

VOTE 7

Health

Operational budget	R48 410 291 205
MEC remuneration	R 1 977 795
Total amount to be appropriated	R48 412 269 000
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

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

Strategic outcomes

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 Act, 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 2020/21 financial year

Section 2 provides a review of 2020/21 outlining the main achievements and progress made by the department, as well as providing a brief discussion on the challenges and new developments.

Provincial response to Covid-19

The department received additional funding of R5.082 billion in the Special Adjustments Estimate tabled in July 2020, for the provincial response to the Covid-19 pandemic. This funding covered the hiring of temporary additional nurses and doctors, as well as other specialist medical staff, particularly for high care and intensive care units, isolation and quarantine wards. It also provided for the temporary hiring of staff for tracing teams. The funding also allowed the department to repurpose some hospitals and create temporary field hospitals for isolation and quarantine purposes. The department was also able to ensure that the appropriate medical equipment, such as ventilators, was procured for the treatment of the seriously ill.

Programme 1: Administration

- The department monitored 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. By mid-year, the mapping process was completed identifying that 77 per cent (8 528 062 out of 11 074 784) of the population resides within a 5km radius of a health service. The GIS unit carried out a Facility Verification process to ensure alignment of the GIS System and the web District Health Information Service (DHIS). This ensures that new facilities are included in the database for mapping and analysis. Verification of mobile clinic stopping points and the involvement of other relevant stakeholders in developing this indicator is still in progress.
- In terms of the plans to increase access to professional nurses from 151 to 152.5 per 100 000 population, this target was exceeded by mid-year with professional nurses per 100 000 population reaching 160.9. The target was exceeded largely due to the Covid-19 pandemic and the temporary employment of additional professional nurses to deal with the workload.
- The target to increase access to medical officers from 28.5 to 34.1 per 100 000 population was exceeded by mid-year with medical officers per 100 000 increasing to 36.5. The target was exceeded largely due to the Covid-19 pandemic and the temporary employment of additional medical officers to deal with the workload.
- With regard to the plans to implement an electronic patient records system in two hospitals by mid-year, Prince Mshiyeni Memorial and Madadeni Hospitals are implementing the e-health system, which is aimed at reducing patient waiting times, and addressing the issue of missing and damaged patient files, while enabling the department to defend itself against medico-legal claims. The following system modules are in place:
 - Patient administration module.
 - General out-patient department and in-patient management modules.
 - Inter-ward transfer module.
 - Clinicians notes functionality (doctors and nurses).
 - Laboratory Order Entry System (LOES) with electronic gate keeping module.
 - Electronic auxiliary services requests (i.e. radiology, prescription) modules.
- The establishment of centres of excellence for future treatment of medico-legal claimants showed progress with 71 out of 143 posts already filled, and the remainder are in the process of being filled. A total of seven such centres were established, including at Ngwelezane, Queen Nandi, Greys and King Edward VIII hospitals. Other centres established include the Pietermaritzburg and Phoenix Assessment and Therapy Centres, as well as at the KZN Children's Hospital.

Programme 2: District Health Services

- The department had set a target to reduce the HIV incidence from a baseline of 0.61 per cent to 0.52 per cent in 2020/21:
 - By mid-year, the HIV incidence decreased to 0.52 per cent.

- There were some challenges, though, and these included condom distribution delays and the expired medical male circumcision (MMC) contract, which is likely to impact negatively on performance over the remainder of the year. Note that this function is partially outsourced to compliment the department's in-house activities.
- The department will monitor the distribution of condoms and condom supply and distribution will be decentralised before the end of the year to all 11 districts to ensure better running of the programme.
- Application for extension of the transversal and provincial MMC contract has been submitted for approval by SCM. The programme will continue to monitor the HIV Testing Services numbers to ensure that targets are maintained over the remainder of the year.
- The plans to 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 was on track with 0.51 per cent achieved by mid-year.
- The target to increase the number of clients on ARV treatment from 1 387 688 to 1 701 694 in 2020/21 was not achieved by mid-year and this is explained as follows:
 - The number of clients on ARV treatment increased to 1 481 070 by mid-year. The target was not met due to high losses to follow up, especially during the first six months of treatment initiation. Not all patients diagnosed are initiated on treatment.
 - The department will facilitate the implementation of adherence guidelines over rest of the year, to improve adherence and to prepare patients psychologically for treatment.
- The department planned to maintain the viral load suppression rate at 90 per cent. Baseline performance was 89.8 per cent for a 12-month cohort:
 - The viral load (VL) suppression rate was maintained at the targeted rate. There is a good viral suppression rate because health facilities are implementing a clear patient management protocol for the high VL register, Chart Audit tool and VL sample log and Enhanced Adherence Counselling (EAC) sessions for patients for PHC clinics.
 - Interventions over the rest of the year will include patient care and support activities which promote treatment adherence.
- The aim to reduce the TB incidence from 507.3/100 000 to 400/100 000 was on track with the incidence decreasing to 442.4/ 100 000 by mid-year.
- The plans to reduce the TB drug-susceptible (DS) client death rate from 7.4 per cent to 7 per cent in 2020/21 and to 4 per cent in 2024/25 shows the following:
 - TB client death rate increased to 8 per cent by mid-year. This increase was particularly related to TB/HIV co-infected patients due to delayed presentation to facilities. There were also limited resources in TB high burden facilities to follow up and link to care for all TB presumptive cases, due to having redeployed existing resources for the Covid-19 response.
 - Over the remainder of the year, the department will monitor monthly progress on recruitment and employment of TB/HIV linkage officers. It will also co-ordinate the implementation of case based Urine LipoArabinoMannan (ULAM) testing in all hospitals and CHCs to improve the diagnosis of TB among HIV positive patients.
 - Further strategies for the remainder of the year include the implementation of the provincial health promotion strategy to improve community advocacy, communication and social mobilisation. In addition, there is an integrated recovery plan to upscale screening and testing for TB and a health promotion strategy is being implemented to address negative TB outcomes such as the death rate, loss to follow up, etc.
- With regard to the plans to reduce the diabetes incidence from 3/1 000 to 2.2/1 000, this was not achieved with an incidence of 3.2/1 000 reported at mid-year. The department will continue intensive screening across all age groups over the remainder of the year.

- The planned reduction of the hypertension incidence from 29.5/1 000 to 28/1 000 (this target was amended in the APP from 18.8/1 000, tabled after the 2020/21 *EPRE*) had the following achievements:
 - The hypertension incidence decreased to 9.6/1 000 by mid-year. Note that this target was impacted by the Covid-19 lockdown with a reduced number of patients presenting to facilities.
 - The department will intensify the focus on a healthy lifestyle at community level.
- The target to reduce maternal mortality in facility ratio from 88.4 per 100 000 to 85/100 000 showed the following:
 - Maternal mortality ratio increased to 102.3/100 000 by mid-year, largely attributed to Covid-19.
 - Interventions include Essential Steps in Managing Obstetric Emergencies (ESMOE) training for Master Trainers, which was done. In addition, training of maternity staff on the new ESMOE modules, which include hypertension management and integrated Prevention of Mother to Child Transmission (PMTCT)/Basic Ante-Natal Care (BANC) training are being done. In-facility pregnancy screening will be done to improve early booking, thus promoting health pregnancy and positive outcomes.
- The plans to reduce the infant mortality rate from 30.9 to 29 per 1 000 live births showed the following:
 - Infant mortality rate was at 21.1/1 000 by mid-year. Interventions to improve performance include the promotion of early attendance of ante-natal care on radio slots. In addition, the department promoted compliance with the essential package of neonatal care, including Kangaroo Mother Care (KMC) and nasal Continuous Positive Airways Pressure (nCPAP) and facility support visits from district and provincial teams.
- The planned reduction of the under 5 mortality rate from 41.9 to 40/1 000 was as follows:
 - Infant mortality rate was at 28.5/1 000 by mid-year. The improved performance is due to the implementation of community-based Integrated Management of Childhood Illnesses (IMCI), promotion of early presentation at hospitals and better care on arrival at hospitals related to the implementation of Emergency Triage, Assessment and Treatment (ETAT) and the catch-up immunisation campaign. This means conducting additional community campaigns to immunise the targeted population, aimed at reaching those who missed immunisation appointments at fixed health facilities.
- The target to increase the ideal clinic status rate from 75.6 per cent to 100 per cent was nearly on target with a rate of 98 per cent achieved by mid-year. All districts performed well with nine districts achieving 100 per cent and two getting 98 per cent due to changes made in some facilities to accommodate isolation spaces for Covid-19 patients.

Programme 3: Emergency Medical Services (EMS)

- The average number of daily operational ambulances was at 188 at mid-year. Replacement ambulances have not yet been received and issued to districts due to procurement process challenges. Added to this was the down time of vehicles for repairs and services being extended due to Covid-19 restrictions placed on service providers. There were also staffing challenges related to the Covid-19 pandemic.
- The target to increase the number of bases with access to intranet/e-mail from 40 in 2018/19 to 60 in 2020/21 was removed from the 2020/21 APP. However, a total of 22 was achieved at the end of 2019/20. The key challenges for consistently not meeting this target were delays in the roll-out of the private network and SITA related challenges, which are out of the department's control.

Programme 4: Provincial Hospital Services (regionalised and specialised)

- Achieve a bed utilisation rate (BUR) of 76.8 per cent by 31 March 2021 from a baseline of 73.3 per cent in 2018/19. Note that all hospital types were short of target due to Covid-19 and the national lockdown. The measures achieved are:
 - Regional Hospitals – BUR was 58.5 per cent by mid-year.
 - Specialised TB Hospitals – BUR was 11.5 per cent by mid-year.
 - Specialised Chronic Hospitals – BUR was 63.8 per cent by mid-year.

Programme 5: Central Hospital Services

- Achieve a BUR of 67.9 per cent by March 2021 from a baseline of 65.8 per cent in 2018/19:
 - Tertiary Hospitals – BUR was 54.1 per cent at mid-year.
 - Central Hospital – BUR was 37 per cent at mid-year.
- Challenge: The decreased BUR was attributed to the curtailing of usual services such as elective surgeries due to Covid-19. With the Covid-19 positive cases declining, hospitals are reverting back to a pre-Covid-19 functionality state and the BUR is likely to increase over the next few weeks. Specialist clinics have been reopened and operations have recommenced.

Programme 6: Health Sciences and Training

- The plans to award 21 bursaries to first year medical students and 100 bursaries to first year nursing students are reported as follows:
 - There was a bursary intake in the first half of 2020/21. Note that this output indicator should be combined with “Number of bursaries awarded to first time health professions students” as there was a reduction in the number of bursaries awarded. Furthermore, districts are no longer considering medicine as a priority bursary area, based on the high output from the Cuban Doctors’ programme meeting medical needs.
- 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 Council for Higher Education (CHE) and South African Nursing Council (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

- The plans to improve the management of laundry services by decreasing the incidence of clean linen stock-outs to zero in facilities by March 2021 was not achieved with the percentage of facilities reporting clean linen stock-outs at 27.1 per cent at mid-year. Some hospitals (Richmond, Edendale and Greys) did not submit data. Engagements with Data Management is in progress to improve data submission by all hospitals.
- The plans to 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 the third quarter of 2019/20 in the Provincial Pharmaceutical Supply Depot (PPSD) and at all health facilities by March 2021 was achieved. In this regard, the medicine stock-out rates at PPSD decreased to 3.5 per cent at mid-year. This was attributed to improved supply of some pharmaceutical products.
- The aim to improve food management services by revisiting catering and procurement tenders, in order to utilise the Radical Agrarian Socio-economic Transformation (RASET) programme to acquire food for catering at all hospitals was achieved with all 26 in-house kitchens procuring fresh produce available from local black farmers.

Programme 8: Health Facilities Management

- The plans to create 3 500 jobs maintaining grounds and gardens through EPWP by March 2021 were well on track by mid-year with 3 217 jobs created indicating the likelihood to exceed the target by year-end. This positive deviation is due to the unanticipated job opportunities created through Covid-19.
- The department planned to 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. This target was removed from the 2020/21 APP. However, the department notes that the Ngwelezane Hospital project is completed.

3. Outlook for the 2021/22 financial year

Section 3 looks at the key focus areas of 2021/22, 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 2021/22, the department will focus on the following priorities to further improve service delivery and health outcomes:

Programme 1: Administration

The department plans to roll-out the e-health system at 36 hospitals, including Greys, Queen Nandi and Ngwelezane Hospitals. Plans are also in place to strengthen the Internal Control section at head office and 27 posts will be filled.

In terms of the medico-legal unit, a data base will be created of all cases since 2002, to try and determine the workload which will also give an indication of the capacity needed within the unit to process all the claims. The data base will also be used to target the hospitals where most claims arise and allow for targeted mitigation interventions at those hospitals. The unit is already undertaking roadshows at district level, and these will be supplemented with relevant communications to hospital managers and staff, as well as to strengthening clinical governance through retraining/corrective training of staff to mitigate future claims. This process will continue in 2021/22, including strengthening clinical governance at facilities and the adoption of mediation as an alternative dispute resolution strategy.

The department has finalised the minimum staff establishment aimed at addressing critical staff shortages at identified facilities. However, implementation is a challenge as the department has insufficient funding at this stage to implement the finalised plan. This will be done on a phased-in basis as funding becomes available.

Programme 2: District Health Services

This programme exists to render PHC and District Hospital Services. Other services include a nurse driven PHC service at 758 clinics (including 169 mobile clinics), TB/HIV and AIDS services, maternal child and women's health, as well as coroner services. Note that most of the targets in this programme are in comparison to 2019/20 achievements. Some of the targets include:

- Increase the ideal clinic status rate from 76.8 per cent to 100 per cent.
- Increase the number of clients on ARV treatment from 1 481 679 to 1 830 478 in 2021/22.
- Reduce TB incidence from 442.4 per 100 000 in 2019/20 to 350 per 100 000.

The department is investigating the rationalisation of services in district and specialised 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 arisen due to the budget cuts. This exercise will be ongoing as trends post-Covid-19 are assessed.

Programme 3: Emergency Medical Services (EMS)

The department plans to increase the average number of daily operational ambulances from 166 in 2019/20 to 188 by 31 March 2022.

Programme 4: Provincial Hospital Services (regionalised and specialised)

This programme delivers hospital services at general specialist level, including specialised rehabilitation services, as well as a platform for training health professionals and research. There are 13 regional hospitals, seven specialised TB hospitals, six specialised psychiatric hospitals and two chronic/sub-acute hospitals within KZN. The department is targeting providing 2 048 829 in-patient days at an average length of stay of 6.2 days in regional hospitals. The new Dr. Pixley ka Isaka Seme Memorial Hospital (PKISMH) is planned for commissioning in 2021/22. The department has budgeted approximately R800 million in 2021/22, with carry-through, and the hospital will have 500 beds once fully operational and approximately 1 500 staff.

Programme 5: Central Hospital Services

This programme provides tertiary and highly specialised medical health and quaternary services on a national basis and serves as a platform for the training of health workers and research. There are three tertiary

hospitals (Greys, King Edward VIII and Ngwelezane Hospitals) and one central hospital in KZN, namely the Inkosi Albert Luthuli Central Hospital (IALCH). The PPP contract agreement with the Impilo Consortium (Pty) Ltd at IALCH was extended for a further 18 months and will terminate on 31 July 2021. The department will finalise the way forward for this service (either via a new tender or in-house services) in 2021/22.

Programme 6: Health Sciences and Training

Programme 6 renders training and development opportunities for actual and potential employees of the department. The following are some of the targets for 2021/22:

- Award 30 new bursaries to first year health professional students. Funding for previously awarded bursaries continues for the entire duration of their studies.
- Award 120 new bursaries to first year nursing students. Funding for previously awarded bursaries continues for the entire duration of their studies.
- Place 100 nurses in training on the Post Graduate Nurse Specialist Programmes by March 2022. This training is for Professional Nurses that undertake specialist/post-basic training programmes, e.g. PHC, operating theatre technique, ophthalmology nursing science, etc. The target for training is based on specialist/post-basic training programmes provided through the KZN College of Nursing at its various nursing campuses within the department.
- 542 officials trained through the EMS College by March 2022 based at McCord Hospital. This training is for existing EMS personnel and the training programmes are courses linked to EMS specific continuous professional development programmes for in-service/current EMS personnel.
- Award 100 bursaries to internal employees. This is in line with the departmental bursary policy for part-time studies that afford internal employees an opportunity for skills development in order to enhance career pathing through the improvement of their current qualifications and to improve employee performance.
- The department is accredited by the Health Professions Council of South Africa (HPCSA) for 1 128 posts and these posts are funded through voted funds (828 posts) and through the Statutory HR and Health Professions Training and Development grant (300 posts). However, an allocation of 613 posts for January 2021 was allocated by the National Department of Health instead of 564 posts. This resulted in an over allocation of interns to the department.
- In total, 155 students trained in Cuba qualified to be placed as Medical Interns in 2021 in various hospitals including hospitals outside the province. Currently, there are 63 students who are still studying in Cuba. This year it is expected that 43 final year students will return in July 2021.

Programme 7: Health Care Support Services

This programme houses a number of centralised services including the PPSD which manages the supply of pharmaceuticals and medical sundries, the provision of laundry services, as well as the provision of specialised orthotic and prosthetic services. The programme seeks to fit 80 per cent of clients needing orthotics and 80 per cent of clients needing prosthetics in 2021/22. The indicator is demand driven so it is unable to predict with absolute certainty the actual numbers that will be fitted.

Note that vaccines for Covid-19 will be supplied to the province at no cost. The plans for all additional medical supplies, staffing and other costs were still underway at the time of compiling the *EPRE*.

Programme 8: Health Facilities Management

This programme performs facilities management of CHCs, district hospitals, emergency medical services facilities, provincial hospitals, central and tertiary hospitals, as well as all other buildings and structures. Various targets are set for 2021/22 and these include:

- Create 3 000 jobs maintaining grounds and gardens through EPWP by March 2022.
- Complete 26 upgrade and addition projects by March 2022. These include the restoration of fire services at Addington Hospital, upgrade the Dundee Regional Laundry to the standard of a regional laundry and re-route the existing sewer line and upgrade the septic tank at the Ekubungazeleni Clinic, among others.

- Complete 20 new and replacement projects by March 2022, including the PKISMH (new). The others are largely projects where existing facilities are replaced with new ones, such as at Addington Hospital where there are plans to replace 16 lifts and the King Edward VIII Hospital replacement of eight lifts, among others.
- Complete 35 renovation and refurbishment projects by March 2022, including replacing the old fence with a boundary wall and to repair the entrance at Addington Hospital, refurbish existing wards at Catherine Booth Hospital, as well as upgrading the roof and the plumbing in the maternity ward at GJ Crookes Hospital, among others.
- Monitor access to health services by mapping the percentage of the population within a 5km radius of a health service. Although this process is largely completed, the department plans to expand on the calculation of this using the outreach services (mobile clinics) and not just the fixed clinics.

4. Alignment of the budget to the NDP and MTSF

Economic and resource constraints remain a challenge facing government. The department will continue to build strategic partnerships with all stakeholders, including the private sector, to increase delivery capacity in the province, most especially in response to the burden ascribed to the Covid-19 pandemic. The department will strengthen the partnership with the Traditional Health Practitioners (THPs) in KZN. The THPs have been identified as a vital resource for up-scaling comprehensive HIV and AIDS, TB and other chronic disease care and prevention strategies and for referring clients to PHC facilities.

Prevention strategies assist to save costs on treating clients, as the latter is a less cost effective way to provide healthcare. Prevention strategies to be intensified include screening and testing for HIV, TB, chronic diseases, cervical and breast cancers, as well as condom distribution.

As part of ongoing efforts to reduce the medico-legal bill, the department will continue plans to equip five identified centres of excellence that will attend to the healthcare needs of children who are born with Cerebral Palsy and other ailments. These centres are at the Ngwelezane and Queen Nandi Hospitals, the PMB Assessment and Therapy Centre, the Phoenix Assessment and Therapy Centre, as well as at the KZN Children's Hospital.

The department is of the view that having at least 60 per cent of the staff complement at health facilities could begin to address challenges caused by understaffing, such as low staff morale, low quality of care, and burnout as a result of overcrowding. The engagements on reducing the staff spend in order to fund the Minimum Staff Establishment are underway. In 2020/21, the department is finalising the minimum staff establishment project which must be approved by Provincial Treasury and Office of the Premier. It is anticipated that this process will pave the way for the department to be able to fill critical posts in all occupational categories, provided funds are available.

The department's Strategic Plan is aligned to the NDP, through the PGDP, and also aligned to the MTSF. The strategic objectives are aligned to its goals and have been incorporated into the APP to ensure strategic alignment.

5. Reprioritisation

In the preparation of the 2021/22 MTEF budget, the department undertook comprehensive reprioritisation affecting all programmes except Programme 3, with the main movements being the following:

- R641.692 million with carry-through was reprioritised to *Compensation of employees* over the MTEF from various programmes and sub-programmes to mitigate the impact of the higher than expected cut against *Compensation of employees* as a result of the cuts related to no wage increases over the MTEF. The cuts were higher than what was previously budgeted for in terms of annual increases, resulting in under-funding of existing posts. The movement impacts on *Goods and services* with R637.933 million, with carry-through, moved from this category. The main items impacted by this movement are medical supplies, medicines and laboratory services.

- R2.476 million was moved from *Transfers and subsidies to: Households* to *Compensation of employees* also to assist in reducing the impact of the budget cuts.
- R1.283 million, with carry-through was moved from *Machinery and equipment* to address the under-funding of *Compensation of employees*. This will impact on the department's pace in replacing redundant medical and office equipment.
- 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 arisen due to the budget cuts.

6. 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) 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.
- The department will reprioritise in-year for the procurement of medical supplies and other costs in support of the Covid-19 vaccination programme in the province.

7. Receipts and financing

7.1 Summary of receipts and financing

Table 7.1 gives the source of funding for Vote 7 over the seven-year period 2017/18 to 2023/24. The table also compares actual and budgeted receipts against actual and budgeted payments, and these are discussed below.

In 2017/18, the department received a roll-over of R311 000 from 2016/17 in respect of under-spending against the National Health Insurance (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 eThekweni 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.

Table 7.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Equitable share	31 462 955	33 154 853	35 375 718	37 656 546	35 880 496	35 880 496	37 401 083	36 237 826	36 148 526
Conditional grants	8 085 518	9 303 113	9 770 858	10 401 135	11 030 568	11 030 568	11 011 186	11 244 300	11 156 448
HIV, TB, Malaria, Comm. Outreach & HPV Vaccine grant	4 852 495	5 677 225	5 840 629	6 453 923	6 898 890	6 898 890	7 160 537	7 276 975	7 118 208
Health Facility Revitalisation grant	1 149 355	1 401 988	1 353 497	1 271 414	1 271 414	1 271 414	1 247 730	1 347 141	1 408 145
Health Professions Training and Development grant	331 944	351 197	370 863	-	-	-	-	-	-
National Tertiary Services grant	1 696 266	1 794 649	1 895 149	2 015 775	2 015 775	2 015 775	1 955 628	1 997 372	2 000 300
National Health Insurance grant	-	-	55 376	55 290	60 290	60 290	50 415	50 842	50 860
Human Papillomavirus Vaccine grant	-	44 976	32 303	-	-	-	-	-	-
EPWP Integrated Grant for Provinces	8 400	8 896	10 313	10 903	10 903	10 903	12 689	-	-
Social Sector EPWP Incentive Grant for Provinces	47 058	24 182	20 998	-	-	-	21 228	-	-
Human Resources Capacitation grant	-	-	191 730	-	-	-	-	-	-
HR and Training grant	-	-	-	593 830	634 378	634 378	562 959	571 970	578 935
Provincial Disaster Relief grant	-	-	-	-	138 918	138 918	-	-	-
Total receipts	39 548 473	42 457 966	45 146 576	48 057 681	46 911 064	46 911 064	48 412 269	47 482 126	47 304 974
Total payments	39 911 321	42 549 830	45 226 576	48 057 681	51 408 066	51 408 066	48 412 269	47 482 126	47 304 974
Surplus/(Deficit) before financing	(362 848)	(91 864)	(80 000)	-	(4 497 002)	(4 497 002)	-	-	-
Financing									
of which									
Provincial roll-overs	311	-	5 260	-	655	655	-	-	-
Provincial cash resources	381 694	89 206	-	-	4 496 347	4 496 347	-	-	-
Surplus/(Deficit) after financing	19 157	(2 658)	(74 740)	-	-	-	-	-	-

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 Human Papillomavirus Vaccine (HPV) Vaccine grant was under-spent by R11.590 million, which was not fully committed, and a portion was surrendered back to National Treasury. Note that this grant ceased in 2019/20 and was merged with the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant in 2020/21, becoming a component of the latter grant.

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 over-spent its 2018/19 budget by R74.740 million, mainly due to a drive to clear all outstanding medicine and medical supplies invoices. In addition, the NHI grant was under-spent by R16.877 million, which was not fully committed, and the bulk was surrendered back to National Treasury.

In the 2020/21 Second Adjustments Estimate, the department received a roll-over of R655 000 from 2019/20 in respect of under-spending against the NHI grant, to be used to pay for salaries to contracted doctors. The contracted doctors were paid at an incorrect lower rate in 2018/19. In addition, the following changes were made in the 2020/21 Special Adjustments Estimate and Second Adjustments Estimate:

- In the Special Adjustments Estimate, the department's budget was increased by R4.497 billion from provincial cash resources for the provincial response to the Covid-19 pandemic.
- In the Special Adjustments Estimate, the department received new conditional grant funding to assist in the response to Covid-19, as follows:
 - R138.918 million was allocated in the form of a new once-off conditional grant, namely the Provincial Disaster Relief grant, mainly for the purchasing of PPE and medical equipment.
 - R446.764 million was added to the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant as part of the a Covid-19 component of the grant. The funding was for additional NHLS Covid-19 testing costs, advertising and communication costs, as well as PPE costs.
- In the Second Adjustments Estimate, the budget was reduced by a net amount of R1.732 billion, as follows:

- o The department's equitable share budget was cut by R1.776 billion in the Second Adjustments Estimate related to the non-implementation of the 2020/21 wage agreement due to the national fiscal situation, with departments required to cut *Compensation of employees* budgets. This matter was resolved by the courts in the government's favour.
- o The HIV, TB, Malaria, Community Outreach and HPV Vaccine grant was decreased by a net amount of R1.797 million. The grant was increased by R56.230 million from the Presidential Employment Initiative Fund, but this was offset by a cut of R58.027 million made in line with the budget cuts made by National Treasury to provide for the rescue plan for SAA.
- o The NHI grant was increased by R5 million from the Presidential Employment Initiative Fund.
- o The Statutory HR and Health Professions Training and Development grant was increased by R40.548 million from the Presidential Employment Initiative Fund.

The department is projecting a balanced budget in 2020/21, as per the December 2020 IYM.

In 2021/22, the growth is positive, mainly due to significant once-off funding for the provincial response to Covid-19. This growth is mitigated to an extent by budget cuts implemented against both the equitable share and conditional grant budget over the 2021/22 MTEF. There are changes to the conditional grants, with some decreases to grant funding, and these are expanded on in Section 7.4. In addition, the budget was cut over the MTEF due to the freezing of the public sector wage bill, as well as fiscal consolidation budget cuts. These cuts are discussed in more detail in Section 7.2. The growth in 2022/23 is negative due to the once-off funding allocated in 2021/22, while the outer year's growth is negative due to the extent of the cuts.

7.2 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		
	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	268 988	278 256	277 427	289 664	289 664	220 440	313 458	328 503	342 958
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	70	48	42	72	72	33	76	80	84
Interest, dividends and rent on land	145	587	263	166	166	917	175	183	191
Sale of capital assets	6 897	7 039	9 536	8 000	8 000	8 000	9 000	9 432	9 847
Transaction in financial assets and liabilities	21 672	17 210	16 690	18 531	18 531	17 390	19 550	20 488	21 389
Total	297 772	303 140	303 958	316 433	316 433	246 780	342 259	358 686	374 469

Sale of goods and services other than capital assets derives its revenue mainly from patient fees, boarding fees, rentals, parking fees, commission charged on PERSAL deductions such as insurance premiums and garnishees, etc. The revenue collected in the 2020/21 Revised Estimate is due to the lower than anticipated receipts from patient fees, as the Road Accident Fund (RAF) is insolvent, and is not paying the claims as required by the department. Additionally, the lower collection from RAF resulted from fewer road accidents as a result of the national lockdown, as well as the Uniform Patient Fee Structure not implemented in time (1 April 2020) as anticipated. Furthermore, the under-collection is attributed to the low volume of paying patients visiting various hospitals due to the national lockdown, as well as elective surgeries being postponed. The growth anticipated over the MTEF seems high, but this growth is from a relatively low base.

Fines, penalties and forfeits shows revenue collected from parking transgressions. The trend fluctuates over the seven-year period, because it is difficult to accurately predict the number of contraventions. The low revenue expected in the 2020/21 Revised Estimate is due to fewer transgressions as a result of the lockdown.

Interest, dividends and rent on land reflects 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 amounts in prior years and in the 2020/21 Revised Estimate relate to proceeds from the sale of motor vehicles and equipment. The budget over the MTEF is informed by the department's asset disposal policy.

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 measure these recoveries to be paid back to the department, hence the fluctuating trend over the seven-year period.

7.3 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.

Table 7.3 : Details of donor and agency funding receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Donor funding	-	-	-	-	-	-	-	-	-
Agency funding	2 370	4 245	19 412	-	2 839	-	-	-	-
HWSETA	1 717	1 801	3 090	-	2 839	-	-	-	-
HWSETA: Bridging for enrolled nurse training	-	244	-	-	-	-	-	-	-
HWSETA Learnership: Dental/Oral Hygiene	-	-	-	-	-	-	-	-	-
HWSETA: Interns 2018/19	-	-	-	-	-	-	-	-	-
HWSETA: isiZulu training	-	-	-	-	-	-	-	-	-
HWSETA Learnership: Sign Language Training	-	-	-	-	-	-	-	-	-
HWSETA Learnership: Social Environmental Health	-	-	-	-	-	-	-	-	-
HWSETA Learnership: Tradesman RPL	-	-	342	-	-	-	-	-	-
HWSETA Learnership: TVET Graduates	-	-	180	-	-	-	-	-	-
PSETA	653	2 200	-	-	-	-	-	-	-
HWSETA: Ad hoc Projects	-	-	1 832	-	-	-	-	-	-
HWSETA: Interns 2018/19	-	-	360	-	-	-	-	-	-
HWSETA: Healthcare Quality & Patient Safety	-	-	3 059	-	-	-	-	-	-
HWSETA: Nursing	-	-	3 594	-	-	-	-	-	-
HWSETA: NHI Leaders and Govt. Programme	-	-	6 955	-	-	-	-	-	-
Total	2 370	4 245	19 412	-	2 839	-	-	-	-

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Donor funding	3 856	832	706	986	986	986	-	-	-
Astra Zeneca	3	-	-	26	26	26	-	-	-
Atlantic Philanthropies	3 791	770	701	902	902	902	-	-	-
COGTA	-	-	3	-	-	-	-	-	-
Conforth Investments	-	-	-	32	32	32	-	-	-
Impumelelo Trust Innovation	-	-	-	24	24	24	-	-	-
SA Breweries	-	-	2	-	-	-	-	-	-
MASEA Awards	62	62	-	2	2	2	-	-	-
Agency funding	3 219	3 060	12 171	12 531	15 370	15 370	-	-	-
HWSETA Learnership: Bethesda Sub-Campus	-	-	-	20	20	20	-	-	-
HWSETA Learnership: Edendale Campus	65	-	-	61	61	61	-	-	-
HWSETA Learnership: Head Office	-	-	-	(160)	(160)	(160)	-	-	-
HWSETA Learnership: HIV and AIDS Support	-	-	-	45	45	45	-	-	-
HWSETA Learnership: King Edward Sub-Campus	199	211	-	(343)	(343)	(343)	-	-	-
HWSETA Learnership: Ngwelezane	-	-	-	261	261	261	-	-	-
HWSETA Learnership: Nkandla	-	-	-	26	26	26	-	-	-
HWSETA Learnership: Pharmacy	-	-	1	-	-	-	-	-	-
HWSETA Learnership: Prince Mshiyeni Hospital/St Aiders	5	2	50	63	63	63	-	-	-
HWSETA Learnership: Social and Auxilliary	-	-	-	-	-	-	-	-	-
HWSETA Learnership: Dental/Oral Hygiene	-	-	-	1 085	1 085	1 085	-	-	-
HWSETA Learnership: Sign Language Training	659	411	-	(1 439)	(1 439)	(1 439)	-	-	-
HWSETA Learnership: Social Environmental Health	-	-	-	50	50	50	-	-	-
HWSETA Learnership: Tradesman RPL	-	-	-	(367)	(367)	(367)	-	-	-
HWSETA Learnership: TVET Graduates	540	2 418	765	(3 488)	(3 488)	(3 488)	-	-	-
HWSETA - Bridging for enrolled nurse training	145	18	90	(10)	(10)	(10)	-	-	-
HWSETA	-	-	-	12 749	15 588	15 588	-	-	-
PSETA	827	-	-	222	222	222	-	-	-
HWSETA: isiZulu training	779	-	14	(793)	(793)	(793)	-	-	-
HWSETA: Ad hoc Projects	-	-	1 497	335	335	335	-	-	-
HWSETA: Interns 2018/19	-	-	-	360	360	360	-	-	-
HWSETA: NHI Leaders & Gov. Prog.	-	-	6 574	381	381	381	-	-	-
HWSETA: Healthcare Quality & Patient Safety	-	-	3 020	39	39	39	-	-	-
HWSETA: Nursing	-	-	160	3 434	3 434	3 434	-	-	-
Total	7 075	3 892	12 877	13 517	16 356	16 356	-	-	-

Spending on donor funds in Table 7.4 exceeds receipts in Table 7.3 due to the roll-over of unspent receipts from previous years, offsetting expenditure in future years. These roll-overs related mainly to learnerships received from the Health and Welfare Sector Training Authority (HWSETA) programme. In addition, Atlantic Philanthropies was also unspent due to delays with the tender process. Hence, an amount of R902 000 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 2020/21.

The department received new agency funding in 2019/20 from various HWSETA sources, amounting to R2.839 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 2021/22 MTEF.

8. 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*.

8.1 Key assumptions

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

- Over the 2021/22 MTEF, National Treasury has not provided provinces with the budget for the cost of living adjustment. This is because they won the court case where they were taken to court by the unions with regard to implementing the last leg of the 2018/19 agreement. In this regard, National Treasury has reduced the province's baseline against *Compensation of employees* in respect of freezing salary increases, as well as additional reductions implemented to support fiscal consolidation. However, the department has made provision for the 1.5 per cent pay progression.
- 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.
- Funding for the salaries of staff at the eThekweni Metro municipal clinics will continue to be provided *via* transfer payments over the 2021/22 MTEF.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2020/21, will continue to be adhered to over the 2021/22 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.

8.2 Amendments to provincial and equitable share allocations: 2019/20 to 2021/22 MTEF

Table 7.5 shows amendments to provincial and equitable share funding received by the department over the 2019/20, 2020/21 and 2021/22 MTEF periods, and excludes grant funding. The carry-through allocations for the outer year (i.e. 2023/24) are based on the incremental percentage used in the 2021/22 MTEF.

Table 7.5 : Summary of amendments to provincial and equitable share allocations for the 2019/20 to 2021/22 MTEF

R thousand	2019/20	2020/21	2021/22	2022/23	2023/24
2019/20 MTEF period	(643)	(682)	207 280	217 644	227 220
Funding for Cuban Doctors	-	-	207 972	218 371	227 979
Budget cut for remuneration of public office bearers	(643)	(682)	(692)	(727)	(759)
2020/21 MTEF period		(285 117)	(764 084)	(846 870)	(884 132)
Fiscal consolidation and PES formula updates budget cuts		(119 436)	(588 227)	(846 870)	(884 132)
Adjustments to <i>Compensation of employees</i> (revised CPI inflation projections)		(165 681)	(175 857)	-	-
2021/22 MTEF period			(2 071 287)	(5 163 581)	(7 124 543)
Fiscal Consolidation budget cut			(586 973)	(618 688)	(1 118 940)
<i>Compensation of employees</i> budget cut (wage freeze and fiscal consolidation)			(3 450 783)	(4 948 157)	(6 152 596)
<i>Compensation of employees</i> budget cut reversal due to CG COE			327 526	401 264	-
Adjustment to outer year			-	-	144 993
Allocation for District Champion of OSS/DDM responsibilities			2 000	2 000	2 000
Covid-19 Support			1 636 943	-	-
Total	(643)	(285 799)	(2 628 091)	(5 792 807)	(7 781 455)

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 was 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 was 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 was lowered to 4.8 per cent.

In the 2021/22 MTEF, the following changes are made to the department's baseline:

- The department's equitable share is reduced by amounts of R586.973 million and R3.451 billion in 2021/22, both with carry-through over the MTEF. These relate to the country's poor economic performance and the need to stabilise the country's debt. Thus there are reductions made to the provincial equitable share and these include a combination of freezing salary increases, as well as additional reductions implemented to support fiscal consolidation. These cuts and the impact thereof are detailed in Section 9 below.
- The department's baseline is increased by R327.526 million in 2021/22 and R401.264 million in 2022/23 due to National Treasury recognising that the full *Compensation of employees* budget cuts were made against the provincial equitable share allocation in error as some staff are remunerated from the conditional grant allocations.
- There is a minor upward adjustment in the outer year of R144.993 million.
- An amount of R2 million is provided in each of the MTEF years for the Member of the Executive Council toward the district champion of OSS/DDM responsibilities.
- There is a once-off allocation of R1.637 billion, specifically toward the provincial Covid-19 response to assist provinces to cover costs associated with responding to the pandemic within the health sector.

8.3 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.

Note that there were significant amendments to the department's budget in the 2020/21 Adjusted Appropriation, with a net increase of R3.350 billion, as follows:

- R4.496 billion was allocated to the department in the Special Adjustments Estimate in July 2020 as part of the provincial response to Covid-19. This was allocated to all programmes, but mainly to Programmes 1, 2, 4, 5 and 8, and to *Compensation of employees, Goods and services, Buildings and other fixed structures*, as well as *Machinery and equipment*.

Estimates of Provincial Revenue and Expenditure

- R585.682 million was allocated to conditional grant funding in the Special Adjustments Estimate, with R138.918 million allocated to a new grant, the Provincial Disaster Relief grant. Note that this funding was once-off. A further R446.764 million was allocated to the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant. The grant funding was allocated to Programmes 1, 2 and 5, and to *Compensation of employees, Goods and services, as well as Machinery and equipment.*
- A net amount of R44.406 million was allocated to conditional grant funding in the Second Adjustments Estimate in November 2020. This amount included a roll-over of R655 000 and an additional allocation of R5 million to the NHI grant, R40.548 million allocated to the HR and Training grant, as well as a net decrease of R1.797 million for the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant. The grant funding was allocated to Programmes 1, 2 and 4, and to *Compensation of employees, Goods and services, as well as Machinery and equipment.*
- These allocations were offset by a cut of R1.776 billion in the Second Adjustments Estimate, related to non-implementation of the 2020/21 wage agreement due to the national fiscal situation and the fact that the unions lost the legal case in this regard. This cut was made to all programmes and to *Compensation of employees.*

Note that more detail is given on these adjustments in Sections 7.1, 8.2, as well as Section 9.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
1. Administration	836 655	810 858	796 197	964 600	2 073 256	1 862 371	1 088 599	881 558	898 588
2. District Health Services	19 732 316	20 802 064	22 726 863	23 841 532	25 112 642	25 402 895	25 256 660	24 237 464	24 165 491
3. Emergency Medical Services	1 377 577	1 446 650	1 602 886	1 612 375	1 661 600	1 715 786	1 580 804	1 599 206	1 623 430
4. Provincial Hospital Services	10 133 671	10 964 094	11 521 214	12 698 812	12 231 580	12 020 656	12 066 378	12 160 227	12 051 080
5. Central Hospital Services	4 864 123	5 098 203	5 169 169	5 428 662	5 514 128	5 591 464	5 154 125	5 183 333	5 001 960
6. Health Sciences and Training	1 246 050	1 181 630	1 304 573	1 383 264	1 292 371	1 295 956	1 210 098	1 259 533	1 314 619
7. Health Care Support Services	198 202	485 637	251 366	338 644	382 569	379 018	341 011	349 436	357 007
8. Health Facilities Management	1 522 727	1 760 694	1 854 308	1 789 792	3 139 920	3 139 920	1 714 594	1 811 369	1 892 799
Total	39 911 321	42 549 830	45 226 576	48 057 681	51 408 066	51 408 066	48 412 269	47 482 126	47 304 974
Unauth. Exp. (1st charge) not available for spending	(107 608)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	39 803 713	42 549 830	45 226 576	48 057 681	51 408 066	51 408 066	48 412 269	47 482 126	47 304 974

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	36 961 386	39 684 474	42 384 217	45 670 760	47 076 526	47 170 153	45 674 952	44 606 259	44 348 464
Compensation of employees	24 614 793	26 336 189	28 190 773	30 750 273	30 469 689	30 203 755	29 863 415	28 757 684	28 332 601
Goods and services	12 343 292	13 342 400	14 191 636	14 920 045	16 606 395	16 965 648	15 811 070	15 848 086	16 015 352
Interest and rent on land	3 301	5 885	1 808	442	442	750	467	489	511
Transfers and subsidies to:	1 248 707	1 106 595	809 848	700 512	665 201	702 308	728 140	763 211	797 191
Provinces and municipalities	225 674	219 387	229 137	244 607	244 607	245 002	252 295	264 405	276 888
Departmental agencies and accounts	19 280	21 157	22 442	23 469	23 469	23 587	23 480	24 607	25 689
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	141 396	62 473	53 427	58 508	58 508	58 521	59 205	62 048	64 778
Households	862 357	803 578	504 842	373 928	338 617	375 198	393 160	412 151	429 836
Payments for capital assets	1 592 882	1 758 330	2 032 119	1 686 409	3 666 339	3 531 476	2 009 177	2 112 656	2 159 319
Buildings and other fixed structures	1 069 333	1 249 066	928 325	904 683	2 172 004	2 239 763	1 049 853	1 311 758	1 348 352
Machinery and equipment	523 549	509 264	1 103 794	781 726	1 494 335	1 291 713	959 324	800 898	810 967
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	108 346	431	392	-	-	4 129	-	-	-
Total	39 911 321	42 549 830	45 226 576	48 057 681	51 408 066	51 408 066	48 412 269	47 482 126	47 304 974
Unauth. Exp. (1st charge) not available for spending	(107 608)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	39 803 713	42 549 830	45 226 576	48 057 681	51 408 066	51 408 066	48 412 269	47 482 126	47 304 974

The negative growth in Programme 1: Administration 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 laboratory services carry-over expenditure that could not be paid in 2017/18

due to cash blocking. The significant growth in the 2020/21 Main Appropriation relates to a once-off reprioritisation to 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 increase in the 2020/21 Adjusted Appropriation is due to additional funding allocated in the Special Adjustments Estimate to provide for the provincial response to Covid-19. The budget was decreased in the Second Adjustments Estimate due to the shifting of Covid-19 funding to Programme 2, in line with areas of spending. This decrease was aggravated by cuts related to the non-implementation of the 2020/21 wage agreement due to the national fiscal situation. The projected under-spending in the 2020/21 Revised Estimate is mainly due to under-spending the medicine budget for the management of Covid-19. The once-off increase in 2020/21 is due to provision made for the Covid-19 response, which accounts for the decrease in 2021/22, as well as the fact that the budget was cut over the MTEF due to no increases for staff, as well as fiscal consolidation cuts. The impact of this is discussed at programme level in the next section.

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 2018/19 related 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 2019/20 related to higher than expected costs of outsourced security and cleaning services contracts, as well as water and electricity. The significant increase in the 2020/21 Adjusted Appropriation is part of the provincial response to the Covid-19 pandemic. The budget was further increased due to the shifting of Covid-19 funding from Programmes 1, 4 and 5, in line with areas of spending. Adding to this increase was the movement of funding from Programmes 4, 7 and 8 to address spending pressures. This increase was offset to some extent by budget cuts as part of the non-implementation of the 2020/21 wage agreement due to the national fiscal situation and that the government won the court case. This once-off increase accounts for the decrease in 2021/22, with the decrease also due to the budget cuts over the MTEF resulting from no increases for staff, as well as fiscal consolidation cuts. The impact of this is discussed at programme level in the next section.

In Programme 3: Emergency Medical Services, the overall growth is due to the continued drive to improve emergency medical services. The growth in 2019/20 was high due to 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 increase in the 2020/21 Adjusted Appropriation is part of the provincial response to the Covid-19 pandemic. This increase was mitigated to some extent by cuts related to the non-implementation of the 2020/21 wage agreement due to the national fiscal situation and that government won the court case. This cut was largely mitigated by a movement of funding to this programme from Programme 4 to provide for carry-over costs for ambulances ordered in 2019/20 but only delivered in 2020/21. The projected over-spending in the 2020/21 Revised Estimate is attributable to ambulance carry-over expenditure from 2019/20, as well as overtime payments being higher than budgeted for. Over the MTEF, the programme is cut due to no increases for staff, as well as fiscal consolidation cuts. The impact of this is discussed at programme level in the next section.

Programme 4: Provincial Hospital Services shows steady growth from 2017/18 to 2019/20. The decrease in the 2020/21 Adjusted Appropriation was partly due to the shifting of Covid-19 funding in the Second Adjustments Estimate to Programme 2, in line with areas of spending, movements of funds to Programmes 1, 2, 3 and 5 to address spending pressures, as well as budget cuts as part of the non-implementation of the 2020/21 wage agreement due to the national fiscal situation and that government won the court case. This decrease was mitigated to some extent by additional funding allocated in the Special Adjustments Estimate as part of the provincial response to the Covid-19 pandemic. The projected under-spending in the 2020/21 Revised Estimate relates to lower numbers of Covid-19 cases than initially anticipated. However, the savings could be spent with the resurgence of Covid-19 cases in the second wave. This once-off net increase accounts for the decrease in 2021/22, and this is also due to the budget cuts over the MTEF due to no increases for staff, as well as fiscal consolidation cuts. The impact of this is discussed at programme level in the next section.

The growth in Programme 5: Central Hospital Services from 2017/18 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 low growth in 2018/19 was due to the high spending in 2017/18 for the PPP for the 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 increase in the 2020/21 Adjusted Appropriation is due to funding allocated in the Special Adjustments Estimate as part of the provincial response to the Covid-19 pandemic. Mitigating this was a decrease in the Second Adjustments Estimate, partly due to the shifting of Covid-19 funding to Programme 2, in line with areas of spending. This decrease was exacerbated by budget cuts as part of the non-implementation of the 2020/21 wage agreement due to the national fiscal situation. The cuts were mitigated to some extent by funding moved from Programmes 4 and 6 to address spending pressures. This once-off increase accounts for the decrease in 2021/22, as well as the fact that there are budget cuts over the MTEF due to no increases for staff, as well as fiscal consolidation cuts. The impact of this is discussed at programme level in the next section.

In Programme 6: Health Sciences and Training, the negative growth in 2018/19 was attributable to the reduced intake of nurses by the Nurse Training Colleges, which reduced spending on training and development of staff as part of the savings plan needed to address budget cuts, as well as lower than expected travelling costs for the Cuban Doctors' programme. The higher growth in 2019/20 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 the 2020/21 Main Appropriation is attributed to budget cuts against *Compensation of employees* related to the lower projected wage inflation. The decrease in the 2020/21 Adjusted Appropriation is as a result of the non-implementation of the 2020/21 wage agreement due to the national fiscal situation. Included in this cut was the movement of funding to Programme 5 to address spending pressures. This was marginally mitigated by additional funding allocated as part of the provincial response to the Covid-19 pandemic. Over the MTEF, the programme was cut due to no increases for staff, as well as fiscal consolidation cuts. The impact of this is discussed at programme level in the next section.

Programme 7: Health Care Support Services shows high growth in 2018/19 and subsequent negative growth in 2019/20, mainly attributable to the incorporation of the Medicine Trading Account into the books of the department. The decrease in 2019/20 was due to costs previously part of the Medicine Trading Account being allocated to various programmes from 2019/20 onward. The increase in the 2020/21 Adjusted Appropriation is due to additional funding allocated as part of the provincial response to the Covid-19 pandemic. Mitigating this increase to some extent were cuts due to the movement of funding to Programme 2 to address spending pressures. In addition, there were cuts for the non-implementation of the 2020/21 wage agreement due to the national fiscal situation. This once-off increase accounts for the decrease in 2021/22, as well as the fact that over the MTEF, the programme was cut due to no increases for staff, as well as fiscal consolidation cuts. The impact of this is discussed at programme level in the next section.

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 funding in 2019/20 and over the MTEF is in line with various project requirements, including the new PKISMH up to 2020/21 (with commissioning expected in 2021/22). The significant increase in the 2020/21 Adjusted Appropriation is a result of the additional allocation received to provide for the provincial response to the Covid-19 pandemic. This increase was mitigated to a small degree by the movement of funding to Programme 2 to address spending pressures. This once-off increase accounts for the decrease in 2021/22, as well as the fact that over the MTEF, the programme was cut due to no increases for staff, as well as fiscal consolidation cuts.

Compensation of employees shows 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 was due to the filling of critical posts in terms of the former HR Capacitation grant, as previously mentioned. The further growth in the 2020/21 Main Appropriation is attributable to the planned commissioning of PKISMH in 2020. Note that commissioning was delayed due to Covid-19 and is now expected in 2021/22, with carry-through funding remaining in the baseline. The decrease in the 2020/21 Adjusted Appropriation is largely attributed to cuts related to the non-implementation of the 2020/21 wage agreement, as mentioned. This decrease was mitigated to a large extent by additional funding allocated for the provincial response to the Covid-19 pandemic. This latter once-off funding accounts for the decrease in 2021/22. Over the MTEF, the category was cut significantly due to no increases for staff. This was mitigated to some extent by once-off additional funding for the provincial response to Covid-19 in 2021/22, as well as increases of R327.526 million in 2021/22 and R401.264 million in 2022/23 due to National Treasury recognising that the full *Compensation of employees* budget cuts were made against the provincial equitable share allocation in error as some staff are remunerated from the conditional grant allocations. The department did some reprioritisation over the MTEF to mitigate the cuts but was unable to fully counter the effects of the cuts. Although 2021/22 does allow for some filling of posts and for pay progression, the growth in 2022/23 and 2023/24 is negative which means existing staff are not sufficiently funded, nor is pay progression funded, and this will be reviewed in the next budget process.

Goods and services grows strongly 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 2019/20 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. The significant increase in the 2020/21 Adjusted Appropriation relates to additional funding provided as part of the provincial response to the Covid-19 pandemic. The projected over-spending in the 2020/21 Revised Estimate is related mainly to the PPP expenditure being higher than projected, under budgeted ARV medicine, increased number of cleaning and security services personnel in the quarantine and isolation sites, as well as Joint Medical Establishment (JME) carry over expenditure from 2019/20. This once-off increase accounts for the decrease in 2021/22. Also explaining the decrease in 2021/22 is that there are budget cuts over the MTEF due to fiscal consolidation. These cuts are mitigated to some extent by once-off additional funding for the provincial response to Covid-19 in 2021/22. This is explained in more detail at programme level. The category grows below inflation in 2022/23 and 2023/24.

Interest and rent on land largely relates to interest costs on medico-legal claims and interest on overdue accounts. The department has made a minimal provision for this category over the MTEF.

The high base against *Transfers and subsidies to: Provinces and municipalities* in 2017/18 largely relates to expenditure carried over from 2016/17 due to delays in the eThekweni municipal clinics' verification process, accounting for the negative growth in 2018/19. The MTEF provides for continued transfers to the Metro. This category has been cut over the MTEF due to the wage freeze, but there is no impact on services as this is only related to no increases for staff.

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. There were cuts made to this category to align with the reduction in *Compensation of employees*. The growth over the MTEF is inflationary.

The negative growth in *Transfers and subsidies to: Non-profit institutions* in 2018/19 is due to the provincialisation of St. Mary's and Siloah Hospitals to become departmental facilities. The further decrease in 2019/20 relates to delays in this process in 2018/19 at Siloah Hospital, accounting for the negative growth in 2019/20. This category was subjected to wage freeze cuts as transfers to institutions cover salaries. The growth over the MTEF is inflationary despite some funds reprioritised to other spending areas, as discussed.

The fluctuating trend against *Transfers and subsidies to: Households* relates to staff exit costs and medico-legal claims. Also included in this category are costs for the Cuban Doctors' programme and these are influenced by the fluctuating exchange rate. It is projected, based on the current pass rate, that approximately 43 students are due to return in 2021/22, 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. The high 2020/21 Revised Estimate relates to higher than budgeted medico-legal claims. There is limited provision for medico-legal claims in the 2021/22 MTEF, but adequacy of this will depend on the success of new strategies being developed by the medico-legal unit, which are hoped to 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 2017/18, 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 early 2021 and commissioning later in 2021. 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 significant increase in the 2020/21 Adjusted Appropriation relates to additional funding received for the provincial response to Covid-19, and provided for the construction of temporary isolation and quarantine centres, the conversion of a number of existing facilities into isolation and quarantine centres, as well as the construction of complete field hospitals. The high 2020/21 Revised Estimate is a result of variation orders for the PKISMH projects being higher than anticipated. If the once-off Covid-19 funding in 2020/21 is disregarded, there is high growth in 2021/22 related to major *Upgrades and additions* projects at Hlabisa, King Dinuzulu, uMzimkhulu and Osindisweni Hospitals, as mentioned. Further detail is provided under Section 7.5. This category has been subjected to cuts related to fiscal consolidation over the MTEF, which will impact on the pace of roll-out of projects over the MTEF.

The high base in *Machinery and equipment* 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 high 2019/20 amount 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 the 2020/21 Main Appropriation. The increase in the 2020/21 Adjusted Appropriation is due to additional funding allocated for the provincial response to the Covid-19 pandemic. This once-off increase accounts for the decrease in 2021/22. This category is subjected to minor fiscal consolidation cuts over the MTEF. 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.

8.4 Summary of conditional grant payments and estimates

Tables 7.8 and 7.9 illustrate conditional grant payments and estimates from 2017/18 to 2023/24. 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 2017/18 to 2019/20, indicate the actual receipts for each grant, as well as other technical adjustments, and therefore should not be compared to the figures reflected in Table 7.8, which shows expenditure against the grants.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
HIV, TB, Malaria, Comm. Outreach & HPV Vaccine grant	4 852 495	5 677 225	5 840 629	6 453 923	6 898 890	6 975 197	7 160 537	7 276 975	7 118 208
Health Facility Revitalisation grant	1 151 564	1 420 761	1 353 358	1 271 414	1 271 414	1 271 414	1 247 730	1 347 141	1 408 145
National Tertiary Services grant	1 696 266	1 794 649	1 895 149	2 015 775	2 015 775	2 015 775	1 955 628	1 997 372	2 000 300
National Health Insurance grant	-	-	38 499	55 290	60 945	60 945	50 415	50 842	50 860
Human Papillomavirus Vaccine grant	-	33 386	37 563	-	-	-	-	-	-
EPWP Integrated Grant for Provinces	8 400	8 896	10 313	10 903	10 903	10 903	12 689	-	-
Social Sector EPWP Incentive Grant for Provinces	47 058	24 182	20 998	-	-	-	21 228	-	-
Human Resources Capacitation grant	-	-	191 730	-	-	-	-	-	-
Health Professions Training and Development grant	331 944	351 197	370 863	-	-	-	-	-	-
HR and Training grant	-	-	-	593 830	634 378	634 378	562 959	571 970	578 935
Provincial Disaster Relief grant	-	-	-	-	138 918	138 918	-	-	-
Total	8 087 727	9 310 296	9 759 102	10 401 135	11 031 223	11 107 530	11 011 186	11 244 300	11 156 448

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2017/18	2018/19	2019/20	Appropriation	Appropriation	Estimate	2021/22	2022/23	2023/24
Current payments	6 882 898	7 989 090	8 451 224	9 083 620	9 658 603	9 734 910	9 681 744	9 714 598	9 569 364
Compensation of employees	3 199 017	3 560 936	3 994 563	4 231 106	4 639 386	4 643 550	4 768 842	4 837 046	4 857 337
Goods and services	3 683 881	4 428 154	4 456 661	4 852 514	5 019 217	5 091 360	4 912 902	4 877 552	4 712 027
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	136 385	136 788	138 629	149 475	149 475	149 475	142 969	149 858	157 250
Provinces and municipalities	116 846	116 882	118 223	128 174	128 174	128 174	135 224	141 715	148 800
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	10 034	10 403	11 614	12 678	12 678	12 678	-	-	-
Households	9 505	9 503	8 792	8 623	8 623	8 623	7 745	8 143	8 450
Payments for capital assets	1 068 444	1 184 418	1 169 249	1 168 040	1 223 145	1 223 145	1 186 473	1 379 844	1 429 834
Buildings and other fixed structures	977 075	1 109 225	834 053	1 067 072	1 067 072	1 067 072	924 028	1 304 571	1 369 922
Machinery and equipment	91 369	75 193	335 196	100 968	156 073	156 073	262 445	75 273	59 912
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	8 087 727	9 310 296	9 759 102	10 401 135	11 031 223	11 107 530	11 011 186	11 244 300	11 156 448

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. In the 2020/21 Adjusted Appropriation, additional funding was allocated to provide for the provincial response to the Covid-19 pandemic. The department received once-off funding of R446.764 million, which was used for the temporary appointment of enrolled and professional nurses for contact tracing, screening and testing teams, as well as for additional NHLS Covid-19 testing costs. The grant was cut in 2020/21 by a net amount of R1.797 million related to fiscal consolidation.

Over the MTEF, the grant received further cuts partly because there will be no increases for staff funded from the grant, as well as due to fiscal consolidation cuts. In aggregate, this grant decreases by R184.202 million, R456.242 million and R615.009 million over the three years of the MTEF, respectively. The impact is that the department will have a shortfall in ARVs which will impede progress towards epidemic control, as well as the affordability of existing staff funded from the grant. There is a specific Covid-19 allocation of R302.271 million in 2021/22 and R181.362 million in 2022/23. This addition is made for the purpose of rolling out the Covid-19 vaccine programme. While funding is allocated to the National Department of Health for the procurement of the vaccines for the whole country, this allocation is made to provinces to cover costs associated with the administration of the vaccine programme, including service delivery costs and vaccine administering related supplies (such as syringes and swabs).

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 is subjected

to fiscal consolidation cuts. In aggregate, this grant decreases by R59.972 million and R35.582 million in 2021/22 and 2022/23, respectively, while increasing by R25.422 million in the outer year. The impact of the cuts over the MTEF is that some major maintenance projects funded from the grant will be delayed.

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 staffing cuts and fiscal consolidation cuts of R139.183 million in 2021/22, R182.078 million in 2022/23, and R179.150 million in 2023/24. The cuts will result in the grant being able to support fewer employees, and the shortfall will have to be funded from the equitable share.

The **NHI 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 resumed in 2019/20, where funds were shifted from the NHI Indirect grant to the direct NHI grant. In the 2020/21 Adjusted Appropriation, the grant was increased by R655 000 rolled over from 2019/20, as well as by R5 million allocated under the Presidential Employment Initiative Fund toward the remuneration of contracted doctors, and to pay for their travel and subsistence costs. The grant sees *Compensation of employees* cuts and fiscal consolidation cuts of R7.029 million in 2021/22, R8.717 million in 2022/23, and R8.699 million in 2023/24. The cuts will result in fewer private doctors being able to be contracted and this will slow the implementation of NHI.

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 R12.689 million is provided for 2021/22 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. Funding of R21.228 million is provided for 2021/22 only, at this stage.

The **HR and Training 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 funds interns and community service posts. In the 2020/21 Adjusted Appropriation, the grant received additional funding of R40.548 million under the Presidential Employment Initiative Fund toward the appointment of enrolled nurses and assistant/ auxiliary nurses. Over the MTEF, the grant is cut partly to take into account that there will be no increases for staff funded from the grant, as well as fiscal consolidation cuts. The decreases are R52.051 million, R65.792 million and R58.827 million over the three years of the MTEF, respectively. The cuts will result in the grant being able to support fewer employees, and the shortfall will have to be funded from the equitable share.

The **Provincial Disaster Relief grant** was a once-off allocation in 2020/21 for the provincial response to the Covid-19 pandemic. The funding was allocated for the purchasing of PPE and for medical equipment for ICU wards, such as ventilators.

The high growth in *Compensation of employees* 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 HR and Training grant was included in the baseline from 2020/21, but the department notes that the 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. The increase in the 2020/21 Adjusted Appropriation relates to the additional funding received for the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant and the HR and Training grant, as mentioned. Despite the previously mentioned cuts, this category grows sufficiently to fill limited posts in 2021/22, and is adequately funded for pay progression over the MTEF.

The significant increase in *Goods and services* in 2018/19 was 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 2020/21 Adjusted Appropriation relates to the previously mentioned additional funds received for the provincial response to the Covid-19 pandemic. The category's growth over the MTEF is erratic, mainly due to the previously mentioned fiscal consolidation cuts. As mentioned, the cuts will impede progress towards epidemic control.

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 2021/22 MTEF is inflationary only.

Transfers and subsidies to: Non-profit institutions relates to support to NGOs for treatment related to HIV and AIDS. This funding is reduced as part of the wage freeze cuts, with no impact on the NGOs.

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

The relatively higher spending against *Buildings and other fixed structures* in 2017/18 and 2018/19 was due to pressures from the PKISMH project. The 2021/22 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 2021. 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 increase in the 2020/21 Adjusted Appropriation is due to savings under *Goods and services* due to fewer NHLS tests conducted than budgeted as a result of the lockdown. These funds were moved within the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant to *Machinery and equipment* to procure additional TB outreach vehicles. The 2021/22 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.

8.5 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 *2021/22 Estimates of Capital Expenditure*. The trends generally follow the trends of the Health Facility Revitalisation grant, affecting mainly *New infrastructure assets: Capital, Upgrades and additions: Capital*, as well as *Refurbishment and rehabilitation: Capital*.

Note that the significant increase in the 2020/21 Adjusted Appropriation related to additional funding for the provincial response to the Covid-19 pandemic.

Table 7.10 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Existing infrastructure assets	440 028	754 156	901 761	1 263 564	2 530 885	2 352 152	1 206 327	1 468 954	1 519 334
Maintenance and repair: Current	271 169	309 420	471 690	404 839	404 839	449 200	305 018	311 245	368 827
Upgrades and additions: Capital	67 923	200 317	259 730	462 140	1 729 461	1 525 111	580 308	724 539	825 481
Refurbishment and rehabilitation: Capital	100 936	244 419	170 341	396 585	396 585	377 841	321 001	433 170	325 026
New infrastructure assets: Capital	900 474	804 330	498 254	45 958	45 958	336 811	148 544	154 049	197 845
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	-	-	-	-	-	-	-	-
Infrastructure payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	94 583	90 660	79 131	95 482	225 172	166 093	90 535	94 184	90 000
Non infrastructure¹	422 155	326 351	764 497	590 910	590 910	808 299	570 438	410 509	416 429
Total	1 857 240	1 975 497	2 243 643	1 995 914	3 392 925	3 663 355	2 015 844	2 127 696	2 223 608
<i>Capital infrastructure</i>	1 069 333	1 249 066	928 325	904 683	2 172 004	2 239 763	1 049 853	1 311 758	1 348 352
<i>Current infrastructure</i>	365 752	400 080	550 821	500 321	630 011	615 293	395 553	405 429	458 827

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 an increasing trend from 2017/18 to 2019/20. This relates to reprioritisation of funding from capital projects, as the department was in the final stages of completing the PKISMH project, with commissioning planned for 2021. 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 increases in the outer years are inflationary only.

Upgrades and additions: Capital shows a low amount 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 significant increase in the 2020/21 Adjusted Appropriation relates to additional funding for the provincial response to the Covid-19 pandemic and provided for the construction of temporary isolation and quarantine centres, the conversion of a number of existing facilities into isolation and quarantine centres, as well as the construction of complete field hospitals. This once-off funding accounts for the decrease in 2021/22. The baseline over the 2021/22 MTEF caters for the continuation of projects such as the Clairwood Hospital Covid-19 facility, which will only be completed in 2021/22, as well as the new MDR-TB unit at Osindisweni Hospital. Other projects planned include the Catherine Booth Hospital Covid-19 alterations, Hlabisa Hospital out-patients' department and Nkonjeni Hospital neonatal unit. There are no budget cuts to this category.

Refurbishment and rehabilitation: Capital grows from a low base in 2017/18 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 2021/22 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. Other projects include the removal of asbestos programme for the province at various facilities as required by the Occupational Health and Safety Act and the renovations of student accommodation at eKhombe and Madadeni Hospitals. There are no budget cuts to this category. The decrease in 2023/24 relates to reprioritisation to *New infrastructure assets: Capital* to address expected carry-through cost pressures.

The decreasing trend in *New infrastructure assets: Capital* from 2017/18 to 2020/21 relates to the PKISMH project and Townhill Hospital office park projects being largely finalised. Projects funded over the 2021/22 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. In addition, new clinics are planned in iLembe, Madundube and Mahloni. There are budget cuts to this category, which will reduce the pace at which projects are rolled out over the MTEF. The increase in 2023/24 relates to reprioritisation from *Upgrades and additions: Capital* and *Refurbishment and rehabilitation: Capital* to address expected carry-through cost pressures for the above-mentioned multi-year projects.

Infrastructure: Leases provides for the hiring of office accommodation for various district offices across the province. The decrease in 2021/22 is attributed to the once-off hiring in 2020/21 of facilities related to Covid-19.

Non infrastructure relates mainly to the procurement of capital medical equipment. Fluctuations can be attributed to exchange rate related variations 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. There are minor cuts related to the wage freeze, which will have no impact on this category.

8.6 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. A tender process is currently underway to seek a new service provider.

Table 7.11 : Summary of departmental Public-Private Partnership projects

R thousand	Annual cost of project Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Projects signed in terms of Treasury Regulation 16	875 914	805 394	737 000	691 360	691 360	691 360	729 385	764 395	798 028
PPP unitary charge ¹	875 914	805 394	737 000	691 360	691 360	691 360	729 385	764 395	798 028
Total	875 914	805 394	737 000	691 360	691 360	691 360	729 385	764 395	798 028

¹ 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. Provision is made for inflationary growth in the two outer years of the MTEF.

8.7 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.

The decrease in 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, accounting for the negative growth in 2019/20.

Over the MTEF, the baseline growth is inflationary only. There are some cuts and reprioritisation from this category, related to the wage freeze. There will be no impact on the NGOs as the reductions relate to no wage increases 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. Note that this committee's deliberations have been delayed by the lockdown.

The minimal growth in 2021/22 relates to wage freeze cuts applied to transfers to NGOs.

Table 7.12 : Summary of departmental transfers to other entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Austerville Halfway House	586	603	621	640	640	640	-	-	-
Azalea House	541	557	574	591	591	591	-	-	-
Clermont Day Care Centre	413	425	438	451	451	451	-	-	-
DPSA Community-based Rehabilitation Project	984	979	1 044	-	-	-	-	-	-
DPSA Wheelchair Repair/Maintenance	903	965	958	-	-	-	-	-	-
Duduza Care Centre (NGO)	400	412	424	437	437	437	-	-	-
Durban Coastal - Happy Hours Amaoti	552	568	585	603	603	603	-	-	-
Durban Coastal - Happy Hours Durban North	483	497	512	528	528	528	-	-	-
Durban Coastal - Happy Hours KwaXimba	442	455	468	482	482	482	-	-	-
Durban Coastal - Happy Hours Mpumalanga	442	455	468	482	482	482	-	-	-
Durban Coastal - Happy Hours Ninikhona	275	284	292	301	301	301	-	-	-
Durban Coastal - Happy Hours Nyangwini	290	298	307	-	-	-	-	-	-
Durban Coastal - Happy Hours Phoenix	275	284	292	301	301	301	-	-	-
Ekukhanyeni Clinic (AIDS step down centre)	1 020	1 081	1 146	1 152	1 152	1 152	-	-	-
Enkumane Clinic	287	295	304	-	-	-	-	-	-
Estcourt Hospice	558	574	592	609	609	609	-	-	-
Ethembeni Care Centre	3 369	3 780	4 572	5 179	5 179	5 179	-	-	-
Genesis Care Centre	2 946	2 946	2 946	2 946	2 946	2 946	-	-	-
Hibberdene Care Centre	331	227	-	-	-	-	-	-	-
Highway Hospice	752	775	798	-	-	-	-	-	-
Hlanganani Ngothando	388	399	411	424	424	424	-	-	-
Howick Hospice	617	636	655	-	-	-	-	-	-
Ikhanzi Care Centre	134	138	131	-	-	-	-	-	-
Ikwezi Cripple Care	1 279	1 317	1 357	1 397	1 397	1 397	-	-	-
John Peattie House	1 293	1 332	1 371	-	-	-	-	-	-
Jona Vaughn Centre	2 567	2 644	2 724	2 805	2 805	2 805	-	-	-
KZN Blind and Deaf Society	874	900	927	-	-	-	-	-	-
Lynn House	648	668	690	-	-	-	-	-	-
Madeline Manor	946	975	1 004	1 034	1 034	1 034	-	-	-
Magaye School for the Blind	546	563	483	-	-	-	-	-	-
Matikwe Oblate Clinic	511	526	542	-	-	-	-	-	-
Mountain View Special Hospital	4 876	5 169	5 480	-	-	-	-	-	-
Philanjolo Hospice	2 698	2 595	2 950	-	-	-	-	-	-
Philakade TLC (Power of God centre)	1 202	1 238	1 275	-	-	-	-	-	-
Rainbow Haven	433	446	460	460	460	460	-	-	-
Scadifa Centre	1 011	1 041	1 073	1 105	1 105	1 105	-	-	-
South Coast Hospice	190	196	202	-	-	-	-	-	-
Siloh Hospital	22 591	11 296	-	-	-	-	-	-	-
Solid Found for Rural development	682	703	724	-	-	-	-	-	-
Sparks Estate	1 201	1 237	1 274	1 312	1 312	1 312	-	-	-
St. Lukes Home	484	499	513	-	-	-	-	-	-
St. Mary's Hospital Mariannhill	69 216	-	-	-	-	-	-	-	-
Tender Loving Care	234	241	248	256	256	256	-	-	-
The Bekimpilo Trust	8 896	9 163	9 438	-	-	-	-	-	-
Sunfield Home	285	294	303	-	-	-	-	-	-
Umlazi Halfway House	293	302	311	320	320	320	-	-	-
Unsunduzi Hospice	1 452	1 495	1 540	-	-	-	-	-	-
Earmarked further negotiations	-	-	-	34 693	34 693	34 706	59 205	62 048	64 778
Total	141 396	62 473	53 427	58 508	58 508	58 521	59 205	62 048	64 778

8.8 Transfers to local government

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

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		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Category A	219 656	215 276	222 892	237 793	237 793	237 793	244 843	256 596	268 736
Category B	-	-	-	-	-	-	-	-	-
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	219 656	215 276	222 892	237 793	237 793	237 793	244 843	256 596	268 736

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 high base 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. However, this transfer has been cut over the MTEF due to the wage freeze, but there is no impact on services as this is only related to no increases for staff.

8.9 Transfers and subsidies

Table 7.14 gives a summary of spending on *Transfers and subsidies* by programme and main category.

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2017/18	2018/19	2019/20	Appropriation	Appropriation	Estimate	2021/22	2022/23	2023/24
1. Administration	5 893	6 979	24 812	8 335	7 167	21 587	9 057	9 491	9 908
Provinces and municipalities	3 167	2 516	3 564	3 867	3 867	3 867	4 343	4 551	4 751
Motor vehicle licences	3 167	2 516	3 564	3 867	3 867	3 867	4 343	4 551	4 751
Departmental agencies and accounts	-	-	7	1	1	1	1	1	1
SABC - TV licences	-	-	7	1	1	1	1	1	1
Households	2 726	4 463	21 241	4 467	3 299	17 719	4 713	4 939	5 156
Staff exit costs	2 673	3 057	2 636	4 467	3 299	3 133	4 713	4 939	5 156
Other transfers to households	53	1 406	18 605	-	-	14 586	-	-	-
2. District Health Services	618 250	473 637	413 515	406 585	399 230	411 600	420 412	440 661	460 861
Provinces and municipalities	219 658	215 277	222 893	237 793	237 793	237 793	244 843	256 596	268 736
Motor vehicle licences	2	1	1	-	-	-	-	-	-
Municipal clinics	219 656	215 276	222 892	237 793	237 793	237 793	244 843	256 596	268 736
Departmental agencies and accounts	151	98	174	49	49	135	51	53	55
SABC - TV licences	151	98	174	49	49	135	51	53	55
Non-profit institutions	113 929	46 009	47 948	52 865	52 865	52 864	53 562	56 134	58 604
Non-profit institutions	113 929	46 009	47 948	52 865	52 865	52 864	53 562	56 134	58 604
Households	284 512	212 253	142 500	115 878	108 523	120 808	121 956	127 878	133 466
Staff exit costs	54 915	62 139	62 234	73 878	66 523	62 066	77 646	81 442	84 987
Other transfers to households	229 597	150 114	80 266	42 000	42 000	58 742	44 310	46 436	48 479
3. Emergency Medical Services	4 699	3 788	4 274	5 918	5 918	6 417	6 243	6 542	6 830
Provinces and municipalities	2 834	1 592	2 680	2 947	2 947	3 342	3 109	3 258	3 401
Motor vehicle licences	2 834	1 592	2 680	2 947	2 947	3 342	3 109	3 258	3 401
Departmental agencies and accounts	-	-	-	2	2	1	2	2	2
SABC - TV licences	-	-	-	2	2	1	2	2	2
Households	1 865	2 196	1 594	2 969	2 969	3 074	3 132	3 282	3 427
Staff exit costs	1 566	2 084	1 526	1 876	1 876	1 981	1 979	2 074	2 166
Other transfers to households	299	112	68	1 093	1 093	1 093	1 153	1 208	1 261
4. Provincial Hospital Services	276 587	264 918	114 731	83 790	83 790	97 317	88 088	92 317	96 379
Provinces and municipalities	-	2	-	-	-	-	-	-	-
Motor vehicle licences	-	2	-	-	-	-	-	-	-
Departmental agencies and accounts	220	130	116	98	98	123	103	108	113
SABC - TV licences	220	130	116	98	98	123	103	108	113
Non-profit institutions	27 467	16 464	5 479	5 643	5 643	5 657	5 643	5 914	6 174
Non-profit institutions	27 467	16 464	5 479	5 643	5 643	5 657	5 643	5 914	6 174
Households	248 900	248 322	109 136	78 049	78 049	91 537	82 342	86 295	90 092
Staff exit costs	37 492	33 401	36 845	34 749	34 749	31 669	36 660	38 420	40 110
Other transfers to households	211 408	214 921	72 291	43 300	43 300	59 868	45 682	47 875	49 982
5. Central Hospital Services	31 646	83 363	22 593	40 877	40 877	37 059	42 086	44 157	45 687
Departmental agencies and accounts	59	61	109	71	71	79	75	79	82
SABC - TV licences	59	61	109	71	71	79	75	79	82
Households	31 587	83 302	22 484	40 806	40 806	36 980	42 011	44 078	45 605
Staff exit costs	11 026	11 037	13 271	14 095	14 095	13 753	13 831	14 545	14 772
Other transfers to households	20 561	72 265	9 213	26 711	26 711	23 227	28 180	29 533	30 833
6. Health Sciences and Training	310 371	273 436	228 430	154 186	127 398	127 546	161 388	169 135	176 578
Provinces and municipalities	15	-	-	-	-	-	-	-	-
Motor vehicle licences	15	-	-	-	-	-	-	-	-
Departmental agencies and accounts	18 850	20 868	22 036	23 248	23 248	23 248	23 248	24 364	25 436
HWSETA	18 850	20 868	22 036	23 248	23 248	23 248	23 248	24 364	25 436
Households	291 506	252 568	206 394	130 938	104 150	104 298	138 140	144 771	151 142
Staff exit costs	4 972	4 249	3 371	2 488	2 488	2 636	2 625	2 751	2 873
Other transfers to households	286 534	248 319	203 023	128 450	101 662	101 662	135 515	142 020	148 269
7. Health Support Services	1 261	453	1 493	821	821	782	866	908	948
Households	1 261	453	1 493	821	821	782	866	908	948
Staff exit costs	1 261	453	1 493	821	821	782	866	908	948
8. Health Facilities Management	-	21	-	-	-	-	-	-	-
Households	-	21	-	-	-	-	-	-	-
Staff exit costs	-	21	-	-	-	-	-	-	-
Total	1 248 707	1 106 595	809 848	700 512	665 201	702 308	728 140	763 211	797 191

- 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 2021/22 MTEF, but the provision is not adequate due to budget constraints and hence, there is relatively low growth over the MTEF, particularly against Programme 2. The lack of available funding results in negative growth in Programme 4 in 2021/22. The department expects a favourable impact of the medico-legal unit on this item, as mentioned.
- All motor vehicle licences are centralised within Programmes 1 and 3. 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 high base in *Provinces and municipalities* in 2017/18 relates to expenditure carried over from 2016/17 due to delays in the eThekweni municipal clinics' verification process. Growth over the MTEF caters for inflation only. Note that this category has been cut over the MTEF due to the wage freeze, but there is no impact on services as this is only related to no increases for staff.
- Programme 2's transfers to *Non-profit institutions* are explained in Section 8.7.
- The decrease in Programme 4 against *Non-profit institutions* in 2018/19 was due to the provincialisation of St. Mary's and Siloah Hospitals, and the further decrease in 2019/20 relates to delays in this process at Siloah Hospital, accounting for the negative growth in 2019/20, as explained under Section 8.7. The impact of wage freeze cuts and reprioritisation are also explained under Section 8.7.
- 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*. There were cuts to this transfer in line with the reduction in *Compensation of employees*.
- Also in Programme 6, the negative growth in *Households* from 2018/19 onwards is due 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.

9. 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*.

9.1 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 2017/18 to 2023/24. Programme 1's budget was increased by R1.204 billion in the Special Adjustments Estimate in July 2020, as part of the provincial response to the Covid-19 pandemic. The budget was cut by R95.061 million in the Second Adjustments Estimate in November as part of the non-implementation of the 2020/21 wage agreement due to the national fiscal situation. Also contributing to the reduction was the shifting of some Covid-19 funding to Programme 2 to align with areas of spending. These reductions were offset to some extent by the movement of funding from Programme 4 to address spending pressures. Over the MTEF, the programme was cut by R55.501 million in 2021/22 and R85.120 million in 2022/23 with carry-through to 2023/24. These cuts are due to no increases for staff, as well as fiscal consolidation cuts. The cuts will impact this programme mainly against *Compensation of employees*. Despite the cuts, there is sufficient funding for limited filling of posts in 2021/22 and 2022/23, but the outer year is under-funded at this stage.

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 2021/22 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		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
1. Office of the MEC	20 732	19 752	21 864	22 459	21 605	21 407	24 724	25 108	25 476
2. Management	815 923	791 106	774 333	942 141	2 051 651	1 840 964	1 063 875	856 450	873 112
Total	836 655	810 858	796 197	964 600	2 073 256	1 862 371	1 088 599	881 558	898 588
Unauth. Exp. (1st charge) not available for spending	(107 608)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	729 047	810 858	796 197	964 600	2 073 256	1 862 371	1 088 599	881 558	898 588

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		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Current payments	695 727	762 364	750 020	840 906	1 762 172	1 708 947	1 047 332	843 415	858 768
Compensation of employees	379 229	404 266	423 890	522 489	478 683	457 092	478 889	492 489	492 489
Goods and services	316 347	357 951	325 600	318 417	1 283 489	1 251 484	568 443	350 926	366 279
Interest and rent on land	151	147	530	-	-	371	-	-	-
Transfers and subsidies to:	5 893	6 979	24 812	8 335	7 167	21 587	9 057	9 491	9 908
Provinces and municipalities	3 167	2 516	3 564	3 867	3 867	3 867	4 343	4 551	4 751
Departmental agencies and accounts	-	-	7	1	1	1	1	1	1
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 726	4 463	21 241	4 467	3 299	17 719	4 713	4 939	5 156
Payments for capital assets	26 683	41 144	21 276	115 359	303 917	127 833	32 210	28 652	29 912
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	26 683	41 144	21 276	115 359	303 917	127 833	32 210	28 652	29 912
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	108 352	371	89	-	-	4 004	-	-	-
Total	836 655	810 858	796 197	964 600	2 073 256	1 862 371	1 088 599	881 558	898 588
Unauth. Exp. (1st charge) not available for spending	(107 608)	-	-	-	-	-	-	-	-
Baseline available for spending after 1st charge	729 047	810 858	796 197	964 600	2 073 256	1 862 371	1 088 599	881 558	898 588

The purpose of the sub-programme: Office of the MEC is to render advisory, secretarial and office support services, administrative, public relations/ communication and parliamentary support. Note that the department has implemented budget cuts against this sub-programme over the MTEF mainly due to no increases for staff, as well as fiscal consolidation cuts, resulting in minimal growth. Note that the previously mentioned OSS/DDM responsibility funding is allocated to this sub-programme against *Goods and services*.

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 2020/21 Main Appropriation was due to once-off funding reprioritised from other programmes of R90 million 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. The significant increase in the 2020/21 Adjusted Appropriation is attributed to additional funding for the provincial response to Covid-19, mitigated slightly by budget cuts for the non-implementation of the 2020/21 wage agreement. This once-off funding accounts for the significant decrease in 2021/22, mitigated by some once-off additional funding allocated for Covid-19 in 2021/22. Note that the department has implemented budget cuts against this sub-programme over the MTEF mainly due to no increases for staff, as well as fiscal consolidation cuts, resulting in minimal growth. Growth in 2022/23 is negative due to the once-off funding allocated in 2021/22 as part of the previously mentioned provincial response to Covid-19. The outer year growth is insufficient for existing staff and will be reviewed in the next budget process.

The high growth in *Compensation of employees* in the 2020/21 Main Appropriation provides for the filling of internal control posts. The reduction in the 2020/21 Adjusted Appropriation relates to the non-implementation of the 2020/21 wage agreement. Despite budget cuts to this category, growth is sufficient in 2021/22 and 2022/23, allowing for limited filling of posts and the 1.5 per cent pay progression (including the internal control posts) taking into consideration the freeze in wages. However, the outer year growth is not sufficient for inflationary increases and the department will need to consider further reprioritisation in the next budget process.

The significant increase against *Goods and services* in the 2020/21 Adjusted Appropriation is due to the once-off allocation of funding for the response to Covid-19, hence the reduction in 2021/22. This reduction is mitigated by once-off funding allocated for the province’s response to Covid-19, hence the further negative growth in 2022/23. Growth in the outer year is for inflationary purposes only and mainly provides for computer services for the whole department, as well as consultants’ costs. Despite some budget cuts to this category, there is no anticipated impact on services as there was some over-budgeting for fleet services.

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

Transfers and subsidies to: Provinces and municipalities provides for motor vehicle licences 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 2019/20 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 2020/21 Main Appropriation to cater for the planned IT equipment replacement costs across all programmes, including PCs, servers and hubs, the upgrading of the PABX system and the electronic patient records system, all planned for completion by 31 March 2021. The increase in the 2020/21 Adjusted Appropriation is due to once-off additional funding allocated for the provincial response to the Covid-19 pandemic, hence the decrease in 2021/22. Growth over the remainder of the MTEF fluctuates as a result of once-off provision in 2021/22 for final costs for the IT equipment replacements and the PABX upgrade. The department will continue the roll-out of the patients record system over the MTEF.

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

Service delivery measures: Administration

Table 7.17 illustrates the main service delivery measures relating to Programme 1.

Measures marked “n/a” are annual in nature and no Estimated performance for 2020/21 is available.

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	
		2020/21	2021/22	2022/23	2023/24
To conduct the strategic management and overall administration of the Department of Health	<ul style="list-style-type: none"> Audit opinion of provincial DOH 	n/a	Unqualified	Unqualified	Unqualified
Implementation of E-Health system in 100% of hospitals by 2024/25	<ul style="list-style-type: none"> No. of hospitals with an electronic system to record clinical codes 	n/a	36	72	72

9.2 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 CHCs, comprehensive management of HIV and AIDS and related diseases, especially TB, etc.

Programme 2's budget was increased by R1.026 billion in the Special Adjustments Estimate in July 2020, as part of the provincial response to Covid-19. The budget was increased by a further R244.674 million in the Second Adjustments Estimate in November 2020, largely due to the shifting of Covid-19 funding from Programmes 1, 4 and 5, in line with areas of spending. Adding to this increase was the movement of funding from Programmes 4, 7 and 8 to address spending pressures. This increase was offset to some extent by budget cuts as part of the non-implementation of the 2020/21 wage agreement due to the national fiscal situation. Over the MTEF, the programme was cut by R2.464 billion in 2021/22 and R3.125 billion in 2022/23 with carry-through to 2023/24. These cuts are due to no increases for staff, as well as fiscal consolidation cuts. The cuts are affected against all sub-programmes but mainly against the District Hospitals sub-programme. The impact is mainly on *Compensation of employees*, with costs for existing staff under-funded over the MTEF, and this will be reviewed in the next budget process. Note that the bulk of the additional funding for the provincial response was allocated to this programme, mitigating the impact of the cuts to some extent. In addition, there was additional funding in 2021/22 and 2022/23 for the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant in respect of the new Covid-19 component of the grant, for the roll-out of the vaccination programme.

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
1. District Management	302 062	299 310	314 889	327 176	318 700	328 553	313 561	334 345	337 007
2. Community Health Clinics	4 020 491	4 332 048	4 659 262	4 848 112	4 765 455	4 726 676	4 910 901	5 004 480	5 101 698
3. Community Health Centres	1 625 352	1 753 904	1 919 490	1 992 483	1 945 451	1 973 559	2 007 244	2 013 435	2 041 036
4. Community Based Services	306 225	376 013	415 720	363 595	377 081	452 555	413 932	384 299	390 102
5. Other Community Services	1 071 475	1 163 629	1 260 567	1 415 837	3 223 451	3 352 950	2 673 437	1 260 408	1 233 114
6. HIV and AIDS	5 018 680	5 715 614	5 941 316	6 453 922	6 365 278	6 441 585	6 828 191	7 065 809	7 073 750
7. Nutrition	41 940	31 929	32 705	62 523	44 800	44 800	47 489	50 680	52 909
8. Coroner Services	221 828	222 990	241 424	265 516	256 718	260 206	264 910	267 844	270 534
9. District Hospitals	7 124 263	6 906 627	7 941 490	8 112 368	7 815 708	7 822 011	7 796 995	7 856 164	7 665 341
Total	19 732 316	20 802 064	22 726 863	23 841 532	25 112 642	25 402 895	25 256 660	24 237 464	24 165 491

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		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Current payments	18 890 919	20 142 620	22 086 850	23 280 613	24 438 096	24 660 487	24 524 067	23 490 292	23 401 167
Compensation of employees	12 229 725	12 946 954	14 099 898	14 945 792	15 673 929	15 600 363	15 259 251	14 454 002	14 384 127
Goods and services	6 660 677	7 193 365	7 986 515	8 334 383	8 763 729	9 059 770	9 264 353	9 035 805	9 016 533
Interest and rent on land	517	2 301	437	438	438	354	463	485	507
Transfers and subsidies to:	618 250	473 637	413 515	406 585	399 230	411 600	420 412	440 661	460 861
Provinces and municipalities	219 658	215 277	222 893	237 793	237 793	237 793	244 843	256 596	268 736
Departmental agencies and accounts	151	98	174	49	49	135	51	53	55
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	113 929	46 009	47 948	52 865	52 865	52 864	53 562	56 134	58 604
Households	284 512	212 253	142 500	115 878	108 523	120 808	121 956	127 878	133 466
Payments for capital assets	223 128	185 747	226 476	154 334	275 316	330 710	312 181	306 511	303 463
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	223 128	185 747	226 476	154 334	275 316	330 710	312 181	306 511	303 463
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	19	60	22	-	-	98	-	-	-
Total	19 732 316	20 802 064	22 726 863	23 841 532	25 112 642	25 402 895	25 256 660	24 237 464	24 165 491

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. The decrease in the 2020/21 Adjusted Appropriation relates to budget cuts as part of the non-implementation of the 2020/21 wage agreement due to the national fiscal situation. Over the MTEF, the sub-programme was cut due to no increases for staff, as well as fiscal consolidation cuts.

The Community Health Clinics sub-programme renders a nurse-driven PHC service at clinic level including visiting points, mobile and local authority clinics. The decrease in the 2020/21 Adjusted Appropriation relates to budget cuts as part of the non-implementation of the 2020/21 wage agreement. Over the MTEF, the sub-programme was cut due to no increases for staff, as well as fiscal consolidation cuts.

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 decrease in the 2020/21 Adjusted Appropriation relates to budget cuts as part of the non-implementation of the 2020/21 wage agreement. Over the MTEF, the sub-programme was cut due to no increases for staff, as well as fiscal consolidation cuts.

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 increase in the 2020/21 Adjusted Appropriation relates to funding for under-budgeted pay progression for staff, and is mitigated to some extent by budget cuts as part of the non-implementation of the 2020/21 wage agreement. Over the MTEF, the sub-programme was cut due to no increases for staff, as well as fiscal consolidation cuts.

The sub-programme: Other Community Services renders environmental and part-time district surgeon services, etc. The significant increase in the 2020/21 Adjusted Appropriation relates to funding allocated for the provincial response to the Covid-19 pandemic, as well as funding moved from Programmes 1, 4, 7 and 8 for pressures due to the extension of the temporary Covid-19 contracts including nurses and tracing teams up to March 2021. The increase was also due to the shifting of Covid-19 funding from Programmes 1, 4 and 5, in line with areas of spending. There was also a movement to this sub-programme from the HIV and AIDS sub-programme and within the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant in respect of the new Covid-19 component of the grant, in line with revised framework as published with the revised Division of Revenue Act. These increases were mitigated to some extent by budget cuts as part of the non-implementation of the 2020/21 wage agreement. This once-off increase in funding accounts for the significant drop in budget in 2021/22. This decrease was mitigated to some extent by additional funding

allocated for the provincial response to Covid-19, as well as the increase in funding in 2021/22 and 2022/23 against the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant for the vaccine roll-out programme. The decrease over the MTEF against this sub-programme was due to no increases for staff, as well as fiscal consolidation cuts.

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 decrease in the 2020/21 Adjusted Appropriation relates to the previously mentioned movement to the Other Community Services sub-programme and within the HIV, TB, Malaria, Community Outreach and HPV Vaccine grant in respect of the new Covid-19 component of the grant. This decrease was exacerbated by budget cuts as part of the non-implementation of the 2020/21 wage agreement. As a result of these once-off reductions, growth in 2021/22 is high. Over the MTEF, the sub-programme was cut due to no increases for staff, as well as fiscal consolidation cuts.

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 decrease in the 2020/21 Adjusted Appropriation relates to the previously mentioned movement to the Other Community Services sub-programme for pressures due to the extension of the temporary Covid-19 contracts. As a result of this once-off reduction, growth in 2021/22 is high. This sub-programme was not subjected to any cuts over the MTEF.

The sub-programme: Coroner Services provides forensic and medico-legal services to establish the circumstances and causes of unnatural death. The decrease in the 2020/21 Adjusted Appropriation relates to the budget cuts as part of the non-implementation of the 2020/21 wage agreement. Over the MTEF, the sub-programme was cut due to no increases for staff, as well as fiscal consolidation cuts.

The sub-programme: District Hospitals provides hospital services at general practitioner level. The decrease in the 2020/21 Adjusted Appropriation relates to the budget cuts as part of the non-implementation of the 2020/21 wage agreement, mitigated to a minor degree by additional funding as part of the provincial response to Covid-19. Over the MTEF, the sub-programme was cut due to no increases for staff, as well as fiscal consolidation cuts. In 2021/22, these cuts were mitigated to some degree by additional funding allocated for the provincial response to Covid-19

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 significant increase in the 2020/21 Adjusted Appropriation relates to funding for the provincial response to the Covid-19 pandemic, as well as funding moved from Programmes 1, 4, 7 and 8 for pressures due to the extension of the temporary Covid-19 contracts including nurses and tracing teams up to March 2021. This once-off increase accounts for the significant drop in 2021/22. The decrease is mitigated to some extent by further once-off funding allocated for the province's response to Covid-19 in 2021/22, resulting in negative growth in 2022/23. Over the MTEF, this category was cut due to no increases for staff. The growth in 2023/24 is negative. The impact is that existing staff are under-funded over the MTEF with no possibility of new appointments, and this will be reviewed in the next budget process.

The high growth in *Goods and services* in 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 Universal Test-and-Treat (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 2019/20 was to address pressures in security, cleaning, electricity and water costs. The increase in the 2020/21 Adjusted Appropriation relates to the allocation of funding for the provincial response to the Covid-19 pandemic, as well as the shifting of Covid-19 funding from Programmes 1, 4 and 5, in line with areas of spending. This once-off increase in funding accounts for the low growth in 2021/22. The 2021/22 budget includes additional once-off Covid-19 funding accounting for the negative growth in 2022/23. Over the MTEF, this category was cut due to fiscal consolidation cuts, resulting in minimal growth. The impact is that the department will be under-funded for medicines going forward, and this will be reviewed in-year and in the next budget process.

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. The growth over 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 2021/22 MTEF provides for inflationary increases.

Transfers and subsidies to: Households relates to staff exit costs and medico-legal claims. The 2021/22 MTEF allocations provide for staff exit costs, and a limited 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 because of budget constraints. The high growth in the 2020/21 Revised Estimate relates to carry-over costs from 2019/20, hence the negative growth in 2021/22. Growth over the remainder of the MTEF is inflationary only.

Payments for financial assets provides mainly for the write-off of thefts and losses.

Service delivery measures: District Health Services

Table 7.20 illustrates the main service delivery measures of Programme 2. Measures marked “n/a” are annual in nature and no Estimated performance for 2020/21 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

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2020/21	2021/22	2022/23	2023/24
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)	n/a	69.4%	70%	75%
2. District Hospitals					
Rendering hospital service at general practitioner level	• Maternal mortality in facility ratio	n/a	51.9%	50.1%	48.9%
	• Child under 5 years diarrhoea case fatality rate	n/a	1.9%	1.7%	1.6%
	• Child under 5 years pneumonia case fatality rate	n/a	1.8%	1.7%	1.7%
	• Severe acute malnutrition death under 5 years rate	n/a	5.8%	5.6%	5.2%
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	1 483 056	1 686 154	1 959 000	1 959 000
	• HIV incidence	n/a	0.5%	0.48%	0.48%
	• TB incidence	n/a	350/100 000	300/100 000	250/100 000
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	n/a	0.5%	0.5%	0.4%
	• Infant mortality rate	n/a	28.5%	28%	27.5%
	• Immunisation under 1 year coverage	91.8%	90%	90%	90%
	• Antenatal 1 st visit before 20 weeks rate	74.5%	75%	75.5%	76%
	• Measles 2 nd dose coverage	82.9%	94%	94%	95%
	• Delivery in 10 to 19 years in facility rate	16.3%	15.8%	15.3%	15%
	• Couple year protection rate (international)	561%	58%	60%	65%
	• Vitamin A dose 12-59 months coverage	68.4%	74%	76%	80%
	• Neonatal death in facility rate - total	n/a	8/1 000	8/1 000	8/1 000
5. Disease prevention and control					
Rendering preventive and promotive health services	• Malaria case fatality rate	n/a	0.3%	0.3%	0.3%
	• Hypertension incidence	n/a	26/1 000	24/1 000	22/1 000
	• Diabetes incidence	n/a	2.7/1 000	3/1 000	2/1 000

9.3 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. Programme 3's budget was increased by R53.428 million in the Special Adjustments Estimate in July 2020, as part of the provincial response to the Covid-19 pandemic. The budget was decreased by R4.203 million in the Second Adjustments Estimate in November 2020, due to the non-implementation of the 2020/21 wage agreement. This cut was largely mitigated by a movement of funding to this programme from Programme 4 to provide for carry-over costs for ambulances ordered in 2019/20 but only delivered in 2020/21. Over the MTEF, the programme was cut by R170.766 million in 2021/22 and R240.100 million in 2022/23 with carry-through to 2023/24. These cuts are due to no increases for staff, as well as fiscal consolidation cuts. The cuts were made to both sub-programmes, mainly impacting on *Compensation of employees*. Mitigating these cuts to a minor extent, is once-off additional funding in 2021/22 allocated for the provincial response to Covid-19. The impact of the cuts is that there is insufficient growth for existing staff over the MTEF, and this will be reviewed in-year and in the next budget process. The cuts made against *Goods and services* have no impact as there was an element of over-budgeting, as explained below.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
1. Emergency Services	1 251 736	1 306 286	1 460 183	1 427 827	1 453 850	1 508 036	1 410 071	1 424 806	1 444 715
2. Planned Patient Transport	125 841	140 364	142 703	184 548	207 750	207 750	170 733	174 400	178 715
Total	1 377 577	1 446 650	1 602 886	1 612 375	1 661 600	1 715 786	1 580 804	1 599 206	1 623 430

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	1 325 342	1 377 060	1 426 505	1 563 122	1 460 584	1 466 146	1 467 496	1 480 460	1 499 459
Compensation of employees	950 621	976 075	1 031 514	1 167 633	1 048 607	1 073 205	1 055 425	1 048 607	1 048 607
Goods and services	374 715	400 915	394 990	395 489	411 977	392 940	412 071	431 853	450 852
Interest and rent on land	6	70	1	-	-	1	-	-	-
Transfers and subsidies to:	4 699	3 788	4 274	5 918	5 918	6 417	6 243	6 542	6 830
Provinces and municipalities	2 834	1 592	2 680	2 947	2 947	3 342	3 109	3 258	3 401
Departmental agencies and accounts	-	-	-	2	2	1	2	2	2
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 865	2 196	1 594	2 969	2 969	3 074	3 132	3 282	3 427
Payments for capital assets	47 536	65 802	172 107	43 335	195 098	243 223	107 065	112 204	117 141
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	47 536	65 802	172 107	43 335	195 098	243 223	107 065	112 204	117 141
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 377 577	1 446 650	1 602 886	1 612 375	1 661 600	1 715 786	1 580 804	1 599 206	1 623 430

The sub-programme: Emergency Services provides for all emergency medical services including ambulance services, special operations, communication and air ambulance services. The growth in 2019/20 provided for the appointment of approximately 150 emergency services staff, to address critical shortages of paramedic staff, as well as the procurement of additional EMS vehicles. The increase in the 2020/21 Adjusted Appropriation is attributed to the provincial response to the Covid-19 pandemic, as well as the movement of funding from Programme 4 for carry-over costs from 2019/20 for ambulances ordered. This increase was mitigated by budget cuts for the non-implementation of the 2020/21 wage agreement. This once-off funding, as well as cuts for no increases for staff and fiscal consolidation, account for the significant decrease in 2021/22. Mitigating these cuts to a minor extent, is once-off additional funding in 2021/22 allocated for the provincial response to Covid-19. Growth in the outer two years of the MTEF is for inflationary purposes 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 (to referral centres). The increase in the 2020/21 Adjusted Appropriation is attributed to the provincial response to the Covid-19 pandemic, mitigated slightly by budget cuts for the non-implementation of the 2020/21 wage agreement. This once-off funding, as well as cuts for no increases for staff and fiscal consolidation, account for the significant decrease in 2021/22. Growth in the outer two years of the MTEF is for inflationary purposes only.

Compensation of employees in 2019/20 provided for the appointment of approximately 150 emergency services staff, to address critical shortages of paramedic staff. The department implemented cuts against *Compensation of employees* in the 2020/21 Adjusted Appropriation for the non-implementation of the 2020/21 wage agreement, as mentioned. Also, the department reprioritised funding within the programme from *Compensation of employees* to *Machinery and equipment* for carry-over costs for ambulances. This reprioritisation was due to vacant paramedic posts. The negative growth in 2021/22 relates to the cuts for no increases for staff and fiscal consolidation, and there is no growth over the MTEF against this category, which the department will review in-year for 2021/22, and in the next budget process for the outer years. The impact of the cuts is that there is insufficient growth in *Compensation of employees* for existing staff over the MTEF, thus funding is insufficient for any new appointments and the 1.5 per cent pay progression, and this will be reviewed in-year and in the next budget process.

The main cost drivers under *Goods and services* are fuel and repairs to emergency vehicles, the latter being related to the rough terrain in rural areas. The low growth in the 2020/21 Main Appropriation is attributed to savings expected to be realised from the recapitalisation of the ambulance fleet, as well as the stringent maintenance and repair control measures to be implemented. The increase in the 2020/21 Adjusted Appropriation is attributed to the provincial response to the Covid-19 pandemic, as well as the movement of funding within the programme from *Compensation of employees* to address aero-medical services pressures, mitigated slightly by budget cuts for the non-implementation of the 2020/21 wage agreement. Despite this once-off funding, as well as fiscal consolidation over the MTEF, the baseline growth is inflationary over the MTEF. The impact of the cuts to this category are minimal as fleet services were over-budgeted due to the recapitalisation of the fleet.

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 the 2020/21 Main Appropriation. The increase in the 2020/21 Adjusted Appropriation is due to additional funding allocated for the acquisition of vehicles to transport Covid-19 patients to isolation and quarantine centres, as well as for ambulances ordered but not received by the end of 2019/20. The high growth in the 2020/21 Revised Estimate relates to carry-over costs from 2019/20, hence the decrease in 2021/22. There is inflationary growth in the outer years.

Service delivery measures: Emergency Medical Services

Table 7.23 illustrates the main service delivery measures pertaining to Programme 3. Measures marked “n/a” are annual in nature and no Estimated performance for 2020/21 is available. Note that the department publishes additional measures for this programme in its annual APP.

Table 7.23 : Service delivery measures: Emergency Medical Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2020/21	2021/22	2022/23	2023/24
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	66.6%	69.1%	70.6%	72.1%
	• EMS P1 rural response under 60 minutes rate	55%	56.3%	57.5%	58%
	• Average no. of daily operational ambulances	186	188	190	192

9.4 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. Programme 4's budget was increased by R860.486 million in the Special Adjustments Estimate, as part of the provincial response to the Covid-19 pandemic. The budget was decreased by R1.328 billion in the Second Adjustments Estimate, partly due to the shifting of Covid-19 funding to Programme 2, in line with areas of spending, movements of funds to Programmes 1, 2, 3 and 5 to address spending pressures, as well as by budget cuts as part of the non-implementation of the 2020/21 wage agreement. Over the MTEF, the programme was cut by R1.362 billion in 2021/22 and R1.835 billion in 2022/23 with carry-through to 2023/24. These cuts are due to no increases for staff, as well as fiscal consolidation cuts. The cuts were made to all sub-programmes, mainly impacting on *Compensation of employees*. Mitigating these cuts to a minor extent, is once-off additional funding in 2021/22 allocated for the provincial response to Covid-19. The impact is that there is insufficient growth for existing staff over the MTEF, and this will be reviewed in-year and in the next budget process.

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
1. General (Regional) Hospitals	8 074 917	8 882 106	9 366 407	10 380 825	10 037 817	9 927 579	9 863 203	10 075 371	9 941 508
2. Tuberculosis Hospitals	789 489	717 542	711 352	795 934	716 040	670 894	709 719	573 442	582 722
3. Psychiatric-Mental Hospitals	865 678	933 737	979 725	1 037 691	1 003 802	991 394	1 011 417	1 023 606	1 033 480
4. Sub-acute, Step-down and Chronic Medical Hospitals	383 621	407 934	443 945	463 444	453 003	409 871	461 024	466 703	471 335
5. Dental Training Hospital	19 966	22 775	19 785	20 918	20 918	20 918	21 015	21 105	22 035
Total	10 133 671	10 964 094	11 521 214	12 698 812	12 231 580	12 020 656	12 066 378	12 160 227	12 051 080

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	9 745 629	10 591 438	11 198 706	12 498 704	11 934 985	11 697 413	11 724 989	11 802 450	11 677 561
Compensation of employees	7 405 857	8 115 122	8 354 915	9 448 271	8 803 716	8 618 147	8 836 870	8 689 543	8 490 415
Goods and services	2 337 152	2 473 812	2 843 410	3 050 429	3 131 265	3 079 242	2 888 115	3 112 903	3 187 142
Interest and rent on land	2 620	2 504	381	4	4	24	4	4	4
Transfers and subsidies to:	276 587	264 918	114 731	83 790	83 790	97 317	88 088	92 317	96 379
Provinces and municipalities	-	2	-	-	-	-	-	-	-
Departmental agencies and accounts	220	130	116	98	98	123	103	108	113
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	27 467	16 464	5 479	5 643	5 643	5 657	5 643	5 914	6 174
Households	248 900	248 322	109 136	78 049	78 049	91 537	82 342	86 295	90 092
Payments for capital assets	111 480	107 738	207 496	116 318	212 805	225 899	253 301	265 460	277 140
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	111 480	107 738	207 496	116 318	212 805	225 899	253 301	265 460	277 140
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	(25)	-	281	-	-	27	-	-	-
Total	10 133 671	10 964 094	11 521 214	12 698 812	12 231 580	12 020 656	12 066 378	12 160 227	12 051 080

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 decrease in the 2020/21 Adjusted Appropriation relates to budget cuts as part of the non-implementation of the 2020/21 wage agreement. Over the MTEF, the sub-programme was cut due to no increases for staff, as well as fiscal consolidation cuts. There were also significant savings in 2020/21 due to the delay in commissioning PKISMH which is now scheduled for 2021/22, and these were moved to Programmes 1, 2, 3 and 5 to address various spending pressures. In addition, Covid-19 funding was moved to Programme 2, in line with spending. Mitigating these cuts to some extent was additional funding allocated for the provincial response to the Covid-19 pandemic. This sub-programme is subjected to significant cuts over the MTEF related to no increases for staff and fiscal consolidation, resulting in minimal growth. Mitigating these cuts to a minor extent, is once-off additional funding in 2021/22 allocated for the provincial response to Covid-19. Note that the department originally budgeted R800 million for PKISMH in 2020/21, with carry-through over the MTEF. The carry-through budget remains, but has been cut in line with the wage freeze cuts.

The Tuberculosis Hospitals sub-programme provides for specialised care of patients with TB, including MDR and XDR TB. The high growth in the 2020/21 Main Appropriation 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. The decrease in the 2020/21 Adjusted Appropriation relates to the non-implementation of the 2020/21 wage agreement, as well as the rationalisation of TB institutions and services. This latter funding was moved to Programme 5 to address carry-over costs for the PPP at IALCH. This once-off decrease in funding accounts for the increase in 2021/22. The sub-programme is subjected to cuts over the MTEF related to no increases for staff and fiscal consolidation. The negative growth in 2022/23 and low growth in 2023/24 is attributed to ongoing rationalisation of TB institutions and services.

The sub-programme: Psychiatric-Mental Hospitals renders a specialist psychiatric hospital service for people with mental illnesses and intellectual disability. The reduction in the 2020/21 Adjusted Appropriation relates to the non-implementation of the 2020/21 wage agreement. This sub-programme is subjected to cuts over the MTEF related to no increases for staff and fiscal consolidation, resulting in minimal growth.

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 reduction in the 2020/21 Adjusted Appropriation relates to the non-implementation of the 2020/21 wage agreement. The decrease is mitigated to a minor extent due to additional funding for the provincial response to the Covid-19 pandemic. The sub-programme is subjected to cuts over the MTEF related to no increases for staff and fiscal consolidation, resulting in minimal growth.

The Dental Training Hospital sub-programme provides specialised dental services and shows erratic growth over the entire period, with minimal growth in 2021/22 and 2022/23 mainly due to budget cuts related to no increases for staff.

There is steady growth in *Compensation of employees* up to the 2020/21 Main Appropriation. This category provides for posts such as oncologists, psychologists, urologists, etc., which often prove difficult to fill due to few applications when advertising. The high growth in the 2020/21 Main Appropriation is attributable to the earmarked allocation for commissioning of PKISMH. The decrease in the 2020/21 Adjusted Appropriation is ascribed to the delay in commissioning PKISMH, and these funds were moved to Programmes 1, 2, 3 and 5 to address various spending pressures. In addition, Covid-19 funding was moved to Programme 2, in line with spending. There were also cuts related to the non-implementation of the 2020/21 wage agreement. The category is subjected to cuts over the MTEF related to no increases for staff, resulting in minimal growth in 2021/22, and negative growth in the two outer years of the MTEF. The impact of the cuts is that there is insufficient growth for existing staff over the MTEF, and this will be reviewed in-year and in the next budget process. As mentioned, the department originally budgeted for PKISMH staff in 2020/21, with carry-through over the MTEF. The carry-through budget remains, but has been cut in line with the wage freeze cuts.

Goods and services increased in 2019/20 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 increase in the 2020/21 Adjusted Appropriation is due to additional funding for the provincial response to Covid-19. This was mitigated to some degree by the delay in commissioning PKISMH, and these funds were moved to *Compensation of employees* to address pressures for temporary Covid-19 staff. The once-off increase partly accounts for the decrease in 2021/22, but this is exacerbated by significant cuts related to fiscal consolidation. Mitigating these cuts to a minor extent, is once-off additional funding in 2021/22 for the provincial response to Covid-19. The impact is that the department will be underfunded for medicines and medical supplies going forward, and this will be reviewed in-year and in the next budget process. As mentioned, the carry-through costs for PKISMH are provided for over the MTEF.

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 2019/20 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 increase in the 2020/21 Adjusted Appropriation relates to additional funding for the provincial response to Covid-19. This is mitigated to some extent by Covid-19 funding moved to Programme 2, in line with spending. No cuts are made to this category over the MTEF and the baseline grows strongly to provide for the replacement of medical equipment including anaesthetic machines, X-ray machines and CT scanners.

Payments for financial assets provides mainly for the write-off of thefts and losses.

Service delivery measures: Provincial Hospital Services

Table 7.26 illustrates the main service delivery measures pertaining to Programme 4. Measures marked “n/a” are annual in nature and no Estimated performance for 2020/21 is available. Note that the department publishes additional measures for this programme in its annual APP.

Table 7.26 : Service delivery measures: Provincial Hospital Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2020/21	2021/22	2022/23	2023/24
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	n/a	82.6%	83.4%	84.3%
	• Maternal mortality in facility ratio	n/a	80/100 000	90.3/100 000	86.3/100 000
	• Child under 5 years diarrhoea case fatality rate	n/a	1.8%	1.6%	1.4%
	• Child under 5 years pneumonia case fatality rate	n/a	2.3%	2.2%	2.1%
	• Child under 5 years severe acute malnutrition case fatality rate	n/a	5.8%	5.9%	5.9%
2. Specialised TB Hospitals					
Rendering of hospital services at a specialist TB level	• Patients experience of care satisfaction rate	n/a	93.8%	95.2%	97.3%
	• Severity assessment code (SAC) 1 incident reported within 24 hours rate	20%	98.4%	99.2%	100%
3. Specialised Psychiatric Hospitals					
Rendering of hospital services at a specialist psychiatric level	• Patients experience of care satisfaction rate	n/a	89.8%	90.4%	91.5%
	• SAC 1 incident reported within 24 hours rate	100%	86.7%	90%	96.6%
4. Chronic/ Sub-Acute Hospitals					
Rendering of hospital services at a specialist chronic/sub-acute level	• Patients experience of care satisfaction rate	n/a	80.9%	81.1%	82.5%

9.5 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 increased by R406.341 million in the Special Adjustments Estimate in July 2020, as part of the provincial response to the Covid-19 pandemic. The budget was decreased by R320.875 million in the Second Adjustments Estimate in November 2020, partly due to the shifting of Covid-19 funding to Programme 2, in line with areas of spending. This decrease was exacerbated by budget cuts due to the non-implementation of the 2020/21 wage agreement. The cuts were mitigated to some extent by funding moved from Programmes 4 and 6 to address spending pressures. Over the MTEF, the programme was cut by R501.612 million in 2021/22 and R958.301 million in 2022/23 with carry-through to 2023/24. These cuts are due to no increases for staff, as well as fiscal consolidation cuts. Mitigating these cuts to a minor extent, is once-off additional funding in 2021/22 allocated for the provincial response to Covid-19. The cuts were made to both sub-programmes, mainly impacting on *Compensation of employees*. The impact is that there is insufficient growth for existing staff over the MTEF, and this will be reviewed in-year and in the next budget process.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2020/21	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Central Hospital Services	2 466 385	2 539 378	2 389 393	2 633 323	2 673 447	2 755 912	2 542 548	2 610 560	2 532 189
2. Provincial Tertiary Hospital Services	2 397 738	2 558 825	2 779 776	2 795 339	2 840 681	2 835 552	2 611 577	2 572 773	2 469 771
Total	4 864 123	5 098 203	5 169 169	5 428 662	5 514 128	5 591 464	5 154 125	5 183 333	5 001 960

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2020/21	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Current payments	4 754 835	4 960 895	4 975 407	5 311 965	5 341 332	5 422 144	5 054 821	5 078 595	4 892 462
Compensation of employees	2 614 993	2 819 304	3 032 929	3 206 862	3 117 348	3 112 484	2 981 971	2 787 176	2 586 163
Goods and services	2 139 841	2 140 731	1 942 406	2 105 103	2 223 984	2 309 661	2 072 850	2 291 419	2 306 299
Interest and rent on land	1	860	72	-	-	(1)	-	-	-
Transfers and subsidies to:	31 646	83 363	22 593	40 877	40 877	37 059	42 086	44 157	45 687
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	59	61	109	71	71	79	75	79	82
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	31 587	83 302	22 484	40 806	40 806	36 980	42 011	44 078	45 605
Payments for capital assets	77 642	53 945	171 169	75 820	131 919	132 261	57 218	60 581	63 811
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	77 642	53 945	171 169	75 820	131 919	132 261	57 218	60 581	63 811
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 864 123	5 098 203	5 169 169	5 428 662	5 514 128	5 591 464	5 154 125	5 183 333	5 001 960

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. The increase in the 2020/21 Adjusted Appropriation is attributed to the provincial response to the Covid-19 pandemic, as well as the movement of funding from the sub-programme: Provincial Tertiary Hospital Services for carry-over costs from 2019/20 for the PPP at IALCH. There was also funding moved from the same sub-programme for ICU and high care staff incorrectly allocated to the sub-programme: Provincial Tertiary Hospital Services. These increases were mitigated by budget cuts for the non-implementation of the 2020/21 wage agreement. This once-off funding, as well as cuts for no increases for staff and fiscal consolidation, account for the significant decrease in 2021/22 and the negative growth in 2023/24. Mitigating these cuts to a minor extent, is once-off additional funding in 2021/22 allocated for the provincial response to Covid-19.

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 2020/21 Adjusted Appropriation is attributed to the provincial response to the Covid-19 pandemic, mitigated by the movement of funding to the sub-programme: Central Hospital Services for carry-over costs from 2019/20 for the PPP at IALCH and for ICU and high care staff incorrectly allocated to the sub-programme. There was also funding moved from this sub-programme to Programme 2 in line with areas of spending for Covid-19. There were also budget cuts for the non-implementation of the 2020/21 wage agreement. This once-off funding, as well as cuts for no increases for staff and fiscal consolidation, account for the significant decrease in 2021/22, as well as negative growth in 2022/23 and 2023/24. Mitigating these cuts to a minor extent, is once-off additional funding in 2021/22 allocated for the provincial response to Covid-19.

The increasing trend in *Compensation of employees* from 2017/18 to 2019/20 is due to the filling of critical specialist posts. The decrease in the 2020/21 Adjusted Appropriation is due to the movement of Covid-19 funding to Programme 2, in line with spending, as well as budget cuts for the non-implementation of the 2020/21 wage agreement. This decrease was mitigated to some extent by additional funding for the provincial response to the Covid-19 pandemic. Budget cuts over the MTEF for no increases for staff and fiscal consolidation, account for the negative trend in all three MTEF years, which the department will review in-year for 2021/22, and in the next budget process for the outer years. Mitigating these cuts to a minor extent, is once-off additional funding in 2021/22 allocated for the provincial response to Covid-19. The impact of the cuts is that there is insufficient growth for existing staff over the MTEF, and thus also insufficient funding for filling posts and no provision has been made for the 1.5 per cent pay progression, and this will be reviewed in-year and in the next budget process.

The increase against *Goods and services* in the 2020/21 Adjusted Appropriation is due to the provincial response to the Covid-19 pandemic, as well as funding moved from *Compensation of employees* to address carry-over costs from 2019/20 for the PPP at IALCH. This once-off funding, as well as cuts for fiscal consolidation, account for the significant decrease in 2021/22. Mitigating these cuts to a minor extent, is once-off additional funding in 2021/22 for the provincial response to Covid-19. The baseline grows strongly in 2022/23, mainly for anticipated increased costs for the PPP at IALCH, with inflationary growth only in the outer year. The impact of the cuts is that the department will be under-funded for medicines and medical supplies going forward, and this will be reviewed in-year and in the next budget process.

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 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 to the replacement of redundant essential non-medical equipment such as medical and patient trolleys, hospital beds, etc. The increase in the 2020/21 Adjusted Appropriation is due to the provincial response to Covid-19, as well as funding moved from Programme 4 to address carry-over costs from 2019/20 for medical equipment ordered but not received. This once-off funding accounts for the decrease in 2021/22, with inflationary increases only in the two outer years.

Service delivery measures: Central Hospital Services

Table 7.29 illustrates service delivery measures pertaining to Programme 5. Measures marked “n/a” are annual in nature and no Estimated performance for 2020/21 is available. 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		
		2020/21	2021/22	2022/23	2023/24
1. Tertiary Hospitals					
To provide tertiary health services and create a platform for the training of health workers	• Patient experience of care satisfaction rate	n/a	75.6%	76.3%	77%
	• Maternal mortality in facility ratio	n/a	331.7/100 000	326.8/100 000	313.7/100 000
	• Child under 5 years diarrhoea case fatality rate	n/a	1.5%	1.5%	1.3%

Table 7.29 : Service delivery measures: Central Hospital Services

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2020/21	2021/22	2022/23	2023/24
	<ul style="list-style-type: none"> Child under 5 years pneumonia case fatality rate Child under 5 years severe acute malnutrition case fatality rate 	n/a	1.6%	1.7%	1.5%
		n/a	TBD	TBD	TBD
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	n/a	91.8%	92.6%	93.7%
	Maternal mortality in facility ratio	n/a	1 111.1/100 000	877.2/100 000	652.2/100 000
	Child under 5 years pneumonia case fatality rate	n/a	5.2%	5%	4.7%
	Child under 5 years severe acute malnutrition case fatality rate	n/a	TBD	TBD	TBD

9.6 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 2017/18 to 2023/24.

Programme 6's budget was increased by R3 million in the Special Adjustments Estimate in July 2020, as part of the provincial response to the Covid-19 pandemic.

The budget was cut by R93.893 million in the Second Adjustments Estimate in November 2020 as part of the non-implementation of the 2020/21 wage agreement due to the national fiscal situation. Included in this cut was the movement of funding to Programme 5 to address spending pressures.

Over the MTEF, the programme was cut by R180.167 million in 2021/22 and R207.972 million in 2022/23 with carry-through to 2023/24. These cuts are due to no increases for staff, as well as fiscal consolidation cuts. The cuts were made to all sub-programmes except for the Bursaries sub-programme, mainly impacting on *Compensation of employees*. The impact is that there is insufficient growth for existing staff over the MTEF, and this will be reviewed in-year and in the next budget process.

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		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
1. Nursing Training Colleges	266 028	255 095	241 488	251 239	241 799	238 950	242 378	235 513	236 559
2. EMS Training Colleges	17 781	18 850	21 564	20 552	33 294	33 294	19 620	20 436	20 548
3. Bursaries	313 252	262 980	217 510	145 040	113 904	113 904	152 977	160 320	167 375
4. Primary Health Care Training	47 450	46 759	44 430	49 889	44 485	42 940	50 667	51 758	54 035
5. Training Other	601 539	597 946	779 581	916 544	858 889	866 868	744 456	791 506	836 102
Total	1 246 050	1 181 630	1 304 573	1 383 264	1 292 371	1 295 956	1 210 098	1 259 533	1 314 619

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		
	2017/18	2018/19	2019/20	2020/21			2021/22	2022/23	2023/24
Current payments	933 698	908 011	1 067 189	1 224 655	1 148 857	1 151 412	1 037 726	1 078 886	1 126 022
Compensation of employees	871 124	859 174	1 013 485	1 156 996	1 091 873	1 098 947	984 490	1 023 094	1 067 776
Goods and services	62 571	48 836	53 317	67 659	56 984	52 464	53 236	55 792	58 246
Interest and rent on land	3	1	387	-	-	1	-	-	-
Transfers and subsidies to:	310 371	273 436	228 430	154 186	127 398	127 546	161 388	169 135	176 578
Provinces and municipalities	15	-	-	-	-	-	-	-	-
Departmental agencies and accounts	18 850	20 868	22 036	23 248	23 248	23 248	23 248	24 364	25 436
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	291 506	252 568	206 394	130 938	104 150	104 298	138 140	144 771	151 142
Payments for capital assets	1 981	183	8 954	4 423	16 116	16 998	10 984	11 512	12 019
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 981	183	8 954	4 423	16 116	16 998	10 984	11 512	12 019
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 246 050	1 181 630	1 304 573	1 383 264	1 292 371	1 295 956	1 210 098	1 259 533	1 314 619

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. The decrease in 2019/20 relates to vacant posts, with funding reprioritised to the sub-programme: Training Other for higher medical intern costs. The decrease in the 2020/21 Adjusted Appropriation relates to cuts for the non-implementation of the 2020/21 wage agreement. This sub-programme is subject to budget cuts over the MTEF for no increases for staff and fiscal consolidation, accounting for the low growth in 2021/22, as well as negative growth in 2022/23 and the minimal growth in 2023/24.

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 increase in the 2020/21 Adjusted Appropriation is funding moved from other sub-programmes for under-budgeted EMS training equipment. This once-off funding accounts for the decrease in 2021/22, as well as the budget cuts over the MTEF for no increases for staff and fiscal consolidation, which accounts for the minimal growth in the outer two years.

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 fluctuations in the Rand/Dollar exchange rate. 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 decrease in the 2020/21 Adjusted Appropriation is due to anticipated Covid-19 related delays in the receipt of invoices for bursaries from tertiary institutions for the 2021/22 academic year. This amount was utilised to defray excess expenditure in Programme 5 related to the previously mentioned carry-over expenditure for the PPP at IALCH. This once-off reduction in funding accounts for the significant increase in 2021/22. Growth in the outer two years of the MTEF is for inflationary purposes only.

The PHC Training sub-programme provides PHC related training for personnel, as required by the regions. The decrease in the 2020/21 Adjusted Appropriation relates to cuts for the non-implementation of the 2020/21 wage agreement, as well as funding moved to the EMS Training Colleges sub-programme for under-budgeted EMS training equipment. This once-off reduction in funding accounts for the increase in 2021/22, despite cuts for no increases for staff and fiscal consolidation. Growth in the outer two years of the MTEF is for inflationary purposes only.

The sub-programme: Training Other includes skills development programmes for all of the department's occupational categories. The significant increase in 2019/20 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 decrease in the 2020/21 Adjusted Appropriation is due to cuts for the non-implementation of the 2020/21 wage agreement, as well as funding moved to the EMS Training Colleges budget cuts for no increases for staff and fiscal consolidation. The further reduction in 2021/22 relates to budget cuts for no increases for staff and fiscal consolidation. Growth in the outer two years of the MTEF is for inflationary purposes only.

The negative growth in 2018/19 against *Compensation of employees* was due to delays in finalising the business strategy for down-scaling nurses' training due to budget cuts. The significant increase in 2019/20 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 decrease in the 2020/21 Adjusted Appropriation is due to budget cuts for the non-implementation of the 2020/21 wage agreement. The further reduction in 2021/22 relates to budget cuts for no increases for staff and fiscal consolidation. Despite the cuts, there is sufficient growth for existing staff and some filling of posts, as well as the 1.5 per cent pay progression. Note that the department is anticipating the return of 43 students from Cuba in 2021/22. Currently there are 63 students who are still studying in Cuba. This year it is expected that 43 final year students will return in July 2021.

Goods and services 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 increase in the 2020/21 Main Appropriation is an attempt to restore various specialised nurse training programmes. The decrease in the 2020/21 Adjusted Appropriation is due to funding moved to *Machinery and equipment* for under-budgeted EMS training equipment. The further reduction in 2021/22 relates to budget cuts for fiscal consolidation. Growth in the outer two years of the MTEF is for inflationary purposes only. The cuts will impact on the training programmes offered by the department, which will require some scaling down.

Transfers and subsidies to: Departmental agencies and accounts caters for the HWSETA levy. This category was subjected to budget cuts in line with the cuts made to *Compensation of employees*.

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 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 2019/20 relates to the procurement of replacement training vehicles (buses and mini-buses). The increase in the 2020/21 Adjusted Appropriation is funding moved from *Compensation of employees* for under-budgeted EMS training equipment. This once-off movement of funding accounts for the decrease in 2021/22. Growth in the outer two years of the MTEF is for inflationary purposes only.

Service delivery measures: Health Sciences and Training

Table 7.32 illustrates service delivery pertaining to Programme 6. 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. Measures marked "n/a" are annual in nature and no Estimated performance for 2020/21 is available. 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		
		2020/21	2021/22	2022/23	2023/24
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 health professions students	n/a	30	33	33
	• No. of bursaries awarded for first year nursing students	n/a	120	120	120

9.7 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. Programme 7's budget was increased by R95.731 million in the Special Adjustments Estimate in July 2020, as part of the provincial response to the Covid-19 pandemic. The budget was cut by R51.806 million in the Second Adjustments Estimate in November 2020, mainly due to the movement of funding to Programme 2 to address spending pressures. In addition, there were cuts for the non-implementation of the 2020/21 wage agreement. Over the MTEF, the programme was cut by R25.149 million in 2021/22 and R36.218 million in 2022/23 with carry-through to 2023/24. These cuts are due to no increases for staff, as well as fiscal consolidation cuts. The cuts were made to all sub-programmes, mainly impacting on *Compensation of employees*. The impact is that there is insufficient growth for existing staff over the MTEF, and this will be reviewed in-year and in the next budget process.

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
1. Medicine Trading Account	-	251 691	25 325	68 296	65 988	65 988	66 996	68 983	70 368
2. Laundry Services	155 762	179 481	171 809	205 049	260 586	257 035	210 082	215 538	220 779
3. Orthotic and Prosthetic Services	42 440	54 465	54 232	65 299	55 995	55 995	63 933	64 915	65 860
Total	198 202	485 637	251 366	338 644	382 569	379 018	341 011	349 436	357 007

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	189 492	476 931	249 044	336 777	376 482	372 064	333 308	341 363	348 578
Compensation of employees	103 252	150 219	154 467	188 327	163 785	159 742	176 859	177 404	177 404
Goods and services	86 237	326 710	94 577	148 450	212 697	212 322	156 449	163 959	171 174
Interest and rent on land	3	2	-	-	-	-	-	-	-
Transfers and subsidies to:	1 261	453	1 493	821	821	782	866	908	948
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 261	453	1 493	821	821	782	866	908	948
Payments for capital assets	7 449	8 253	829	1 046	5 266	6 172	6 837	7 165	7 481
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	7 449	8 253	829	1 046	5 266	6 172	6 837	7 165	7 481
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	198 202	485 637	251 366	338 644	382 569	379 018	341 011	349 436	357 007

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 2020/21 Adjusted Appropriation is due to cuts for the non-implementation of the 2020/21 wage agreement. There is minimal growth in 2021/22 attributed to no increases for staff. The growth over the remainder of the MTEF is for inflationary purposes only.

The Laundry Services sub-programme provides laundry services to hospitals, care and rehabilitation centres. The increase in 2018/19 was due to once-off purchase of linen. The increase in the 2020/21 Adjusted Appropriation is attributed to the provincial response to Covid-19. This is mitigated to some extent by the movement of funding to Programme 2 to fund temporary Covid-19 staff. This once-off funding accounts

for the decrease in 2021/22. The sub-programme is subject to budget cuts over the MTEF for no increases for staff. The growth over the remainder of the MTEF is for inflationary purposes 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 decrease in the 2020/21 Adjusted Appropriation is due to cuts for the non-implementation of the 2020/21 wage agreement, as well as funding moved to Programme 5 to address carry-over costs for the PPP at IALCH. These once-off reductions account for the increase in 2021/22, despite this sub-programme being subject to budget cuts over the MTEF for no increases for staff. The budget cuts result in minimal growth over the remaining two years of the MTEF.

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 was made in the 2020/21 Main Appropriation for the filling of 50 Laundry Services posts, as well as the absorption of 19 Medical Orthotic practitioners from training. Slow filling of posts resulted in a reduction in the 2020/21 Adjusted Appropriation, with the funding moved to Programme 2 for PPP costs at IALCH, as well as within the programme to *Machinery and equipment* for under-budgeted laundry equipment. In addition, there were budget cuts for the non-implementation of the 2020/21 wage agreement. These once-off reductions account for the increase in 2021/22, despite this category being subject to budget cuts over the MTEF for no increases for staff. The growth in 2021/22 does allow for limited filling of laundry posts. The budget cuts result in minimal growth in 2022/23 and no growth in 2023/24. Thus, although the growth in 2021/22 is sufficient, there is insufficient carry-through funding for filling posts and no provision has been made for the 1.5 per cent pay progression, and this will be reviewed in-year and in the next budget process.

Goods and services grew strongly in 2018/19 due to the incorporation of the Medicine Trading Account into the books of the department, as mentioned. The increase in the 2020/21 Adjusted Appropriation is attributed to the provincial response to Covid-19, mitigated to some extent by the movement of funding to Programme 2 to fund temporary Covid-19 staff. This once-off funding accounts for the decrease in 2021/22. The growth over the remainder of the MTEF is for inflationary purposes 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. The increase in the 2020/21 Adjusted Appropriation is attributed to funding moved within the programme from *Compensation of employees* for under-budgeted laundry equipment. There were no cuts implemented against this category over the MTEF and the growth 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		
		2020/21	2021/22	2022/23	2023/24
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	97%	100%	100%	100%
	• Tracer medicine stock-out rate at PPSD	9%	<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	27%	20%	15%	13%

9.8 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. Programme 8's budget was increased by R1.433 billion in the Special Adjustments Estimate in July 2020, as part of the provincial response to the Covid-19 pandemic. The budget was cut by R82.762 million in the Second Adjustments Estimate in November 2020 due to the movement of funding to Programme 2 to address spending pressures. The programme was cut by R62.612 million in 2021/22 due to no increases for staff, as well as fiscal consolidation cuts in the Health Facility Revitalisation grant. The cuts were made to all sub-programmes except for the Central Hospital Services sub-programme, mainly impacting on *Buildings and other fixed structures*. The impact is that the roll-out of capital projects will be slower than originally planned.

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
1. Community Health Facilities	110 349	138 002	196 015	349 350	328 565	218 854	377 228	269 790	303 416
2. District Hospital Services	176 525	259 536	342 018	392 595	587 454	760 190	479 161	567 720	634 634
3. Emergency Medical Services	-	-	-	1 000	667	-	2 400	9 950	1 955
4. Provincial Hospital Services	1 017 206	1 044 354	1 010 015	634 161	1 639 403	1 649 797	542 699	656 538	601 253
5. Central Hospital Services	8 991	28 611	82 492	139 589	79 028	110 417	12 200	16 200	10 700
6. Other Facilities	209 656	290 191	223 768	273 097	504 803	400 662	300 906	291 171	340 841
Total	1 522 727	1 760 694	1 854 308	1 789 792	3 139 920	3 139 920	1 714 594	1 811 369	1 892 799

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	425 744	465 155	630 496	614 018	614 018	691 540	485 213	490 798	544 447
Compensation of employees	59 992	65 075	79 675	113 903	91 748	83 775	89 660	85 369	85 620
Goods and services	365 752	400 080	550 821	500 115	522 270	607 765	395 553	405 429	458 827
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	21	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-
Payments for capital assets	1 096 983	1 295 518	1 223 812	1 175 774	2 525 902	2 448 380	1 229 381	1 320 571	1 348 352
Buildings and other fixed structures	1 069 333	1 249 066	928 325	904 683	2 172 004	2 239 763	1 049 853	1 311 758	1 348 352
Machinery and equipment	27 650	46 452	295 487	271 091	353 898	208 617	179 528	8 813	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 522 727	1 760 694	1 854 308	1 789 792	3 139 920	3 139 920	1 714 594	1 811 369	1 892 799

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 2021/22. 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 2021/22 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 peaked 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 but with this project planned for completion in the early part of 2021/22. The increase in the 2020/21 Adjusted Appropriation relates to additional funding received for the provincial response to Covid-19, and provided for the construction of temporary isolation and quarantine centres, the conversion of a number of existing facilities into isolation and quarantine centres, as well as the construction of complete field hospitals. The 2021/22 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. This category is subjected to budget cuts which will impact on the pace of roll-out of projects over the MTEF.

Compensation of employees from 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 2019/20 and the 2020/21 Main Appropriation relates to the planned filling of posts at the maintenance hub in eThekweni. The reduction in the 2020/21 Adjusted Appropriation was because the hubs were not completed. This funding was moved to *Goods and services*. The department implemented budget cuts over the 2021/22 MTEF due to no increases for staff. The negative growth in 2022/23 is due to the EPWP Integrated Grant for Provinces being funded up to 2021/22 only, at this stage. There is sufficient growth in 2021/22 for the filling of posts at the department's maintenance hub. Growth over the remainder of the MTEF is sufficient for pay progression only.

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 increase in the 2020/21 Adjusted Appropriation is funding moved from *Compensation of employees* to address pressures under operating leases for additional accommodation for interns, as the intake was higher than anticipated. The MTEF 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 increase in the 2020/21 Adjusted Appropriation is attributed to the equipping of the isolation and quarantine centres. The MTEF budget is in line with project requirements.

Service delivery measures: Health Facilities Management

Table 7.38 illustrates service delivery pertaining to Programme 8.

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 7.38 : Service delivery measures: Health Facilities Management

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2020/21	2021/22	2022/23	2023/24
1. Health Facilities Management					
Provision of new health facilities and the refurbishment, upgrading and maintenance of existing facilities	• % of preventative maintenance expenditure	New	50%	60%	60%
	• No. of jobs created through the EPWP	3 412	3 000	3 000	3 000

10. Other programme information

10.1 Personnel numbers and costs

Table 7.39 reflects personnel information. The staff occupying sub-vented (shared costs) posts and whose salaries are claimed from UKZN are not included in the information provided as they are not paid from the department's voted funds.

As from 2017/18, approximately 131 personnel working at the PPSD, who were previously paid from the Medicine Trading Account, are now paid from voted funds, following the decision to incorporate the PPSD to be part of the departmental facilities. 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.

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

	Audited Outcome						Revised Estimate				Medium-term Expenditure Estimate						Average Annual Growth over MTEF 2020/21 - 2023/24		
	2017/18		2018/19		2019/20		2020/21		2021/22		2022/23		2023/24		Pers. growth rate	Costs growth rate	% Costs of Total		
	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Filled posts	Add. posts	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs	Pers. Nos. ¹	Costs					
R thousands																			
Salary level																			
1 – 7	40 954	9 370 758	40 650	10 010 018	52 054	10 738 054	47 963	489	48 452	12 542 917	48 452	13 216 523	48 452	12 818 914	48 452	12 749 747	-	0.5%	43.7%
8 – 10	21 667	10 157 738	22 098	10 852 301	12 461	11 627 546	12 848	23	12 871	12 112 723	12 871	10 375 944	12 871	9 399 960	12 871	9 105 668	-	(9.1%)	35.1%
11 – 12	5 027	4 276 411	5 126	4 601 502	5 201	4 901 522	4 908	13	4 921	4 574 291	4 921	5 218 440	4 921	5 435 781	4 921	5 375 624	-	5.5%	17.6%
13 – 16	83	88 690	84	96 649	96	103 139	70	2	72	87 797	72	117 749	72	123 402	72	128 832	-	13.6%	0.4%
Other	12 951	721 197	12 953	775 719	12 006	820 512	12 047	-	12 047	886 027	12 047	934 759	12 047	979 627	12 047	972 730	-	3.2%	3.3%
Total	80 682	24 614 793	80 911	26 336 189	81 818	28 190 773	77 836	527	78 363	30 203 755	78 363	29 863 415	78 363	28 757 684	78 363	28 332 601	-	(2.1%)	100.0%
Programme																			
1. Administration	881	379 229	891	404 266	899	423 890	899	31	930	457 092	930	478 889	930	492 489	930	492 489	-	2.5%	1.7%
2. District Health Services	46 137	12 229 725	46 843	12 946 954	46 841	14 099 898	48 570	109	48 679	15 600 363	48 679	15 259 251	48 679	14 454 002	48 679	14 384 127	-	(2.7%)	50.9%
3. Emergency Medical Services	2 938	960 621	2 997	976 075	2 989	1 031 514	2 930	-	2 930	1 073 205	2 930	1 055 425	2 930	1 048 607	2 930	1 048 607	-	(0.8%)	3.6%
4. Provincial Hospital Services	19 707	7 405 857	20 093	8 115 122	20 612	8 354 915	17 072	-	17 072	8 618 147	17 072	8 836 870	17 072	8 689 543	17 072	8 490 415	-	(0.5%)	29.6%
5. Central Hospital Services	6 110	2 614 993	6 216	2 819 304	6 334	3 032 929	5 755	-	5 755	3 112 484	5 755	2 981 971	5 755	2 787 176	5 755	2 586 163	-	(6.0%)	9.7%
6. Health Sciences and Training	2 892	871 124	2 949	859 174	3 254	1 013 485	1 773	386	2 159	1 098 947	2 159	984 490	2 159	1 023 094	2 159	1 067 776	-	(1.0%)	3.7%
7. Health Care Support Services	1 698	103 252	602	150 219	569	154 467	519	-	519	159 742	519	176 859	519	177 404	519	177 404	-	3.6%	0.6%
8. Health Facilities Management	319	59 992	320	65 075	320	79 675	318	1	319	83 775	319	89 660	319	85 369	319	85 620	-	0.7%	0.3%
Total	80 682	24 614 793	80 911	26 336 189	81 818	28 190 773	77 836	527	78 363	30 203 755	78 363	29 863 415	78 363	28 757 684	78 363	28 332 601	-	(2.1%)	100.0%
Employee dispensation classification																			
Public Service Act appointees not	23 010	4 530 150	23 103	4 842 873	23 521	5 192 676	23 803	-	23 803	5 633 436	23 803	5 632 007	23 803	5 002 979	23 803	4 906 399	-	(4.5%)	17.8%
Professional Nurses, Staff Nurses and	33 132	13 003 473	33 167	13 912 851	33 272	14 892 326	30 374	-	30 374	15 785 465	30 374	15 435 070	30 374	14 961 449	30 374	14 530 869	-	(2.7%)	51.9%
Legal Professionals	9	5 295	6	5 665	9	6 064	6	-	6	6 575	6	6 937	6	7 270	6	7 590	-	4.9%	0.0%
Social Services Professions	267	121 604	276	130 107	276	139 272	276	-	276	151 000	276	159 305	276	150 952	276	149 298	-	(0.4%)	0.5%
Engineering Professions and related	441	173 869	448	186 029	454	199 133	448	-	448	215 902	448	227 777	448	238 710	448	224 213	-	1.3%	0.8%
Medical and related professionals	8 242	5 011 446	8 321	5 361 913	8 446	5 739 610	7 616	-	7 616	6 222 934	7 616	6 165 195	7 616	6 080 324	7 616	6 043 058	-	(1.0%)	21.0%
Therapeutic, Diagnostic and other related	2 630	1 047 759	2 637	1 121 032	2 637	1 199 998	2 637	-	2 637	1 301 048	2 637	1 324 840	2 637	1 438 491	2 637	1 500 655	-	4.9%	4.9%
Others such as interns, EPWP,	12 951	721 197	12 953	775 719	13 203	821 694	12 676	527	13 203	887 395	13 203	912 284	13 203	877 509	13 203	970 519	-	3.0%	3.1%
Total	80 682	24 614 793	80 911	26 336 189	81 818	28 190 773	77 836	527	78 363	30 203 755	78 363	29 863 415	78 363	28 757 684	78 363	28 332 601	-	(2.1%)	100.0%

1. Personnel numbers includes all filled posts together with those posts additional to the approved establishment

As mentioned, provision should have been made for an inflationary wage adjustment of 1.5 per cent for pay progression in each of the MTEF years. If the once-off funding provided in 2020/21 for the provincial Covid-19 response is disregarded from the 2020/21 Revised Estimate and from 2021/22, the department has provided for a 0.7 per cent increase in 2021/22, negative 1.1 per cent in 2022/23 and negative 1 per cent provision in the outer year of the MTEF due to the budget cuts based on no increases for wage costs. While the increase in 2021/22 is possibly sufficient to provide for pay progression, there is no funding for any filling of posts. The decreases in 2022/23 and 2023/24 indicate that there is insufficient funding to cater for existing staff and this will be reviewed in the next budget process.

10.2 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 3 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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Number of staff	80 682	80 911	81 818	83 509	78 363	78 363	78 363	78 363	78 363
Number of personnel trained	15 500	16 399	17 382	18 338	18 338	18 338	18 338	18 338	18 338
of which									
Male	5 730	6 062	6 425	6 778	6 778	6 778	6 778	6 778	6 778
Female	9 770	10 337	10 957	11 560	11 560	11 560	11 560	11 560	11 560
Number of training opportunities	10 508	11 024	11 684	12 326	12 326	12 326	12 326	12 326	12 326
of which									
Tertiary	1 600	1 600	1 696	1 789	1 789	1 789	1 789	1 789	1 789
Workshops	688	728	771	813	813	813	813	813	813
Seminars	220	233	246	260	260	260	260	260	260
Other	8 000	8 464	8 971	9 464	9 464	9 464	9 464	9 464	9 464
Number of bursaries offered	1 800	1 904	2 018	2 129	2 129	2 129	2 129	2 129	2 129
Number of interns appointed	250	265	280	295	295	295	295	295	295
Number of learnerships appointed	250	250	265	280	280	280	280	280	280
Number of days spent on training	-	-	-	-	-	-	-	-	-
Payments on training by programme									
1. Administration	-	-	-	-	-	-	-	-	-
2. District Health Services	-	-	-	-	-	-	-	-	-
3. Emergency Medical Services	-	-	-	-	-	-	-	-	-
4. Provincial Hospital Services	-	-	-	-	-	-	-	-	-
5. Central Hospital Services	-	-	-	-	-	-	-	-	-
6. Health Sciences and Training	1 246 050	1 181 630	1 343 637	1 383 264	1 386 264	1 424 912	1 523 538	1 626 126	1 697 676
7. Health Care Support Services	-	-	-	-	-	-	-	-	-
8. Health Facilities Management	-	-	-	-	-	-	-	-	-
Total	1 246 050	1 181 630	1 343 637	1 383 264	1 386 264	1 424 912	1 523 538	1 626 126	1 697 676

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		
	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	268 988	278 256	277 427	289 664	289 664	220 440	313 458	328 503	342 958
Sale of goods and services produced by department (excluding capital assets)	268 410	277 503	276 717	288 461	288 461	219 203	312 189	327 173	341 569
Sales by market establishments	15 179	14 878	13 911	24 652	24 652	11 670	26 008	27 256	28 455
Administrative fees	7 192	9 973	10 606	5 952	5 952	8 923	6 279	6 580	6 870
Other sales	246 039	252 652	252 200	257 857	257 857	198 610	279 902	293 337	306 244
Of which									
Health patient fees	126 343	133 797	173 580	157 408	157 408	117 446	165 122	173 048	180 662
Commission	22 166	20 800	23 924	22 366	22 366	25 310	23 596	24 729	25 817
Boarding services	54 183	54 200	55 461	58 131	58 131	55 500	61 328	64 272	67 100
Tender documents	310	360	219	382	382	35	403	422	441
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	578	753	710	1 203	1 203	1 237	1 269	1 330	1 389
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	70	48	42	72	72	33	76	80	84
Interest, dividends and rent on land	145	587	263	166	166	917	175	183	191
Interest	145	587	263	166	166	917	175	183	191
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	6 897	7 039	9 536	8 000	8 000	8 000	9 000	9 432	9 847
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	6 897	7 039	9 536	8 000	8 000	8 000	9 000	9 432	9 847
Transactions in financial assets and liabilities	21 672	17 210	16 690	18 531	18 531	17 390	19 550	20 488	21 389
Total	297 772	303 140	303 958	316 433	316 433	246 780	342 259	358 686	374 469

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2017/18	2018/19	2019/20	Appropriation	Appropriation	Estimate	2021/22	2022/23	2023/24
Current payments	1 325 342	1 377 060	1 426 505	1 563 122	1 460 584	1 466 146	1 467 496	1 480 460	1 499 459
Compensation of employees	950 621	976 075	1 031 514	1 167 633	1 048 607	1 073 205	1 055 425	1 048 607	1 048 607
Salaries and wages	812 984	829 284	876 848	1 006 455	922 708	910 661	905 803	899 226	899 226
Social contributions	137 637	146 791	154 666	161 178	125 899	162 544	149 622	149 381	149 381
Goods and services	374 715	400 915	394 990	395 489	411 977	392 940	412 071	431 853	450 852
Administrative fees	31	31	56	13	13	16	14	15	16
Advertising	13	1	-	38	38	28	14	15	16
Minor assets	1 076	7 728	2 667	1 554	1 554	1 648	1 635	1 713	1 788
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	41	-	-	-	-	-	-
Communication (G&S)	9 262	8 931	8 964	9 237	8 980	9 359	9 717	10 183	10 631
Computer services	-	-	-	-	-	-	-	-	-
Cons. & prof serv: Business and advisory services	137	-	4	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	178	386	205	114	114	188	120	126	132
Contractors	2 041	1 395	1 502	1 208	1 208	1 340	1 271	1 332	1 390
Agency and support / outsourced services	485	830	1 180	885	885	1 006	931	976	1 019
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including gvt. motor transport)	236 383	241 683	258 166	245 260	247 345	239 189	255 107	267 353	279 116
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	1 060	10 664	10 859	8 205	11 205	11 715	8 640	9 055	9 453
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	282	3 224	(265)	-	-	41	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	75	223	344	278	278	323	292	306	319
Inventory: Medical supplies	8 721	13 247	13 823	13 015	20 208	20 019	13 693	14 350	14 981
Inventory: Medicine	626	429	335	403	403	375	432	453	473
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 229	1 626	1 685	1 996	1 996	2 038	2 100	2 201	2 298
Consumable supplies	226	127	70	392	1 101	1 130	416	436	455
Consumable: Stationery, printing and office supplies	1 912	1 890	1 808	3 513	2 471	2 285	3 696	3 873	4 043
Operating leases	1 085	1 270	2 516	1 946	2 859	2 190	2 047	2 146	2 240
Property payments	24 340	29 229	32 031	34 117	37 000	37 286	34 819	36 491	38 097
Transport provided: Departmental activity	83 114	74 459	54 987	70 547	73 740	62 052	74 215	77 777	81 199
Travel and subsistence	2 434	3 511	3 937	2 768	579	558	2 912	3 052	3 186
Training and development	-	29	-	-	-	-	-	-	-
Operating payments	5	2	1	-	-	154	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	74	-	-	-	-	-	-
Interest and rent on land	6	70	1	-	-	1	-	-	-
Interest	6	70	1	-	-	1	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	4 699	3 788	4 274	5 918	5 918	6 417	6 243	6 542	6 830
Provinces and municipalities	2 834	1 592	2 680	2 947	2 947	3 342	3 109	3 258	3 401
Provinces	2 834	1 592	2 680	2 947	2 947	3 342	3 109	3 258	3 401
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	2 834	1 592	2 680	2 947	2 947	3 342	3 109	3 258	3 401
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	2	2	1	2	2	2
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	2	2	1	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	1 865	2 196	1 594	2 969	2 969	3 074	3 132	3 282	3 427
Social benefits	1 566	2 084	1 526	1 876	1 876	1 981	1 979	2 074	2 166
Other transfers to households	299	112	68	1 093	1 093	1 093	1 153	1 208	1 261
Payments for capital assets	47 536	65 802	172 107	43 335	195 098	243 223	107 065	112 204	117 141
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	47 536	65 802	172 107	43 335	195 098	243 223	107 065	112 204	117 141
Transport equipment	41 540	58 765	148 897	28 531	169 914	218 039	91 447	95 836	100 053
Other machinery and equipment	5 996	7 037	23 210	14 804	25 184	25 184	15 618	16 368	17 088
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 377 577	1 446 650	1 602 886	1 612 375	1 661 600	1 715 786	1 580 804	1 599 206	1 623 430

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		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Current payments	933 698	908 011	1 067 189	1 224 655	1 148 857	1 151 412	1 037 726	1 078 886	1 126 022
Compensation of employees	871 124	859 174	1 013 485	1 156 996	1 091 873	1 098 947	984 490	1 023 094	1 067 776
Salaries and wages	831 653	820 249	975 144	1 115 628	1 053 112	1 060 343	945 379	984 003	1 028 267
Social contributions	39 471	38 925	38 341	41 368	38 761	38 604	39 111	39 091	39 509
Goods and services	62 571	48 836	53 317	67 659	56 984	52 464	53 236	55 792	58 246
Administrative fees	775	714	1 037	699	699	660	717	751	784
Advertising	160	74	45	67	67	58	211	221	231
Minor assets	599	242	127	276	276	322	312	328	342
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	1 223	2 520	3 583	3 240	8 009	8 216	3 417	3 581	3 739
Catering: Departmental activities	291	127	341	166	396	395	234	246	257
Communication (G&S)	855	864	886	843	1 893	1 484	709	743	775
Computer services	-	175	215	220	220	210	231	242	253
Cons. & prof serv: Business and advisory services	18	11	11	42	42	67	59	62	65
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	58	71	65	82	82	56	51	51	53
Contractors	6	-	63	13	13	10	7	7	7
Agency and support / outsourced services	-	1	-	-	-	-	-	-	-
Entertainment	-	358	-	-	-	-	-	-	-
Fleet services (including gvt. motor transport)	2 998	3 296	2 450	2 522	2 522	2 216	2 654	2 781	2 904
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	165	22	8	105	3 105	3 109	183	194	203
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	76	-	-	9	-	-	-
Inventory: Learner and teacher support material	583	109	509	-	-	279	-	-	-
Inventory: Materials and supplies	253	137	27	81	81	76	409	429	448
Inventory: Medical supplies	10	98	90	74	74	62	89	91	95
Inventory: Medicine	15	-	-	-	-	2	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	319	472	597	515	515	400	601	620	647
Consumable supplies	693	808	772	877	877	806	858	896	935
Consumable: Stationery, printing and office supplies	2 500	1 858	1 799	2 905	1 928	1 396	3 056	3 203	3 344
Operating leases	1 107	1 123	1 315	1 418	1 418	1 403	1 452	1 522	1 589
Property payments	7 856	8 772	9 694	9 383	9 383	9 442	9 690	10 168	10 615
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	29 626	17 333	17 376	20 422	10 778	9 253	21 427	22 458	23 447
Training and development	11 676	8 689	11 458	22 709	9 221	7 825	5 816	6 095	6 363
Operating payments	438	603	471	558	4 943	4 266	588	616	642
Venues and facilities	347	359	302	442	442	442	465	487	508
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	3	1	387	-	-	1	-	-	-
Interest	3	1	387	-	-	1	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	310 371	273 436	228 430	154 186	127 398	127 546	161 388	169 135	176 578
Provinces and municipalities	15	-	-	-	-	-	-	-	-
Provinces	15	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	15	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	18 850	20 868	22 036	23 248	23 248	23 248	23 248	24 364	25 436
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	18 850	20 868	22 036	23 248	23 248	23 248	23 248	24 364	25 436
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	291 506	252 568	206 394	130 938	104 150	104 298	138 140	144 771	151 142
Social benefits	4 972	4 249	3 371	2 488	2 488	2 636	2 625	2 751	2 873
Other transfers to households	286 534	248 319	203 023	128 450	101 662	101 662	135 515	142 020	148 269
Payments for capital assets	1 981	183	8 954	4 423	16 116	16 998	10 984	11 512	12 019
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 981	183	8 954	4 423	16 116	16 998	10 984	11 512	12 019
Transport equipment	1 373	134	6 095	-	-	882	6 318	6 622	6 914
Other machinery and equipment	608	49	2 859	4 423	16 116	16 116	4 666	4 890	5 105
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 246 050	1 181 630	1 304 573	1 383 264	1 292 371	1 295 956	1 210 098	1 259 533	1 314 619

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2017/18	2018/19	2019/20	Appropriation	Appropriation	Estimate	2021/22	2022/23	2023/24
Current payments	189 492	476 931	249 044	336 777	376 482	372 064	333 308	341 363	348 578
Compensation of employees	103 252	150 219	154 467	188 327	163 785	159 742	176 859	177 404	177 404
Salaries and wages	84 963	125 091	128 182	154 602	139 494	134 454	145 605	146 195	146 195
Social contributions	18 289	25 128	26 285	33 725	24 291	25 288	31 254	31 209	31 209
Goods and services	86 237	326 710	94 577	148 450	212 697	212 322	156 449	163 959	171 174
Administrative fees	2	6	43	9	9	22	9	9	9
Advertising	29	16	-	114	114	82	122	127	132
Minor assets	112	107	314	238	238	185	188	200	209
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	1 082	1 207	1 079	1 198	1 198	1 107	1 242	1 302	1 359
Computer services	-	2 267	2 605	2 727	2 727	2 727	2 851	2 989	3 121
Cons. & prof serv: Business and advisory services	-	14	13	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	10	-	-	-	-	-	-
Contractors	-	194	400	291	291	202	154	169	177
Agency and support / outsourced services	25	109	178	133	133	126	80	87	91
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including gvt. motor transport)	4 331	5 104	4 975	4 879	4 879	4 668	5 111	5 357	5 593
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	931	1 294	850	1 403	4 291	3 695	1 423	1 494	1 560
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	14 771	24 306	34 117	32 316	32 316	31 825	33 996	35 628	37 196
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	336	256	326	439	439	394	463	485	506
Inventory: Medical supplies	9 448	8 557	13 668	16 091	14 286	14 518	16 692	17 505	18 275
Inventory: Medicine	-	-	24	-	-	-	-	-	-
Medasas inventory interface	-	195 014	(34 231)	-	-	-	-	-	-
Inventory: Other supplies	30 095	37 846	18 410	43 122	96 066	96 183	45 551	47 729	49 830
Consumable supplies	10	1 162	1 649	2 868	2 868	2 958	3 027	3 172	3 311
Consumable: Stationery, printing and office supplies	205	953	858	1 036	1 036	1 083	826	879	918
Operating leases	128	511	499	548	548	529	517	545	569
Property payments	15 919	27 232	27 923	27 481	28 746	30 092	30 054	31 454	32 838
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	82	114	536	145	365	616	393	400	417
Training and development	-	4	-	23	23	-	-	1	1
Operating payments	8 731	20 437	20 331	13 389	22 124	21 310	13 750	14 427	15 062
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	3	2	-	-	-	-	-	-	-
Interest	3	2	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 261	453	1 493	821	821	782	866	908	948
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
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	1 261	453	1 493	821	821	782	866	908	948
Social benefits	1 261	453	1 493	821	821	782	866	908	948
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	7 449	8 253	829	1 046	5 266	6 172	6 837	7 165	7 481
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	7 449	8 253	829	1 046	5 266	6 172	6 837	7 165	7 481
Transport equipment	2 282	-	564	-	4 220	5 090	5 733	6 008	6 273
Other machinery and equipment	5 167	8 253	265	1 046	1 046	1 082	1 104	1 157	1 208
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	198 202	485 637	251 366	338 644	382 569	379 018	341 011	349 436	357 007

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	425 744	465 155	630 496	614 018	614 018	691 540	485 213	490 798	544 447
Compensation of employees	59 992	65 075	79 675	113 903	91 748	83 775	89 660	85 369	85 620
Salaries and wages	57 830	62 258	76 345	104 921	82 766	80 020	85 262	75 341	75 394
Social contributions	2 162	2 817	3 330	8 982	8 982	3 755	4 398	10 028	10 226
Goods and services	365 752	400 080	550 821	500 115	522 270	607 765	395 553	405 429	458 827
Administrative fees	6	1	8	-	-	-	-	-	-
Advertising	-	-	58	-	-	-	-	-	-
Minor assets	1 042	1 051	4 855	-	977	2 692	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	2	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	100	-	-	-	-	-	-
Cons. & prof serv: Business and advisory services	61	3 462	2 877	-	1 188	18 699	-	-	-
Infrastructure and planning	-	-	-	2 228	1 110	550	2 351	2 464	2 572
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	536	-	-	-	-	-	-	-	-
Contractors	6 030	1 117	1 784	-	1 371	2 150	-	-	-
Agency and support / outsourced services	22	25	-	-	11	1	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including gvt. motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	12	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	2 106	(342)	218	-	59	122	-	-	-
Inventory: Medical supplies	716	-	1 799	-	1 390	1 718	-	-	-
Inventory: Medicine	-	-	-	-	-	2	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	816	2 363	1 362	2 708	2 493	2 613	2 728
Consumable supplies	9 408	34 120	32 911	17 188	18 414	28 245	18 133	19 003	19 839
Consumable: Stationery, printing and office supplies	24	-	-	232	118	60	245	257	268
Operating leases	94 583	90 660	79 131	95 482	135 968	159 049	90 535	94 184	90 000
Property payments	250 045	268 180	423 825	382 622	357 192	388 229	281 796	286 908	343 420
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 132	1 740	2 138	-	536	958	-	-	-
Training and development	-	-	96	-	-	-	-	-	-
Operating payments	4	64	193	-	2 574	2 582	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	37	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	21	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 096 983	1 295 518	1 223 812	1 175 774	2 525 902	2 448 380	1 229 381	1 320 571	1 348 352
Buildings and other fixed structures	1 069 333	1 249 066	928 325	904 683	2 172 004	2 239 763	1 049 853	1 311 758	1 348 352
Buildings	1 069 333	1 241 358	909 552	904 683	2 115 999	2 170 779	1 049 853	1 311 758	1 348 352
Other fixed structures	-	7 708	18 773	-	56 005	68 984	-	-	-
Machinery and equipment	27 650	46 452	295 487	271 091	353 898	208 617	179 528	8 813	-
Transport equipment	-	-	-	-	-	31 011	-	-	-
Other machinery and equipment	27 650	46 452	295 487	271 091	353 898	177 606	179 528	8 813	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 522 727	1 760 694	1 854 308	1 789 792	3 139 920	3 139 920	1 714 594	1 811 369	1 892 799

Estimates of Provincial Revenue and Expenditure

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	331 944	349 500	370 489	-	-	-	-	-	-
Compensation of employees	331 444	349 000	370 076	-	-	-	-	-	-
Salaries and wages	288 292	303 629	348 414	-	-	-	-	-	-
Social contributions	43 152	45 371	21 662	-	-	-	-	-	-
Goods and services	500	500	413	-	-	-	-	-	-
Advertising	25	30	-	-	-	-	-	-	-
Consumable supplies	-	-	8	-	-	-	-	-	-
Travel and subsistence	50	50	16	-	-	-	-	-	-
Operating payments	425	420	389	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	374	-	-	-	-	-	-
Households	-	-	374	-	-	-	-	-	-
Social benefits	-	-	374	-	-	-	-	-	-
Payments for capital assets	-	1 697	-	-	-	-	-	-	-
Machinery and equipment	-	1 697	-	-	-	-	-	-	-
Other machinery and equipment	-	1 697	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	331 944	351 197	370 863	-	-	-	-	-	-

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	146 947	298 209	246 500	174 342	174 342	174 342	152 202	42 570	38 223
Compensation of employees	26 197	32 856	37 423	36 000	36 000	36 000	42 142	36 125	38 123
Salaries and wages	23 871	30 165	34 092	33 960	33 960	33 960	40 000	33 859	35 859
Social contributions	2 326	2 691	3 331	2 040	2 040	2 040	2 142	2 266	2 264
Goods and services	120 750	265 353	209 077	138 342	138 342	138 342	110 060	6 445	100
Administrative fees	1	-	8	-	-	-	-	-	-
Advertising	-	-	58	-	-	-	-	-	-
Minor assets	1 042	-	4 842	-	-	-	-	-	-
Computer services	-	-	100	-	-	-	-	-	-
Cons. and prof. serv.: Bus. and advisory services	-	-	2 877	-	-	-	-	-	-
Infrastructure and planning	-	-	-	2 112	2 112	2 112	2 218	2 324	-
Legal costs	536	-	-	-	-	-	-	-	-
Contractors	850	-	1 245	-	-	-	-	-	-
Inventory: Clothing material and accessories	147	-	12	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	109	-	-	-	-	-	-
Inventory: Medical supplies	717	-	1 800	-	-	-	-	-	-
Inventory: Other supplies	-	-	815	2 363	2 363	2 363	2 481	2 600	-
Consumable supplies	273	-	206	1 162	1 162	1 162	1 220	1 279	-
Consumable: Stationery, printing and office supplies	24	220	-	220	220	220	231	242	-
Property payments	116 064	265 133	194 701	132 485	132 485	132 485	103 910	-	100
Travel and subsistence	1 093	-	2 138	-	-	-	-	-	-
Training and development	-	-	96	-	-	-	-	-	-
Operating payments	3	-	70	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 004 617	1 122 552	1 106 858	1 097 072	1 097 072	1 097 072	1 095 528	1 304 571	1 369 922
Buildings and other fixed structures	977 075	1 109 225	834 053	1 067 072	1 067 072	1 067 072	924 028	1 304 571	1 369 922
Buildings	977 075	1 090 452	815 280	1 067 072	1 067 072	1 067 072	924 028	1 304 571	1 369 922
Other fixed structures	-	18 773	18 773	-	-	-	-	-	-
Machinery and equipment	27 542	13 327	272 805	30 000	30 000	30 000	171 500	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	27 542	13 327	272 805	30 000	30 000	30 000	171 500	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 151 564	1 420 761	1 353 358	1 271 414	1 271 414	1 271 414	1 247 730	1 347 141	1 408 145

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	1 634 466	1 741 576	1 843 045	1 956 732	1 956 732	1 956 732	1 907 511	1 946 279	1 949 207
Compensation of employees	835 146	883 044	930 162	998 018	998 018	998 018	997 464	1 013 122	1 013 122
Salaries and wages	726 577	802 170	845 691	866 577	866 577	866 577	862 524	872 445	872 445
Social contributions	108 569	80 874	84 471	131 441	131 441	131 441	134 940	140 677	140 677
Goods and services	799 320	858 532	912 883	958 714	958 714	958 714	910 047	933 157	936 085
Minor assets	-	-	-	-	-	-	180	180	180
Laboratory services	161 740	192 769	188 267	177 583	177 583	177 583	201 165	210 237	210 237
Contractors	8 500	27 449	23 955	54 600	54 600	54 600	11 000	13 752	13 752
Inventory: Clothing material and accessories	-	-	-	490	490	490	(1)	-	-
Inventory: Food and food supplies	-	-	1 409	1 500	1 500	1 500	1 500	1 576	1 576
Inventory: Medical supplies	448 754	464 353	495 568	521 264	521 264	521 264	473 778	474 718	477 646
Inventory: Medicine	176 000	172 776	199 341	199 910	199 910	199 910	206 029	216 104	216 104
Inventory: Other supplies	-	-	3 449	2 687	2 687	2 687	7 100	7 236	7 236
Consumable supplies	4 116	816	880	643	643	643	991	1 024	1 024
Operating leases	-	-	-	-	-	-	992	1 006	1 006
Travel and subsistence	210	197	14	37	37	37	812	824	824
Operating payments	-	172	-	-	-	-	-	-	-
Transfers and subsidies	4 800	3 094	2 195	3 223	3 223	3 223	2 345	2 508	2 508
Households	4 800	3 094	2 195	3 223	3 223	3 223	2 345	2 508	2 508
Social benefits	4 800	3 094	2 195	3 223	3 223	3 223	2 345	2 508	2 508
Payments for capital assets	57 000	49 979	49 909	55 820	55 820	55 820	45 772	48 585	48 585
Machinery and equipment	57 000	49 979	49 909	55 820	55 820	55 820	45 772	48 585	48 585
Other machinery and equipment	57 000	49 979	49 909	55 820	55 820	55 820	45 772	48 585	48 585
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 696 266	1 794 649	1 895 149	2 015 775	2 015 775	2 015 775	1 955 628	1 997 372	2 000 300

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	47 058	24 182	20 998	-	-	-	21 228	-	-
Compensation of employees	45 758	24 135	20 998	-	-	-	21 228	-	-
Salaries and wages	45 758	20 997	20 991	-	-	-	21 228	-	-
Social contributions	-	3 138	7	-	-	-	-	-	-
Goods and services	1 300	47	-	-	-	-	-	-	-
Inventory: Medical supplies	1 300	-	-	-	-	-	-	-	-
Travel and subsistence	-	47	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	47 058	24 182	20 998	-	-	-	21 228	-	-

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	8 400	8 896	10 313	10 903	10 903	10 903	12 689	-	-
Compensation of employees	8 400	8 896	10 313	10 903	10 903	10 903	12 689	-	-
Salaries and wages	8 392	8 896	10 313	10 903	10 903	10 903	12 689	-	-
Social contributions	8	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	8 400	8 896	10 313	10 903	10 903	10 903	12 689	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	4 714 083	5 538 736	5 700 677	6 292 523	6 707 385	6 783 692	6 974 740	7 102 937	6 952 139
Compensation of employees	1 952 072	2 261 882	2 393 266	2 537 595	2 899 672	2 903 836	3 085 025	3 168 083	3 179 403
Salaries and wages	1 699 180	1 994 357	2 110 923	2 233 559	2 601 827	2 608 258	2 744 826	2 808 152	2 819 472
Social contributions	252 892	267 525	282 343	304 036	297 845	295 578	340 199	359 931	359 931
Goods and services	2 762 011	3 276 854	3 307 411	3 754 928	3 807 713	3 879 856	3 889 715	3 934 854	3 772 736
Administrative fees	685	504	1 434	684	419	441	720	755	755
Advertising	15 482	14 402	3 754	21 060	39 620	20 563	30 994	31 265	31 013
Minor assets	37	410	911	4 439	2 219	1 376	7 756	3 515	3 434
Catering: Departmental activities	105	1 398	777	2 929	1 968	1 295	2 892	3 028	3 238
Communication (G&S)	329	298	298	380	3 892	22 731	851	649	419
Cons. & prof. serv.: Business and advisory services	1	65	-	3 037	1 519	-	-	100	-
Laboratory services	630 431	949 405	1 094 509	1 110 000	1 070 653	1 166 132	1 136 799	1 152 210	1 161 467
Contractors	42 828	25 455	21 479	40 000	31 000	20 211	100 092	103 840	108 141
Agency and support / outsourced services	4 301	3 422	2 374	5 900	3 050	1 927	6 495	6 204	5 937
Fleet services (including govt. motor transport)	219	243	163	844	565	446	-	-	-
Inventory: Clothing material and accessories	12	-	861	915	23 304	14 830	21 412	11 718	-
Inventory: Food and food supplies	-	-	-	1	30	30	-	-	-
Inventory: Materials and supplies	-	48	26	34	17	12	-	-	-
Inventory: Medical supplies	114 750	170 908	135 034	196 416	132 839	99 531	272 889	246 543	222 417
Inventory: Medicine	1 935 741	2 093 603	2 012 651	2 306 904	2 454 664	2 493 779	2 226 002	2 294 375	2 159 472
Inventory: Other supplies	-	-	43	258	146	104	200	210	220
Consumable supplies	6 424	7 170	8 173	8 378	8 378	10 976	8 689	9 099	9 523
Consumable: Stationery, printing and office supplies	506	1 730	3 178	9 134	7 011	4 782	24 624	19 448	16 750
Operating leases	242	222	132	522	356	296	551	577	577
Property payments	98	172	100	8 392	-	317	9 561	10 020	8 533
Transport provided: Departmental activity	-	439	158	-	-	-	-	-	-
Travel and subsistence	8 142	5 127	11 673	18 437	9 935	10 103	25 221	27 220	27 600
Training and development	910	1 035	8 500	10 238	12 757	7 497	10 723	10 675	9 667
Operating payments	768	513	658	5 920	3 317	2 410	2 824	2 963	3 111
Venues and facilities	-	-	-	106	54	-	420	440	462
Rental and hiring	-	285	525	-	-	67	-	-	-
Transfers and subsidies	131 585	133 694	136 060	146 252	146 252	146 252	140 624	147 350	154 742
Municipalities	116 846	116 882	118 223	128 174	128 174	128 174	135 224	141 715	148 800
Municipalities	116 846	116 882	118 223	128 174	128 174	128 174	135 224	141 715	148 800
Non-profit institutions	10 034	10 403	11 614	12 678	12 678	12 678	-	-	-
Households	4 705	6 409	6 223	5 400	5 400	5 400	5 400	5 635	5 942
Social benefits	4 705	6 409	6 223	5 400	5 400	5 400	5 400	5 635	5 942
Payments for capital assets	6 827	4 795	3 892	15 148	45 253	45 253	45 173	26 688	11 327
Machinery and equipment	6 827	4 795	3 892	15 148	45 253	45 253	45 173	26 688	11 327
Transport equipment	6 229	-	2 743	1 275	27 083	27 083	8 400	4 200	-
Other machinery and equipment	598	4 795	1 149	13 873	18 170	18 170	36 773	22 488	11 327
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	4 852 495	5 677 225	5 840 629	6 453 923	6 898 890	6 975 197	7 160 537	7 276 975	7 118 208

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	-	27 991	28 973	-	-	-	-	-	-
Compensation of employees	-	1 123	4 792	-	-	-	-	-	-
Salaries and wages	-	1 123	4 792	-	-	-	-	-	-
Goods and services	-	26 868	24 181	-	-	-	-	-	-
Advertising	-	-	582	-	-	-	-	-	-
Minor assets	-	-	12	-	-	-	-	-	-
Catering: Departmental activities	-	5	65	-	-	-	-	-	-
Communication (G&S)	-	25	61	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	10	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	36	-	-	-	-	-	-
Inventory: Medical supplies	-	16	399	-	-	-	-	-	-
Inventory: Medicine	-	24 666	17 787	-	-	-	-	-	-
Consumable supplies	-	-	4	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	4	404	-	-	-	-	-	-
Travel and subsistence	-	2 152	4 789	-	-	-	-	-	-
Training and development	-	-	32	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	5 395	8 590	-	-	-	-	-	-
Machinery and equipment	-	5 395	8 590	-	-	-	-	-	-
Other machinery and equipment	-	5 395	8 590	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	33 386	37 563	-	-	-	-	-	-

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	-	-	38 499	55 290	60 945	60 945	50 415	50 842	50 860
Compensation of employees	-	-	35 803	55 290	60 945	60 945	47 865	48 302	48 310
Salaries and wages	-	-	35 803	55 290	60 945	60 945	47 865	48 302	48 310
Goods and services	-	-	2 696	-	-	-	2 550	2 540	2 550
<i>Travel and subsistence</i>	-	-	2 696	-	-	-	2 550	2 540	2 550
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	38 499	55 290	60 945	60 945	50 415	50 842	50 860

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		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	-	-	191 730	-	-	-	-	-	-
Compensation of employees	-	-	191 730	-	-	-	-	-	-
Salaries and wages	-	-	175 829	-	-	-	-	-	-
Social contributions	-	-	15 901	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	191 730	-	-	-	-	-	-

Table 7.U : Payments and estimates by economic classification: HR and Training grant (Prog. 4: Prov. Hosp. Services & Prog. 6: Health Sciences & Training)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	-	-	-	593 830	634 378	634 378	562 959	571 970	578 935
Compensation of employees	-	-	-	593 300	633 848	633 848	562 429	571 414	578 379
Salaries and wages	-	-	-	525 554	566 102	566 102	489 940	495 446	502 411
Social contributions	-	-	-	67 746	67 746	67 746	72 489	75 968	75 968
Goods and services	-	-	-	530	530	530	530	556	556
<i>Advertising</i>	-	-	-	32	32	32	32	34	34
<i>Travel and subsistence</i>	-	-	-	53	53	53	53	56	56
<i>Operating payments</i>	-	-	-	445	445	445	445	466	466
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	593 830	634 378	634 378	562 959	571 970	578 935

Table 7.V : Payments and estimates by economic classification: Provincial Disaster Relief grant (Prog. 2: District Health Services)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	-	-	-	-	113 918	113 918	-	-	-
Goods and services	-	-	-	-	113 918	113 918	-	-	-
<i>Inventory: Clothing material and accessories</i>	-	-	-	-	113 918	113 918	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	25 000	25 000	-	-	-
Machinery and equipment	-	-	-	-	25 000	25 000	-	-	-
Other machinery and equipment	-	-	-	-	25 000	25 000	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	138 918	138 918	-	-	-

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2017/18	2018/19	2019/20	Appropriation	Appropriation	Estimate	2021/22	2022/23	2023/24
A KZN2000 eThekweni	219 656	215 276	222 892	237 793	237 793	237 793	244 843	256 596	268 736
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
B KZN212 uMdoni	-	-	-	-	-	-	-	-	-
B KZN213 uMzombe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	-	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 iMpendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN237 iNkosi Langaibalele	-	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	-	-	-	-	-	-	-	-	-
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
B KZN241 eNdumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nquthu	-	-	-	-	-	-	-	-	-
B KZN244 uMsinga	-	-	-	-	-	-	-	-	-
B KZN245 uMvoti	-	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	-	-	-
B KZN252 Newcastle	-	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 AbaQulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
B KZN271 uMhlabuyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	-	-	-
B KZN281 uMfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlatuze	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	-	-	-
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	-	-	-
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 uBuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 uMzimkhulu	-	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	219 656	215 276	222 892	237 793	237 793	237 793	244 843	256 596	268 736