upgrades and additions: Capital shows a decrease in 2016/17 related to the decrease in the Health Facility Revitalisation grant, as well as a significant portion of the grant being allocated to new infrastructure projects including PKISMH and the Ngwelezane Hospital, which also accounts for the sustained decrease in 2017/18. This trend is reversed in 2018/19. However, there was a significant decrease in the 2018/19 Adjusted Appropriation related to slow progress on the Hlabisa Hospital out-patient facility upgrades project, with funding reprioritised to *New infrastructure assets: Capital* for the PKISMH and Townhill Hospital office park projects. The projected over-spending in the Revised Estimate is due to faster than expected progress on the new labour and neo-natal ward at Stanger Hospital. The budget for this category grows as these new projects near completion. Major projects being funded over the 2019/20 MTEF include the construction of out-patient, emergency, and pharmacy facilities at Hlabisa Hospital, major maintenance of various buildings and electrical installations at Newcastle Hospital, the renovation of staff accommodation, as well as construction of additional parking and recreational areas (tennis courts, etc.) at King Dinuzulu Hospital.

Refurbishment and rehabilitation: Capital shows a decline in 2016/17 related to the decrease in the Health Facility Revitalisation grant. The budget decreased significantly in the 2018/19 Main Appropriation, largely as a number of projects were reclassified as *Upgrades and additions: Capital*, including the refurbishment of the storm water drains at King Edward VIII Hospital. The significant increase in the 2018/19 Adjusted Appropriation is due to carry-over costs for the Addington Hospital core block project, as well as additional funding allocated from the National Disaster Relief Fund for repairs at hospitals and clinics damaged in storms during 2017. The projected under-spending in the Revised Estimate is attributed to slower than expected progress on storm damaged projects. However, this was an erroneous under-projection and the department reports accelerated spending in January 2019. Projects funded over the MTEF include the renovations to the nursery, psychiatric and physiotherapy areas and relocation of the psychology department at King Edward VIII Hospital, and general renovation at Addington Hospital.

The increasing trend in *New infrastructure assets: Capital* from 2015/16 to 2017/18 relates to the PKISMH project. The increase in the 2018/19 Adjusted Appropriation is attributed to reprioritisation from *Upgrades and additions: Capital* for the PKISMH and Townhill Hospital office park projects. The projected under-spending in the Revised Estimate is due to slower than expected spending on the PKISMH project. The allocation in 2019/20 includes final costs for the PKISMH project, which is expected to be completed in that year. Other projects funded over the 2019/20 MTEF include the construction of 40 units of staff accommodation and a paediatric unit at Mosvold Hospital, as well as new TB and psychiatric complexes at King Dinuzulu hospital.

Infrastructure transfers: Capital in 2015/16 relates to the transfer to the KZN Children's Hospital Trust for the development and refurbishment of the KZN Children's Hospital in eThekweni.

Infrastructure leases provides for the hiring of office accommodation including Capital Towers and Medical Chambers in Pietermaritzburg, as well as various district offices across the province.

The category *Non infrastructure* relates mainly to the procurement of capital medical equipment and is a category introduced from the 2017/18 MTEF onward. The growth in 2017/18 and over the MTEF is due to additional funding allocated for exchange rate related pressures in the costs of essential medical equipment, including X-ray machines, CT scanners, etc. Also included in this category is *Compensation of employees*, being the costs of the various specialists (architects, engineers, etc.) employed specifically in Programme 8. The reduction in the 2018/19 Adjusted Appropriation relates to the slow implementation of the department's procurement plan. The projected under-spending is due to delays in the procurement of a linear accelerator, with delivery expected in 2019/20. The peak in 2019/20 is ascribed to once-off procurement of medical equipment prior to the commissioning of the PKISMH. The amounts in the outer years provide for the procurement of medical equipment, primarily across Programmes 2, 4 and 5.

7.6 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 original contract with Impilo Consortium (Pty) Ltd came to an end in 2016/17, and this was renegotiated to continue to 2019/20. The department is currently relooking at the possible further extension of the contract, or a possible new contract, or even absorbing the services within the department.

Table 7.11 : Summary of departmental Public-Private Partnership projects

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Projects signed in terms of Treasury Regulation 16	836 715	905 378	875 914	710 000	710 000	805 394	737 000	691 360	729 385
PPP unitary charge	836 715	905 378	875 914	710 000	710 000	805 394	737 000	691 360	729 385
Total	836 715	905 378	875 914	710 000	710 000	805 394	737 000	691 360	729 385

Payments for services rendered are index-linked and are thus subject to movements in CPI. Payments in 2017/18 were calculated based on current estimates. The fluctuating trend over the period relates mainly to the fluctuations in the Rand/Dollar exchange rate (for equipment procurement). The reduction in 2017/18 was due to PPP payment carry-over expenditure to 2018/19, resulting in projected over-expenditure in the 2018/19 Revised Estimate. In addition, the anticipated savings from the new extended contract from the hedging costs after the ending of the existing PPP contract in 2017 did not materialise as expected. Growth in 2019/20 is negative due to the carry-over costs in 2018/19. The negative growth in the outer two years, compared to 2019/20, reflects anticipated savings from hedging costs.

7.7 Transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

Table 7.12 provides a list of entities that receive funding from the department. The amounts in the table correspond to *Transfers and subsidies to: Non-profit institutions* in Table 7.7. 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 the implementation of OSD for doctors in certain institutions which qualify.

Table 7.12 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

R thousand		Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Transfers to public entities		-	-	-	-	-	-	-	-	-
Transfers to other entities		213 402	203 929	141 396	54 870	65 226	64 017	56 513	58 508	61 726
Alzheimer Dementia Clinics	2.5: Other Comm. Serv.	-	-	-	959	959	959	-	-	-
Austerville Halfway House	2.5: Other Comm. Serv.	552	569	586	603	603	603	621	640	-
Azalea House	2.5: Other Comm. Serv.	510	525	541	557	557	557	574	591	-
Benedictine Clinic (Thwasana Clinic)	2.2: Comm. Hlth Clinics	44	-	-	-	-	-	-	-	-
Claremont Day Care Centre	2.5: Other Comm. Serv.	389	401	413	425	425	425	438	451	-
DPSA Community-based Rehabilitation Project	2.5: Other Comm. Serv.	927	955	984	1 013	1 013	1 013	1 044	-	-
DPSA Wheelchair Repair/Maintenance	2.5: Other Comm. Serv.	853	879	903	930	930	930	958	-	-
Duduza Care Centre (NGO)	2.5: Other Comm. Serv.	-	-	400	412	412	412	424	437	-
Durban Coastal - Happy Hours Amaoti	2.5: Other Comm. Serv.	520	536	552	568	568	568	585	603	-
Durban Coastal - Happy Hours Durban North	2.5: Other Comm. Serv.	260	267	483	497	497	497	512	528	-
Durban Coastal - Happy Hours Durban Overport	2.5: Other Comm. Serv.	196	202	-	-	-	-	-	-	-
Durban Coastal - Happy Hours KwaXimba	2.5: Other Comm. Serv.	416	429	441	455	455	455	468	482	-
Durban Coastal - Happy Hours Mpumalanga	2.5: Other Comm. Serv.	416	429	441	455	455	455	468	482	-
Durban Coastal - Happy Hours Ninikhona	2.5: Other Comm. Serv.	260	267	275	284	284	284	292	301	-
Durban Coastal - Happy Hours Nyangwini	2.5: Other Comm. Serv.	273	281	290	298	298	298	307	-	-
Durban Coastal - Happy Hours Phoenix	2.5: Other Comm. Serv.	260	267	275	284	284	284	292	301	-
Durban Coastal - Marianhill	2.2: Comm. Hlth Clinics	130	-	-	-	-	-	-	-	-
Ekukhanyeni Clinic (AIDS step down centre)	2.6: HIV and AIDS	873	1 043	1 020	1 087	1 087	1 087	1 152	1 215	-
Enkumane Clinic	2.2: Comm. Hlth Clinics	-	278	287	295	295	295	304	-	-
Estcourt Hospice	2.5: Other Comm. Serv.	-	-	558	574	574	574	592	609	-
Ethembeni Care Centre	2.6: HIV and AIDS	3 312	3 927	3 369	5 179	5 179	5 179	5 179	5 464	-
Genesis Care Centre	2.6: HIV and AIDS	2 860	2 939	2 946	2 946	2 946	2 946	2 946	3 108	-
Hibberdene Care Centre	2.5: Other Comm. Serv.	-	-	331	341	341	341	351	-	-
Highway Hospice	2.5: Other Comm. Serv.	-	-	752	775	775	775	798	-	-
Hlanganani Ngothando	2.5: Other Comm. Serv.	220	227	388	399	399	399	411	424	-
Howick Hospice	2.5: Other Comm. Serv.	-	-	617	636	636	636	655	-	-
Humana People to People	2.6: HIV and AIDS	368	-	-	-	-	-	-	-	-
Ikhanzi Care Centre	2.5: Other Comm. Serv.	-	-	134	138	138	138	143	-	-
Ikwezi Cripple Care	2.5: Other Comm. Serv.	1 205	1 242	1 279	1 317	1 317	1 317	1 357	1 397	-
John Peattie House	2.5: Other Comm. Serv.	1 367	1 408	1 293	1 332	1 332	1 332	1 371	1 413	-
Jona Vaughn Centre	2.5: Other Comm. Serv.	2 420	2 493	2 567	2 644	2 644	2 644	2 724	2 805	-
KZN Blind and Deaf Society	2.5: Other Comm. Serv.	824	849	874	900	900	900	927	-	-
KZN Children's Hospital Trust	8.6: Other Facilities	20 000	-	-	-	-	-	-	-	-
Lynn House	2.5: Other Comm. Serv.	611	629	648	668	668	668	688	-	-
Madeline Manor	2.5: Other Comm. Serv.	892	919	946	975	975	975	1 004	1 034	-
Magaye School for the Blind	2.5: Other Comm. Serv.	515	530	546	563	563	563	580	-	-
Matikwe Oblate Clinic	2.2: Comm. Hlth Clinics	481	496	511	526	526	526	542	-	-
Mountain View Hospital	4.2: TB Hospitals	9 675	9 965	4 876	5 169	5 169	5 169	5 479	-	-
Philakade TLC (Power of God centre)	2.2: Comm. Hlth Clinics	1 133	1 167	1 202	1 238	1 238	1 238	1 275	-	-
Philanjalo Hospice (step down centre)	2.6: HIV and AIDS	1 891	2 378	2 698	2 610	2 610	2 610	2 740	2 891	-
Rainbow Haven	2.5: Other Comm. Serv.	409	421	433	447	447	447	460	-	-
Scadifa Centre	2.5: Other Comm. Serv.	953	982	1 011	1 041	1 041	1 041	1 073	1 105	-
Siloah Hospital	4.2: TB Hospitals	21 934	22 592	22 592	-	10 356	9 147	-	-	-
Solid Foundation for Rural Development (NGO)	2.5: Other Comm. Serv.	-	-	682	1 405	1 405	1 405	1 448	1 491	-
South Coast Hospice	2.5: Other Comm. Serv.	179	185	190	196	196	196	202	-	-
Sparkes Estate	2.5: Other Comm. Serv.	1 132	1 166	1 201	1 237	1 237	1 237	1 274	1 312	-
St Luke's Home	2.5: Other Comm. Serv.	456	470	484	997	997	997	1 027	1 058	-
St. Mary's Hospital Marianhill	2.9: District Hospitals	124 756	132 421	69 216	-	-	-	-	-	-
Sunfield Home	2.5: Other Comm. Serv.	269	277	285	294	294	294	303	-	-
Tender Loving Care (NGO)	2.5: Other Comm. Serv.	-	-	234	241	241	241	248	256	-
The Bekimpilo Trust	2.2: Comm. Hlth Clinics	8 385	8 637	8 896	9 163	9 163	9 163	9 438	-	-
Umlazi Halfway House	2.5: Other Comm. Serv.	276	284	293	302	302	302	311	320	-
Msunduzi Hospice (NGO)	2.5: Other Comm. Serv.	-	-	1 452	1 495	1 495	1 495	1 540	-	-
Earmarked for further negotiations	Various	-	-	-	-	-	-	988	27 790	61 726
Rounding in AFS	Various	-	(3)	1	-	-	-	-	-	-
Total		213 402	203 929	141 396	54 870	65 226	64 017	56 513	58 508	61 726

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

The decrease in 2016/17 was due to once-off funding allocated in 2015/16 to the KZN Children's Hospital Trust for the development and refurbishment of the KZN Children's Hospital in eThekweni. The decrease in 2017/18 and the 2018/19 Main Appropriation is due to the ceasing of funding for St Mary's Hospital, as it was taken over as a provincial hospital during 2017/18 and funding is now from other categories, mainly *Compensation of employees* and *Goods and services*. Also contributing to the decrease in the 2018/19 Main Appropriation was the planned provincialisation of Siloah Hospital. However, there were some delays in this process, accounting for the increase in the 2018/19 Adjusted Appropriation and Revised Estimate. The further decrease in 2019/20 relates to the final provincialisation of the hospital.

Over the MTEF, the baseline growth is inflationary 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. The relatively low growth in 2020/21 relates to the expected provincialisation of the Mountain View TB Hospital in Vryheid. At this stage, no costs have been determined for the purchase of this hospital, and this will be addressed in-year.

7.8 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. 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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Category A	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872
Category B	-	-	-	-	-	-	-	-	-
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872

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.

The significant increase from 2015/16 to 2016/17 relates to the department's decision to provide additional funding to meet the health funding requirements of the clinics in the Metro including 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 increase in the 2017/18 relates to expenditure carried over from 2016/17 due to delays in the eThekweni municipal clinics' verification process.

Funding will continue to be provided over the MTEF for the eThekweni Metro only, as mentioned.

7.9 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 after the table.

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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Administration	5 689	17 443	5 893	7 705	7 205	7 063	8 137	8 585	9 057
Provinces and municipalities	2 525	2 903	3 167	3 695	3 195	3 077	3 902	4 117	4 343
Motor vehicle licences	2 525	2 903	3 167	3 695	3 195	3 077	3 902	4 117	4 343
Departmental agencies and accounts	-	-	-	1	1	1	1	1	1
SABC - TV licences	-	-	-	1	1	1	1	1	1
Foreign government and international org.	-	-	-	-	-	-	-	-	-
Foreign government gift exchange	-	-	-	-	-	-	-	-	-
Households	3 164	14 540	2 726	4 009	4 009	3 985	4 234	4 467	4 713
Staff exit costs	2 464	2 737	2 673	4 009	4 009	2 579	4 234	4 467	4 713
Other transfers to households	700	11 803	53	-	-	1 406	-	-	-
2. District Health Services	380 997	474 768	618 250	455 387	443 912	499 343	392 529	407 666	430 089
Provinces and municipalities	129 600	154 750	219 658	213 394	213 394	213 394	225 396	237 793	250 872
Motor vehicle licences	-	-	2	-	-	1	-	-	-
Municipal clinics	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872
Departmental agencies and accounts	48	107	151	45	29	84	47	49	51
SABC - TV licences	48	107	151	45	29	84	47	49	51
Non-profit institutions	165 147	171 372	113 929	49 701	48 762	47 553	51 034	52 865	55 773
Non-profit institutions	165 147	171 372	113 929	49 701	48 762	47 553	51 034	52 865	55 773
Households	86 202	148 539	284 512	192 247	181 727	238 311	116 052	116 959	123 393
Staff exit costs	68 242	58 781	54 915	67 247	56 727	52 784	71 052	74 959	79 083
Other transfers to households	17 960	89 758	229 597	125 000	125 000	185 527	45 000	42 000	44 310
3. Emergency Medical Services	3 465	3 779	4 699	5 311	5 289	4 453	5 609	5 918	6 243
Provinces and municipalities	1 205	2 001	2 834	2 645	2 645	2 245	2 793	2 947	3 109
Motor vehicle licences	1 205	2 001	2 834	2 645	2 645	2 245	2 793	2 947	3 109
Departmental agencies and accounts	2	2	-	2	2	-	2	2	2
SABC - TV licences	2	2	-	2	2	-	2	2	2
Households	2 258	1 776	1 865	2 664	2 642	2 208	2 814	2 969	3 132
Staff exit costs	1 733	1 358	1 566	1 683	1 661	1 662	1 778	1 876	1 979
Other transfers to households	525	418	299	981	981	546	1 036	1 093	1 153
4. Provincial Hospital Services	117 046	176 558	276 587	225 447	232 095	267 660	88 509	83 790	88 398
Provinces and municipalities	-	101	-	-	2	2	-	-	-
Motor vehicle licences	-	101	-	-	2	2	-	-	-
Departmental agencies and accounts	44	127	220	88	120	126	93	98	103
SABC - TV licences	44	127	220	88	120	126	93	98	103
Public corporations and private enterprises	10	-	-	-	-	-	-	-	-
Penalties	10	-	-	-	-	-	-	-	-
Non-profit institutions	28 255	32 557	27 467	5 169	16 464	16 464	5 479	5 643	5 953
Non-profit institutions	28 255	32 557	27 467	5 169	16 464	16 464	5 479	5 643	5 953
Households	88 737	143 773	248 900	220 190	215 509	251 068	82 937	78 049	82 342
Staff exit costs	36 488	31 259	37 492	31 190	26 509	29 291	32 937	34 749	36 660
Other transfers to households	52 249	112 514	211 408	189 000	189 000	221 777	50 000	43 300	45 682
5. Central Hospital Services	30 432	48 533	31 646	27 715	26 791	109 451	39 267	40 877	43 125
Departmental agencies and accounts	52	53	59	63	47	61	67	71	75
SABC - TV licences	52	53	59	63	47	61	67	71	75
Households	30 380	48 480	31 587	27 652	26 744	109 390	39 200	40 806	43 050
Staff exit costs	11 372	11 697	11 026	12 652	10 652	10 113	13 360	14 095	14 870
Other transfers to households	19 008	36 783	20 561	15 000	16 092	99 277	25 840	26 711	28 180
6. Health Sciences and Training	285 220	313 940	310 371	260 659	260 509	292 807	215 310	154 186	162 667
Provinces and municipalities	-	-	15	-	-	-	-	-	-
Motor vehicle licences	-	-	15	-	-	-	-	-	-
Departmental agencies and accounts	18 863	19 842	18 850	20 868	20 868	20 868	22 036	23 248	24 527
HWSETA	18 863	19 842	18 850	20 868	20 868	20 868	22 036	23 248	24 527
Households	266 357	294 098	291 506	239 791	239 641	271 939	193 274	130 938	138 140
Staff exit costs	3 632	2 135	4 972	2 234	2 084	2 951	2 358	2 488	2 625
Other transfers to households	262 725	291 963	286 534	237 557	237 557	268 988	190 916	128 450	135 515
7. Health Support Services	244	636	1 261	737	598	492	778	821	866
Households	244	636	1 261	737	598	492	778	821	866
Staff exit costs	244	636	1 261	737	598	492	778	821	866
8. Health Facilities Management	20 000	-	-	-	-	-	-	-	-
Non-profit institutions	20 000	-	-	-	-	-	-	-	-
KZN Children's Hospital Trust	20 000	-	-	-	-	-	-	-	-
Total	843 093	1 035 657	1 248 707	982 961	976 399	1 181 269	750 139	701 843	740 445

- In Programmes 1 to 5, the transfers against *Departmental agencies and accounts* relate to SABC TV licences.

- In all programmes (apart from Programme 6) the variable trend against *Households* relates largely to staff exit costs. In Programmes 2, 4 and 5, the variable trend is exacerbated by medico-legal claims, which are also erratic in nature. Some provision is made for these claims over the 2019/20 MTEF, but the provision is not adequate due to budget constraints and hence, there is negative growth in 2019/20, particularly against Programmes 2 and 4. The department cannot reprioritise further funds to medico-legal claims at this stage, due to other competing service delivery needs, and this will need to be reviewed in-year, with a possible favourable impact of the medico-legal unit.
- From 2017/18, all motor vehicle licences are centralised within Programmes 1 and 3, and historical data has been restated. The amounts in Programmes 2, 4 and 6 relate to once-off payments for public driving permits for drivers in those programmes.
- In Programme 2, the significant growth in *Provinces and municipalities* from 2015/16 to 2017/18 relates to the eThekweni Metro receiving additional funding to assist the municipal clinics in the treatment of HIV and AIDS. Growth over the MTEF caters for inflation only.
- In Programme 2, the reduction in *Non-profit institutions* in 2017/18 was due to the provincialisation of St. Mary's Hospital during the year, with the full effect of the reduction noted from 2018/19 onward. The growth is inflationary from 2019/20 onward.
- In Programme 4, the decrease against *Non-profit institutions* in the 2018/19 Main Appropriation is due to the provincialisation of St. Mary's and Siloah Hospitals. The increase in the 2018/19 Adjusted Appropriation is due to delays in finalising the provincialisation of the Siloah Hospital, with this full impact noted in the reduction in 2019/20. Growth from 2019/20 caters for inflation only.
- In Programme 6, *Departmental agencies and accounts* shows strong growth in 2016/17, which is ascribed to the HWSETA levy, which is in line with the growth in *Compensation of employees* for the department as a whole. In 2017/18, the low growth is due to the many vacant posts in the department and the growth over the 2019/20 MTEF is inflationary only.
- Also in Programme 6, the significant increase in *Households* in 2016/17 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 Cuban Doctors' programme. The negative growth in 2017/18 is due to once-off payments made in 2016/17, being a carry-over from 2015/16. The budget over the 2019/20 MTEF reduces as students graduate and return to South Africa for their internship programme, and is reprioritised to *Compensation of employees* in the Training Other sub-programme within Programme 6.
- In Programme 8, the department transferred funds in 2015/16 to the KZN Children's Hospital Trust for the development and refurbishment of the KZN Children's Hospital in the eThekweni Metro. There is no funding over the MTEF and the contract is finalised.

8. 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*.

8.1 Programme 1: Administration

Programme 1's objectives are the provision of overall strategic leadership, co-ordination and management of activities toward the achievement of optimal health status of all 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, and houses the Human Resources Capacitation grant until its correct placement is determined. Tables 7.15 and 7.16 summarise information for the period 2015/16 to 2021/22. 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 2019/20 MTEF.

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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Office of the MEC	18 455	18 990	20 732	23 285	22 385	22 385	22 890	24 551	25 873
2. Management	828 167	826 684	815 923	787 922	788 822	788 822	910 471	961 355	1 015 404
Total	846 622	845 674	836 655	811 207	811 207	811 207	933 361	985 906	1 041 277
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 607)	(107 608)	-	-	-	-	-	-
Baseline available for spending after 1st charge	739 015	738 067	729 047	811 207	811 207	811 207	933 361	985 906	1 041 277

Table 7.16 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	722 304	683 440	695 727	764 167	755 086	756 422	904 590	946 790	1 000 010
Compensation of employees	326 812	365 803	379 229	419 446	411 819	415 781	561 999	604 057	638 428
Goods and services	395 388	316 817	316 347	344 721	343 245	340 504	342 591	342 733	361 582
Interest and rent on land	104	820	151	-	22	137	-	-	-
Transfers and subsidies to:	5 689	17 443	5 893	7 705	7 205	7 063	8 137	8 585	9 057
Provinces and municipalities	2 525	2 903	3 167	3 695	3 195	3 077	3 902	4 117	4 343
Departmental agencies and accounts	-	-	-	1	1	1	1	1	1
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 164	14 540	2 726	4 009	4 009	3 985	4 234	4 467	4 713
Payments for capital assets	11 021	257	26 683	39 335	48 916	47 722	20 634	30 531	32 210
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 021	257	26 683	39 335	48 916	47 722	20 634	30 531	32 210
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	107 608	144 534	108 352	-	-	-	-	-	-
Total	846 622	845 674	836 655	811 207	811 207	811 207	933 361	985 906	1 041 277
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 607)	(107 608)	-	-	-	-	-	-
Baseline available for spending after 1st charge	739 015	738 067	729 047	811 207	811 207	811 207	933 361	985 906	1 041 277

The purpose of the sub-programme: Office of the MEC is to render advisory, secretarial and office support services, as well as secretarial support, administrative, public relations/ communication and parliamentary support. The low growth in 2019/20 is due to the previously mentioned budget cut for public office bearers. Growth over the remainder of the 2019/20 MTEF is for inflationary purposes only.

The sub-programme: Management is responsible for policy formulation, overall management and administrative support of the department and the respective regions and institutions in the department and includes human resources, finance, supply chain management, legal services, etc. The instalments of the first charge relating to unauthorised expenditure in terms of the adoption of the resolutions of SCOPA by the Legislature on 9 December 2014 was implemented in 2015/16. A final instalment of R107.608 million was paid in 2017/18, hence the decline in 2018/19. The high growth in 2019/20 is due to the commencement of the new Human Resources Capacitation grant, allocated to this programme until it is determined in which programmes the posts to be filled will be placed. Also contributing to the high growth is once-off funding for the PPP feasibility study, as mentioned. Growth in the outer two years of the MTEF is for inflationary purposes only.

The increase in *Compensation of employees* in 2016/17 relates to the higher than anticipated uptake in the housing allowance (carry-through costs from the 2015 wage agreement) and pay progression. The low growth in 2017/18 was as a result of vacant non-OSD posts, which could not be filled due to no carry-through funding in the outer years. After discounting the new Human Resources Capacitation grant funding, the 2019/20 MTEF growth provides for inflationary adjustments only which implies that no vacancies may be filled at this stage, unless the department undertakes further reprioritisation. The high growth in 2019/20 is due to the commencement of the new Human Resources Capacitation grant, as mentioned. Note that this funding will not be utilised for any appointments in Programme 1, but is earmarked for critical medical staff vacancies.

The high growth in *Goods and services* in the 2018/19 Main Appropriation was due to once-off funding allocated in terms of the Treasury/Health assistance plan, hence the slightly low growth in 2019/20. The department has reprioritised once-off funding in 2019/20 for the PPP feasibility study to determine the way forward once the current contract expires at the end of 2019/20, hence the negative growth in 2020/21. Growth in the outer year is for inflationary purposes only.

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 for the entire department, excluding Programme 3.

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

Transfers and subsidies to: Households is due to staff exit costs.

The reduction in *Machinery and equipment* in 2016/17 pertains to funding originally allocated for equipment related to the development of a video conferencing facility intended to reduce travelling costs, which was delayed due to lengthy SCM processes and these funds were thus moved elsewhere. The increase in the 2018/19 Adjusted Appropriation is to make provision for 2017/18 carry-over costs for IT equipment, (mainly file servers), accounting for the negative growth in 2019/20. The significant increase in 2020/21 relates to planned IT equipment replacement costs across all programmes, including PCs, servers and hubs.

Payments for financial assets provides mainly for the first charge, as well as write-off of thefts and losses.

Service delivery measures: 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. Note that the department publishes additional non-sector measures for this programme in its annual APP.

Table 7.17 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
To conduct the strategic management and overall administration of DOH	• Audit opinion from the A-G	Unqualified	Unqualified	Unqualified	Unqualified
	• Percentage of hospitals with broadband access	60.3%	92.9%	92.9%	92.9%
	• Percentage of fixed PHC facilities with broadband access	23.7%	50.2%	50.2%	50.2%

8.2 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.
- To render hospital services at general practitioner level.

Tables 7.18 and 7.19 summarise payments and estimates for Programme 2. The significant allocation in this programme supports the policy of providing access to the less expensive, but most important level of health care. The programme provides for the commissioning of new clinics and community health centres, comprehensive management of HIV and AIDS and related diseases, especially TB, etc.

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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. District Management	249 161	291 190	302 062	304 880	302 951	295 603	330 183	355 200	374 738
2. Community Health Clinics	3 501 113	3 915 857	4 020 491	4 324 275	4 365 184	4 407 920	4 655 651	4 971 528	5 244 962
3. Community Health Centres	1 365 808	1 500 268	1 625 352	1 784 568	1 788 642	1 768 533	1 920 597	2 052 921	2 165 833
4. Community Based Services	160 420	215 486	306 225	419 637	422 467	411 691	443 901	451 242	473 301
5. Other Community Services	959 940	997 211	1 071 475	1 168 674	1 200 668	1 200 728	1 280 915	1 380 686	1 456 624
6. HIV and AIDS	3 813 719	4 499 037	5 018 680	5 677 225	5 677 225	5 677 225	5 840 628	6 470 140	7 300 479
7. Nutrition	43 820	44 940	41 940	51 569	47 114	44 647	59 739	63 023	66 489
8. Coroner Services	172 140	180 085	221 828	246 794	246 704	227 595	265 208	285 150	300 833
9. District Hospitals	6 146 572	6 503 837	7 124 263	6 848 092	6 868 544	6 975 118	7 640 117	8 266 130	8 720 766
Total	16 412 693	18 147 911	19 732 316	20 825 714	20 919 499	21 009 060	22 436 939	24 296 020	26 104 025

Table 7.19 : Summary of payments and estimates by sub-programme: District Health Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	15 976 484	17 605 153	18 890 919	20 118 237	20 249 892	20 308 259	21 787 483	23 627 399	25 398 627
Compensation of employees	10 761 959	11 533 363	12 229 725	12 396 711	13 113 799	13 036 088	14 499 544	15 725 163	16 590 046
Goods and services	5 213 658	6 070 884	6 660 677	7 721 133	7 133 945	7 269 985	7 287 524	7 901 798	8 808 119
Interest and rent on land	867	906	517	393	2 148	2 186	415	438	462
Transfers and subsidies to:	380 997	474 768	618 250	455 387	443 912	499 343	392 529	407 666	430 089
Provinces and municipalities	129 600	154 750	219 658	213 394	213 394	213 395	225 396	237 793	250 872
Departmental agencies and accounts	48	107	151	45	29	84	47	49	51
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	165 147	171 372	113 929	49 701	48 762	47 553	51 034	52 865	55 773
Households	86 202	148 539	284 512	192 247	181 727	238 311	116 052	116 959	123 393
Payments for capital assets	55 183	67 960	223 128	252 090	225 650	201 413	256 927	260 955	275 309
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	55 183	67 960	223 128	252 090	225 650	201 413	256 927	260 955	275 309
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	29	30	19	-	45	45	-	-	-
Total	16 412 693	18 147 911	19 732 316	20 825 714	20 919 499	21 009 060	22 436 939	24 296 020	26 104 025

The increases over the seven-year period 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. Note that the trends in this programme are also impacted by the reclassification of the Mahatma Gandhi Memorial Hospital from a regional hospital (Programme 4) to a district hospital. The historical figures have been restated for comparative purposes, but the 2018/19 figures remain unchanged.

The sub-programme: District Management provides for the planning and administration of health services, the management of personnel and financial administration, the co-ordination and management of Day Hospital Organisations and Community Health Services rendered by local authorities and NGOs within the eThekweni Metro, as well as the determining of working methods and procedures and exercising district control. The increase in 2016/17 was attributed to a roll-over from 2015/16 against the NHI grant. The high growth in 2019/20 relates to the planned filling of posts (mainly programme managers and support staff). However, there is insufficient carry-through funding in 2021/22 for these posts, and this will be addressed in the next budget process.

The Community Health Clinics sub-programme renders a nurse-driven primary health care service at clinic level including visiting points, mobile and local authority clinics. The strong growth in 2016/17 relates to the previously mentioned higher than anticipated wage agreements and carry-through costs of the various OSDs for medical personnel and other categories of staff. Also, additional funding was allocated in 2016/17 to address pressures on imported medicines and medical supplies resulting from the deterioration of the Rand/Dollar exchange rate. The lower growth in 2017/18 is attributable to the reversal on the medicine levy over-charged by PPSD on the supply and distribution of medicine to facilities. The lower growth in 2019/20 is because of the anticipated savings from NHLS electronic gate-keeping, once-off replacement of mobile clinics and other critical medical equipment in 2018/19, as well as the increased cost of security services contracts, which is not fully funded at this stage, and this will be reviewed in-year. Growth over the remainder of the 2019/20 MTEF is inflationary only.

The Community Health Centres sub-programme provides primary health services with full-time medical officers in respect of mother and child, health promotion, geriatrics, occupational therapy, physiotherapy, and psychiatry. The high growth from 2016/17 to 2017/18 is due to the NHLS fee-for-service payment method and the progressive commissioning of the Dannhauser and Jozini Community Health Centres. The relatively high growth in 2019/20 is for the commissioning of the Jozini Community Health Centre. Growth over the remainder of the 2019/20 MTEF provides for inflationary adjustments only.

The sub-programme: Community Based Services renders a community-based health service at non-health facilities in respect of home-based care, abuse victims, mental and chronic care, school health, etc. The significant increases from 2016/17 and 2018/19 relate to the chronic medication pilot project that was added to this sub-programme, whereby patients on chronic medication collected their medication at designated community drop-off points. Expenditure for such medicine is thus reflected under this sub-programme going forward. There was acceleration in the enrolment of patients under this programme and the correct linking of PHC outreach teams and School Health Services teams to this sub-programme in line with the nature of services provided by these teams, which also contributes to the increase in 2016/17 and 2017/18. There is significant growth in 2018/19 despite the decrease in the Social Sector EPWP Integrated Grant for Provinces, from R47.058 million in 2017/18 to R24.182 million in 2018/19. This growth is attributable to the introduction of the HPV Vaccine grant as a direct grant to provinces in 2018/19, with R44.976 million allocated for the provision of the HPV vaccine, which was previously funded by NDOH as an indirect grant to provinces. The high growth in 2019/20 is largely ascribed to an increase in courier costs for expanding the CCMDD programme funded *via* reprioritisation within the programme. The growth over the remainder of the MTEF provides for inflationary increases only.

The sub-programme: Other Community Services renders environmental and part-time district surgeon services, etc. The increase in 2018/19 and over the 2019/20 MTEF is largely attributed to the increased intake of community service doctors including the placement of the returning doctors from the Cuban Doctors' programme once they commence the community service aspect of their training. The department has received additional funding in 2021/22 for the costs of absorbing the students returning from Cuba, and this has been placed in Programme 6 at this stage, and will be reviewed in future budget processes.

The HIV and AIDS sub-programme provides a PHC service in respect of HIV and AIDS campaigns and special projects, and growth rates are mainly due to increases in the HIV, TB, Malaria and Community Outreach grant to cater for increased uptake of patients on ARV therapy. The strong growth over the entire period aligns with the growth in the HIV, TB, Malaria and Community Outreach grant to fund the increase in patient numbers and the targets over the period. The increase in 2017/18 was due to pressures brought about by the implementation of the UTT programme, as well as the withdrawal of the supply of donor medicines. The increase in 2018/19 is for the continued expansion of the ARV programme, HIV prevention and to cater for TB screening and treatment in line with the grant's extended TB focus. Growth in 2019/20 is low due to the previously mentioned cuts to the HIV, TB, Malaria and Community Outreach grant, with higher growth in the outer years resulting from additional funding allocated in the 2018/19 MTEF (2020/21) and the 2019/20 MTEF (2021/22) processes.

The sub-programme: Nutrition provides nutrition services aimed at specific target groups such as malnourished children, and combines nutrition specific and nutrition sensitive interventions to address malnutrition. The minimal growth in 2016/17 and the negative growth in 2017/18 was due to enforced

savings reprioritised to other pressures, in an effort to remain within budget. The increase in 2018/19 and 2019/20 is attributed to the need to address the backlogs created by the enforced savings, due to the population's vulnerability to malnutrition, taking into account the recent drought and increasing food prices. Growth in the two outer years of the MTEF is inflationary only.

The sub-programme: Coroner Services provides forensic and medico-legal services to establish the circumstances and causes of unnatural death. Funding is provided in 2017/18 and over the MTEF for the replacement of two specialist posts resulting from the high attrition rate experienced in previous years, as well as the implementation of DPSA dispensation raising overtime limits in 2019/20, which the department has addressed through reprioritisation. Growth in 2019/20 is high due to projected under-spending in the 2018/19 Revised Estimate largely related to vacant posts.

The sub-programme: District Hospitals provides hospital services at general practitioner level. The slightly low growth in 2016/17 was due to accruals of NHLS expenditure to 2017/18 due to cash blocking, resulting in higher growth in 2017/18, exacerbated by higher medico-legal claims and NHLS fee-for-service payments. The projected over-expenditure in the 2018/19 Revised Estimate is attributable to higher than expected costs of new security services contracts, higher than budgeted for laboratory services costs and medico-legal claims. The high growth in 2019/20 is largely ascribed to the reclassification of the Mahatma Gandhi Memorial Hospital from a regional hospital (Programme 4) to a district hospital. The historical figures have been restated for comparative purposes, but the 2018/19 figures remain unchanged. This sub-programme shows steady growth over the 2019/20 MTEF in order to sustain the current services.

The high growth in *Compensation of employees* in the 2018/19 Adjusted Appropriation and Revised Estimate is due to compliance with an instruction from NDOH during the annual benchmark exercise to address under-funding of filled posts within the HIV, TB, Malaria and Community Outreach grant, as well as the pressures resulting from the implementation of the stipend increase agreement to comply with minimum wage requirements for CCGs under the grant. This funding was moved from *Goods and services* (medicines), with carry-through over the 2019/20 MTEF. Growth over the remainder of the 2019/20 MTEF makes provision for inflation only, with growth in 2021/22 insufficient for the existing staff, which will be addressed in the next budget process.

The high growth in *Goods and services* from 2015/16 to 2018/19 is attributable to the change in the NHLS payment method from a flat-fee to a fee-for-service payment method, implementation of the UTT method, as well as the effect of the deterioration of the Rand/Dollar exchange rate on imported medicines and medical supplies. The slow growth in 2019/20 is due to anticipated savings from the NHLS electronic gate-keeping whereby the ordering of laboratory tests will be closely monitored, as well as the under-funded increase in the new security services contract, which will be reviewed in-year. Growth in 2019/20 is also low due to the cuts to the HIV, TB, Malaria and Community Outreach grant, with higher growth in the outer years. As mentioned, any pressures against medicines will be addressed *via* donor drugs.

The growth in *Transfers and subsidies to: Provinces and municipalities* over the entire period is an effort to strengthen PHC services provided by eThekwinini municipal clinics, especially the strengthening of the comprehensive HIV, AIDS and TB programme at clinic level.

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

Transfers and subsidies to: Non-profit institutions provides subsidies to entities that render PHC services. The negative growth in 2017/18 and 2018/19 is attributable to the provincialisation of St Mary's Hospital to be a departmental facility. The outer years of the 2019/20 MTEF provide for inflationary increases only.

Transfers and subsidies to: Households relates to staff exit costs and medico-legal claims. The negative growth in the 2018/19 Main Appropriation is attributed to the department not being in a position to reprioritise additional funding to these costs due to other competing service delivery needs. This is evident in the projected over-spending in the Revised Estimate. The MTEF allocations provide for staff exit costs, and a reduced amount for medico-legal claims, due to pressures elsewhere in the budget, as well as anticipation that the medico-legal unit will identify strategies to reduce costs, including strengthening clinical governance at facilities and the adoption of mediation as an alternative dispute resolution strategy.

The increase against *Machinery and equipment* in 2016/17 was a result of the decision to defer the procurement process of some machinery and equipment from 2015/16 to 2016/17 in order to reduce over-spending in 2015/16. The significant growth in 2017/18 is based on the decision to decentralise the HTS related medical equipment budget to facilities. The amounts also provide for the replacement of essential non-medical equipment to meet health and safety requirements, such as medical and patient trolleys, hospital beds, etc. The projected under-spending in the 2018/19 Revised Estimate is due to delays in the placement of orders for the acquisition of pool and mobile clinics replacement vehicles, accounting for the strong growth in 2019/20, and lower growth in 2020/21. The outer year shows inflationary growth only. Also contributing to the high growth is an increase in the baseline for *Machinery and equipment* (mainly ventilators, X-ray machines and anaesthetic machines) to address continual under-funding in this regard.

Service delivery measures: District Health Services

Table 7.20 illustrates the main service delivery measures of Programme 2. Note that the table fully aligns to the sector measures and the draft APP for 2018/19. Note also that the department publishes additional non-sector measures for this programme in its annual APP.

Table 7.20 : Service delivery measures: District Health Services

Table 7.20 : Service delivery measures - District Health Services					
Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. District Health Services					
To provide facilities for patients to be treated at PHC level	• Ideal clinic status rate	n/a	80%	80%	80%
	• PHC utilisation rate - total	2.5	2.5	2.5	2.5
	• Complaint resolution within 25 working days rate (PHC)	96%	96%	96.5%	96.5%
2. District Hospitals					
Rendering hospital service at general practitioner level	• Average length of stay – total	5.4 days	5.5 days	5.5 days	5.5 days
	• Inpatient bed utilisation rate – total	60.2%	62.7%	65.3%	65.3%
	• Expenditure per patient day equivalent	R2 636	R2 781	R3 125	R3 200
	• Complaint resolution within 25 working days rate	89.9%	95%	96%	97%
3. HIV and AIDS, TB and STI control					
Rendering primary health care service in respect of HIV and AIDS, TB and STI control	• ART client remain on ART end of month – total	1 321 307	1 578 737	1 657 674	1 740 558
	• TB / HIV co-infected clients on ART rate	87.8%	95%	95%	95%
	• HIV test done – total	3 060 800	3 074 435	3 314 424	3 334 424
	• Male condoms distributed	116 121 250	170 755 053	206 757 450	220 917 212
	• Medical male circumcision – total	140 000	148 209	148 210	156 281
		1 125 126 cum	1 273 335 cum	1 421 545 cum	1 577 826 cum
	• TB client 5-years and older start on treatment rate	90%	92%	94%	94%
	• TB client treatment success rate	74.9%	87%	89%	92%
	• TB client lost to follow up rate	5.7 %	5%	5%	5%
	• TB client death rate	5%	5%	5%	5%
	• TB MDR treatment success rate	60%	60%	65%	65%
	4. Maternal, child and women's health				
Rendering a comprehensive and integrated maternal, child and women health at primary health care level	• Antenatal 1 st visit before 20 weeks rate	73.3%	75%	75%	75%
	• Mother postnatal visit within 6 days rate	77.5%	81%	81%	81%
	• Antenatal client start on ART rate	94.7%	97%	97%	97%
	• Infant 1 st Polymerase Chain Reaction test positive around 10 weeks rate	0.6%	0.6%	0.6%	0.6%
	• Immunisation under 1 year coverage	81%	82%	85%	86%
	• Measles 2 nd dose coverage	78.9%	82%	85%	85%
	• Diarrhoea case fatality under 5 years rate	2%	2%	2%	2%
	• Pneumonia case fatality under 5 years rate	2.7%	2.4%	2.2%	2.1%
	• Severe acute malnutrition case fatality under 5 years rate	6%	6%	5.8%	5.5%
	• School Grade 1 learners screened	58 000	60 147	60 147	60 147
	• School Grade 8 learners screened	29 000	31 473	31 473	31 473
	• Delivery in 10 to 19 years in facility rate	22%	21%	20%	19%
	• Couple year protection rate (international)	50%	56%	56%	75%
	• Cervical cancer screening coverage 30 years and older	80%	84%	85%	85%
	• HPV vaccine 1 st dose	n/a	60 000	60 000	60 000

Table 7.20 : Service delivery measures: District Health Services

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2018/19	2019/20	2020/21	2021/22	
	<ul style="list-style-type: none">HPV vaccine 2nd doseVitamin A 12-59 months coverageMaternal mortality in facility ratioNeonatal death in facility rate	n/a 69% 100/100 000 12/1 000	60 000 70% 95/100 000 11.3/1 000	60 000 73% 90/100 000 11.3/1 000	60 000 74% 90/100 000 11.1/1 000	
5. Disease prevention and control						
Rendering preventive and promotive health services	<ul style="list-style-type: none">Cataract surgery performedMalaria case fatality rate	9 500 0.86%	9 700 0.5%	9 900 0.47%	9 999 0.3%	

8.3 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 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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Emergency Services	1 106 737	1 114 738	1 251 736	1 299 438	1 333 438	1 331 919	1 457 574	1 555 244	1 640 781
2. Planned Patient Transport	67 669	94 525	125 841	116 248	141 248	142 767	173 584	151 310	159 630
Total	1 174 406	1 209 263	1 377 577	1 415 686	1 474 686	1 474 686	1 631 158	1 706 554	1 800 411

Table 7.22 : Summary of payments and estimates by sub-programme: Emergency Medical Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	1 133 984	1 189 528	1 325 342	1 329 375	1 399 397	1 402 065	1 529 356	1 599 152	1 687 103
Compensation of employees	822 311	866 530	950 621	962 392	983 239	977 511	1 157 276	1 248 808	1 317 492
Goods and services	311 638	322 937	374 715	366 983	416 092	424 488	372 080	350 344	369 611
Interest and rent on land	35	61	6	-	66	66	-	-	-
Transfers and subsidies to:	3 465	3 779	4 699	5 311	5 289	4 453	5 609	5 918	6 243
Provinces and municipalities	1 205	2 001	2 834	2 645	2 645	2 245	2 793	2 947	3 109
Departmental agencies and accounts	2	2	-	2	2	-	2	2	2
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 258	1 776	1 865	2 664	2 642	2 208	2 814	2 969	3 132
Payments for capital assets	36 957	15 956	47 536	81 000	70 000	68 168	96 193	101 484	107 065
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	36 957	15 956	47 536	81 000	70 000	68 168	96 193	101 484	107 065
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 174 406	1 209 263	1 377 577	1 415 686	1 474 686	1 474 686	1 631 158	1 706 554	1 800 411

The sub-programme: Emergency Services provides for all emergency medical services including ambulance services, special operations, communication and air ambulance services. The higher growth in 2017/18 relates to higher overtime payments to paramedic staff and the maintenance and repairs of ambulances. This accounts for the lower growth in the 2018/19 Main Appropriation. The increase in the 2018/19 Adjusted Appropriation is due to reprioritisation from Programme 4 to address overtime pressures for EMS staff, as well as higher than expected fleet maintenance costs. The overtime payment system is under review and costs are expected to be lower going forward. The growth in 2019/20 is high due to the planned appointment of approximately 150 emergency services staff, to address critical shortages of paramedic staff. The growth over the remainder of the 2019/20 MTEF is inflationary only.

The Planned Patient Transport sub-programme provides planned patient transport, including Local Outpatient Transport (within the boundaries of a given town or local area) and Inter-City/Town Outpatient Transport (into referral centres). The significant growth in 2016/17 and 2017/18 related to higher overtime costs and fuel and vehicle maintenance costs. The lower growth in the 2018/19 Main Appropriation is attributed to targeted savings to be realised from stringent maintenance and repairs control measures to be implemented. However, the 2018/19 Adjusted Appropriation was increased through reprioritisation from Programme 4 to address higher than expected fleet maintenance costs. All vehicle repairs are now centralised and approved by the acting CFO in an effort to control and reduce expenditure relating to fuel consumption, usage of tyres, maintenance of vehicles, as well as to conduct fleet inspections, especially related to mileage and vehicle utilisation. Growth is high in 2019/20 due to planned replacement of staff. The negative growth in 2020/21 relates to the anticipated decrease in fleet service costs related to the acquisition of new vehicles. The growth in the outer year is for inflationary purposes only.

The increase in the 2018/19 Adjusted Appropriation and projected over-spending in *Compensation of employees* in the Revised Estimate relates to overtime payments to paramedic staff and the correct linking of staff. The high growth in 2019/20 relates to the provision for additional staff, as mentioned. However, the carry-through costs are not fully covered in the outer year of the MTEF, and this will be addressed in the next budget process.

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. The increase in the 2018/19 Adjusted Appropriation and Revised Estimate was due to pressures resulting from higher than expected vehicle repair costs. The negative growth in 2019/20 and 2020/21, with inflationary growth in the outer year, is attributed to targeted savings to be realised from the recapitalisation of ambulance fleet, as well as the stringent maintenance and repair control measures to be implemented.

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licences and is driven by the size of the fleet of EMS vehicles in each year, with ambulances being procured and the old fleet being disposed of, and registration and licensing costs thereof thus vary accordingly.

Transfers and subsidies to: Households relates to staff exit costs.

Regarding *Machinery and equipment*, the negative growth in 2016/17 was part of the departmental cost-containment plan to remain within budget, with the procurement of EMS vehicles put on hold in 2016/17, hence the significant increase in 2017/18. The drive to replace redundant ambulances continues in 2018/19 and over the 2019/20 MTEF, hence the steady growth. There was a decrease in the 2018/19 Adjusted Appropriation due to delays in procuring planned patient transport vehicles. This accounts for the increase in 2019/20, when delivery of these vehicles is anticipated, exacerbated by the continued drive to increase the ambulance fleet. The growth in the outer two years is for inflationary purposes only.

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

Service delivery measures: Emergency Medical Services

Table 7.23 illustrates the main service delivery measures pertaining to Programme 3. The performance indicators provided comply fully with the customised measures for the Health sector. Note that the department publishes additional non-sector measures for this programme in its annual APP.

Table 7.23 : Service delivery measures: Emergency Medical Services

Table 7.25 : Service delivery measures: Emergency medical Services					
Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
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	24%	26%	26%	26%
	• EMS P1 rural response under 40 minutes rate	35%	36%	37%	37%
	• EMS inter-facility transfer rate	39%	39%	42%	45%

8.4 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 TB, including multi-drug resistant TB.
- 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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. General (Regional) Hospitals	6 907 179	7 398 709	8 074 917	9 028 560	8 938 383	9 077 739	9 060 320	9 696 842	10 230 173
2. Tuberculosis Hospitals	734 142	776 902	789 489	832 736	791 044	735 927	781 855	830 983	876 688
3. Psychiatric-Mental Hospitals	788 178	825 338	865 678	929 156	943 154	939 538	998 539	1 079 095	1 138 447
4. Sub-acute, Step-down and Chronic Medical Hospitals	361 110	378 575	383 621	418 476	418 476	409 232	464 941	483 751	510 356
5. Dental Training Hospital	18 958	19 451	19 966	23 490	20 490	22 885	24 749	26 687	28 154
Total	8 809 567	9 398 975	10 133 671	11 232 418	11 111 547	11 185 321	11 330 404	12 117 358	12 783 818

Table 7.25 : Summary of payments and estimates by sub-programme: Provincial Hospital Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	8 659 741	9 214 411	9 745 629	10 889 835	10 742 291	10 799 422	10 990 623	11 793 471	12 442 119
Compensation of employees	6 704 543	7 138 270	7 405 857	8 417 039	8 207 802	8 193 043	8 436 011	9 192 379	9 697 969
Goods and services	1 954 788	2 075 849	2 337 152	2 472 792	2 532 595	2 604 428	2 554 608	2 601 088	2 744 146
Interest and rent on land	410	292	2 620	4	1 894	1 951	4	4	4
Transfers and subsidies to:	117 046	176 558	276 587	225 447	232 095	267 660	88 509	83 790	88 398
Provinces and municipalities	-	101	-	-	2	2	-	-	-
Departmental agencies and accounts	44	127	220	88	120	126	93	98	103
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	10	-	-	-	-	-	-	-	-
Non-profit institutions	28 255	32 557	27 467	5 169	16 464	16 464	5 479	5 643	5 953
Households	88 737	143 773	248 900	220 190	215 509	251 068	82 937	78 049	82 342
Payments for capital assets	30 361	8 006	111 480	117 136	137 161	118 239	251 272	240 097	253 301
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	30 361	8 006	111 480	117 136	137 161	118 239	251 272	240 097	253 301
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	2 419	-	(25)	-	-	-	-	-	-
Total	8 809 567	9 398 975	10 133 671	11 232 418	11 111 547	11 185 321	11 330 404	12 117 358	12 783 818

The 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. Note that the trends are impacted by the reclassification of the Mahatma Gandhi Memorial Hospital from a regional hospital to a district hospital (Programme 2). The historical figures were restated for comparative purposes, but the 2018/19 figures remain unchanged.

The General (Regional) Hospitals sub-programme provides hospital services at a general specialist level and a platform for training of health workers and research. The increase in 2017/18 mainly related to NHLS accruals from 2016/17, medico-legal claims, the once-off settlement of the Joint Health

Establishment payment, as well as the decentralisation of the HTS related medical equipment budget from Programme 8 to facility level. The high growth in 2018/19 is due to the reclassification of the Mahatma Gandhi Memorial Hospital, as mentioned. The historical figures have been restated, but, as this movement took place in 2018/19, the 2018/19 figures are not restated. This also partly accounts for the negative growth in 2019/20. The reduction in the 2018/19 Adjusted Appropriation relates primarily to funding temporarily allocated to this sub-programme awaiting budget cuts, but these did not materialise, and funds were reprioritised to other programmes. The projected over-spending in the Revised Estimate is due to pressures in NHLS payments due to savings from gate-keeping not materialising as expected, as well as higher than expected medico-legal claims. The negative growth in 2019/20 is due to the reduced NHLS budget, in line with the anticipated savings from the previously mentioned electronic gate-keeping, the under-funded increase in security services contracts (to be reviewed in-year), as well as the reduced medicine budget as more patients on chronic medication are to be enrolled under the CCMDD programme. The growth in the outer years is inflationary only. It is noted that the commissioning of PKISMH has not been provided for, and this will be addressed in-year.

The Tuberculosis Hospitals sub-programme provides for specialised care of patients with TB, including MDR and XDR TB. The low growth in 2016/17 was mainly attributed to the decommissioning of the state aided FOSA (SANTA) Hospital in Durban in 2015/16, due to it not being financially viable. The low growth in 2017/18, the reduction in the 2018/19 Adjusted Appropriation and under-spending in the Revised Estimate is attributable to the ongoing hospital rationalisation process, as well as the incorporation of the TB component in the HIV, TB, Malaria and Community Outreach grant in Programme 2. Growth over the 2019/20 MTEF is for inflationary purposes only. No further rationalisation is expected at this stage.

The sub-programme: Psychiatric-Mental Hospitals renders a specialist psychiatric hospital service for people with mental illnesses and intellectual disability. The low growth in 2016/17 was mainly due to NHLS and medicine payments deferred to 2017/18, in an effort to remain within the budget. The increase in the 2018/19 Adjusted Appropriation relates to higher than expected costs for security and cleaning services. The high growth in 2020/21 relates to a provision for an anticipated medico-legal claim. The outer year growth is for inflationary purposes only.

The sub-programme: Sub-acute, Step-down and Chronic Medical Hospitals provides medium- to long-term care to patients who require rehabilitation and/or a minimum degree of active medical care but cannot be sent home. These patients are often unable to access ambulatory care at departmental services or their socio-economic or family circumstances do not allow for them to be cared for at home. The slow growth in 2016/17 was mainly due to the Gateway Clinic (part of Clairwood Hospital) being moved to Programme 2, but historical figures were not restated. The low growth in 2017/18 relates to vacant posts. The high growth in 2019/20 includes allocations for operational costs and the procurement of eye-care medical equipment at McCord Hospital to function as a specialised eye-care hospital. There is no provision for the phased commissioning of the KZN Children's Hospital due to budget constraints, and this project's timeline will be extended as a result. The outer two years' growth is inflationary only.

The Dental Training Hospital sub-programme provides specialised dental services and shows steady growth over the entire period, with inflationary growth over the 2019/20 MTEF. The high growth in 2019/20 relates to the planned appointment of one dental specialist. However, carry-through costs are not sufficient in 2021/22, and this will be addressed in the next budget process.

There is steady growth in *Compensation of employees* over the entire period. The slow growth in 2017/18 was largely due to the inability to fill non-OSD posts because of slow recruitment processes, and the inability to attract applications for OSD posts such as oncologists, psychologists, urologists, etc. These recruitment challenges continue to be real, hence the reduction in the 2018/19 Adjusted Appropriation and Revised Estimate. Also impacting was funding temporarily allocated to this category awaiting budget cuts in the 2018/19 Adjusted Appropriation, but these did not materialise, and funds were reprioritised to other programmes. Growth in 2019/20 is insufficient for additional staff, and this will be addressed in-year.

The low growth in *Goods and services* in 2016/17 was due to the NHLS payments for March 2017 being deferred to April 2017, hence the higher growth in 2017/18. The increase in the 2018/19 Adjusted

Appropriation and Revised Estimate is as a result of the anticipated savings from NHLS electronic gate-keeping not materialising, as well as an unbudgeted increase in security services contracts. These pressures are still not funded in 2019/20 hence the negative growth in 2019/20 and low growth in 2020/21, and this will be reviewed in-year. The growth in the outer year is inflationary only.

Transfers and subsidies to: Departmental agencies and accounts relates to the payment of TV licences.

Transfers and subsidies to: Non-profit institutions shows a reduced baseline from 2018/19 due to the planned provincialisation of the Siloah Hospital in 2018/19. However, there were some delays in this process, accounting for the increase in the 2018/19 Adjusted Appropriation and Revised Estimate. The provincialisation is now expected in 2019/20, hence the negative growth in that year. Thereafter there is inflationary growth over the remainder of the 2019/20 MTEF. This funding supports NGOs providing various services, including mental health care, disability care and TB.

Transfers and subsidies to: Households relates to medico-legal claims and staff exit costs and fluctuates according to demand. Additional funds were reprioritised towards medico-legal claims in the 2018/19 MTEF. The department is unable to continue to reprioritise sufficient funds to cover these costs at this stage, though, because of competing service delivery needs, hence the drop in 2019/20 and 2020/21 and only inflationary growth thereafter. This will be reviewed in-year as medico-legal costs arise and depending on the success of the strategies of the medico-legal unit.

The increase against *Machinery and equipment* in 2017/18 and 2018/19 relates mainly to the procurement of essential non-medical equipment, as well as the decentralised procurement of HTS related medical equipment from 2017/18. In 2016/17, the procurement process for replacement motor vehicles was deferred to 2017/18, also contributing to the high growth in 2017/18. Funding is provided over the 2019/20 MTEF for the replacement of redundant essential non-medical equipment such as medical and patient trolleys, hospital beds, etc., as well as the previously mentioned HTS related medical equipment, and increases are matched to identified cyclical replacement needs. The department's 2018/19 procurement plan for medical equipment was not fully implemented hence a significant increase in the 2019/20 allocation, in particular. There are once-off costs in 2019/20 accounting for the decrease in 2020/21. Growth in the outer year is inflationary only.

Service delivery measures: Provincial Hospital Services

Table 7.26 illustrates the main service delivery measures pertaining to Programme 4. Note that there are some changes to the measures and these comply fully with the customised measures of the Health sector. Note also that the department publishes additional non-sector measures in its APP.

Table 7.26 : Service delivery measures: Provincial Hospital Services

Table 7.20 : Service delivery measures – Provincial Hospital Services					
Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. General (Regional) Hospitals					
Rendering of hospital services at a general specialist level and a platform for training of health workers and research	• Average length of stay	6.5 days	6.3 days	6.2 days	6.2 days
	• Inpatient bed utilisation rate	73.4%	74.7%	76.8%	78.9%
	• Expenditure per PDE	R3 123	R3 245	R3 406	R3 574
	• Complaints resolution within 25 working days rate	85.2%	94.6%	95%	95.5%
2. Specialised TB Hospitals					
Rendering of hospital services at a specialist TB level	• Average length of stay	42.5 days	46.6 days	45.3 days	43.9 days
	• Inpatient bed utilisation rate – total	38.7%	44.6%	45.5%	46.4%
	• Expenditure per PDE	R5 806	R4 320	R3 869	R3 465
	• Complaints resolution within 25 working days rate	100%	100%	100%	100%
3. Specialised Psychiatric Hospitals					
Rendering of hospital services at a specialist psychiatric level	• Average length of stay	356.6 days	310.2 days	302.2 days	294.3 days
	• Inpatient bed utilisation rate – total	72.7%	73%	73.9%	74.9%
	• Expenditure per PDE	R1 433	R1 345	R1 352	R1 358
	• Complaints resolution within 25 working days rate	98%	99.8%	96.5%	93.2%

Table 7.26 : Service delivery measures: Provincial Hospital Services

Table 1.20 : Service delivery measures – Provincial Hospital Services						
Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2018/19	2019/20	2020/21	2021/22	
4. Chronic/ Sub-Acute Hospitals						
Rendering of hospital services at a specialist chronic/sub-acute level	• Average length of stay	38.8 days	38.2 days	37.5 days	36.8 days	
	• Inpatient bed utilisation rate – total	50.1%	50.2%	53.8%	57.8%	
	• Expenditure per PDE	R3 137	R2 856	R2 785	R2 716	
	• Complaints resolution within 25 working days rate	94.4%	98.2%	97.8%	100%	
5. Oral and Dental Training Centre						
Rendering of hospital services at a specialist dental level	• No. of dentures issued per annum	190	170	176	183	
	• No. of Oral Hygienists and Dental Therapists trained per annum	30	33	36	40	

8.5 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 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		
	2015/16	2016/17	2017/18	2018/19	2018/19		2019/20	2020/21	2021/22
1. Central Hospital Services	2 087 907	2 259 604	2 466 385	2 402 978	2 424 678	2 543 913	2 596 712	2 755 360	2 906 903
2. Provincial Tertiary Hospital Services	2 037 022	2 274 553	2 397 738	2 553 015	2 531 315	2 606 246	2 683 186	2 969 661	3 132 991
Total	4 124 929	4 534 157	4 864 123	4 955 993	4 955 993	5 150 159	5 279 898	5 725 021	6 039 894

Table 7.28 : Summary of payments and estimates by sub-programme: Central Hospital Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19	2018/19		2019/20	2020/21	2021/22
Current payments	4 092 468	4 472 417	4 754 835	4 805 919	4 816 843	4 980 889	5 132 860	5 617 739	5 926 712
Compensation of employees	2 331 335	2 492 410	2 614 993	2 843 834	2 828 146	2 828 476	3 036 384	3 505 717	3 698 531
Goods and services	1 761 005	1 979 967	2 139 841	1 962 085	1 988 687	2 151 706	2 096 476	2 112 022	2 228 181
Interest and rent on land	128	40	1	-	10	707	-	-	-
Transfers and subsidies to:	30 432	48 533	31 646	27 715	26 791	109 451	39 267	40 877	43 125
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	52	53	59	63	47	61	67	71	75
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	30 380	48 480	31 587	27 652	26 744	109 390	39 200	40 806	43 050
Payments for capital assets	2 029	13 207	77 642	122 359	112 359	59 819	107 771	66 405	70 057
Buildings and other fixed structures	-	2 000	-	-	-	-	-	-	-
Machinery and equipment	2 029	11 207	77 642	122 359	112 359	59 819	107 771	66 405	70 057
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 124 929	4 534 157	4 864 123	4 955 993	4 955 993	5 150 159	5 279 898	5 725 021	6 039 894

The Central Hospital Services sub-programme provides for highly specialised medical health tertiary and quaternary services on a national basis, and includes the IALCH. The growth in 2016/17 and 2017/18 related to pressures on imported medicines and medical supplies resulting from the deterioration of the Rand/ Dollar exchange rate. There was a PPP payment carry-over expenditure from 2016/17 to 2017/18 resulting in negative growth in the 2018/19 Main Appropriation. Also contributing is the inability to fill non-OSD posts due to insufficient carry-through funding in the outer years, and difficulties in attracting applications for OSD posts, such as oncologists, neurosurgeons, etc., at prioritised facilities. The projected over-spending in the Revised Estimate relates to carry-over costs from 2017/18 for the PPP at IALCH. The low growth in 2019/20 is due to anticipated hedging savings from the new PPP contract, and savings from the optimisation of medical supplies stock levels. Growth in the outer two years is inflationary only.

The sub-programme: Provincial Tertiary Hospital Services provides tertiary health services and creates a platform for the training of specialist health professionals. The high growth in 2016/17 was due to pressures on imported medicines and medical supplies resulting from the deterioration of the Rand/Dollar exchange rate. Also contributing was the accrual of some medical supply payments to 2016/17, as well as higher than budgeted medico-legal claims. The projected over-spending in the 2018/19 Revised Estimate is due to higher than expected medico-legal claims. The low growth in 2019/20 is attributed to a reduced allocation for medico-legal claims as the department is unable to continue to reprioritise sufficient funds to cover these costs at this stage because of competing service delivery needs. Growth in 2020/21 is high due to the planned filling of 15 specialist posts (oncologists, obstetricians, urologists, etc.). The growth in the outer year is inflationary only.

The increase in *Compensation of employees* in 2016/17 was due to critical specialist posts that were filled. The reduction in the 2018/19 Adjusted Appropriation is due to the previously mentioned inability to fill non-OSD posts because of insufficient carry-through funding in the outer years, and difficulties in attracting applications for OSD posts, such as oncologists, neurosurgeons, etc., at prioritised facilities. Growth in 2020/21 is sufficient to cater for the limited filling of vacant specialist posts, as mentioned, for which sufficient budget has been provided in 2020/21 only. The increase in 2021/22 is insufficient for existing posts and will be reviewed in the next budget process.

The increase in *Goods and services* in 2016/17 was to address pressures relating to imported medicines and medical supplies resulting from the deterioration of the Rand/Dollar exchange rate, as well as the effects of the NHLS fee-for-service payment method. The increase in 2017/18 is largely related to clearing of implants and prosthesis backlog payments as part of the Treasury/Health assistance plan, hence the reduction in 2018/19. The negative growth in 2019/20 and low growth in 2020/21 is due to anticipated savings from the new PPP contract, as well as savings from the optimisation of medical supplies stock levels. The growth in the outer year caters for an inflationary increase only.

Transfers and subsidies to: Departmental agencies and accounts relates to the payment of TV licences.

Transfers and subsidies to: Households relates to medico-legal claims, as well as staff exit costs. The high growth in 2016/17 was due to excessive costs of medico-legal litigation. The high projected over-spending in the 2018/19 Revised Estimate is due to higher than expected medico-legal claims. The funding for medico-legal claims in 2019/20 and 2020/21 is significantly less than the level of expected spending in 2018/19 as the department is unable to continue to reprioritise sufficient funds to cover these costs at this stage, because of competing service delivery needs.

The increase in 2017/18 against *Machinery and equipment* relates to the planned replacement of redundant essential non-medical equipment such as medical and patient trolleys, hospital beds, etc., as well as the clearing of the backlog due to the previously mentioned shortage of funds. As previously mentioned, the procurement of HTS related medical equipment was decentralised to facilities, which contributed to the high growth in 2017/18. The projected under-spending in the 2018/19 Revised Estimate relates to a delay in the procurement process for a linear accelerator (R50 million), which will only be delivered in 2019/20, hence the peak in that year and the subsequent decrease in 2020/21.

Service delivery measures: Central Hospital Services

Table 7.29 illustrates service delivery measures pertaining to Programme 5. Note that the department publishes additional non-sector measures for this programme in its annual APP.

Table 7.29 : Service delivery measures: Central Hospital Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. Tertiary Hospitals					
To provide tertiary health services and create a platform for the training of health workers	• Average length of stay	8.2 days	7.5 days	7.4 days	7.2 days
	• Inpatient bed utilisation rate	70%	71.7%	74.2%	76.9%
	• Expenditure per PDE	R3 975	R4 129	R4 150	R4 170
	• Complaints resolution within 25 working days rate	76.9%	95.5%	97.5%	99.6%

Table 7.29 : Service delivery measures: Central Hospital Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
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	• Average length of stay	8.8 days	8.4 days	8.3 days	8.2 days
	• Inpatient bed utilisation rate	66.2%	66.8%	67.9%	68.9%
	• Expenditure per PDE	R9 147	R8 980	R8 802	R8 628
	• Complaints resolution within 25 working days rate	94%	94.5%	94.6%	95.9%

8.6 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 under-graduate and post-graduate levels.

Tables 7.30 and 7.31 summarise information relating to Programme 6 for the period 2015/16 to 2021/22.

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		
	2015/16	2016/17	2017/18	2018/19	2018/19	2018/19	2019/20	2020/21	2021/22
1. Nursing Training Colleges	277 502	275 229	266 028	293 908	266 492	259 922	311 721	333 156	351 478
2. EMS Training Colleges	5 298	16 542	17 781	19 127	19 077	18 671	20 319	21 665	22 857
3. Bursaries	280 604	322 878	313 252	265 492	264 019	290 585	220 248	159 250	168 009
4. Primary Health Care Training	41 069	39 135	47 450	59 100	57 353	51 166	61 837	65 862	69 485
5. Training Other	454 321	547 290	601 539	626 723	635 495	622 092	667 760	732 816	981 092
Total	1 058 794	1 201 074	1 246 050	1 264 350	1 242 436	1 242 436	1 281 885	1 312 749	1 592 921

Table 7.31 : 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		
	2015/16	2016/17	2017/18	2018/19	2018/19	2018/19	2019/20	2020/21	2021/22
Current payments	773 468	887 101	933 698	994 094	972 692	943 323	1 056 577	1 148 152	1 419 270
Compensation of employees	721 247	821 215	871 124	918 016	900 049	888 500	976 837	1 064 266	1 330 774
Goods and services	52 219	65 883	62 571	76 078	72 643	54 823	79 740	83 886	88 496
Interest and rent on land	2	3	3	-	-	-	-	-	-
Transfers and subsidies to:	285 220	313 940	310 371	260 659	260 509	292 807	215 310	154 186	162 667
Provinces and municipalities	-	-	15	-	-	-	-	-	-
Departmental agencies and accounts	18 863	19 842	18 850	20 868	20 868	20 868	22 036	23 248	24 527
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	266 357	294 098	291 506	239 791	239 641	271 939	193 274	130 938	138 140
Payments for capital assets	99	33	1 981	9 597	9 235	6 306	9 998	10 411	10 984
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	99	33	1 981	9 597	9 235	6 306	9 998	10 411	10 984
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	7	-	-	-	-	-	-	-	-
Total	1 058 794	1 201 074	1 246 050	1 264 350	1 242 436	1 242 436	1 281 885	1 312 749	1 592 921

The sub-programme: Nursing Training Colleges provides for the training of 225 nurses at under-graduate and post-basic level at 11 campuses. The target group includes actual and potential employees. The negative growth in 2016/17 and 2017/18 was due to lower staff exit costs resulting from a review and

modernisation of the nurse training model. The decrease in the 2018/19 Adjusted Appropriation and Revised Estimate relates to savings from vacant posts reprioritised to the sub-programme: Training Other for higher medical intern costs, as well as to Programme 2 for higher than expected security service costs. This reprioritisation without carry-through accounts for the high growth in 2019/20. Growth over the remainder of the MTEF is inflationary only.

The EMS Training Colleges sub-programme provides for the training of rescue and ambulance personnel which takes place at McCord Hospital. The target groups include actual and potential employees. The marked increase from 2016/17 was due to the incorrect linking of EMS training staff against Programme 3, which was corrected in 2016/17. Historical figures could not be restated. Approximately 30 personnel are trained each year. The high growth in 2019/20 relates to anticipated higher vehicle repair costs and electricity and water costs. The growth over the remainder of the 2019/20 MTEF is inflationary only.

The sub-programme: Bursaries provides bursaries for health science training programmes supporting mainly medical doctors at under- and post-graduate levels, targeting actual and potential employees. The increase in 2016/17 was to address pressures from the carry-through costs of the increase in the Cuban Doctors' programme intake in 2015/16, as well as the increased cost of the programme due to the weakening Rand/Dollar exchange rate. As mentioned, no further students will be added to this programme in accordance with a NDOH instruction. The decrease in 2017/18 relates to lower costs for bursaries and travelling due to some students dropping out of the programme. An estimated 261 students are expected to return from Cuba in 2018/19. Based on the current pass rate, approximately 283, 93, 10 and 10 students will return from 2019/20 to 2022/23, to serve an 18-month internship. Apart from the students in Cuba, a further 696 students are funded *via* bursaries in South Africa. The MTEF trend is negative due to students completing their studies and returning to South Africa for 18-month internships, with funding reprioritised to *Compensation of employees* in the sub-programme: Training Other for this purpose.

The Primary Health Care Training sub-programme provides PHC related training for personnel, as required by the regions. The negative growth in 2016/17, as well as the reduction and under-spending in the 2018/19 Adjusted Appropriation and Revised Estimate relates to the reduced intake in the general nurse training programme due to budget cuts. The increase in 2019/20 is an attempt to restore various nurse training programmes, especially in specialised fields, such as advanced midwifery. Currently, a total of 185 students are trained annually. Growth over the remainder of the MTEF is inflationary only.

The sub-programme: Training Other includes skills development programmes for all of the department's occupational categories. The target group includes actual and potential employees and training includes disability management, health and safety training, among others. The increases in 2016/17 and 2017/18 are attributable to a once-off increased intake of medical interns, which is a two-year programme, hence the low growth in 2018/19. The significant growth in 2021/22 is due to the additional funding received for the costs related to the medical intern students returning from the Cuban Doctors' programme.

Compensation of employees increased in 2016/17 due to the above-mentioned increased intake of medical interns. The reduction in the 2018/19 Adjusted Appropriation and Revised Estimate is due to delays in finalising the business strategy for down-scaling nurses' training due to budget cuts, with posts unable to be filled until the issue is resolved, and guidance is being sought from NDOH in this regard. As previously mentioned, the department received additional funds to assist with costs related to medical intern students returning from Cuba, hence the significant growth in 2021/22.

The growth against *Goods and services* in 2016/17 relates to the negative effects of the weakening Rand/Dollar exchange rate on the travelling and subsistence costs of students in the Cuban Doctors' programme. The negative growth in 2017/18 was due to enforced savings to address pressures elsewhere in the budget. These enforced savings, which were on bursaries for employees, training and development of staff and related travel and subsistence, were deferred to the ensuing financial years, hence the high growth in the 2018/19 Main Appropriation. The reduction in the 2018/19 Adjusted Appropriation and Revised Estimate is attributable to the reduced intake in the general nurse training programme due to budget cuts. The increase in 2019/20 is an attempt to restore various specialised nurse training programmes, as mentioned. The growth over the remainder of the MTEF caters for the ongoing travelling costs of the Cuban Doctors' programme, as well as inflationary increments.

Transfers and subsidies to: Departmental agencies and accounts caters for the HWSETA levy, which is in line with the growth in *Compensation of employees* for the department as a whole.

Transfers and subsidies to: Households relates to intensive training programmes through bursaries to address the shortage of personnel in the health fields, including the Cuban Doctors' programme. The increase in 2016/17 was to address pressures from the carry-through costs of the increase in Cuban Doctors' programme intake in 2015/16, as well as the increased cost of the Cuban Doctors' programme due to the weakening Rand/Dollar exchange rate. The decrease in 2017/18 relates to lower costs for bursaries due to some students dropping out of the programme. The budget over the 2019/20 MTEF reduces in line with the anticipated return of qualified students from Cuba to undertake their 18-month internships. The final batch of returning students is expected to complete their internships in 2022/23.

Machinery and equipment provides for additional office and training equipment at the various training campuses. The procurement of replacement college vehicles was put on hold until 2017/18, hence the increase in that year. The increase in 2018/19 relates to the procurement of replacement training vehicles (buses and mini-buses). The under-spending in the Revised Estimate is due to delays in the procurement process, accounting for the increase in 2019/20. The 2019/20 MTEF allocations are inflation related.

Payments for financial assets relates to the write-off of losses.

Service delivery measures: Health Sciences and Training

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

Note that the department publishes additional non-sector measures for this programme in its annual APP.

Table 7.32 : Service delivery measures: Health Sciences and Training

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. 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	15	30	15	15
	No. of bursaries awarded for first-year nursing students	100	100	100	100

8.7 Programme 7: Health Care Support Services

The aim of this programme is to house a number of centralised services including the PPSD which manages the supply of pharmaceuticals and medical sundries to hospitals, community health centres, clinics and local authorities, *via* the Medicine Trading Account, the provision of laundry services to hospitals, care and rehabilitation centres and certain local authorities, as well as the provision of specialised orthotic and prosthetic services to hospitals and clinics.

Tables 7.33 and 7.34 summarise the payments and estimates relating to this programme.

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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Medicine Trading Account	-	-	-	73 477	59 477	59 477	77 587	81 854	86 356
2. Laundry Services	134 153	241 603	155 762	185 396	182 396	182 396	195 778	209 144	220 649
3. Orthotic and Prosthetic Services	31 942	27 165	42 440	54 767	61 767	61 767	58 994	63 292	66 771
Total	166 095	268 768	198 202	313 640	303 640	303 640	332 359	354 290	373 776

Table 7.34 : 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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	165 637	268 086	189 492	298 086	287 370	288 940	325 439	346 989	366 073
Compensation of employees	90 967	94 283	103 252	162 692	155 423	156 066	182 467	196 152	206 941
Goods and services	74 670	173 803	86 237	135 394	131 945	132 872	142 972	150 837	159 132
Interest and rent on land	-	-	3	-	2	2	-	-	-
Transfers and subsidies to:	244	636	1 261	737	598	492	778	821	866
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	244	636	1 261	737	598	492	778	821	866
Payments for capital assets	214	46	7 449	14 817	15 672	14 208	6 142	6 480	6 837
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	214	46	7 449	14 817	15 672	14 208	6 142	6 480	6 837
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	166 095	268 768	198 202	313 640	303 640	303 640	332 359	354 290	373 776

The Medicine Trading Account sub-programme renders pharmaceutical services to the department. It also manages the supply of pharmaceuticals and medical sundries to hospitals, Community Health Centres and local authorities *via* the Medicine Trading Account. The incorporation of PPSD into the departmental books in 2018/19 was delayed due to delays in the issuing of the approval letter from National Treasury, hence the reduction in the 2018/19 Adjusted Appropriation and high growth in 2019/20. The approval was received in the third quarter of 2018/19 and the incorporation process is currently underway. The growth over the remainder of the 2019/20 MTEF is for inflationary adjustments only.

The Laundry Services sub-programme provides laundry services to hospitals, care and rehabilitation centres. The high growth in 2016/17 was due to an additional once-off R80 million allocated for linen, accounting for the negative growth in 2017/18. The increase in the 2018/19 Main Appropriation was to provide for the once-off purchase of laundry trucks, as well as increased fuel costs at laundries. The reduction in the 2018/19 Adjusted Appropriation is as a result of delays in filling Laundry Services posts due to the lack of carry-through funding in the outer years of the MTEF. The high growth in 2019/20 provides for filling of posts for the new regional laundry at Prince Mshiyeni Memorial Hospital. The growth over the remainder of the 2019/20 MTEF is inflationary only.

The Orthotic and Prosthetic Services sub-programme provides specialised orthotic and prosthetic services. The negative growth in 2016/17 and the significant growth in 2017/18 relates to orthopaedic workshop disputes on tender prices and subsequent non-delivery of supplies in 2016/17, which resulted in minimal stock levels for artificial limbs and delays with the renewal of the tender for crutches. The high growth in 2018/19 and the subsequent decrease in 2019/20 relates to the once-off purchase of orthotic and prosthetic medical equipment to address backlogs, with inflationary growth thereafter. The increase in the 2018/19 Adjusted Appropriation is due to the absorption of newly qualified orthotic technicians (a departmental initiative to address capacity shortages in this area.)

Compensation of employees shows high growth from 2017/18 to 2018/19 due to the absorption of Orthotic and Prosthetic Services staff (technicians) from training. The reduction in the 2018/19 Adjusted Appropriation is as a result of delays in filling Laundry Services posts due to the lack of carry-through funding in the outer years of the MTEF. Provision is made in 2019/20 for the filling of 50 Laundry Services posts, the incorporation of PPSD into the departmental books, as well as the absorption of 22 Orthotic and Prosthetic Services staff (technicians) from training in 2019/20. The growth in the outer years is insufficient for the projected annual wage increases, and will be reviewed in the next budget process.

The significantly higher spending in *Goods and services* in 2016/17 was due to the once-off provision for the bulk purchase of linen for the commissioning of the KwaZulu Provincial Laundry, situated in the Prince Mshiyeni Memorial Hospital precinct, as well as the outsourcing of laundry services while awaiting the commissioning. This accounts for the negative growth in 2017/18, and inflationary growth thereafter.

Transfers and subsidies to: Households relates to staff exit costs.

Machinery and equipment in 2017/18 and 2018/19 relates to the purchase of orthotic and prosthetic medical equipment to address backlogs, as well as the replacement of laundry vehicles, hence the drop in 2019/20, with inflationary growth thereafter.

Service delivery measures: Health Care Support Services

Table 7.35 illustrates service delivery pertaining to Programme 7. Although there are no customised measures for this programme, the following measures are part of the set of non-sector measures published in the APP. Note that the department publishes additional measures for this programme in its annual APP.

Table 7.35 : Service delivery measures: Health Care Support Services

Table 7.55 : Service delivery measures: Health Care Support Services					
Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
1. Medicine Trading Account					
Render pharmaceutical services to the department. Manage the supply of pharmaceuticals and medical sundries to hospitals, Community Health Centres and local authorities	• Percentage of pharmacies that obtained A and B grading on inspection	96%	97%	97%	100%
	• No. of facilities implementing the CCMDD programme	725	725	725	725
	• No. of patients enrolled on CCMDD programme (cumulative)	1 750 000	1 750 000	2 000 000	2 250 000
2. Laundry services					
Render laundry services to hospitals, care and rehabilitation centres and certain local authorities	• Percentage of facilities reporting clean linen stock-outs	5.5%	0%	0%	0%

8.8 Programme 8: Health Facilities Management

Programme 8 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 are to provide new health facilities, and rehabilitate, upgrade and maintain existing facilities in all sub-programmes. 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 7.36 and 7.37 summarise payments and estimates relating to Programme 8.

The bulk of the budget pertains to the construction and maintenance of the department's infrastructure, with the sub-programmes aligned to the main service delivery programmes. The most significant funding is against the Provincial Hospital Services sub-programme, which houses the new PKISMH. The sub-programme: Other Facilities relates to projects in Programmes 1, 3, 6 and 7, with the major projects being the KZN Provincial Laundry, and the regional laundry at Dundee.

Table 7.36 : Summary of payments and estimates by sub-programme: Health Facilities Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
1. Community Health Facilities	184 965	142 856	110 349	153 121	130 863	152 173	220 782	233 341	246 175
2. District Hospital Services	207 502	165 189	176 525	246 538	240 586	260 542	315 136	474 095	500 169
3. Emergency Medical Services	-	-	-	-	750	625	10 000	20 000	21 100
4. Provincial Hospital Services	848 813	863 523	1 017 206	831 872	925 849	946 690	829 537	718 267	744 576
5. Central Hospital Services	29 896	22 601	8 991	87 628	164 922	91 949	86 199	54 565	101 931
6. Other Facilities	246 442	226 406	209 656	209 497	265 194	276 185	349 320	220 170	232 280
Total	1 517 618	1 420 575	1 522 727	1 528 656	1 728 164	1 728 164	1 810 974	1 720 438	1 846 231

Table 7.37 : Summary of payments and estimates by sub-programme: Health Facilities Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	375 853	419 726	425 744	496 246	429 140	515 576	589 351	605 704	596 707
Compensation of employees	33 986	43 022	59 992	58 496	66 352	66 352	91 659	86 397	91 149
Goods and services	341 867	376 704	365 752	437 750	362 788	449 224	497 692	519 307	505 558
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	20 000	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 121 765	1 000 849	1 096 983	1 032 410	1 299 024	1 212 588	1 221 623	1 114 734	1 249 524
Buildings and other fixed structures	1 052 053	908 917	1 069 333	963 192	1 262 399	1 187 420	786 945	1 077 735	1 218 024
Machinery and equipment	69 712	91 932	27 650	69 218	36 625	25 168	434 678	36 999	31 500
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 517 618	1 420 575	1 522 727	1 528 656	1 728 164	1 728 164	1 810 974	1 720 438	1 846 231

Buildings and other fixed structures is the main cost-driver in this programme and is largely linked to 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 was due to a decrease in the allocation for the Health Facility Revitalisation grant in that year. The allocation for the grant peaks in 2018/19 due to the incentive nature of this grant, as well as the additional funding received for storm damage repairs. The funding in 2019/20 and over the MTEF is also in line with various project requirements, including PKISMH in 2019/20 only, as well as the renovations to the nursery, psychiatric and physiotherapy areas and relocation of the psychology department at King Edward VIII Hospital, as well as the construction of out-patient, emergency, and pharmacy facilities at Hlabisa Hospital.

The increase in *Compensation of employees* from 2015/16 to 2017/18 relates to the department appointing additional staff as required by DORA, and in terms of the Health Facility Revitalisation grant framework, including engineers, architects and quantity surveyors. This trend continued over the period, with 18 posts filled to date including engineers, works inspectors and project managers. The programme was at full capacity in 2017/18. The negative growth in 2020/21 is due to the EPWP Integrated Grant for Provinces being funded in 2019/20 only, at this stage.

The day-to-day maintenance drive accounts for the trend against *Goods and services* over the entire period and is an effort to bring facilities up to standard for the roll-out of the NHI. The high spending in 2016/17 was due to higher than expected costs for building leases. The level of funding for maintenance grows strongly over the 2019/20 MTEF. Projects include day-to-day maintenance at all facilities such as urgent unplanned reactive maintenance, as well as servicing of plant, equipment, air-conditioning units and lifts. The outer year decreases in line with maintenance project requirements, as well as some reprioritisation to *Buildings and other fixed structures* for various projects at Hlabisa Hospital, as mentioned.

Transfers and subsidies to: Non-profit institutions comprises a transfer of R20 million in 2015/16 to the KZN Children's Hospital Trust in respect of the KZN Children's Hospital in the eThekweni Metro.

Machinery and equipment provides for essential medical equipment in all facilities. The low spending in 2015/16 was attributed to the HTS unit being behind on the planned equipment replacement programme due to lengthy SCM processes, hence the higher spending in 2016/17. The significant reduction in 2017/18 was based on the decision to decentralise the HTS related medical equipment budget to facilities, as mentioned. The reduction in the 2018/19 Adjusted Appropriation relates to savings resulting from the slow implementation of the department's procurement plan, reprioritised to *Buildings and other fixed structures* for pressures against the PKISMH and Townhill Hospital office block projects. The peak in 2019/20 is ascribed to the once-off procurement of medical equipment prior to the commissioning of the

PKISMH. The budget over the two outer years of the MTEF is based on anticipated new project requirements, including the cyclical replacement of generators and autoclaves.

Service delivery measures: Health Facilities Management

Table 7.38 illustrates service delivery pertaining to Programme 8. The measures comply fully with the customised measures of the Health sector. Note that the department publishes additional non-sector measures for this programme in its annual APP.

Table 7.38 : Service delivery measures: Health Facilities Management

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2018/19	2019/20	2020/21	2021/22
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 in NHI pilot district	148	151	151	151
	• No. of health facilities that have undergone major and minor refurbishment outside NHI pilot district	529	529	529	529

9. Other programme information

9.1 Personnel numbers and costs

Table 7.39 reflects personnel information. The staff occupying sub-vented (shared costs) posts and whose salaries are claimed from UKZN are not included in the information provided as they are not paid from the department's voted funds. As from 2017/18, approximately 131 personnel working at the PPSD, who were previously paid from the Medicine Trading Account, are now paid from voted funds, following the decision to incorporate the PPSD to be part of the departmental facilities.

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

Table 7.35 : Summary of departmental personnel numbers and costs by component																				
	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2018/19 - 2021/22			
	2015/16		2016/17		2017/18		2018/19				2019/20		2020/21		2021/22					
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Add. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. growth rate	Costs growth rate
R thousands																				
Salary level																				
1 – 6	44 154	7 986 039	42 275	8 752 299	40 954	9 370 758	38 536	684	39 220	10 095 776	39 725	11 024 051	39 725	12 034 191	39 725	12 775 656	0.4%	8.2%	38.0%	
7 – 10	22 091	8 930 342	21 641	9 667 747	21 667	10 157 738	21 542	30	21 572	10 945 275	21 897	11 937 804	21 897	13 048 961	21 897	13 852 950	0.5%	8.2%	41.2%	
11 – 12	5 133	4 057 507	5 178	4 173 809	5 027	4 276 411	5 373	12	5 385	4 640 924	5 387	5 032 070	5 387	5 507 627	5 387	5 846 969	0.0%	8.0%	17.4%	
13 – 16	81	86 811	88	94 415	83	88 690	89	1	90	97 477	187	105 887	187	115 473	187	122 587	27.6%	7.9%	0.4%	
Other	11 413	732 461	13 063	666 626	12 951	721 197	13 037	-	13 037	782 365	13 037	842 365	13 037	916 687	13 037	973 167	-	7.5%	2.9%	
Total	82 872	21 793 160	82 245	23 354 896	80 682	24 614 793	78 577	727	79 304	26 561 817	80 233	28 942 177	80 233	31 622 939	80 233	33 571 330	0.4%	8.1%	100.0%	
Programme																				
1. Administration	817	326 812	821	365 803	881	379 229	842	24	866	415 781	1 795	561 999	1 795	604 057	1 795	638 428	27.5%	15.4%	1.8%	
2. District Health Services	46 531	10 761 959	46 847	11 533 363	46 137	12 229 725	45 584	272	45 856	13 036 088	45 856	14 499 544	45 856	15 725 163	45 856	16 590 046	-	8.4%	49.4%	
3. Emergency Medical Services	3 049	822 311	2 972	866 530	2 938	950 621	2 867	-	2 867	977 511	2 867	1 157 276	2 867	1 248 808	2 867	1 317 492	-	10.5%	3.9%	
4. Provincial Hospital Services	21 788	6 704 543	20 420	7 138 270	19 707	7 405 857	19 072	-	19 072	8 193 043	19 072	8 436 011	19 072	9 192 379	19 072	9 697 969	-	5.8%	29.5%	
5. Central Hospital Services	5 845	2 331 335	6 205	2 492 410	6 110	2 614 993	6 006	1	6 007	2 828 476	6 007	3 036 384	6 007	3 505 717	6 007	3 698 531	-	9.4%	10.9%	
6. Health Sciences and Training	3 454	721 247	3 175	821 215	2 892	871 124	2 071	429	2 500	888 500	2 500	976 837	2 500	1 064 266	2 500	1 330 774	-	14.4%	3.6%	
7. Health Care Support Services	609	90 967	1 510	94 283	1 698	103 252	539	-	539	156 066	539	182 467	539	196 152	539	206 941	-	9.9%	0.6%	
8. Health Facilities Management	779	33 986	295	43 022	319	59 992	1 596	1	1 597	66 352	1 597	91 659	1 597	86 397	1 597	91 149	-	11.2%	0.3%	
Total	82 872	21 793 160	82 245	23 354 896	80 682	24 614 793	78 577	727	79 304	26 561 817	80 233	28 942 177	80 233	31 622 939	80 233	33 571 330	0.4%	8.1%	100.0%	
Employee dispensation classification																				
PSA appointees not covered by OSDs	21 676	4 597 960	23 890	4 556 760	23 010	4 719 828	20 143	599	20 742	5 093 166	21 082	5 549 595	21 082	6 063 624	21 082	6 437 223	0.5%	8.1%	19.2%	
PSA app. still to be covered by OSDs	1 739	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Prof. Nurses, Staff Nurses, etc	34 035	9 042 560	33 470	12 116 524	33 132	13 003 473	32 776	118	32 894	14 032 045	33 194	15 289 539	33 194	16 705 727	33 194	17 735 020	0.3%	8.1%	52.8%	
Legal Professionals	10	7 204	9	5 021	9	5 295	8	3	11	5 713	11	6 226	11	6 803	11	7 222	-	8.1%	0.0%	
Social Services Professions	276	105 965	271	115 635	267	121 604	263	-	263	131 222	263	142 981	263	156 225	263	165 851	-	8.1%	0.5%	
Engineering Professions and related	535	264 756	452	165 657	441	173 869	404	6	410	187 623	425	204 436	425	223 373	425	237 136	1.2%	8.1%	0.7%	
Medical and related professionals	8 388	4 570 985	8 399	4 732 854	8 242	5 011 446	9 381	1	9 382	5 407 850	9 593	5 892 479	9 593	6 438 268	9 593	6 834 950	0.7%	8.1%	20.4%	
Therapeutic, Diagnostic and Health Prof.	2 716	2 929 250	2 691	1 094 411	2 630	1 047 759	2 565	-	2 565	1 130 636	2 628	1 231 958	2 628	1 346 069	2 628	1 429 005	0.8%	8.1%	4.3%	
Others such as interns, EPWP, etc	13 497	274 480	13 063	568 034	12 951	531 519	13 037	-	13 037	573 562	13 037	624 963	13 037	682 850	13 037	724 923	-	8.1%	2.2%	
Total	82 872	21 793 160	82 245	23 354 896	80 682	24 614 793	78 577	727	79 304	26 561 817	80 233	28 942 177	80 233	31 622 939	80 233	33 571 330	0.4%	8.1%	100.0%	

Note that the staff numbers include the placing of student nurses and CCGs into the payroll. The cost for CCGs has not increased, as the affected staff were previously paid *via* transfers to NGOs. The cost of student nurses are lower as they now receive a stipend, instead of a full salary.

As mentioned, provision should have been made for an inflationary wage adjustment of 6.3 per cent in 2019/20, 6.5 per cent in 2020/21 and 6.5 per cent for 2021/22, as well as 1.5 per cent per year for pay progression. The department has largely complied with this, with growth of 9 per cent in 2019/20, 9.3 per

cent in 2020/21, but only 6.2 per cent in 2021/22. This relatively low growth is despite significant reprioritisation from *Goods and services* within the HIV, TB, Malaria and Community Outreach grant, as mentioned, as well as the addition of the new Human Resources Capacitation grant. The increase in 2021/22 is insufficient to cater for existing staff and will be reviewed in the next budget process.

It is noted that, with the support of the previously mentioned indirect grant from NDOH, a total of 929 critical staff are expected to be appointed, including 300 nurses, 320 general assistants and porters, 97 registrars, 112 medical interns and 50 pharmacy assistants, among others. These additional posts have been included under Programme 1 in Table 7.39 because, as mentioned, the department will receive support in this regard in the form of the Human Resources Capacitation grant. As it is unclear exactly which posts are to be supported from these two sources, the department has placed the funding for the Human Resources Capacitation grant under Programme 1, until it is determined which posts are to be filled and in which programmes. Note that the increase of 9 per cent in 2019/20 is insufficient for all 929 posts, despite this being augmented by the previously mentioned indirect grant, and the department will review this in-year.

9.2 Training

Table 7.40 reflects departmental expenditure on training. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expenses on staff training. As the percentage spent on training exceeds 4.5 per cent of the baseline, this requirement is fully achieved.

Table 7.40 : Information on training: Health

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Number of staff	82 872	82 245	80 682	79 304	79 304	79 304	80 233	80 233	80 233
Number of personnel trained	15 343	15 000	15 500	16 399	16 399	16 399	17 382	18 338	18 338
of which									
Male	4 925	5 000	5 730	6 062	6 062	6 062	6 425	6 778	6 778
Female	10 418	10 000	9 770	10 337	10 337	10 337	10 957	11 560	11 560
Number of training opportunities	10 016	10 442	10 508	11 024	11 024	11 024	11 684	12 326	12 326
of which									
Tertiary	1 200	1 587	1 600	1 600	1 600	1 600	1 696	1 789	1 789
Workshops	618	655	688	728	728	728	771	813	813
Seminars	198	200	220	233	233	233	246	260	260
Other	8 000	8 000	8 000	8 464	8 464	8 464	8 971	9 464	9 464
Number of bursaries offered	1 766	2 204	1 800	1 904	1 904	1 904	2 018	2 129	2 129
Number of interns appointed	150	200	250	265	265	265	280	295	295
Number of learnerships appointed	250	250	250	250	250	250	265	280	280
Number of days spent on training	-	-	-	-	-	-	-	-	-
Payments on training by programme									
1. Administration	-	-	-	-	-	-	-	-	-
2. District Health Services	-	-	-	-	-	-	-	-	-
3. Emergency Medical Services	-	-	-	-	-	-	-	-	-
4. Provincial Hospital Services	-	-	-	-	-	-	-	-	-
5. Central Hospital Services	-	-	-	-	-	-	-	-	-
6. Health Sciences and Training	1 058 794	1 201 074	1 246 050	1 264 350	1 242 436	1 242 436	1 281 885	1 312 749	1 592 921
7. Health Care Support Services	-	-	-	-	-	-	-	-	-
8. Health Facilities Management	-	-	-	-	-	-	-	-	-
Total	1 058 794	1 201 074	1 246 050	1 264 350	1 242 436	1 242 436	1 281 885	1 312 749	1 592 921

The costs reflected include the costs of staff and other running costs mainly within Programme 6, hence the total costs are significantly more than *Training and development* in Table 7B in *Annexure – Vote 7: Health*. The training provided is for medical interns, nurses, emergency medical rescue and ambulance personnel and skills development for all occupational categories. The department has several training programmes aimed at developing and retaining skills. These programmes include training of nurses at Nursing Colleges, the Cuban Doctors' programme, as well as registrar training programmes in respect of specialist medical 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		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	213 371	256 922	268 988	247 718	247 718	268 777	276 510	289 664	313 458
Sale of goods and services produced by department (excluding capital assets)	212 169	246 707	268 410	246 638	246 638	267 697	275 370	288 461	312 189
Sale by market establishments	13 727	14 848	15 179	21 183	21 183	21 183	22 419	24 652	26 008
Administrative fees	5 066	6 382	7 192	5 343	5 343	5 343	5 642	5 952	6 279
Other sales	193 376	225 477	246 039	220 112	220 112	241 171	247 309	257 857	279 902
<i>Of which</i>									
Health patient fees	119 100	148 724	126 343	133 797	133 797	133 797	154 202	157 408	165 122
Commission	20 771	21 589	22 166	20 800	20 800	20 800	21 200	22 366	23 596
Boarding services	51 271	53 927	54 183	54 200	54 200	54 200	55 100	58 131	61 328
Tender documents	341	272	310	360	360	360	362	382	403
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	1 202	10 215	578	1 080	1 080	1 080	1 141	1 203	1 269
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	54	36	70	65	65	52	68	72	76
Interest, dividends and rent on land	51	3 316	145	149	149	496	157	166	175
Interest	51	3 316	145	149	149	496	157	166	175
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	970	6 897	13 343	13 343	10 188	6 000	8 000	9 000
Land and sub-soil assets	-	970	6 897	13 343	13 343	10 188	6 000	8 000	9 000
Other capital assets	-	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	30 118	36 860	21 672	16 634	16 634	18 000	17 565	18 531	19 550
Total	243 594	298 104	297 772	277 909	277 909	297 513	300 301	316 433	342 259

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		
	2015/16	2016/17	2017/18	2018/19	2018/19	2018/19	2019/20	2020/21	2021/22
Current payments	31 899 939	34 739 862	36 961 386	39 695 959	39 652 711	39 994 896	42 316 279	45 685 396	48 836 621
Compensation of employees	21 793 160	23 354 896	24 614 793	26 178 626	26 666 629	26 561 817	28 942 177	31 622 939	33 571 330
Salaries and wages	19 014 828	20 415 442	21 522 698	22 798 387	23 349 410	23 266 753	25 293 900	27 631 837	29 355 817
Social contributions	2 778 332	2 939 454	3 092 095	3 380 239	3 317 219	3 295 064	3 648 277	3 991 102	4 215 513
Goods and services	10 105 233	11 382 844	12 343 292	13 516 936	12 981 940	13 428 030	13 373 683	14 062 015	15 264 825
Administrative fees	3 729	3 359	5 112	2 485	3 126	3 069	2 615	2 757	2 905
Advertising	27 239	23 114	21 746	47 099	21 500	21 717	50 732	53 524	56 466
Minor assets	39 593	41 398	44 875	48 614	45 539	49 527	51 293	54 111	57 088
Audit cost: External	88 639	16 276	24 979	22 260	22 260	21 792	23 507	24 800	26 164
Bursaries: Employees	2 498	1 891	1 224	2 585	3 311	3 018	2 714	2 850	3 007
Catering: Departmental activities	3 929	5 029	3 016	5 777	2 216	3 318	6 203	6 543	6 902
Communication (G&S)	98 598	116 893	103 890	113 301	109 668	106 652	119 185	125 732	132 648
Computer services	150 913	163 632	132 347	163 678	166 707	160 169	174 004	190 957	201 459
Cons. and prof. serv.: Bus. and advisory services	76 761	58 581	51 314	32 378	32 144	34 350	53 296	29 921	31 567
Infrastructure and planning	-	61	-	-	-	-	2 112	2 228	2 351
Laboratory services	1 356 455	1 618 865	2 043 680	2 067 884	1 972 793	2 157 880	2 190 991	2 146 185	2 364 224
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	17 805	34 843	84 776	37 509	49 934	66 673	40 422	42 646	44 992
Contractors	144 987	212 584	171 100	176 004	194 717	190 288	253 441	236 368	249 366
Agency and support / outsourced services	1 106 045	1 036 942	1 235 160	1 149 431	1 099 767	1 180 079	1 157 777	1 135 283	1 197 723
Entertainment	2	8	-	8	10	368	8	8	8
Fleet services (including govt. motor transport)	290 149	301 898	375 931	365 014	413 413	410 119	389 929	356 453	376 058
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	21 402	14 772	18 403	35 810	34 539	34 023	27 366	33 088	34 908
Inventory: Farming supplies	12	10	-	-	-	-	-	-	-
Inventory: Food and food supplies	118 788	121 049	113 944	128 232	130 709	127 330	140 010	147 710	155 834
Inventory: Fuel, oil and gas	117 920	140 417	74 265	85 520	87 736	90 696	89 797	94 641	99 846
Inventory: Learner and teacher support material	182	225	583	-	-	96	-	-	-
Inventory: Materials and supplies	19 167	18 078	20 221	17 876	16 340	15 752	18 777	19 806	20 894
Inventory: Medical supplies	1 479 150	1 541 848	1 649 212	1 670 800	1 780 321	1 841 178	1 767 346	1 866 770	1 969 441
Inventory: Medicine	2 895 380	3 554 428	3 662 838	4 563 348	3 920 196	3 970 671	3 796 689	4 315 829	4 924 923
Medicines inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 963	1 629	178 092	202 841	192 687	193 287	215 359	226 868	239 347
Consumable supplies	287 530	404 448	102 191	133 970	127 539	131 441	121 794	128 666	135 743
Consumable: Stationery, printing and office supplies	94 591	88 858	78 833	99 613	87 437	87 016	105 950	111 752	117 898
Operating leases	153 493	139 376	137 524	152 709	145 810	132 309	139 941	158 835	167 570
Property payments	1 293 152	1 518 449	1 817 720	1 980 143	2 115 431	2 202 842	2 206 749	2 301 044	2 385 288
Transport provided: Departmental activity	81 119	79 853	85 229	78 588	78 318	76 460	77 326	90 019	94 969
Travel and subsistence	79 975	83 199	73 547	78 415	78 387	72 603	90 306	95 483	100 735
Training and development	13 253	16 792	12 682	20 133	19 852	9 929	21 124	22 148	23 366
Operating payments	36 639	22 530	17 294	33 000	28 153	31 499	34 800	36 704	38 724
Venues and facilities	4 169	1 440	1 520	1 911	1 356	1 145	2 120	2 286	2 411
Rental and hiring	6	69	44	-	24	734	-	-	-
Interest and rent on land	1 546	2 122	3 301	397	4 142	5 049	419	442	466
Interest	1 546	2 122	3 301	397	4 142	5 049	419	442	466
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	843 093	1 035 657	1 248 707	982 961	976 399	1 181 269	750 139	701 843	740 445
Provinces and municipalities	133 330	159 755	225 674	219 734	219 236	218 719	232 091	244 887	258 324
Provinces	3 730	5 005	6 018	6 340	5 842	5 325	6 695	7 064	7 452
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	3 730	5 005	6 018	6 340	5 842	5 325	6 695	7 064	7 452
Municipalities	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872
Municipalities	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	19 009	20 131	19 280	21 067	21 067	21 140	22 246	23 469	24 759
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	19 009	20 131	19 280	21 067	21 067	21 140	22 246	23 469	24 759
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	10	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	10	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	10	-	-	-	-	-	-	-	-
Non-profit institutions	213 402	203 929	141 396	54 870	65 226	64 017	56 513	58 508	61 726
Households	477 342	651 842	862 357	687 290	670 870	877 393	439 289	375 009	395 636
Social benefits	124 175	108 603	113 905	119 752	102 240	99 872	126 497	133 455	140 796
Other transfers to households	353 167	543 239	748 452	567 538	568 630	777 521	312 792	241 554	254 840
Payments for capital assets	1 257 629	1 106 314	1 592 882	1 668 744	1 918 017	1 728 463	1 970 560	1 831 097	2 005 287
Buildings and other fixed structures	1 052 053	910 917	1 069 333	963 192	1 262 399	1 187 420	786 945	1 077 735	1 218 024
Buildings	1 047 225	908 917	1 069 333	963 192	1 260 468	1 185 048	786 945	1 077 735	1 218 024
Other fixed structures	4 828	2 000	-	-	1 931	2 372	-	-	-
Machinery and equipment	205 576	195 397	523 549	705 552	655 618	541 043	1 183 615	753 362	787 263
Transport equipment	77 809	50 411	129 900	215 508	164 316	135 538	238 711	221 873	234 077
Other machinery and equipment	127 767	144 986	393 649	490 044	491 302	405 505	944 904	531 489	553 186
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	110 063	144 564	108 346	-	45	45	-	-	-
Total	34 110 724	37 026 397	39 911 321	42 347 664	42 547 172	42 904 673	45 036 978	48 218 336	51 582 353
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 607)	(107 608)	-	-	-	-	-	-
Baseline available for spending after 1st charge	34 003 117	36 918 790	39 803 713	42 347 664	42 547 172	42 904 673	45 036 978	48 218 336	51 582 353

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19	2018/19	2018/19	2019/20	2020/21	2021/22
Current payments	722 304	683 440	695 727	764 167	755 086	756 422	904 590	946 790	1 000 010
Compensation of employees	326 812	365 803	379 229	419 446	411 819	415 781	561 999	604 057	638 428
Salaries and wages	284 612	317 645	332 365	365 177	361 019	365 690	491 884	529 304	558 321
Social contributions	42 200	48 158	46 864	54 269	50 800	50 091	70 115	74 753	80 107
Goods and services	395 388	316 817	316 347	344 721	343 245	340 504	342 591	342 733	361 582
Administrative fees	600	1 166	953	1 012	1 298	1 189	1 068	1 127	1 189
Advertising	2 308	2 848	2 337	2 333	3 558	4 339	2 464	2 599	2 742
Minor assets	(1 532)	2 657	137	2 130	1 764	1 550	2 250	2 374	2 505
Audit cost: External	88 639	16 276	24 979	22 260	22 260	21 792	23 507	24 800	26 164
Bursaries: Employees	60	37	1	-	-	-	-	-	-
Catering: Departmental activities	578	3 145	473	1 504	727	1 010	1 700	1 793	1 891
Communication (G&S)	10 963	11 462	11 300	12 954	10 641	11 300	13 679	14 432	15 225
Computer services	147 306	158 740	123 488	153 174	157 948	151 852	162 962	179 309	189 171
Cons. and prof. serv.: Bus. and advisory services	69 494	55 300	48 751	30 600	30 600	32 929	48 563	24 914	26 284
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	47	228	33	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 614	1 474	26 261	6 360	6 360	5 960	7 716	8 140	8 588
Contractors	710	77	10 794	48	40 299	40 299	51	54	57
Agency and support / outsourced services	6 436	1 490	1 434	40 346	217	217	1 679	1 771	1 868
Entertainment	2	8	-	8	10	10	8	8	8
Fleet services (including govt. motor transport)	5 757	6 058	8 539	7 282	6 927	7 024	8 689	9 112	9 614
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	(258)	(132)	55	106	103	94	112	118	124
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	55	15	65	28	28	30	30	32	34
Inventory: Fuel, oil and gas	(1 836)	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	12	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	681	52	(3)	53	31	18	56	59	62
Inventory: Medical supplies	722	751	710	-	-	(1)	-	-	-
Inventory: Medicine	(7)	183	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	280	-	110	71	-	-	-
Consumable supplies	(3 511)	(101)	(215)	12	9	12	13	14	15
Consumable: Stationery, printing and office supplies	7 912	4 953	1 996	3 544	1 754	1 803	3 910	4 126	4 353
Operating leases	5 095	5 113	4 628	5 952	5 067	5 067	6 285	6 631	6 996
Property payments	26 669	25 018	33 009	36 628	33 647	33 656	38 175	40 275	42 490
Transport provided: Departmental activity	-	-	-	-	-	87	-	-	-
Travel and subsistence	19 481	18 804	14 992	16 426	17 866	17 745	17 500	18 700	19 728
Training and development	68	-	-	-	10	11	-	-	-
Operating payments	4 092	188	170	449	665	1 040	474	500	528
Venues and facilities	3 230	971	1 173	1 512	1 322	752	1 700	1 845	1 946
Rental and hiring	1	36	7	-	24	648	-	-	-
Interest and rent on land	104	820	151	-	22	137	-	-	-
Interest	104	820	151	-	22	137	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	5 689	17 443	5 893	7 705	7 205	7 063	8 137	8 585	9 057
Provinces and municipalities	2 525	2 903	3 167	3 695	3 195	3 077	3 902	4 117	4 343
Provinces	2 525	2 903	3 167	3 695	3 195	3 077	3 902	4 117	4 343
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	2 525	2 903	3 167	3 695	3 195	3 077	3 902	4 117	4 343
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	-	-	-	-	-	-	-	-	-
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	3 164	14 540	2 726	4 009	4 009	3 985	4 234	4 467	4 713
Social benefits	2 464	2 737	2 673	4 009	4 009	2 579	4 234	4 467	4 713
Other transfers to households	700	11 803	53	-	-	1 406	-	-	-
Payments for capital assets	11 021	257	26 683	39 335	48 916	47 722	20 634	30 531	32 210
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 021	257	26 683	39 335	48 916	47 722	20 634	30 531	32 210
Transport equipment	3 408	-	2 745	7 522	845	845	4 720	4 980	5 254
Other machinery and equipment	7 613	257	23 938	31 813	48 071	46 877	15 914	25 551	26 956
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	107 608	144 534	108 352	-	-	-	-	-	-
Total	846 622	845 674	836 655	811 207	811 207	811 207	933 361	985 906	1 041 277
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 607)	(107 608)	-	-	-	-	-	-
Baseline available for spending after 1st charge	739 015	738 067	729 047	811 207	811 207	811 207	933 361	985 906	1 041 277

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		
	2015/16	2016/17	2017/18	2018/19	2018/19	2018/19	2019/20	2020/21	2021/22
Current payments	15 976 484	17 605 153	18 890 919	20 118 237	20 249 892	20 308 259	21 787 483	23 627 399	25 398 627
Compensation of employees	10 761 959	11 533 363	12 229 725	12 396 711	13 113 799	13 036 088	14 499 544	15 725 163	16 590 046
Salaries and wages	9 362 124	10 044 931	10 653 595	10 852 419	11 469 620	11 400 379	12 696 182	13 775 837	14 533 508
Social contributions	1 399 835	1 488 432	1 576 130	1 544 292	1 644 179	1 635 709	1 803 362	1 949 326	2 056 538
Goods and services	5 213 658	6 070 884	6 660 677	7 721 133	7 133 945	7 269 985	7 287 524	7 901 798	8 808 119
Administrative fees	818	1 475	1 309	679	1 056	1 199	714	753	793
Advertising	21 203	17 001	17 255	42 347	16 356	16 145	45 743	48 262	50 917
Minor assets	23 238	27 262	32 906	36 860	30 802	30 574	39 129	41 270	43 540
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	2 862	1 549	2 197	4 002	1 311	2 106	4 217	4 449	4 694
Communication (G&S)	53 800	68 421	56 899	59 633	59 482	57 562	63 588	67 035	70 723
Computer services	3 252	1 457	2 165	1 289	-	-	1 354	1 428	1 507
Cons. and prof. serv.: Bus. and advisory services	4 487	2 238	1 703	1 305	1 176	1 033	4 246	4 493	4 740
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	962 065	1 096 298	1 417 239	1 475 682	1 380 591	1 461 180	1 496 435	1 507 156	1 690 049
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	6 422	10 897	23 959	16 827	18 183	24 814	17 968	18 941	19 983
Contractors	27 023	37 626	78 648	88 181	58 001	55 311	106 803	112 646	118 841
Agency and support / outsourced services	102 631	117 870	159 529	178 826	178 870	161 748	187 798	198 128	209 024
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	92 123	92 461	106 154	116 575	123 502	111 156	122 910	129 642	136 772
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	7 183	7 283	10 346	11 257	11 372	12 039	11 970	12 622	13 315
Inventory: Farming supplies	12	10	-	-	-	-	-	-	-
Inventory: Food and food supplies	72 177	75 338	72 417	80 662	82 523	79 561	90 762	95 715	100 979
Inventory: Fuel, oil and gas	38 174	43 939	19 369	20 733	20 163	20 559	23 959	25 157	26 541
Inventory: Learner and teacher support material	-	3	-	-	-	-	-	-	-
Inventory: Materials and supplies	9 366	11 771	12 807	11 671	10 496	10 473	12 278	12 952	13 664
Inventory: Medical supplies	470 157	497 625	520 765	535 935	580 667	586 161	593 302	623 541	657 835
Inventory: Medicine	2 378 883	2 922 605	3 021 749	3 899 952	3 259 952	3 361 974	3 165 350	3 639 554	4 211 453
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	375	382	72 184	75 741	70 593	69 833	82 628	87 004	91 791
Consumable supplies	118 263	125 554	53 656	53 834	54 276	53 862	57 771	60 884	64 233
Consumable: Stationery, printing and office supplies	51 836	52 406	46 744	59 199	49 049	48 560	64 521	67 985	71 724
Operating leases	46 816	37 548	25 999	32 677	31 414	27 158	34 965	36 853	38 880
Property payments	673 101	785 501	875 402	881 781	1 064 533	1 045 313	1 013 830	1 057 564	1 115 729
Transport provided: Departmental activity	1 275	1 654	1 669	1 909	1 764	1 998	2 005	2 115	2 231
Travel and subsistence	29 110	24 113	22 241	24 346	21 850	23 268	33 293	35 259	37 199
Training and development	4 014	3 917	1 006	1 292	966	774	1 495	1 439	1 518
Operating payments	12 426	6 578	4 360	7 938	4 997	5 567	8 490	8 951	9 444
Venues and facilities	564	69	-	-	-	-	-	-	-
Rental and hiring	2	33	-	-	-	57	-	-	-
Interest and rent on land	867	906	517	393	2 148	2 186	415	438	462
Interest	867	906	517	393	2 148	2 186	415	438	462
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	380 997	474 768	618 250	455 387	443 912	499 343	392 529	407 666	430 089
Provinces and municipalities	129 600	154 750	219 658	213 394	213 394	213 395	225 396	237 793	250 872
Provinces	-	-	2	-	-	1	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	2	-	-	1	-	-	-
Municipalities	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872
Municipalities	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	48	107	151	45	29	84	47	49	51
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	48	107	151	45	29	84	47	49	51
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	165 147	171 372	113 929	49 701	48 762	47 553	51 034	52 865	55 773
Households	86 202	148 539	284 512	192 247	181 727	238 311	116 052	116 959	123 393
Social benefits	68 242	58 781	54 915	67 247	56 727	52 784	71 052	74 959	79 083
Other transfers to households	17 960	89 758	229 597	125 000	125 000	185 527	45 000	42 000	44 310
Payments for capital assets	55 183	67 960	223 128	252 090	225 650	201 413	256 927	260 955	275 309
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	55 183	67 960	223 128	252 090	225 650	201 413	256 927	260 955	275 309
Transport equipment	34 867	35 923	76 390	107 647	80 647	59 701	88 514	95 201	100 438
Other machinery and equipment	20 316	32 037	146 738	144 443	145 003	141 712	168 413	165 754	174 871
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	29	30	19	-	45	45	-	-	-
Total	16 412 693	18 147 911	19 732 316	20 825 714	20 919 499	21 009 060	22 436 939	24 296 020	26 104 025

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		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 133 984	1 189 528	1 325 342	1 329 375	1 399 397	1 402 065	1 529 356	1 599 152	1 687 103
Compensation of employees	822 311	866 530	950 621	962 392	983 239	977 511	1 157 276	1 248 808	1 317 492
Salaries and wages	696 517	738 046	812 984	807 719	835 788	830 976	973 340	1 050 472	1 108 248
Social contributions	125 794	128 484	137 637	154 673	147 451	146 535	183 936	198 336	209 244
Goods and services	311 638	322 937	374 715	366 983	416 092	424 488	372 080	350 344	369 611
Administrative fees	-	35	31	21	22	24	22	23	24
Advertising	12	43	13	24	18	9	25	26	27
Minor assets	356	630	1 076	1 118	2 172	8 648	1 181	1 246	1 315
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	8 734	9 395	9 262	11 468	10 081	9 036	12 111	12 777	13 479
Computer services	-	-	-	-	-	-	-	-	-
Cons. and prof. serv.: Bus. and advisory services	2	5	137	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	77	320	178	95	171	148	100	106	112
Contractors	2 515	1 305	2 041	1 088	1 356	1 372	1 148	1 211	1 277
Agency and support / outsourced services	542	472	485	165	496	719	174	184	194
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	168 660	179 855	236 383	213 015	254 790	266 438	229 243	186 992	197 277
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	7 714	248	1 060	16 748	14 981	12 908	7 350	11 974	12 633
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	2 219	9 033	282	-	(681)	(681)	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	53	187	75	248	248	254	262	276	291
Inventory: Medical supplies	11 709	11 097	8 721	11 708	14 199	13 199	12 364	13 044	13 761
Inventory: Medicine	148	563	626	350	370	336	370	390	411
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	1 229	1 800	1 824	1 897	1 900	2 005	2 115
Consumable supplies	1 922	4 373	226	334	307	195	376	396	418
Consumable: Stationery, printing and office supplies	2 092	2 206	1 912	3 163	2 932	2 382	3 340	3 524	3 718
Operating leases	1 615	1 624	1 085	1 622	1 530	1 297	1 712	1 806	1 905
Property payments	19 620	22 129	24 340	25 266	32 032	28 872	26 681	28 148	29 696
Transport provided: Departmental activity	79 756	77 341	83 114	76 123	76 126	74 035	70 946	83 288	87 869
Travel and subsistence	3 678	1 961	2 434	2 187	3 089	3 371	2 310	2 437	2 571
Training and development	8	-	-	-	29	29	-	-	-
Operating payments	206	115	5	440	-	-	465	491	518
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	35	61	6	-	66	66	-	-	-
Interest	35	61	6	-	66	66	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 465	3 779	4 699	5 311	5 289	4 453	5 609	5 918	6 243
Provinces and municipalities	1 205	2 001	2 834	2 645	2 645	2 245	2 793	2 947	3 109
Provinces	1 205	2 001	2 834	2 645	2 645	2 245	2 793	2 947	3 109
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 205	2 001	2 834	2 645	2 645	2 245	2 793	2 947	3 109
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	2	2	-	2	2	-	2	2	2
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	2	2	-	2	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	2 258	1 776	1 865	2 664	2 642	2 208	2 814	2 969	3 132
Social benefits	1 733	1 358	1 566	1 683	1 661	1 662	1 778	1 876	1 979
Other transfers to households	525	418	299	981	981	546	1 036	1 093	1 153
Payments for capital assets	36 957	15 956	47 536	81 000	70 000	68 168	96 193	101 484	107 065
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	36 957	15 956	47 536	81 000	70 000	68 168	96 193	101 484	107 065
Transport equipment	35 871	14 488	41 540	68 500	60 500	58 668	82 161	86 680	91 447
Other machinery and equipment	1 086	1 468	5 996	12 500	9 500	9 500	14 032	14 804	15 618
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 174 406	1 209 263	1 377 577	1 415 686	1 474 686	1 474 686	1 631 158	1 706 554	1 800 411

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	8 659 741	9 214 411	9 745 629	10 889 835	10 742 291	10 799 422	10 990 623	11 793 471	12 442 119
Compensation of employees	6 704 543	7 138 270	7 405 857	8 417 039	8 207 802	8 193 043	8 436 011	9 192 379	9 697 969
Salaries and wages	5 849 345	6 241 489	6 468 843	7 301 841	7 159 075	7 154 527	7 373 464	8 042 300	8 480 978
Social contributions	855 198	896 781	937 014	1 115 198	1 048 727	1 038 516	1 062 547	1 150 079	1 216 991
Goods and services	1 954 788	2 075 849	2 337 152	2 472 792	2 532 595	2 604 428	2 554 608	2 601 088	2 744 146
Administrative fees	1 928	137	2 019	129	117	105	135	143	151
Advertising	2 498	2 159	1 117	1 314	800	596	1 365	1 441	1 520
Minor assets	5 561	6 149	8 321	6 984	8 119	6 741	7 134	7 538	7 953
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	72	59	53	69	62	67	73	77	81
Communication (G&S)	18 526	19 554	18 370	20 281	20 148	19 882	20 390	21 561	22 748
Computer services	6	224	9	9	43	198	9	9	9
Cons. and prof. serv.: Bus. and advisory services	139	869	610	423	311	314	434	458	484
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	286 067	252 800	396 498	373 067	373 067	467 470	455 114	396 954	418 786
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	8 067	16 506	28 030	11 125	18 954	28 946	11 381	12 023	12 684
Contractors	20 878	40 386	52 160	46 965	58 929	51 513	77 728	67 266	70 965
Agency and support / outsourced services	132 298	147 108	164 704	179 903	174 099	176 199	188 899	199 290	210 251
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	15 941	15 921	16 715	18 513	17 999	16 408	18 933	20 002	21 101
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	3 744	4 262	3 899	4 652	5 002	5 831	4 735	5 005	5 281
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	39 008	38 715	34 747	40 401	41 206	40 747	41 720	44 053	46 476
Inventory: Fuel, oil and gas	43 763	47 760	19 796	23 075	23 065	23 691	22 040	23 372	24 657
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	3 676	4 371	4 488	5 031	4 653	4 369	5 262	5 552	5 857
Inventory: Medical supplies	488 945	521 251	561 062	602 183	630 804	635 695	609 299	644 118	679 544
Inventory: Medicine	397 931	415 286	420 414	442 484	439 312	383 726	395 208	417 295	440 246
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	54 181	62 736	60 383	58 655	62 775	66 396	70 048
Consumable supplies	77 753	81 729	28 574	32 464	31 278	30 903	32 875	34 749	36 660
Consumable: Stationery, printing and office supplies	26 786	23 444	21 743	24 248	25 357	26 212	24 289	25 688	27 101
Operating leases	10 224	9 588	8 719	10 818	10 759	10 858	10 706	11 330	11 952
Property payments	359 523	419 985	485 321	560 178	581 929	608 750	558 228	590 562	623 043
Transport provided: Departmental activity	74	857	446	556	428	340	583	615	648
Travel and subsistence	4 292	3 073	2 398	2 490	2 654	2 609	2 587	2 731	2 882
Training and development	-	8	-	-	-	-	-	-	-
Operating payments	7 085	3 648	2 758	2 694	3 117	3 574	2 706	2 860	3 018
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	3	-	-	-	-	29	-	-	-
Interest and rent on land	410	292	2 620	4	1 894	1 951	4	4	4
Interest	410	292	2 620	4	1 894	1 951	4	4	4
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	117 046	176 558	276 587	225 447	232 095	267 660	88 509	83 790	88 398
Provinces and municipalities	-	101	-	-	2	2	-	-	-
Provinces	-	101	-	-	2	2	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	101	-	-	2	2	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	44	127	220	88	120	126	93	98	103
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	44	127	220	88	120	126	93	98	103
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	10	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	10	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	10	-	-	-	-	-	-	-	-
Non-profit institutions	28 255	32 557	27 467	5 169	16 464	16 464	5 479	5 643	5 953
Households	88 737	143 773	248 900	220 190	215 509	251 068	82 937	78 049	82 342
Social benefits	36 488	31 259	37 492	31 190	26 509	29 291	32 937	34 749	36 660
Other transfers to households	52 249	112 514	211 408	189 000	189 000	221 777	50 000	43 300	45 682
Payments for capital assets	30 361	8 006	111 480	117 136	137 161	118 239	251 272	240 097	253 301
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	30 361	8 006	111 480	117 136	137 161	118 239	251 272	240 097	253 301
Transport equipment	2 929	-	5 570	20 304	9 661	6 661	21 273	22 443	23 677
Other machinery and equipment	27 432	8 006	105 910	96 832	127 500	111 578	229 999	217 654	229 624
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	2 419	-	(25)	-	-	-	-	-	-
Total	8 809 567	9 398 975	10 133 671	11 232 418	11 111 547	11 185 321	11 330 404	12 117 358	12 783 818

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		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	4 092 468	4 472 417	4 754 835	4 805 919	4 816 843	4 980 889	5 132 860	5 617 739	5 926 712
Compensation of employees	2 331 335	2 492 410	2 614 993	2 843 834	2 828 146	2 828 476	3 036 384	3 505 717	3 698 531
Salaries and wages	2 028 900	2 171 611	2 280 465	2 479 320	2 470 515	2 471 305	2 672 111	3 065 984	3 234 612
Social contributions	302 435	320 799	334 528	364 514	357 631	357 171	364 273	439 733	463 919
Goods and services	1 761 005	1 979 967	2 139 841	1 962 085	1 988 687	2 151 706	2 096 476	2 112 022	2 228 181
Administrative fees	9	22	17	28	13	9	29	30	31
Advertising	855	912	835	783	668	521	822	867	914
Minor assets	331	531	682	696	896	942	731	771	813
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	4	(112)	2	2	2	3	2	2	2
Communication (G&S)	5 526	6 413	6 122	7 299	7 178	6 818	7 664	8 085	8 530
Computer services	-	3 020	6 685	6 948	6 283	5 707	7 295	7 696	8 119
Cons. and prof. serv.: Bus. and advisory services	-	-	34	-	50	53	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	108 276	269 539	229 910	219 135	219 135	229 230	239 442	242 075	255 389
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 556	5 118	5 754	3 101	6 233	6 772	3 256	3 435	3 624
Contractors	11 038	23 516	21 421	39 239	35 630	40 362	67 201	54 653	57 659
Agency and support / outsourced services	864 116	769 991	908 961	745 027	745 765	840 969	773 778	730 161	770 320
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	940	786	811	792	829	696	832	878	926
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	2 042	2 216	1 947	1 595	1 489	1 672	1 674	1 766	1 864
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	7 548	6 981	6 715	7 141	6 952	6 992	7 498	7 910	8 345
Inventory: Fuel, oil and gas	32 803	35 481	20 047	23 512	21 492	23 376	24 688	26 046	27 478
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	279	174	159	122	417	921	128	135	142
Inventory: Medical supplies	484 465	505 182	547 780	508 440	543 580	593 997	539 129	572 070	603 534
Inventory: Medicine	118 397	215 791	220 034	220 562	220 562	224 635	235 761	258 590	272 813
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 420	1 247	19 804	23 149	20 346	21 419	24 306	25 643	27 054
Consumable supplies	26 594	25 668	9 839	10 219	10 095	10 080	10 730	11 363	11 988
Consumable: Stationery, printing and office supplies	3 707	3 775	3 709	4 375	4 429	4 444	4 594	4 847	5 113
Operating leases	959	956	1 275	1 441	1 516	1 542	1 513	1 596	1 683
Property payments	88 728	100 827	125 828	136 528	132 283	127 234	143 354	151 238	159 556
Transport provided: Departmental activity	14	1	-	-	-	-	-	-	-
Travel and subsistence	431	590	642	790	1 023	1 304	830	879	927
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	967	1 342	828	1 161	1 821	2 008	1 219	1 286	1 357
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	128	40	1	-	10	707	-	-	-
Interest	128	40	1	-	10	707	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	30 432	48 533	31 646	27 715	26 791	109 451	39 267	40 877	43 125
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	52	53	59	63	47	61	67	71	75
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	52	53	59	63	47	61	67	71	75
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	30 380	48 480	31 587	27 652	26 744	109 390	39 200	40 806	43 050
Social benefits	11 372	11 697	11 026	12 652	10 652	10 113	13 360	14 095	14 870
Other transfers to households	19 008	36 783	20 561	15 000	16 092	99 277	25 840	26 711	28 180
Payments for capital assets	2 029	13 207	77 642	122 359	112 359	59 819	107 771	66 405	70 057
Buildings and other fixed structures	-	2 000	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	2 000	-	-	-	-	-	-	-
Machinery and equipment	2 029	11 207	77 642	122 359	112 359	59 819	107 771	66 405	70 057
Transport equipment	598	-	-	1 029	1 029	1 029	1 087	1 147	1 210
Other machinery and equipment	1 431	11 207	77 642	121 330	111 330	58 790	106 684	65 258	68 847
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 124 929	4 534 157	4 864 123	4 955 993	4 955 993	5 150 159	5 279 898	5 725 021	6 039 894

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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	773 468	887 101	933 698	994 094	972 692	943 323	1 056 577	1 148 152	1 419 270
Compensation of employees	721 247	821 215	871 124	918 016	900 049	888 500	976 837	1 064 266	1 330 774
Salaries and wages	685 882	782 713	831 653	799 301	859 963	849 530	850 529	926 640	1 185 578
Social contributions	35 365	38 502	39 471	118 715	40 086	38 970	126 308	137 626	145 196
Goods and services	52 219	65 883	62 571	76 078	72 643	54 823	79 740	83 886	88 496
Administrative fees	371	516	775	610	614	539	641	675	711
Advertising	76	106	160	181	83	94	190	200	211
Minor assets	206	192	599	613	1 699	931	643	675	712
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	2 438	1 854	1 223	2 585	3 311	3 018	2 714	2 850	3 007
Catering: Departmental activities	413	388	291	200	114	132	211	222	234
Communication (G&S)	697	753	855	140	773	770	147	154	162
Computer services	138	191	-	-	175	175	-	-	-
Cons. and prof. serv.: Bus. and advisory services	53	12	18	50	7	7	53	56	59
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	69	-	58	1	33	33	1	1	1
Contractors	2	2	6	7	3	-	7	7	7
Agency and support / outsourced services	22	11	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	358	-	-	-
Fleet services (including govt. motor transport)	2 361	2 547	2 998	3 766	3 611	3 207	3 996	4 234	4 468
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	128	19	165	200	6	23	210	221	233
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	126	14	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	170	222	583	-	-	96	-	-	-
Inventory: Materials and supplies	34	17	253	350	158	146	369	388	409
Inventory: Medical supplies	139	75	10	25	13	21	27	29	31
Inventory: Medicine	-	-	15	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	319	345	344	361	363	381	401
Consumable supplies	1 376	1 352	693	162	794	791	169	178	188
Consumable: Stationery, printing and office supplies	2 049	1 824	2 500	3 724	2 834	2 683	3 874	4 084	4 308
Operating leases	1 402	1 337	1 107	1 247	1 240	1 102	1 310	1 376	1 452
Property payments	7 330	6 591	7 856	9 514	7 562	7 873	9 991	10 490	11 067
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	22 344	34 296	29 626	32 000	30 007	22 568	33 600	35 281	37 221
Training and development	9 151	12 866	11 676	18 841	18 843	9 111	19 629	20 709	21 848
Operating payments	749	298	438	1 118	385	391	1 175	1 234	1 301
Venues and facilities	375	400	347	399	34	393	420	441	465
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	2	3	3	-	-	-	-	-	-
Interest	2	3	3	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	285 220	313 940	310 371	260 659	260 509	292 807	215 310	154 186	162 667
Provinces and municipalities	-	-	15	-	-	-	-	-	-
Provinces	-	-	15	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	15	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	18 863	19 842	18 850	20 868	20 868	20 868	22 036	23 248	24 527
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	18 863	19 842	18 850	20 868	20 868	20 868	22 036	23 248	24 527
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	266 357	294 098	291 506	239 791	239 641	271 939	193 274	130 938	138 140
Social benefits	3 632	2 135	4 972	2 234	2 084	2 951	2 358	2 488	2 625
Other transfers to households	262 725	291 963	286 534	237 557	237 557	268 988	190 916	128 450	135 515
Payments for capital assets	99	33	1 981	9 597	9 235	6 306	9 998	10 411	10 984
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	99	33	1 981	9 597	9 235	6 306	9 998	10 411	10 984
Transport equipment	-	-	1 373	5 628	6 756	3 756	5 806	5 988	6 318
Other machinery and equipment	99	33	608	3 969	2 479	2 550	4 192	4 423	4 666
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	7	-	-	-	-	-	-	-	-
Total	1 058 794	1 201 074	1 246 050	1 264 350	1 242 436	1 242 436	1 281 885	1 312 749	1 592 921

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		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	165 637	268 086	189 492	298 086	287 370	288 940	325 439	346 989	366 073
Compensation of employees	90 967	94 283	103 252	162 692	155 423	156 066	182 467	196 152	206 941
Salaries and wages	74 205	77 184	84 963	136 234	129 769	130 685	151 583	162 926	171 887
Social contributions	16 762	17 099	18 289	26 458	25 654	25 381	30 884	33 226	35 054
Goods and services	74 670	173 803	86 237	135 394	131 945	132 872	142 972	150 837	159 132
Administrative fees	1	1	2	6	5	3	6	6	6
Advertising	59	45	29	117	17	13	123	129	135
Minor assets	117	13	112	213	87	113	225	237	250
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	299	895	1 082	1 526	1 365	1 284	1 606	1 688	1 781
Computer services	-	-	-	2 258	2 258	2 237	2 384	2 515	2 653
Cons. and prof. serv.: Bus. and advisory services	(4)	-	-	-	-	14	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	508	10	-	476	368	293	503	531	560
Agency and support / outsourced services	-	-	25	5 164	295	202	5 449	5 749	6 066
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	4 367	4 270	4 331	5 071	5 755	5 190	5 326	5 593	5 900
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	849	859	931	1 252	1 586	1 456	1 315	1 382	1 458
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	2 466	4 156	14 771	18 200	23 697	23 751	19 110	20 066	21 170
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	393	103	336	401	192	213	422	444	469
Inventory: Medical supplies	10 264	4 464	9 448	12 509	11 058	12 106	13 225	13 968	14 736
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	168	-	30 095	39 070	39 087	41 051	41 024	43 076	45 445
Consumable supplies	33 099	134 686	10	3 495	854	1 097	3 691	3 894	4 108
Consumable: Stationery, printing and office supplies	49	179	205	1 140	972	876	1 202	1 266	1 336
Operating leases	125	101	128	531	518	519	560	590	623
Property payments	11 006	13 601	15 919	24 589	26 552	23 482	26 344	28 125	29 671
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	78	60	82	176	107	88	186	196	207
Training and development	-	-	-	-	4	4	-	-	-
Operating payments	10 826	10 360	8 731	19 200	17 168	18 880	20 271	21 382	22 558
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	3	-	2	2	-	-	-
Interest	-	-	3	-	2	2	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	244	636	1 261	737	598	492	778	821	866
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	-	-	-	-	-	-	-	-	-
Households	244	636	1 261	737	598	492	778	821	866
Social benefits	244	636	1 261	737	598	492	778	821	866
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	214	46	7 449	14 817	15 672	14 208	6 142	6 480	6 837
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	214	46	7 449	14 817	15 672	14 208	6 142	6 480	6 837
Transport equipment	136	-	2 282	4 878	4 878	4 878	5 150	5 434	5 733
Other machinery and equipment	78	46	5 167	9 939	10 794	9 330	992	1 046	1 104
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	166 095	268 768	198 202	313 640	303 640	303 640	332 359	354 290	373 776

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		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	375 853	419 726	425 744	496 246	429 140	515 576	589 351	605 704	596 707
Compensation of employees	33 986	43 022	59 992	58 496	66 352	66 352	91 659	86 397	91 149
Salaries and wages	33 243	41 823	57 830	56 376	63 661	63 661	84 807	78 374	82 685
Social contributions	743	1 199	2 162	2 120	2 691	2 691	6 852	8 023	8 464
Goods and services	341 867	376 704	365 752	437 750	362 788	449 224	497 692	519 307	505 558
Administrative fees	2	7	6	-	1	1	-	-	-
Advertising	228	-	-	-	-	-	-	-	-
Minor assets	11 316	3 964	1 042	-	-	28	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	53	-	-	-	-	-	-	-	-
Computer services	211	-	-	-	-	-	-	-	-
Cons. and prof. serv.: Bus. and advisory services	2 590	157	61	-	-	-	-	-	-
Infrastructure and planning	-	61	-	-	-	-	2 112	2 228	2 351
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	528	536	-	-	-	-	-	-
Contractors	82 313	109 662	6 030	-	131	1 138	-	-	-
Agency and support / outsourced services	-	-	22	-	25	25	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	17	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	205	34	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	4 685	1 403	2 106	-	145	(642)	-	-	-
Inventory: Medical supplies	12 749	1 403	716	-	-	-	-	-	-
Inventory: Medicine	28	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	2 363	2 363	2 493
Consumable supplies	32 034	31 187	9 408	33 450	29 926	34 501	16 169	17 188	18 133
Consumable: Stationery, printing and office supplies	160	71	24	220	110	56	220	232	245
Operating leases	87 257	83 109	94 583	98 421	93 766	84 766	82 890	98 653	104 079
Property payments	107 175	144 797	250 045	305 659	236 893	327 662	390 146	394 642	374 036
Transport provided: Departmental activity	-	-	-	-	-	-	3 792	4 001	4 221
Travel and subsistence	561	302	1 132	-	1 791	1 650	-	-	-
Training and development	12	1	-	-	-	-	-	-	-
Operating payments	288	1	4	-	-	39	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	37	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	20 000	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 121 765	1 000 849	1 096 983	1 032 410	1 299 024	1 212 588	1 221 623	1 114 734	1 249 524
Buildings and other fixed structures	1 052 053	908 917	1 069 333	963 192	1 262 399	1 187 420	786 945	1 077 735	1 218 024
Buildings	1 047 225	908 917	1 069 333	963 192	1 260 468	1 185 048	786 945	1 077 735	1 218 024
Other fixed structures	4 828	-	-	-	1 931	2 372	-	-	-
Machinery and equipment	69 712	91 932	27 650	69 218	36 625	25 168	434 678	36 999	31 500
Transport equipment	-	-	-	-	-	-	30 000	-	-
Other machinery and equipment	69 712	91 932	27 650	69 218	36 625	25 168	404 678	36 999	31 500
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 517 618	1 420 575	1 522 727	1 528 656	1 728 164	1 728 164	1 810 974	1 720 438	1 846 231

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2015/16	2016/17	2017/18	Appropriation	Appropriation	Estimate	2019/20	2020/21	2021/22
Current payments	5 888 705	6 398 715	6 882 898	7 973 992	7 900 014	7 938 966	8 276 176	9 024 118	9 995 524
Compensation of employees	3 202 757	3 483 965	3 199 017	2 886 897	3 591 698	3 591 393	4 059 262	4 278 936	4 515 333
Salaries and wages	2 827 631	3 083 069	2 792 078	2 554 539	3 159 805	3 159 805	3 554 705	3 740 214	3 946 632
Social contributions	375 126	400 896	406 939	332 358	431 893	431 588	504 557	538 722	568 701
Goods and services	2 685 948	2 914 750	3 683 881	5 087 095	4 308 316	4 347 573	4 216 914	4 745 182	5 480 191
Administrative fees	486	853	686	120	490	629	127	134	141
Advertising	18 055	14 256	15 507	40 030	15 030	15 030	43 272	45 655	48 164
Minor assets	10 534	668	1 079	3 985	140	140	4 208	4 439	4 683
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	2 342	1 081	105	2 630	400	1 393	2 776	2 929	3 090
Communication (G&S)	335	12 217	329	425	320	320	513	538	568
Computer services	-	4 473	-	-	-	-	-	-	-
Cons. & prof. serv.: Bus. and advisory services	3 108	394	1	1 350	1 350	1 350	2 865	3 037	3 204
Infrastructure and planning	-	-	-	2 000	-	-	2 112	2 112	2 218
Laboratory services	550 400	512 378	792 171	1 201 000	1 105 909	1 105 909	1 191 156	1 256 464	1 427 209
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	409	536	-	-	-	-	-	-
Contractors	80 900	129 235	52 178	63 227	50 266	50 266	106 380	109 899	115 670
Agency and support/ outsourced services	5 469	4 875	4 301	5 243	4 153	4 153	5 537	5 842	6 163
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	36	171	219	110	395	268	116	122	129
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	31	159	-	-	-	490	490	515
Inventory: Farming supplies	-	2	-	-	-	-	-	-	-
Inventory: Food and food supplies	1 641	1 582	-	-	-	-	1 500	1 500	1 575
Inventory: Fuel, oil and gas	4 287	4 239	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1 362	1 702	-	-	60	47	-	-	-
Inventory: Medical supplies	354 554	331 203	565 521	606 121	647 275	645 248	682 729	717 680	757 074
Inventory: Medicine	1 410 417	1 693 990	2 111 741	2 816 590	2 234 250	2 234 250	1 996 133	2 409 458	2 915 462
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	33 935	4 275	-	8 070	5 847	5 847	5 050	5 050	5 303
Consumable supplies	4 570	36 531	10 813	7 213	7 984	7 984	7 357	7 708	8 123
Consumable: Stationery, printing and office supplies	926	858	530	10 441	424	559	12 146	12 782	13 484
Operating leases	93 115	694	242	469	245	240	495	522	551
Property payments	91 585	142 709	116 162	300 105	225 650	265 479	127 111	132 602	139 232
Transport provided: Departmental activity	-	-	-	-	-	235	-	-	-
Travel and subsistence	11 011	9 767	9 495	11 042	5 950	6 182	17 527	18 527	19 543
Training and development	2 745	3 780	910	1 191	900	739	1 258	1 327	1 400
Operating payments	3 795	2 304	1 196	5 733	1 278	1 248	6 056	6 365	6 691
Venues and facilities	340	53	-	-	-	-	-	-	-
Rental and hiring	-	20	-	-	-	57	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	83 438	62 591	136 385	137 511	135 119	134 355	142 875	150 556	158 820
Provinces and municipalities	60 000	40 000	116 846	115 000	115 000	115 000	121 492	128 174	135 224
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	60 000	40 000	116 846	115 000	115 000	115 000	121 492	128 174	135 224
Municipalities	60 000	40 000	116 846	115 000	115 000	115 000	121 492	128 174	135 224
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
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	13 790	11 454	10 034	11 821	10 881	10 633	12 017	12 678	13 375
Households	9 648	11 137	9 505	10 690	9 238	8 722	9 366	9 704	10 221
Social benefits	9 648	11 137	9 505	10 690	9 238	8 722	9 366	9 704	10 221
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	929 606	862 042	1 068 444	992 102	1 267 980	1 179 792	1 242 209	1 101 999	1 191 555
Buildings and other fixed structures	908 861	801 938	977 075	831 245	1 113 955	1 090 452	779 962	1 008 311	1 093 143
Buildings	908 861	801 938	977 075	831 245	1 113 955	1 090 452	779 962	1 008 311	1 093 143
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	20 745	60 104	91 369	160 857	154 025	89 340	462 247	93 688	98 412
Transport equipment	4 038	31 200	6 229	-	-	-	-	-	-
Other machinery and equipment	16 707	28 904	85 140	160 857	154 025	89 340	462 247	93 688	98 412
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	6 901 749	7 323 348	8 087 727	9 103 605	9 303 113	9 253 113	9 661 260	10 276 673	11 345 899

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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	299 898	312 377	331 944	349 500	349 500	349 500	370 863	391 260	412 779
Compensation of employees	299 843	311 870	331 444	349 000	349 000	349 000	370 333	390 730	412 249
Salaries and wages	285 287	294 875	288 292	303 629	303 629	303 629	322 189	339 934	357 795
Social contributions	14 556	16 995	43 152	45 371	45 371	45 371	48 144	50 796	54 454
Goods and services	55	507	500	500	500	500	530	530	530
Advertising	-	-	25	30	30	30	32	32	32
Travel and subsistence	55	48	50	50	50	50	53	53	53
Operating payments	-	459	425	420	420	420	445	445	445
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	1 697	1 697	1 697	-	-	-
Machinery and equipment	-	-	-	1 697	1 697	1 697	-	-	-
Other machinery and equipment	-	-	-	1 697	1 697	1 697	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	299 898	312 377	331 944	351 197	351 197	351 197	370 863	391 260	412 779

Table 7.M : Payments and estimates by economic classification: Health Facility Revitalisation grant (Prog. 8: Health Facilities Management)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	307 476	296 947	146 947	330 543	258 209	298 209	168 857	174 342	183 059
Compensation of employees	9 752	14 163	26 197	25 000	32 856	32 856	36 000	36 000	37 800
Salaries and wages	9 016	12 967	23 871	23 250	30 165	30 165	34 111	33 960	35 658
Social contributions	736	1 196	2 326	1 750	2 691	2 691	1 889	2 040	2 142
Goods and services	297 724	282 784	120 750	305 543	225 353	265 353	132 857	138 342	145 259
Administrative fees	-	1	1	-	-	-	-	-	-
Advertising	175	-	-	-	-	-	-	-	-
Minor assets	8 163	39	1 042	-	-	-	-	-	-
Communication (G&S)	-	81	-	-	-	-	-	-	-
Cons. & prof. serv.: Bus. and advisory services	994	143	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	2 000	-	-	2 112	2 112	2 218
Legal services	-	409	536	-	-	-	-	-	-
Contractors	73 680	109 037	850	-	-	-	-	-	-
Fleet services (including govt. motor transport)	-	48	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	147	-	-	-	-	-	-
Inventory: Materials and supplies	1 322	884	-	-	-	-	-	-	-
Inventory: Medical supplies	4 165	38	717	-	-	-	-	-	-
Inventory: Other supplies	29 492	-	-	2 223	-	-	2 363	2 363	2 481
Consumable supplies	-	30 310	273	1 100	-	-	1 162	1 162	1 220
Consumable: Stationery, printing and office supplies	143	-	24	220	220	220	220	220	231
Operating leases	87 256	-	-	-	-	-	-	-	-
Property payments	91 493	141 559	116 064	300 000	225 133	265 133	127 000	132 485	139 109
Travel and subsistence	541	235	1 093	-	-	-	-	-	-
Training and development	12	-	-	-	-	-	-	-	-
Operating payments	288	-	3	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	924 521	825 046	1 004 617	871 937	1 143 779	1 103 779	1 184 640	1 038 311	1 124 643
Buildings and other fixed structures	908 861	801 938	977 075	831 245	1 113 955	1 090 452	779 962	1 008 311	1 093 143
Buildings	908 861	801 938	977 075	831 245	1 113 955	1 090 452	779 962	1 008 311	1 093 143
Machinery and equipment	15 660	23 108	27 542	40 692	29 824	13 327	404 678	30 000	31 500
Other machinery and equipment	15 660	23 108	27 542	40 692	29 824	13 327	404 678	30 000	31 500
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 231 997	1 121 993	1 151 564	1 202 480	1 401 988	1 401 988	1 353 497	1 212 653	1 307 702

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	13 000	13 000	47 058	24 182	24 182	24 182	20 998	-	-
Compensation of employees	13 000	13 000	45 758	24 135	24 135	24 135	20 998	-	-
Salaries and wages	13 000	12 984	45 758	20 997	20 997	20 997	18 268	-	-
Social contributions	-	16	-	3 138	3 138	3 138	2 730	-	-
Goods and services	-	-	1 300	47	47	47	-	-	-
Inventory: Medical supplies	-	-	1 300	-	-	-	-	-	-
Travel and subsistence	-	-	-	47	47	47	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	13 000	13 000	47 058	24 182	24 182	24 182	20 998	-	-

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

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	1 525 249	1 588 894	1 634 466	1 686 906	1 688 906	1 688 906	1 841 562	1 963 081	2 071 346
Compensation of employees	1 208 111	1 271 137	835 146	883 535	868 535	868 535	926 845	1 004 367	1 059 640
Salaries and wages	1 064 268	1 128 977	726 577	768 675	753 675	753 675	805 482	872 926	921 627
Social contributions	143 843	142 160	108 569	114 860	114 860	114 860	121 363	131 441	138 013
Goods and services	317 138	317 757	799 320	803 371	820 371	820 371	914 717	958 714	1 011 706
Administrative fees	61	4	-	-	-	-	-	-	-
Minor assets	-	227	-	-	-	-	-	-	-
Laboratory services	-	22 031	161 740	171 000	171 000	171 000	168 520	177 583	188 990
Contractors	7 220	8 778	8 500	12 000	24 300	24 300	53 964	54 600	57 330
Agency and support/ outsourced services	1 922	1 860	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	31	-	-	-	-	490	490	515
Inventory: Food and food supplies	1 638	1 582	-	-	-	-	1 500	1 500	1 575
Inventory: Fuel, oil and gas	4 287	4 239	-	-	-	-	-	-	-
Inventory: Medical supplies	254 318	226 427	448 754	433 435	444 323	444 323	496 875	521 264	549 855
Inventory: Medicine	42 841	46 365	176 000	186 071	179 731	179 731	190 048	199 910	209 906
Inventory: Other supplies	4 443	4 275	-	-	-	-	2 687	2 687	2 821
Consumable supplies	-	-	4 116	815	824	824	600	643	675
Consumable: Stationery, printing and office supplies	-	92	-	-	-	-	-	-	-
Operating leases	376	435	-	-	-	-	-	-	-
Property payments	-	1 150	-	-	-	-	-	-	-
Travel and subsistence	32	76	210	50	50	50	33	37	39
Operating payments	-	185	-	-	143	143	-	-	-
Transfers and subsidies	4 974	5 540	4 800	4 873	2 873	2 873	3 223	3 223	3 384
Households	4 974	5 540	4 800	4 873	2 873	2 873	3 223	3 223	3 384
Social benefits	4 974	5 540	4 800	4 873	2 873	2 873	3 223	3 223	3 384
Payments for capital assets	-	1 852	57 000	102 870	102 870	52 870	50 364	55 820	58 611
Machinery and equipment	-	1 852	57 000	102 870	102 870	52 870	50 364	55 820	58 611
Other machinery and equipment	-	1 852	57 000	102 870	102 870	52 870	50 364	55 820	58 611
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 530 223	1 596 286	1 696 266	1 794 649	1 794 649	1 744 649	1 895 149	2 022 124	2 133 341

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

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	3 682	7 122	8 400	8 896	8 896	8 896	10 313	-	-
Compensation of employees	3 682	7 122	8 400	8 896	8 896	8 896	10 313	-	-
Salaries and wages	3 681	7 121	8 400	8 896	8 896	8 896	10 313	-	-
Social contributions	1	1	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 682	7 122	8 400	8 896	8 896	8 896	10 313	-	-

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

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	7 145	21 258	-	-	-	-	-	-	-
Compensation of employees	1 531	1 594	-	-	-	-	-	-	-
Salaries and wages	1 475	1 534	-	-	-	-	-	-	-
Social contributions	56	60	-	-	-	-	-	-	-
Goods and services	5 614	19 664	-	-	-	-	-	-	-
Administrative fees	3	8	-	-	-	-	-	-	-
Advertising	-	4	-	-	-	-	-	-	-
Minor assets	2 171	384	-	-	-	-	-	-	-
Catering: Departmental activities	-	187	-	-	-	-	-	-	-
Communication (G&S)	-	11 818	-	-	-	-	-	-	-
Computer services	-	4 473	-	-	-	-	-	-	-
Cons. & prof. serv.: Bus. and advisory services	2 107	251	-	-	-	-	-	-	-
Contractors	-	4	-	-	-	-	-	-	-
Inventory: Materials and supplies	40	799	-	-	-	-	-	-	-
Inventory: Medical supplies	-	182	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	72	196	-	-	-	-	-	-	-
Operating leases	-	44	-	-	-	-	-	-	-
Travel and subsistence	95	186	-	-	-	-	-	-	-
Training and development	903	1 055	-	-	-	-	-	-	-
Operating payments	223	-	-	-	-	-	-	-	-
Venues and facilities	-	53	-	-	-	-	-	-	-
Rental and hiring	-	20	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	2 349	3 787	-	-	-	-	-	-	-
Machinery and equipment	2 349	3 787	-	-	-	-	-	-	-
Transport equipment	1 303	-	-	-	-	-	-	-	-
Other machinery and equipment	1 046	3 787	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	9 494	25 045	-	-	-	-	-	-	-

Table 7.R : 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		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	-	-	-	41 378	41 378	41 378	47 290	49 625	52 354
Compensation of employees	-	-	-	2 313	2 313	2 313	2 700	2 612	2 755
Salaries and wages	-	-	-	2 313	2 313	2 313	2 700	2 612	2 755
Goods and services	-	-	-	39 065	39 065	39 065	44 590	47 013	49 599
Advertising	-	-	-	-	-	-	1 000	1 060	1 118
Communication (G&S)	-	-	-	-	-	-	64	64	68
Cons. & prof. serv.: Bus. and advisory services	-	-	-	1 350	1 350	1 350	2 865	3 037	3 204
Inventory: Medical supplies	-	-	-	-	-	-	720	1 100	1 161
Inventory: Medicine	-	-	-	30 519	30 519	30 519	31 112	32 420	34 203
Inventory: Other supplies	-	-	-	5 847	5 847	5 847	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	1 469	1 530	1 614
Travel and subsistence	-	-	-	1 349	1 349	1 349	7 360	7 802	8 231
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	3 598	3 598	3 598	205	483	510
Machinery and equipment	-	-	-	3 598	3 598	3 598	205	483	510
Other machinery and equipment	-	-	-	3 598	3 598	3 598	205	483	510
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	44 976	44 976	44 976	47 495	50 108	52 864

Table 7.S : Payments and estimates by economic classification: HIV, TB, Malaria and Community Outreach grant (Prog. 2: District Health Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	3 732 255	4 159 117	4 714 083	5 532 587	5 528 943	5 527 895	5 693 977	6 315 422	7 137 252
Compensation of employees	1 666 838	1 865 079	1 952 072	1 594 018	2 305 963	2 305 658	2 569 757	2 714 839	2 864 155
Salaries and wages	1 450 904	1 624 611	1 699 180	1 426 779	2 040 130	2 040 130	2 255 227	2 377 344	2 508 098
Social contributions	215 934	240 468	252 892	167 239	265 833	265 528	314 530	337 495	356 057
Goods and services	2 065 417	2 294 038	2 762 011	3 938 569	3 222 980	3 222 237	3 124 220	3 600 583	4 273 097
Administrative fees	422	840	685	120	490	629	127	134	141
Advertising	17 880	14 252	15 482	40 000	15 000	15 000	42 240	44 563	47 014
Minor assets	200	18	37	3 985	140	140	4 208	4 439	4 683
Catering: Departmental activities	2 342	894	105	2 630	400	1 393	2 776	2 929	3 090
Communication (G&S)	335	318	329	425	320	320	449	474	500
Cons. & prof. serv.: Bus. and advisory services	7	-	1	-	-	-	-	-	-
Laboratory services	550 400	490 347	630 431	1 030 000	934 909	934 909	1 022 636	1 078 881	1 238 219
Contractors	-	11 416	42 828	51 227	25 966	25 966	52 416	55 299	58 340
Agency and support / outsourced services	3 547	3 015	4 301	5 243	4 153	4 153	5 537	5 842	6 163
Fleet services (including govt. motor transport)	36	123	219	110	395	268	116	122	129
Inventory: Clothing material and accessories	-	-	12	-	-	-	-	-	-
Inventory: Farming supplies	-	2	-	-	-	-	-	-	-
Inventory: Food and food supplies	3	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	19	-	-	60	47	-	-	-
Inventory: Medical supplies	96 071	104 556	114 750	172 686	202 952	200 925	185 134	195 316	206 058
Inventory: Medicine	1 367 576	1 647 625	1 935 741	2 600 000	2 024 000	2 024 000	1 774 973	2 177 128	2 671 353
Consumable supplies	4 570	6 221	6 424	5 298	7 160	7 160	5 595	5 903	6 228
Consumable: Stationery, printing and office supplies	711	570	506	10 221	204	339	10 457	11 032	11 639
Operating leases	5 483	215	242	469	245	240	495	522	551
Property payments	92	-	98	105	517	346	111	117	123
Transport provided: Departmental activity	-	-	-	-	-	235	-	-	-
Travel and subsistence	10 288	9 222	8 142	9 546	4 454	4 686	10 081	10 635	11 220
Training and development	1 830	2 725	910	1 191	900	739	1 258	1 327	1 400
Operating payments	3 284	1 660	768	5 313	715	685	5 611	5 920	6 246
Venues and facilities	340	-	-	-	-	-	-	-	-
Transfers and subsidies	78 464	57 051	131 585	132 638	132 246	131 482	139 652	147 333	155 436
Municipalities	60 000	40 000	116 846	115 000	115 000	115 000	121 492	128 174	135 224
Municipalities	60 000	40 000	116 846	115 000	115 000	115 000	121 492	128 174	135 224
Non-profit institutions	13 790	11 454	10 034	11 821	10 881	10 633	12 017	12 678	13 375
Households	4 674	5 597	4 705	5 817	6 365	5 849	6 143	6 481	6 837
Social benefits	4 674	5 597	4 705	5 817	6 365	5 849	6 143	6 481	6 837
Payments for capital assets	2 736	31 357	6 827	12 000	16 036	17 848	7 000	7 385	7 791
Machinery and equipment	2 736	31 357	6 827	12 000	16 036	17 848	7 000	7 385	7 791
Transport equipment	2 735	31 200	6 229	-	-	-	-	-	-
Other machinery and equipment	1	157	598	12 000	16 036	17 848	7 000	7 385	7 791
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 813 455	4 247 525	4 852 495	5 677 225	5 677 225	5 677 225	5 840 629	6 470 140	7 300 479

Table 7.T : Payments and estimates by economic classification: Human Resources Capacitation Grant (Prog 1: Administration)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2019/20	2020/21	2021/22
Current payments	-	-	-	-	-	-	122 316	130 388	138 734
Compensation of employees	-	-	-	-	-	-	122 316	130 388	138 734
Salaries and wages	-	-	-	-	-	-	106 415	113 438	120 699
Social contributions	-	-	-	-	-	-	15 901	16 950	18 035
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	122 316	130 388	138 734

Table 7.U : Summary of transfers to local government (Municipal clinics)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19			2020/21	2019/20	2021/22
A KZN2000 eThekweni	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
B KZN212 uMdoni	-	-	-	-	-	-	-	-	-
B KZN213 uMzombe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 iMpendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	-	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	-	-	-	-	-	-	-	-	-
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
B KZN241 eNdumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nquthu	-	-	-	-	-	-	-	-	-
B KZN244 uMsinga	-	-	-	-	-	-	-	-	-
B KZN245 uMvoti	-	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
B KZN252 Newcastle	-	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 AbaQulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
B KZN271 uMhlabyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
B KZN281 uMfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 uBuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 uMzimkhulu	-	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	129 600	154 750	219 656	213 394	213 394	213 394	225 396	237 793	250 872