

# VOTE 7

## Health

Operational budget	R48 055 703 205
MEC remuneration	R 1 977 795
Total amount to be appropriated	R48 057 681 000
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.*

#### Provincial Strategy

The new framework for SPs and APPs has shifted from a goal-focused approach to an impact-focused approach. As such, the implementation of the new framework resulted in the phasing out of strategic objectives and the introduction of outcomes. Thus, the impact and outcomes of the department are as follows:

- Impact: Increased life expectancy.
- Outcome: Universal health coverage.
- Outcome: Improved client experience of care.
- Outcome: Reduced morbidity and mortality.

#### 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 (PHC) 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 1 270 053 people who are members of medical aid schemes and 10 079 786 (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 are as follows:

##### *Primary health care services*

PHC services are rendered at community/household level by community outreach teams and mobile clinics and in fixed clinics and community health centres (CHC). 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 PHC clinics. Specialised hospitals render specialised hospital services for patients with tuberculosis (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, 1996
- Public Service Act, 1994, as amended
- Public Finance Management Act, 1999, as amended and Treasury Regulations
- National Health Act, 2003 (Act No. 61 of 2003)
- Medicines and Related Substances Act, 1965 (Act No. 101 of 1965)
- Hazardous Substances Act, 1973 (Act No. 15 of 1973)
- Occupational Diseases in Mines and Works Act, 1973 (Act No. 78 of 1973)
- Pharmacy Act, 1974 (Act No. 53 of 1974)
- Health Professions Act, 1974 (Act No. 56 of 1974)
- Dental Technicians Act, 1979 (Act No.19 of 1979)
- Allied Health Professions Act, 1982 (Act No. 63 of 1982)
- SA Medical Research Council Act, 1991 (Act No. 58 of 1991)
- Academic Health Centres Act, 86 of 1993
- Choice on Termination of Pregnancy Act, 1996 (Act No. 92 of 1996) -
- Sterilisation Act, 1998 (Act No. 44 of 1998)
- Medical Schemes Act, 1998 (Act No.131 of 1998)
- Council for Medical Schemes Levy Act, 2000 (Act 58 of 2000)
- Tobacco Products Control Amendment Act, 1999 (Act No 12 of 1999)
- Mental Health Care 2002 (Act No. 17 of 2002)
- National Health Laboratory Service Act, 2000 (Act No. 37 of 2000)
- Nursing Act, 2005 (Act No. 33 of 2005)
- Traditional Health Practitioners Act, 2007 (Act No. 22 of 2007)
- Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No. 54 of 1972)
- KwaZulu-Natal Health Act, 2009 (Act No. 1 of 2009) and Regulations

## 2. Review of the 2019/20 financial year

Section 2 provides a review of 2019/20 outlining the main achievements and progress made by the department, as well as providing a brief discussion on the challenges and new developments.

### *Programme 1: Administration*

- The percentage of facilities with broadband access decreased from 66.7 per cent in 2018/19 to 65 per cent in 2019/20 in hospitals but increased from 36.5 per cent in 2018/19 to 66 per cent in 2019/20 in PHC facilities. The decline at hospitals was due to 10 CHCs that had erroneously counted as hospitals.

### *Programme 2: District Health Services*

- Re-engineering of PHC – The ideal clinic status rate decreased from 75.6 per cent in 2018/19 to 70.4 per cent against a target in 2019/20 of 80 per cent. Some PHC facilities regressed in performance due to poor development and monitoring of improvement plans. This was countered through the capacitation of PHC operational managers on the development, implementation and monitoring of Ideal Clinic improvement plans.
- Reduce HIV and AIDS incidence and improve TB outcomes:
  - Challenges in monitoring TB performance include the fact that the TB client treatment success rate data is not available. This is due to an information system transition from the Electronic TB Register (ETR) to the Web-based Health Information System (WBHIS). Transition challenges were first reported from the first quarter of 2019/20. The transition process has been completed and from the third quarter of 2019/20, all TB data can now be generated for all health facilities.
  - Comparing 2018/19 to 2019/20, the total number of clients remaining on anti-retroviral (ARV) therapy increased from 1 387 688 to 1 446 949 by mid-year.
  - According to mid-year data, 2 220 919 HIV tests were conducted against a target of 3 074 435 by March 2020 and the department anticipates meeting the annual target by year-end.
  - 83 942 Medical Male Circumcisions (MMC) were performed by mid-year against a target of 148 209 by March 2020 and the department anticipates not meeting the annual target by year-end.
- Reduce maternal, neonatal and child morbidity and mortality and improve women's health, as follows:
  - Mother to child transmission rate improved from 0.62 to 0.5 per cent, already surpassing the March 2020 target of 0.6 per cent.
  - Diarrhoea case fatality under 5-years rate improved from 2.2 per cent in 2018/19 to 1.8 per cent, thus surpassing the March 2020 target of 2 per cent.
  - The pneumonia case fatality under 5-years rate reduced from 2.3 per cent in 2018/19 to 2.1 per cent, surpassing the March 2020 target of 2.4 per cent.
- The malaria case fatality rate remained at 0.5 per cent as at mid-year of 2019/20, better than the target of 0.54 per cent. Increased health promotion efforts raised awareness on malaria prevention and control within communities. Implementation of key surveillance and Indoor Residual Spraying (IRS) strategies are expected to bring about improved performance in the prevention of deaths due to malaria.
- The mid-year preliminary data shows that 9 613 cataract surgeries were conducted against a target of 9 700 by March 2020 and the department anticipates exceeding the annual target by year-end.
- The mental disorders screening rate increased from 41 to 42.5 per cent. Screening, brief intervention and referral to treatment (SBIRT) training was done for clinicians resulting in the over-achievement of the March 2020 target.

### *Programme 3: Emergency Medical Services (EMS)*

- The average number of daily operational ambulances increased from 171 in 2018/19 to 200 in 2019/20. A further 88 ambulances were purchased and are currently undergoing the process of customisation for operations and security tracking, and will be in service before March 2020.
- The EMS turnaround strategy, which seeks to address staffing and equipment capacity constraints, within budget, was developed by the EMS component and was submitted to the Head of Department in

2019/20 for approval. The structure of EMS will be determined by the National Department of Health (NDOH) once approved by the National Health Council Technical Committee, which is a statutory committee in terms of the National Health Act (2003), under the leadership of the national Minister of Health.

***Programme 4: Provincial Hospital Services (regionalised and specialised)***

- The bed utilisation rate of 77 per cent achieved at mid-year exceeds the annual target of 75 per cent and is an improvement on the 73.3 percent achieved in 2018/19. There is, however, still a sizeable portion of district level care patients seen at regional level.
- The Dr. Pixley ka Isaka Seme Memorial Hospital (PKISMH) is a 74 000 square metre, 500-bed, regional hospital, which is almost complete, with progress to date at 98 per cent. The revised completion date is 1 June 2020 due to delays caused by contractual disputes relating to extension of time. These delays have also affected the determination of actual commissioning, which had initially been anticipated to be by the end of 2019. The total estimated project cost is R2.900 billion.

***Programme 5: Central Hospital Services***

- The bed utilisation rate decreased from 65.8 per cent in 2018/19 to 65.3 per cent and is short of the target of 75 per cent to be achieved by March 2020. Critical staff shortages are impacting on theatre utilisation and ICU/high care beds and, as a result, in many instances, emergency cases are prioritised. The department finalised the minimum staff establishment which identifies critical gaps and minimum staffing needs that will inform reprioritisation and equitable distribution of human resources. However, implementation has been a challenge as the department has insufficient funding at this stage to implement the finalised plan.

***Programme 6: Health Sciences and Training***

- Historically, the KZN College of Nursing (KZNCN) received accreditation from the SA Nursing Council (SANC). However, the Nursing Act (2005) requires nursing colleges to be accredited through SAQA/higher education processes. Accreditation of the KZNCN as an institution of higher education is hoped to be achieved by March 2020. The college has received provisional accreditation from the Council for Higher Education (CHE) for the Diploma in Nursing programme. Requested corrections to the diploma curriculum were made and submitted, and the college has since achieved full accreditation by SANC in December 2019. The curriculum for the B degree was submitted to the SANC and CHE. The first round of curriculum corrections was attended to. The process of developing 12 post-graduate diploma programmes is ongoing. The curriculum for the advanced Diploma in Midwifery is still being refined, and will be submitted to SANC shortly. The accreditation process is ongoing and will be completed after a CHE and SANC site visit, which has not yet been announced by these regulatory bodies. It is hoped that it will be by the end of 2020/21.

***Programme 7: Health Care Support Services***

- The incidence of clean linen stock-outs improved. In 2018/19, 8.3 per cent of facilities reported clean linen stock-outs and this dropped to 2.2 per cent in 2019/20. The shortages in laundry staff, inadequate infrastructure capacity and long downtime due to machine repairs, as well as the unavailability of uncontracted linen items, such as patient clothing (pyjamas and nightgowns) and budgetary constraints, impacted on meeting the target of zero clean linen stock-outs in facilities by March 2020. The filling of critical laundry posts is in progress. The development of service level agreements for laundry machine repairs, servicing and maintenance to reduce downtime is being prioritised to improve performance.
- Pharmaceutical services management improved through the reduced incidence of medicine stock-out rates from 10.1 to 6 per cent in the Provincial Pharmaceutical Supply Depot (PPSD) and at all health facilities. The March 2020 target of 5 per cent will be pursued through improvements on data quality and reliability, as well as interactions with suppliers to address supply solutions.
- The number of clients using the Central Chronic Medicine Dispensing and Distribution (CCMDD) model decreased from 1 034 621 to 1 013 476 because districts/facilities could not provide cumulative data. The target at year-end is 2 250 000. The change in the service provider in 2018/19 due to the expiry of a contract in this regard made it difficult to track this data as the information is extracted from the service provider's system, and the system belonged to the service provider.

**Programme 8: Health Facilities Management**

- 2 139 jobs were created by mid-year through the Expanded Public Works Programme (EPWP) in terms of maintenance of gardens and grounds, and the department anticipates meeting the annual target of 2 400 by year-end.
- To date (December 2019), seven upgrade and addition projects were completed including the Inanda CHC additions to the administration block and new out-patients department at Vryheid Hospital, among others. Implementation is on track to meet the March 2020 target of 26 projects completed.

**3. Outlook for the 2020/21 financial year**

Section 3 looks at the key focus areas of 2020/21, 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, CHCs and district hospitals. In 2020/21, the department will focus on the following priorities to further improve service delivery and health outcomes:

**Programme 1: Administration**

- Monitor access to health services by mapping the percentage of the population within a 5km radius of a health service as part of the Action Work Group (AWG) 10 deliverables.
- Increase access to professional nurses from 151 to 164 per 100 000 population.
- Increase the access to medical officers from 28.5 to 30 per 100 000 population.
- Strengthen and re-capacitate the Internal Control section at head office by the appointment of 16 staff to perform this function.
- Implement an electronic patient records system in 12 hospitals.

**Programme 2: District Health Services**

Note that most of the targets in this programme are in comparison to 2018/19 achievements:

- Reduce the HIV incidence from 0.61 per cent to 0.52 per cent.
- Reduce the infant Polymerase Chain Reaction (PCR) test positive rate around 10 weeks from 0.62 per cent to 0.5 per cent in 2020/21.
- Increase the number of clients on ARV treatment from 1 387 688 to 1 701 694 in 2020/21.
- Maintain the viral load suppression rate at 90 per cent. Baseline performance was 89.8 per cent for a 12-month cohort.
- Reduce TB incidence from 507.3 per 100 000 to 400 per 100 000.
- Reduce the TB drug-susceptible (DS) client death rate from 7.4 per cent to 4 per cent in 2024/25.
- Reduce diabetes incidence from 3/1 000 to 2.2/1 000.
- Reduce hypertension incidence from 29.5/1 000 to 18.8/1 000.
- Reduce maternal mortality in facility ratio from 88.4 per 100 000 to 85/1 000.
- Reduce infant mortality rate from 30.9 to 29 per 1 000 live births.
- Reduce under 5 mortality rate from 41.9 to 40/1 000.
- Increase ideal clinic status rate from 75.6 per cent to 100 per cent.

**Programme 3: Emergency Medical Services (EMS)**

- Increase the average number of daily operational ambulances to 210 by 31 March 2021 from a baseline of 200 in 2018/19.
- Increase the number of bases with access to intranet/e-mail from 40 in 2018/19 to 60 in 2020/21.

**Programme 4: Provincial Hospital Services (regionalised and specialised)**

- Achieve a bed utilisation rate of 76.8 per cent by 31 March 2021 from a baseline of 73.3 per cent in 2018/19.

**Programme 5: Central Hospital Services**

- Achieve a bed utilisation rate of 67.9 per cent by March 2021 from a baseline of 65.8 per cent in 2018/19.

**Programme 6: Health Sciences and Training**

- Award 21 bursaries to first year medical students.
- Award 100 bursaries to first year nursing students.
- The accreditation process for the B degree, 12 post-graduate diploma programmes and the advanced Diploma in Midwifery is ongoing and will be completed after a CHE and SANC site visit, which has not yet been announced by these regulatory bodies. It is hoped that it will be by the end of 2020/21. Once accredited, the department will begin restoring various specialised nurse training programmes.

**Programme 7: Health Care Support Services**

- Improve the management of laundry services by decreasing the incidence of clean linen stock-outs to zero in facilities by March 2021.
- Improve pharmaceutical services management by decreasing the incidence of medicine stock-out rates to less than 5 per cent from 19.9 per cent in quarter three of 2019/20 in the PPSD and at all health facilities by March 2021.
- Improve food management services by revising catering and procurement tenders, in order to utilise the Radical Agrarian Socio-economic Transformation (RASET) programme to acquire food for catering at all hospitals.

**Programme 8: Health Facilities Management**

- Create 3 500 jobs maintaining grounds and gardens through EPWP by March 2021.
- Complete 35 upgrade and addition projects by March 2021 including the 192 bed surgical ward block at Ngwelezane Hospital, installation of monkey barriers at RK Khan Hospital, as well as replacement of perimeter fencing at Wentworth Hospital and 26 clinics in the Zululand District, among others.

## **4. Reprioritisation**

The department undertook comprehensive reprioritisation in the preparation of the 2020/21 MTEF budget, with the main movements being the following:

Conditional grants:

- Within the HIV, TB, Malaria, Community Outreach and Human Papillomavirus (HPV) Vaccine grant (previously the HIV, TB, Malaria and Community Outreach grant), funds of R163.639 million were moved, with carry-through, from *Compensation of employees* to *Goods and services* within Programme 2, to cater for under-budgeted ARV medicine, as well as inflationary growth for support for eThekweni Metro municipal clinics. This movement is a correction of the baseline following a major movement from *Compensation of employees* to *Goods and services* in the 2018/19 MTEF process, which was corrected in the 2019/20 MTEF but required further alignment to the grant business plan.

Equitable share:

- R897 million with carry-through was reprioritised over the MTEF from various programmes and sub-programmes to fund the commissioning of PKISMH in 2020/21 under the General (Regional) Hospitals sub-programme in Programme 4. This amount is the projected annual cost for the hospital, and is likely to be over-budgeted in 2020/21 as the hospital is only planned for commissioning in September 2020. The funding was moved from Programmes 1 (R18 million), 2 (R304 million), 3 (R28 million), 5 (R276 million) and 7 (R10 million). The balance was moved within Programme 4. The movements mainly impact on *Compensation of employees* and *Goods and services*.

- R712.405 million was moved to *Goods and services*, mainly in Programmes 2, 4 and 5, with carry-through, to cater for higher security and cleaning contract costs as a result of delays in the renewal of the contracts, as well as higher electricity, sewerage and water costs. Some funds were also moved to *Compensation of employees* in Programme 6 for medical intern costs. These are moved as follows:
  - R584.287 million with carry-through was moved, largely within Programmes 2, 4 and 5, from *Compensation of employees*. This movement will limit the department's ability to fill critical vacant posts.
  - A once-off amount of R128.118 million was moved in 2020/21 from *Payments for capital assets* against Programmes 2, 4, 6 and 7. The procurement of motor vehicles will be put on hold in 2020/21, to resume procurement in 2021/22. Note that some of this movement went to *Compensation of employees* in Programme 6 for higher medical intern costs.
- The department is investigating the rationalisation of services in hospitals across the province, particularly where there is a trend of low bed-occupancy rates and low demand for services. Once this investigation is complete, the department will reprioritise funding in-year to areas of pressure that have been created by the budget cuts.

## 5. Procurement

The department made provision in its procurement plan for a number of major purchases, including:

- Medicines, National Health Laboratory Services (NHLS), medical supplies and property payments.
- An ongoing item of procurement is for capital infrastructure (including medical equipment, particularly for PKISMH) with the continuation of major building projects being funded, such as the construction of out-patient, emergency, and pharmacy facilities at Hlabisa Hospital, the renovation of staff accommodation, the construction of additional parking and recreational areas (tennis courts, etc.) at King Dinuzulu Hospital, as well as a new psychiatric unit, new forensic wards and upgrade of staff accommodation at uMzimkhulu Hospital.
- The department will procure *Machinery and equipment* in the form of replacement vehicles, which includes provision for ambulances, as well as medical equipment, such as 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 2016/17 to 2022/23.

**Table 7.1 : Summary of receipts and financing**

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23
Equitable share	29 275 163	31 462 955	33 154 853	35 375 718	35 375 718	35 375 718	37 656 546	39 472 370	41 401 407
Conditional grants	7 306 804	8 085 518	9 303 113	9 661 260	9 770 858	9 770 858	10 401 135	11 419 706	11 992 711
<i>HIV, TB, Malaria, Comm. Outreach &amp; HPV Vaccine grant</i>	4 244 243	4 852 495	5 677 225	5 840 629	5 840 629	5 840 629	6 453 923	7 344 739	7 733 217
<i>Health Facility Revitalisation grant</i>	1 114 693	1 149 355	1 401 988	1 353 497	1 353 497	1 353 497	1 271 414	1 307 702	1 382 723
<i>Health Professions Training and Development grant</i>	312 377	331 944	351 197	370 863	370 863	370 863	-	-	-
<i>National Tertiary Services grant</i>	1 596 286	1 696 266	1 794 649	1 895 149	1 895 149	1 895 149	2 015 775	2 094 811	2 179 450
<i>National Health Insurance grant</i>	19 083	-	-	-	55 376	55 376	55 290	57 444	59 559
<i>Human Papillomavirus Vaccine grant</i>	-	-	44 976	47 495	32 303	32 303	-	-	-
<i>EPWP Integrated Grant for Provinces</i>	7 122	8 400	8 896	10 313	10 313	10 313	10 903	-	-
<i>Social Sector EPWP Incentive Grant for Provinces</i>	13 000	47 058	24 182	20 998	20 998	20 998	-	-	-
<i>Human Resources Capacitation grant</i>	-	-	-	122 316	191 730	191 730	-	-	-
<i>Statutory HR &amp; Health Prof. Training &amp; Dev. grant</i>	-	-	-	-	-	-	593 830	615 010	637 762
<b>Total receipts</b>	<b>36 581 967</b>	<b>39 548 473</b>	<b>42 457 966</b>	<b>45 036 978</b>	<b>45 146 576</b>	<b>45 146 576</b>	<b>48 057 681</b>	<b>50 892 076</b>	<b>53 394 118</b>
<b>Total payments</b>	<b>37 026 397</b>	<b>39 911 321</b>	<b>42 549 830</b>	<b>45 036 978</b>	<b>45 151 836</b>	<b>45 151 836</b>	<b>48 057 681</b>	<b>50 892 076</b>	<b>53 394 118</b>
Surplus/(Deficit) before financing	(444 430)	(362 848)	(91 864)	-	(5 260)	(5 260)	-	-	-
Financing									
of which									
Provincial roll-overs	6 363	311	-	-	5 260	5 260	-	-	-
Provincial cash resources	450 670	381 694	89 206	-	-	-	-	-	-
<b>Surplus/(Deficit) after financing</b>	<b>12 603</b>	<b>19 157</b>	<b>(2 658)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The table also compares actual and budgeted receipts against actual and budgeted payments, and these are discussed below.

In 2016/17, a provincial roll-over of R6.363 million was approved in respect of the National Health Insurance (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.
- 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 over-spent its 2018/19 budget by R2.658 million, mainly due to pressures in NHLS fee-for-service payments due to poor savings from gate-keeping, as well as pressures from higher than budgeted medico-legal claims. In addition, the former HPV Vaccine grant was under-spent by R11.590 million, which was not fully committed, and a portion was surrendered back to National Treasury.

The department received additional funding in 2019/20 in the form of a provincial roll-over of R5.260 million from 2018/19 for the former HPV Vaccine grant. The department is projecting a balanced budget by year-end, as per the December IYM.

In 2020/21, there are a number of changes to the conditional grants, as well as increases and decreases to grant funding, and these are expanded on in Section 7.4. In addition, the department's budget was cut over the 2020/21 MTEF due to fiscal consolidation and provincial equitable share (PES) formula updates cuts and the lowering of CPI projections for *Compensation of employees* from 5.5 per cent to 4.8 per cent. These cuts are discussed in more detail in Section 7.2.



## 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		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	256 922	268 988	278 256	276 510	276 510	283 193	289 664	313 458	328 503
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	36	70	48	68	68	47	72	76	80
Interest, dividends and rent on land	3 316	145	587	157	157	186	166	175	183
Sale of capital assets	970	6 897	7 039	6 000	6 000	9 435	8 000	9 000	9 432
Transactions in financial assets and liabilities	36 860	21 672	17 210	17 565	17 565	17 137	18 531	19 550	20 488
<b>Total</b>	<b>298 104</b>	<b>297 772</b>	<b>303 140</b>	<b>300 301</b>	<b>300 301</b>	<b>309 998</b>	<b>316 433</b>	<b>342 259</b>	<b>358 686</b>

*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 use of an agent since 2013 to submit and follow-up on Road Accident Fund (RAF) claims yielded positive results. The strong growth over the 2020/21 MTEF is largely due to the positive growth in patient fees, mainly as a result of the agent's assistance.

*Fines, penalties and forfeits* shows revenue collected from parking transgressions. The trend fluctuates from 2016/17 to 2019/20, because it is difficult to accurately predict the number of such contraventions.

*Interest, dividends and rent on land* reflects the collection of interest 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 growth over the 2020/21 MTEF takes into account 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 these recoveries accurately, hence the fluctuating trend from 2016/17 to 2019/20.

## 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. 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 Health and Welfare Sector Training Authority (HWSETA) programme. In addition, the Atlantic Philanthropies was also unspent due to delays experienced with the tender process. Hence, an amount of R1.251 million was part of the roll-over to 2019/20. This donation was received to strengthen capacity of nursing education institutions in KZN. The department anticipates spending the balance by the end of 2019/20.

The department received new agency funding in 2019/20 from various HWSETA sources, as well as PSETA amounting to R20.655 million. These funds are for learnership programmes in various hospitals and will be spent in 2019/20. No funding is anticipated to be received or spent over the 2020/21 MTEF.

**Table 7.3 : Details of donor and agency funding receipts**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Donor funding</b>	-	-	-	-	-	-	-	-	-
<b>Agency funding</b>	<b>5 311</b>	<b>2 370</b>	<b>4 245</b>	-	<b>16 322</b>	<b>20 655</b>	-	-	-
HWSETA	1 597	1 717	1 801	-	-	-	-	-	-
HWSETA: Bridging for enrolled nurse training	-	-	244	-	-	10	-	-	-
HWSETA Learnership: Dental/Oral Hygiene	1 900	-	-	-	-	-	-	-	-
HWSETA: Interns 2018/19	-	-	-	-	360	1 079	-	-	-
HWSETA: isiZulu training	-	-	-	-	-	779	-	-	-
HWSETA Learnership: Sign Language Training	387	-	-	-	-	-	-	-	-
HWSETA Learnership: Social Environmental Health	280	-	-	-	-	-	-	-	-
HWSETA Learnership: Tradesman RPL	-	-	-	-	342	25	-	-	-
HWSETA Learnership: TVET Graduates	450	-	-	-	180	2 543	-	-	-
PSETA	697	653	2 200	-	-	779	-	-	-
HWSETA: Ad hoc Projects	-	-	-	-	1 832	1 832	-	-	-
HWSETA: Healthcare Quality & Patient Safety	-	-	-	-	3 059	3 059	-	-	-
HWSETA: Nursing	-	-	-	-	3 594	3 594	-	-	-
HWSETA: NHI Leaders and Govt. Programme	-	-	-	-	6 955	6 955	-	-	-
<b>Total</b>	<b>5 311</b>	<b>2 370</b>	<b>4 245</b>	-	<b>16 322</b>	<b>20 655</b>	-	-	-

**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		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Donor funding</b>	<b>1 293</b>	<b>3 856</b>	<b>832</b>	<b>1 340</b>	<b>1 340</b>	<b>1 343</b>	-	-	-
Astra Zeneca	-	3	-	26	26	29	-	-	-
Atlantic Philanthropies	1 283	3 791	770	1 251	1 251	1 251	-	-	-
COGTA	-	-	-	3	3	3	-	-	-
Conforth Investments	-	-	-	32	32	32	-	-	-
Impumelelo Trust Innovation	-	-	-	24	24	24	-	-	-
SA Breweries	-	-	-	2	2	2	-	-	-
MASEA Awards	10	62	62	2	2	2	-	-	-
<b>Agency funding</b>	<b>931</b>	<b>3 219</b>	<b>3 060</b>	<b>6 065</b>	<b>22 512</b>	<b>26 948</b>	-	-	-
HWSETA Learnership: Bethesda Sub-Campus	-	-	-	20	20	20	-	-	-
HWSETA Learnership: Edendale Campus	-	65	-	61	61	61	-	-	-
HWSETA Learnership: Head Office	-	-	-	( 160)	102	102	-	-	-
HWSETA Learnership: HIV and AIDS Support	-	-	-	45	45	45	-	-	-
HWSETA Learnership: King Edward Sub-Campus	-	199	211	-	-	-	-	-	-
HWSETA Learnership: Ngwelezane	-	-	-	261	261	261	-	-	-
HWSETA Learnership: Nkandla	-	-	-	26	26	26	-	-	-
HWSETA Learnership: Pharmacy	-	-	-	1	1	1	-	-	-
HWSETA Learnership: Prince Mshiyeni Hospital/St Aidens	88	5	2	113	113	113	-	-	-
HWSETA Learnership: Social and Auxiliary	-	-	-	-	-	-	-	-	-
HWSETA Learnership: Dental/Oral Hygiene	405	-	-	1 085	1 085	1 085	-	-	-
HWSETA Learnership: Sign Language Training	757	659	411	(1 439)	(1 079)	-	-	-	-
HWSETA Learnership: Social Environmental Health	230	-	-	50	50	50	-	-	-
HWSETA Learnership: Tradesman RPL	709	-	-	( 367)	( 25)	-	-	-	-
HWSETA Learnership: TVET Graduates	590	540	2 418	(2 723)	(2 543)	-	-	-	-
HWSETA - Bridging for enrolled nurse training	-	145	18	( 10)	( 10)	-	-	-	-
HWSETA	-	-	-	9 659	9 162	9 162	-	-	-
PSETA	(1 848)	827	-	222	222	222	-	-	-
HWSETA: isiZulu training	-	779	-	( 779)	( 779)	-	-	-	-
HWSETA: Ad hoc Projects	-	-	-	-	1 832	1 832	-	-	-
HWSETA: Interns 2018/19	-	-	-	-	360	360	-	-	-
HWSETA: NHI Leaders & Gov. Prog.	-	-	-	-	6 955	6 955	-	-	-
HWSETA: Healthcare Quality & Patient Safety	-	-	-	-	3 059	3 059	-	-	-
HWSETA: Nursing	-	-	-	-	3 594	3 594	-	-	-
<b>Total</b>	<b>2 224</b>	<b>7 075</b>	<b>3 892</b>	<b>7 405</b>	<b>23 852</b>	<b>28 291</b>	-	-	-

## 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 7.3 per cent in 2020/21, 7.3 per cent in 2021/22 and 7.2 per cent for 2022/23, including 1.5 per cent per year for pay progression. The department has provided for an 8.5 per cent increase in 2020/21, but a low 3.8 per

cent in 2021/22 and 5 per cent in the outer year of the MTEF due to the fiscal consolidation and PES budget cuts. This low growth was also a result of reprioritisation for cleaning and security services, as well as electricity, sewerage and water costs, and this will be reviewed in the next budget process.

- 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.
- R897 million with carry-through was earmarked by the department for the commissioning of PKISMH in 2020/21, with funds identified *via* reprioritisation from various programmes.
- Funding for the salaries of staff at eThekweni Metro municipal clinics will continue to be provided *via* transfer payments over the 2020/21 MTEF. The department provided inflationary growth for support for eThekweni Metro municipal clinics.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2019/20, will continue to be adhered to over the 2020/21 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.
- The department has finalised the minimum staff establishment aimed at addressing critical staff shortages at identified facilities. However, implementation has been a challenge as the department has insufficient funding at this stage to implement the finalised plan.

## 7.2 Amendments to provincial and equitable share allocations: 2018/19 to 2020/21 MTEF

Table 7.5 shows amendments to provincial and equitable share funding received by the department over the 2018/19, 2019/20 and 2020/21 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2022/23) are based on the incremental percentage used in the 2020/21 MTEF.

**Table 7.5 : Summary of amendments to provincial and equitable share allocations for the 2018/19 to 2020/21 MTEF**

R thousand	2018/19	2019/20	2020/21	2021/22	2022/23
<b>2018/19 MTEF period</b>	<b>89 206</b>	<b>-</b>	<b>620 284</b>	<b>654 400</b>	<b>687 120</b>
Treasury/Health assistance plan	38 756	-	-	-	-
Above-budget wage agreement	-	-	620 284	654 400	687 120
Disaster relief - flooding of 10 October 2017	50 450	-	-	-	-
<b>2019/20 MTEF period</b>		<b>(643)</b>	<b>(682)</b>	<b>207 280</b>	<b>217 644</b>
Funding for Cuban Doctors		-	-	207 972	218 371
Budget cut for remuneration of public office bearers		(643)	(682)	(692)	(727)
<b>2020/21 MTEF period</b>			<b>(285 117)</b>	<b>(764 084)</b>	<b>(846 870)</b>
Fiscal consolidation and PES formula updates budget cuts			(119 436)	(588 227)	(846 870)
Adjustments to <i>Compensation of employees</i> (revised CPI inflation projections)			(165 681)	(175 857)	-
<b>Total</b>	<b>89 206</b>	<b>(643)</b>	<b>334 485</b>	<b>97 596</b>	<b>57 894</b>

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.
- 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 was also some funding allocated toward repairing infrastructure that was damaged by floods on 10 October 2017.

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

- Funding was allocated in 2021/22, with carry-through, 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 department's 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 from this announcement were cut from provinces in line with fiscal consolidation efforts.

In the 2020/21 MTEF, the following changes were made to the department's baseline:

- The department's equitable share is reduced by R119.346 million, with carry-through over the MTEF, as a result of fiscal consolidation and PES formula updates budget cuts.
- The department's equitable share is reduced by R165.681 million in 2020/21 and R175.857 million in 2021/22, related to lowering the CPI projections influencing the growth in *Compensation of employees*, where this CPI rate was previously set at 5.5 per cent but has been lowered to 4.8 per cent.

These cuts were implemented across all eight programmes, and were largely effected against *Compensation of employees*, with minor cuts against *Goods and services* and *Machinery and equipment*. The cuts are discussed in more detail in Section 8.

### 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 eight programmes, as well as per economic classification, respectively.

The department was liable for the repayment of over-expenditure in 2013/14, resulting in a first charge against the budget from 2016/17 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 2016/17 to 2022/23, with conditional grants accounting for a significant portion of this increase, despite the previously mentioned budget cuts and amendments to conditional grant allocations.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. Administration	845 674	836 655	810 858	933 361	811 045	811 045	964 600	931 581	979 809
2. District Health Services	18 147 911	19 732 316	20 802 064	22 436 939	22 568 220	22 568 220	23 841 532	25 879 819	27 346 783
3. Emergency Medical Services	1 209 263	1 377 577	1 446 650	1 631 158	1 571 046	1 604 739	1 612 375	1 780 043	1 873 820
4. Provincial Hospital Services	9 398 975	10 133 671	10 964 094	11 330 404	11 449 357	11 426 824	12 698 812	12 909 862	13 282 259
5. Central Hospital Services	4 534 157	4 864 123	5 098 203	5 279 898	5 280 198	5 273 391	5 428 662	5 730 572	6 043 338
6. Health Sciences and Training	1 201 074	1 246 050	1 181 630	1 281 885	1 343 637	1 343 637	1 383 264	1 523 538	1 626 126
7. Health Care Support Services	268 768	198 202	485 637	332 359	317 359	313 006	338 644	364 122	382 949
8. Health Facilities Management	1 420 575	1 522 727	1 760 694	1 810 974	1 810 974	1 810 974	1 789 792	1 772 539	1 859 034
<b>Total</b>	<b>37 026 397</b>	<b>39 911 321</b>	<b>42 549 830</b>	<b>45 036 978</b>	<b>45 151 836</b>	<b>45 151 836</b>	<b>48 057 681</b>	<b>50 892 076</b>	<b>53 394 118</b>
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 608)	-	-	-	-	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>36 918 790</b>	<b>39 803 713</b>	<b>42 549 830</b>	<b>45 036 978</b>	<b>45 151 836</b>	<b>45 151 836</b>	<b>48 057 681</b>	<b>50 892 076</b>	<b>53 394 118</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>34 739 862</b>	<b>36 961 386</b>	<b>39 684 474</b>	<b>42 316 279</b>	<b>42 381 329</b>	<b>42 318 959</b>	<b>45 670 760</b>	<b>48 078 958</b>	<b>50 303 054</b>
Compensation of employees	23 354 896	24 614 793	26 336 189	28 942 177	28 408 488	28 348 729	30 750 273	31 911 530	33 507 830
Goods and services	11 382 844	12 343 292	13 342 400	13 373 683	13 971 832	13 968 896	14 920 045	16 166 961	16 794 735
Interest and rent on land	2 122	3 301	5 885	419	1 009	1 334	442	467	489
<b>Transfers and subsidies to:</b>	<b>1 035 657</b>	<b>1 248 707</b>	<b>1 106 595</b>	<b>750 139</b>	<b>773 551</b>	<b>826 051</b>	<b>700 512</b>	<b>740 445</b>	<b>775 986</b>
Provinces and municipalities	159 755	225 674	219 387	232 091	231 742	224 173	244 607	258 324	270 723
Departmental agencies and accounts	20 131	19 280	21 157	22 246	22 246	22 378	23 469	24 759	25 947
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	203 929	141 396	62 473	56 513	56 513	54 467	58 508	61 726	64 689
Households	651 842	862 357	803 578	439 289	463 050	525 033	373 928	395 636	414 627
<b>Payments for capital assets</b>	<b>1 106 314</b>	<b>1 592 882</b>	<b>1 758 330</b>	<b>1 970 560</b>	<b>1 996 956</b>	<b>2 006 553</b>	<b>1 686 409</b>	<b>2 072 673</b>	<b>2 315 078</b>
Buildings and other fixed structures	910 917	1 069 333	1 249 066	786 945	899 373	908 264	904 683	1 301 415	1 525 920
Machinery and equipment	195 397	523 549	509 264	1 183 615	1 097 583	1 098 289	781 726	771 258	789 158
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>144 564</b>	<b>108 346</b>	<b>431</b>	<b>-</b>	<b>-</b>	<b>273</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>37 026 397</b>	<b>39 911 321</b>	<b>42 549 830</b>	<b>45 036 978</b>	<b>45 151 836</b>	<b>45 151 836</b>	<b>48 057 681</b>	<b>50 892 076</b>	<b>53 394 118</b>
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 608)	-	-	-	-	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>36 918 790</b>	<b>39 803 713</b>	<b>42 549 830</b>	<b>45 036 978</b>	<b>45 151 836</b>	<b>45 151 836</b>	<b>48 057 681</b>	<b>50 892 076</b>	<b>53 394 118</b>

The negative growth in Programme 1: Administration in 2017/18 is in respect of higher claims against the state relating to disciplinary matters that were settled in 2016/17. The negative growth in 2018/19 was due to the first charge being fully paid in 2017/18. Mitigating the negative growth in 2018/19 to some degree were higher than expected costs for oncology treatment at private facilities, the SLA for the maintenance of medical equipment agreement that was centrally paid, as well as the laboratory services carry-over expenditure that could not be paid in 2017/18 due to cash blocking. The high growth in the 2019/20 Main Appropriation relates to the allocation of the new Statutory HR and Health Professions Training and Development grant to this programme at the time of compiling the budget, pending the finalisation of the business plan and the appointment and linking of staff to respective programmes. The reduction in the 2019/20 Adjusted Appropriation is due to the shifting of the grant's budget (R122.315 million) to Programme 4 following the finalisation of the business plan and the linking of staff. The significant growth in 2020/21 relates to a once-off reprioritisation within the programme of R90 million for priority projects, which include the PABX system and the electronic patient records system. Also placed under this programme is funding of R10 million reprioritised within the programme to strengthen and re-capacitate the Internal Control section at head office. The negative growth in 2021/22 is due to the once-off nature of some of the projects in 2020/21. The department has made minimal cuts of R3.075 million in 2020/21 and R3.351 million in 2021/22 to *Compensation of employees* in this programme related to the previously mentioned reduction to the CPI rate over the MTEF, with no impact as the reduction relates to lower forecast inflation. However, the department reprioritised R18 million in 2020/21 from this programme to Programme 4, with carry-through, from *Compensation of employees* for PKISMH, which will impact on the filling of critical administration posts. Growth in the outer year is inflationary 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 PHC level. In addition, expenditure included the various wage agreements and increases in the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant. The increase in 2017/18 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 2016/17 and pressure in respect of property payments due to increases in the contract prices of security and cleaning services. Also contributing were 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 procurement of resuscitation equipment for CHCs, ideal clinic major medical equipment, the deferment of medical equipment procurement processes from 2016/17, as well as increased medico-legal claims costs. The increase in 2018/19 relates to higher than expected costs of new security and cleaning services contracts, as well as medicine carry-over expenditure from 2017/18. The increase in the 2019/20 Adjusted Appropriation related to higher than expected costs of outsourced security and cleaning services contracts, as well as water and electricity. The 2020/21 MTEF includes strong growth in the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant (allocated in the 2019/20 MTEF process), with a further significant increase in the grant in 2022/23. However, this programme was affected by the 2020/21 MTEF budget cuts of almost R205 million in 2020/21, with carry-through, mainly against *Compensation of employees* (R157.473 million in 2020/21 and R151.790 million in 2021/22) and the District Hospital Services sub-programme. In addition, the department reprioritised more than R650 million, with carry-through from *Compensation of employees* and *Machinery and equipment*, with more than R300 million moved to Programme 4 for the funding of PKISMH, and the balance moved within the programme for higher security and cleaning costs. Note that the reduction in *Compensation of employees* will impact on the ability of the department to fill critical vacant posts, such as medical officers, nurses, porters, cleaners, etc. The reduction in *Machinery and equipment* is due to procurement of vehicles being delayed to 2021/22. There were also cuts against *Goods and services* (R47.013 million) mainly against medicines, related to budget cuts and reprioritisation in the new HIV, TB, Malaria, Community Outreach and HPV Vaccine grant.

In Programme 3: Emergency Medical Services, the overall growth is due to the continued drive to improve emergency medical services. The high growth in 2017/18 relates to the settlement of outstanding overtime payments to paramedic staff from 2016/17, as well as increased EMS vehicle maintenance and repair costs. The growth in 2019/20 and 2020/21 is high due to planned new appointments of emergency medical services staff, to address critical shortages of paramedic staff, as well as once-off reprioritised funds to recapitalise

the aging ambulance fleet, where 88 new ambulances were procured, hence the relatively low growth in 2020/21. The reduction in the Adjusted Appropriation relates to savings in *Compensation of employees* due to slow filling of posts, moved to address pressures in other programmes. The department implemented fiscal consolidation and PES formula updates, as well as the lower CPI projections budget cuts of just over R65 million in 2020/21, with carry-through in 2021/22 against this programme. The lower CPI cuts were against *Compensation of employees* (R7.302 million in 2020/21 and R7.956 million in 2021/22) and, as these were related to the lower projected wage inflation, will not result in a reduction in posts filled. Also subject to fiscal consolidation and PES cuts is *Machinery and equipment* (R58.149 million), with the budget for ambulances reduced in 2020/21 only. There will be no impact as the recapitalisation of the fleet will be largely complete in 2019/20. Also impacting on these cuts was reprioritisation from *Compensation of employees* to Programme 4 for funding PKISMH. This reduction will impact on the department's ability to fill critical posts, such as paramedics. The growth over the remainder of the MTEF is inflationary only.

Programme 4: Provincial Hospital Services increased in 2017/18 due to the previously mentioned NHLS fee-for-service payments, increased costs of non-negotiable items, water, electricity, claims against the state and litigation costs, as well as the deferment of the medical equipment procurement process to 2017/18. The low growth in 2018/19 was largely due to the high base of NHLS and medicine expenditure in 2017/18 related to the carry-over expenditure from 2016/17. The increase in the 2019/20 Main Appropriation related to additional pressure from the settlement of outstanding Joint Medical Establishment (JME) payments from previous financial years (an arrangement with UKZN for registrar and specialist medical training), higher than expected security and cleaning contracts costs and medico-legal claims. The increase in the 2019/20 Adjusted Appropriation was due to the shifting of the Statutory HR and Health Professions Training and Development grant's budget (R122.315 million) from Programme 1 following the finalisation of the business plan and the linking of staff. The growth in 2020/21 relates to reprioritisation of R636 million undertaken from other programmes to fund the commissioning of PKISMH, with the balance of R261 million reprioritised from within Programme 4. As mentioned, the projected annual running costs are R897 million. The department implemented cuts of just over R56 million in 2020/21, increasing in 2021/22 (R506 million) against *Compensation of employees* related to the lower projected wage inflation and fiscal consolidation and PES cuts. In addition, the department reprioritised more than R100 million within the programme from *Compensation of employees* for higher security and cleaning costs. Note that these reductions in *Compensation of employees* will impact on the ability of the department to fill critical vacant posts, such as medical specialists, medical officers, nurses, porters, cleaners, etc. The low growth in 2021/22 is attributable to the significant cut in that year, which will mainly be effected under the General (Regional) Hospitals sub-programme. This will be mitigated through the rationalisation of services at hospitals across the province, as mentioned.

The sustained growth in Programme 5: Central Hospital Services from 2016/17 to 2019/20 mainly relates to provision for the development and improvement of tertiary services. The impact of the introduction of the various occupational specific dispensations (OSD) for medical personnel, higher medical inflation and the Rand/Dollar exchange rate is also reflected in the trends. The growth in 2017/18 is attributable 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 financial 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 low growth in 2018/19 was due to the high spending in 2017/18 for the PPP for the Inkosi Albert Luthuli Central Hospital (IALCH) payment carry-over expenditure from 2016/17, as well as slow spending on medical equipment due to delays in the finalisation and implementation of the medical equipment procurement plan. The low growth in 2019/20 is due to the settlement of all outstanding accruals from 2017/18 for medical implants and the PPP payments, as well as medico-legal claims that were lower than expected under this programme. The low growth in 2020/21 is due to the planned rationalisation of services and the reprioritisation of funds towards the provision of PHC services. In addition, there were budget cuts in 2020/21 (R20.163 million), with carry-through in 2021/22 (R53.623 million), against *Compensation of employees* related to the lower projected wage inflation and fiscal consolidation and PES cuts. Furthermore, the department reprioritised R276 million mainly from *Compensation of employees* for PKISMH in Programme 4. Due to these reductions, the ability of the

department to fill critical vacant posts, such as medical specialists, medical officers and nurses will be limited. The growth in the outer year is inflationary only.

In Programme 6: Health Sciences and Training, the low growth in 2017/18 was due to the accrual of some bursary payments from 2015/16 to 2016/17. The negative growth in 2018/19 was attributable to the reduced intake of nurses by the Nurse Training Colleges, reduced spending on training and development of staff as part of the savings plan, as well as lower than expected travelling costs for the Cuban Doctors' programme. The higher growth in the 2019/20 Main Appropriation, with further growth in the Adjusted Appropriation, relates to the increased intake of medical interns, as well as higher than budgeted for training and development of staff, which was previously put on hold due to other competing budget pressures. The low growth in 2020/21 is attributed to budget cuts of R5.987 million, with carry-through of R6.928 million in 2021/22, against *Compensation of employees* related to the lower projected wage inflation mentioned earlier, with no impact as the reduction relates to lower forecast inflation. The significant increase in 2021/22 is due to the specific allocation 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. Once-off additional linen and laundry trucks were procured during this period, explaining the high spending in 2016/17. In addition, there were delays in the commissioning of the KZN Provincial Laundry in 2016/17, hence there were further costs in 2016/17 related to outsourcing laundry services. The high growth in 2018/19 and the subsequent negative growth in 2019/20 is mainly attributable to the incorporation of the Medicine Trading Account into the books of the department. The decrease in the 2019/20 Main Appropriation is due to costs previously part of the Medicine Trading Account being allocated to various programmes from 2019/20 onward. The decrease in the 2019/20 Adjusted Appropriation was due to the slow filling of laundry posts. There was a cut in 2020/21 (R1.187 million), with carry-through in 2021/22 (R1.287 million), against *Compensation of employees* related to the lower projected wage inflation mentioned earlier. In addition, the department reprioritised R10 million, mainly from *Compensation of employees*, for PKISMH in Programme 4. Due to these reductions, the ability of the department to fill critical vacant posts, such as laundry services and orthotic and prosthetic services posts will be limited. Despite these cuts, the growth is strong in 2020/21 to provide for the filling of some critical laundry services and orthotic and prosthetic services posts. Growth thereafter 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 relatively low spending 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 allocation for the grant was increased by R200.448 million as part of the incentive for good planning. The department cut Programme 8's funding in 2020/21 (R310 000), with carry-through in 2021/22 (R337 000), against *Compensation of employees* related to the lower projected wage inflation mentioned earlier. There is no impact for these cuts as they are based on reduced forecast inflation. In addition, fiscal consolidation and PES cuts were made in 2021/22 (R73.355 million) against *Goods and services* affecting property payments and operating leases. This will impact on the department's maintenance programme, and will be reviewed in the next budget process. The negative growth in 2020/21 is ascribed to the once-off procurement of medical equipment in 2019/20, prior to the commissioning of PKISMH, planned for September 2020. Growth thereafter is inflationary only, largely impacted on by fairly low growth in the Health Facility Revitalisation grant.

*Compensation of employees* shows low growth in 2017/18 due to the 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 growth in 2018/19 related to the implementation of the stipend increase agreement to comply with minimum wage requirements for community care-givers (CCG) under

the former HIV, TB, Malaria and Community Outreach grant, the incorporation of PPSD into the departmental books, as well as the absorption of Prosthetic Services technicians from training. The growth in 2019/20 is due to the filling of critical posts in terms of the former HR Capacitation grant, as previously mentioned. The further growth in 2020/21 is attributable to the planned commissioning of PKISMH in September 2020, with approximately 1 000 staff needed to fully capacitate the new hospital. The 2020/21 MTEF fiscal consolidation, PES and *Compensation of employees* related lower projected wage inflation budget cuts were effected against this category in 2020/21 (R252.147 million) and 2021/22 (R732.016 million), as mentioned. In addition, the department reprioritised more than R400 million, with carry-through from *Compensation of employees*, for higher security and cleaning costs, hence the slow growth in the outer years. Note that these reductions in *Compensation of employees* will impact on the ability of the department to fill critical vacant posts, as mentioned.

*Goods and services* grows strongly in 2017/18 attributable 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 was funding provided as part of the Treasury/Health assistance plan funding, to assist with NHLS pressures, as well as outstanding medical supplies accounts, among others. This trend continues in 2018/19, with some carry-over payments for medicines, medical implants and PPP payments being settled in 2018/19, hence the slow growth in 2019/20. The increase in the 2019/20 Adjusted Appropriation is attributed to the previously mentioned pressures resulting from the higher costs of outsourced security and cleaning services and higher prices for water, electricity and sewerage. These pressures are carried through over the 2020/21 MTEF, funded by reprioritisation from *Compensation of employees* and *Machinery and equipment*, as mentioned. The 2020/21 MTEF fiscal consolidation, PES and HIV, TB, Malaria, Community Outreach and HPV Vaccine grant budget cuts were effected against this category in 2020/21 (R47.013 million) and 2021/22 (R122.954 million), as mentioned. The high growth in 2021/22 is due to additional funding allocated to the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant. The low growth in 2022/23 will be reviewed in the next budget process.

*Interest and rent on land* largely relates to interest costs on medico-legal claims and interest on overdue accounts. The increase in the 2019/20 Adjusted Appropriation relates to the once-off payment of interest on a labour dispute, as well as interest charged on all overdue accounts, such as municipal services accounts and telephone accounts. The department has made a minimal provision for this category over the MTEF.

The strong growth in 2017/18 against *Transfers and subsidies to: Provinces and municipalities* largely relates 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. Also contributing to the high growth in 2017/18 were delays in signing SLAs with the eThekweni Metro in 2016/17 which resulted in expenditure being carried over to 2017/18, accounting for the negative growth in 2018/19. The high growth in 2020/21 is attributed to expected late receipt of 2019/20 invoices from the eThekweni Metro, accounting for the low spending in the 2019/20 Revised Estimate. The growth over the remainder of the MTEF is inflationary.

*Transfers and subsidies to: Departmental agencies and accounts* relates to payments to the HWSETA and is based on the department's *Compensation of employees* spending. The negative growth in 2017/18 relates to delays in filling posts. The growth over the 2020/21 MTEF is inflationary.

The negative growth in *Transfers and subsidies to: Non-profit institutions* in 2017/18 and 2018/19 is due to the provincialisation of St Mary's and Siloah Hospitals to become departmental facilities. The growth over the MTEF is inflationary.

The fluctuating trend against *Transfers and subsidies to: Households* relates to staff exit costs and medico-legal claims. The increasing trend from 2016/17 to 2017/18 was related to high medico-legal claims and pressures regarding the Cuban Doctors' programme. Although, as previously mentioned, NDOH has given instructions that no further recruitment of students is to take place, the costs for those students already in Cuba were influenced by the fluctuating exchange rate. Note that 258 returned in 2018/19. It is projected, based on the current pass rate, that approximately 235, 90, 20 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 received from National Treasury in 2021/22, as mentioned. There is some provision for medico-legal claims in the 2020/21 MTEF, but this is not sufficient based on current trends, hence the negative growth in 2020/21 and relatively flat growth in the two outer years of the MTEF. 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. It is expected that the new strategies being developed by the medico-legal unit will yield positive results.

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 2016/17, 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, now estimated for completion in June 2020 and commissioning in September 2020. 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. The high growth in 2021/22 relates to major *Upgrades and additions* projects at Hlabisa, King Dinuzulu, uMzimkhulu and Osindisweni Hospitals, as mentioned. Further detail is provided under Section 7.5.

The low base 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. 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 and the procurement of additional EMS vehicles, accounting for the negative growth in 2020/21. There is also minimal provision for the procurement of new standard vehicles at this stage due to budget pressures. The 2020/21 MTEF fiscal consolidation and PES budget cuts were effected against this category in 2020/21 (R58.632 million) and 2021/22 (R510 000), as mentioned. In addition, a once-off amount of R128.118 million was moved in 2020/21 from *Machinery and equipment* against Programmes 2, 4, 6 and 7 to provide for higher costs of outsourced security and cleaning services and higher prices for water, electricity and sewerage. The procurement of motor vehicles will be put on hold in 2020/21, to resume the procurement in 2021/22. Growth in the outer year is inflationary.

*Payments for financial assets* reflect debts that were written-off, 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 2016/17 to 2022/23. 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 2016/17 to 2018/19, 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	Adjusted	Revised	Medium-term Estimates		
	2016/17	2017/18	2018/19	Appropriation	Appropriation	Estimate	2020/21	2021/22	2022/23
HIV, TB, Malaria, Comm. Outreach & HPV Vaccine grant	4 247 525	4 852 495	5 677 225	5 840 629	5 840 629	5 840 629	6 453 923	7 344 739	7 733 217
Health Facility Revitalisation grant	1 121 993	1 151 564	1 401 988	1 353 497	1 353 497	1 353 497	1 271 414	1 307 702	1 382 723
National Tertiary Services grant	1 596 286	1 696 266	1 794 649	1 895 149	1 895 149	1 895 149	2 015 775	2 094 811	2 179 450
National Health Insurance grant	25 045	-	-	-	55 376	55 376	55 290	57 444	59 559
Human Papillomavirus Vaccine grant	-	-	33 386	47 495	37 563	37 563	-	-	-
EPWP Integrated Grant for Provinces	7 122	8 400	8 896	10 313	10 313	10 313	10 903	-	-
Social Sector EPWP Incentive Grant for Provinces	13 000	47 058	24 182	20 998	20 998	20 998	-	-	-
Human Resources Capacitation grant	-	-	-	122 316	191 730	191 730	-	-	-
Health Professions Training and Development grant	312 377	331 944	351 197	370 863	370 863	370 863	-	-	-
Statutory HR & Health Prof. Training & Dev. grant	-	-	-	-	-	-	593 830	615 010	637 762
<b>Total</b>	<b>7 323 348</b>	<b>8 087 727</b>	<b>9 291 523</b>	<b>9 661 260</b>	<b>9 776 118</b>	<b>9 776 118</b>	<b>10 401 135</b>	<b>11 419 706</b>	<b>11 992 711</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20	2019/20	2019/20	2020/21	2021/22	2022/23
<b>Current payments</b>	<b>6 398 715</b>	<b>6 882 898</b>	<b>7 989 090</b>	<b>8 276 176</b>	<b>8 439 912</b>	<b>8 386 798</b>	<b>9 083 620</b>	<b>10 069 331</b>	<b>10 565 644</b>
Compensation of employees	3 483 965	3 199 017	3 560 936	4 059 262	4 012 501	4 021 862	4 231 106	4 473 285	4 692 006
Goods and services	2 914 750	3 683 881	4 428 154	4 216 914	4 427 411	4 364 936	4 852 514	5 596 046	5 873 638
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>62 591</b>	<b>136 385</b>	<b>136 788</b>	<b>142 875</b>	<b>141 935</b>	<b>142 152</b>	<b>149 475</b>	<b>158 820</b>	<b>166 444</b>
Provinces and municipalities	40 000	116 846	116 882	121 492	121 492	121 492	128 174	135 224	141 715
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	11 454	10 034	10 403	12 017	12 017	12 017	12 678	13 375	14 017
Households	11 137	9 505	9 503	9 366	8 426	8 643	8 623	10 221	10 712
<b>Payments for capital assets</b>	<b>862 042</b>	<b>1 068 444</b>	<b>1 165 645</b>	<b>1 242 209</b>	<b>1 194 271</b>	<b>1 247 168</b>	<b>1 168 040</b>	<b>1 191 555</b>	<b>1 260 623</b>
Buildings and other fixed structures	801 938	977 075	1 090 452	779 962	819 440	779 962	1 067 072	1 093 143	1 157 488
Machinery and equipment	60 104	91 369	75 193	462 247	374 831	467 206	100 968	98 412	103 135
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>7 323 348</b>	<b>8 087 727</b>	<b>9 291 523</b>	<b>9 661 260</b>	<b>9 776 118</b>	<b>9 776 118</b>	<b>10 401 135</b>	<b>11 419 706</b>	<b>11 992 711</b>

The **HIV, TB, Malaria, Community Outreach and HPV Vaccine 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 grant allocation also provides for the removal of the CD4 count process which was replaced by the UTT mechanism from 2016/17 onward.

Some changes are made to the grant over the 2020/21 MTEF. The first change is that the HPV Vaccine grant is absorbed into this grant as a new component of this grant and the grant's name is changed to the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant. Funds were also reprioritised within the grant from the HIV and AIDS component to the Community Outreach Services component to cover a shortfall in salaries for community health workers. Two new components for Mental Health and Oncology will be introduced in 2021/22. In aggregate, this grant decreases by R16.217 million in 2020/21, while increasing by R44.260 million in 2021/22 and R432.738 million in 2022/23.

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 peaked in 2018/19 related to once-off funding allocated for storm damage repairs. The baseline remains relatively high in 2019/20 due to its incentive nature, with the department receiving an increase of R200.448 million in 2019/20, as the required planning documents were submitted. This grant increases by R58.761 million in 2020/21 and grows by R75.021 million in 2022/23.

The **Health Professions Training and Development grant** and the **HR Capacitation grant** are merged into a new grant, namely the **Statutory HR and Health Professions Training and Development grant**. This new grant has two components, with the Health Professions Training and Development component continuing to fund the training of health science trainees. The Statutory HR component will fund interns and community service posts. The increase of R72.182 million, R63.497 million and R86.249 million over the MTEF is mainly related to the shortfall in the funding for the statutory posts component.

The *National Tertiary Services grant* enables 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 grant sees fiscal consolidation cuts of R6.349 million in 2020/21 and R38.530 million in 2021/22, while showing an inflationary increase of R46.109 million in the outer year of the MTEF.

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 allocation in 2020/21 is the continuation of an arrangement introduced in the 2019/20 Adjustments Estimate, where funds were shifted from the NHI Indirect grant to the direct NHI grant. The amount allocated in this regard is R55.290 million, R57.444 million and R59.559 million over the MTEF.

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 R10.903 million is provided for 2020/21 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. There is no allocation for this grant in 2020/21 or in the outer two years of the MTEF. The department will have to increase equitable share funding allocated for the payment of volunteers' stipends.

The high base in 2016/17 in *Compensation of employees* was mainly due to backpay for 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 also largely related to vacant posts, particularly within the National Tertiary Services and HIV, TB, Malaria, Community Outreach and HPV Vaccine grants, with funding moved to address pressures in *Goods and services*. The high growth in 2018/19 relates to funds reprioritised from *Goods and services* within the HIV, TB, Malaria, Community Outreach and HPV Vaccine 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. The reduction in the 2019/20 Adjusted Appropriation relates to unfilled posts due to slow recruitment processes, moved to *Goods and services* for pressures against ARV medicines. Although the department reprioritised funding for the carry-through costs over the 2020/21 MTEF, and the new Statutory HR and Health Professions Training and Development grant is included in the baseline, the growth rate is too low for anticipated wage increases, and this will have to be addressed in-year, and in the next budget process. The department noted that the new Statutory HR and Health Professions Training and Development grant's baseline is insufficient for all the statutory posts currently filled in KZN, and these posts will have to be co-funded from equitable share funding. It is noted that, with the support of the former HR Capacitation grant, a total of 929 critical staff were expected to be appointed in 2019/20, including nurses, general assistants and porters, registrars, medical interns and pharmacy assistants, among others. To date, in excess of 800 of these staff have been appointed, with costs exceeding the grant funding by almost R200 million per annum.

The significant increases in *Goods and services* in 2017/18 and 2018/19 were directly linked to the growth in the HIV, TB, Malaria, Community Outreach and HPV Vaccine 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 conditional grant and equitable share 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 increase in the 2019/20 Adjusted Appropriation relates to the previously mentioned movement within the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant from *Compensation of employees* to *Goods and services* for ARV pressures. The category grows strongly in the first two years of the 2020/21 MTEF, largely due to growth in the HIV, TB, Malaria, Community Outreach and HPV Vaccine 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, as well as an increase in the 2020/21 MTEF in 2022/23.

*Transfers and subsidies to: Provinces and municipalities* relates to support for municipal clinics in the eThekweni Metro for the treatment of HIV and AIDS. Growth over the 2020/21 MTEF is inflationary only.

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

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

The strong growth against *Buildings and other fixed structures* in 2017/18 and 2018/19 was due to pressures from the PKISMH project. The 2020/21 MTEF trend is linked to the trends in the Health Facility Revitalisation grant, as well as the PKISMH project, which is anticipated to be commissioned in September 2020. The increase in the 2019/20 Adjusted Appropriation is due to savings in *Machinery and equipment*, moved to address pressures against the PKISMH project. Projects funded from the grant over the MTEF include the Hlabisa, King Dinuzulu, uMzimkhulu and Osindisweni Hospitals, as mentioned.

*Machinery and equipment* shows low spending in 2018/19 due to a delay in the procurement for a linear accelerator within the National Tertiary Services grant. The reduction in the 2019/20 Adjusted Appropriation was due to savings related to delays in the delivery of equipment for PKISMH. The 2020/21 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.

## 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 *2020/21 Estimates of Capital Expenditure*. The infrastructure spending is low in 2016/17, in line with the Health Facility Revitalisation grant. Thereafter, the trend increases, in line with the Health Facility Revitalisation grant, affecting mainly *New infrastructure assets: Capital, Upgrades and additions: Capital*, as well as *Refurbishment and rehabilitation: Capital*.

Table 7.10 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Existing infrastructure assets</b>	<b>558 192</b>	<b>440 028</b>	<b>754 156</b>	<b>1 083 738</b>	<b>903 561</b>	<b>897 293</b>	<b>1 263 564</b>	<b>1 499 308</b>	<b>1 602 613</b>
Maintenance and repair: Current	293 595	271 169	309 420	414 835	442 687	454 147	404 839	269 779	204 087
Upgrades and additions: Capital	190 147	67 923	200 317	400 797	217 987	229 127	462 140	881 877	1 128 903
Refurbishment and rehabilitation: Capital	74 450	100 936	244 419	268 106	242 887	214 019	396 585	347 652	269 623
<b>New infrastructure assets: Capital</b>	<b>646 320</b>	<b>900 474</b>	<b>804 330</b>	<b>118 042</b>	<b>438 499</b>	<b>465 118</b>	<b>45 958</b>	<b>71 886</b>	<b>127 394</b>
<b>Infrastructure transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
<b>Infrastructure: Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Infrastructure: Leases	83 109	94 583	90 660	82 890	82 018	83 688	95 482	76 645	3 233
<b>Non infrastructure<sup>1</sup></b>	<b>134 954</b>	<b>422 155</b>	<b>326 351</b>	<b>860 503</b>	<b>721 095</b>	<b>731 718</b>	<b>590 910</b>	<b>438 789</b>	<b>454 960</b>
<b>Total</b>	<b>1 422 575</b>	<b>1 857 240</b>	<b>1 975 497</b>	<b>2 145 173</b>	<b>2 145 173</b>	<b>2 177 817</b>	<b>1 995 914</b>	<b>2 086 628</b>	<b>2 188 200</b>
<i>Capital infrastructure</i>	<i>910 917</i>	<i>1 069 333</i>	<i>1 249 066</i>	<i>786 945</i>	<i>899 373</i>	<i>908 264</i>	<i>904 683</i>	<i>1 301 415</i>	<i>1 525 920</i>
<i>Current infrastructure</i>	<i>376 704</i>	<i>365 752</i>	<i>400 080</i>	<i>497 725</i>	<i>524 705</i>	<i>537 835</i>	<i>500 321</i>	<i>346 424</i>	<i>207 320</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 high base 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 the maintenance of fixed equipment (lifts, air-conditioners, chillers, boilers, etc.). The decrease in 2017/18 was due to reprioritisation of funding to capital projects, mainly the Addington Hospital core block project. The increase in 2018/19 relates to reprioritisation of funding to capital projects, mainly the Addington Hospital core block project. As the department is in the final stages of completing the PKISMH project, with commissioning planned for September 2020, *Maintenance and repair: Current* shows reasonably strong growth in 2019/20, remaining at the higher level in 2020/21, because funds are able to be reprioritised to the maintenance of 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 years decrease, in line with project requirements, as well as some reprioritisation to *Upgrades and additions: Capital*.

*Upgrades and additions:* Capital shows a decrease in 2017/18 related to a significant portion of the Health Facility Revitalisation grant being allocated to new infrastructure projects including the PKISMH and Ngwelezane Hospitals. This trend is reversed in 2018/19. The increase in 2019/20 relates to major projects being funded including the construction of out-patient, emergency and pharmacy facilities at Hlabisa Hospital, the renovation of staff accommodation, construction of additional parking and recreational areas (tennis courts, etc.) at King Dinuzulu Hospital, as well as a new psychiatric unit, new forensic wards and upgrade of staff accommodation at uMzimkhulu Hospital. The strong growth over the 2020/21 MTEF caters for the continuation of these projects, as well as the new MDR-TB unit at Osindisweni Hospital.

*Refurbishment and rehabilitation:* Capital grows from a low base in 2016/17 related to the Health Facility Revitalisation grant. The significant increase in 2018/19 was due to carry-over costs for the Addington Hospital core block project, as well as additional funding allocated for repairs at hospitals and clinics damaged in storms during 2017. Major projects over the 2020/21 MTEF include renovations to ablutions, dining hall, nutrition centre and general renovations on the ground floor at Addington Hospital, and the conversion of part of the King Dinuzulu Hospital into the Infrastructure Maintenance Hub for eThekweni.

The fluctuating trend in *New infrastructure assets:* Capital from 2016/17 to 2019/20 relates to the PKISMH project and Townhill Hospital office park projects. The low base in 2019/20 is due to these major projects being largely completed. The department's focus has shifted from new facilities to existing facilities over the 2020/21 MTEF, hence the lower baseline. Projects funded over the 2020/21 MTEF include the construction of a new psychiatric unit at RK Khan Hospital in eThekweni and the new Shayamoya Clinic with a nurses' residence in the Harry Gwala District.

*Infrastructure:* Leases provides for the hiring of office accommodation for various district offices across the province. The reduced budget in 2022/23 relates to fiscal consolidation and PES budget cuts, as mentioned in Programme 8 above, and the baseline will be reviewed in the next budget process.

*Non infrastructure* relates mainly to the procurement of capital medical equipment. The growth in 2017/18 and over the MTEF is due to additional funding allocated for exchange rate related pressures in the cost 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 2018/19 relates to the slow implementation of the department's procurement plan and delays in the procurement of a linear accelerator, with delivery 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 3, 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 has received approval from National Treasury for an extension of the existing contract for 18 months to July 2021, whereafter a possible new contract, or absorbing the services within the department, will need to be considered.

**Table 7.11 : Summary of departmental Public-Private Partnership projects**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Projects signed in terms of Treasury Regulation 16	905 378	875 914	805 394	737 000	737 000	737 000	691 360	729 385	764 395
PPP unitary charge <sup>1</sup>	905 378	875 914	805 394	737 000	737 000	737 000	691 360	729 385	764 395
<b>Total</b>	<b>905 378</b>	<b>875 914</b>	<b>805 394</b>	<b>737 000</b>	<b>737 000</b>	<b>737 000</b>	<b>691 360</b>	<b>729 385</b>	<b>764 395</b>

<sup>1</sup> Only projects that have received Treasury Approval

Payments made 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). Growth in 2019/20 is negative due to the carry-over costs in 2018/19. The negative growth in 2020/21 and 2021/22 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. 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.

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

R thousand	Sub-programme	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
		2016/17	2017/18	2018/19	Appropriation	Appropriation	Estimate	2020/21	2021/22	2022/23
						2019/20				
<b>Transfers to public entities</b>		<b>203 929</b>	<b>141 396</b>	<b>62 473</b>	<b>56 513</b>	<b>56 513</b>	<b>54 467</b>	<b>58 508</b>	<b>61 726</b>	<b>64 689</b>
<b>Transfers to other entities</b>										
Austerville Halfway House	2.5: Other Comm. Serv.	569	586	603	621	621	621	640	-	-
Azalea House	2.5: Other Comm. Serv.	525	541	557	574	574	574	591	-	-
Clermont Day Care Centre	2.5: Other Comm. Serv.	401	413	425	438	438	438	451	-	-
DPSA Community-based Rehabilitation Project	2.5: Other Comm. Serv.	955	984	979	1 044	1 044	1 044	-	-	-
DPSA Wheelchair Repair/Maintenance	2.5: Other Comm. Serv.	879	903	965	958	958	958	-	-	-
Duduza Care Centre (NGO)	2.5: Other Comm. Serv.	-	400	412	424	424	424	437	-	-
Durban Coastal - Happy Hours Amaoti	2.5: Other Comm. Serv.	536	552	568	585	585	585	603	-	-
Durban Coastal - Happy Hours Durban North	2.5: Other Comm. Serv.	267	483	497	512	512	512	528	-	-
Durban Coastal - Happy Hours Durban Overport	2.5: Other Comm. Serv.	202	-	-	-	-	-	-	-	-
Durban Coastal - Happy Hours KwaXimba	2.5: Other Comm. Serv.	429	441	455	468	468	468	482	-	-
Durban Coastal - Happy Hours Mpumalanga	2.5: Other Comm. Serv.	429	441	455	468	468	468	482	-	-
Durban Coastal - Happy Hours Ninikhona	2.5: Other Comm. Serv.	267	275	284	292	292	292	301	-	-
Durban Coastal - Happy Hours Nyangwini	2.5: Other Comm. Serv.	281	290	298	307	307	307	-	-	-
Durban Coastal - Happy Hours Phoenix	2.5: Other Comm. Serv.	267	275	284	292	292	292	301	-	-
Ekukhanyeni Clinic (AIDS step down centre)	2.6: HIV and AIDS	1 043	1 020	1 081	1 152	1 152	1 152	1 152	-	-
Enkumane Clinic	2.2: Comm. Hlth Clinics	278	287	295	304	304	304	-	-	-
Estcourt Hospice	2.5: Other Comm. Serv.	-	558	574	592	592	592	609	-	-
Ethembeni Care Centre	2.6: HIV and AIDS	3 927	3 369	3 780	5 179	5 179	5 179	5 179	-	-
Genesis Care Centre	2.6: HIV and AIDS	2 939	2 946	2 946	2 946	2 946	2 733	2 946	-	-
Hibberdene Care Centre	2.5: Other Comm. Serv.	-	331	227	351	351	-	-	-	-
Highway Hospice	2.5: Other Comm. Serv.	-	752	775	798	798	798	-	-	-
Hlanganani Ngothando	2.5: Other Comm. Serv.	227	388	399	411	411	411	424	-	-
Howick Hospice	2.5: Other Comm. Serv.	-	617	636	655	655	655	-	-	-
Ikhanzi Care Centre	2.5: Other Comm. Serv.	-	134	138	143	143	143	-	-	-
Ikwezi Cripple Care	2.5: Other Comm. Serv.	1 242	1 279	1 317	1 357	1 357	1 357	1 397	-	-
John Peattie House	2.5: Other Comm. Serv.	1 408	1 293	1 332	1 371	1 371	1 371	-	-	-
Jona Vaughn Centre	2.5: Other Comm. Serv.	2 493	2 567	2 644	2 724	2 724	2 724	2 805	-	-
KZN Blind and Deaf Society	2.5: Other Comm. Serv.	849	874	900	927	927	927	-	-	-
Lynn House	2.5: Other Comm. Serv.	629	648	668	688	688	688	-	-	-
Madeline Manor	2.5: Other Comm. Serv.	919	946	975	1 004	1 004	1 004	1 034	-	-
Magaye School for the Blind	2.5: Other Comm. Serv.	530	546	563	580	580	580	-	-	-
Matikwe Oblate Clinic	2.2: Comm. Hlth Clinics	496	511	526	542	542	542	-	-	-
Mountain View Hospital	4.2: TB Hospitals	9 965	4 876	5 169	5 479	5 479	5 479	-	-	-
Philakade TLC (Power of God centre)	2.2: Comm. Hlth Clinics	1 167	1 202	1 238	1 275	1 275	1 275	-	-	-
Philanjalo Hospice (step down centre)	2.6: HIV and AIDS	2 378	2 698	2 595	2 740	2 740	2 740	-	-	-
Rainbow Haven	2.5: Other Comm. Serv.	421	433	446	460	460	460	460	-	-
Scadifa Centre	2.5: Other Comm. Serv.	982	1 011	1 041	1 073	1 073	1 073	1 105	-	-
Siloah Hospital	4.2: TB Hospitals	22 592	22 592	11 296	-	-	-	-	-	-
Solid Foundation for Rural Development (NGO)	2.5: Other Comm. Serv.	-	682	703	1 448	1 448	1 448	-	-	-
South Coast Hospice	2.5: Other Comm. Serv.	185	190	196	202	202	202	-	-	-
Sparkes Estate	2.5: Other Comm. Serv.	1 166	1 201	1 237	1 274	1 274	1 274	1 312	-	-
St Luke's Home	2.5: Other Comm. Serv.	470	484	499	1 027	1 027	1 027	-	-	-
St. Mary's Hospital Marianhill	2.9: District Hospitals	132 421	69 216	-	-	-	-	-	-	-
Sunfield Home	2.5: Other Comm. Serv.	277	285	294	303	303	303	-	-	-
Tender Loving Care (NGO)	2.5: Other Comm. Serv.	-	234	241	248	248	248	256	-	-
The Bekimpilo Trust	2.2: Comm. Hlth Clinics	8 637	8 896	9 163	9 438	9 438	8 944	-	-	-
Umlazi Halfway House	2.5: Other Comm. Serv.	284	293	302	311	311	311	320	-	-
Msunduzi Hospice (NGO)	2.5: Other Comm. Serv.	-	1 452	1 495	1 540	1 540	1 540	-	-	-
Earmarked for further negotiations	Various	-	-	-	988	988	-	34 693	61 726	64 689
Rounding in AFS	Various	(3)	1	-	-	-	-	-	-	-
<b>Total</b>		<b>203 929</b>	<b>141 396</b>	<b>62 473</b>	<b>56 513</b>	<b>56 513</b>	<b>54 467</b>	<b>58 508</b>	<b>61 726</b>	<b>64 689</b>

The decrease in 2017/18 and 2018/19 is due to the ceasing of funding for St Mary's Hospital, which was taken over as a provincial hospital during 2017/18. Also contributing to the decrease in 2018/19 was the provincialisation of Siloah Hospital. However, there were some delays in this process with finalisation expected in 2020/21, accounting for the negative growth in 2019/20.

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.

## 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.

**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		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Category A	154 750	219 656	215 276	225 396	225 396	218 743	237 793	250 872	262 914
Category B	-	-	-	-	-	-	-	-	-
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>154 750</b>	<b>219 656</b>	<b>215 276</b>	<b>225 396</b>	<b>225 396</b>	<b>218 743</b>	<b>237 793</b>	<b>250 872</b>	<b>262 914</b>

It is noted that, although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds are not transferred to any municipality, and hence are excluded from the table.

Although these funds are earmarked for transfer to eThekweni Metro, the transfer is dependent upon the provision of satisfactory services in line with the signed SLA. The purpose of the transfer is to subsidise PHC for services provided by municipal clinics in the Metro. Further details of amounts per grant type and municipality are given in *Annexure – Vote 7: Health*.

The significant increase in 2017/18 relates to expenditure carried over from 2016/17 due to delays in the eThekweni municipal clinics' verification process. The MTEF provides for continued transfers to the Metro.

## 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 before and after the table.

- In Programmes 1 to 5, the transfers against *Departmental agencies and accounts* relate to 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 2020/21 MTEF, but the provision is not adequate due to budget constraints and hence, there is negative growth in 2020/21, particularly against Programmes 2 and 4. The department expects a favourable impact of the medico-legal unit on this item, as mentioned.
- From 2017/18, all motor vehicle licences are centralised within Programmes 1 and 3, and historical data was 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* in 2017/18 relates to the eThekweni Metro receiving additional funding with carry-through to assist the municipal clinics in the treatment of HIV and AIDS. Growth over the MTEF caters for inflation only.
- Programme 2's transfers to *Non-profit institutions* are explained in Section 7.7.

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		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>1. Administration</b>	<b>17 443</b>	<b>5 893</b>	<b>6 979</b>	<b>8 137</b>	<b>23 305</b>	<b>21 239</b>	<b>8 335</b>	<b>9 057</b>	<b>9 491</b>
Provinces and municipalities	2 903	3 167	2 516	3 902	3 648	3 648	3 867	4 343	4 551
Motor vehicle licences	2 903	3 167	2 516	3 902	3 648	3 648	3 867	4 343	4 551
Departmental agencies and accounts	-	-	-	1	1	4	1	1	1
SABC - TV licences	-	-	-	1	1	4	1	1	1
Households	14 540	2 726	4 463	4 234	19 656	17 587	4 467	4 713	4 939
Staff exit costs	2 737	2 673	3 057	4 234	4 104	2 035	4 467	4 713	4 939
Other transfers to households	11 803	53	1 406	-	15 552	15 552	-	-	-
<b>2. District Health Services</b>	<b>474 768</b>	<b>618 250</b>	<b>473 637</b>	<b>392 529</b>	<b>378 500</b>	<b>400 410</b>	<b>406 585</b>	<b>430 089</b>	<b>450 732</b>
Provinces and municipalities	154 750	219 658	215 277	225 396	225 397	218 744	237 793	250 872	262 914
Motor vehicle licences	-	2	1	-	1	1	-	-	-
Municipal clinics	154 750	219 656	215 276	225 396	225 396	218 743	237 793	250 872	262 914
Departmental agencies and accounts	107	151	98	47	29	126	49	51	53
SABC - TV licences	107	151	98	47	29	126	49	51	53
Non-profit institutions	171 372	113 929	46 009	51 034	51 034	48 988	52 865	55 773	58 450
Non-profit institutions	171 372	113 929	46 009	51 034	51 034	48 988	52 865	55 773	58 450
Households	148 539	284 512	212 253	116 052	102 040	132 552	115 878	123 393	129 315
Staff exit costs	58 781	54 915	62 139	71 052	62 593	53 656	73 878	79 083	82 879
Other transfers to households	89 758	229 597	150 114	45 000	39 447	78 896	42 000	44 310	46 436
<b>3. Emergency Medical Services</b>	<b>3 779</b>	<b>4 699</b>	<b>3 788</b>	<b>5 609</b>	<b>3 843</b>	<b>2 972</b>	<b>5 918</b>	<b>6 243</b>	<b>6 542</b>
Provinces and municipalities	2 001	2 834	1 592	2 793	2 697	1 781	2 947	3 109	3 258
Motor vehicle licences	2 001	2 834	1 592	2 793	2 697	1 781	2 947	3 109	3 258
Departmental agencies and accounts	2	-	-	2	-	-	2	2	2
SABC - TV licences	2	-	-	2	-	-	2	2	2
Households	1 776	1 865	2 196	2 814	1 146	1 191	2 969	3 132	3 282
Staff exit costs	1 358	1 566	2 084	1 778	1 040	1 085	1 876	1 979	2 074
Other transfers to households	418	299	112	1 036	106	106	1 093	1 153	1 208
<b>4. Provincial Hospital Services</b>	<b>176 558</b>	<b>276 587</b>	<b>264 918</b>	<b>88 509</b>	<b>113 110</b>	<b>136 678</b>	<b>83 790</b>	<b>88 398</b>	<b>92 642</b>
Provinces and municipalities	101	-	2	-	-	-	-	-	-
Motor vehicle licences	101	-	2	-	-	-	-	-	-
Departmental agencies and accounts	127	220	130	93	100	103	98	103	108
SABC - TV licences	127	220	130	93	100	103	98	103	108
Non-profit institutions	32 557	27 467	16 464	5 479	5 479	5 479	5 643	5 953	6 239
Non-profit institutions	32 557	27 467	16 464	5 479	5 479	5 479	5 643	5 953	6 239
Households	143 773	248 900	248 322	82 937	107 531	131 096	78 049	82 342	86 295
Staff exit costs	31 259	37 492	33 401	32 937	34 087	32 181	34 749	36 660	38 420
Other transfers to households	112 514	211 408	214 921	50 000	73 444	98 915	43 300	45 682	47 875
<b>5. Central Hospital Services</b>	<b>48 533</b>	<b>31 646</b>	<b>83 363</b>	<b>39 267</b>	<b>26 156</b>	<b>35 459</b>	<b>40 877</b>	<b>43 125</b>	<b>45 196</b>
Departmental agencies and accounts	53	59	61	67	80	109	71	75	79
SABC - TV licences	53	59	61	67	80	109	71	75	79
Households	48 480	31 587	83 302	39 200	26 076	35 350	40 806	43 050	45 117
Staff exit costs	11 697	11 026	11 037	13 360	10 863	11 798	14 095	14 870	15 584
Other transfers to households	36 783	20 561	72 265	25 840	15 213	23 552	26 711	28 180	29 533
<b>6. Health Sciences and Training</b>	<b>313 940</b>	<b>310 371</b>	<b>273 436</b>	<b>215 310</b>	<b>227 621</b>	<b>228 070</b>	<b>154 186</b>	<b>162 667</b>	<b>170 475</b>
Provinces and municipalities	-	15	-	-	-	-	-	-	-
Motor vehicle licences	-	15	-	-	-	-	-	-	-
Departmental agencies and accounts	19 842	18 850	20 868	22 036	22 036	22 036	23 248	24 527	25 704
HWSETA	19 842	18 850	20 868	22 036	22 036	22 036	23 248	24 527	25 704
Households	294 098	291 506	252 568	193 274	205 585	206 034	130 938	138 140	144 771
Staff exit costs	2 135	4 972	4 249	2 358	2 283	2 732	2 498	2 625	2 751
Other transfers to households	291 963	286 534	248 319	190 916	203 302	203 302	128 450	135 515	142 020
<b>7. Health Support Services</b>	<b>636</b>	<b>1 261</b>	<b>453</b>	<b>778</b>	<b>1 016</b>	<b>1 223</b>	<b>821</b>	<b>866</b>	<b>908</b>
Households	636	1 261	453	778	1 016	1 223	821	866	908
Staff exit costs	636	1 261	453	778	1 016	1 223	821	866	908
<b>8. Health Facilities Management</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Households	-	-	21	-	-	-	-	-	-
Staff exit costs	-	-	21	-	-	-	-	-	-
<b>Total</b>	<b>1 035 657</b>	<b>1 248 707</b>	<b>1 106 595</b>	<b>750 139</b>	<b>773 551</b>	<b>826 051</b>	<b>700 512</b>	<b>740 445</b>	<b>775 986</b>

- The decrease in Programme 4 against *Non-profit institutions* in 2018/19 was due to the provincialisation of Siloah Hospital, as explained under Section 7.7.
- In Programme 6, *Departmental agencies and accounts* relates to transfers in respect of the HWSETA levy, which is in line with the fluctuations in *Compensation of employees*.
- Also in Programme 6, the high base 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 decline in 2018/19 and the 2019/20 Main Appropriation and over the 2020/21 MTEF is related to a reduced number of Cuban



Doctor's programme students, 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, including in the 2019/20 Adjusted Appropriation.

## 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.

Tables 7.15 and 7.16 summarise information for the period 2016/17 to 2022/23. Programme 1's budget was reduced by R3.075 million in 2020/21 and R3.351 million in 2021/22, as a result of the CPI inflation projections revision budget cuts. The cuts were effected against both sub-programmes, but mainly against Management, which has the biggest budget allocation. In addition, R18 million, with carry-through, was reprioritised to Programme 4 for PKISMH. The impact of these cuts is discussed at sub-programme and economic classification level below.

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 2020/21 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		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. Office of the MEC	18 990	20 732	19 752	22 890	22 890	22 890	22 459	23 793	25 041
2. Management	826 684	815 923	791 106	910 471	788 155	788 155	942 141	907 788	954 768
<b>Total</b>	<b>845 674</b>	<b>836 655</b>	<b>810 858</b>	<b>933 361</b>	<b>811 045</b>	<b>811 045</b>	<b>964 600</b>	<b>931 581</b>	<b>979 809</b>
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 608)	-	-	-	-	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>738 067</b>	<b>729 047</b>	<b>810 858</b>	<b>933 361</b>	<b>811 045</b>	<b>811 045</b>	<b>964 600</b>	<b>931 581</b>	<b>979 809</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>683 440</b>	<b>695 727</b>	<b>762 364</b>	<b>904 590</b>	<b>739 390</b>	<b>736 435</b>	<b>840 906</b>	<b>890 314</b>	<b>941 666</b>
Compensation of employees	365 803	379 229	404 266	561 999	437 754	431 429	522 489	554 678	589 919
Goods and services	316 817	316 347	357 951	342 591	301 126	304 495	318 417	335 636	351 747
Interest and rent on land	820	151	147	-	510	511	-	-	-
<b>Transfers and subsidies to:</b>	<b>17 443</b>	<b>5 893</b>	<b>6 979</b>	<b>8 137</b>	<b>23 305</b>	<b>21 239</b>	<b>8 335</b>	<b>9 057</b>	<b>9 491</b>
Provinces and municipalities	2 903	3 167	2 516	3 902	3 648	3 648	3 867	4 343	4 551
Departmental agencies and accounts	-	-	-	1	1	4	1	1	1
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	14 540	2 726	4 463	4 234	19 656	17 587	4 467	4 713	4 939
<b>Payments for capital assets</b>	<b>257</b>	<b>26 683</b>	<b>41 144</b>	<b>20 634</b>	<b>48 350</b>	<b>53 371</b>	<b>115 359</b>	<b>32 210</b>	<b>28 652</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	257	26 683	41 144	20 634	48 350	53 371	115 359	32 210	28 652
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>144 534</b>	<b>108 352</b>	<b>371</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>845 674</b>	<b>836 655</b>	<b>810 858</b>	<b>933 361</b>	<b>811 045</b>	<b>811 045</b>	<b>964 600</b>	<b>931 581</b>	<b>979 809</b>
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 608)	-	-	-	-	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>738 067</b>	<b>729 047</b>	<b>810 858</b>	<b>933 361</b>	<b>811 045</b>	<b>811 045</b>	<b>964 600</b>	<b>931 581</b>	<b>979 809</b>

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. Growth over the 2020/21 MTEF is for inflationary purposes only. Note that the department implemented budget cuts to this sub-programme in 2020/21 and 2021/22 against *Compensation of employees* related to lowering the CPI projections influencing the growth in *Compensation of employees*. There is no impact on service delivery as this is adjusting for a lower forecast CPI. However, the department reprioritised R2 million in 2020/21, with carry-through, from *Compensation of employees* for PKISMH, which will impact on the filling of critical administration posts.

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 were implemented in 2015/16 and the final instalment of R107.608 million was paid in 2017/18. The high growth in the 2019/20 Main Appropriation and the reduction in the 2019/20 Adjusted Appropriation is related to the initial placement and subsequent movement of the former HR Capacitation grant to Programme 4. The high growth in 2020/21 and the negative growth in 2021/22 is due to the once-off funding of R70 million reprioritised for the upgrading of the PABX system, R20 million for the electronic patient records system and R10 million for the capacitation of the Internal Control unit. Growth in the outer two years of the MTEF is for inflationary purposes only. Note that the department implemented budget cuts to this sub-programme in 2020/21 and 2021/22 against *Compensation of employees* related to lowering the CPI projections influencing the growth in *Compensation of employees*. There is no impact on service delivery as this is adjusting for a lower forecast CPI. However, the department reprioritised R16 million in 2020/21, with carry-through, from *Compensation of employees* for PKISMH, which will impact on the filling of critical administration posts.

*Compensation of employees* in 2020/21 provides for the filling of internal control posts. However, the growth over the two outer years of the 2020/21 MTEF is not sufficient for inflationary increases, which implies that no vacancies may be filled at this stage, unless the department undertakes further reprioritisation in the next budget process. Note that the department implemented cuts against *Compensation of employees* related to the lowering CPI projections, as mentioned. There is no impact on service delivery as this is adjusting for a lower forecast CPI. However, the department reprioritised R18 million in 2020/21, with carry-through, from *Compensation of employees* for PKISMH, which will impact on the filling of critical administration posts.

*Goods and services* over the 2020/21 MTEF is for inflationary purposes only and mainly provides for computer services for the whole department, as well as consultants' costs.

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 for the programme.

*Transfers and subsidies to: Households* mainly relates to staff exit costs. The increase in the 2019/20 Adjusted Appropriation relates to funding reprioritised within the programme to address a legal claim from a security contractor, hence the negative growth in 2020/21.

*Machinery and equipment* increased in the 2019/20 Adjusted Appropriation to make provision for the installation of CCTV cameras in facilities to reduce security services costs. The significant increase in 2020/21 relates to reprioritisation for planned IT equipment replacement costs across all programmes, including PCs, servers and hubs, the upgrading of PABX system and the electronic patient records system, all planned for completion by 31 March 2021.

*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. One of the measures in this programme is new when compared to the 2019/20 EPRE. Note that the department publishes additional measures for this programme in its annual APP.

**Table 7.17 : Service delivery measures: Administration**

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2019/20	2020/21	2021/22	2022/23
To conduct the strategic management and overall administration of the Department of Health	<ul style="list-style-type: none"> <li>Audit opinion from the Auditor-General</li> <li>% of health facilities electronically recording clinical codes for their patient visits</li> </ul>	Unqualified	Unqualified	Unqualified	Unqualified
		New	2%	50%	100%

## 8.2 Programme 2: District Health Services

The purpose of Programme 2: District Health Services is to render PHC 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 PHC 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 PHC 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 PHC services at non-health facilities in respect of home-based care, abuse victims, mental and chronic care and school health.
- To render PHC 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 bulk of this programme's budget 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 CHC, comprehensive management of HIV and AIDS and related diseases, especially TB, etc.

Programme 2's budget was reduced by R204.969 million in 2020/21, R201.899 million in 2021/22 and R110.091 million in 2022/23, as a result of the fiscal consolidation and PES formula updates budget cuts, CPI inflation projections revision and conditional grants budget cuts. The cuts were effected against all sub-programmes, apart from Nutrition, but mainly against District Hospitals and Community Based Services. The impact of these cuts is discussed at sub-programme and economic classification level below. The programme was also reduced by R304 million, with carry-through, affecting all sub-programmes except the HIV and AIDS and the Nutrition, sub-programmes, reprioritised to Programme 4 for the commissioning of PKISMH. In addition, there was reprioritisation within the programme for higher than expected security and cleaning services costs, as well as higher electricity, water and sewerage costs. Despite these cuts and reprioritisation, the programme grows by 5.6, 8.6 and 5.7 per cent over the three MTEF years, respectively.

**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		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. District Management	291 190	302 062	299 310	330 183	311 903	316 301	327 176	351 035	372 775
2. Community Health Clinics	3 915 857	4 020 491	4 332 048	4 655 651	4 594 447	4 607 351	4 848 112	5 185 294	5 469 869
3. Community Health Centres	1 500 268	1 625 352	1 753 904	1 920 597	1 903 925	1 906 306	1 992 483	2 120 397	2 248 133
4. Community Based Services	215 486	306 225	376 013	443 901	423 119	411 196	363 595	422 194	442 459
5. Other Community Services	997 211	1 071 475	1 163 629	1 280 915	1 398 535	1 331 388	1 415 837	1 513 176	1 593 657
6. HIV and AIDS	4 499 037	5 018 680	5 715 614	5 840 628	5 840 628	5 840 628	6 453 922	7 344 740	7 733 716
7. Nutrition	44 940	41 940	31 929	59 739	40 724	38 165	62 523	66 489	69 680
8. Coroner Services	180 085	221 828	222 990	265 208	255 208	250 034	265 516	287 916	305 574
9. District Hospitals	6 503 837	7 124 263	6 906 627	7 640 117	7 799 731	7 866 851	8 112 368	8 588 578	9 110 920
<b>Total</b>	<b>18 147 911</b>	<b>19 732 316</b>	<b>20 802 064</b>	<b>22 436 939</b>	<b>22 568 220</b>	<b>22 568 220</b>	<b>23 841 532</b>	<b>25 879 819</b>	<b>27 346 783</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>17 605 153</b>	<b>18 890 919</b>	<b>20 142 620</b>	<b>21 787 483</b>	<b>21 943 168</b>	<b>21 911 526</b>	<b>23 280 613</b>	<b>25 174 421</b>	<b>26 607 529</b>
Compensation of employees	11 533 363	12 229 725	12 946 954	14 499 544	14 245 200	14 189 649	14 945 792	15 802 985	16 777 288
Goods and services	6 070 884	6 660 677	7 193 365	7 287 524	7 697 544	7 721 466	8 334 383	9 370 973	9 829 756
Interest and rent on land	906	517	2 301	415	424	411	438	463	485
<b>Transfers and subsidies to:</b>	<b>474 768</b>	<b>618 250</b>	<b>473 637</b>	<b>392 529</b>	<b>378 500</b>	<b>400 410</b>	<b>406 585</b>	<b>430 089</b>	<b>450 732</b>
Provinces and municipalities	154 750	219 658	215 277	225 396	225 397	218 744	237 793	250 872	262 914
Departmental agencies and accounts	107	151	98	47	29	126	49	51	53
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	171 372	113 929	46 009	51 034	51 034	48 988	52 865	55 773	58 450
Households	148 539	284 512	212 253	116 052	102 040	132 552	115 878	123 393	129 315
<b>Payments for capital assets</b>	<b>67 960</b>	<b>223 128</b>	<b>185 747</b>	<b>256 927</b>	<b>246 552</b>	<b>256 284</b>	<b>154 334</b>	<b>275 309</b>	<b>288 522</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	67 960	223 128	185 747	256 927	246 552	256 284	154 334	275 309	288 522
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>30</b>	<b>19</b>	<b>60</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>18 147 911</b>	<b>19 732 316</b>	<b>20 802 064</b>	<b>22 436 939</b>	<b>22 568 220</b>	<b>22 568 220</b>	<b>23 841 532</b>	<b>25 879 819</b>	<b>27 346 783</b>

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 determining working methods and procedures and exercising district control. Growth over the MTEF provides for inflationary adjustments only. The department implemented cuts against *Compensation of employees* in 2020/21 (R1.715 million) and 2021/22 (R1.869 million) related to lowering the CPI projections, as mentioned. There is no impact on service delivery as this is adjusting for a lower forecast CPI. However, the department reprioritised R26 million in 2020/21, with carry-through, from *Compensation of employees* for PKISMH, which will impact on the filling of critical administration posts.

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 decrease in the 2019/20 Adjusted Appropriation is due to slow filling of vacant posts, with savings reprioritised largely within the programme mainly to the District Hospitals sub-programme to address pressures in security, cleaning, electricity, sewerage and water costs. The slightly lower growth in 2020/21 relates to no provision made for the procurement of vehicles, anticipated savings from NHLS electronic gate-keeping, as well as the lower projected CPI, with cuts against *Compensation of employees* in 2020/21 (R18.513 million) and 2021/22 (R20.164 million). Note that there is no impact on service delivery for this cut, as mentioned. Growth over the remainder of the 2020/21 MTEF is inflationary only. However, the department reprioritised almost R105 million in 2020/21, with carry-through, from *Compensation of employees* for PKISMH. In addition, funding was reprioritised within the sub-programme, mainly from *Compensation of employees*, to address pressures in security, cleaning, electricity, sewerage and water costs. This reprioritisation will impact on the filling of critical posts, such as nurses and cleaners.

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 relatively high growth in the 2019/20 Main Appropriation is due to the increased costs of security and cleaning services. Growth over the 2020/21 MTEF provides for inflationary adjustments only, with cuts against *Compensation of employees* in 2020/21 (R9.103 million) and 2021/22 (R9.918 million) due to lower projected CPI, with no impact on service delivery, as mentioned. However, the department reprioritised R51 million in 2020/21, with carry-through, from *Compensation of employees* for PKISMH. In addition, funding was reprioritised within the sub-programme, mainly from *Compensation of employees*, to address pressures in security, cleaning, electricity, sewerage and water costs. This reprioritisation will impact on the filling of critical posts, such as nurses and cleaners.

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 high growth in the 2019/20 Main Appropriation is largely ascribed to an increase in courier costs for expanding the CCMDD programme funded *via* reprioritisation within the programme. The reduction in the 2019/20 Adjusted Appropriation relates to the slow filling of vacant posts, reprioritised mainly to the District Hospitals sub-programme to address pressures in security, cleaning, electricity, sewerage and water costs. The Social Sector EPWP Incentive Grant for Provinces has no allocation in 2020/21, contributing to the negative growth in that year. The growth over the remainder of the 2020/21 MTEF provides for inflationary increases only. The department has implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R4.303 million) and 2021/22 (R4.597 million), with no impact on service delivery, as mentioned. In addition to these cuts was a movement of funding for staff, as well as *Goods and services* within the HPV Vaccine grant, moved to the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant as part of the merging of the two grants. There is no impact related to this movement.

The sub-programme: Other Community Services renders environmental and part-time district surgeon services, etc. The increase from 2018/19 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. As previously mentioned, there is a direct allocation of the NHI grant from the 2019/20 Adjusted Appropriation, and over the MTEF. This will be used to contract health professionals in the former NHI pilot districts. Also contributing to the increase in the 2019/20 Adjusted Appropriation was an increase in the former HR Capacitation grant to assist the province to meet its obligations for posts filled under this grant. The department has implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R8.006 million) and 2021/22 (R8.722 million), with no impact on service delivery, as mentioned. However, the department reprioritised R12 million in 2020/21, mainly from *Machinery and equipment*, for PKISMH, with vehicle procurement postponed to 2021/22. Growth over the 2020/21 MTEF provides for inflationary increases only. The department notes that the Statutory HR and Health Professions Training and Development grant is insufficient to fund all statutory posts from 2020/21, including community service workers, and the department will consult with NDOH in this regard.

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, Community Outreach and HPV Vaccine 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, Community Outreach and HPV Vaccine grant to fund the increase in patient numbers and the targets over the period. Growth in 2019/20 is low due to the previously mentioned cuts to the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant, with higher growth in the MTEF years resulting from additional funding allocated in the 2018/19 MTEF (2020/21) and the 2019/20 MTEF (2021/22) processes. The department implemented budget cuts against *Compensation of employees* in 2020/21 related to the fiscal consolidation reduction in the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant, with no impact on service delivery as this was related to a reduction in forecast inflation.

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 increase in the 2019/20 Main Appropriation and 2020/21 is attributed to the need to

address backlogs created by enforced savings, due to the population's vulnerability to malnutrition, taking into account the recent drought and increasing food prices, hence no budget cuts were implemented in this sub-programme over the 2020/21 MTEF. 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. The department implemented budget cuts due to lower projected CPI on *Compensation of employees* in 2020/21 (R1.349 million) and 2021/22 (R1.470 million), with no impact on service delivery, as mentioned. Growth in 2020/21 and 2022/23 is inflationary only. The high growth in 2021/22 is due to the planned replacement of mortuary vehicles. However, the department reprioritised R18 million in 2020/21, with carry-through, mainly from *Compensation of employees* for PKISMH. In addition, funding was reprioritised within the sub-programme, mainly from *Compensation of employees*, to address pressures in security, cleaning, electricity, sewerage and water costs. This reprioritisation will impact on the filling of critical posts, such as pathologists, nurses and cleaners.

The sub-programme: District Hospitals provides hospital services at general practitioner level. The increase in the 2019/20 Adjusted Appropriation is mainly due to slow filling of vacant posts in other sub-programmes, reprioritised largely within the programme mainly to this sub-programme to address pressures in security, cleaning, electricity and water costs. The department implemented budget cuts due to fiscal consolidation, PES and lower projected CPI against *Compensation of employees* in 2020/21 (R98.266 million), 2021/22 (R105.049 million) and 2022/23 (R110.091 million). In addition, the department reprioritised R55 million in 2020/21, with carry-through, from *Compensation of employees* for PKISMH. Furthermore, funding was reprioritised within the sub-programme, mainly from *Compensation of employees* and *Machinery and equipment* to address pressures in security, cleaning, electricity, sewerage and water costs, with vehicle procurement postponed to 2021/22. These cuts and reprioritisation against *Compensation of employees* will impact on the filling of critical posts, such as medical officers, nurses and cleaners. The sub-programme shows steady growth over the 2020/21 MTEF in order to sustain the current services and levels of staff.

The high growth in *Compensation of employees* in 2018/19 was mainly related to the filling of posts within the HIV, TB, Malaria, Community Outreach and HPV Vaccine 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. The reduction in the 2019/20 Adjusted Appropriation was due to delays with finalising the HR implementation plan, the inability to fill posts as a result of overall pressure under *Goods and services* (outsourced security and cleaning services contracts, water and electricity, NHLS and ARV medicines), as well as insufficient carry-through funds over the MTEF. The lower growth over the 2020/21 MTEF is because the department implemented fiscal consolidation, PES and lower forecast CPI budget cuts against *Compensation of employees* in 2020/21 (R98.266 million), 2021/22 (R105.049 million) and 2022/23 (R110.091 million), with no impact on service delivery in most sub-programmes with regard to the lower CPI cut. However, the budget cuts in the District Hospitals sub-programme will impact on the department's ability to fill critical vacant posts, which will be limited due to these cuts. In addition, R304 million was reprioritised, with carry-through, to Programme 4 for PKISMH and further funding was reprioritised within the programme to *Goods and services* for higher security, cleaning, electricity, sewerage and water costs. The budget cuts, as well as the reprioritisation will impact on the department's ability to fill critical vacant posts, such as medical officers, nurses, cleaners, etc.

The high growth in *Goods and services* from 2017/18 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 increase in the 2019/20 Adjusted Appropriation was to address pressures in security, cleaning, electricity and water costs. The growth in 2019/20 is mitigated by the previously mentioned cuts to the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant, with high growth over the MTEF due to additional funding allocated in the 2018/19 MTEF (2020/21) and the 2019/20 MTEF (2021/22) processes. The category was subject to conditional grant fiscal consolidation budget cuts in 2020/21 (R47.013 million) and 2021/22 (R49.599 million), mainly against medicines. The reduction was part of the previously mentioned merger of the HPV Vaccine grant and the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant. As the baseline for medicines grows at 11 and 18 per cent in 2020/21 and 2021/22, respectively, the impact of the cuts is minimal.

*Transfers and subsidies to: Provinces and municipalities* provides for PHC services provided by eThekweni municipal clinics, and especially the strengthening of the comprehensive HIV, AIDS and TB programme at clinic level from 2017/18. The high growth in 2020/21 and low 2019/20 Revised Estimate are attributed to the expected late receipt of 2019/20 invoices from the eThekweni Metro. The growth over the remainder of the MTEF is inflationary only.

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

*Transfers and subsidies to: Non-profit institutions* caters for subsidies to entities that render PHC services. The 2020/21 MTEF provides for inflationary increases.

*Transfers and subsidies to: Households* relates to staff exit costs and medico-legal claims. The 2020/21 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 that will reduce costs, including strengthening clinical governance at facilities and the adoption of mediation as an alternative dispute resolution strategy.

*Machinery and equipment* shows negative growth in 2020/21 due to the inability to provide for vehicle procurement due to budget constraints. Provision is made in 2021/22 for vehicles, hence the significant growth in that year.

### Service delivery measures: District Health Services

Table 7.20 illustrates the main service delivery measures of Programme 2. Five of the measures in this programme are new when compared to the 2019/20 EPRE. Measures marked “n/a” are annual in nature and no Estimated performance for 2019/20 is available. Note that the department publishes additional 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		
		2019/20	2020/21	2021/22	2022/23
1. District Health Services					
To provide facilities for patients to be treated at PHC level	• Ideal clinic status obtained rate	n/a	100%	100%	100%
	• Patient experience of care satisfaction rate (PHC)	New	68.7%	69.4%	70%
2. District Hospitals					
Rendering hospital service at general practitioner level	• Maternal mortality in facility ratio	n/a	55.2%	52.4%	50.3%
	• Child under 5 years diarrhoea case fatality rate	1.4%	2%	1.9%	1.7%
	• Child under 5 years pneumonia case fatality rate	1.9%	1.7%	1.6%	1.5%
	• Child under 5 years severe acute malnutrition death under 5 years rate	6.4%	6%	5.8%	5.6%
3. HIV and AIDS, TB and STI control					
Rendering PHC service in respect of HIV and AIDS, TB and STI control	• ART client remain on ART end of month – total	1 578 737	1 701 694	1 830 478	1 959 000
	• HIV incidence	New	0.52%	0.5%	0.48%
	• TB incidence	New	400/100 000	350/100 000	300/100 000
4. Maternal, child and women's health					
Rendering a comprehensive and integrated maternal, child and women health at PHC level	• Infant PCR test positive around 10 weeks rate	0.5%	0.5%	0.5%	0.5%
	• Infant mortality rate	30.9%	29%	28.5%	28%
	• Immunisation under 1 year coverage	89.6%	88%	90%	90%
	• Antenatal 1 <sup>st</sup> visit before 20 weeks rate	76.5%	75.9%	78.8%	81.8%
	• Measles 2 <sup>nd</sup> dose coverage	83.5%	93%	94%	94%
	• Delivery in 10 to 19 years in facility rate	16.8%	16.6%	16.3%	16%
	• Couple year protection rate (international)	56.9%	60%	60%	60%
	• Vitamin A dose 12-59 months coverage	70.2%	72%	74%	76%
	• Neonatal (<28 days) death in facility rate	n/a	11.3/1 000	11.1/1 000	10.9/1 000
5. Disease prevention and control					
Rendering preventive and promotive health services	• Malaria case fatality rate	0.5%	0.4%	0.3%	0.3%
	• Hypertension incidence	New	28/1 000	26/1 000	24/1 000
	• Diabetes incidence	New	2.8/1 000	2.7/1 000	2.6/1 000

### 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. The budget was reduced by R65.451 million in 2020/21 as a result of the fiscal consolidation, PES formula updates, and CPI inflation projections revision budget cuts and R7.956 million in 2021/22 due to CPI inflation projections revision budget cuts. The cuts were effected against both sub-programmes, but mainly against Emergency Services. The impact of these cuts is discussed at sub-programme and economic classification level below. In addition, the department reprioritised R28 million, with carry-through from *Compensation of employees* to Programme 4 for PKISMH, as well as R6 million, with carry-through, within *Goods and services* and within the programme for higher security, cleaning, electricity, sewerage and water costs.

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

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. Emergency Services	1 114 738	1 251 736	1 306 286	1 457 574	1 412 163	1 464 210	1 427 827	1 574 581	1 657 773
2. Planned Patient Transport	94 525	125 841	140 364	173 584	158 883	140 529	184 548	205 462	216 047
<b>Total</b>	<b>1 209 263</b>	<b>1 377 577</b>	<b>1 446 650</b>	<b>1 631 158</b>	<b>1 571 046</b>	<b>1 604 739</b>	<b>1 612 375</b>	<b>1 780 043</b>	<b>1 873 820</b>

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

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>1 189 528</b>	<b>1 325 342</b>	<b>1 377 060</b>	<b>1 529 356</b>	<b>1 426 010</b>	<b>1 433 335</b>	<b>1 563 122</b>	<b>1 666 735</b>	<b>1 755 074</b>
Compensation of employees	866 530	950 621	976 075	1 157 276	1 042 533	1 038 618	1 167 633	1 239 824	1 307 671
Goods and services	322 937	374 715	400 915	372 080	383 477	394 717	395 489	426 911	447 403
Interest and rent on land	61	6	70	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>3 779</b>	<b>4 699</b>	<b>3 788</b>	<b>5 609</b>	<b>3 843</b>	<b>2 972</b>	<b>5 918</b>	<b>6 243</b>	<b>6 542</b>
Provinces and municipalities	2 001	2 834	1 592	2 793	2 697	1 781	2 947	3 109	3 258
Departmental agencies and accounts	2	-	-	2	-	-	2	2	2
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 776	1 865	2 196	2 814	1 146	1 191	2 969	3 132	3 282
<b>Payments for capital assets</b>	<b>15 956</b>	<b>47 536</b>	<b>65 802</b>	<b>96 193</b>	<b>141 193</b>	<b>168 432</b>	<b>43 335</b>	<b>107 065</b>	<b>112 204</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	15 956	47 536	65 802	96 193	141 193	168 432	43 335	107 065	112 204
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 209 263</b>	<b>1 377 577</b>	<b>1 446 650</b>	<b>1 631 158</b>	<b>1 571 046</b>	<b>1 604 739</b>	<b>1 612 375</b>	<b>1 780 043</b>	<b>1 873 820</b>

The sub-programme: Emergency Services provides for all emergency medical services including ambulance services, special operations, communication and air ambulance services. The growth in the 2019/20 Main Appropriation provided for the planned appointment of approximately 150 emergency services staff, to address critical shortages of paramedic staff, as well as the procurement of additional EMS vehicles. There were delays in the appointment processes which resulted in the decrease in the 2019/20 Adjusted Appropriation, with funding moved within the programme for the replacement of EMS vehicles, as well as to Programme 6 to address pressures for the increased intake of medical interns. The appointment of additional EMS staff is expected to continue in 2020/21 and 2021/22, hence a relatively higher growth in these years. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R6.668 million) and 2021/22 (R7.266 million), with no impact on service delivery, as mentioned. In addition, fiscal consolidation and PES cuts were implemented against *Machinery and equipment* in 2020/21 only (R58.149 million), with no impact as the department's recapitalisation of the fleet will be largely complete in 2019/20. The department also reprioritised R28 million in 2020/21, with carry-through, from *Compensation of employees* for PKISMH. This reprioritisation will impact on the filling of critical posts, such as paramedics. In addition, funding was reprioritised within the sub-programme,



mainly from *Goods and services*, to address pressures in security, cleaning, electricity, sewerage and water costs. The growth in the outer year 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). Growth is high in the 2019/20 Main Appropriation and over the 2020/21 MTEF due to the planned filling of posts. However, due to slow recruitment processes, there was a reduction in the 2019/20 Adjusted Appropriation and Revised Estimate. The growth in the outer year is inflationary only. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R634 000) and 2021/22 (R690 000), with no impact on service delivery, as mentioned. No other cuts or reprioritisation were implemented against this sub-programme.

*Compensation of employees* in the 2019/20 Main Appropriation provided for the planned appointment of approximately 150 emergency services staff, to address critical shortages of paramedic staff. There were delays in the appointment processes which resulted in the decrease in the 2019/20 Adjusted Appropriation. The department implemented cuts against *Compensation of employees* in 2020/21 (R7.302 million) and 2021/22 (R7.956 million), with no impact on service delivery, as mentioned. Also, the department reprioritised R28 million, with carry-through, from *Compensation of employees* to Programme 4 for PKISMH. This reprioritisation will impact on the filling of critical posts, such as paramedics. The high growth in 2020/21 relates to the provision for additional staff, as mentioned, with inflationary growth thereafter.

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 2019/20 Adjusted Appropriation and Revised Estimate was due to pressures resulting from higher than expected vehicle repair costs. The low growth in 2020/21, with inflationary growth in the outer year, is attributed to savings to be realised from the recapitalisation of the ambulance fleet, as well as the stringent maintenance and repair control measures to be implemented. As mentioned, the department reprioritised R6 million, with carry-through, within *Goods and services* and within the programme for higher security, cleaning, electricity, sewerage and water costs.

*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.

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

*Machinery and equipment* showed a drive to replace redundant ambulances in 2018/19 and this was intensified in 2019/20, hence the low growth in 2020/21 and the steady growth in the outer years. As mentioned, fiscal consolidation and PES budget cuts were implemented against *Machinery and equipment* in 2020/21 only (R58.149 million), with no impact as the department's recapitalisation of the fleet will be largely complete in 2019/20.

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. All the measures in this programme are new when compared to the 2019/20 EPRE. Note that the department publishes additional measures for this programme in its annual APP.

**Table 7.23 : Service delivery measures: Emergency Medical Services**

Table 7.28: Service delivery measures: Emergency medical services					
Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2019/20	2020/21	2021/22	2022/23
1. Emergency Medical Services					
Rendering emergency medical services including ambulance services, special operations, communications and air ambulance services	• EMS P1 urban response under 30 minutes rate	New	23%	23%	30%
	• EMS P1 rural response under 60 minutes rate	New	36%	36%	37%
	• Average no. of daily operational ambulances	New	210	220	290

## 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 PHC.

Tables 7.24 and 7.25 summarise payments and estimates relating to Programme 4. The budget was reduced by R56.656 million in 2020/21, R506.744 million in 2021/22 and R519.922 million in 2022/23 as a result of the fiscal consolidation, PES formula updates and CPI inflation projections revision budget cuts. The cuts were effected against *Compensation of employees* only, against all sub-programmes, but mainly against General (Regional) Hospital, which has the largest budget. The impact of these cuts is discussed at sub-programme and economic classification level below. In addition, the department reprioritised R261 million within the programme, from all sub-programmes to the General (Regional) Hospitals sub-programme for the commissioning of PKISMH. There was also some reprioritisation within the programme and within *Goods and services* to address higher security, cleaning, electricity, sewerage and water costs.

**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		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. General (Regional) Hospitals	7 398 709	8 074 917	8 882 106	9 060 320	9 266 849	9 274 849	10 380 825	10 584 194	10 820 878
2. Tuberculosis Hospitals	776 902	789 489	717 542	781 855	733 096	706 093	795 934	703 433	739 569
3. Psychiatric-Mental Hospitals	825 338	865 678	933 737	998 539	984 078	981 078	1 037 691	1 104 635	1 172 603
4. Sub-acute, Step-down and Chronic Medical Hospitals	378 575	383 621	407 934	464 941	445 192	444 662	463 444	495 401	525 808
5. Dental Training Hospital	19 451	19 966	22 775	24 749	20 142	20 142	20 918	22 199	23 401
<b>Total</b>	<b>9 398 975</b>	<b>10 133 671</b>	<b>10 964 094</b>	<b>11 330 404</b>	<b>11 449 357</b>	<b>11 426 824</b>	<b>12 698 812</b>	<b>12 909 862</b>	<b>13 282 259</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>9 214 411</b>	<b>9 745 629</b>	<b>10 591 438</b>	<b>10 990 623</b>	<b>11 171 010</b>	<b>11 129 025</b>	<b>12 498 704</b>	<b>12 568 163</b>	<b>12 924 157</b>
Compensation of employees	7 138 270	7 405 857	8 115 122	8 436 011	8 355 310	8 354 559	9 448 271	9 352 876	9 554 533
Goods and services	2 075 849	2 337 152	2 473 812	2 554 608	2 815 627	2 774 127	3 050 429	3 215 283	3 369 620
Interest and rent on land	292	2 620	2 504	4	73	339	4	4	4
<b>Transfers and subsidies to:</b>	<b>176 558</b>	<b>276 587</b>	<b>264 918</b>	<b>88 509</b>	<b>113 110</b>	<b>136 678</b>	<b>83 790</b>	<b>88 398</b>	<b>92 642</b>
Provinces and municipalities	101	-	2	-	-	-	-	-	-
Departmental agencies and accounts	127	220	130	93	100	103	98	103	108
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	32 557	27 467	16 464	5 479	5 479	5 479	5 643	5 953	6 239
Households	143 773	248 900	248 322	82 937	107 531	131 096	78 049	82 342	86 295
<b>Payments for capital assets</b>	<b>8 006</b>	<b>111 480</b>	<b>107 738</b>	<b>251 272</b>	<b>165 237</b>	<b>160 848</b>	<b>116 318</b>	<b>253 301</b>	<b>265 460</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	8 006	111 480	107 738	251 272	165 237	160 848	116 318	253 301	265 460
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>(25)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>273</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>9 398 975</b>	<b>10 133 671</b>	<b>10 964 094</b>	<b>11 330 404</b>	<b>11 449 357</b>	<b>11 426 824</b>	<b>12 698 812</b>	<b>12 909 862</b>	<b>13 282 259</b>

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 the 2019/20 Adjusted Appropriation relates to pressures resulting from the unbudgeted settlement of the JME account, higher security and cleaning contract costs as a result of delays in the renewal of the contracts, legal fees for medico-legal claims that were higher than expected, as well as the lower than expected savings from NHLS electronic gate-keeping. The high growth in 2020/21 is attributable to the planned commissioning of PKISMH, with funds moved from Programmes 1, 2, 3, 5 and 7. The annual running costs of this facility are estimated at R897 million and are funded by the carry-through of this reprioritisation. The department implemented fiscal consolidation, PES formula updates and CPI inflation projections revision budget cuts against *Compensation of employees* in 2020/21 (R45.386 million), 2021/22 (R496.109 million) and 2022/23 (R519.922 million). In addition, funding was reprioritised within the sub-programme and within *Goods and services*, to address pressures in security, cleaning, electricity, sewerage and water costs. The large cut in 2021/22 is impacting on growth in this sub-programme and the programme as a whole, as well as *Compensation of employees*, and the department is currently developing a rationalisation plan for institutions, to ensure the realisation of savings to address this low growth in the next budget process.

The Tuberculosis Hospitals sub-programme provides for specialised care of patients with TB, including MDR and XDR TB. The reduction in the 2019/20 Adjusted Appropriation relates to the slow recruitment processes for the filling of posts. The high growth in 2020/21 is due to an increase in medicine costs for TB medication, previously funded from the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant in Programme 2. Provision was made in this sub-programme in anticipation of the grant not being able to continue supporting the procurements of TB medication in Programme 4. This will be reviewed in-year. The negative growth in 2020/21 relates to anticipated rationalisation of TB institutions and services. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R3.583 million) and 2021/22 (R2.261 million), with no impact on service delivery, as mentioned. In addition, funding was reprioritised within the sub-programme and within *Goods and services*, to address pressures in security, cleaning, electricity, sewerage and water costs. The department also reprioritised funding from *Compensation of employees* to the same category in the General (Regional) Hospitals sub-programme for PKISMH. This reprioritisation will impact on the filling of vacant posts for medical officers, nurses, etc, within the sub-programme. The growth in the outer year is inflationary only.

The sub-programme: Psychiatric-Mental Hospitals renders a specialist psychiatric hospital service for people with mental illnesses and intellectual disability. The reduction in the 2019/20 Adjusted Appropriation relates to the slow filling of posts. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R5.242 million) and 2021/22 (R5.711 million), with no impact on service delivery, as mentioned. In addition, funding was reprioritised within the sub-programme, mainly from *Compensation of employees*, to address pressures in security, cleaning, electricity, sewerage and water costs. The department also reprioritised funding from *Compensation of employees* to the same category in the General (Regional) Hospitals sub-programme for PKISMH. This reprioritisation will impact on the filling of vacant posts for medical officers, nurses, etc, within the sub-programme. The growth over the 2020/21 MTEF is inflationary 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 department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R2.325 million) and 2021/22 (R2.533 million), with no impact on service delivery, as mentioned. The department reprioritised funding from *Compensation of employees* to the same category in the General (Regional) Hospitals sub-programme for PKISMH. This reprioritisation will impact on the filling of vacant posts for medical officers, nurses, etc, within the sub-programme. The growth over the MTEF is inflationary.

The Dental Training Hospital sub-programme provides specialised dental services and shows steady growth over the entire period, with inflationary growth over the 2020/21 MTEF. The department implemented minimal budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R120 000) and 2021/22 (R130 000), with no impact on service delivery, as mentioned. The department reprioritised funding from *Compensation of employees* to the same category in the General (Regional) Hospitals sub-

programme for PKISMH. This reprioritisation will impact on the filling of vacant posts for medical officers, nurses, etc, within the sub-programme.

There is steady growth in *Compensation of employees* over the entire period. This category provides for posts such as oncologists, psychologists, urologists, etc., which often prove difficult to fill due to few applications when advertising. As previously stated, the high growth in 2020/21 is attributable to the earmarked allocation for commissioning of PKISMH, with carry-through over the MTEF. The department estimates that approximately 1 000 staff will need to be appointed for PKISMH. The negative growth in 2021/22 is ascribed to the planned rationalisation of services under this programme, wherein savings realised will fund the budget cuts over the MTEF. The department's focus is currently on Addington Hospital, as well as TB facilities, where lower bed occupation rates will allow for a rationalisation of services and staff. However, the process is still unfolding and this focus may change depending on findings made. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R56.656 million) and 2021/22 (R506.744 million), with no impact on service delivery, as the department has made the large reduction in 2021/22 in anticipation of the outcomes of the rationalisation process, and this will be reviewed in the next budget process.

*Goods and services* increased in the 2019/20 Adjusted Appropriation and Revised Estimate as a result of the unbudgeted settlement of the JME account, higher security and cleaning contract costs as a result of delays in the renewal of the contracts, legal fees for medico-legal claims that were higher than expected, as well as the lower than expected savings from NHLS electronic gate-keeping. The department reprioritised funds from other programmes and within the programme to cater for these pressures as well as for PKISMH in 2020/21, hence the higher growth in 2020/21. The growth in the outer years 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* provides support to 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. The budget for this category will be reviewed in-year, as and when medico-legal costs arise and depending on the success of the strategies of the medico-legal unit.

*Machinery and equipment* relates mainly to the procurement of essential non-medical equipment, as well as the decentralised procurement of HTS related medical equipment. Funding was provided in 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 reduction in the Adjusted Appropriation relates to delays in the procurement of digital X-ray machines. There are once-off costs in 2019/20, hence the decrease in 2020/21. Growth in 2021/22 is high due to the replacement of medical equipment, including ventilators, anaesthetic machines, X-ray machines and CT scanners. Growth in the outer year is inflationary.

## Service delivery measures: Provincial Hospital Services

Table 7.26 illustrates the main service delivery measures pertaining to Programme 4. All the measures in this programme are new when compared to the 2019/20 *EPRE*. Note that the department publishes additional measures for this programme in its annual 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			
		2019/20	2020/21	2021/22	2022/23	
1. General (Regional) Hospitals						
Rendering of hospital services at a general specialist level and a platform for training of health workers and research	• Patient experience of care satisfaction rate	New	81.8%	82.6%	83.4%	
	• Maternal mortality in facility ratio	New	101.5/100 000	95.4/100 000	89.8/100 000	
	• Child under 5 years diarrhoea case fatality rate	New	2.1%	1.8%	1.6%	
	• Child under 5 years pneumonia case fatality rate	New	2.1%	1.8%	1.6%	
	• Child under 5 years severe acute malnutrition case fatality rate	New	7%	6%	5%	

Table 7.26 : Service delivery measures: Provincial Hospital Services

Table 7.26 : Service delivery measures: Provincial Hospital Services						
Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2019/20	2020/21	2021/22	2022/23	
2. Specialised TB Hospitals						
Rendering of hospital services at a specialist TB level	• % of patients satisfied with their experience of care	New	93.7%	93.8%	95.2%	
	• Severity assessment code (SAC) 1 incident reported within 24 hours rate	New	88.9%	100%	100%	
3. Specialised Psychiatric Hospitals						
Rendering of hospital services at a specialist psychiatric level	• % of patients satisfied with their experience of care	New	88.7%	89.8%	90.4%	
	• SAC 1 incident reported within 24 hours rate	New	64.3%	71.4%	78.6%	
4. Chronic/ Sub-Acute Hospitals						
Rendering of hospital services at a specialist chronic/sub-acute level	• % of patients satisfied with their experience of care	New	79.5%	80.9%	81.1%	

## 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. Programme 5's budget was reduced by R20.163 million in 2020/21, R53.623 million in 2021/22 and R25.918 million in 2022/23 as a result of the fiscal consolidation, PES formula updates, CPI inflation projections revision and conditional grant budget cuts. The cuts were effected against *Compensation of employees* only in both sub-programmes, fairly evenly split as the programmes have similar size budgets. The impact of these cuts is discussed at sub-programme and economic classification level below. In addition, the department reprioritised R276 million, with carry-through, from both sub-programmes to Programme 4 for PKISMH, from *Compensation of employees*, as well as R2 million, with carry-through, mainly within *Goods and services* for higher security, cleaning, electricity, sewerage and water costs.

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		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. Central Hospital Services	2 259 604	2 466 385	2 539 378	2 596 712	2 501 712	2 494 905	2 633 323	2 771 630	2 925 120
2. Provincial Tertiary Hospital Services	2 274 553	2 397 738	2 558 825	2 683 186	2 778 486	2 778 486	2 795 339	2 958 942	3 118 218
<b>Total</b>	<b>4 534 157</b>	<b>4 864 123</b>	<b>5 098 203</b>	<b>5 279 898</b>	<b>5 280 198</b>	<b>5 273 391</b>	<b>5 428 662</b>	<b>5 730 572</b>	<b>6 043 338</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>4 472 417</b>	<b>4 754 835</b>	<b>4 960 895</b>	<b>5 132 860</b>	<b>5 079 453</b>	<b>5 076 920</b>	<b>5 311 965</b>	<b>5 617 390</b>	<b>5 924 722</b>
Compensation of employees	2 492 410	2 614 993	2 819 304	3 036 384	3 038 760	3 052 165	3 206 862	3 373 208	3 572 819
Goods and services	1 979 967	2 139 841	2 140 731	2 096 476	2 040 693	2 024 684	2 105 103	2 244 182	2 351 903
Interest and rent on land	40	1	860	-	-	71	-	-	-
<b>Transfers and subsidies to:</b>	<b>48 533</b>	<b>31 646</b>	<b>83 363</b>	<b>39 267</b>	<b>26 156</b>	<b>35 459</b>	<b>40 877</b>	<b>43 125</b>	<b>45 196</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	53	59	61	67	80	109	71	75	79
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	48 480	31 587	83 302	39 200	26 076	35 350	40 806	43 050	45 117
<b>Payments for capital assets</b>	<b>13 207</b>	<b>77 642</b>	<b>53 945</b>	<b>107 771</b>	<b>174 589</b>	<b>161 012</b>	<b>75 820</b>	<b>70 057</b>	<b>73 420</b>
Buildings and other fixed structures	2 000	-	-	-	-	-	-	-	-
Machinery and equipment	11 207	77 642	53 945	107 771	174 589	161 012	75 820	70 057	73 420
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4 534 157</b>	<b>4 864 123</b>	<b>5 098 203</b>	<b>5 279 898</b>	<b>5 280 198</b>	<b>5 273 391</b>	<b>5 428 662</b>	<b>5 730 572</b>	<b>6 043 338</b>

The Central Hospital Services sub-programme provides for highly specialised medical health tertiary and quaternary services on a national basis, and includes the PPP at IALCH. Contributing to low growth over the 2020/21 MTEF is the inability to fill non-OSD posts due to insufficient carry-through funding in the outer years (growth is consistently less than 6 per cent), and difficulties in attracting applications for OSD posts, such as oncologists, neurosurgeons, etc. The department implemented fiscal consolidation, PES formula updates, CPI inflation projections revision and conditional grants budget cuts against *Compensation of employees* in 2020/21 (R8.170 million), 2021/22 (R24.731 million) and 2022/23 (R25.918 million) with no impact on service delivery in the first year, as mentioned. The reduction in 2021/22 relates to fiscal consolidation budget cuts to the National Tertiary Services grant, which will limit the department's ability to fill specialist medical posts. The department also reprioritised R114 million in 2020/21, with carry-through, from *Compensation of employees* for PKISMH. This reprioritisation will impact on the filling of critical posts, such as medical specialists, medical officers and nurses. The growth over the 2020/21 MTEF period 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 increase in the 2019/20 Adjusted Appropriation relates to funding moved from the Central Hospital Services sub-programme for linear accelerators ordered in 2018/19 but delivered in 2019/20. The low growth in 2020/21 is attributed to the lower anticipated CPIX, savings anticipated from NHLS electronic gate-keeping, as well as the optimisation of medicine stock levels. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R11.993 million) and 2021/22 (R28.892 million), with no impact on service delivery in the first year, as mentioned. The reduction in 2021/22 also relates to fiscal consolidation budget cuts affected against the National Tertiary Services grant, which will limit the department's ability to fill specialist medical posts. The department also reprioritised R162 million in 2020/21, with carry-through, from *Compensation of employees* for PKISMH. This reprioritisation will impact on the filling of critical posts, such as medical specialists, medical officers and nurses. In addition, funding was reprioritised within the sub-programme, mainly from *Goods and services*, to address pressures in security, cleaning, electricity and water costs. The growth in the outer years is inflationary only.

The increasing trend in *Compensation of employees* from 2016/17 to 2019/20 is due to the filling of critical specialist posts. The growth in 2020/21 caters for existing posts with no provision for the filling of vacant specialist posts. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R20.163 million) and 2021/22 (R53.623 million), with no impact on service delivery in the first year, as mentioned. The reduction in 2021/22 also relates to fiscal consolidation budget cuts to the National Tertiary Services grant, which will limit the department's ability to fill specialist medical posts. The grant cuts were R6.349 million in 2020/21 and R38.530 million in 2021/22 while showing an inflationary increase of R46.109 million in the outer year of the MTEF. In addition, the department reprioritised R276 million in 2020/21, with carry-through, from *Compensation of employees* for PKISMH. This reprioritisation will impact on the filling of critical posts, such as medical specialists, medical officers and nurses.

*Goods and services* shows low growth in 2020/21 due to anticipated savings from the optimisation of medical supplies stock levels, as well as from NHLS electronic gate-keeping. The growth in the outer years 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 increase in 2020/21 MTEF is inflationary only, but this will be reviewed in-year, if required.

*Machinery and equipment* relates to the replacement of redundant essential non-medical equipment such as medical and patient trolleys, hospital beds, etc. The department has budgeted in 2020/21 for some expected carry-over costs from 2019/20 due to expected late delivery of equipment ordered, hence the further decrease in 2021/22. The outer year growth is inflationary only.

## Service delivery measures: Central Hospital Services

Table 7.29 illustrates service delivery measures pertaining to Programme 5. All the measures in this programme are new when compared to the 2019/20 EPRE. Note that the department publishes additional 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			
		2019/20	2020/21	2021/22	2022/23	
1. Tertiary Hospitals						
To provide tertiary health services and create a platform for the training of health workers	• Patient experience of care satisfaction rate	New	74.8%	75.6%	76.3%	
	• Maternal mortality in facility ratio	New	334.9/100 000	334.7/100 000	324.7/100 000	
	• Child under 5 years diarrhoea case fatality rate	New	1.7%	1.5%	1.4%	
	• Child under 5 years pneumonia case fatality rate	New	0.6%	0.6%	0.5%	
	• Child under 5 years severe acute malnutrition case fatality rate	New	14.6%	13.8%	13%	
2. Central Hospitals						
Rendering a highly specialised medical health and quaternary service on a national basis and a platform for training of health workers and research	• Patient experience of care satisfaction rate	New	90.9%	91.8%	92.6%	
	• Maternal mortality in facility ratio	New	1 216/100 000	1 095/100 000	985/100 000	
	• Child under 5 years pneumonia case fatality rate	New	14.6%	13.8%	13%	
	• Child under 5 years severe acute malnutrition case fatality rate	New	20%	14.3%	7.7%	

## 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 2016/17 to 2022/23.

Programme 6's budget was reduced by R5.987 million in 2020/21 and 6.928 million in 2021/22, as a result of the CPI inflation projections revision budget cuts. The cuts were effected against *Compensation of employees* only in all sub-programmes, apart from Bursaries, but mainly against Training Other, which has the largest budget. The impact of these cuts is discussed at sub-programme and economic classification level below.

Note that no reprioritisation was undertaken from this programme for PKISMH, or within the programme for security and cleaning costs. There was reprioritisation though within the programme and from Programme 7, related to the postponement of vehicle replacement from 2020/21 to 2021/22, with the funding moved to *Compensation of employees* for increased medical intern costs.

**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		
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23
1. Nursing Training Colleges	275 229	266 028	255 095	311 721	243 966	245 901	251 239	270 326	287 464
2. EMS Training Colleges	16 542	17 781	18 850	20 319	20 007	18 901	20 552	21 804	22 980
3. Bursaries	322 878	313 252	262 980	220 248	220 253	220 253	145 040	152 977	160 320
4. Primary Health Care Training	39 135	47 450	46 759	61 837	47 362	47 184	49 889	55 549	58 508
5. Training Other	547 290	601 539	597 946	667 760	812 049	811 398	916 544	1 022 882	1 096 854
<b>Total</b>	<b>1 201 074</b>	<b>1 246 050</b>	<b>1 181 630</b>	<b>1 281 885</b>	<b>1 343 637</b>	<b>1 343 637</b>	<b>1 383 264</b>	<b>1 523 538</b>	<b>1 626 126</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>887 101</b>	<b>933 698</b>	<b>908 011</b>	<b>1 056 577</b>	<b>1 107 520</b>	<b>1 107 031</b>	<b>1 224 655</b>	<b>1 349 887</b>	<b>1 444 139</b>
Compensation of employees	821 215	871 124	859 174	976 837	1 046 109	1 045 701	1 156 996	1 278 561	1 369 389
Goods and services	65 883	62 571	48 836	79 740	61 409	61 328	67 659	71 326	74 750
Interest and rent on land	3	3	1	-	2	2	-	-	-
<b>Transfers and subsidies to:</b>	<b>313 940</b>	<b>310 371</b>	<b>273 436</b>	<b>215 310</b>	<b>227 621</b>	<b>228 070</b>	<b>154 186</b>	<b>162 667</b>	<b>170 475</b>
Provinces and municipalities	-	15	-	-	-	-	-	-	-
Departmental agencies and accounts	19 842	18 850	20 868	22 036	22 036	22 036	23 248	24 527	25 704
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	294 098	291 506	252 568	193 274	205 585	206 034	130 938	138 140	144 771
<b>Payments for capital assets</b>	<b>33</b>	<b>1 981</b>	<b>183</b>	<b>9 998</b>	<b>8 496</b>	<b>8 536</b>	<b>4 423</b>	<b>10 984</b>	<b>11 512</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	33	1 981	183	9 998	8 496	8 536	4 423	10 984	11 512
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 201 074</b>	<b>1 246 050</b>	<b>1 181 630</b>	<b>1 281 885</b>	<b>1 343 637</b>	<b>1 343 637</b>	<b>1 383 264</b>	<b>1 523 538</b>	<b>1 626 126</b>

The sub-programme: Nursing Training Colleges provides for the training of 225 nurses at under-graduate and post-basic level at 11 campuses. The negative growth in 2018/19 was 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 from NDOH in this regard is still awaited. The decrease in the 2019/20 Adjusted Appropriation relates to savings from vacant posts, which were reprioritised to the sub-programme: Training Other for higher medical intern costs, as well as to Programme 2 for higher than expected security services costs. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R1.463 million) and 2021/22 (R1.594 million), with no impact on service delivery, as mentioned. The low growth in 2020/21 is due to the once-off purchase of vehicles for the colleges 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. Approximately 30 personnel are trained each year. The high growth in 2020/21 is for the planned filling of vacant posts. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R114 000) and 2021/22 (R125 000), with no impact on service delivery, as mentioned. The growth over the remainder of the 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. This sub-programme is influenced by the Cuban Doctors' programme intakes, as well as the increased cost of the programme due to the weakening Rand/Dollar exchange rate. As mentioned, no further students have been 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. Note that 258 students returned in 2018/19. It is projected, based on the current pass rate, that approximately 235, 90, 20 and 10 students will return from 2019/20 to 2022/23, respectively, to serve an 18-month internship. Apart from the students in Cuba, a further 696 students are funded *via* bursaries in South Africa. The negative trend up to 2020/21 is due to students completing their studies and returning to South Africa for the 18-month internships, with funding reprioritised to *Compensation of employees* in the sub-programme: Training Other for this purpose.

The PHC Training sub-programme provides PHC related training for personnel, as required by the regions. The reduction in 2018/19 was attributable to the reduced intake in the general nurse training programme due to budget cuts. The increase in the 2019/20 Main Appropriation was 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. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R256 000) and 2021/22 (R278 000), with no impact on service delivery, as mentioned. The high growth in 2021/22 relates to the postponement of vehicle replacement from 2020/21 to 2021/22. Growth in the outer year is inflationary only.



The sub-programme: Training Other includes skills development programmes for all of the department's occupational categories. The significant increase in the 2019/20 Adjusted Appropriation relates to funding shifted within the programme and from other programmes to address pressures from the increased intake of medical interns, including from the Cuban Doctors' programme. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R4.154 million) and 2021/22 (R4.931 million), with no impact on service delivery, as mentioned. The increase in the Statutory HR and Health Professions Training and Development grant allocation of R72.182 million, R63.497 million and R86.249 million over the MTEF was allocated under this sub-programme to cater for the increased intake of medical interns, accounting for the high growth in 2020/21 and 2021/22.

There was a high base against *Compensation of employees* in 2016/17 due to the above-mentioned increased intake of medical interns. The negative growth in 2018/19 was due to delays in finalising the business strategy for down-scaling nurses' training due to budget cuts, as mentioned. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R5.987 million) and 2021/22 (R6.928 million), with no impact on service delivery, as mentioned. The department received increases over the MTEF in the Statutory HR and Health Professions Training and Development grant relating to the shortfall in the funding for the increased intake of medical interns, partly accounting for the high growth in 2020/21 and 2021/22. Furthermore, the department received additional funds to assist with costs related to medical intern students returning from Cuba, contributing to the significant growth over the 2020/21 MTEF.

*Goods and services* in 2016/17 is influenced by the impact of the Rand/Dollar exchange rate in terms of travelling and subsistence costs of students in the Cuban Doctors' programme. The exchange rate is currently deteriorating and, should this trend continue, it will impact on the costs for the remaining students in Cuba. The increase in 2020/21 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.

*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 negative trend up to 2020/21 is due to students completing their studies and returning to South Africa for the 18-month internships, as mentioned. The budget in 2020/21 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* makes provision for additional office and training equipment at the various training campuses. The increase in the 2019/20 Main Appropriation relates to the procurement of replacement training vehicles (buses and mini-buses). The high growth in 2021/22 relates to the postponement of vehicle replacement from 2020/21 to 2021/22, with the funding moved within the programme to *Compensation of employees* for increased medical intern costs.

*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. 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		
		2019/20	2020/21	2021/22	2022/23
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 medical students	20	21	21	21
	• 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, CHC, 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. The budget was reduced by R1.181 million in 2020/21 and R1.287 million in 2021/22, as a result of the CPI inflation projections revision budget cuts. The cuts were effected against all sub-programmes, but mainly against Laundry Services, which has the largest budget. The impact of these cuts is discussed at sub-programme and economic classification level below. In addition, the department reprioritised R10 million, with carry-through, to Programme 4 for PKISMH, from *Goods and services*. There was also reprioritisation from *Machinery and equipment* attributed to the postponement of vehicle replacement from 2020/21 to 2021/22, moved to Programme 6 for increased medical intern costs.

**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		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. Medicine Trading Account	-	-	251 691	77 587	77 587	62 587	68 296	72 311	76 067
2. Laundry Services	241 603	155 762	179 481	195 778	180 778	195 778	205 049	222 349	233 756
3. Orthotic and Prosthetic Services	27 165	42 440	54 465	58 994	58 994	54 641	65 299	69 462	73 126
<b>Total</b>	<b>268 768</b>	<b>198 202</b>	<b>485 637</b>	<b>332 359</b>	<b>317 359</b>	<b>313 006</b>	<b>338 644</b>	<b>364 122</b>	<b>382 949</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>268 086</b>	<b>189 492</b>	<b>476 931</b>	<b>325 439</b>	<b>310 345</b>	<b>306 255</b>	<b>336 777</b>	<b>356 419</b>	<b>374 876</b>
Compensation of employees	94 283	103 252	150 219	182 467	163 094	156 011	188 327	199 970	210 917
Goods and services	173 803	86 237	326 710	142 972	147 251	150 244	148 450	156 449	163 959
Interest and rent on land	-	3	2	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>636</b>	<b>1 261</b>	<b>453</b>	<b>778</b>	<b>1 016</b>	<b>1 223</b>	<b>821</b>	<b>866</b>	<b>908</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	636	1 261	453	778	1 016	1 223	821	866	908
<b>Payments for capital assets</b>	<b>46</b>	<b>7 449</b>	<b>8 253</b>	<b>6 142</b>	<b>5 998</b>	<b>5 528</b>	<b>1 046</b>	<b>6 837</b>	<b>7 165</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	46	7 449	8 253	6 142	5 998	5 528	1 046	6 837	7 165
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>268 768</b>	<b>198 202</b>	<b>485 637</b>	<b>332 359</b>	<b>317 359</b>	<b>313 006</b>	<b>338 644</b>	<b>364 122</b>	<b>382 949</b>

The Medicine Trading Account sub-programme renders pharmaceutical services to the department. It also manages the supply of pharmaceuticals and medical sundries to hospitals, CHCs and local authorities *via* the Medicine Trading Account. The account was incorporated into the books of the department from 2018/19. The decrease in the 2019/20 Main Appropriation is due to costs previously part of the Medicine Trading Account being allocated to various programmes from 2019/20 onward. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R250 000) and 2021/22 (R272 000), with no impact on service delivery, as mentioned. The department also reprioritised R10 million in 2020/21, with carry-through, from *Goods and services* for PKISMH, which will have no impact as the department over-budgeted for the delivery costs of medicines. The growth over the remainder of the 2020/21 MTEF is for inflationary adjustments only.

The Laundry Services sub-programme provides laundry services to hospitals, care and rehabilitation centres. The high base in 2016/17 was due to an additional once-off R80 million allocated for linen. The procurement of linen continued in 2018/19. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R642 000) and 2021/22 (R700 000), with no impact on service delivery, as mentioned. The high growth in 2021/22 relates to the postponement of vehicle replacement from 2020/21 to 2021/22, with reprioritisation to Programme 6 for increased medical intern costs. The growth in the outer year is inflationary only.

The Orthotic and Prosthetic Services sub-programme provides specialised orthotic and prosthetic services. This sub-programme provides for the purchase of orthotic and prosthetic medical equipment and 2018/19 saw the absorption of newly qualified orthotic technicians (a departmental initiative to address capacity shortages in this area). The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R289 000) and 2021/22 (R315 000), with no impact on service delivery, as mentioned. The 2020/21 growth provides for the absorption of 19 newly qualified Medical Orthotic practitioners.

*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. Provision is made in 2020/21 for the filling of 50 Laundry Services posts, as well as the absorption of 19 Medical Orthotic practitioners from training. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 and 2021/22, with no impact on service delivery, as mentioned. Growth in the two outer years is inflationary only.

*Goods and services* in 2016/17 included once-off provision for the bulk purchase of linen for the commissioning of the KZN Provincial Laundry, which is situated in the Prince Mshiyeni Memorial Hospital precinct, as well as the outsourcing of laundry services while awaiting the commissioning, with more linen procured in 2018/19. There is further negative growth in 2020/21 in anticipation of reducing outsourced laundry costs once the KZN Provincial Laundry at Prince Mshiyeni Memorial Hospital is fully staffed. The growth over the remainder of the 2020/21 MTEF is inflationary only.

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

*Machinery and equipment* provides for the purchase of orthotic and prosthetic medical equipment, as well as the replacement of laundry vehicles. There was also once-off procurement of laundry vehicles in 2019/20, partly accounting for the decrease in 2020/21. The high growth in 2021/22 is also attributed to the postponement of vehicle replacement from 2020/21 to 2021/22, with reprioritisation to Programme 6 for increased medical intern costs. The growth in the outer year is inflationary only.

### 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**

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2019/20	2020/21	2021/22	2022/23
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	• % of pharmacies with either Grade A or Grade B status with the South African Pharmacy Council	98%	100%	100%	100%
	• Tracer medicine stock-out rate at PPSPD	20%	<5%	<5%	<5%
2. Laundry services					
Render laundry services to hospitals, care and rehabilitation centres and certain local authorities	• % of facilities reporting clean linen stock outs	5%	25%	20%	15%

## 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, CHCs, 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, including the provision of major medical equipment.

Tables 7.36 and 7.37 summarise payments and estimates relating to Programme 8. The budget was reduced by R310 000 in 2020/21, R73.692 million in 2021/22 and R77.229 million in 2022/23 against *Compensation of employees* and *Goods and services* only, as a result of the fiscal consolidation, PES formula updates and CPI inflation projections revision budget cuts. The cuts were effected against two sub-programmes, namely Community Health Facilities and Other Facilities. The impact of these cuts is discussed at economic classification level below. Note that no reprioritisation was undertaken from this programme for PKISMH, or within the programme for security and cleaning costs.

**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		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. Community Health Facilities	142 856	110 349	138 002	220 782	189 236	192 537	349 350	235 126	221 018
2. District Hospital Services	165 189	176 525	259 536	315 136	314 497	327 258	392 595	517 811	731 827
3. Emergency Medical Services	-	-	-	10 000	-	-	1 000	-	-
4. Provincial Hospital Services	863 523	1 017 206	1 044 354	829 537	1 000 744	978 771	634 161	695 029	668 416
5. Central Hospital Services	22 601	8 991	28 611	86 199	81 359	81 344	139 589	125 133	118 074
6. Other Facilities	226 406	209 656	290 191	349 320	225 138	231 064	273 097	199 440	119 699
<b>Total</b>	<b>1 420 575</b>	<b>1 522 727</b>	<b>1 760 694</b>	<b>1 810 974</b>	<b>1 810 974</b>	<b>1 810 974</b>	<b>1 789 792</b>	<b>1 772 539</b>	<b>1 859 034</b>

**Table 7.37 : Summary of payments and estimates by economic classification: Health Facilities Management**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>419 726</b>	<b>425 744</b>	<b>465 155</b>	<b>589 351</b>	<b>604 433</b>	<b>618 432</b>	<b>614 018</b>	<b>455 629</b>	<b>330 891</b>
Compensation of employees	43 022	59 992	65 075	91 659	79 728	80 597	113 903	109 428	125 294
Goods and services	376 704	365 752	400 080	497 692	524 705	537 835	500 115	346 201	205 597
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	21	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1 000 849</b>	<b>1 096 983</b>	<b>1 295 518</b>	<b>1 221 623</b>	<b>1 206 541</b>	<b>1 192 542</b>	<b>1 175 774</b>	<b>1 316 910</b>	<b>1 528 143</b>
Buildings and other fixed structures	908 917	1 069 333	1 249 066	786 945	899 373	908 264	904 683	1 301 415	1 525 920
Machinery and equipment	91 932	27 650	46 452	434 678	307 168	284 278	271 091	15 495	2 223
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 420 575</b>	<b>1 522 727</b>	<b>1 760 694</b>	<b>1 810 974</b>	<b>1 810 974</b>	<b>1 810 974</b>	<b>1 789 792</b>	<b>1 772 539</b>	<b>1 859 034</b>

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 construction costs of the new PKISMH up to completion in 2019/20. The sub-programme: Other Facilities relates to projects in Programmes 1, 3, 6 and 7, with the major projects being the construction of the new Cato Manor Laundry and the regional laundry at Dundee, which are expected to be completed in 2021/22 and 2022/23, respectively. The high budget over the 2020/21 MTEF for the District Hospital Services sub-programme includes provision for the Hlabisa and Osindisweni Hospital projects, while the King Dinuzulu and uMzimkhulu Hospital projects are the main cost drivers in the Provincial Hospital Services sub-programme.

*Buildings and other fixed structures* is the main economic category 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 in respect of the Health Facility Revitalisation grant, as well as the department's equitable share. 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. The 2020/21 baseline includes major projects at the Hlabisa, King Dinuzulu, uMzimkhulu, Osindisweni and Addington Hospitals, as mentioned. All these projects are planned for completion in 2022/23.

*Compensation of employees* in 2017/18 includes the appointment of additional staff as required by DORA, and in terms of the Health Facility Revitalisation grant framework, including engineers, architects and quantity surveyors. The programme was at full capacity in 2017/18. The increase in the 2019/20 Main Appropriation relates to the planned filling of posts at the maintenance hub in eThekweni. The reduction in the 2019/20 Adjusted Appropriation was because the hubs were not completed. The department implemented budget cuts due to lower projected CPI against *Compensation of employees* in 2020/21 (R310 000) and 2021/22 (R337 000), with no impact on service delivery, as mentioned. Filling of posts is planned for the 2020/21 MTEF, hence the significant increase in 2020/21. The negative growth in 2021/22 is due to the EPWP Integrated Grant for Provinces being funded up to 2020/21 only, at this stage.

The day-to-day maintenance drive accounts for the trend against *Goods and services* and is an effort to bring facilities up to standard for the roll-out of the NHI. The level of funding for maintenance grew strongly from 2018/19 to 2019/20. 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 department implemented budget cuts in 2021/22 of R73.355 million, with carry-through of R77.229 million in 2022/23 due to fiscal consolidation and PES formula updates, with this category cut against property payments and operating leases. This will impact on the department's maintenance programme and building leases, and will be reviewed in the next budget process. The outer years decrease in line with project requirements, as well as some reprioritisation to *Buildings and other fixed structures*.

*Machinery and equipment* provides for essential medical equipment in all programmes. The peak in 2019/20 is ascribed to the once-off procurement of medical equipment prior to the commissioning of the PKISMH. The reduction in the 2019/20 Adjusted Appropriation and Revised Estimate was attributed to slower than expected delivery of medical equipment for PKISMH. The budget over the two outer years decreases due to pressures elsewhere in the budget, and this will be reviewed in the next budget process.

## Service delivery measures: Health Facilities Management

Table 7.38 illustrates service delivery pertaining to Programme 8. All the measures in this programme are new when compared to the 2019/20 *EPRE*. Note that the department publishes additional measures for this programme in its annual APP.

**Table 7.38 : Service delivery measures: Health Facilities Management**

Table 100: Service delivery indicators: Health Facilities Management					
Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2019/20	2020/21	2021/22	2022/23
1. Health Facilities Management					
Provision of new health facilities and the refurbishment, upgrading and maintenance of existing facilities	• No. of health facilities maintained	New	684	684	684
	• No. of jobs created through the EPWP	New	2 400	2 400	2 400

## 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.

It is noted that National Treasury has changed the groupings of the salary levels 1 – 6 to 1 – 7 and 7 – 10 to 8 – 10, but has not amended the formula in the *EPRE* tables. The department was able to change the costs of the levels but not the number of personnel. As such, the number of personnel remains unchanged for previous years as in the 2019/20 *EPRE*, while the costs have changed taking into account the change in the grouping levels.

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. Note that the staff numbers include the placing of student nurses and CCGs on the payroll. The cost for CCGs has not increased, as the affected staff were previously paid *via* transfers to NGOs. The department reprioritised approximately R638 million within *Compensation of employees* in 2020/21, with carry-through, from Programmes 1, 2, 3, 5 and 7 for PKISMH, for the appointment of approximately 1 000 staff for the new hospital.

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

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2019/20 - 2022/23		
	2016/17		2017/18		2018/19		2019/20				2020/21		2021/22		2022/23		Pers. growth rate	Costs growth rate	% Costs of Total
	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs	Filled posts	Add. posts	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs	Pers. Nos. <sup>1</sup>	Costs			
<b>R thousands</b>																			
<b>Salary level</b>																			
1 – 7	42 275	8 752 299	40 954	9 370 758	40 650	10 010 018	41 148	476	41 624	10 798 008	41 711	11 702 096	41 711	12 144 014	41 711	12 751 490	0.1%	5.7%	38.1%
8 – 10	21 641	9 667 747	21 667	10 157 738	22 098	10 852 301	21 658	36	21 694	11 693 024	22 110	12 688 861	22 110	13 168 047	22 110	13 826 751	0.6%	5.7%	41.3%
11 – 12	5 178	4 173 809	5 027	4 276 411	5 126	4 601 502	5 188	13	5 201	4 928 889	5 388	5 355 639	5 388	5 557 890	5 388	5 835 907	1.2%	5.8%	17.4%
13 – 16	88	94 415	83	88 690	84	96 649	94	2	96	103 715	97	112 287	97	116 626	97	122 356	0.3%	5.7%	0.4%
Other	13 063	666 626	12 951	721 197	12 953	775 719	13 203	-	13 203	825 093	13 203	891 390	13 203	925 053	13 203	971 326	-	5.6%	2.9%
<b>Total</b>	<b>82 245</b>	<b>23 354 896</b>	<b>80 682</b>	<b>24 614 793</b>	<b>80 911</b>	<b>26 336 189</b>	<b>81 291</b>	<b>527</b>	<b>81 818</b>	<b>28 348 729</b>	<b>82 509</b>	<b>30 750 273</b>	<b>82 509</b>	<b>31 911 530</b>	<b>82 509</b>	<b>33 507 830</b>	<b>0.3%</b>	<b>5.7%</b>	<b>100.0%</b>
<b>Programme</b>																			
1. Administration	821	365 803	881	379 229	891	404 266	868	31	899	431 429	899	522 489	899	554 678	899	589 919	-	11.0%	1.7%
2. District Health Services	46 847	11 533 363	46 137	12 229 725	46 843	12 946 954	46 732	109	46 841	14 189 649	46 841	14 945 792	46 841	15 802 985	46 841	16 777 288	-	5.7%	49.9%
3. Emergency Medical Services	2 972	866 530	2 938	950 621	2 997	976 075	2 989	-	2 989	1 038 618	2 989	1 167 633	2 989	1 239 624	2 989	1 307 671	-	8.0%	3.8%
4. Provincial Hospital Services	20 420	7 138 270	19 707	7 405 857	20 093	8 115 122	20 612	-	20 612	8 354 559	21 303	9 448 271	21 303	9 352 876	21 303	9 554 533	1.1%	4.6%	29.1%
5. Central Hospital Services	6 205	2 492 410	6 110	2 614 993	6 216	2 819 304	6 334	-	6 334	3 052 165	6 334	3 206 862	6 334	3 373 208	6 334	3 572 819	-	5.4%	10.7%
6. Health Sciences and Training	3 175	821 215	2 892	871 124	2 949	859 174	2 868	386	3 254	1 045 701	3 254	1 156 996	3 254	1 278 561	3 254	1 369 389	-	9.4%	3.9%
7. Health Care Support Services	1 510	94 283	1 698	103 252	602	150 219	569	-	569	156 011	569	188 327	569	199 970	569	210 917	-	10.6%	0.6%
8. Health Facilities Management	295	43 022	319	59 992	320	65 075	319	1	320	80 597	320	113 903	320	109 428	320	125 294	-	15.8%	0.3%
<b>Total</b>	<b>82 245</b>	<b>23 354 896</b>	<b>80 682</b>	<b>24 614 793</b>	<b>80 911</b>	<b>26 336 189</b>	<b>81 291</b>	<b>527</b>	<b>81 818</b>	<b>28 348 729</b>	<b>82 509</b>	<b>30 750 273</b>	<b>82 509</b>	<b>31 911 530</b>	<b>82 509</b>	<b>33 507 830</b>	<b>0.3%</b>	<b>5.7%</b>	<b>100.0%</b>
<b>Employee dispensation classification</b>																			
P.S.A. appointees not covered by OSDs	23 890	4 458 168	23 010	4 530 150	23 103	4 842 873	23 103	418	23 521	5 222 857	23 803	5 668 909	23 803	5 882 989	23 803	6 177 274	0.4%	5.8%	18.4%
Prof. Nurses, Staff Nurses, etc.	33 470	12 116 524	33 132	13 003 473	33 167	13 912 851	33 173	99	33 272	14 976 032	33 688	16 244 716	33 688	16 858 183	33 688	17 701 474	0.4%	5.7%	52.8%
Legal Professionals	9	5 021	9	5 295	6	5 665	6	3	9	6 098	6	6 615	6	6 865	6	7 208	(12.6%)	5.7%	0.0%
Social Services Professions	271	115 635	267	121 604	276	130 107	276	-	276	140 050	276	151 914	276	157 651	276	165 537	-	5.7%	0.5%
Engineering Professions and related	452	165 657	441	173 869	448	186 029	448	6	454	200 245	448	217 209	448	225 412	448	236 687	(0.4%)	5.7%	0.7%
Medical and related professionals	8 399	4 732 854	8 242	5 011 446	8 321	5 361 913	8 445	1	8 446	5 771 656	8 448	6 260 598	8 448	6 497 024	8 448	6 822 022	0.0%	5.7%	20.4%
Therapeutic, Diagnostic and Health Prof.	2 691	1 094 411	2 630	1 047 759	2 637	1 121 032	2 637	-	2 637	1 206 698	2 637	1 308 922	2 637	1 358 353	2 637	1 426 302	-	5.7%	4.3%
Others such as interns, EPWP,	13 063	666 626	12 951	721 197	12 953	775 719	13 203	-	13 203	825 093	13 203	891 390	13 203	925 053	13 203	971 326	-	5.6%	2.9%
<b>Total</b>	<b>82 245</b>	<b>23 354 896</b>	<b>80 682</b>	<b>24 614 793</b>	<b>80 911</b>	<b>26 336 189</b>	<b>81 291</b>	<b>527</b>	<b>81 818</b>	<b>28 348 729</b>	<b>82 509</b>	<b>30 750 273</b>	<b>82 509</b>	<b>31 911 530</b>	<b>82 509</b>	<b>33 507 830</b>	<b>0.3%</b>	<b>5.7%</b>	<b>100.0%</b>

As mentioned, provision should have been made for an inflationary wage adjustment of 7.3 per cent in 2020/21, 7.3 per cent in 2021/22 and 7.2 per cent for 2022/23, including 1.5 per cent per year for pay progression. The department provided for an 8.5 per cent increase in 2020/21, but a low 3.8 per cent in 2021/22 and 5 per cent provision in the outer year of the MTEF due to the fiscal consolidation, PES budget, lower projected CPI cuts, as well as reprioritisation to *Goods and services* for pressures in the costs for security, cleaning, electricity, water and sewerage. These budget cuts were R252.147 million in 2020/21 and R732.016 million in 2021/22, with carry-through of R655.931 million in 2022/23. This relatively low growth in the two outer years is despite the growth in the Statutory HR and Health Professions Training and Development grant. While the increase in 2020/21 is sufficient for some filling of posts, the increases in 2021/22 and 2022/23 are insufficient to cater for existing staff and will be reviewed in the next budget process.

It is noted that, with the support of the former HR Capacitation grant, a total of 929 critical staff were expected to be appointed in 2019/20, including nurses, general assistants and porters, registrars, medical interns and pharmacy assistants, among others. To date, in excess of 800 of these staff have been appointed, with costs exceeding the grant funding by almost R200 million per annum. The new Statutory HR and Health Professions Training and Development grant received increases of R72.182 million, R63.497 million and R86.249 million over the MTEF, mainly related to the shortfall in the funding for the statutory posts component. This funding will assist in addressing these pressures but is still insufficient for the total pressure from the statutory posts currently filled in the department. The increase in staff numbers in 2020/21 is in anticipation of the commissioning of the PKISMH, however, this is mitigated by anticipated attrition for staff that are in excess of the budget.

## 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 exceeded.

**Table 7.40 : Information on training: Health**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Number of staff	82 245	80 682	80 911	81 818	81 818	81 818	83 509	83 509	83 509
Number of personnel trained	15 000	15 500	16 399	17 382	17 382	17 382	18 338	18 338	18 338
of which									
Male	5 000	5 730	6 062	6 425	6 425	6 425	6 778	6 778	6 778
Female	10 000	9 770	10 337	10 957	10 957	10 957	11 560	11 560	11 560
Number of training opportunities	10 442	10 508	11 024	11 684	11 684	11 684	12 326	12 326	12 326
of which									
Tertiary	1 587	1 600	1 600	1 696	1 696	1 696	1 789	1 789	1 789
Workshops	655	688	728	771	771	771	813	813	813
Seminars	200	220	233	246	246	246	260	260	260
Other	8 000	8 000	8 464	8 971	8 971	8 971	9 464	9 464	9 464
Number of bursaries offered	2 204	1 800	1 904	2 018	2 018	2 018	2 129	2 129	2 129
Number of interns appointed	200	250	265	280	280	280	295	295	295
Number of learnerships appointed	250	250	250	265	265	265	280	280	280
Number of days spent on training	-	-	-	-	-	-	-	-	-
<b>Payments on training by programme</b>									
1. Administration	-	-	-	-	-	-	-	-	-
2. District Health Services	-	-	-	-	-	-	-	-	-
3. Emergency Medical Services	-	-	-	-	-	-	-	-	-
4. Provincial Hospital Services	-	-	-	-	-	-	-	-	-
5. Central Hospital Services	-	-	-	-	-	-	-	-	-
6. Health Sciences and Training	1 201 074	1 246 050	1 181 630	1 281 885	1 343 637	1 343 637	1 383 264	1 523 538	1 626 126
7. Health Care Support Services	-	-	-	-	-	-	-	-	-
8. Health Facilities Management	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1 201 074</b>	<b>1 246 050</b>	<b>1 181 630</b>	<b>1 281 885</b>	<b>1 343 637</b>	<b>1 343 637</b>	<b>1 383 264</b>	<b>1 523 538</b>	<b>1 626 126</b>

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 *Annexure 7B*. 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		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Tax receipts</b>	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
<b>Sale of goods and services other than capital assets</b>	<b>256 922</b>	<b>268 988</b>	<b>278 256</b>	<b>276 510</b>	<b>276 510</b>	<b>283 193</b>	<b>289 664</b>	<b>313 458</b>	<b>328 503</b>
Sale of goods and services produced by department (excluding capital assets)	246 707	268 410	277 503	275 370	275 370	282 354	288 461	312 189	327 173
Sale by market establishments	14 848	15 179	14 878	22 419	22 419	14 358	24 652	26 008	27 256
Administrative fees	6 382	7 192	9 973	5 642	5 642	11 061	5 952	6 279	6 580
Other sales	225 477	246 039	252 652	247 309	247 309	256 935	257 857	279 902	293 337
Of which									
Health patient fees	148 724	126 343	133 797	154 202	154 202	173 580	157 408	165 122	173 048
Commission	21 589	22 166	20 800	21 200	21 200	23 924	22 366	23 596	24 729
Boarding services	53 927	54 183	54 200	55 100	55 100	55 461	58 131	61 328	64 272
Tender documents	272	310	360	362	362	219	382	403	422
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	10 215	578	753	1 141	1 141	839	1 203	1 269	1 330
<b>Transfers received from:</b>	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
<b>Fines, penalties and forfeits</b>	<b>36</b>	<b>70</b>	<b>48</b>	<b>68</b>	<b>68</b>	<b>47</b>	<b>72</b>	<b>76</b>	<b>80</b>
<b>Interest, dividends and rent on land</b>	<b>3 316</b>	<b>145</b>	<b>587</b>	<b>157</b>	<b>157</b>	<b>186</b>	<b>166</b>	<b>175</b>	<b>183</b>
Interest	3 316	145	587	157	157	186	166	175	183
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Sale of capital assets</b>	<b>970</b>	<b>6 897</b>	<b>7 039</b>	<b>6 000</b>	<b>6 000</b>	<b>9 435</b>	<b>8 000</b>	<b>9 000</b>	<b>9 432</b>
Land and sub-soil assets	970	6 897	7 039	6 000	6 000	9 435	8 000	9 000	9 432
Other capital assets	-	-	-	-	-	-	-	-	-
<b>Transactions in financial assets and liabilities</b>	<b>36 860</b>	<b>21 672</b>	<b>17 210</b>	<b>17 565</b>	<b>17 565</b>	<b>17 137</b>	<b>18 531</b>	<b>19 550</b>	<b>20 488</b>
<b>Total</b>	<b>298 104</b>	<b>297 772</b>	<b>303 140</b>	<b>300 301</b>	<b>300 301</b>	<b>309 998</b>	<b>316 433</b>	<b>342 259</b>	<b>358 686</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23
<b>Current payments</b>	<b>34 739 862</b>	<b>36 961 386</b>	<b>39 684 474</b>	<b>42 316 279</b>	<b>42 381 329</b>	<b>42 318 959</b>	<b>45 670 760</b>	<b>48 078 958</b>	<b>50 303 054</b>
Compensation of employees	23 354 896	24 614 793	26 336 189	28 942 177	28 408 488	28 348 729	30 750 273	31 911 530	33 507 830
Salaries and wages	20 415 442	21 522 698	23 031 756	25 293 900	24 851 380	24 851 622	26 929 893	27 925 164	29 236 878
Social contributions	2 939 454	3 092 095	3 304 433	3 648 277	3 557 108	3 497 107	3 820 380	3 986 366	4 270 952
Goods and services	11 382 844	12 343 292	13 342 400	13 373 683	13 971 832	13 968 896	14 920 045	16 166 961	16 794 735
Administrative fees	3 359	5 112	3 277	2 615	3 799	5 005	3 628	3 801	3 984
Advertising	23 114	21 746	21 290	50 732	13 980	12 814	27 902	30 932	32 417
Minor assets	41 398	44 875	43 923	51 293	37 249	44 545	34 144	47 063	49 320
Audit cost: External	16 276	24 979	21 041	23 507	24 045	22 487	24 735	26 099	27 352
Bursaries: Employees	1 891	1 224	2 520	2 714	4 395	3 916	3 240	3 417	3 581
Catering: Departmental activities	5 029	3 016	3 484	6 203	6 688	7 001	7 273	7 674	8 043
Communication (G&S)	116 893	103 890	103 146	119 185	103 272	103 100	106 384	111 329	116 672
Computer services	163 632	132 347	110 171	174 004	116 608	110 365	120 112	126 394	132 462
Cons. and prof. serv.: Business and advisory services	58 581	51 314	40 433	53 296	167 840	166 055	67 804	71 357	74 784
Infrastructure and planning	61	-	-	2 112	-	-	2 228	2 351	2 464
Laboratory services	1 618 865	2 043 680	2 063 388	2 190 991	2 296 188	2 303 635	2 289 838	2 489 742	2 609 251
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	34 843	84 776	84 287	40 422	113 931	112 282	90 641	95 318	99 892
Contractors	212 584	171 100	178 615	253 441	214 520	157 118	205 279	216 030	226 399
Agency and support / outsourced services	1 036 942	1 235 160	1 161 781	1 157 777	1 081 181	1 074 590	1 159 650	1 222 977	1 281 681
Entertainment	8	-	358	8	2	2	7	7	7
Fleet services (including government motor transport)	301 898	375 931	388 612	389 929	365 678	402 654	390 348	420 447	440 624
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	14 772	18 403	30 069	27 366	21 231	26 880	29 385	30 151	31 599
Inventory: Farming supplies	10	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	121 049	113 944	113 152	140 010	125 006	122 359	156 724	165 585	173 533
Inventory: Chemicals, fuel, oil, gas, wood and coal	140 417	74 265	96 396	89 797	104 382	104 431	113 947	119 867	125 620
Inventory: Learner and teacher support material	225	583	109	-	-	509	-	-	-
Inventory: Materials and supplies	18 078	20 221	15 581	18 777	15 800	17 543	15 780	16 892	17 702
Inventory: Medical supplies	1 541 848	1 649 212	1 778 353	1 767 346	1 808 062	1 863 198	2 073 430	2 181 810	2 286 538
Inventory: Medicine	3 554 428	3 662 838	4 028 221	3 796 689	3 954 568	3 926 850	4 395 525	5 126 090	5 381 121
Medias inventory interface	-	-	195 014	-	-	-	-	-	-
Inventory: Other supplies	1 629	178 092	180 946	215 359	201 988	201 443	224 683	235 947	247 276
Consumable supplies	404 448	102 191	130 847	121 794	135 023	133 640	130 848	137 588	144 194
Consumable: Stationery, printing and office supplies	88 858	78 833	86 860	105 950	94 310	105 794	111 734	117 579	123 222
Operating leases	139 376	137 524	139 357	139 941	150 871	152 547	170 925	156 055	86 455
Property payments	1 518 449	1 817 720	2 130 234	2 206 749	2 577 252	2 565 288	2 730 042	2 758 794	2 811 084
Transport provided: Departmental activity	79 853	85 229	76 835	77 326	75 181	66 607	73 665	77 430	81 147
Travel and subsistence	83 199	73 547	68 068	90 306	86 034	89 686	87 762	92 373	96 807
Training and development	16 792	12 682	9 757	21 124	31 864	25 409	33 082	34 798	36 468
Operating payments	22 530	17 294	33 615	34 800	36 303	35 583	33 718	35 103	36 789
Venues and facilities	1 440	1 520	1 406	2 120	713	1 015	1 483	1 612	1 689
Rental and hiring	69	44	1 254	-	3 868	4 545	4 099	4 349	4 558
Interest and rent on land	2 122	3 301	5 885	419	1 009	1 334	442	467	489
Interest	2 122	3 301	5 885	419	1 009	1 334	442	467	489
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>1 035 657</b>	<b>1 248 707</b>	<b>1 106 595</b>	<b>750 139</b>	<b>773 551</b>	<b>826 051</b>	<b>700 512</b>	<b>740 445</b>	<b>775 986</b>
Provinces and municipalities	159 755	225 674	219 387	232 091	231 742	224 173	244 607	258 324	270 723
Provinces	5 005	6 018	4 111	6 695	6 346	5 430	6 814	7 452	7 809
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	5 005	6 018	4 111	6 695	6 346	5 430	6 814	7 452	7 809
Municipalities	154 750	219 656	215 276	225 396	225 396	218 743	237 793	250 872	262 914
Municipal agencies and funds	154 750	219 656	215 276	225 396	225 396	218 743	237 793	250 872	262 914
Departmental agencies and accounts	20 131	19 280	21 157	22 246	22 246	22 378	23 469	24 759	25 947
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	20 131	19 280	21 157	22 246	22 246	22 378	23 469	24 759	25 947
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	203 929	141 396	62 473	56 513	56 513	54 467	58 508	61 726	64 689
Households	651 842	862 357	803 578	439 289	463 050	525 033	373 928	395 636	414 627
Social benefits	108 603	113 905	116 441	126 497	115 986	104 710	132 374	140 796	147 555
Other transfers to households	543 239	748 452	687 137	312 792	347 064	420 323	241 554	254 840	267 072
<b>Payments for capital assets</b>	<b>1 106 314</b>	<b>1 592 882</b>	<b>1 758 330</b>	<b>1 970 560</b>	<b>1 996 956</b>	<b>2 006 553</b>	<b>1 686 409</b>	<b>2 072 673</b>	<b>2 315 078</b>
Buildings and other fixed structures	910 917	1 069 333	1 249 066	786 945	899 373	908 264	904 683	1 301 415	1 525 920
Buildings	908 917	1 069 333	1 241 358	786 945	887 112	893 698	904 683	1 301 415	1 525 920
Other fixed structures	2 000	-	7 708	-	12 261	14 566	-	-	-
Machinery and equipment	195 397	523 549	509 264	1 183 615	1 097 583	1 098 289	781 726	771 258	789 158
Transport equipment	50 411	129 900	129 154	238 711	252 387	283 768	35 606	234 077	245 311
Other machinery and equipment	144 986	393 649	380 110	944 904	845 196	814 521	746 120	537 181	543 847
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>144 564</b>	<b>108 346</b>	<b>431</b>	<b>-</b>	<b>-</b>	<b>273</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>37 026 397</b>	<b>39 911 321</b>	<b>42 549 830</b>	<b>45 036 978</b>	<b>45 151 836</b>	<b>45 151 836</b>	<b>48 057 681</b>	<b>50 892 076</b>	<b>53 394 118</b>
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 608)	-	-	-	-	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>36 918 790</b>	<b>39 803 713</b>	<b>42 549 830</b>	<b>45 036 978</b>	<b>45 151 836</b>	<b>45 151 836</b>	<b>48 057 681</b>	<b>50 892 076</b>	<b>53 394 118</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23
<b>Current payments</b>	<b>683 440</b>	<b>695 727</b>	<b>762 364</b>	<b>904 590</b>	<b>739 390</b>	<b>736 435</b>	<b>840 906</b>	<b>890 314</b>	<b>941 666</b>
Compensation of employees	365 803	379 229	404 266	561 999	437 754	431 429	522 489	554 678	589 919
Salaries and wages	317 645	332 365	355 101	491 884	382 457	376 406	462 057	490 520	521 598
Social contributions	48 158	46 864	49 165	70 115	55 297	55 023	60 432	64 158	68 321
Goods and services	316 817	316 347	357 951	342 591	301 126	304 495	318 417	335 636	351 747
Administrative fees	1 166	953	1 168	1 068	1 359	1 664	1 215	1 279	1 340
Advertising	2 848	2 337	5 371	2 464	7 126	7 411	5 169	5 438	5 699
Minor assets	2 657	137	544	2 250	331	92	2 439	2 570	2 694
Audit cost: External	16 276	24 979	21 041	23 507	24 045	22 487	24 735	26 099	27 352
Bursaries: Employees	37	1	(2)	-	-	-	-	-	-
Catering: Departmental activities	3 145	473	1 154	1 700	2 455	3 606	2 829	2 927	3 067
Communication (G&S)	11 462	11 300	10 903	13 679	15 825	15 659	11 983	12 776	13 389
Computer services	158 740	123 488	101 109	162 962	105 727	99 150	108 956	114 622	120 124
Cons. and prof. serv.: Business and advisory services	55 300	48 751	35 464	48 563	40 407	43 790	42 648	44 866	47 020
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	228	33	69 925	-	(1 638)	(1 638)	42	42	44
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 474	26 261	8 662	7 716	13 016	13 016	8 140	8 563	8 974
Contractors	77	10 794	34 200	51	7 910	13 475	14 480	15 233	15 964
Agency and support / outsourced services	1 490	1 434	217	1 679	-	-	-	97	102
Entertainment	8	-	-	8	2	2	7	7	7
Fleet services (including government motor transport)	6 058	8 539	6 803	8 689	7 859	8 098	17 268	18 170	19 042
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	(132)	55	53	112	28	41	99	105	110
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	15	65	49	30	20	91	19	21	22
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	1	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	52	(3)	20	56	99	95	78	81	85
Inventory: Medical supplies	751	710	-	-	(82)	(104)	126	126	132
Inventory: Medicine	183	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	280	(19)	-	75	130	285	285	299
Consumable supplies	(101)	(215)	15	13	214	239	37	38	40
Consumable: Stationery, printing and office supplies	4 953	1 996	2 123	3 910	3 301	3 407	6 839	7 195	7 540
Operating leases	5 113	4 628	5 537	6 285	8 941	8 949	5 431	5 796	6 074
Property payments	25 018	33 009	34 038	38 175	38 849	39 608	37 718	40 056	41 979
Transport provided: Departmental activity	-	-	87	-	616	649	1 314	1 314	1 377
Travel and subsistence	18 804	14 992	16 522	17 500	19 329	18 958	19 879	20 907	21 911
Training and development	-	-	-	-	9	50	-	-	-
Operating payments	188	170	982	474	1 792	1 663	1 647	1 675	1 755
Venues and facilities	971	1 173	1 045	1 700	293	293	935	1 036	1 086
Rental and hiring	36	7	939	-	3 218	3 614	4 099	4 312	4 519
Interest and rent on land	820	151	147	-	510	511	-	-	-
Interest	820	151	147	-	510	511	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>17 443</b>	<b>5 893</b>	<b>6 979</b>	<b>8 137</b>	<b>23 305</b>	<b>21 239</b>	<b>8 335</b>	<b>9 057</b>	<b>9 491</b>
Provinces and municipalities	2 903	3 167	2 516	3 902	3 648	3 648	3 867	4 343	4 551
Provinces	2 903	3 167	2 516	3 902	3 648	3 648	3 867	4 343	4 551
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	2 903	3 167	2 516	3 902	3 648	3 648	3 867	4 343	4 551
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	1	1	4	1	1	1
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	1	1	4	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	14 540	2 726	4 463	4 234	19 656	17 587	4 467	4 713	4 939
Social benefits	2 737	2 673	3 057	4 234	4 104	2 035	4 467	4 713	4 939
Other transfers to households	11 803	53	1 406	-	15 552	15 552	-	-	-
<b>Payments for capital assets</b>	<b>257</b>	<b>26 683</b>	<b>41 144</b>	<b>20 634</b>	<b>48 350</b>	<b>53 371</b>	<b>115 359</b>	<b>32 210</b>	<b>28 652</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	257	26 683	41 144	20 634	48 350	53 371	115 359	32 210	28 652
Transport equipment	-	2 745	4 442	4 720	4 859	6 577	4 980	5 254	5 506
Other machinery and equipment	257	23 938	36 702	15 914	43 491	46 794	110 379	26 956	23 146
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>144 534</b>	<b>108 352</b>	<b>371</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>845 674</b>	<b>836 655</b>	<b>810 858</b>	<b>933 361</b>	<b>811 045</b>	<b>811 045</b>	<b>964 600</b>	<b>931 581</b>	<b>979 809</b>
Unauth. Exp. (1st charge) not available for spending	(107 607)	(107 608)	-	-	-	-	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>738 067</b>	<b>729 047</b>	<b>810 858</b>	<b>933 361</b>	<b>811 045</b>	<b>811 045</b>	<b>964 600</b>	<b>931 581</b>	<b>979 809</b>

# Estimates of Provincial Revenue and Expenditure

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20	2019/20	2019/20	2020/21	2021/22	2022/23
<b>Current payments</b>	<b>17 605 153</b>	<b>18 890 919</b>	<b>20 142 620</b>	<b>21 787 483</b>	<b>21 943 168</b>	<b>21 911 526</b>	<b>23 280 613</b>	<b>25 174 421</b>	<b>26 607 529</b>
Compensation of employees	11 533 363	12 229 725	12 946 954	14 499 544	14 245 200	14 189 649	14 945 792	15 802 985	16 777 288
Salaries and wages	10 044 931	10 653 595	11 303 794	12 696 182	12 402 330	12 398 732	13 022 670	13 788 134	14 635 044
Social contributions	1 488 432	1 576 130	1 643 160	1 803 362	1 842 870	1 790 917	1 923 122	2 014 851	2 142 244
Goods and services	6 070 884	6 660 677	7 193 365	7 287 524	7 697 544	7 721 466	8 334 383	9 370 973	9 829 756
Administrative fees	1 475	1 309	1 231	714	1 541	2 225	1 532	1 613	1 691
Advertising	17 001	17 255	15 144	45 743	5 805	4 701	21 932	24 538	25 717
Minor assets	27 262	32 906	25 561	39 129	21 620	24 885	21 238	33 460	35 065
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 549	2 197	2 129	4 217	3 517	2 604	4 163	4 391	4 601
Communication (G&S)	68 421	56 899	55 733	63 588	52 276	52 459	55 769	58 090	60 878
Computer services	1 457	2 165	-	1 354	-	867	-	-	-
Cons. and prof. serv.: Business and advisory services	2 238	1 703	1 082	4 246	1 638	594	3 875	4 086	4 283
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	1 096 298	1 417 239	1 401 183	1 496 435	1 634 669	1 635 185	1 635 630	1 780 478	1 865 941
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	10 897	23 959	32 758	17 968	32 509	30 759	19 855	20 937	21 941
Contractors	37 626	78 648	51 242	106 803	49 663	41 863	61 926	65 230	68 361
Agency and support / outsourced services	117 870	159 529	146 983	187 798	166 294	166 610	189 902	200 222	209 832
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	92 461	106 154	114 884	122 910	97 583	118 299	104 762	109 485	114 738
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	7 283	10 346	10 428	11 970	9 997	11 059	11 737	11 508	12 061
Inventory: Farming supplies	10	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	75 338	72 417	66 867	90 762	78 349	76 051	100 638	106 582	111 698
Inventory: Chemicals, fuel, oil, gas, wood and coal	43 939	19 369	21 454	23 959	23 838	22 917	25 321	26 634	27 912
Inventory: Learner and teacher support material	3	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	11 771	12 807	10 308	12 278	10 386	11 734	8 942	9 374	9 823
Inventory: Medical supplies	497 625	520 765	547 061	593 302	568 220	586 212	670 696	706 183	740 080
Inventory: Medicine	2 922 605	3 021 749	3 422 940	3 165 350	3 357 727	3 358 609	3 709 527	4 392 784	4 612 616
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	382	72 184	67 025	82 628	73 925	77 761	81 693	85 671	89 784
Consumable supplies	125 554	53 656	54 101	57 771	58 070	58 541	62 707	65 972	69 140
Consumable: Stationery, printing and office supplies	52 406	46 744	48 141	64 521	58 638	66 431	64 518	67 907	71 166
Operating leases	37 548	25 999	27 793	34 965	41 558	39 762	52 495	55 226	57 877
Property payments	785 501	875 402	1 036 399	1 013 830	1 292 394	1 274 842	1 362 467	1 474 214	1 544 976
Transport provided: Departmental activity	1 654	1 669	2 084	2 005	1 514	1 359	1 554	1 636	1 715
Travel and subsistence	24 113	22 241	24 052	33 293	37 149	39 909	40 558	42 719	44 769
Training and development	3 917	1 006	1 035	1 495	12 155	8 133	10 350	10 868	11 390
Operating payments	6 578	4 360	5 460	8 490	6 109	6 800	10 490	11 054	11 585
Venues and facilities	69	-	2	-	-	-	106	111	116
Rental and hiring	33	-	285	-	400	295	-	-	-
Interest and rent on land	906	517	2 301	415	424	411	438	463	485
Interest	906	517	2 301	415	424	411	438	463	485
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>474 768</b>	<b>618 250</b>	<b>473 637</b>	<b>392 529</b>	<b>378 500</b>	<b>400 410</b>	<b>406 585</b>	<b>430 089</b>	<b>450 732</b>
Provinces and municipalities	154 750	219 658	215 277	225 396	225 397	218 744	237 793	250 872	262 914
Provinces	-	2	1	-	1	1	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	2	1	-	1	1	-	-	-
Municipalities	154 750	219 656	215 276	225 396	225 396	218 743	237 793	250 872	262 914
Municipalities	154 750	219 656	215 276	225 396	225 396	218 743	237 793	250 872	262 914
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	107	151	98	47	29	126	49	51	53
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	107	151	98	47	29	126	49	51	53
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	171 372	113 929	46 009	51 034	51 034	48 988	52 865	55 773	58 450
Households	148 539	284 512	212 253	116 052	102 040	132 552	115 878	123 393	129 315
Social benefits	58 781	54 915	62 139	71 052	62 593	53 656	73 878	79 083	82 879
Other transfers to households	89 758	229 597	150 114	45 000	39 447	78 896	42 000	44 310	46 436
<b>Payments for capital assets</b>	<b>67 960</b>	<b>223 128</b>	<b>185 747</b>	<b>256 927</b>	<b>246 552</b>	<b>256 284</b>	<b>154 334</b>	<b>275 309</b>	<b>288 522</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	67 960	223 128	185 747	256 927	246 552	256 284	154 334	275 309	288 522
Transport equipment	35 923	76 390	53 222	88 514	91 514	91 514	1 275	100 438	105 257
Other machinery and equipment	32 037	146 738	132 525	168 413	155 038	164 770	153 059	174 871	183 265
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>30</b>	<b>19</b>	<b>60</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>18 147 911</b>	<b>19 732 316</b>	<b>20 802 064</b>	<b>22 436 939</b>	<b>22 568 220</b>	<b>22 568 220</b>	<b>23 841 532</b>	<b>25 879 819</b>	<b>27 346 783</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>1 189 528</b>	<b>1 325 342</b>	<b>1 377 060</b>	<b>1 529 356</b>	<b>1 426 010</b>	<b>1 433 335</b>	<b>1 563 122</b>	<b>1 666 735</b>	<b>1 755 074</b>
Compensation of employees	866 530	950 621	976 075	1 157 276	1 042 533	1 038 618	1 167 633	1 239 824	1 307 671
Salaries and wages	738 046	812 984	829 284	973 340	888 661	884 905	1 006 455	1 068 678	1 127 320
Social contributions	128 484	137 637	146 791	183 936	153 872	153 713	161 178	171 146	180 351
Goods and services	322 937	374 715	400 915	372 080	383 477	394 717	395 489	426 911	447 403
Administrative fees	35	31	31	22	42	52	13	14	15
Advertising	43	13	1	25	9	3	38	14	15
Minor assets	630	1 076	7 728	1 181	867	1 846	1 554	1 635	1 713
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	41	-	-	-
Communication (G&S)	9 395	9 262	8 931	12 111	8 788	8 771	9 237	9 717	10 183
Computer services	-	-	-	-	-	-	-	-	-
Cons. and prof. serv.: Business and advisory services	5	137	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	320	178	386	100	202	177	114	120	126
Contractors	1 305	2 041	1 395	1 148	1 181	1 306	1 208	1 271	1 332
Agency and support / outsourced services	472	485	830	174	845	990	885	931	976
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	179 855	236 383	241 683	229 243	239 185	253 241	245 260	268 534	281 423
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	248	1 060	10 664	7 350	4 787	6 743	8 205	8 640	9 055
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	9 033	282	3 224	-	(273)	(267)	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	187	75	223	262	242	212	278	292	306
Inventory: Medical supplies	11 097	8 721	13 247	12 364	11 935	13 940	13 015	13 693	14 350
Inventory: Medicine	563	626	429	370	343	351	403	432	453
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	1 229	1 626	1 900	1 888	1 726	1 996	2 100	2 201
Consumable supplies	4 373	226	127	376	216	170	392	416	436
Consumable: Stationery, printing and office supplies	2 206	1 912	1 890	3 340	2 579	2 219	3 513	3 696	3 873
Operating leases	1 624	1 085	1 270	1 712	2 107	2 375	1 946	2 047	2 146
Property payments	22 129	24 340	29 229	26 681	32 248	32 384	34 117	36 232	37 971
Transport provided: Departmental activity	77 341	83 114	74 459	70 946	72 613	64 244	70 547	74 215	77 777
Travel and subsistence	1 961	2 434	3 511	2 310	3 672	4 118	2 768	2 912	3 052
Training and development	-	-	29	-	-	-	-	-	-
Operating payments	115	5	2	465	1	1	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	74	-	-	-
Interest and rent on land	61	6	70	-	-	-	-	-	-
Interest	61	6	70	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>3 779</b>	<b>4 699</b>	<b>3 788</b>	<b>5 609</b>	<b>3 843</b>	<b>2 972</b>	<b>5 918</b>	<b>6 243</b>	<b>6 542</b>
Provinces and municipalities	2 001	2 834	1 592	2 793	2 697	1 781	2 947	3 109	3 258
Provinces	2 001	2 834	1 592	2 793	2 697	1 781	2 947	3 109	3 258
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	2 001	2 834	1 592	2 793	2 697	1 781	2 947	3 109	3 258
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	2	-	-	2	-	-	2	2	2
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	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	1 776	1 865	2 196	2 814	1 146	1 191	2 969	3 132	3 282
Social benefits	1 358	1 566	2 084	1 778	1 040	1 085	1 876	1 979	2 074
Other transfers to households	418	299	112	1 036	106	106	1 093	1 153	1 208
<b>Payments for capital assets</b>	<b>15 956</b>	<b>47 536</b>	<b>65 802</b>	<b>96 193</b>	<b>141 193</b>	<b>168 432</b>	<b>43 335</b>	<b>107 065</b>	<b>112 204</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	15 956	47 536	65 802	96 193	141 193	168 432	43 335	107 065	112 204
Transport equipment	14 488	41 540	58 765	82 161	122 161	151 524	28 531	91 447	95 836
Other machinery and equipment	1 468	5 996	7 037	14 032	19 032	16 908	14 804	15 618	16 368
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 209 263</b>	<b>1 377 577</b>	<b>1 446 650</b>	<b>1 631 158</b>	<b>1 571 046</b>	<b>1 604 739</b>	<b>1 612 375</b>	<b>1 780 043</b>	<b>1 873 820</b>

# Estimates of Provincial Revenue and Expenditure

**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		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>9 214 411</b>	<b>9 745 629</b>	<b>10 591 438</b>	<b>10 990 623</b>	<b>11 171 010</b>	<b>11 129 025</b>	<b>12 498 704</b>	<b>12 568 163</b>	<b>12 924 157</b>
Compensation of employees	7 138 270	7 405 857	8 115 122	8 436 011	8 355 310	8 354 559	9 448 271	9 352 876	9 554 533
Salaries and wages	6 241 489	6 468 843	7 074 597	7 373 464	7 305 811	7 307 544	8 265 262	8 140 943	8 232 396
Social contributions	896 781	937 014	1 040 525	1 062 547	1 049 499	1 047 015	1 183 009	1 211 933	1 322 137
Goods and services	2 075 849	2 337 152	2 473 812	2 554 608	2 815 627	2 774 127	3 050 429	3 215 283	3 369 620
Administrative fees	137	2 019	119	135	168	175	128	135	142
Advertising	2 159	1 117	357	1 365	864	595	421	443	464
Minor assets	6 149	8 321	7 583	7 134	6 656	9 771	7 839	8 246	8 640
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	(3)	(3)	-	-	-
Catering: Departmental activities	59	53	71	73	66	78	104	110	116
Communication (G&S)	19 554	18 370	19 191	20 390	17 981	18 166	20 304	21 360	22 386
Computer services	224	9	219	9	75	82	526	553	580
Cons. and prof. serv.: Business and advisory services	869	610	302	434	118 927	118 874	21 239	22 344	23 417
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	252 800	396 498	380 330	455 114	432 006	434 090	444 126	467 220	489 647
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	16 506	28 030	34 398	11 381	45 056	45 167	38 144	40 127	42 053
Contractors	40 386	52 160	45 234	77 728	97 204	72 752	67 972	71 506	74 938
Agency and support / outsourced services	147 108	164 704	176 875	188 899	196 149	193 805	218 663	230 035	241 077
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	15 921	16 715	16 109	18 933	13 517	15 117	14 827	15 598	16 347
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	4 262	3 899	5 499	4 735	4 106	5 971	6 105	6 364	6 670
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	38 715	34 747	39 732	41 720	39 872	39 507	49 142	51 697	54 178
Inventory: Chemicals, fuel, oil, gas, wood and coal	47 760	19 796	24 262	22 040	26 312	26 216	30 305	31 880	33 410
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	4 371	4 488	3 989	5 262	4 409	4 424	5 823	6 127	6 421
Inventory: Medical supplies	521 251	561 062	608 674	609 299	660 211	672 069	805 390	847 273	887 943
Inventory: Medicine	415 286	420 414	384 357	395 208	366 604	351 784	443 298	473 132	495 842
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	54 181	52 766	62 775	58 007	60 692	69 108	72 701	76 192
Consumable supplies	81 729	28 574	30 332	32 875	30 408	30 594	35 095	36 929	38 702
Consumable: Stationery, printing and office supplies	23 444	21 743	25 854	24 289	23 040	25 417	27 851	29 299	30 705
Operating leases	9 588	8 719	11 060	10 706	12 685	14 121	12 000	12 624	13 229
Property payments	419 985	485 321	599 056	558 228	653 853	627 001	722 954	760 004	796 484
Transport provided: Departmental activity	857	446	205	583	438	355	250	265	278
Travel and subsistence	3 073	2 398	3 379	2 587	3 118	3 408	2 979	3 134	3 285
Training and development	8	-	-	-	-	-	-	-	-
Operating payments	3 648	2 758	3 829	2 706	3 648	3 337	5 836	6 140	6 435
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	30	-	250	562	-	37	39
Interest and rent on land	292	2 620	2 504	4	73	339	4	4	4
Interest	292	2 620	2 504	4	73	339	4	4	4
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>176 558</b>	<b>276 587</b>	<b>264 918</b>	<b>88 509</b>	<b>113 110</b>	<b>136 678</b>	<b>83 790</b>	<b>88 398</b>	<b>92 642</b>
Provinces and municipalities	101	-	2	-	-	-	-	-	-
Provinces	101	-	2	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	101	-	2	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	127	220	130	93	100	103	98	103	108
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	127	220	130	93	100	103	98	103	108
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	32 557	27 467	16 464	5 479	5 479	5 479	5 643	5 953	6 239
Households	143 773	248 900	248 322	82 937	107 531	131 096	78 049	82 342	86 295
Social benefits	31 259	37 492	33 401	32 937	34 087	32 181	34 749	36 660	38 420
Other transfers to households	112 514	211 408	214 921	50 000	73 444	98 915	43 300	45 682	47 875
<b>Payments for capital assets</b>	<b>8 006</b>	<b>111 480</b>	<b>107 738</b>	<b>251 272</b>	<b>165 237</b>	<b>160 848</b>	<b>116 318</b>	<b>253 301</b>	<b>265 460</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	8 006	111 480	107 738	251 272	165 237	160 848	116 318	253 301	265 460
Transport equipment	-	5 570	11 654	21 273	19 606	19 606	-	23 677	24 814
Other machinery and equipment	8 006	105 910	96 084	229 999	145 631	141 242	116 318	229 624	240 646
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>(25)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>273</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>9 398 975</b>	<b>10 133 671</b>	<b>10 964 094</b>	<b>11 330 404</b>	<b>11 449 357</b>	<b>11 426 824</b>	<b>12 698 812</b>	<b>12 909 862</b>	<b>13 282 259</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23
<b>Current payments</b>	<b>4 472 417</b>	<b>4 754 835</b>	<b>4 960 895</b>	<b>5 132 860</b>	<b>5 079 453</b>	<b>5 076 920</b>	<b>5 311 965</b>	<b>5 617 390</b>	<b>5 924 722</b>
Compensation of employees	2 492 410	2 614 993	2 819 304	3 036 384	3 038 760	3 052 165	3 206 862	3 373 208	3 572 819
Salaries and wages	2 171 611	2 280 465	2 461 382	2 672 111	2 657 244	2 670 655	2 798 298	2 939 056	3 109 822
Social contributions	320 799	334 528	357 922	364 273	381 516	381 510	408 564	434 152	462 997
Goods and services	1 979 967	2 139 841	2 140 731	2 096 476	2 040 693	2 024 684	2 105 103	2 244 182	2 351 903
Administrative fees	22	17	7	29	25	21	32	34	36
Advertising	912	835	327	822	133	78	161	169	177
Minor assets	531	682	1 107	731	584	646	560	589	617
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	(112)	2	3	2	9	9	11	12	13
Communication (G&S)	6 413	6 122	6 317	7 664	6 469	6 121	7 050	7 416	7 772
Computer services	3 020	6 685	6 401	7 295	8 026	7 524	7 683	8 119	8 509
Cons. and prof. serv.: Business and advisory services	-	34	98	-	35	46	-	2	2
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	269 539	229 910	211 950	239 442	231 151	235 998	210 040	242 002	253 619
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	5 118	5 754	8 012	3 256	23 083	23 098	24 306	25 570	26 797
Contractors	23 516	21 421	45 233	67 201	51 642	27 207	59 389	62 477	65 476
Agency and support / outsourced services	769 991	908 961	836 741	773 778	717 785	712 981	750 067	791 562	829 557
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	786	811	733	832	749	879	830	873	914
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	2 216	1 947	2 109	1 674	1 712	2 227	1 731	1 821	1 908
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	6 981	6 715	6 504	7 498	6 765	6 710	6 925	7 285	7 635
Inventory: Chemicals, fuel, oil, gas, wood and coal	35 481	20 047	23 149	24 688	23 815	22 479	26 005	27 357	28 670
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	174	159	990	128	289	533	139	146	153
Inventory: Medical supplies	505 182	547 780	600 716	539 129	552 226	577 363	568 038	597 576	626 259
Inventory: Medicine	215 791	220 034	220 495	235 761	229 894	216 106	242 297	259 742	272 210
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 247	19 804	21 230	24 306	21 055	21 147	25 601	26 931	28 224
Consumable supplies	25 668	9 839	10 182	10 730	10 348	10 295	11 684	12 290	12 880
Consumable: Stationery, printing and office supplies	3 775	3 709	6 041	4 594	4 634	5 607	4 840	5 092	5 336
Operating leases	956	1 275	1 403	1 513	1 680	1 784	1 605	1 689	1 770
Property payments	100 827	125 828	127 328	143 354	145 698	143 206	153 300	162 805	170 620
Transport provided: Departmental activity	1	-	-	-	-	-	-	-	-
Travel and subsistence	590	642	1 417	830	1 106	1 056	1 011	1 063	1 114
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	1 342	828	2 238	1 219	1 780	1 563	1 798	1 560	1 635
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	40	1	860	-	-	71	-	-	-
Interest	40	1	860	-	-	71	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>48 533</b>	<b>31 646</b>	<b>83 363</b>	<b>39 267</b>	<b>26 156</b>	<b>35 459</b>	<b>40 877</b>	<b>43 125</b>	<b>45 196</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	53	59	61	67	80	109	71	75	79
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	53	59	61	67	80	109	71	75	79
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	48 480	31 587	83 302	39 200	26 076	35 350	40 806	43 050	45 117
Social benefits	11 697	11 026	11 037	13 360	10 863	11 798	14 095	14 870	15 584
Other transfers to households	36 783	20 561	72 265	25 840	15 213	23 552	26 711	28 180	29 533
<b>Payments for capital assets</b>	<b>13 207</b>	<b>77 642</b>	<b>53 945</b>	<b>107 771</b>	<b>174 589</b>	<b>161 012</b>	<b>75 820</b>	<b>70 057</b>	<b>73 420</b>
Buildings and other fixed structures	2 000	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	2 000	-	-	-	-	-	-	-	-
Machinery and equipment	11 207	77 642	53 945	107 771	174 589	161 012	75 820	70 057	73 420
Transport equipment	-	-	937	1 087	1 087	1 387	820	1 210	1 268
Other machinery and equipment	11 207	77 642	53 008	106 684	173 502	159 625	75 000	68 847	72 152
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4 534 157</b>	<b>4 864 123</b>	<b>5 098 203</b>	<b>5 279 898</b>	<b>5 280 198</b>	<b>5 273 391</b>	<b>5 428 662</b>	<b>5 730 572</b>	<b>6 043 338</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>887 101</b>	<b>933 698</b>	<b>908 011</b>	<b>1 056 577</b>	<b>1 107 520</b>	<b>1 107 031</b>	<b>1 224 655</b>	<b>1 349 887</b>	<b>1 444 139</b>
Compensation of employees	821 215	871 124	859 174	976 837	1 046 109	1 045 701	1 156 996	1 278 561	1 369 389
Salaries and wages	782 713	831 653	820 249	850 529	1 003 840	1 006 681	1 115 628	1 233 825	1 322 194
Social contributions	38 502	39 471	38 925	126 308	42 269	39 020	41 368	44 736	47 195
Goods and services	65 883	62 571	48 836	79 740	61 409	61 328	67 659	71 326	74 750
Administrative fees	516	775	714	641	657	839	699	717	751
Advertising	106	160	74	190	37	23	67	211	221
Minor assets	192	599	242	643	162	87	276	312	328
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	1 854	1 223	2 520	2 714	4 398	3 919	3 240	3 417	3 581
Catering: Departmental activities	388	291	127	211	641	663	166	234	246
Communication (G&S)	753	855	864	147	797	811	843	709	743
Computer services	191	-	175	-	215	215	220	231	242
Cons. and prof. serv.: Business and advisory services	12	18	11	53	36	11	42	59	62
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	58	71	1	65	65	82	1	1
Contractors	2	6	-	7	11	11	13	7	7
Agency and support / outsourced services	11	-	1	-	-	-	-	-	-
Entertainment	-	-	358	-	-	-	-	-	-
Fleet services (including government motor transport)	2 547	2 998	3 296	3 996	2 152	2 170	2 522	2 654	2 781
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	19	165	22	210	97	91	105	233	244
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	14	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	222	583	109	-	-	509	-	-	-
Inventory: Materials and supplies	17	253	137	369	12	23	81	409	429
Inventory: Medical supplies	75	10	98	27	59	34	74	31	33
Inventory: Medicine	-	15	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	319	472	363	436	462	515	401	420
Consumable supplies	1 352	693	808	169	835	982	877	783	821
Consumable: Stationery, printing and office supplies	1 824	2 500	1 858	3 874	1 062	1 848	2 905	3 056	3 203
Operating leases	1 337	1 107	1 123	1 310	1 366	1 364	1 418	1 452	1 522
Property payments	6 591	7 856	8 772	9 991	9 131	9 300	9 383	9 965	10 443
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	34 296	29 626	17 333	33 600	19 041	19 729	20 422	21 485	22 516
Training and development	12 866	11 676	8 689	19 629	19 629	17 136	22 709	23 906	25 053
Operating payments	298	438	603	1 175	150	314	558	588	616
Venues and facilities	400	347	359	420	420	722	442	465	487
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	3	3	1	-	2	2	-	-	-
Interest	3	3	1	-	2	2	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>313 940</b>	<b>310 371</b>	<b>273 436</b>	<b>215 310</b>	<b>227 621</b>	<b>228 070</b>	<b>154 186</b>	<b>162 667</b>	<b>170 475</b>
Provinces and municipalities	-	15	-	-	-	-	-	-	-
Provinces	-	15	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	15	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	19 842	18 850	20 868	22 036	22 036	22 036	23 248	24 527	25 704
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	19 842	18 850	20 868	22 036	22 036	22 036	23 248	24 527	25 704
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	294 098	291 506	252 568	193 274	205 585	206 034	130 938	138 140	144 771
Social benefits	2 135	4 972	4 249	2 358	2 283	2 732	2 488	2 625	2 751
Other transfers to households	291 963	286 534	248 319	190 916	203 302	203 302	128 450	135 515	142 020
<b>Payments for capital assets</b>	<b>33</b>	<b>1 981</b>	<b>183</b>	<b>9 998</b>	<b>8 496</b>	<b>8 536</b>	<b>4 423</b>	<b>10 984</b>	<b>11 512</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	33	1 981	183	9 998	8 496	8 536	4 423	10 984	11 512
Transport equipment	-	1 373	134	5 806	8 010	8 010	-	6 318	6 622
Other machinery and equipment	33	608	49	4 192	486	526	4 423	4 666	4 890
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 201 074</b>	<b>1 246 050</b>	<b>1 181 630</b>	<b>1 281 885</b>	<b>1 343 637</b>	<b>1 343 637</b>	<b>1 383 264</b>	<b>1 523 538</b>	<b>1 626 126</b>



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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>268 086</b>	<b>189 492</b>	<b>476 931</b>	<b>325 439</b>	<b>310 345</b>	<b>306 255</b>	<b>336 777</b>	<b>356 419</b>	<b>374 876</b>
Compensation of employees	94 283	103 252	150 219	182 467	163 094	156 011	188 327	199 970	210 917
Salaries and wages	77 184	84 963	125 091	151 583	134 887	129 217	154 602	164 220	173 238
Social contributions	17 099	18 289	25 128	30 884	28 207	26 794	33 725	35 750	37 679
Goods and services	173 803	86 237	326 710	142 972	147 251	150 244	148 450	156 449	163 959
Administrative fees	1	2	6	6	7	21	9	9	9
Advertising	45	29	16	123	6	3	114	119	124
Minor assets	13	112	107	225	274	2 171	238	251	263
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	895	1 082	1 207	1 606	1 136	1 113	1 198	1 261	1 321
Computer services	-	-	2 267	2 384	2 565	2 527	2 727	2 869	3 007
Cons. and prof. serv.: Business and advisory services	-	-	14	-	-	13	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	10	-	194	503	221	323	291	306	321
Agency and support / outsourced services	-	25	109	5 449	108	204	133	130	137
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	4 270	4 331	5 104	5 326	4 633	4 850	4 879	5 133	5 379
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	859	931	1 294	1 315	504	748	1 403	1 480	1 551
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	4 156	14 771	24 306	19 110	30 690	33 086	32 316	33 996	35 628
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	103	336	256	422	318	372	439	463	485
Inventory: Medical supplies	4 464	9 448	8 557	13 225	15 284	13 125	16 091	16 928	17 741
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	195 014	-	-	-	-	-	-
Inventory: Other supplies	-	30 095	37 846	41 024	38 184	38 821	43 122	45 365	47 543
Consumable supplies	134 686	10	1 162	3 691	2 686	1 516	2 868	3 027	3 172
Consumable: Stationery, printing and office supplies	179	205	953	1 202	948	811	1 036	1 089	1 142
Operating leases	101	128	511	560	516	504	548	576	604
Property payments	13 601	15 919	27 232	26 344	26 324	28 099	27 481	29 184	30 584
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	60	82	114	186	137	226	145	153	160
Training and development	-	-	4	-	22	(1)	23	24	25
Operating payments	10 360	8 731	20 437	20 271	22 688	21 712	13 389	14 086	14 763
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	3	2	-	-	-	-	-	-
Interest	-	3	2	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>636</b>	<b>1 261</b>	<b>453</b>	<b>778</b>	<b>1 016</b>	<b>1 223</b>	<b>821</b>	<b>866</b>	<b>908</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	636	1 261	453	778	1 016	1 223	821	866	908
Social benefits	636	1 261	453	778	1 016	1 223	821	866	908
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>46</b>	<b>7 449</b>	<b>8 253</b>	<b>6 142</b>	<b>5 998</b>	<b>5 528</b>	<b>1 046</b>	<b>6 837</b>	<b>7 165</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	46	7 449	8 253	6 142	5 998	5 528	1 046	6 837	7 165
Transport equipment	-	2 282	-	5 150	5 150	5 150	-	5 733	6 008
Other machinery and equipment	46	5 167	8 253	992	848	378	1 046	1 104	1 157
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>268 768</b>	<b>198 202</b>	<b>485 637</b>	<b>332 359</b>	<b>317 359</b>	<b>313 006</b>	<b>338 644</b>	<b>364 122</b>	<b>382 949</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23
<b>Current payments</b>	<b>419 726</b>	<b>425 744</b>	<b>465 155</b>	<b>589 351</b>	<b>604 433</b>	<b>618 432</b>	<b>614 018</b>	<b>455 629</b>	<b>330 891</b>
Compensation of employees	43 022	59 992	65 075	91 659	79 728	80 597	113 903	109 428	125 294
Salaries and wages	41 823	57 830	62 258	84 807	76 150	77 482	104 921	99 789	115 266
Social contributions	1 199	2 162	2 817	6 852	3 578	3 115	8 982	9 639	10 028
Goods and services	376 704	365 752	400 080	497 692	524 705	537 835	500 115	346 201	205 597
Administrative fees	7	6	1	-	-	8	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	3 964	1 042	1 051	-	6 755	5 047	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	2	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons. and prof. serv.: Business and advisory services	157	61	3 462	-	6 797	2 727	-	-	-
Infrastructure and planning	61	-	-	2 112	-	-	2 228	2 351	2 464
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	528	536	-	-	-	-	-	-	-
Contractors	109 662	6 030	1 117	-	6 688	181	-	-	-
Agency and support / outsourced services	-	22	25	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	17	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	34	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1 403	2 106	(342)	-	45	150	-	-	-
Inventory: Medical supplies	1 403	716	-	-	209	559	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	2 363	8 418	704	2 363	2 493	2 613
Consumable supplies	31 187	9 408	34 120	16 169	32 246	31 303	17 188	18 133	19 003
Consumable: Stationery, printing and office supplies	71	24	-	220	108	54	232	245	257
Operating leases	83 109	94 583	90 660	82 890	82 018	83 688	95 482	76 645	3 233
Property payments	144 797	250 045	268 180	390 146	378 755	410 848	382 622	246 334	178 027
Transport provided: Departmental activity	-	-	-	3 792	-	-	-	-	-
Travel and subsistence	302	1 132	1 740	-	2 482	2 282	-	-	-
Training and development	1	-	-	-	49	91	-	-	-
Operating payments	1	4	64	-	135	193	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	37	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	21	-	-	-	-	-	-
Social benefits	-	-	21	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>1 000 849</b>	<b>1 096 983</b>	<b>1 295 518</b>	<b>1 221 623</b>	<b>1 206 541</b>	<b>1 192 542</b>	<b>1 175 774</b>	<b>1 316 910</b>	<b>1 528 143</b>
Buildings and other fixed structures	908 917	1 069 333	1 249 066	786 945	899 373	908 264	904 683	1 301 415	1 525 920
Buildings	908 917	1 069 333	1 241 358	786 945	887 112	893 698	904 683	1 301 415	1 525 920
Other fixed structures	-	-	7 708	-	12 261	14 566	-	-	-
Machinery and equipment	91 932	27 650	46 452	434 678	307 168	284 278	271 091	15 495	2 223
Transport equipment	-	-	-	30 000	-	-	-	-	-
Other machinery and equipment	91 932	27 650	46 452	404 678	307 168	284 278	271 091	15 495	2 223
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 420 575</b>	<b>1 522 727</b>	<b>1 760 694</b>	<b>1 810 974</b>	<b>1 810 974</b>	<b>1 810 974</b>	<b>1 789 792</b>	<b>1 772 539</b>	<b>1 859 034</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>6 398 715</b>	<b>6 882 898</b>	<b>7 989 090</b>	<b>8 276 176</b>	<b>8 439 912</b>	<b>8 386 798</b>	<b>9 083 620</b>	<b>10 069 331</b>	<b>10 565 644</b>
Compensation of employees	3 483 965	3 199 017	3 560 936	4 059 262	4 012 501	4 021 862	4 231 106	4 473 285	4 692 006
Salaries and wages	3 083 069	2 792 070	3 161 337	3 554 705	3 507 944	3 547 452	3 725 843	3 920 442	4 107 823
Social contributions	400 896	406 947	399 599	504 557	504 557	474 410	505 263	552 843	584 183
Goods and services	2 914 750	3 683 881	4 428 154	4 216 914	4 427 411	4 364 936	4 852 514	5 596 046	5 873 638
Administrative fees	853	686	504	127	127	650	684	720	755
Advertising	14 256	15 507	14 432	43 272	43 300	6 335	21 092	23 650	24 786
Minor assets	668	1 079	410	4 208	5 290	1 319	4 439	4 683	4 908
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 081	105	1 403	2 776	2 824	2 391	2 929	3 090	3 238
Communication (G&S)	12 217	329	323	513	510	358	380	400	419
Computer services	4 473	-	-	-	-	-	-	-	-
Cons. and prof. serv.: Business and advisory services	394	1	65	2 865	-	-	3 037	3 204	3 358
Infrastructure and planning	-	-	-	2 112	2 112	2 112	2 112	2 218	2 324
Laboratory services	512 378	792 171	1 142 174	1 191 156	1 221 188	1 257 488	1 287 583	1 416 505	1 484 498
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal costs	409	536	-	-	-	-	-	-	-
Contractors	129 235	52 178	52 904	106 380	64 144	79 846	94 600	99 330	104 098
Agency and support / outsourced services	4 875	4 301	3 422	5 537	5 537	2 802	5 900	6 163	6 459
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	171	219	243	116	116	158	844	129	135
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	31	159	-	490	-	490	1 405	515	539
Inventory: Farming supplies	2	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	1 582	-	-	1 500	1 500	1 500	1 501	1 575	1 651
Inventory: Chemicals, fuel, oil, gas, wood and coal	4 239	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	1 702	-	48	-	-	-	34	-	-
Inventory: Medical supplies	331 203	565 521	635 277	682 729	688 484	605 807	717 680	801 335	793 414
Inventory: Medicine	1 693 990	2 111 741	2 291 045	1 996 133	2 156 391	2 227 578	2 506 814	3 029 796	3 230 591
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	4 275	-	-	5 050	5 205	5 050	5 308	5 303	5 557
Consumable supplies	36 531	10 813	7 986	7 357	7 692	9 644	10 183	10 709	11 224
Consumable: Stationery, printing and office supplies	858	530	1 954	12 146	11 315	8 191	9 354	9 844	10 316
Operating leases	694	242	222	495	495	303	522	551	577
Property payments	142 709	116 162	265 305	127 111	185 255	127 098	140 877	139 232	145 915
Transport provided: Departmental activity	-	-	439	-	-	50	-	-	-
Travel and subsistence	9 767	9 495	7 573	17 527	18 557	16 889	18 527	19 543	20 482
Training and development	3 780	910	1 035	1 258	1 258	7 707	10 238	10 750	11 266
Operating payments	2 304	1 196	1 105	6 056	6 111	812	6 365	6 691	7 012
Venues and facilities	53	-	-	-	-	-	106	111	116
Rental and hiring	20	-	285	-	-	358	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>62 591</b>	<b>136 385</b>	<b>136 788</b>	<b>142 875</b>	<b>141 935</b>	<b>142 152</b>	<b>149 475</b>	<b>158 820</b>	<b>166 444</b>
Provinces and municipalities	40 000	116 846	116 882	121 492	121 492	121 492	128 174	135 224	141 715
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	40 000	116 846	116 882	121 492	121 492	121 492	128 174	135 224	141 715
Municipalities	40 000	116 846	116 882	121 492	121 492	121 492	128 174	135 224	141 715
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	11 454	10 034	10 403	12 017	12 017	12 017	12 678	13 375	14 017
Households	11 137	9 505	9 503	9 366	8 426	8 643	8 623	10 221	10 712
Social benefits	11 137	9 505	9 503	9 366	8 426	8 643	8 623	10 221	10 712
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>862 042</b>	<b>1 068 444</b>	<b>1 165 645</b>	<b>1 242 209</b>	<b>1 194 271</b>	<b>1 247 168</b>	<b>1 168 040</b>	<b>1 191 555</b>	<b>1 260 623</b>
Buildings and other fixed structures	801 938	977 075	1 090 452	779 962	819 440	779 962	1 067 072	1 093 143	1 157 488
Buildings	801 938	977 075	1 090 452	779 962	819 440	779 962	1 067 072	1 093 143	1 157 488
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	60 104	91 369	75 193	462 247	374 831	467 206	100 968	98 412	103 135
Transport equipment	31 200	6 229	-	-	-	-	1 275	-	-
Other machinery and equipment	28 904	85 140	75 193	462 247	374 831	467 206	99 693	98 412	103 135
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>7 323 348</b>	<b>8 087 727</b>	<b>9 291 523</b>	<b>9 661 260</b>	<b>9 776 118</b>	<b>9 776 118</b>	<b>10 401 135</b>	<b>11 419 706</b>	<b>11 992 711</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>312 377</b>	<b>331 944</b>	<b>349 500</b>	<b>370 863</b>	<b>370 821</b>	<b>370 863</b>	-	-	-
Compensation of employees	311 870	331 444	349 000	370 333	370 201	370 333	-	-	-
Salaries and wages	294 875	288 292	303 629	322 189	322 057	322 189	-	-	-
Social contributions	16 995	43 152	45 371	48 144	48 144	48 144	-	-	-
Goods and services	507	500	500	530	620	530	-	-	-
Advertising	-	25	30	32	60	32	-	-	-
Travel and subsistence	48	50	50	53	60	53	-	-	-
Operating payments	459	425	420	445	500	445	-	-	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	<b>1 697</b>	-	<b>42</b>	-	-	-	-
Machinery and equipment	-	-	1 697	-	42	-	-	-	-
Other machinery and equipment	-	-	1 697	-	42	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>312 377</b>	<b>331 944</b>	<b>351 197</b>	<b>370 863</b>	<b>370 863</b>	<b>370 863</b>	-	-	-

**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		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>296 947</b>	<b>146 947</b>	<b>298 209</b>	<b>168 857</b>	<b>226 889</b>	<b>168 857</b>	<b>174 342</b>	<b>183 059</b>	<b>192 223</b>
Compensation of employees	14 163	26 197	32 856	36 000	36 000	36 000	36 000	37 800	39 992
Salaries and wages	12 967	23 871	30 165	34 111	34 111	34 111	33 960	35 658	37 726
Social contributions	1 196	2 326	2 691	1 889	1 889	1 889	2 040	2 142	2 266
Goods and services	282 784	120 750	265 353	132 857	190 889	132 857	138 342	145 259	152 231
Administrative fees	1	1	-	-	-	-	-	-	-
Minor assets	39	1 042	-	-	-	-	-	-	-
Communication (G&S)	81	-	-	-	-	-	-	-	-
Cons. & prof. serv.: Business and advisory services	143	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	2 112	2 112	2 112	2 112	2 218	2 324
Legal costs	409	536	-	-	-	-	-	-	-
Contractors	109 037	850	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	48	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	147	-	-	-	-	-	-	-
Inventory: Materials and supplies	884	-	-	-	-	-	-	-	-
Inventory: Medical supplies	38	717	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	2 363	2 363	2 363	2 363	2 481	2 600
Consumable supplies	30 310	273	-	1 162	1 162	1 162	1 162	1 220	1 279
Consumable: Stationery, printing and office supplies	-	24	220	220	108	220	220	231	242
Property payments	141 559	116 064	265 133	127 000	185 144	127 000	132 485	139 109	145 786
Travel and subsistence	235	1 093	-	-	-	-	-	-	-
Operating payments	-	3	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>825 046</b>	<b>1 004 617</b>	<b>1 103 779</b>	<b>1 184 640</b>	<b>1 126 608</b>	<b>1 184 640</b>	<b>1 097 072</b>	<b>1 124 643</b>	<b>1 190 500</b>
Buildings and other fixed structures	801 938	977 075	1 090 452	779 962	819 440	779 962	1 067 072	1 093 143	1 157 488
Buildings	801 938	977 075	1 090 452	779 962	819 440	779 962	1 067 072	1 093 143	1 157 488
Machinery and equipment	23 108	27 542	13 327	404 678	307 168	404 678	30 000	31 500	33 012
Other machinery and equipment	23 108	27 542	13 327	404 678	307 168	404 678	30 000	31 500	33 012
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1 121 993</b>	<b>1 151 564</b>	<b>1 401 988</b>	<b>1 353 497</b>	<b>1 353 497</b>	<b>1 353 497</b>	<b>1 271 414</b>	<b>1 307 702</b>	<b>1 382 723</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>1 588 894</b>	<b>1 634 466</b>	<b>1 741 576</b>	<b>1 841 562</b>	<b>1 841 594</b>	<b>1 841 562</b>	<b>1 956 732</b>	<b>2 032 816</b>	<b>2 114 479</b>
Compensation of employees	1 271 137	835 146	883 044	926 845	926 845	926 845	998 018	1 021 110	1 054 210
Salaries and wages	1 128 977	726 577	802 170	805 482	805 482	805 482	866 577	883 097	908 192
Social contributions	142 160	108 569	80 874	121 363	121 363	121 363	131 441	138 013	146 018
Goods and services	317 757	799 320	858 532	914 717	914 749	914 717	958 714	1 011 706	1 060 269
Administrative fees	4	-	-	-	-	-	-	-	-
Minor assets	227	-	-	-	-	-	-	-	-
Laboratory services	22 031	161 740	192 769	168 520	198 552	168 520	177 583	188 990	198 062
Contractors	8 778	8 500	27 449	53 964	11 728	53 964	54 600	57 330	60 082
Agency and support / outsourced services	1 860	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	31	-	-	490	-	490	490	515	539
Inventory: Food and food supplies	1 582	-	-	1 500	1 500	1 500	1 500	1 575	1 651
Inventory: Chemicals, fuel, oil, gas, wood and coal	4 239	-	-	-	-	-	-	-	-
Inventory: Medical supplies	226 427	448 754	464 353	496 875	503 150	496 875	521 264	549 855	576 248
Inventory: Medicine	46 365	176 000	172 776	190 048	196 009	190 048	199 910	209 906	219 981
Inventory: Other supplies	4 275	-	-	2 687	2 842	2 687	2 687	2 821	2 957
Consumable supplies	-	4 116	816	600	935	600	643	675	708
Consumable: Stationery, printing and office supplies	92	-	-	-	-	-	-	-	-
Operating leases	435	-	-	-	-	-	-	-	-
Property payments	1 150	-	-	-	-	-	-	-	-
Travel and subsistence	76	210	197	33	33	33	37	39	41
Operating payments	185	-	172	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>5 540</b>	<b>4 800</b>	<b>3 094</b>	<b>3 223</b>	<b>3 173</b>	<b>3 223</b>	<b>3 223</b>	<b>3 384</b>	<b>3 547</b>
Households	5 540	4 800	3 094	3 223	3 173	3 223	3 223	3 384	3 547
Social benefits	5 540	4 800	3 094	3 223	3 173	3 223	3 223	3 384	3 547
<b>Payments for capital assets</b>	<b>1 852</b>	<b>57 000</b>	<b>49 979</b>	<b>50 364</b>	<b>50 382</b>	<b>50 364</b>	<b>55 820</b>	<b>58 611</b>	<b>61 424</b>
Machinery and equipment	1 852	57 000	49 979	50 364	50 382	50 364	55 820	58 611	61 424
Other machinery and equipment	1 852	57 000	49 979	50 364	50 382	50 364	55 820	58 611	61 424
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1 596 286</b>	<b>1 696 266</b>	<b>1 794 649</b>	<b>1 895 149</b>	<b>1 895 149</b>	<b>1 895 149</b>	<b>2 015 775</b>	<b>2 094 811</b>	<b>2 179 450</b>

Table 7.O : 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		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>13 000</b>	<b>47 058</b>	<b>24 182</b>	<b>20 998</b>	<b>20 998</b>	<b>20 998</b>	<b>-</b>	<b>-</b>	<b>-</b>
Compensation of employees	13 000	45 758	24 135	20 998	20 998	20 998	-	-	-
Salaries and wages	12 984	45 758	20 997	18 268	18 268	18 268	-	-	-
Social contributions	16	-	3 138	2 730	2 730	2 730	-	-	-
Goods and services	-	1 300	47	-	-	-	-	-	-
Inventory: Medical supplies	-	1 300	-	-	-	-	-	-	-
Travel and subsistence	-	-	47	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>13 000</b>	<b>47 058</b>	<b>24 182</b>	<b>20 998</b>	<b>20 998</b>	<b>20 998</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>7 122</b>	<b>8 400</b>	<b>8 896</b>	<b>10 313</b>	<b>10 313</b>	<b>10 313</b>	<b>10 903</b>	<b>-</b>	<b>-</b>
Compensation of employees	7 122	8 400	8 896	10 313	10 313	10 313	10 903	-	-
Salaries and wages	7 121	8 392	8 896	10 313	10 313	10 313	10 903	-	-
Social contributions	1	8	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>7 122</b>	<b>8 400</b>	<b>8 896</b>	<b>10 313</b>	<b>10 313</b>	<b>10 313</b>	<b>10 903</b>	<b>-</b>	<b>-</b>

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

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>4 159 117</b>	<b>4 714 083</b>	<b>5 538 736</b>	<b>5 693 977</b>	<b>5 689 792</b>	<b>5 694 700</b>	<b>6 292 523</b>	<b>7 181 002</b>	<b>7 561 621</b>
Compensation of employees	1 865 079	1 952 072	2 261 882	2 569 757	2 394 663	2 403 892	2 537 595	2 742 451	2 901 039
Salaries and wages	1 624 611	1 699 180	1 994 357	2 255 227	2 080 133	2 119 509	2 233 559	2 402 252	2 541 108
Social contributions	240 468	252 892	267 525	314 530	314 530	284 383	304 036	340 199	359 931
Goods and services	2 294 038	2 762 011	3 276 854	3 124 220	3 295 129	3 290 808	3 754 928	4 438 551	4 660 582
Administrative fees	840	685	504	127	127	650	684	720	755
Advertising	14 252	15 482	14 402	42 240	42 240	5 303	21 060	23 618	24 752
Minor assets	18	37	410	4 208	4 208	237	4 439	4 683	4 908
Catering: Departmental activities	894	105	1 398	2 776	2 776	2 343	2 929	3 090	3 238
Communication (G&S)	318	329	298	449	449	297	380	400	419
Cons. & prof. serv.: Business and advisory services	-	1	65	-	-	-	3 037	3 204	3 358
Laboratory services	490 347	630 431	949 405	1 022 636	1 022 636	1 088 968	1 110 000	1 227 515	1 286 436
Contractors	11 416	42 828	25 455	52 416	52 416	25 882	40 000	42 000	44 016
Agency and support / outsourced services	3 015	4 301	3 422	5 537	5 537	2 802	5 900	6 163	6 459
Fleet services (including govt. motor transport)	123	219	243	116	116	158	844	129	135
Inventory: Clothing material and accessories	-	12	-	-	-	-	915	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	1	-	-
Inventory: Materials and supplies	19	-	48	-	-	-	34	-	-
Inventory: Medical supplies	104 556	114 750	170 908	185 134	185 134	108 732	196 416	251 480	217 166
Inventory: Medicine	1 647 625	1 935 741	2 093 603	1 774 973	1 945 882	2 023 030	2 306 904	2 819 890	3 010 610
Inventory: Other supplies	-	-	-	-	-	-	258	-	-
Consumable supplies	6 221	6 424	7 170	5 595	5 595	7 882	8 378	8 814	9 237
Consumable: Stationery, printing and office supplies	570	506	1 730	10 457	10 457	7 221	9 134	9 613	10 074
Operating leases	215	242	222	495	495	303	522	551	577
Property payments	-	98	172	111	111	98	8 392	123	129
Transport provided: Departmental activity	-	-	439	-	-	50	-	-	-
Travel and subsistence	9 222	8 142	5 127	10 081	10 081	8 420	18 437	19 451	20 385
Training and development	2 725	910	1 035	1 258	1 258	7 707	10 238	10 750	11 266
Operating payments	1 660	768	513	5 611	5 611	367	5 920	6 246	6 546
Venues and facilities	-	-	-	-	-	-	106	111	116
Rental and hiring	-	-	285	-	-	358	-	-	-
<b>Transfers and subsidies</b>	<b>57 051</b>	<b>131 585</b>	<b>133 694</b>	<b>139 652</b>	<b>138 762</b>	<b>138 929</b>	<b>146 252</b>	<b>155 436</b>	<b>162 897</b>
Municipalities	40 000	116 846	116 882	121 492	121 492	121 492	128 174	135 224	141 715
Municipalities	40 000	116 846	116 882	121 492	121 492	121 492	128 174	135 224	141 715
Non-profit institutions	11 454	10 034	10 403	12 017	12 017	12 017	12 678	13 375	14 017
Households	5 597	4 705	6 409	6 143	5 253	5 420	5 400	6 837	7 165
Social benefits	5 597	4 705	6 409	6 143	5 253	5 420	5 400	6 837	7 165
<b>Payments for capital assets</b>	<b>31 357</b>	<b>6 827</b>	<b>4 795</b>	<b>7 000</b>	<b>12 075</b>	<b>7 000</b>	<b>15 148</b>	<b>8 301</b>	<b>8 699</b>
Machinery and equipment	31 357	6 827	4 795	7 000	12 075	7 000	15 148	8 301	8 699
Transport equipment	31 200	6 229	-	-	-	-	1 275	-	-
Other machinery and equipment	157	598	4 795	7 000	12 075	7 000	13 873	8 301	8 699
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4 247 525</b>	<b>4 852 495</b>	<b>5 677 225</b>	<b>5 840 629</b>	<b>5 840 629</b>	<b>5 840 629</b>	<b>6 453 923</b>	<b>7 344 739</b>	<b>7 733 217</b>

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

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>-</b>	<b>-</b>	<b>27 991</b>	<b>47 290</b>	<b>32 399</b>	<b>32 399</b>	<b>-</b>	<b>-</b>	<b>-</b>
Compensation of employees	-	-	1 123	2 700	6 375	6 375	-	-	-
Salaries and wages	-	-	1 123	2 700	6 375	6 375	-	-	-
Goods and services	-	-	26 868	44 590	26 024	26 024	-	-	-
Advertising	-	-	-	1 000	1 000	1 000	-	-	-
Minor assets	-	-	-	-	1 082	1 082	-	-	-
Catering: Departmental activities	-	-	5	-	48	48	-	-	-
Communication (G&S)	-	-	25	64	61	61	-	-	-
Cons. & prof. serv.: Business and advisory services	-	-	-	2 865	-	-	-	-	-
Inventory: Medical supplies	-	-	16	720	200	200	-	-	-
Inventory: Medicine	-	-	24 666	31 112	14 500	14 500	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	4	1 469	750	750	-	-	-
Travel and subsistence	-	-	2 152	7 360	8 383	8 383	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>5 395</b>	<b>205</b>	<b>5 164</b>	<b>5 164</b>	<b>-</b>	<b>-</b>	<b>-</b>
Machinery and equipment	-	-	5 395	205	5 164	5 164	-	-	-
Other machinery and equipment	-	-	5 395	205	5 164	5 164	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>33 386</b>	<b>47 495</b>	<b>37 563</b>	<b>37 563</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>21 258</b>	-	-	-	55 376	55 376	55 290	57 444	59 559
Compensation of employees	1 594	-	-	-	55 376	55 376	55 290	57 444	59 559
Salaries and wages	1 534	-	-	-	55 376	55 376	55 290	57 444	59 559
Social contributions	60	-	-	-	-	-	-	-	-
Goods and services	19 664	-	-	-	-	-	-	-	-
Administrative fees	8	-	-	-	-	-	-	-	-
Advertising	4	-	-	-	-	-	-	-	-
Minor assets	384	-	-	-	-	-	-	-	-
Catering: Departmental activities	187	-	-	-	-	-	-	-	-
Communication (G&S)	11 818	-	-	-	-	-	-	-	-
Computer services	4 473	-	-	-	-	-	-	-	-
Cons. & prof. servi.: Business and advisory services	251	-	-	-	-	-	-	-	-
Contractors	4	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	799	-	-	-	-	-	-	-	-
Inventory: Medical supplies	182	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	196	-	-	-	-	-	-	-	-
Operating leases	44	-	-	-	-	-	-	-	-
Travel and subsistence	186	-	-	-	-	-	-	-	-
Training and development	1 055	-	-	-	-	-	-	-	-
Venues and facilities	53	-	-	-	-	-	-	-	-
Rental and hiring	20	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>3 787</b>	-	-	-	-	-	-	-	-
Machinery and equipment	3 787	-	-	-	-	-	-	-	-
Other machinery and equipment	3 787	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>25 045</b>	-	-	-	55 376	55 376	55 290	57 444	59 559

Table 7.T : Payments and estimates by economic classification: Human Resources Capacitation Grant (Programme 4: Provincial Hospital Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2021/22	2020/21	2022/23
<b>Current payments</b>	-	-	-	122 316	191 730	191 730	-	-	-
Compensation of employees	-	-	-	122 316	191 730	191 730	-	-	-
Salaries and wages	-	-	-	106 415	175 829	175 829	-	-	-
Social contributions	-	-	-	15 901	15 901	15 901	-	-	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	122 316	191 730	191 730	-	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2021/22	2020/21	2022/23
<b>Current payments</b>	-	-	-	-	-	-	593 830	615 010	637 762
Compensation of employees	-	-	-	-	-	-	593 300	614 480	637 206
Salaries and wages	-	-	-	-	-	-	525 554	541 991	561 238
Social contributions	-	-	-	-	-	-	67 746	72 489	75 968
Goods and services	-	-	-	-	-	-	530	530	556
Advertising	-	-	-	-	-	-	32	32	34
Travel and subsistence	-	-	-	-	-	-	53	53	56
Operating payments	-	-	-	-	-	-	445	445	466
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	593 830	615 010	637 762

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>A KZN2000 eThekweni</b>	154 750	219 656	215 276	225 396	225 396	225 396	237 793	250 872	262 914
<b>Total: Ugu Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN212 uMdoni	-	-	-	-	-	-	-	-	-
B KZN213 uMzombe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uMgungundlovu Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 iMpindle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uThukela Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	-	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	-	-	-	-	-	-	-	-	-
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uMzinyathi Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN241 eNdumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nquthu	-	-	-	-	-	-	-	-	-
B KZN244 uMsinga	-	-	-	-	-	-	-	-	-
B KZN245 uMvoti	-	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Amajuba Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN252 Newcastle	-	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Zululand Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 AbaQulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uMkhanyakude Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN271 uMhlabyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: King Cetshwayo Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN281 uMfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: iLembe Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Harry Gwala Municipalities</b>	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 uBuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 uMzimkhulu	-	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
<b>Unallocated</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>154 750</b>	<b>219 656</b>	<b>215 276</b>	<b>225 396</b>	<b>225 396</b>	<b>225 396</b>	<b>237 793</b>	<b>250 872</b>	<b>262 914</b>