

VOTE 7

Health

Operational budget	R42 345 686 205
MEC remuneration	R 1 977 795
Total amount to be appropriated	R42 347 664 000
Responsible MEC	MEC for Health
Administering department	Health
Accounting officer	Head: Health

1. Overview

Vision

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

Mission Statement

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

Strategic objectives

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

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

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

Core functions

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

The department provides health services primarily to the uninsured population of KZN, who comprise about 88.1 per cent of the province's total population of 10 919 077 (2015 Mid-Year Population Estimates, StatsSA). In addition, the department provides central health services to people beyond provincial boundaries. The main categories of health services provided by the department are as follows:

Primary health care services

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

Hospital services

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

Forensic pathology services

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

Emergency medical services

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

Legislative mandate

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

- The Constitution of the Republic of South Africa (Act No. 108 of 1996)
- KwaZulu-Natal Health Act (Act No. 1 of 2009) and Regulations
- National Health Act (Act No. 61 of 2003)
- Mental Health Care Act (Act No. 17 of 2002)
- Public Finance Management Act (Act No. 1 of 1999, as amended) and the Treasury Regulations
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Annual Division of Revenue Act
- Public Service Act (Act No. 103 of 1994) and the Public Service Regulations
- Medicines and Related Substances Act (Act No. 101 of 1965, as amended)
- Pharmacy Act (Act No. 53 of 1974, as amended)
- Nursing Act (Act No. 33 of 2005)
- Choice of Termination of Pregnancy Act (Act No. 92 of 1996, as amended)
- Labour Relations Act (Act No. 66 of 1995)
- Basic Conditions of Employment Act (Act No. 75 of 1997)
- Skills Development Act (Act No. 97 of 1998)
- National Health Laboratory Service Act (Act No. 37 of 2000)
- Occupational Health and Safety Act (Act No. 85 of 1993)
- Traditional Health Practitioners Act (Act No. 35 of 2004)
- Health Professions Act (Act No. 56 of 1974)
- Human Tissue Act (Act No. 65 of 1983)
- Allied Health Professions Act (Act No. 63 of 1982)

2. Review of the 2017/18 financial year

Section 2 provides a review of 2017/18 outlining the main achievements and progress made by the department, as well as providing a brief discussion on the challenges and new developments.

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

- Reduced the mother to child transmission rate of HIV from 1.1 per cent in 2016/17 to 0.62 per cent against the 2017/18 target of 1.1 per cent by March 2018.
- The facility maternal mortality ratio increased slightly (which the department is still investigating), from 106.7 maternal deaths per 100 000 live births in 2016/17 to 109.6 maternal deaths per 100 000 live births against a target of 105 maternal deaths per 100 000 live births.
- Decreased the child under 5-year severe acute malnutrition incidence from 4.6 per 1 000 in 2016/17 to 2.6 per 1000 against the target of 4.9 per 1 000.
- Decreased the TB incidence from the 2017 target of 750 to 700 per 100 000 population by March 2018. This indicator is annual in nature and was not available at the time of compiling this document.
- The TB client treatment success rate decreased slightly from 88.7 per cent in 2016/17 to 87.5 per cent against the target of 86 per cent.
- A total of 1 243 891 clients remained on ARV treatment at the end of the third quarter against a target of 1 441 555.
- Hypertension incidence increased from 21.8 per cent in 2016/17 to 23.6 per cent against the target of 25.3 per 1 000 by March 2018. The increase in incidence is likely to be due to the increase in the number of patients routinely screened for hypertension.
- Diabetes incidence increased from 2.8 per cent in 2016/17 to 3.1 per cent against the target of 3.6 per 1 000. The increase in incidence is likely to be due to the increase in the number of patients routinely screened for diabetes.

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

- 64.9 per cent of clinics achieved Ideal Clinic status against a target of 75 per cent by March 2018. Not all targeted clinics had been assessed by the time of compiling this document.

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

- The first phase of the hospital rationalisation process commenced. Initial assessments and proposals to inform the process were completed and presented for the following hospitals: St Margaret's, Thulasizwe, Dunstan Ferrell (old SANTA Hospital) and Doris Goodwin Specialised TB Hospitals, Siloah State Aided Hospital, as well as Appelsbosch, Montebello and Umgeni Specialised Psychiatric Hospitals. Rationalisation processes, including a review of functions, the package of services, and bed allocation and classification, will be fast tracked in 2018/19. Commissioning of the Dr. Pixley Ka Isaka Seme Hospital, as well as the re-allocation of level 2 services to the new hospital from the Mahatma Gandhi Memorial and Addington Hospitals is on track, in keeping with the expected commissioning in 2019.

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

- The review of the organisational structure continued taking into consideration reviewed functions and the rationalisation processes. Options for the review of the head office structure were submitted to the National Department of Health (NDOH) to inform a generic head office structure that will be used in the review of the KZN structure.
- The department is in the final stage of finalising the Essential Post List for Health to inform prioritising the filling of essential posts in facilities. All facilities were included in the project. A costed Essential Post List will be presented to the Provincial Executive Council before the end of

2017/18 with the aim to rescind the process of filling essential posts and will also serve as a baseline for the hospital rationalisation plan and the long term human resources plan.

- The implementation of Phase 2 of the Decentralised Training in a PHC Model commenced in partnership with the University of KZN (UKZN) in King Cetshwayo, Amajuba, Ugu, eThekweni and uMgungundlovu Districts. The anticipated increase in student numbers is in preparation for the 261 students participating in the Cuban Doctors' programme that will return to South Africa for the final 18 months of training before graduating.

Improving financial management with focus on the following:

- Although the department planned to continue the process of implementing an electronic inventory management system in all hospitals and community health centres, along with an electronic billing system in central, tertiary and regional hospitals and selected high volume district hospitals, the implementation was put on hold due to budget pressures.
- The department continued to address NHLS pressures by reviewing and implementing gate-keeping processes to reduce costs, and a pilot electronic gate-keeping project was implemented in the third quarter, but too late to have an impact on aggregate NHLS expenditure.
- The department's newly established medico-legal claims unit, which includes departmental medical and legal experts, formulated strategies, systems and policies with the aim of reducing the future incidence of claims against the state.

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

- The department continued to implement the National Core Standards in all facilities, and 18 of 20 assessed facilities achieved more than 75 per cent against the core standards – compliant with all extreme and vital measures of the core standards.
- A patient satisfaction rate of more than 95 per cent was achieved. The department implemented the Service Delivery Improvement Programme Enhancement Plan to further improve on patient participation, satisfaction and reducing patient complaints.

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

- Implementation of NHI initiatives moved beyond the NHI districts to all districts in the province.
- Contracts with private medical practitioners and pharmacist assistants, previously paid from the NHI grant, will be terminated in early 2018/19, after which the department will be responsible for funding and/or filling these posts. Absorption of the pharmacist assistants post contracts was included in the Essential Post List to ensure efficient medicine management at PHC level.
- The number of facilities implementing the Chronic Medication Dispensing and Supply Model increased from 606 in 2016/17 to 692 at the end of the third quarter of 2017/18. Over the same period, the number of patients registered on the system increased from 619 020 to 839 187. This significantly decreased congestion at PHC level, and increased access to chronic medication.
- The Electronic Patient Registration System was rolled out to all districts, although not all facilities have access to broadband connectivity, which has jeopardised the roll-out. Connectivity was prioritised in 2017/18 and will continue to be prioritised in 2018/19.

3. Outlook for the 2018/19 financial year

Section 3 looks at the key focus areas of 2018/19, 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 88.1 per cent uninsured population of KZN. The main services rendered at this level include preventive, promotive, screening and referral services for communicable and non-communicable services at community level, and preventive, promotive, screening, referral, rehabilitative, curative and emergency

medical services delivered through fixed clinics, community health centres and district hospitals. In 2018/19, the department will focus on the following priorities to further improve service delivery and health outcomes:

Prevent and reduce the burden of disease where the department aims to:

- Reduce the mother to child transmission rate of HIV from 0.62 per cent to 0.6 per cent.
- Reduce the facility maternal mortality ratio from 109.6 deaths to 100 deaths per 100 000 live births.
- Increase the TB client treatment success rate from 87.5 per cent to 87.6 per cent by March 2019.
- Increase the total number of clients remaining on ARV therapy from 1 243 891 to at least 1 313 804 .
- Increase the number of HIV tests done from 3 100 696 to 3 134 424.
- Increase the number of male medical circumcisions (MMC) performed to at least 1 087 987 from 996 936.

Scale up PHC re-engineering including implementing the Ideal Clinic programme:

- Increase the Ideal Clinic status rate from 83.2 per cent to at least 87 per cent to be achieved through the activities of self-assessment teams.

Strengthen and improve service efficiencies in respect of which the department intends to:

- Refine the hospital rationalisation plan, informed by the district hospital efficiency assessments being conducted by Epidemiology and Health Research units, as well as internal clinical audits conducted in regional, specialised, tertiary and central hospitals.
- Commence with development of the sub-district model within the national framework of district health services and review community health centre structures to make provision for the roll-out of the sub-district model, as required by the National Health Act.
- Implementation of the Dr. Pixley Ka Isaka Seme Hospital commissioning plan in preparation for commissioning of phase 1 services in 2019/20, including moving services, where applicable, from Addington and Mahatma Gandhi Hospitals.

Improving human resources for health with the main focus on the finalisation of a costed long term human resources plan, which will be included in the department's 2017 to 2027 long term plan. Activities will include a review of the organisational structure informed by the Essential Post List process, which will become an annual process, the drafting of the long term human resources plan for costing and approval by the HOD by the end of 2018/19, as well as undertaking further roll-out of the Decentralised Training in a PHC Model, based on the Cuban Doctors' programme methodology. It is envisaged that the returning students will be placed at PHCs within this model.

Improving financial management where the department intends to:

- Continue the process of implementing an electronic inventory management system in all hospitals and community health centres, along with an electronic billing system in central, tertiary, regional hospitals and district hospitals, with 12 institutions expected to be online by the end of 2018/19.
- Continue to address NHLS pressures by reviewing and improving gate-keeping processes to reduce costs, with the focus on 25 institutions in 2018/19 and 2019/20.
- Begin to implement strategies to reduce medico-legal claims, as developed by the medico-legal unit.

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

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

Improving quality of care with focus on the implementation of the National Core Standards, strategies to improve clinical governance and reduce medico-legal risks:

- Increase the percentage of hospitals that are compliant with 75 per cent or more of the National Core Standards.
- Implement the HOD approved clinical governance policy to improve quality of clinical care.
- Develop and implement the medico-legal strategy to improve clinical practice and reduce medico-legal litigation.
- Further roll-out of the Chronic Medication Dispensing and Supply Model to increase access to chronic medication at community level and reduce waiting times at facilities.
- Further roll-out of the Electronic Patient Registration System in all districts, dependant on addressing broadband availability issues.

4. Reprioritisation

The department undertook comprehensive reprioritisation in the preparation of the 2018/19 MTEF budget, with the main movements being the following:

- Funding was moved from *Transfers and subsidies to: Non-profit institutions* to both *Compensation of employees* and *Goods and services* for the carry-through costs of the provincialisation of St. Mary's Hospital, which took place in 2017/18.
- Funding was moved to *Transfers and subsidies to: Households* from *Compensation of employees* to address pressures in the payment of medico-legal claims.
- Funding was moved from *Compensation of employees* to *Goods and services* within the Comprehensive HIV, AIDS and TB grant to address pressures in medicines and medical supplies.
- Some funding was reprioritised from infrastructure maintenance in *Goods and services* to address backlogs in *Buildings and other fixed structures (Upgrades and additions: Capital and New infrastructure assets: Capital)* and replacement of *Machinery and equipment*.

5. Procurement

In line with the procurement plans, the department made provision for a number of major purchases to take place during 2018/19, including:

- Medicines, NHLS, medical supplies and property payments.
- An ongoing item of procurement is for capital infrastructure with the continuation of the building of the Dr. Pixley Ka Isaka Seme Hospital.
- The department has planned to procure *Machinery and equipment* in the form of replacement vehicles which includes provision for replacement ambulances and laundry vehicles, as well as medical equipment, including X-ray machines and CT scanners. The department has also budgeted to procure non-medical equipment including trolleys, patient beds, etc.

6. Receipts and financing

6.1 Summary of receipts and financing

Table 7.1 gives the source of funding for Vote 7 over the seven-year period 2014/15 to 2020/21.

The table also compares actual and budgeted receipts against actual and budgeted payments.

Table 7.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Equitable share	24 636 764	26 017 310	29 275 163	31 462 955	31 462 955	31 462 955	33 154 853	35 376 361	37 942 345
Conditional grants	6 428 886	6 903 596	7 306 804	8 085 518	8 085 518	8 085 518	9 103 605	9 580 774	10 381 631
Health Professions Training and Development grant	292 837	299 513	312 377	331 944	331 944	331 944	351 197	370 863	391 260
Health Facility Revitalisation grant	1 362 469	1 229 775	1 114 693	1 149 355	1 149 355	1 149 355	1 202 480	1 153 049	1 216 467
National Tertiary Services grant	1 496 427	1 530 246	1 596 286	1 696 266	1 696 266	1 696 266	1 794 649	1 895 149	2 022 124
Comprehensive HIV, AIDS and TB grant	3 257 992	3 812 972	4 244 243	4 852 495	4 852 495	4 852 495	5 677 225	6 114 218	6 701 673
Social Sector EPWP Incentive Grant for Provinces	2 580	13 000	13 000	47 058	47 058	47 058	24 182	-	-
EPWP Integrated Grant for Provinces	2 581	3 682	7 122	8 400	8 400	8 400	8 896	-	-
National Health Insurance grant	14 000	14 408	19 083	-	-	-	-	-	-
Human Papillomavirus Vaccine grant	-	-	-	-	-	-	44 976	47 495	50 107
Total receipts	31 065 650	32 920 906	36 581 967	39 548 473	39 548 473	39 548 473	42 258 458	44 957 135	48 323 976
Total payments	31 245 510	34 110 724	37 026 397	39 548 473	39 930 478	40 430 163	42 347 664	44 957 135	48 323 976
Surplus/(Deficit) before financing	(179 860)	(1 189 818)	(444 430)	-	(382 005)	(881 690)	(89 206)	-	-
Financing									
of which									
Provincial roll-overs	5 848	1 449	6 363	-	311	311	-	-	-
Provincial cash resources	47 967	1 047 637	450 670	-	381 694	381 694	89 206	-	-
Surplus/(Deficit) after financing	(126 045)	(140 732)	12 603	-	-	(499 685)	-	-	-

In 2014/15, the department's equitable share was reduced by R1.769 million related to previous years' irregular expenditure. The Provincial Executive Council approved that, where departments were unable to provide sufficient justification for the irregular expenditure, it becomes a first charge against the Vote. Also in 2014/15, the department received additional funding of R200 million for the Health Facility Revitalisation grant to fund in-year infrastructure pressures. This amount was taken from the indirect National Health grant and allocated to the province as a direct grant. A roll-over of R5.848 million was approved for the development of a patient record system in respect of the NHI grant.

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

- Trade creditors and VAT at McCord Hospital (R15.870 million).
- Operational costs at St. Mary's Hospital (R30.907 million), pending the finalisation of the transaction advisors' investigation into the potential provincialisation of the hospital.
- Own revenue reallocated back to the department (R1.190 million) being the sale of the McCord Hospital debtors' book, with the funding returned to the department for various infrastructure changes that needed to be made at the hospital to convert it to a specialised eye-care hospital.

The department over-spent its budget in 2014/15 by R126.045 million due to pressures in medical supplies costs and the impact of the weakening Rand/Dollar exchange rate. Also impacting were higher than budgeted medico-legal claims and staff exit costs.

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

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

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

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

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

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

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

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

The department is projecting to over-spend its 2017/18 budget by R499.685 million as per the December IYM, mainly due to pressures in NHLs related to accruals from 2016/17, as well as ARV medicine under the HIV, AIDS and TB grant due to the increased medicine expenditure for the Universal Test-and-Treat (UTT) initiative and also as a result of the donor medicines being stopped. In addition, there are pressures from medico-legal claims.

In 2018/19, the department receives 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.

6.2 Departmental receipts collection

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

Table 7.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	250 237	213 371	256 922	232 069	232 069	254 045	247 718	263 599	281 317
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	31	54	36	61	61	72	65	68	72
Interest, dividends and rent on land	143	51	3 316	71	71	66	149	157	166
Sale of capital assets	14 009	-	970	12 600	12 600	10 093	13 343	14 091	14 866
Transactions in financial assets and liabilities	25 513	30 118	36 860	15 707	15 707	21 019	16 634	17 565	18 531
Total	289 933	243 594	298 104	260 508	260 508	285 295	277 909	295 480	314 952

The bulk of revenue collected is against *Sale of goods and services other than capital assets*. The major receipts against this category relate to patient fees, boarding fees, rentals, parking fees, commission charged on PERSAL deductions for insurance premiums and garnishees, etc. The high collection in 2016/17 and in the 2017/18 Revised Estimate was due to higher than anticipated receipts from boarding services and patient fees. The 2018/19 MTEF shows a positive trend which is largely against patient fees.

The following points provide information on factors influencing the collection of health patient fees:

- Due to the socio-economic challenges that exist in the province, most recipients of health services are unable to make a meaningful contribution for the services provided. Through the Revenue Enhancement Strategy, the department is focusing on how to optimise revenue from patients who can afford but are currently receiving free services. The department had planned to roll out the Meditech system to improve the revenue collection but due to budget pressures the implementation was put on hold. This system will, among others, be able to identify and verify patients who can afford to pay for health services and eventually identify those who are members or beneficiaries of medical aid schemes. So far, the system has been implemented at both Northdale (new) and Grey's hospital (upgrade). The revenue projections will be reviewed once the implementation is complete.
- Provision of free services at health institutions is for pregnant women, social pensioners, unemployed citizens and patients on the ART programme, who do not belong to any medical aid scheme.
- There is an ongoing review of the Uniform Patient Fee Structure (UPFS) by NDOH that is applicable to private hospital patients (PHP), i.e. medical aid patients, statutory cases and patients whose income exceeds the limit for free services, resulting in more groups being exempt from the payment of fees and the reduction in fees payable by certain categories of patients.

Fines, penalties and forfeits reflects revenue collected from parking transgressions.

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

Sale of capital assets relates to the sale of redundant assets such as motor vehicles and equipment. The amounts collected in 2014/15, 2016/17 and in the 2017/18 Revised Estimate are from motor vehicles and office equipment sold at auctions. The budget over the 2018/19 MTEF is conservative due to the difficulty in budgeting for the revenue source.

Transactions in financial assets and liabilities relates to the recovery of staff debts, which emanate mainly from salary reversals from previous financial years, breached bursary contracts, refunds of previous years' expenditure, etc. The fluctuating trend over the seven-year period is due to the uncertain nature of this revenue source.

6.3 Donor and agency funding

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

Table 7.3 : Details of donor and agency funding receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17				2017/18	2019/20	2018/19
Donor funding	125	60	-	-	-	-	-	-	-
MASEA Awards	125	60	-	-	-	-	-	-	-
Agency funding	802	1 857	5 311	-	-	1 306	-	-	-
HWSETA	718	960	1 597	-	-	1 306	-	-	-
HWSETA Learnership: Dental/Oral Hygiene	-	-	1 900	-	-	-	-	-	-
HWSETA Learnership: Sign Language Training	-	-	387	-	-	-	-	-	-
HWSETA Learnership: Social Environmental Health	-	-	280	-	-	-	-	-	-
HWSETA Learnership: Tradesman RPL	-	897	-	-	-	-	-	-	-
HWSETA Learnership: TVET Graduates	-	-	450	-	-	-	-	-	-
PSETA: Church of Scotland, Ekombe & Nkandla Hospitals	84	-	-	-	-	-	-	-	-
PSETA	-	-	697	-	-	-	-	-	-
Total	927	1 917	5 311	-	-	1 306	-	-	-

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		
	2014/15	2015/16	2016/17				2017/18	2019/20	2018/19
Donor funding	78	171	1 293	-	-	2 654	3 664	-	-
Astra Zeneca	-	-	-	-	-	29	-	-	-
Atlantic Philanthropies	60	110	1 283	-	-	2 500	3 664	-	-
COGTA	-	-	-	-	-	3	-	-	-
Conforth Investments	18	-	-	-	-	32	-	-	-
Impumelelo Trust Innovation	-	-	-	-	-	24	-	-	-
SA Breweries	-	-	-	-	-	2	-	-	-
MASEA Awards	-	61	10	-	-	64	-	-	-
Agency funding	1 054	3 909	931	-	-	2 435	-	-	-
HWSETA Learnership - Bethesda Sub-Campus	-	-	-	-	-	20	-	-	-
HWSETA Learnership - Edendale Campus	-	-	-	-	-	126	-	-	-
HWSETA Learnership - Head Office	-	137	-	-	-	-	-	-	-
HWSETA Learnership - HIV and AIDS Support	-	-	-	-	-	45	-	-	-
HWSETA Learnership - King Edward Sub-Campus	23	188	-	-	-	67	-	-	-
HWSETA Learnership - Mosvold	-	-	-	-	-	91	-	-	-
HWSETA Learnership - Mseleni	-	-	-	-	-	12	-	-	-
HWSETA Learnership - Ngwelezane	-	-	-	-	-	158	-	-	-
HWSETA Learnership - Nkandla	6	-	-	-	-	26	-	-	-
HWSETA Learnership - Pharmacy	-	-	-	-	-	28	-	-	-
HWSETA Learnership - Prince Mshiyeni Hospital	-	-	4	-	-	11	-	-	-
HWSETA Learnership - Social and Auxilliary	-	35	-	-	-	-	-	-	-
HWSETA Learnership - St Aidan's Hospital	-	1	84	-	-	110	-	-	-
HWSETA Learnership - Dental/Oral Hygiene	-	2 610	405	-	-	1 085	-	-	-
HWSETA Learnership - Sign Language Training	-	-	757	-	-	-	-	-	-
HWSETA Learnership - Social Environmental Health	-	300	230	-	-	50	-	-	-
HWSETA Learnership - Tradesman RPL	-	-	709	-	-	188	-	-	-
HWSETA Learnership - TVET Graduates	-	-	590	-	-	255	-	-	-
HWSETA	1 025	329	-	-	-	-	-	-	-
PSETA	-	309	(1 848)	-	-	-	-	-	-
HWSETA - Bridging for enrolled nurse training	-	-	-	-	-	163	-	-	-
HWSETA - isiZulu training	-	-	-	-	-	-	-	-	-
Total	1 132	4 080	2 224	-	-	5 089	3 664	-	-

It is noted that spending on donor funds in Table 7.4 exceeds receipts in Table 7.3 in 2014/15 and 2017/18. This is due to the roll-over of unspent receipts from previous financial years, offsetting expenditure incurred in future years. These roll-overs related mainly to the learnerships received from the HWSETA programme. In addition, the Atlantic Philanthropies was also unspent due to delays experienced with the tender process. Hence, an amount of R6.164 million was part of the roll-over to 2017/18. This donation was received to strengthen the capacity of nursing education institutions in KZN. The department anticipates spending the balance by 2018/19.

The department received new donor funding in 2017/18 from various HWSETA sources amounting to R2.435 million. These funds are for learnership programmes in various hospitals and will be spent in 2017/18.

7. Payment summary

This section provides information pertaining to the Vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are given in Section 8, as well as in the *Annexure – Vote 7: Health*.

7.1 Key assumptions

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

- Although provision should have been made for an inflationary wage adjustment of 6.5 per cent in 2018/19, 6.3 per cent in 2019/20 and 6.5 per cent for 2020/21, as well as 1.5 per cent per year for pay progression, this was not possible in 2018/19 due to pressures from non-negotiables and medico-legal claims. The department has only provided for a 5.7 per cent increase in 2018/19, 7.7 per cent in 2019/20 and an adequate 8.4 per cent provision in the outer year of the MTEF. The situation in 2018/19 will be reviewed by the department during 2018/19 as it means the department cannot afford its existing staff complement, let alone the filling of any posts.
- 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 eThekweni Metro municipal clinics will be provided *via* transfer payments over the 2018/19 MTEF. Additional allocations are made for non-negotiable items like ARV medicine, HIV test kits, medicine, vaccines, contraceptives, etc.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2017/18, will continue to be adhered to over the 2018/19 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.
- In late 2017/18, the department began a process of preparing a turnaround plan in conjunction with an assisting team from Provincial Treasury to address persistent over-spending over the past few years. The plan aims to identify areas of cost-cutting/efficiency to reduce accruals and over-spending, and redirect any savings to areas of pressure including *Compensation of employees* and NHLS. This will be an ongoing process and reprioritisation will take place in-year.

7.2 Additional equitable share allocations for the 2016/17 to 2018/19 MTEF

Table 7.5 shows additional equitable share funding received by the department over the 2016/17, 2017/18 and 2018/19 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2020/21) are based on the incremental percentage used in the 2018/19 MTEF.

Table 7.5 : Summary of additional provincial allocations for the 2016/17 to 2018/19 MTEF

R thousand	2016/17	2017/18	2018/19	2019/20	2020/21
2016/17 MTEF period	1 798 534	2 639 093	2 720 278	2 872 614	3 030 609
Above-budget 2015 wage agreement	664 889	712 135	765 440	808 305	852 762
HPV vaccine reduction	(42 548)	(42 477)	(42 406)	(44 781)	(47 244)
Hospital linen	80 000	-	-	-	-
NHLS fee-for-service pressures	310 497	329 124	348 872	368 409	388 672
Exchange rate pressures - medicine, equipment and supplies	785 696	1 640 311	1 648 372	1 740 681	1 836 419
2017/18 MTEF period		(64 599)	(40 211)	228 172	861 005
Susp. of balance of funds from V4: Small Business Growth Enterprise for exchange rate pressures		51 000	-	-	-
PES and Provincial Own Revenue reductions		(84 370)	(96 452)	(171 079)	(180 488)
Budget cuts to fund remuneration of <i>Izinduna</i>		(31 870)	(33 623)	(35 473)	(37 424)
Additions for exchange rate pressures		-	-	211 111	222 722
Additional funding from National Treasury		-	-	222 922	235 183
Baseline adjustment		641	658	691	729
2018/19 MTEF period			89 206	-	620 284
Treasury/Health assistance plan			38 756	-	-
Above-budget wage agreement			-	-	620 284
Disaster relief - flooding of 10 October 2017			50 450	-	-
Total	1 798 534	2 574 494	2 769 273	3 100 786	4 511 898

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

- Carry-through costs of the above-budget 2015 wage agreement.
- The human papillomavirus vaccine (HPV) funding, which was scheduled to end as an indirect grant in 2015/16 and become part of the department's equitable share from 2016/17, continued as an indirect grant for the first two years of the 2016/17 MTEF before changing to a direct grant in 2018/19. This funding was thus removed from the equitable share baseline.
- Funding was provided in 2016/17 only for the once-off purchase of hospital linen.
- Additional funding to fully address pressures which arose from the change in payment mechanism for NHLS to a fee-for-service payment.
- Additional funding for pressures related to the weakening exchange rate affecting imported medicines, medical equipment and supplies.

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

- Funds were suspended from Vote 4: EDTEA, and allocated to the department in 2017/18 only, specifically toward the exchange rate pressures in procuring medicines and medical supplies.
- The department's budget was reduced as a result of a reduction of the PES allocation due to data updates of the PES formula, fiscal framework reductions, as well as a downward revision of the Provincial Own Revenue numbers.

- The budget was further reduced in line with a Provincial Executive Council decision that the *Izinduna* in KZN must be remunerated, as per a Presidential Proclamation in this regard. As this is an unfunded mandate, the funding required for this payment was financed by Vote 11: COGTA providing 50 per cent of the required amount through reprioritisation of their budget, while the remaining 50 per cent was sourced by proportionately cutting all remaining Votes' budgets.
- The department's budget was increased in 2019/20 through funding from National Treasury with carry-through to assist with the exchange rate pressures relating to the procurement of medicines and medical supplies.
- National Treasury allocated additional funding to provinces in 2019/20, with carry-through. This amount was proportionately allocated to all 15 Votes to ensure that the budget cuts referred to above were offset.
- The department also received a minor baseline adjustment over the MTEF.

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

- Funds are allocated in 2018/19 only for the Treasury/Health assistance plan. This funding is for carry-through costs related to funding allocated in the 2017/18 Adjustments Estimate. Note that these funds are specifically and exclusively allocated and may therefore not be used for any other purpose.
- National Treasury allocated additional funding to provinces in 2020/21, with funding proportionately allocated to all 15 Votes to assist with the spending pressures from the above-budget wage agreement.
- There is also some funding allocated toward repairing infrastructure that was damaged by floods on 10 October 2017. While part of this allocation was provided in the 2017/18 Adjustments Estimate, the balance is allocated in 2018/19 and these funds are specifically and exclusively allocated for this purpose.

It is noted that further fiscal consolidation cuts were effected against the equitable share over the 2018/19 MTEF. However, due to the lateness of finalising these cuts, it was resolved at a Finance *Lekgotla* that, while Votes were notified of the quantum of their proportional cut, the actual cut will only be effected in the 2018/19 Adjustments Estimate, to allow time for planning. The department's budget will accordingly be cut by R154.207 million in the 2018/19 Adjustments Estimate.

Note that additional funding was allocated in the 2012/13 MTEF for improving infrastructure support. Although no longer visible in Table 7.5, this funding was specifically and exclusively appropriated. Although the department has fully implemented its revised infrastructure staffing structure that this funding was intended for, it should be noted that amounts of R25.265 million, R26.680 million and R28.147 million of the department's baseline are for this purpose over the three years of the 2018/19 MTEF.

7.3 Summary by programme and economic classification

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

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

Most programmes show sustained growth from 2014/15 to 2020/21, with conditional grants accounting for a significant portion of this increase, along with the previously mentioned additional funding by the province for exchange rate and NHLS pressures.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
1. Administration	701 925	846 622	845 674	891 171	897 415	882 614	811 207	812 687	868 200
2. District Health Services	14 334 353	16 007 896	17 723 971	18 993 346	19 441 200	19 659 155	20 825 714	22 429 843	24 246 450
3. Emergency Medical Services	1 068 113	1 174 406	1 209 263	1 277 850	1 358 514	1 403 117	1 415 686	1 521 158	1 632 004
4. Provincial Hospital Services	8 473 425	9 214 364	9 822 915	10 612 363	10 622 756	10 728 960	11 232 418	11 847 092	12 747 510
5. Central Hospital Services	3 817 800	4 124 929	4 534 157	4 581 578	4 681 578	4 755 928	4 955 993	5 213 898	5 714 321
6. Health Sciences and Training	1 018 949	1 058 794	1 201 074	1 241 683	1 241 683	1 263 186	1 264 350	1 281 885	1 312 749
7. Health Care Support Services	151 908	166 095	268 768	293 954	229 354	221 476	313 640	322 359	343 490
8. Health Facilities Management	1 679 037	1 517 618	1 420 575	1 656 528	1 457 978	1 515 727	1 528 656	1 528 213	1 459 252
Total	31 245 510	34 110 724	37 026 397	39 548 473	39 930 478	40 430 163	42 347 664	44 957 135	48 323 976
Unauth. Exp. (1st charge) not available for spending	-	(107 607)	(107 607)	(107 608)	(107 608)	(107 608)	-	-	-
Baseline available for spending after 1st charge	31 245 510	34 003 117	36 918 790	39 440 865	39 822 870	40 322 555	42 347 664	44 957 135	48 323 976

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		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
Current payments	28 911 128	31 899 939	34 739 862	37 075 809	37 215 923	37 548 048	39 695 959	42 352 834	45 784 761
Compensation of employees	20 014 542	21 793 160	23 354 896	25 246 832	24 962 432	24 777 838	26 178 626	28 191 328	30 565 276
Goods and services	8 895 900	10 105 233	11 382 844	11 828 580	12 251 359	12 767 311	13 516 936	14 161 087	15 219 043
Interest and rent on land	686	1 546	2 122	397	2 132	2 899	397	419	442
Transfers and subsidies to:	828 088	843 093	1 035 657	923 771	1 027 358	1 194 477	982 961	985 139	1 023 395
Provinces and municipalities	122 618	133 330	159 755	198 990	210 519	225 894	219 734	232 091	244 857
Departmental agencies and accounts	15 895	19 009	20 131	20 031	19 155	19 274	21 067	22 246	23 469
Higher education institutions	16	-	-	-	-	-	-	-	-
Foreign governments and international organisations	66	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	10	-	-	-	-	-	-	-
Non-profit institutions	222 051	213 402	203 929	210 687	143 454	142 226	54 870	56 513	58 508
Households	467 442	477 342	651 842	494 063	654 230	807 083	687 290	674 289	696 561
Payments for capital assets	1 505 879	1 257 629	1 106 314	1 441 285	1 579 473	1 579 896	1 668 744	1 619 162	1 515 820
Buildings and other fixed structures	1 206 505	1 052 053	910 917	819 107	926 250	972 667	963 192	743 360	646 960
Machinery and equipment	299 374	205 576	195 397	622 178	653 223	607 229	705 552	875 802	868 860
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	415	110 063	144 564	107 608	107 724	107 742	-	-	-
Total	31 245 510	34 110 724	37 026 397	39 548 473	39 930 478	40 430 163	42 347 664	44 957 135	48 323 976
Unauth. Exp. (1st charge) not available for spending	-	(107 607)	(107 607)	(107 608)	(107 608)	(107 608)	-	-	-
Baseline available for spending after 1st charge	31 245 510	34 003 117	36 918 790	39 440 865	39 822 870	40 322 555	42 347 664	44 957 135	48 323 976

Note that, as previously mentioned, the allocation for the Health Facility Revitalisation grant is relatively low in the outer years due to the reforms that were made to the provincial infrastructure grant system that are intended to institutionalise proper planning for infrastructure. This affects Programme 8: Health Facilities Management and *Buildings and other fixed structures* in 2019/20 and 2020/21.

The increase over the 2018/19 MTEF includes the carry-through costs of previous wage agreements and the increases to existing conditional grants, as well as the above-mentioned additional funding, with carry-through, for the pressures in NHLS due to the change in payment mechanism to fee-for-service, and to assist with the pressures on imported medicines, medical supplies and equipment, resulting from the weakening exchange rate.

The negative growth in Programme 1: Administration in 2016/17 relates to a decision to use internal capacity to conduct disciplinary inquiries, with only complex cases referred to consultants. As mentioned, the department was liable for the first charge of the unauthorised expenditure to be paid from 2015/16, hence the increase in that year. The increase in the 2017/18 Main and Adjusted Appropriation is largely due to the decision to improve internet connectivity at all clinics and legal cost pressures related to defending medico-legal claims. The negative growth in 2018/19 is due to the first charge being fully paid in 2017/18, as well the fact that the internet connectivity funding is once-off. Mitigating the negative growth in 2018/19 to some degree is additional funding for the Treasury/Health assistance plan. These funds will be used to put in place maintenance contracts for SLAs for medical equipment, provide urgent oncology services and carry out maintenance at the Provincial Pharmaceutical Supply Depot (PPSD).

The increase in Programme 2: District Health Services over the seven years relates mainly to the restructuring of the department to improve service delivery at the PHC level. In addition, expenditure included the various wage agreements and increases in the Comprehensive HIV, AIDS and TB grant. The increase in 2015/16 was due to the above-budget 2015 wage agreement, an increase in NHLS payments as a result of the fee-for-service payment method that was introduced, the municipal clinics carry-over expenditure from 2014/15 and extreme pressure in respect of non-negotiable items such as medicines, medical supplies, laboratory services, patient catering, security and cleaning services. This group of items was under pressure due to increases in contract prices of security and cleaning services and increased medicine costs due to the weakening of the Rand, hence a further increase in 2016/17, with the procurement of an additional four MMC vehicles, resuscitation equipment for CHCs, ideal clinic major medical equipment, the deferment of medical equipment procurement processes from 2015/16, as well as the increased medico-legal claims costs. The programme continues to show pressure, with the 2017/18 Revised Estimate showing projected year-end over-spending mainly due to the previously mentioned change from the flat-fee regime to the fee-for-service payment method, the ARV medicine pressures brought about by the implementation of the UTT programme, as well as the withdrawal of the supply of donor medicines. The 2018/19 MTEF includes strong growth in the Comprehensive HIV, AIDS and TB grant, particularly in 2018/19 and 2020/21, despite budget cuts from the 2017/18 MTEF process in 2017/18 and 2018/19.

In Programme 3: Emergency Medical Services, the overall growth is due to the continued drive to improve emergency medical services. The growth in 2015/16 was due to the once-off purchase of additional ambulances to continue the expansion of services to under-served areas. Spending in 2015/16 also included emergency vehicles and aeromedical services carry-over expenditure from 2014/15. The low growth in 2016/17 relates to the deferment of ambulance payments to 2017/18 due to cash blocking. The increase in the 2017/18 Revised Estimate relates to unbudgeted overtime payments to paramedic staff. The relatively flat growth in 2018/19 is due to the once-off payment for ambulances carried over from 2016/17, as well as arrears for overtime paid in 2017/18. Growth in the two outer years of the MTEF is inflationary only.

Overall, Programme 4: Provincial Hospital Services grows consistently over the entire period. The increase in 2015/16 was due to the previously mentioned NHLS fee-for-service payments, increased costs of non-negotiable items, water, electricity, as well as claims against the state. The growth in the same items was sustained in 2016/17, with additional pressure from the settlement of outstanding Joint Medical Establishment (JME) payments from 2015/16 (an arrangement with UKZN for registrar and specialist medical training). The projected over-spending in the 2017/18 Revised Estimate is largely due to medico-legal claims. The growth over the 2018/19 MTEF is inflationary only, with some reduction in the NHLS budget due to the carry-through of previous budget cuts and the anticipated savings from the NHLS electronic gate-keeping, the once-off settlement of the JME outstanding payment in 2017/18, as well as medico-legal claims which, although budgeted for, remain under-funded.

The sustained growth in Programme 5: Central Hospital Services from 2014/15 to 2020/21 mainly relates to the provision for the development and improvement of tertiary services. The impact of the introduction of the various OSDs for medical personnel, higher medical inflation and the Rand/Dollar exchange rate are also reflected in the trends. The increase from 2014/15 to 2016/17 was mainly due to higher than expected costs for the PPP at IALCH. These costs were subject to exchange rate fluctuations. In addition, there was some over-spending against medical supplies, also influenced by the exchange rate and medical inflation. The increase in 2015/16 was mainly related to the filling of critical posts to strengthen neonatal services, the NHLS fee-for-service payment method, as well as the PPP carry-over expenditure from 2014/15. The high growth in 2016/17, mainly against medicines, laboratory services and medical supplies, related to the low base in 2015/16, which resulted from the reversal of the medicine levy, the NHLS fee-for-service payment method, as well as the accrual of some medical supply and NHLS payments to 2016/17. The growth in the 2017/18 Adjusted Appropriation and Revised Estimate is attributable to the pressures against NHLS due to the migration from the flat-fee to a fee-for-service payment method, medical supplies due to outstanding payment from previous financial years and provision for urgent oncology services, as well as medical equipment as a result of the decentralisation of the procurement process for the Health Technology Services (HTS) related medical equipment from Programme 8 to the

relevant programmes in line with the level of care. The 2018/19 MTEF sees some reduction in the NHLS budget due to the carry-through of previous budget cuts and the anticipated savings from the NHLS electronic gate-keeping. Growth over the MTEF is largely inflationary related.

Programme 6: Health Sciences and Training shows consistent but low growth. The low growth in 2015/16 was related to the scaling down of the intake in some nursing training programmes. The increase in 2016/17 was due to the carry-through costs of the increase in the number of students (15) in the Cuban Doctors' programme intake in 2015/16, the accrual of some bursary payments to 2016/17, as well as the increased cost of the programme due to the weakening Rand/Dollar exchange rate. The low growth in 2017/18 is due to the above-mentioned accrued expenditure from 2015/16 to 2016/17. The 2018/19 MTEF increase accounts for inflation only, with a more favourable Rand/Dollar exchange rate assisting in the pressure from the Cuban Doctors' programme. It is projected that 261 students will return from Cuba in 2018/19 and, based on the current pass rate, approximately 225, 69 and 17 students will return from 2019/20 to 2021/22, respectively, to serve an 18 month internship before absorption into the department. This will be funded *via* reprioritisation of funds in-year and in the next budget process from bursaries.

Programme 7: Health Care Support Services shows significant growth over the entire period, mainly attributable to the growth under laundry services. Funding for 2015/16 and 2016/17 provided for the commissioning of the KwaZulu Provincial Laundry. Once-off additional linen and laundry trucks were procured during this period, explaining the increase in 2016/17. In addition, there were delays in the commissioning of the KwaZulu Provincial Laundry in 2015/16, hence there were further costs in 2015/16 related to the outsourcing of laundry services. The high growth in 2017/18 relates to the planned re-incorporation of the PPSD into the department's budget structure as a sub-programme in this programme. This is in response to audit queries that were raised by the A-G. However, the planned re-incorporation was put on hold to allow the department to strengthen systems in the PPSD, hence the reduction in the 2017/18 Adjusted Appropriation and Revised Estimate. The budget grows significantly in 2018/19 due to the postponed re-incorporation. Growth thereafter is for inflationary purposes only.

Programme 8: Health Facilities Management is mainly financed through conditional grant funding and the programme's performance is directly linked to the Health Facility Revitalisation grant. The variances in this programme also account for the variances against *Buildings and other fixed structures*. The decrease in 2015/16 follows once-off funding of R200 million allocated in 2014/15 for infrastructure pressures in the Health Facility Revitalisation grant. The increase in 2017/18 was due to additional funding for the effect of the weakening exchange rate on the cost of medical equipment. The decrease in the 2017/18 Adjusted Appropriation and Revised Estimate was due to the decentralisation of the HTS budget to facilities in Programmes 2, 4 and 5. The trend over the MTEF is mainly related to major projects, particularly Dr. Pixley Ka Isaka Seme Hospital, which is anticipated to be largely completed in 2019/20.

Compensation of employees shows growth in 2015/16, mainly due to the carry-through costs of the various OSDs for medical personnel and other staff categories, as well as higher than anticipated wage agreements. The increase in 2015/16 also relates to the increase in the housing allowance, which formed part of the 2015 wage agreement. The reduction in the 2017/18 Adjusted Appropriation and the further reduction in the 2017/18 Revised Estimate is due to slow recruitment processes for the filling of non-OSD vacant posts, the deferment of filling district management posts, as well as the difficulty in attracting suitable applicants for psychiatry, oncology, neurology, obstetrics, orthopaedics and laundry services, etc., at prioritised facilities. The growth over the 2018/19 MTEF is insufficient, particularly in the first two years, and does not fully cover inflationary adjustments, nor the 1.5 per cent pay progression due to exchange rate pressures and the funding of non-negotiables. This is particularly evident in 2018/19. This implies that there is no room for the department to fill any vacancies. The department is currently looking into staffing needs as part of the Treasury/Health assistance plan and will review the budget in-year.

Goods and services grows strongly from 2014/15 to 2016/17. As mentioned, the department now provides for the payment of NHLS costs *via* a fee-for-service mechanism which is significantly higher than the previous flat-fee rate. The growth is also related to the increase in demand for health services, the high rate of inflation on medical supplies and services, as well as increased catering and fuel costs. Other contributing factors are the increasing demand for ART, treatment of MDR/XDR TB, the introduction of specific projects such as the reduction of infant and child mortality through immunisation, increased costs

of non-negotiables, increased costs of water and electricity, as well as a substantial increase in the Comprehensive HIV, AIDS and TB grant. The growth in 2015/16 and 2016/17 includes additional funding for NHLS pressures, ARV treatment, the carry-through costs of national priority initiatives, acceleration in the day-to-day maintenance of existing facilities, as well as inflationary adjustments. The growth in 2016/17 was also due to NHLS and exchange rate pressures. The growth in the 2017/18 Adjusted Appropriation and Revised Estimate is attributable to the change to the UTT programme for patients diagnosed with HIV and AIDS, as well as the withdrawal of support by donors for the supply of ARVs and NHLS fee-for-service payment pressures due to commitments from 2016/17 and pressures on legal fees as a result of the increase in the amount of litigation being defended. Also contributing is funding provided as part of the Treasury/Health assistance plan to assist with NHLS pressures, as well as outstanding medical supplies accounts, among others. The lower growth in 2018/19 is attributable to the once-off clearing of medical supplies accruals in 2017/18 as part of the Treasury/Health assistance plan. The growth over the three MTEF years is 5.7 per cent, 7.7 per cent and 8.4 per cent, respectively, below medical inflation, which is estimated at 8.8 per cent.

The 2014/15 to 2016/17 spending on *Interest and rent on land* largely relates to interest costs on medico-legal claims and interest on overdue accounts. The increase in the 2017/18 Adjusted Appropriation and Revised Estimate relates to unanticipated payment of interest on a labour dispute, as well as interest charged on all overdue accounts, such as municipal services accounts and Telkom accounts.

The strong growth from 2014/15 to 2017/18 against *Transfers and subsidies to: Provinces and municipalities* relates mainly to the commitment to strengthen the treatment of HIV and AIDS by municipal clinics and ensure that the levels of care provided meet provincial standards. There were delays in the signing of SLAs with the eThekweni Metro in 2016/17 which resulted in expenditure being carried over to 2017/18, hence the high growth in the 2017/18 Adjusted Appropriation and Revised Estimate, followed by lower growth in 2018/19. The growth in the two outer years of the MTEF is inflationary only.

The increase against *Transfers and subsidies to: Departmental agencies and accounts* in 2015/16 provides for the HWSETA levy, in line with the growth in *Compensation of employees*. The negative growth in 2017/18 relates to delays in filling posts. The growth over the 2018/19 MTEF matches that of *Compensation of employees* and is inflationary only.

The negative growth in *Transfers and subsidies to: Non-profit institutions* in 2015/16 was due to the revised St Mary's Hospital funding that was based on the cost per Patient Day Equivalent (PDE). In addition, the department made provision for the phased-in contribution to the KZN Children's Hospital infrastructure and renovations up to 2015/16, with no provision thereafter, hence the negative growth in 2016/17. The decline in 2017/18 and the negative growth in 2018/19 is due to the provincialisation of St Mary's Hospital to become a departmental facility. The 2018/19 MTEF does not provide for the full inflationary adjustment of transfers to NGOs due to the carry-through effect of previous budget cuts.

The fluctuating trend against *Transfers and subsidies to: Households* relates to staff exit costs and medico-legal claims. The increasing trend from 2014/15 to 2015/16 was related to high medico-legal claims and pressures regarding the Cuban Doctors' programme. Although, as previously mentioned, NDOH has given instructions that no further recruitment is to take place, the costs for those students already in Cuba are influenced by the fluctuating exchange rate. Note that an estimated 261 are returning in 2018/19, It is projected, based on current pass rate, that approximately 225, 69 and 17 students will return from 2019/20 to 2021/22, respectively, to serve an 18-month internship before graduating, to be funded *via* reprioritisation within Programme 6. The high growth in 2016/17 was due to medico-legal claims. There is some provision for medico-legal claims in 2018/19, but this is not sufficient, hence the negative growth in 2018/19 and relatively flat growth in the two outer years of the MTEF. The department cannot reprioritise all the funds required towards medico-legal claims at this stage, due to other competing service delivery needs, and this will need to be addressed in-year by the department. The Treasury/Health assistance plan will assist in identifying areas of savings and efficiency, and there is an expectation of reduced costs over the MTEF due to new strategies developed by the medico-legal unit.

As mentioned under Programme 8, the *Buildings and other fixed structures* trend is largely related to the trend in the Health Facility Revitalisation grant. From 2014/15, the trend reduces 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 MTEF trend is mainly affected by the project plan for the Dr. Pixley Ka Isaka Seme Hospital, largely due for completion in 2019/20.

The negative trend in *Machinery and equipment* in 2015/16 and 2016/17 relates to the census-based budget cuts, implemented from the 2013/14 MTEF onward, as well as committed and contracted capital projects which were in construction phase and could not be stopped, resulting in the department having to reprioritise funding to other non-negotiable service delivery imperatives, hence the decrease over this period. The high growth in 2017/18 is attributable to the increased allocation 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 with strong growth in 2019/20, to continue addressing the backlogs.

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

7.4 Summary of conditional grant payments and estimates

Tables 7.8 and 7.9 illustrate conditional grant payments and estimates from 2014/15 to 2020/21. 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 2014/15 to 2016/17, 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 grant payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Comprehensive HIV, AIDS and TB grant	3 257 870	3 813 455	4 247 525	4 852 495	4 852 495	5 031 793	5 677 225	6 114 218	6 701 673
Health Facility Revitalisation grant	1 362 469	1 231 997	1 121 993	1 149 355	1 149 355	1 149 355	1 202 480	1 153 049	1 216 467
Health Professions Training and Development grant	292 847	299 898	312 377	331 944	331 944	331 944	351 197	370 863	391 260
National Tertiary Services grant	1 496 427	1 530 223	1 596 286	1 696 266	1 696 266	1 696 266	1 794 649	1 895 149	2 022 124
National Health Insurance grant	18 399	9 494	25 045	-	311	311	-	-	-
Human Papillomavirus Vaccine grant	-	-	-	-	-	-	44 976	47 495	50 107
EPWP Integrated Grant for Provinces	2 581	3 682	7 122	8 400	8 400	8 400	8 896	-	-
Social Sector EPWP Incentive Grant for Provinces	2 580	13 000	13 000	47 058	47 058	47 058	24 182	-	-
Total	6 433 173	6 901 749	7 323 348	8 085 518	8 085 829	8 265 127	9 103 605	9 580 774	10 381 631

Note: 2014/15 figures have been corrected to correspond to the Annual Financial Statements

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	5 042 734	5 888 705	6 398 715	7 139 577	6 858 313	7 026 177	7 973 992	8 525 723	9 251 125
Compensation of employees	3 000 837	3 202 757	3 483 965	3 843 543	3 201 440	3 190 602	2 886 897	3 069 974	3 304 570
Goods and services	2 041 896	2 685 948	2 914 750	3 296 034	3 656 873	3 835 575	5 087 095	5 455 749	5 946 555
Interest and rent on land	1	-	-	-	-	-	-	-	-
Transfers and subsidies to:	64 450	83 438	62 591	123 407	122 546	136 780	137 511	144 817	152 498
Provinces and municipalities	40 000	60 000	40 000	100 000	100 000	116 846	115 000	121 492	128 174
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	14 292	13 790	11 454	11 507	11 507	11 321	11 821	12 017	12 678
Households	10 158	9 648	11 137	11 900	11 039	8 613	10 690	11 308	11 646
Payments for capital assets	1 325 989	929 606	862 042	822 534	1 104 970	1 102 170	992 102	910 234	978 008
Buildings and other fixed structures	1 171 045	908 861	801 938	783 994	919 607	919 607	831 245	585 962	552 125
Machinery and equipment	154 944	20 745	60 104	38 540	185 363	182 563	160 857	324 272	425 883
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	6 433 173	6 901 749	7 323 348	8 085 518	8 085 829	8 265 127	9 103 605	9 580 774	10 381 631

Note: 2014/15 figures have been corrected to correspond to the Annual Financial Statements

The **Comprehensive HIV, AIDS and TB grant** is provided to enable the sector to develop effective and integrated management of HIV, AIDS and TB, to support the implementation of the National Operational Plan for comprehensive HIV and AIDS treatment and care and to subsidise, in part, funding for the ARV treatment programme. The grant was extended in 2016/17 to also include TB and a sizeable additional allocation was received, particularly in 2018/19. The substantial growth indicates the critical importance placed on managing this pandemic. The grant allocation also provides for the removal of the CD4 count process which was replaced by the UTT mechanism from 2016/17 onward. The increase in the baseline is for the continued expansion of the ARV treatment programme (in 2018/19), HIV prevention and to cater for TB screening and treatment (in the outer years). A new grant component has been added to this grant, namely the Community Outreach Services component and, of the grant total, R262.426 million, R281.170 million and R281.170 million therefore is ring-fenced over the MTEF to be spent on this component of the grant. This is done in order to integrate this cadre of health workers into the health sector, given how instrumental they have been in improving health access in South Africa, particularly in rural and vulnerable populations. Note that this grant receives additional funding over the 2018/19 MTEF, of R191.344 million in 2018/19, R2.544 million in 2019/20 and R589.999 million in 2020/21. Note also that the relatively small increase in 2019/20 follows a significant increase in 2019/20 of R556.599 million, allocated in the 2017/18 MTEF.

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

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

Note that this grant peaks in 2018/19 due to its incentive nature. The department received an increase of R95.100 million in 2018/19, as the required planning documents were submitted. This grant was cut by R38.137 million in 2019/20 because of fiscal consolidation cuts and grows by R25.281 million in 2020/21.

The **Health Professions Training and Development grant** supports the department in providing funding for operational costs associated with the training and development of health professionals, development and recruitment of medical specialists in under-served provinces and support and strengthen under-graduate teaching and training processes in health facilities. The trend in this grant over the seven years reflects inflationary increases only. A decision was taken in 2011/12 to use the grant to fund the personnel costs of registrars only. The grant receives an inflation related adjustment of R20.397 million in 2020/21.

The **National Tertiary Services grant** is used to enable provinces to plan, modernise, rationalise and transform the tertiary hospital service delivery platform in line with national policy objectives, including improving access and equity. The increasing trend relates mainly to additional funding provided for the modernisation of tertiary services. The grant receives an additional R126.975 million in 2020/21 for inflationary growth.

The **National Health Insurance grant** was allocated to provide financial support for the development of projects directed at improving health delivery in line with the requirements of the introduction of the NHI. The grant ceased in 2017/18, to become part of the NHI Indirect grant under NDOH.

The **Human Papillomavirus Vaccine grant**, which was scheduled to end in 2015/16, continued as an indirect grant for 2017/18 before changing to a direct grant in 2018/19, with R44.976 million allocated to this grant in 2018/19, R47.495 million in 2019/20 and R50.107 million in 2020/21, with an additional R2.612 million added in 2020/21 for inflationary growth.

The **EPWP Integrated Grant for Provinces** is used to enhance the number of full time equivalent jobs created through labour intensive infrastructure programmes, which utilises local people to maintain grounds and clean buildings. Funding of R8.896 million is provided for 2018/19 only, at this stage.

The *Social Sector EPWP Incentive Grant for Provinces* subsidises non-profit organisations in home community-based care programmes to provide stipends to previously unpaid volunteers to maximise job creation and skills development in line with the EPWP guidelines. The department receives R24.182 million in 2018/19 only, at this stage, significantly less than in 2017/18 due to a combination of poor reporting and fiscal consolidation.

The increase from 2014/15 in *Compensation of employees* results mainly from the decision to incorporate the payment of registrars (medical specialists in training) into the Health Professions Training and Development grant, the increase in the number of HIV and AIDS projects driven by the improved HIV and AIDS ARV policy resulting in the need to employ more staff, and the implementation of the OSDs for medical personnel. The decrease in the 2017/18 Adjusted Appropriation largely relates to vacant posts, particularly within the National Tertiary Services and Comprehensive HIV, AIDS and TB grants, moved to address pressures in *Goods and services*. The high growth in 2018/19 relates to additional funds for the Comprehensive HIV, AIDS and TB grant, allocated to enhance staffing levels to match the growth in levels of treatment and to cater for TB screening and treatment. The low and negative growth in the two outer years will be addressed in the next budget process.

The significant increase in *Goods and services* from 2015/16 onward is directly linked to the growth in the Comprehensive HIV, AIDS and TB grant. This relates to the funding provided for ARVs, the increase in the uptake of additional patients on the ARV programme, the increased cost of the ARV medicines to be covered by the department's budget due to the ceasing of funding by international donors, the increased costs of micro-nutrients, as well as provision for the MMC programme. As previously mentioned, this grant was extended in focus to include TB and therefore the significant growth is for the continued expansion of the ARV programme, HIV prevention and to cater for TB screening and treatment (in the outer years). The increase in the 2017/18 Adjusted Appropriation largely relates to movement of funding from *Compensation of employees* within the Comprehensive HIV, AIDS and TB grant to address pressures related to the UTT programme and the withdrawal of donor medicines. The strong growth over the 2018/19 MTEF is largely due to growth in the Comprehensive HIV, AIDS and TB grant, with additional funding provided in the 2017/18 MTEF for 2019/20, and significant increases provided over the 2018/19 MTEF specifically in 2018/19 and 2020/21.

Transfers and subsidies to: Provinces and municipalities is related to support for municipal clinics in the treatment of HIV and AIDS. The increase in 2015/16 is due to the carry-over of expenditure from 2014/15 resulting from delays in finalising the SLAs with the eThekweni Metro for municipal clinics. The increases from 2017/18 onward relate to the ongoing support for municipal clinics.

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

The decrease in *Buildings and other fixed structures* in 2015/16 and 2016/17 was mainly due to slower than expected progress on the Dr. Pixley Ka Isaka Seme Hospital, funded by the Health Facilities Revitalisation grant, with funding redirected to maintenance projects. The increase in the 2017/18 Adjusted Appropriation was due to pressures from the Dr. Pixley Ka Isaka Seme Hospital project. The 2018/19 MTEF trend is linked to the trends in the Health Facility Revitalisation grant, as well as the Dr. Pixley Ka Isaka Seme Hospital, which is anticipated to be largely completed in 2019/20.

The fluctuating trend in *Machinery and equipment* relates to the variation in the business plans of the grants related to this category, mainly the Health Facility Revitalisation grant and the National Tertiary Services grant. The 2018/19 MTEF allocations are in accordance with the business plans of the relevant grants, and include costs of essential medical equipment, such as X-ray machines, CT scanners, etc.

7.5 Summary of infrastructure payments and estimates

Table 7.10 presents a summary of infrastructure payments and estimates by categories for Vote 7. Detailed information on infrastructure is given in the *2018/19 Estimates of Capital Expenditure*.

The infrastructure trend decreases between 2014/15 to 2016/17, resulting from the previously mentioned budget cuts. Thereafter, the trend stabilises and is largely in line with the Health Facility Revitalisation

grant, affecting mainly *New infrastructure assets: Capital, Upgrades and additions: Capital*, as well as *Refurbishment and rehabilitation: Capital*.

The department provided for the building of additional CHCs and clinics, in line with its service delivery plan, as well as the upgrading or replacement of hospitals and clinics in a state of disrepair.

Table 7.10 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Existing infrastructure assets	1 090 541	898 254	558 192	531 532	517 269	461 694	728 588	877 002	919 226
Maintenance and repair: Current	279 290	245 428	293 595	347 514	278 089	280 557	339 329	397 693	469 617
Upgrades and additions: Capital	540 092	473 899	190 147	84 060	79 647	81 563	374 451	464 501	434 801
Refurbishment and rehabilitation: Capital	271 159	178 927	74 450	99 958	159 533	99 574	14 808	14 808	14 808
New infrastructure assets: Capital	395 254	399 227	646 320	745 248	687 070	791 530	573 933	264 051	197 351
Infrastructure transfers	-	20 000	-	-	-	-	-	-	-
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	-	20 000	-	-	-	-	-	-	-
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	75 684	87 257	83 109	100 000	99 184	102 634	98 421	98 541	98 653
Non infrastructure	117 768	103 698	134 954	279 748	404 311	372 000	405 829	580 640	550 644
Total	1 679 247	1 508 436	1 422 575	1 656 528	1 707 834	1 727 858	1 806 771	1 820 234	1 765 874
<i>Capital infrastructure</i>	<i>1 206 505</i>	<i>1 072 053</i>	<i>910 917</i>	<i>929 266</i>	<i>926 250</i>	<i>972 667</i>	<i>963 192</i>	<i>743 360</i>	<i>646 960</i>
<i>Current infrastructure</i>	<i>354 974</i>	<i>332 685</i>	<i>376 704</i>	<i>447 514</i>	<i>377 273</i>	<i>383 191</i>	<i>437 750</i>	<i>496 234</i>	<i>568 270</i>

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

Maintenance and repair: Current shows a fluctuating trend. The decrease in 2015/16 relates to funding reprioritised to *Machinery and equipment* to address pressures in the medical equipment replacement programme. The increase in 2016/17 relates to a more focused application of the DORA requirements for the Health Facility Revitalisation grant, which requires a 25 per cent allocation of the grant to maintenance. In addition, there was a drive to address backlogs in fixed equipment maintenance (lifts, air-conditioners, chillers, boilers, etc.). The growth in 2018/19 is slightly negative as the department funds the final stages of the Dr. Pixley Ka Isaka Seme Hospital. The hospital is due for completion in 2019/20, and *Maintenance and repair: Current* shows reasonably strong growth from 2019/20 onward, as funds are able to be reprioritised to existing assets. Projects include day-to-day maintenance at all facilities such as urgent unplanned reactive maintenance, as well as servicing of plant, equipment, air conditioning and lifts.

Upgrades and additions: Capital shows a decrease in 2015/16 related to the budget cuts. As mentioned above, this category shows a further decrease in 2016/17 related to the decrease in the Health Facility Revitalisation grant, as well a significant portion of the grant being allocated to new infrastructure projects including the Dr. Pixley Ka Isaka Seme and Ngwelezane Hospitals, which also accounts for the sustained decrease in 2017/18. This trend is reversed over the 2018/19 MTEF. The budget for this category grows as these projects near completion. Major projects being funded over the 2018/19 MTEF include the Ngwelezane Hospital surgical wards and security upgrade, the new Town Hill Office Park and the King Edward VIII Hospital upgrade of the nursery and repair of the storm water sewer and parking facility.

Refurbishment and rehabilitation: Capital shows a decline in 2015/16 due to the budget cuts. The decrease in 2016/17 relates to the decrease in the Health Facility Revitalisation grant. The budget has decreased significantly over the 2018/19 MTEF, largely as a number of projects have been reclassified as *Upgrades and additions: Capital*, including the refurbishment of the storm water drains at King Edward VIII Hospital. Projects funded over the MTEF include the replacement of external fencing and restoration of internal roads at Emmaus Hospital and refurbishment of two boilers and the steam reticulation at the Dundee Regional laundry.

The increasing trend in *New infrastructure assets: Capital* from 2014/15 to 2017/18 relates to the Dr. Pixley Ka Isaka Seme Hospital project. The allocation over the MTEF relates mainly to this project, which is expected to be complete in 2019/20. Smaller projects include the construction of the new Dannhauser and Jozini Community Health Centres and the installation of 51 autoclaves across the province.

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

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

The category *Non infrastructure* relates mainly to the procurement of capital medical equipment and is a category introduced from the 2017/18 MTEF onward. The high budget in the 2017/18 Main Appropriation was prior to the department taking a decision to decentralise the HTS medical equipment budget to other programmes. Prior figures were restated for comparative purposes. The growth in 2017/18 and over the MTEF is due to additional funding allocated for exchange rate related pressures in the costs of essential medical equipment, including X-ray machines, CT scanners, etc. Also included in this category is *Compensation of employees*, being the costs of the various specialists (architects, engineers, etc.) employed specifically in Programme 8.

7.6 Summary of Public-Private Partnerships (PPP)

Table 7.11 provides a summary of PPP projects in the department. In 2002/03, the department entered into a PPP with Impilo Consortium (Pty) Ltd. The agreement covered the provision of equipment, information management and technology and facilities management for the IALCH. This agreement enables the department to focus on the clinical services at the hospital, and to promote the hospital as a central referral hospital, operating at the highest standards in terms of quality, efficiency, effectiveness and patient focused care. The original contract with Impilo Consortium (Pty) Ltd came to an end in 2016/17, and this was renegotiated to continue to 2019/20. The department will begin to relook at the possible further extension of the contract from 2020/21 during 2018/19.

Table 7.11 : Summary of departmental Public-Private Partnership projects

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
Projects signed in terms of Treasury Regulation 16	721 659	836 715	905 378	650 000	643 728	704 584	710 000	737 000	-
PPP unitary charge	721 659	836 715	905 378	650 000	643 728	704 584	710 000	737 000	-
Total	721 659	836 715	905 378	650 000	643 728	704 584	710 000	737 000	-

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 increasing trend over the period relates mainly to the deterioration in the Rand/Dollar exchange rate (for equipment procurement). The reduction in 2017/18 is due to the anticipated savings from the new extended contract with no provision for the procurement of medical equipment, as well as cost savings from the hedging costs after the ending of the existing PPP contract in 2017. Growth over the first two years of 2018/19 MTEF is for inflationary purposes only.

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

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

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

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

The decrease in 2015/16 was due to unallocated funds that were earmarked for future negotiations but were not allocated, as well as institutions that received ARV medication from the department instead of transfers. These funds were moved to *Transfers and subsidies to: Provinces and municipalities* to offset pressures arising from the department's decision to increase HIV and AIDS funding at municipal clinics. The decrease in the 2017/18 Revised Estimate and 2018/19 is due to the ceasing of funding for St Mary's Hospital as it was taken over as a provincial hospital in 2017/18 and funding is now from other categories, mainly *Compensation of employees* and *Goods and services*.

Over the MTEF, the baseline growth is inflationary only. Note that, in 2017/18, 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.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates			
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20	2020/21
Transfers to public entities	-	-	-	-	-	-	-	-	-	
Transfers to other entities	222 051	213 402	203 929	210 687	143 454	142 226	54 870	56 513	58 508	
Alzheimer Dementia Clinics	2.5: Other Comm. Serv.	-	-	-	-	-	959	988	1 017	
Austerville Halfway House	2.5: Other Comm. Serv.	536	552	569	586	586	603	621	640	
Azalea House	2.5: Other Comm. Serv.	495	510	525	541	541	557	574	591	
Benedictine Clinic (Thwasana Clinic)	2.2: Comm. Hlth Clinics	88	44	-	-	-	-	-	-	
Claremont Day Care Centre	2.5: Other Comm. Serv.	378	389	401	413	413	425	438	451	
Day Care Club 91	2.2: Comm. Hlth Clinics	102	-	-	-	-	-	-	-	
DPSA Community-based Rehabilitation Project	2.5: Other Comm. Serv.	525	927	955	984	984	1 013	1 044	1 075	
DPSA Wheelchair Repair/Maintenance	2.5: Other Comm. Serv.	483	853	879	903	903	930	958	987	
Duduza Care Centre (Ngo)	2.5: Other Comm. Serv.	-	-	-	400	400	412	424	437	
Durban Coastal - Happy Hours Amaoti	2.5: Other Comm. Serv.	505	520	536	552	552	568	585	603	
Durban Coastal - Happy Hours Durban North	2.5: Other Comm. Serv.	252	260	267	483	483	497	512	528	
Durban Coastal - Happy Hours Durban Overport	2.5: Other Comm. Serv.	190	196	202	-	-	-	-	-	
Durban Coastal - Happy Hours KwaXimba	2.5: Other Comm. Serv.	404	416	429	441	441	455	468	482	
Durban Coastal - Happy Hours Mpumalanga	2.5: Other Comm. Serv.	404	416	429	441	441	455	468	482	
Durban Coastal - Happy Hours Ninikhona	2.5: Other Comm. Serv.	252	260	267	275	275	284	292	301	
Durban Coastal - Happy Hours Nyangwini	2.5: Other Comm. Serv.	265	273	281	290	290	298	307	317	
Durban Coastal - Happy Hours Phoenix	2.5: Other Comm. Serv.	252	260	267	275	275	284	292	301	
Durban Coastal - Marianhill	2.2: Comm. Hlth Clinics	126	130	-	-	-	-	-	-	
Ekukhanyeni Clinic (AIDS step down centre)	2.6: HIV and AIDS	920	873	1 043	1 025	1 025	1 087	1 152	1 215	
Enkumane Clinic	2.2: Comm. Hlth Clinics	265	-	278	287	287	295	304	313	
Estcourt Hospice	2.5: Other Comm. Serv.	-	-	-	558	558	574	592	609	
Ethembeni Care Centre	2.6: HIV and AIDS	4 189	3 312	3 927	5 179	5 179	5 179	5 179	5 464	
Genesis Care Centre	2.6: HIV and AIDS	2 857	2 860	2 939	2 946	2 946	2 946	2 946	3 108	
Hibberdene Care Centre	2.5: Other Comm. Serv.	-	-	-	331	331	341	351	362	
Highway Hospice	2.5: Other Comm. Serv.	-	-	-	752	752	775	798	822	
Hlanganani Ngothando	2.5: Other Comm. Serv.	214	220	227	388	388	399	411	424	
Howick Hospice	2.5: Other Comm. Serv.	-	-	-	617	617	636	655	675	
Humana People to People	2.6: HIV and AIDS	3 291	368	-	-	-	-	-	-	
Ikhanzi Care Centre	2.5: Other Comm. Serv.	-	-	-	134	134	138	143	147	
Ikwezi Cripple Care	2.5: Other Comm. Serv.	1 170	1 205	1 242	1 279	1 279	1 317	1 357	1 397	
John Peattie House	2.5: Other Comm. Serv.	1 139	1 367	1 408	1 293	1 293	1 332	1 371	1 413	
Jona Vaughn Centre	2.5: Other Comm. Serv.	2 017	2 420	2 493	2 567	2 567	2 644	2 724	2 805	
KZN Blind and Deaf Society	2.5: Other Comm. Serv.	800	824	849	874	874	900	927	955	
KZN Children's Hospital Trust	8.6: Other Facilities	-	20 000	-	-	-	-	-	-	
Lynn House	2.5: Other Comm. Serv.	593	611	629	648	648	668	688	708	
Madeline Manor	2.5: Other Comm. Serv.	866	892	919	946	946	975	1 004	1 034	
Magaye School for the Blind	2.5: Other Comm. Serv.	458	515	530	546	546	563	580	597	
Matikwe Oblate Clinic	2.2: Comm. Hlth Clinics	486	481	496	511	511	526	542	558	
Mountain View Hospital	4.2: TB Hospitals	9 773	9 675	9 965	4 876	4 876	5 169	5 479	5 643	
Noyl Bazi Oblate Clinic	2.2: Comm. Hlth Clinics	179	-	-	-	-	-	-	-	
Philakade TLC (Power of God Centre)	2.2: Comm. Hlth Clinics	1 100	1 133	1 167	1 202	1 202	1 238	1 275	1 313	
Philanjalo Hospice (step down centre)	2.6: HIV and AIDS	1 935	1 891	2 378	2 485	2 485	2 610	2 740	2 891	
Rainbow Haven	2.5: Other Comm. Serv.	397	409	421	433	433	447	460	474	
Scadifa Centre	2.5: Other Comm. Serv.	925	953	982	1 011	1 011	1 041	1 073	1 105	
Siloah Hospital	4.4: TB Hospitals	21 873	21 934	22 592	12 425	12 425	-	-	-	
Solid Foundation for Rural Development	2.5: Other Comm. Serv.	-	-	-	682	682	1 405	1 448	1 491	
South Coast Hospice	2.5: Other Comm. Serv.	174	179	185	190	190	196	202	208	
Sparkes Estate	2.5: Other Comm. Serv.	1 099	1 132	1 166	1 201	1 201	1 237	1 274	1 312	
St Luke's Home	2.5: Other Comm. Serv.	443	456	470	484	484	497	1 027	1 058	
St. Mary's Hospital Marianhill	2.9: District Hospitals	150 961	124 756	132 421	136 454	69 221	69 221	-	-	
Sunfield Home	2.5: Other Comm. Serv.	261	269	277	285	285	294	303	312	
Tender Loving Care (NGO)	2.5: Other Comm. Serv.	-	-	-	234	234	241	248	256	
The Bekimpelo Trust	2.2: Comm. Hlth Clinics	8 141	8 385	8 637	8 896	8 896	9 163	9 438	9 721	
Umlazi Halfway House	2.5: Other Comm. Serv.	268	276	284	293	293	302	311	320	
Msunduzi Hospice	2.5: Other Comm. Serv.	-	-	-	1 452	1 452	1 495	1 540	1 586	
Earmarked for further negotiations	Various	-	-	-	10 619	10 619	9 391	-	-	
Rounding in AFS	Various	-	-	(3)	-	-	-	-	-	
Total		222 051	213 402	203 929	210 687	143 454	142 226	54 870	56 513	58 508

7.8 Transfers to local government

Table 7.13 shows transfers to local government, per category of municipality. All transfers are made to a single grant, namely municipal clinics in the sub-programme: Community Health Clinics.

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

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

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Category A	105 000	129 600	154 750	193 000	204 284	219 657	213 394	225 396	237 793
Category B	12 404	-	-	-	-	-	-	-	-
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	117 404	129 600	154 750	193 000	204 284	219 657	213 394	225 396	237 793

The significant increase from 2015/16 to 2016/17 relates to the department's decision to provide additional funding to meet the health funding requirements of the clinics in the Metro including pressures in the treatment of HIV and AIDS, the extension of hours of services, as well as to cater for an increase in neonatal services. The increase in the 2017/18 Adjusted Appropriation relates to expenditure carried over from 2016/17 due to delays in the eThekweni municipal clinics' verification process.

The expenditure in Category B in 2014/15 relates to the provincialisation of municipal clinics. The bulk of the municipal clinics were taken over by the department by the end of 2012/13, and funding in 2014/15 provided for the uMhlathuze, uMngeni, Alfred Duma and eNdumeni Municipalities, whose clinics were provincialised by December 2014, hence no funding was provided from 2015/16 onward. Funding will continue to be provided over the 2018/19 MTEF for the eThekweni Metro only, as mentioned previously.

7.9 Transfers and subsidies

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

- In Programmes 1 to 5, the amounts reflected 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 2018/19 MTEF, but the provision is not adequate due to budget constraints and hence, there is negative growth in 2018/19, particularly against Programmes 2 and 4. The department cannot reprioritise further funds to medico-legal claims at this stage, due to other competing service delivery needs, and this will need to be reviewed in-year, with a possible favourable impact of the medico-legal team.
- From 2017/18, all motor vehicle licences are centralised within Programmes 1 and 3, and historical data has been restated. The once-off amounts in Programmes 2, 4 and 6 relate to once-off payments for public driving permits for drivers in those programmes.
- In Programme 2, the significant growth in *Provinces and municipalities* from 2014/15 to 2017/18 relates to the eThekweni Metro receiving additional funding to assist the municipal clinics in the treatment of HIV and AIDS. Growth over the MTEF caters for inflation only.
- In Programme 2, the reduction in 2015/16 was due to the NPI patients receiving ARV medication directly from the department. The reduction in the 2017/18 Adjusted Appropriation and Revised Estimate is due to the provincialisation of St. Mary's Hospital during the year, with the full effect of the reduction noted from 2018/19 onward. The growth is inflationary from 2019/20 onward.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2019/20	2018/19	2020/21
1. Administration	7 249	5 689	17 443	7 308	6 594	6 287	7 705	8 137	8 585
Provinces and municipalities	3 267	2 525	2 903	3 490	3 596	3 596	3 695	3 902	4 117
Motor vehicle licences	3 267	2 525	2 903	3 490	3 596	3 596	3 695	3 902	4 117
Departmental agencies and accounts	-	-	-	1	1	-	1	1	1
SABC - TV licences	-	-	-	1	1	-	1	1	1
Foreign government and international org.	66	-	-	-	-	-	-	-	-
Foreign government gift exchange	66	-	-	-	-	-	-	-	-
Households	3 916	3 164	14 540	3 817	2 997	2 691	4 009	4 234	4 467
Staff exit costs	3 862	2 464	2 737	3 317	2 997	2 638	4 009	4 234	4 467
Other transfers to households	54	700	11 803	500	-	53	-	-	-
2. District Health Services	411 766	363 631	458 294	457 659	475 617	579 002	455 387	487 529	556 518
Provinces and municipalities	117 404	129 600	154 750	193 000	204 284	219 659	213 394	225 396	237 793
Motor vehicle licences	-	-	-	-	-	2	-	-	-
Municipal clinics	117 404	129 600	154 750	193 000	204 284	219 657	213 394	225 396	237 793
Departmental agencies and accounts	10	48	107	43	67	107	45	47	49
SABC - TV licences	10	48	107	43	67	107	45	47	49
Non-profit institutions	190 405	165 147	171 372	175 844	108 611	114 758	49 701	51 034	52 865
Non-profit institutions	190 405	165 147	171 372	175 844	108 611	114 758	49 701	51 034	52 865
Households	103 947	68 836	132 065	88 772	162 655	244 478	192 247	211 052	265 811
Staff exit costs	73 065	67 262	58 149	63 772	64 511	45 737	67 247	71 052	74 959
Other transfers to households	30 882	1 574	73 916	25 000	98 144	198 741	125 000	140 000	190 852
3. Emergency Medical Services	4 684	3 465	3 779	5 057	4 703	3 885	5 311	5 609	5 918
Provinces and municipalities	1 947	1 205	2 001	2 500	2 624	2 624	2 645	2 793	2 947
Motor vehicle licences	1 947	1 205	2 001	2 500	2 624	2 624	2 645	2 793	2 947
Departmental agencies and accounts	2	2	2	2	-	-	2	2	2
SABC - TV licences	2	2	2	2	-	-	2	2	2
Households	2 735	2 258	1 776	2 555	2 079	1 261	2 664	2 814	2 969
Staff exit costs	2 098	1 733	1 358	1 597	1 597	1 072	1 683	1 778	1 876
Other transfers to households	637	525	418	958	482	189	981	1 036	1 093
4. Provincial Hospital Services	124 026	134 412	193 032	143 360	240 139	277 693	225 447	228 509	246 490
Provinces and municipalities	-	-	101	-	-	-	-	-	-
Motor vehicle licences	-	-	101	-	-	-	-	-	-
Departmental agencies and accounts	64	44	127	83	118	198	88	93	98
SABC - TV licences	64	44	127	83	118	198	88	93	98
Public corporations and private enterprises	-	10	-	-	-	-	-	-	-
Penalties	-	10	-	-	-	-	-	-	-
Non-profit institutions	31 646	28 255	32 557	34 843	34 843	27 468	5 169	5 479	5 643
Non-profit institutions	31 646	28 255	32 557	34 843	34 843	27 468	5 169	5 479	5 643
Households	92 316	106 103	160 247	108 434	205 178	250 027	220 190	222 937	240 749
Staff exit costs	46 755	37 468	31 891	29 434	37 427	31 642	31 190	32 937	34 749
Other transfers to households	45 561	68 635	128 356	79 000	167 751	218 385	189 000	190 000	206 000
5. Central Hospital Services	40 875	30 432	48 533	27 060	11 696	10 883	27 715	39 267	50 877
Departmental agencies and accounts	51	52	53	60	119	119	63	67	71
SABC - TV licences	51	52	53	60	119	119	63	67	71
Households	40 824	30 380	48 480	27 000	11 577	10 764	27 652	39 200	50 806
Staff exit costs	14 391	11 372	11 697	12 000	10 947	10 534	12 652	13 360	14 095
Other transfers to households	26 433	19 008	36 783	15 000	630	230	15 000	25 840	36 711
6. Health Sciences and Training	238 187	285 220	313 940	282 631	287 832	315 739	260 659	215 310	154 186
Provinces and municipalities	-	-	-	-	15	15	-	-	-
Motor vehicle licences	-	-	-	-	15	15	-	-	-
Departmental agencies and accounts	15 768	18 863	19 842	19 842	18 850	18 850	20 868	22 036	23 248
HWSETA	15 768	18 863	19 842	19 842	18 850	18 850	20 868	22 036	23 248
Higher education institutions	16	-	-	-	-	-	-	-	-
Donations and gifts	16	-	-	-	-	-	-	-	-
Households	222 403	266 357	294 098	262 789	268 967	296 874	239 791	193 274	130 938
Staff exit costs	2 324	3 632	2 135	2 100	3 092	3 929	2 234	2 358	2 488
Other transfers to households	220 079	262 725	291 963	260 689	265 875	292 945	237 557	190 916	128 450
7. Health Support Services	1 264	244	636	696	777	988	737	778	821
Households	1 264	244	636	696	777	988	737	778	821
Staff exit costs	1 264	244	636	696	777	988	737	778	821
8. Health Facilities Management	37	20 000	-	-	-	-	-	-	-
Non-profit institutions	-	20 000	-	-	-	-	-	-	-
KZN Childrens' Hospital Trust	-	20 000	-	-	-	-	-	-	-
Households	37	-	-	-	-	-	-	-	-
Staff exit costs	37	-	-	-	-	-	-	-	-
Total	828 088	843 093	1 035 657	923 771	1 027 358	1 194 477	982 961	985 139	1 023 395

- In Programme 4, the high spending against *Non-profit institutions* in 2014/15 was the result of additional funding allocated to Siloah Hospital in order to support the TB management programme. The decrease in 2015/16 was due to once-off funding in 2014/15 for St. Mary's Hospital allocated to avoid the hospital being sequestered. The decrease over the 2018/19 MTEF is due to the provincialisation of St. Mary's Hospital, with growth from 2018/19 catering for inflation only.
- In Programme 6, *Departmental agencies and accounts* shows strong growth from 2014/15 through to 2016/17, which is ascribed to the HWSETA levy, which is in line with the growth in *Compensation of employees* for the department as a whole. In 2017/18, the low growth is due to the many vacant posts in the department and the growth over the 2018/19 MTEF is inflationary only.
- Also in Programme 6, the significant increase in *Households* from 2014/15 to 2016/17 relates to the department's decision to implement intensive training programmes through bursaries to address the shortage of personnel in the health fields, including the Cuban Doctors' programme. The negative growth in 2017/18 is due to once-off payments made in 2016/17, being a carry-over from 2015/16. The budget over the 2018/19 MTEF reduces as students graduate and return to South Africa for their internship programme.
- In Programme 8, the department transferred funds in 2015/16 to the KZN Children's Hospital Trust for the development and refurbishment of the KZN Children's Hospital in the eThekweni Metro. There is no funding over the MTEF and the contract is finalised.

8. Programme description

The services rendered by this department are categorised under eight programmes, further details of which are discussed below. The department largely conforms to the uniform budget structure for the Health sector.

The information for each programme is given in terms of sub-programmes and economic classification, with details of economic classification given in *Annexure – Vote 7: Health*.

8.1 Programme 1: Administration

Programme 1's objectives are the provision of overall strategic leadership, co-ordination and management of activities toward the achievement of optimal health status of all communities in the province, as well as the administration of the department in line with good governance practice.

The programme also includes the formulation of policies and strategies in line with national and provincial priorities.

Tables 7.15 and 7.16 summarise information for the period 2014/15 to 2020/21.

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 2018/19 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		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
1. Office of the MEC	16 818	18 455	18 990	20 891	20 891	21 678	23 285	23 532	25 233
2. Management	685 107	828 167	826 684	870 280	876 524	860 936	787 922	789 155	842 967
Total	701 925	846 622	845 674	891 171	897 415	882 614	811 207	812 687	868 200
Unauth. Exp. (1st charge) not available for spending	-	(107 607)	(107 607)	(107 608)	(107 608)	(107 608)	-	-	-
Baseline available for spending after 1st charge	701 925	739 015	738 067	783 563	789 807	775 006	811 207	812 687	868 200

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		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	678 837	722 304	683 440	771 212	771 446	720 997	764 167	774 916	829 084
Compensation of employees	292 983	326 812	365 803	402 196	383 149	387 367	419 446	450 325	486 351
Goods and services	385 799	395 388	316 817	369 016	388 271	333 480	344 721	324 591	342 733
Interest and rent on land	55	104	820	-	26	150	-	-	-
Transfers and subsidies to:	7 249	5 689	17 443	7 308	6 594	6 287	7 705	8 137	8 585
Provinces and municipalities	3 267	2 525	2 903	3 490	3 596	3 596	3 695	3 902	4 117
Departmental agencies and accounts	-	-	-	1	1	-	1	1	1
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	66	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 916	3 164	14 540	3 817	2 997	2 691	4 009	4 234	4 467
Payments for capital assets	15 827	11 021	257	5 043	11 651	47 606	39 335	29 634	30 531
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	15 827	11 021	257	5 043	11 651	47 606	39 335	29 634	30 531
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	12	107 608	144 534	107 608	107 724	107 724	-	-	-
Total	701 925	846 622	845 674	891 171	897 415	882 614	811 207	812 687	868 200
Unauth. Exp. (1st charge) not available for spending	-	(107 607)	(107 607)	(107 608)	(107 608)	(107 608)	-	-	-
Baseline available for spending after 1st charge	701 925	739 015	738 067	783 563	789 807	775 006	811 207	812 687	868 200

The purpose of the sub-programme: Office of the MEC is to render advisory, secretarial and office support services, as well as secretarial support, administrative, public relations/ communication and parliamentary support. Growth over the 2018/19 MTEF is for inflationary purposes only.

The sub-programme: Management is responsible for policy formulation, overall management and administrative support of the department and the respective regions and institutions in the department and includes human resources, finance, supply chain management, legal services, etc. The significant growth from 2015/16 relates to unauthorised expenditure in terms of the adoption of the resolutions of SCOPA by the Legislature on 9 December 2014. The first instalment of the first charge of R107.607 million was implemented in 2015/16. A final instalment of R107.608 million was implemented in 2017/18, hence the decline in 2018/19. Growth in the outer year of the MTEF is for inflationary purposes only.

The increase in *Compensation of employees* in 2015/16 and 2016/17 relates to the higher than anticipated uptake in the housing allowance (carry-through costs from the 2015 wage agreement) and pay progression. The reduction in the 2017/18 Adjusted Appropriation is as a result of vacant non OSD posts, which could not be filled due to no carry-through funding in the outer years. The 2018/19 MTEF growth provides for inflationary adjustments only which implies that no vacancies may be filled at this stage, unless the department undertakes further reprioritisation.

The growth in *Goods and services* in the 2017/18 Adjusted Appropriation was to provide for pressures against legal costs which were higher than expected, as well as the inflationary price adjustment for a food supplier, as identified for payment by the Treasury/Health intervention team. An additional once-off budget was allocated in terms of this intervention in 2018/19, hence the high the growth in 2018/19 and negative growth in 2019/20.

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

Transfers and subsidies to: Provinces and municipalities provides for motor vehicle licences for the entire department, excluding Programme 3.

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

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

The reduction in *Machinery and equipment* in 2016/17 relates to funding originally allocated for equipment related to the development of a video conferencing facility intended to reduce travelling costs, which was delayed due to lengthy SCM processes. The increase in the 2017/18 Adjusted Appropriation is

to provide for the purchase of additional pool vehicles in order to reduce the use of private vehicles on official trips. The high 2017/18 Revised Estimate caters for addressing backlogs in computer equipment. Over the remainder of the 2018/19 MTEF, funding is provided to replace essential equipment only.

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

Service delivery measures: Administration

Table 7.17 illustrates the main service delivery measures relating to Programme 1. The performance indicators provided comply fully with the customised measures for the Health sector. Note that the department publishes additional non-sector measures for this programme in its annual APP.

Table 7.17 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2017/18	2018/19	2019/20	2020/21
To conduct the strategic management and overall administration of the Department of Health	• Audit opinion from the Auditor-General	Unqualified	Unqualified	Unqualified	Unqualified
	• Percentage of hospitals with broadband access	56%	58.3%	61.1%	63.9%
	• Percentage of fixed PHC facilities with broadband access	23%	26.9%	29%	35.1%

8.2 Programme 2: District Health Services

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

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

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

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		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
1. District Management	230 547	249 161	291 190	317 643	287 364	280 085	304 880	330 183	355 200
2. Community Health Clinics	3 072 816	3 501 113	3 915 857	4 117 584	4 227 655	4 243 595	4 324 275	4 602 651	4 965 733
3. Community Health Centres	1 208 843	1 365 808	1 500 268	1 638 584	1 638 584	1 638 584	1 784 568	1 916 597	2 057 921
4. Community Based Services	123 164	160 420	215 486	314 738	471 653	425 989	419 637	422 903	451 241
5. Other Community Services	892 846	959 940	997 211	1 094 605	1 063 274	1 069 373	1 168 674	1 280 915	1 380 686
6. HIV and AIDS	3 257 870	3 813 719	4 499 037	4 852 495	4 852 495	5 031 793	5 677 225	6 114 218	6 701 673
7. Nutrition	43 763	43 820	44 940	52 920	52 920	52 920	51 569	59 739	63 023
8. Coroner Services	163 356	172 140	180 085	211 572	223 720	223 720	246 794	265 208	285 150
9. District Hospitals	5 341 148	5 741 775	6 079 897	6 393 205	6 623 535	6 693 096	6 848 092	7 437 429	7 985 823
Total	14 334 353	16 007 896	17 723 971	18 993 346	19 441 200	19 659 155	20 825 714	22 429 843	24 246 450

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		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	13 774 307	15 589 077	17 198 336	18 402 782	18 710 274	18 874 337	20 118 237	21 645 795	23 377 105
Compensation of employees	9 481 720	10 476 826	11 229 551	12 176 936	12 079 378	11 967 344	12 396 711	13 445 989	14 536 078
Goods and services	4 292 441	5 111 894	5 967 879	6 225 453	6 630 616	6 906 598	7 721 133	8 199 391	8 840 589
Interest and rent on land	146	357	906	393	280	395	393	415	438
Transfers and subsidies to:	411 766	363 631	458 294	457 659	475 617	579 002	455 387	487 529	556 518
Provinces and municipalities	117 404	129 600	154 750	193 000	204 284	219 659	213 394	225 396	237 793
Departmental agencies and accounts	10	48	107	43	67	107	45	47	49
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	190 405	165 147	171 372	175 844	108 611	114 758	49 701	51 034	52 865
Households	103 947	68 836	132 065	88 772	162 655	244 478	192 247	211 052	265 811
Payments for capital assets	148 259	55 159	67 311	132 905	255 309	205 798	252 090	296 519	312 827
Buildings and other fixed structures	210	-	-	-	2 800	2 800	-	-	-
Machinery and equipment	148 049	55 159	67 311	132 905	252 509	202 998	252 090	296 519	312 827
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	21	29	30	-	-	18	-	-	-
Total	14 334 353	16 007 896	17 723 971	18 993 346	19 441 200	19 659 155	20 825 714	22 429 843	24 246 450

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

The increases over the seven-year period relate to the higher than anticipated wage agreements and carry-through costs of the various OSDs for medical personnel and other categories of staff. Also contributing was additional funding provided for inflationary increases in medical supplies and services, improving infant and child mortality rates, as well as substantial increases in HIV and AIDS funding each year. Further amounts were allocated for national priorities from 2011/12, with carry-through over the 2018/19 MTEF, to provide for capacity building for personnel and *Goods and services*, funding for family health team pilots/models, improving hospital norms and standards, and a general policy adjustment.

The sub-programme: District Management provides for the planning and administration of health services, the management of personnel and financial administration, the co-ordination and management of Day Hospital Organisations and Community Health Services rendered by local authorities and NGOs within the eThekweni Metro, as well as the determining of working methods and procedures and exercising district control. The increase in 2016/17 was attributed to the roll-over of funding from 2015/16 against the NHI grant. Growth over the 2018/19 MTEF is inflationary only.

The Community Health Clinics sub-programme renders a nurse-driven primary health care service at clinic level including visiting points, mobile and local authority clinics. The strong growth in 2015/16 and 2016/17 relates to the previously mentioned higher than anticipated wage agreements and carry-through costs of the various OSDs for medical personnel and other categories of staff. Also, additional funding was allocated in 2016/17 to address pressures on imported medicines and medical supplies resulting from the deterioration of the Rand/Dollar exchange rate. The increase in the 2017/18 Adjusted Appropriation is attributable to the pressures from the NHLS fee-for-service payment method. Growth over the 2018/19 MTEF is inflationary only. The lower growth in 2018/19 is because of a reduction in the medicine expenditure due to the acceleration in the enrolment of stable patients on chronic medication into the Central Chronic Medicine Dispensing and Distribution (CCMDD) programme.

The Community Health Centres sub-programme provides primary health services with full-time medical officers in respect of mother and child, health promotion, geriatrics, occupational therapy, physiotherapy, and psychiatry. The high growth from 2014/15 to 2017/18 is due to the NHLS fee-for-service payment method and the progressive commissioning of the Dannhauser and Jozini Community Health Centres. Growth over the 2018/19 MTEF provides for inflationary adjustments only.

The sub-programme: Community Based Services renders a community-based health service at non-health facilities in respect of home-based care, abuse victims, mental and chronic care, school health, etc. The significant increases in 2015/16 and 2016/17 relate to the chronic medication pilot project that was added to this sub-programme, whereby patients on chronic medication collected their medication at designated community drop-off points. Expenditure for such medicine is thus reflected under this sub-programme going forward. There was acceleration in the enrolment of patients under this programme and the correct linking of PHC outreach teams and School Health Services teams to this sub-programme in line with the nature of services provided by these teams, which also contributes to the increase in 2016/17, as well as the 2017/18 Adjusted Appropriation. There is negative growth in 2018/19 due to the decrease in funding for the Social Sector EPWP Integrated Grant for Provinces, with the grant decreasing from R47.058 million in 2017/18 to R24.182 million in 2018/19. The growth over the remainder of the 2018/19 MTEF provides for inflationary increases only.

The sub-programme: Other Community Services renders environmental, port health and part-time district surgeon services, etc. The increase in 2018/19 is largely attributed to the new HPV grant (R44.976 million) allocated for the provision of the HPV vaccine which was previously funded by NDOH as an indirect grant to provinces. Provision is made for the increased intake of community services doctors in the outer years of the MTEF to place the returning doctors from the Cuban Doctors' programme.

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 Comprehensive HIV, AIDS and TB grant to cater for increased uptake of patients on ARV therapy. The strong growth over the entire period aligns with the growth in the Comprehensive HIV, AIDS and TB grant to fund the increase in patient numbers and the targets over the period. The increase in the 2017/18 Revised Estimate is due to pressures brought about by the implementation of the UTT programme, as well as the withdrawal of the supply of donor medicines. The increase in the 2018/19 MTEF baseline is for the continued expansion of the ARV programme (in 2019/20), HIV prevention and to cater for TB screening and treatment in line with the grant's extended TB focus.

The sub-programme: Nutrition provides nutrition services aimed at specific target groups such as malnourished children, and combines nutrition specific and nutrition sensitive interventions to address malnutrition. The minimal growth in 2015/16 and 2016/17 was due to enforced savings reprioritised to other pressures, in an effort to remain within budget. The increase in 2017/18 and growth in the outer years of the 2018/19 MTEF is attributed to the need to address the backlogs created by the enforced savings, due to the population's vulnerability to malnutrition, taking into account the recent drought and increasing food prices.

The sub-programme: Coroner Services provides forensic and medico-legal services to establish the circumstances and causes of unnatural death. Funding is provided in 2017/18 and over the MTEF for the replacement of two specialist posts resulting from the high attrition rate experienced in the previous financial years, as well the implementation of the new PSCBC agreement on overtime and allowances for the Forensic Pathology Services staff.

The sub-programme: District Hospitals provides hospital services at general practitioner level. The slow growth in 2016/17 was due to accruals of NHLS expenditure to 2017/18 due to cash blocking. The projected over-spending in the 2017/18 Revised Estimate is due to higher than budgeted medico-legal claims and NHLS fee-for-service payments, as well as accruals from 2016/17. This sub-programme shows steady growth over the 2018/19 MTEF in order to sustain the current services.

The high growth in *Compensation of employees* in 2015/16 was due to the higher than anticipated wage agreements and carry-through costs of the various OSDs for medical personnel and other categories of staff. The reduction in the 2017/18 Adjusted Appropriation and Revised Estimate was mainly within the Comprehensive HIV, AIDS and TB grant due to the slow pace in the filling of posts under the grant and cost containment within district management. Growth in 2018/19 is low and is insufficient to address an inflationary increase for existing staff. The department will address this in-year through reprioritisation. Growth over the two outer years makes provision for inflation only, implying that no additional posts can be filled at this stage.

The high growth in *Goods and services* from 2015/16 to 2017/18 is attributable to the change in the NHLS payment method from flat-fee to fee-for-service payment method, implementation of the UTT method, as well as the effect of the deterioration of the Rand/Dollar exchange rate on imported medicines and medical supplies. The slow growth in 2018/19 is due to the anticipated savings from the NHLS electronic gate-keeping whereby the ordering of laboratory tests will be closely monitored. The growth in 2019/20 is attributed to the provision for continued expansion of ARV coverage in response to the UTT programme.

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

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

Transfers and subsidies to: Non-profit institutions provides subsidies to entities that render PHC services. The reduction in 2015/16 was due to the NPI patients receiving ARV medication directly from the department. The decline in the 2017/18 Adjusted Appropriation and the negative growth in 2018/19 is attributable to the provincialisation of St Mary's Hospital to be a departmental facility. The outer years of the 2018/19 MTEF provide for inflationary increases only.

Transfers and subsidies to: Households relates to staff exit costs and medico-legal claims. The negative growth in 2018/19 is attributed to the department not being in a position to reprioritise additional funding to these costs due to other competing service delivery needs. The 2018/19 MTEF allocations provide for staff exit costs, and a reduced amount for medico-legal claims, due to pressures elsewhere in the budget, as well as anticipation that the medico-legal team will identify strategies that will reduce costs.

The increase against *Machinery and equipment* in 2016/17 was a result of the decision to defer the procurement process of some machinery and equipment from 2015/16 to 2016/17 in order to reduce the over-spending in 2015/16. The significant growth in 2017/18 and over the 2018/19 MTEF is based on the decision to decentralise the HTS related medical equipment budget to facilities. The amounts also provide for the replacement of essential non-medical equipment to meet health and safety requirements, such as medical and patient trolleys, hospital beds, etc.

Service delivery measures: District Health Services

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

Table 7.20 : Service delivery measures: District Health Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2017/18	2018/19	2019/20	2020/21
1. District Health Services					
To provide facilities for patients to be treated at PHC level	• Ideal clinic status rate	83.2%	87%	100%	100%
	• PHC utilisation rate (annualised)	2.6	2.6	2.5	2.5
	• Complaint resolution within 25 working days rate (PHC)	95.5%	96%	96%	96.5%
2. District Hospitals					
Rendering hospital service at general practitioner level	• Hospital achieved 75% and more on National Core Standards self-assessment rate (District Hospitals)	90%	39%	60%	65.8%
	• Average length of stay – total	5.7 days	5.6 days	5.5 days	5.5 days
	• Inpatient bed utilisation rate – total	59.4%	60.2%	64.7%	65.3%
	• Expenditure per patient day equivalent	R2 501	R2 452	R2 781	R3 125
	• Complaint resolution within 25 working days rate	89.3%	94%	95%	96%
3. HIV and AIDS, TB and STI control					
Rendering primary health care service in respect of HIV and AIDS, TB and STI control	• ART client remain on ART end of month – total	1 259 612	1 313 804	1 444 558	1 578 737
	• TB / HIV co-infected clients on ART rate	89.1%	95%	95%	95%
	• HIV test done – total	3 100 696	2 982 771	3 134 424	3 134 424
	• Male condoms distributed	94 153 676	199 500 000	206 757 450	220 917 212

Table 7.20 : Service delivery measures: District Health Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2017/18	2018/19	2019/20	2020/21
	• Medical male circumcision – total	182 224 996 936 cum	140 038 1 106 974 cum	156 016 1 262 990 cum	164 506 1 427 496 cum
	• TB client 5 years and older start on treatment rate	106.9%	90%	92%	94%
	• TB client treatment success rate	83%	87.6%	90%	92%
	• TB client lost to follow up rate	5 %	5%	5%	5%
	• TB client death rate	4.2%	5%	5%	5%
	• TB MDR treatment success rate	58%	60%	62%	65%
4. Maternal, child and women's health					
Rendering a comprehensive and integrated maternal, child and women health at primary health care level	• Antenatal 1 st visit before 20 weeks rate	70.2%	71%	72%	73%
	• Mother postnatal visit within 6 days rate	74.4%	75%	77%	79%
	• Antenatal client start on ART rate	97%	97%	97%	97%
	• Infant 1 st PCR test positive around 10 weeks rate	0.8%	0.8%	0.8%	0.8%
	• Immunisation under 1 year coverage (annualised)	75.9%	80%	82%	85%
	• Measles 2 nd dose coverage (annualised)	79%	80%	81%	82%
	• Diarrhoea case fatality under 5 years rate	2.1%	2%	1.8%	1.6%
	• Pneumonia case fatality under 5 years rate	1.9%	2.6%	2.4%	2.2%
	• Severe acute malnutrition case fatality under 5 years rate	3.6%	6.5%	6%	5.5%
	• School Grade 1 learners screened	61 446	85 525	86 000	87 400
	• School Grade 8 learners screened	38 312	55 506	55 000	55 500
	• Delivery in 10 to 19 years in facility rate	23.3%	22%	21%	20%
	• Couple year protection rate (international)	34.6%	35%	36%	37%
	• Cervical cancer screening coverage 30 years and older	79%	82%	84%	85%
	• HPV 1 st dose	74 254	84 150	85 150	86 150
	• HPV 2 nd dose	73 541	84 150	85 150	86 150
• Vitamin A 12-59 months coverage	59.2%	60%	63%	65%	
• Maternal mortality in facility ratio (annualised)	109.3/100 000	100/100 000	95/100 000	90/100 000	
• Neonatal death in facility rate	11.8/1 000	11.5/1 000	11.3/1 000	11.3/1 000	
5. Disease prevention and control					
Rendering preventive and promotive health services	• Cataract surgery rate	956.4/ 1 mil	944.5/ 1 mil	953/ 1 mil	960.4/ 1 mil
	• Malaria case fatality rate	1.5%	0.6%	0.4%	0.3%

8.3 Programme 3: Emergency Medical Services

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

Poverty and topography are major cost drivers for both the Emergency Transport and Planned Patient Transport sub-programmes.

Tables 7.21 and 7.22 summarise payments and budgeted estimates pertaining to Programme 3.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
1. Emergency Services	1 026 983	1 106 737	1 114 738	1 195 647	1 242 392	1 275 170	1 299 438	1 410 574	1 513 694
2. Planned Patient Transport	41 130	67 669	94 525	82 203	116 122	127 947	116 248	110 584	118 310
Total	1 068 113	1 174 406	1 209 263	1 277 850	1 358 514	1 403 117	1 415 686	1 521 158	1 632 004

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		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	1 061 869	1 133 984	1 189 528	1 220 793	1 301 802	1 347 223	1 329 375	1 419 356	1 524 602
Compensation of employees	768 178	822 311	866 530	899 259	942 036	966 812	962 392	1 087 276	1 174 258
Goods and services	293 675	311 638	322 937	321 534	359 747	380 406	366 983	332 080	350 344
Interest and rent on land	16	35	61	-	19	5	-	-	-
Transfers and subsidies to:	4 684	3 465	3 779	5 057	4 703	3 885	5 311	5 609	5 918
Provinces and municipalities	1 947	1 205	2 001	2 500	2 624	2 624	2 645	2 793	2 947
Departmental agencies and accounts	2	2	2	2	-	-	2	2	2
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 735	2 258	1 776	2 555	2 079	1 261	2 664	2 814	2 969
Payments for capital assets	1 189	36 957	15 956	52 000	52 009	52 009	81 000	96 193	101 484
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 189	36 957	15 956	52 000	52 009	52 009	81 000	96 193	101 484
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	371	-	-	-	-	-	-	-	-
Total	1 068 113	1 174 406	1 209 263	1 277 850	1 358 514	1 403 117	1 415 686	1 521 158	1 632 004

The sub-programme: Emergency Services provides for all emergency medical services including ambulance services, special operations, communication and air ambulance services. The increase in the 2017/18 Adjusted Appropriation was to address overtime costs and higher than expected fuel and vehicle maintenance costs. The projected over-spending in the 2017/18 Revised Estimate relates to overtime payments to paramedic staff being higher than anticipated and accounts for the low growth in 2018/19. The over-time payment system is under review and costs are expected to be lower going forward. The growth over the remainder of the 2018/19 MTEF is inflationary only.

The Planned Patient Transport sub-programme provides planned patient transport, including Local Outpatient Transport (within the boundaries of a given town or local area) and Inter-City/Town Outpatient Transport (into referral centres). The increase in the 2017/18 Adjusted Appropriation was to address overtime costs and higher than expected fuel and vehicle maintenance costs. The negative growth in 2018/19 is attributed to targeted savings to be realised from stringent maintenance and repairs control measures to be implemented. The department has appointed assessors who will carry out the necessary assessment and verification for repairs before any commitment is made. All vehicle repairs will be centralised and approved by the CFO. This central control seeks to reduce expenditure relating to fuel consumption, usage of tyres, maintenance of vehicles, as well as to conduct fleet inspections, especially related to mileage and vehicle utilisation. The growth over the remaining two years of the MTEF is for inflationary purposes only.

The increase in the 2017/18 Adjusted Appropriation and projected over-spending in *Compensation of employees* in the 2017/18 Revised Estimate relates to overtime payments to paramedic staff. There is no growth in 2018/19 due to the increased overtime costs in 2017/18 and the reprioritisation of funds to maintenance and repairs of vehicles and uniform accruals. The department has provided sufficient funding for current staff only going forward.

The main cost drivers under *Goods and services* are fuel and repairs to emergency vehicles, the latter being related to the rough terrain in rural areas. The increase in the 2017/18 Adjusted Appropriation and Revised Estimate was due to pressures resulting from higher than expected vehicle repair costs. The negative growth in 2018/19 and 2019/20, with inflationary growth in the outer year, is attributed to targeted savings to be realised from the recapitalisation of ambulance fleet, as well as the stringent maintenance and repair control measures to be implemented.

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

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

Regarding *Machinery and equipment*, the negative growth in 2016/17 was part of the departmental cost-containment plan to remain within budget, with the procurement of Emergency Medical Services vehicles put on hold in 2016/17, hence the significant increase in 2017/18. The drive to replace redundant ambulances will continue over the 2018/19 MTEF, hence the steady growth.

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

Service delivery measures: Emergency Medical Services

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

Table 7.23 : Service delivery measures: Emergency Medical Services

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2017/18	2018/19	2019/20	2020/21
1. Emergency Medical Services					
Rendering emergency medical services including ambulance services, special operations, communications and air ambulance services	• EMS P1 urban response under 15 minutes rate	21.6%	23%	25%	27%
	• EMS P1 rural response under 40 minutes rate	36%	38%	40%	44%
	• EMS inter-facility transfer rate	38.5%	46%	50%	53%

8.4 Programme 4: Provincial Hospital Services

The purpose of this programme is the delivery of hospital services which are accessible, appropriate and effective and the provision of general specialist services including a specialised rehabilitation service, and a platform for training health professionals and research.

Programme 4 comprises five sub-programmes, with the following main objectives:

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

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

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
1. General (Regional) Hospitals	6 727 470	7 311 976	7 822 649	8 468 660	8 526 093	8 657 907	9 028 560	9 480 008	10 199 494
2. Tuberculosis Hospitals	673 267	734 142	776 902	812 781	807 317	796 063	832 736	893 855	958 483
3. Psychiatric-Mental Hospitals	753 333	788 178	825 338	891 958	875 232	868 808	929 156	998 539	1 079 095
4. Sub-acute, Step-down and Chronic Medical Hospitals	301 940	361 110	378 575	417 707	392 857	386 541	418 476	449 941	483 751
5. Dental Training Hospital	17 415	18 958	19 451	21 257	21 257	19 641	23 490	24 749	26 687
Total	8 473 425	9 214 364	9 822 915	10 612 363	10 622 756	10 728 960	11 232 418	11 847 092	12 747 510

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2014/15	2015/16	2016/17	Appropriation	Appropriation	Estimate	2018/19	2019/20	2020/21
Current payments	8 316 935	9 047 148	9 621 228	10 433 135	10 266 749	10 360 621	10 889 835	11 476 311	12 350 923
Compensation of employees	6 505 622	6 989 676	7 442 082	7 997 996	7 838 241	7 763 049	8 417 039	8 920 704	9 654 757
Goods and services	1 811 170	2 056 552	2 178 854	2 435 135	2 426 701	2 595 225	2 472 792	2 555 603	2 696 162
Interest and rent on land	143	920	292	4	1 807	2 347	4	4	4
Transfers and subsidies to:	124 026	134 412	193 032	143 360	240 139	277 693	225 447	228 509	246 490
Provinces and municipalities	-	-	101	-	-	-	-	-	-
Departmental agencies and accounts	64	44	127	83	118	198	88	93	98
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	10	-	-	-	-	-	-	-
Non-profit institutions	31 646	28 255	32 557	34 843	34 843	27 468	5 169	5 479	5 643
Households	92 316	106 103	160 247	108 434	205 178	250 027	220 190	222 937	240 749
Payments for capital assets	32 459	30 385	8 655	35 868	115 868	90 646	117 136	142 272	150 097
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	32 459	30 385	8 655	35 868	115 868	90 646	117 136	142 272	150 097
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	5	2 419	-	-	-	-	-	-	-
Total	8 473 425	9 214 364	9 822 915	10 612 363	10 622 756	10 728 960	11 232 418	11 847 092	12 747 510

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

The General (Regional) Hospitals sub-programme provides hospital services at a general specialist level and a platform for training of health workers and research. The increase in the 2017/18 Adjusted Appropriation and Revised Estimate was mainly related to NHLS accruals from 2016/17, medico-legal claims, the once-off settlement of the JHE payment, as well as the decentralisation of HTS related medical equipment budget from Programme 8 to facility level. The low growth in 2018/19 is due to the once-off nature of payments settled in 2017/18, reduced NHLS budget in line with the anticipated savings from the previously mentioned electronic gate-keeping, as well as the reduced medicine budget as more patients on chronic medication are to be enrolled under the CCMDD programme. The growth in the outer years is inflationary only.

The Tuberculosis Hospitals sub-programme provides for specialised care of patients with TB, including MDR and XDR TB. The slow growth in 2016/17 was mainly due to the decommissioning of the state aided FOSA (SANTA) Hospital in Durban in 2015/16, due to it not being financially viable. Growth over the 2018/19 MTEF is for inflationary purposes only.

The sub-programme: Psychiatric-Mental Hospitals renders a specialist psychiatric hospital service for people with mental illnesses and intellectual disability. The low growth in 2016/17 was mainly due to NHLS and medicine payments deferred to 2017/18, in an effort to remain within the budget. The 2018/19 MTEF growth is for inflationary purposes only.

The sub-programme: Sub-acute, Step-down and Chronic Medical Hospitals provides medium to long term care to patients who require rehabilitation and/or a minimum degree of active medical care but cannot be sent home. These patients are often unable to access ambulatory care at departmental services or their socio-economic or family circumstances do not allow for them to be cared for at home. The slow growth in 2016/17 was mainly due to NHLS and medicine payments being deferred to 2017/18, in an effort to remain within the budget. The 2018/19 MTEF allocations make provision for the operational costs of McCord Hospital to function as a specialised eye-care hospital. There is no provision for the phased commissioning of the KZN Children's Hospital due to budget constraints, and this project's timeline will be extended as a result.

The Dental Training Hospital sub-programme provides specialised dental services and shows steady growth over the entire period, with inflationary growth over the 2018/19 MTEF.

There is steady growth in *Compensation of employees* over the entire period. The decrease in the 2017/18 Adjusted Appropriation and Revised Estimate is largely due to the inability to fill non-OSD posts because of slow recruitment processes, and the inability to attract applications for OSD posts such as oncologists, psychologists, urologists, etc. The growth over the 2018/19 MTEF is inflationary only, implying that no additional staff are affordable at this stage, unless the department undertakes in-year reprioritisation. Growth in 2019/20 is insufficient and this will be addressed in the next budget process.

The low growth in *Goods and services* in 2016/17 was due to the NHLS payments for March 2017 being deferred to April 2017, hence the higher growth in 2017/18. The negative growth in 2018/19 is as a result of the anticipated savings from the implementation of NHLS electronic gate-keeping. The growth over the remainder of the 2018/19 MTEF is inflationary only and includes items such as medicines, medical supplies and property payments (water, electricity, cleaning and security).

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

Transfers and subsidies to: Non-profit institutions shows a reduced baseline from 2018/19 due to the planned provincialisation of the Siloah TB Hospital in 2018/19. Thereafter there is inflationary growth over the remainder of the 2018/19 MTEF. This funding supports NGOs providing various services, including mental health care, disability care and TB.

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

The increase against *Machinery and equipment* in the 2017/18 Adjusted Appropriation, with carry-through over the 2018/19 MTEF, relates mainly to the procurement of essential non-medical equipment, as well as the decentralised procurement of HTS related medical equipment from 2017/18. In 2016/17, the procurement process for replacement motor vehicles was deferred to 2017/18, also contributing to the high growth in 2017/18. Funding is provided over the 2018/19 MTEF for the replacement of redundant essential non-medical equipment such as medical and patient trolleys, hospital beds, etc., as well as the previously mentioned HTS related medical equipment, and increases are matched to identified cyclical replacement needs.

Service delivery measures: Provincial Hospital Services

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

Table 7.26 : Service delivery measures: Provincial Hospital Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2017/18	2018/19	2019/20	2020/21
1. General (Regional) Hospitals					
Rendering of hospital services at a general specialist level and a platform for training of health workers and research	• Hospital achieved 75% and more on National Core Standards self-assessment rate	100%	46.2%	61.5%	69.2%
	• Average length of stay – total	5.7 days	5.6 days	5.4 days	5.4 days
	• Inpatient bed utilisation rate – total	72.8%	75.2%	77.4%	77.4%
	• Expenditure per PDE	R3 112	R3 377	R3 553	R3 553
	• Complaints resolution within 25 working days rate	90%	95%	95%	95%
2. Specialised TB Hospitals					
Rendering of hospital services at a specialist TB level	• Hospital achieved 75% and more on National Core Standards self-assessment rate	50%	40%	60%	70%
	• Inpatient bed utilisation rate – total	53.8%	56.2%	56%	57.3%
	• Expenditure per PDE	R2 184	R2 932	R3 129	R3 256
	• Complaints resolution within 25 working days rate	95%	96.5%	96.6%	97.7%

Table 7.26 : Service delivery measures: Provincial Hospital Services

Outputs	Performance indicators	Estimated performance			
		2017/18	2018/19	2019/20	2020/21
3. Specialised Psychiatric Hospitals					
Rendering of hospital services at a specialist psychiatric level	Hospital achieved 75% and more on National Core Standards self-assessment rate	17%	33%	60%	66.7%
	Inpatient bed utilisation rate – total	71.8%	72.1%	75.4%	75.4%
	Expenditure per PDE	R1 297	R1 311	R1 326	R1 382
	Complaints resolution within 25 working days rate	87.9%	90.6%	95.5%	95.5%
4. Chronic/ Sub-Acute Hospitals					
Rendering of hospital services at a specialist chronic/sub-acute level	Hospital achieved 75% and more on National Core Standards self-assessment rate	50%	100%	100%	100%
	Inpatient bed utilisation rate – total	54.8%	65.6%	74.5%	75%
	Expenditure per PDE	R2 711	R2 727	R2 735	R2 748
	Complaints resolution within 25 working days rate	100%	100%	100%	100%
5. Oral and Dental Training Centre					
Rendering of hospital services at a specialist dental level	No. of dentures issued per annum	250	250	300	350
	No. of Oral Hygienists and Dental Therapists trained per annum	40	40	40	40

8.5 Programme 5: Central Hospital Services

The main purpose of Programme 5: Central Hospital Services is to provide tertiary health services and to create a platform for the training of health workers. Tables 7.27 and 7.28 summarise payments and budgeted estimates relating to the two sub-programmes that fall under this programme.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
1. Central Hospital Services	1 914 646	2 087 907	2 259 604	2 241 188	2 263 188	2 335 727	2 402 978	2 555 712	2 787 360
2. Provincial Tertiary Hospital Services	1 903 154	2 037 022	2 274 553	2 340 390	2 418 390	2 420 201	2 553 015	2 658 186	2 926 961
Total	3 817 800	4 124 929	4 534 157	4 581 578	4 681 578	4 755 928	4 955 993	5 213 898	5 714 321

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	3 774 252	4 092 468	4 472 417	4 547 518	4 570 316	4 661 622	4 805 919	5 116 860	5 597 039
Compensation of employees	2 135 330	2 331 335	2 492 410	2 689 663	2 666 039	2 648 995	2 843 834	3 086 384	3 410 817
Goods and services	1 638 596	1 761 005	1 979 967	1 857 855	1 904 277	2 012 626	1 962 085	2 030 476	2 186 222
Interest and rent on land	326	128	40	-	-	1	-	-	-
Transfers and subsidies to:	40 875	30 432	48 533	27 060	11 696	10 883	27 715	39 267	50 877
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	51	52	53	60	119	119	63	67	71
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	40 824	30 380	48 480	27 000	11 577	10 764	27 652	39 200	50 806
Payments for capital assets	2 673	2 029	13 207	7 000	99 566	83 423	122 359	57 771	66 405
Buildings and other fixed structures	-	-	2 000	-	-	-	-	-	-
Machinery and equipment	2 673	2 029	11 207	7 000	99 566	83 423	122 359	57 771	66 405
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 817 800	4 124 929	4 534 157	4 581 578	4 681 578	4 755 928	4 955 993	5 213 898	5 714 321

The Central Hospital Services sub-programme provides for highly specialised medical health tertiary and quaternary services on a national basis, and includes the IALCH. The growth in 2015/16 was due to the filling of critical vacant posts, mainly medical specialists who were guaranteed placement on completion

of their studies. Also contributing to the growth were outstanding commitments from 2014/15 and NHLS fee-for-service pressures. The increase in 2016/17 was related to pressures on imported medicines and medical supplies resulting from the deterioration of the Rand/Dollar exchange rate. The negative growth in 2017/18 and low growth in 2018/19 is due to the inability to fill non-OSD posts due to insufficient carry-through funding in the outer years, and difficulties in attracting applications for OSD posts, such as oncologists, neurosurgeons, etc., at prioritised facilities, anticipated savings from the new PPP contract, as well as savings from the optimisation of medical supplies stock levels. Growth in the outer two years is inflationary only.

The sub-programme: Provincial Tertiary Hospital Services provides tertiary health services and creates a platform for the training of specialist health professionals. The high growth in 2016/17 was due to pressures on imported medicines and medical supplies resulting from the deterioration of the Rand/Dollar exchange rate. Also contributing was the accrual of some medical supply payments to 2016/17, as well as higher than budgeted medico-legal claims. The growth over the 2018/19 MTEF is inflationary only.

The increase in *Compensation of employees* in 2015/16 was due to critical specialist posts that were filled. The reduction in the 2017/18 Adjusted Appropriation is due to the previously mentioned inability to fill non-OSD posts because insufficient carry-through funding in the outer years, and difficulties in attracting applications for OSD posts, such as oncologists, neurosurgeons, etc., at prioritised facilities. The increase in 2018/19 is not at the required inflationary level, implying that no filling of vacant posts can occur, unless in-year reprioritisation takes place. Growth in 2020/21 is sufficient to cater for limited filling of vacant posts.

The increase in *Goods and services* in 2016/17 was to address pressures relating to imported medicines and medical supplies resulting from the deterioration of the Rand/Dollar exchange rate, as well as the effects of the NHLS fee-for-service payment method. The negative growth in the 2017/18 Main Appropriation is due to the previously mentioned reduced costs of the PPP contract and the optimisation of stock levels. The increase in the 2017/18 Adjusted Appropriation is largely related to additional funding for the Treasury/Health assistance plan, with a small carry-over budget, hence the reduction in 2018/19. The growth over the remainder of the 2018/19 MTEF caters for inflationary increases only.

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

Transfers and subsidies to: Households relates to medico-legal claims, as well as staff exit costs. The high growth in 2016/17 was due to excessive costs of medico-legal litigation. Additional funds were reprioritised towards medico-legal claims, hence the higher growth in the outer years of the MTEF.

The increase in 2017/18 against *Machinery and equipment* relates to the planned replacement of redundant essential non-medical equipment such as medical and patient trolleys, hospital beds, etc., as well as the clearing of the backlog due to the previously mentioned shortage of funds. As previously mentioned, the procurement of HTS related medical equipment was decentralised to facilities hence the high growth in 2017/18. The baseline remains at the higher level, with inflationary growth thereafter.

Service delivery measures: Central Hospital Services

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

Table 7.29 : Service delivery measures: Central Hospital Services

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2017/18	2018/19	2019/20	2020/21
1. Tertiary Hospitals					
To provide tertiary health services and create a platform for the training of health workers	• Hospital achieved 75% and more on National Core Standards self-assessment rate	-	66%	100%	100%
	• Average length of stay – total	9.3 days	9.4 days	9.4 days	9.4 days
	• Inpatient bed utilisation rate – total	70%	75%	76.5%	76.5%
	• Expenditure per PDE	R3 697	R4 029	R4 125	R4 503
	• Complaints resolution within 25 working days rate	96.2%	97%	97.5%	98%

Table 7.29 : Service delivery measures: Central Hospital Services

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2017/18	2018/19	2019/20	2020/21
2. Central Hospitals					
Rendering of a highly specialised medical health and quaternary service on a national basis and a platform for the training of health workers and research	• Hospital achieved 75% and more on National Core Standards self-assessment rate	-	100%	100%	100%
	• Average length of stay – total	8.7 days	8.8 days	8.8 days	8.8 days
	• Inpatient bed utilisation rate – total	66.8%	66.8%	71%	71.9%
	• Expenditure per PDE	R8 370	R8 373	R8 380	R8 386
	• Complaints resolution within 25 working days rate	92.9%	95.9%	97.5%	99.2%

8.6 Programme 6: Health Sciences and Training

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

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

Tables 7.30 and 7.31 summarise information relating to Programme 6 for the period 2014/15 to 2020/21.

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		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
1. Nursing Training Colleges	276 189	277 502	275 229	300 650	278 443	270 097	293 908	311 721	333 156
2. EMS Training Colleges	5 039	5 298	16 542	18 304	17 297	17 296	19 127	20 319	21 665
3. Bursaries	243 405	280 604	322 878	293 912	291 109	319 488	265 492	220 248	159 250
4. Primary Health Care Training	41 957	41 069	39 135	46 481	50 985	53 225	59 100	61 837	65 862
5. Training Other	452 359	454 321	547 290	582 336	603 849	603 080	626 723	667 760	732 816
Total	1 018 949	1 058 794	1 201 074	1 241 683	1 241 683	1 263 186	1 264 350	1 281 885	1 312 749

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		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
Current payments	778 344	773 468	887 101	952 340	946 604	941 989	994 094	1 056 577	1 148 152
Compensation of employees	722 027	721 247	821 215	877 206	890 053	883 289	918 016	976 837	1 064 266
Goods and services	56 317	52 219	65 883	75 134	56 551	58 700	76 078	79 740	83 886
Interest and rent on land	-	2	3	-	-	-	-	-	-
Transfers and subsidies to:	238 187	285 220	313 940	282 631	287 832	315 739	260 659	215 310	154 186
Provinces and municipalities	-	-	-	-	15	15	-	-	-
Departmental agencies and accounts	15 768	18 863	19 842	19 842	18 850	18 850	20 868	22 036	23 248
Higher education institutions	16	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	222 403	266 357	294 098	262 789	268 967	296 874	239 791	193 274	130 938
Payments for capital assets	2 412	99	33	6 712	7 247	5 458	9 597	9 998	10 411
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 412	99	33	6 712	7 247	5 458	9 597	9 998	10 411
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	6	7	-	-	-	-	-	-	-
Total	1 018 949	1 058 794	1 201 074	1 241 683	1 241 683	1 263 186	1 264 350	1 281 885	1 312 749

The sub-programme: Nursing Training Colleges provides for the training of 225 nurses at under-graduate and post-basic level at 11 campuses. The target group includes actual and potential employees. The negative growth in 2016/17 was due to lower staff exit costs. Growth over the MTEF is inflationary only.

The EMS Training Colleges sub-programme provides for the training of rescue and ambulance personnel which takes place at McCord Hospital. The target groups include actual and potential employees. The marked increase from 2016/17 was due to the incorrect linking of EMS training staff against Programme 3, which was corrected in 2016/17. Historical figures could not be restated. Approximately 30 personnel are trained each year. The growth over the 2018/19 MTEF is inflationary only.

The sub-programme: Bursaries provides bursaries for health science training programmes supporting mainly medical doctors at under- and post-graduate levels, targeting actual and potential employees over the period. The increase in 2016/17 was to address pressures from the carry-through costs of the increase in the Cuban Doctors' programme intake in 2015/16, as well as the increased cost of the programme due to the weakening Rand/Dollar exchange rate. As mentioned, No further students will be added to this programme in accordance with a NDOH instruction. An estimated 261 students are expected to return from Cuba in 2018/19. Based on the current pass rate, approximately 225, 69 and 17 students will return from 2019/20 to 2021/22, respectively, to serve an 18-month internship. Apart from the students in Cuba, a further 696 students are funded *via* bursaries in South Africa. The MTEF trend is negative due to students completing their studies and returning to South Africa for the 18-month internships.

The Primary Health Care Training sub-programme provides PHC related training for personnel, as required by the regions. The negative growth from 2015/16 to 2017/18 is attributable to the reduced intake in the general nurse training programme due to budget cuts. The increase in the 2018/19 MTEF is an attempt to restore the nurse training programmes, especially in the specialised fields, such as advanced midwifery. Currently, a total of 185 students are trained annually.

The sub-programme: Training Other includes skills development programmes for all of the department's occupational categories. The target group includes actual and potential employees and training includes disability management, health and safety training, among others. The increase in 2016/17 and 2017/18 is attributable to a once-off increased intake of medical interns, which is a two-year programme, hence the low growth in 2018/19. The outer two years of the 2018/19 MTEF provide for inflationary increases only.

Compensation of employees increased in 2016/17 due to the above-mentioned increased intake of medical interns. The growth over the 2018/19 MTEF is below the required inflationary increases, which implies that there is insufficient funding for existing staff, and this will be reviewed in-year.

The growth against *Goods and services* from 2016/17 to the 2017/18 Main Appropriation relates to the negative effects of the weakening Rand/Dollar exchange rate on the travelling and subsistence costs of students in the Cuban Doctors' programme. The reduction in the 2017/18 Adjusted Appropriation is due to enforced savings to address pressures elsewhere in the budget. Growth over the MTEF caters for the ongoing travelling costs of the Cuban Doctors' programme, as well as inflationary increments.

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

Transfers and subsidies to: Households relates to intensive training programmes through bursaries to address the shortage of personnel in the health fields, including the Cuban Doctors' programme. The increase in 2016/17 was to address pressures from the carry-through costs of the increase in the number of Cuban Doctors' programme intake in 2015/16, as well as the increased cost of the Cuban Doctors' programme due to the weakening Rand/Dollar exchange rate. The budget over the 2018/19 MTEF reduces in line with the anticipated return of qualified students from Cuba to undertake their 18 month internships. The final batch of returning students is expected to complete their internships in 2022/23.

Machinery and equipment makes provision for additional office and training equipment at the various training campuses. The procurement of replacement college vehicles was put on hold until 2017/18, hence the increase in that year. The 2018/19 MTEF allocations are inflation related.

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

Service delivery measures: Health Sciences and Training

Table 7.32 illustrates service delivery pertaining to Programme 6. The measures comply fully with the customised measures of the Health sector. Note that the department publishes additional non-sector measures for this programme in its annual APP.

Table 7.32 : Service delivery measures: Health Sciences and Training

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2017/18	2018/19	2019/20	2020/21
1. Bursaries					
Provision of bursaries for health science training programmes at undergraduate and postgraduate levels. Target group includes actual and potential employees	• No. of bursaries awarded for first year medicine students	30	30	30	30
	• No. of bursaries awarded for first year nursing students	150	150	150	150

8.7 Programme 7: Health Care Support Services

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

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

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
1. Medicine Trading Account	6	-	-	64 600	-	-	73 477	77 587	81 854
2. Laundry Services	125 667	134 153	241 603	186 767	193 082	177 276	185 396	195 778	209 144
3. Orthotic and Prosthetic Services	26 235	31 942	27 165	42 587	36 272	44 200	54 767	48 994	52 492
Total	151 908	166 095	268 768	293 954	229 354	221 476	313 640	322 359	343 490

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		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	147 452	165 637	268 086	287 608	216 363	209 954	298 086	315 439	336 189
Compensation of employees	84 524	90 967	94 283	152 176	108 440	103 686	162 692	172 467	185 352
Goods and services	62 928	74 670	173 803	135 432	107 923	106 267	135 394	142 972	150 837
Interest and rent on land	-	-	-	-	-	1	-	-	-
Transfers and subsidies to:	1 264	244	636	696	777	988	737	778	821
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 264	244	636	696	777	988	737	778	821
Payments for capital assets	3 192	214	46	5 650	12 214	10 534	14 817	6 142	6 480
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 192	214	46	5 650	12 214	10 534	14 817	6 142	6 480
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	151 908	166 095	268 768	293 954	229 354	221 476	313 640	322 359	343 490

The Medicine Trading Account sub-programme renders pharmaceutical services to the department. It also manages the supply of pharmaceuticals and medical sundries to hospitals, Community Health Centres and local authorities *via* the Medicine Trading Account. The decision to incorporate PPSD into the

departmental books in 2017/18 was put on hold while the department is strengthening systems in this facility, hence there is no funding in the 2017/18 Adjusted Appropriation and Revised Estimate under this sub-programme. This decision will be reviewed in 2018/19 and funding will be sourced from the resultant reduction in the medicine levy paid by all programmes.

The Laundry Services sub-programme provides laundry services to hospitals, care and rehabilitation centres. The negative growth in the 2017/18 Main Appropriation is due to an additional once-off R80 million allocated for linen in 2016/17. The increase in the 2017/18 Adjusted Appropriation was to provide for increased fuel costs at laundries. The under-spending in the 2017/18 Revised Estimate is a result of slow recruitment processes in respect of the filling of non-OSD laundry services posts. The growth over the 2018/19 MTEF is inflationary only.

The Orthotic and Prosthetic Services sub-programme provides specialised orthotic and prosthetic services. The negative growth in 2016/17 and the significant growth in 2017/18 relates to orthopaedic workshop disputes on tender prices and subsequent non-delivery of supplies in 2016/17, which resulted in minimal stock levels for artificial limbs and delays with the renewal of the tender for crutches. The high growth in 2018/19 and the subsequent decrease in 2019/20 relates to the once-off purchase of orthotic and prosthetic medical equipment to address backlogs, with inflationary growth thereafter.

Compensation of employees was reduced in the 2017/18 Adjusted Appropriation as a result of the delays in filling of Laundry Services posts due to the lack of carry-through funding in the outer years of the MTEF, as well as the decision to put the incorporation of the PPSD into the departmental books on hold, as mentioned. The increase in 2018/19 is for the anticipated incorporation of the PPSD into the department's books, with the remaining two years of the MTEF showing below inflationary growth, which is thus insufficient for existing staff, and this will be addressed in-year.

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

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

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

Service delivery measures: Health Care Support Services

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

Table 7.35 : Service delivery measures: Health Care Support Services

Outputs	Performance indicators	Medium-term targets			
		Estimated performance 2017/18	2018/19	2019/20	2020/21
1. Medicine Trading Account					
Render pharmaceutical services to the department. Manage the supply of pharmaceuticals and medical sundries to hospitals, Community Health Centres and local authorities	• Percentage of pharmacies that obtained A and B grading on inspection	93.7%	95.8%	100%	100%
	• No. of facilities implementing the CCMDD programme	692	717	717	717
	• No. of patients enrolled on CCMDD programme (cumulative)	839 187	1 350 000	1 750 000	1 850 000
2. Laundry services					
Render laundry services to hospitals, care and rehabilitation centres and certain local authorities	• Percentage of facilities reporting clean linen stock outs	2.8%	1.4%	0%	0%

8.8 Programme 8: Health Facilities Management

Programme 8 consists of six sub-programmes, the main aim of which is the facilities management of community health clinics, community health centres, district hospitals, emergency medical services facilities, provincial hospitals, central and tertiary hospitals, as well as all other buildings and structures. The main activities are to provide new health facilities, and rehabilitate, upgrade and maintain existing facilities in all sub-programmes. This includes the provision of additional PHC facilities, to ensure improved access to health services in under-served areas of the province, as well as the provision of major medical equipment. Tables 7.36 and 7.37 summarise payments and estimates relating to Programme 8.

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		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
1. Community Health Facilities	443 562	184 965	142 856	165 800	133 051	113 914	153 121	173 782	183 341
2. District Hospital Services	476 652	207 502	165 189	240 000	138 772	142 338	246 538	315 136	352 469
3. Provincial Hospital Services	500 232	848 813	863 523	849 184	875 913	994 259	831 872	744 089	618 081
4. Central Hospital Services	18 685	29 896	22 601	103 819	29 062	29 659	87 628	61 199	64 565
5. Other Facilities	239 906	246 442	226 406	297 725	281 180	235 557	209 497	234 007	240 796
Total	1 679 037	1 517 618	1 420 575	1 656 528	1 457 978	1 515 727	1 528 656	1 528 213	1 459 252

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		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
Current payments	379 132	375 853	419 726	460 421	432 369	431 305	496 246	547 580	621 667
Compensation of employees	24 158	33 986	43 022	51 400	55 096	57 296	58 496	51 346	53 397
Goods and services	354 974	341 867	376 704	409 021	377 273	374 009	437 750	496 234	568 270
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	37	20 000	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	20 000	-	-	-	-	-	-	-
Households	37	-	-	-	-	-	-	-	-
Payments for capital assets	1 299 868	1 121 765	1 000 849	1 196 107	1 025 609	1 084 422	1 032 410	980 633	837 585
Buildings and other fixed structures	1 206 295	1 052 053	908 917	819 107	923 450	969 867	963 192	743 360	646 960
Machinery and equipment	93 573	69 712	91 932	377 000	102 159	114 555	69 218	237 273	190 625
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 679 037	1 517 618	1 420 575	1 656 528	1 457 978	1 515 727	1 528 656	1 528 213	1 459 252

The bulk of the budget pertains to the construction and maintenance of the department's infrastructure, with the sub-programmes aligned to the main service delivery programmes. The most significant funding is against the Provincial Hospital Services sub-programme, which houses the new Dr Pixley Ka Isaka Seme Hospital. The sub-programme: Other Facilities relates to projects in Programmes 1, 3, 6 and 7, with the major projects being the new Town Hill Office park and the KZN Provincial Laundry.

Buildings and other fixed structures is the main cost-driver in this programme and is largely linked to a drive to improve and maintain the infrastructure of the department and is also related to increasing conditional grant funding, especially the Health Facility Revitalisation grant, as well as the department's equitable share. The decrease in 2016/17 was due to a decrease in the allocation for the Health Facility Revitalisation grant in that year. The allocation for the grant peaks in 2018/19 due to the incentive nature of this grant. The increase in 2018/19 and over the MTEF is also in line with various project requirements, mainly the new Dr Pixley Ka Isaka Seme Hospital, as well as the Ngwelezane Hospital project.

The increase in *Compensation of employees* from 2015/16 to 2017/18 relates to the department appointing 15 additional staff as required by DORA, and in terms of the Health Facility Revitalisation grant framework, including engineers, architects and quantity surveyors. This trend continued in 2016/17 with 18 posts filled to date including engineers, works inspectors and project managers. The programme is at

full capacity in 2017/18. The negative growth in 2019/20 is due to the EPWP Integrated Grant for Provinces being funded in 2018/19 only, at this stage.

The day-to-day maintenance drive accounts for the trend against *Goods and services* over the entire period and is an effort to bring facilities up to standard for the roll-out of the NHI. The high spending in 2016/17 was due to higher than expected building leases. The level of funding for maintenance grows strongly over the 2018/19 MTEF. Projects include day-to-day maintenance at all facilities such as urgent unplanned reactive maintenance, as well as servicing of plant, equipment, air conditioning units and lifts.

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

Machinery and equipment provides for essential medical equipment in all facilities. The decrease in 2015/16 was attributed to the HTS unit being behind on the planned equipment replacement programme due to lengthy SCM processes. The significant reduction in the 2017/18 Adjusted Appropriation is based on the decision to decentralise the HTS related medical equipment budget to facilities, as mentioned. Historical trends have been restated for comparative purposes. The trend over the two outer years of the 2018/19 MTEF shows high growth to address backlogs in essential medical equipment, such as X-ray machines and CT scanners, as well as the effect of the weakening exchange rate on the replacement of redundant essential medical equipment, for which the department received additional funding.

Service delivery measures: Health Facilities Management

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

Table 7.38 : Service delivery measures: Health Facilities Management

Outputs	Performance indicators	Estimated performance			
		2017/18	2018/19	2019/20	2020/21
1. Health Facilities Management					
Provision of new health facilities and the refurbishment, upgrading and maintenance of existing facilities	• No. of health facilities that have undergone major and minor refurbishment in NHI pilot district	148	148	148	148
	• No. of health facilities that have undergone major and minor refurbishment outside NHI pilot district (excluding facilities in NHI pilot district)	464	464	464	464

9. Other programme information

9.1 Personnel numbers and costs

Table 7.39 reflects personnel information. The staff occupying sub-vented (shared costs) posts and whose salaries are claimed from UKZN are not included in the information provided as they are not paid from the department's voted funds. As from 2017/18, approximately 131 personnel working at the PPSD, who were previously paid from the Medicine Trading Account, are now paid from voted funds, following the decision to incorporate the PPSD to be part of the departmental facilities. Note that the staff numbers include the placing of student nurses and community care-givers (CCG) on the payroll. The cost for CCGs has not increased, as the affected staff were previously paid *via* transfers to NGOs. The cost of student nurses are lower as they now receive a stipend, instead of a full salary.

As mentioned, provision should have been made for an inflationary wage adjustment of 6.5 per cent in 2018/19, 6.3 per cent in 2019/20 and 6.5 per cent for 2019/20, as well as 1.5 per cent per year for pay progression, this was not possible in 2018/19 due to pressures from non-negotiables and medico-legal claims. The department has only provided for a 5.7 per cent, 7.7 per cent and 8.4 per cent provision in the three MTEF years, respectively, which is insufficient to cater for existing staff. The situation in 2018/19 will be reviewed by the department during 2018/19.

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		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	250 237	213 371	256 922	232 069	232 069	254 045	247 718	263 599	281 317
Sale of goods and services produced by department (excluding capital assets)	249 286	212 169	246 707	231 049	231 049	253 322	246 638	262 458	280 114
Sales by market establishments	14 366	13 727	14 848	19 153	19 153	15 889	21 183	22 419	24 652
Administrative fees	5 262	5 066	6 382	5 045	5 045	6 691	5 343	5 642	5 952
Other sales	229 658	193 376	225 477	206 851	206 851	230 742	220 112	234 397	249 510
<i>Of which</i>									
Health patient fees	156 079	119 100	148 724	126 343	126 343	126 343	133 797	141 290	149 061
Commission	20 217	20 771	21 589	20 748	20 748	22 166	20 800	21 200	22 366
Boarding services	51 156	51 271	53 927	53 227	53 227	54 183	54 200	55 100	58 131
Tender documents	420	341	272	363	363	310	360	362	382
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	951	1 202	10 215	1 020	1 020	723	1 080	1 141	1 203
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	31	54	36	61	61	72	65	68	72
Interest, dividends and rent on land	143	51	3 316	71	71	66	149	157	166
Interest	143	51	3 316	71	71	66	149	157	166
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	14 009	-	970	12 600	12 600	10 093	13 343	14 091	14 866
Land and sub-soil assets	14 009	-	970	12 600	12 600	10 093	13 343	14 091	14 866
Other capital assets	-	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	25 513	30 118	36 860	15 707	15 707	21 019	16 634	17 565	18 531
Total	289 933	243 594	298 104	260 508	260 508	285 295	277 909	295 480	314 952

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
Current payments	1 061 869	1 133 984	1 189 528	1 220 793	1 301 802	1 347 223	1 329 375	1 419 356	1 524 602
Compensation of employees	768 178	822 311	866 530	899 259	942 036	966 812	962 392	1 087 276	1 174 258
Salaries and wages	658 964	696 517	738 046	762 311	805 088	829 974	807 719	924 340	998 287
Social contributions	109 214	125 794	128 484	136 948	136 948	136 838	154 673	162 936	175 971
Goods and services	293 675	311 638	322 937	321 534	359 747	380 406	366 983	332 080	350 344
Administrative fees	-	-	35	21	20	16	21	22	23
Advertising	52	12	43	18	19	13	24	25	26
Minor assets	424	356	630	900	1 833	1 555	1 118	1 181	1 246
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	77	-	-	-	-	-	-	-	-
Communication (G&S)	8 107	8 734	9 395	10 148	9 381	9 415	11 468	12 111	12 777
Computer services	45	-	-	-	-	-	-	-	-
Cons. and prof. serv.: Business and advisory services	11	2	5	-	93	93	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	151	77	320	95	-	26	95	100	106
Contractors	901	2 515	1 305	1 061	2 123	2 123	1 088	1 148	1 211
Agency and support / outsourced services	696	542	472	307	501	486	165	174	184
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	169 437	168 660	179 855	171 862	212 388	235 999	213 015	177 243	186 992
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	292	7 714	248	10 752	12 144	12 145	16 748	11 350	11 974
Inventory: Farming supplies	1	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	3 350	2 219	9 033	-	1	1	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	91	53	187	248	135	68	248	262	276
Inventory: Medical supplies	11 086	11 709	11 097	10 000	9 093	8 989	11 708	12 364	13 044
Inventory: Medicine	335	148	563	318	432	632	350	370	390
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	1 491	1 402	1 800	1 900	2 005
Consumable supplies	1 009	1 922	4 373	4 240	16	70	334	376	396
Consumable: Stationery, printing and office supplies	2 948	2 092	2 206	2 280	2 068	2 116	3 163	3 340	3 524
Operating leases	1 441	1 615	1 624	1 610	1 335	1 259	1 622	1 712	1 806
Property payments	17 341	19 620	22 129	23 000	23 844	23 853	25 266	26 681	28 148
Transport provided: Departmental activity	71 283	79 756	77 341	82 680	80 916	77 760	76 123	78 946	83 288
Travel and subsistence	4 503	3 678	1 961	1 782	1 912	2 380	2 187	2 310	2 437
Training and development	-	8	-	-	-	-	-	-	-
Operating payments	94	206	115	212	2	5	440	465	491
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	16	35	61	-	19	5	-	-	-
Interest	16	35	61	-	19	5	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	4 684	3 465	3 779	5 057	4 703	3 885	5 311	5 609	5 918
Provinces and municipalities	1 947	1 205	2 001	2 500	2 624	2 624	2 645	2 793	2 947
Provinces	1 947	1 205	2 001	2 500	2 624	2 624	2 645	2 793	2 947
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	1 947	1 205	2 001	2 500	2 624	2 624	2 645	2 793	2 947
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	2	2	2	2	-	-	2	2	2
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	2	2	2	2	-	-	2	2	2
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 735	2 258	1 776	2 555	2 079	1 261	2 664	2 814	2 969
Social benefits	2 098	1 733	1 358	1 597	1 597	1 072	1 683	1 778	1 876
Other transfers to households	637	525	418	958	482	189	981	1 036	1 093
Payments for capital assets	1 189	36 957	15 956	52 000	52 009	52 009	81 000	96 193	101 484
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 189	36 957	15 956	52 000	52 009	52 009	81 000	96 193	101 484
Transport equipment	250	35 871	14 488	43 000	43 000	43 000	68 500	82 161	86 680
Other machinery and equipment	939	1 086	1 468	9 000	9 009	9 009	12 500	14 032	14 804
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	371	-	-	-	-	-	-	-	-
Total	1 068 113	1 174 406	1 209 263	1 277 850	1 358 514	1 403 117	1 415 686	1 521 158	1 632 004

Estimates of Provincial Revenue and Expenditure

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2014/15	2015/16	2016/17	Appropriation	Appropriation	Estimate	2018/19	2019/20	2020/21
Current payments	778 344	773 468	887 101	952 340	946 604	941 989	994 094	1 056 577	1 148 152
Compensation of employees	722 027	721 247	821 215	877 206	890 053	883 289	918 016	976 837	1 064 266
Salaries and wages	687 353	685 882	782 713	836 037	851 381	843 655	799 301	850 529	926 640
Social contributions	34 674	35 365	38 502	41 169	38 672	39 634	118 715	126 308	137 626
Goods and services	56 317	52 219	65 883	75 134	56 551	58 700	76 078	79 740	83 886
Administrative fees	-	371	516	565	902	664	610	641	675
Advertising	144	76	106	50	129	160	181	190	200
Minor assets	530	206	192	352	443	827	613	643	675
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	3 696	2 438	1 854	2 357	2 174	1 259	2 585	2 714	2 850
Catering: Departmental activities	175	413	388	409	197	381	200	211	222
Communication (G&S)	948	697	753	795	745	744	140	147	154
Computer services	45	138	191	-	-	-	-	-	-
Cons. and prof. serv.: Business and advisory services	34	53	12	13	-	18	50	53	56
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	9	69	-	-	-	1	1	1	1
Contractors	1	2	2	7	7	6	7	7	7
Agency and support / outsourced services	59	22	11	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	2 320	2 361	2 547	1 891	2 752	3 099	3 766	3 996	4 234
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	128	19	18	210	191	200	210	221
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	126	14	15	-	-	-	-	-
Inventory: Learner and teacher support material	27	170	222	1 500	1 907	567	-	-	-
Inventory: Materials and supplies	51	34	17	25	218	216	350	369	388
Inventory: Medical supplies	413	139	75	76	203	6	25	27	29
Inventory: Medicine	-	-	-	-	-	15	-	-	-
Medsas inventory interface	3	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	388	216	345	363	381
Consumable supplies	1 373	1 376	1 352	1 596	801	688	162	169	178
Consumable: Stationery, printing and office supplies	1 486	2 049	1 824	3 325	2 732	3 079	3 724	3 874	4 084
Operating leases	1 273	1 402	1 337	1 663	2 958	1 224	1 247	1 310	1 376
Property payments	6 122	7 330	6 591	7 718	8 884	8 526	9 514	9 991	10 490
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	25 585	22 344	34 296	37 960	26 296	28 297	32 000	33 600	35 281
Training and development	10 091	9 151	12 866	14 554	4 371	7 732	18 841	19 629	20 709
Operating payments	1 199	749	298	234	234	437	1 118	1 175	1 234
Venues and facilities	733	375	400	11	-	347	399	420	441
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	2	3	-	-	-	-	-	-
Interest	-	2	3	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	238 187	285 220	313 940	282 631	287 832	315 739	260 659	215 310	154 186
Provinces and municipalities	-	-	-	-	15	15	-	-	-
Provinces	-	-	-	-	15	15	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	15	15	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	15 768	18 863	19 842	19 842	18 850	18 850	20 868	22 036	23 248
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	15 768	18 863	19 842	19 842	18 850	18 850	20 868	22 036	23 248
Higher education institutions	16	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	222 403	266 357	294 098	262 789	268 967	296 874	239 791	193 274	130 938
Social benefits	2 324	3 632	2 135	2 100	3 092	3 929	2 234	2 358	2 488
Other transfers to households	220 079	262 725	291 963	260 689	265 875	292 945	237 557	190 916	128 450
Payments for capital assets	2 412	99	33	6 712	7 247	5 458	9 597	9 998	10 411
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 412	99	33	6 712	7 247	5 458	9 597	9 998	10 411
Transport equipment	2 189	-	-	3 000	3 000	3 000	5 628	5 806	5 988
Other machinery and equipment	223	99	33	3 712	4 247	2 458	3 969	4 192	4 423
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	6	7	-	-	-	-	-	-	-
Total	1 018 949	1 058 794	1 201 074	1 241 683	1 241 683	1 263 186	1 264 350	1 281 885	1 312 749

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Current payments	147 452	165 637	268 086	287 608	216 363	209 954	298 086	315 439	336 189
Compensation of employees	84 524	90 967	94 283	152 176	108 440	103 686	162 692	172 467	185 352
Salaries and wages	70 109	74 205	77 184	126 115	89 960	85 351	136 234	144 583	155 366
Social contributions	14 415	16 762	17 099	26 061	18 480	18 335	26 458	27 884	29 986
Goods and services	62 928	74 670	173 803	135 432	107 923	106 267	135 394	142 972	150 837
Administrative fees	-	1	1	5	-	-	6	6	6
Advertising	79	59	45	93	38	35	117	123	129
Minor assets	31	117	13	161	194	85	213	225	237
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	417	299	895	1 226	1 067	1 064	1 526	1 606	1 688
Computer services	-	-	-	2 130	-	-	2 258	2 384	2 515
Cons. and prof. serv.: Business and advisory services	7	(4)	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	596	508	10	455	-	-	476	503	531
Agency and support / outsourced services	-	-	-	172	-	-	5 164	5 449	5 749
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	4 319	4 367	4 270	3 982	4 933	4 425	5 071	5 326	5 593
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	161	849	859	592	864	765	1 252	1 315	1 382
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	3 705	2 466	4 156	8 220	17 484	18 330	18 200	19 110	20 066
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	389	393	103	169	422	336	401	422	444
Inventory: Medical supplies	5 410	10 264	4 464	13 029	13 592	10 968	12 509	13 225	13 968
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	168	-	-	43 708	44 364	39 070	41 024	43 076
Consumable supplies	6 218	33 099	134 686	53 316	210	6	3 495	3 691	3 894
Consumable: Stationery, printing and office supplies	192	49	179	959	260	207	1 140	1 202	1 266
Operating leases	110	125	101	464	114	124	531	560	590
Property payments	11 684	11 006	13 601	22 801	16 418	16 854	24 589	26 344	28 125
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	116	78	60	118	64	71	176	186	196
Training and development	1	-	-	-	-	-	-	-	-
Operating payments	29 488	10 826	10 360	27 540	8 555	8 633	19 200	20 271	21 382
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	5	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	1	-	-	-
Interest	-	-	-	-	-	1	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 264	244	636	696	777	988	737	778	821
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	1 264	244	636	696	777	988	737	778	821
Social benefits	1 264	244	636	696	777	988	737	778	821
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	3 192	214	46	5 650	12 214	10 534	14 817	6 142	6 480
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 192	214	46	5 650	12 214	10 534	14 817	6 142	6 480
Transport equipment	3 154	136	-	4 750	4 750	4 750	4 878	5 150	5 434
Other machinery and equipment	38	78	46	900	7 464	5 784	9 939	992	1 046
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	151 908	166 095	268 768	293 954	229 354	221 476	313 640	322 359	343 490

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		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
Current payments	379 132	375 853	419 726	460 421	432 369	431 305	496 246	547 580	621 667
Compensation of employees	24 158	33 986	43 022	51 400	55 096	57 296	58 496	51 346	53 397
Salaries and wages	23 804	33 243	41 823	49 520	53 285	55 346	56 376	49 457	51 357
Social contributions	354	743	1 199	1 880	1 811	1 950	2 120	1 889	2 040
Goods and services	354 974	341 867	376 704	409 021	377 273	374 009	437 750	496 234	568 270
Administrative fees	-	2	7	3	3	3	-	-	-
Advertising	-	228	-	-	-	-	-	-	-
Minor assets	11 254	11 316	3 964	2 587	13 986	1 574	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	4	53	-	-	-	-	-	-	-
Computer services	-	211	-	-	-	-	-	-	-
Cons. and prof. serv.: Business and advisory services	13 834	2 590	157	-	61	61	-	-	-
Infrastructure and planning	812	-	61	-	-	-	-	2 112	2 228
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	528	-	-	-	-	-	-
Contractors	89 897	82 313	109 662	123 819	5 889	5 777	-	-	-
Agency and support / outsourced services	321	-	-	-	-	22	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	1 923	-	17	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	48	205	34	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	7	7	-	-	-
Inventory: Materials and supplies	3 177	4 685	1 403	2 500	1 601	2 037	-	-	-
Inventory: Medical supplies	2 790	12 749	1 403	1 300	-	196	-	-	-
Inventory: Medicine	-	28	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	34 921	32 034	31 187	11 800	8 139	9 946	33 450	18 532	19 551
Consumable: Stationery, printing and office supplies	5	160	71	12	6	6	220	220	232
Operating leases	75 684	87 257	83 109	100 000	99 184	102 633	98 421	98 541	98 653
Property payments	119 982	107 175	144 797	165 000	247 297	250 551	305 659	373 037	443 605
Transport provided: Departmental activity	-	-	-	-	-	-	-	3 792	4 001
Travel and subsistence	194	561	302	2 000	1 100	1 192	-	-	-
Training and development	-	12	1	-	-	-	-	-	-
Operating payments	-	288	1	-	-	4	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	128	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	37	20 000	-	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	20 000	-	-	-	-	-	-	-
Households	37	-	-	-	-	-	-	-	-
Social benefits	37	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 299 868	1 121 765	1 000 849	1 196 107	1 025 609	1 084 422	1 032 410	980 633	837 585
Buildings and other fixed structures	1 206 295	1 052 053	908 917	819 107	923 450	969 867	963 192	743 360	646 960
Buildings	1 206 295	1 047 225	908 917	819 107	923 450	969 867	963 192	743 360	646 960
Other fixed structures	-	4 828	-	-	-	-	-	-	-
Machinery and equipment	93 573	69 712	91 932	377 000	102 159	114 555	69 218	237 273	190 625
Transport equipment	1 891	-	-	-	-	-	-	-	-
Other machinery and equipment	91 682	69 712	91 932	377 000	102 159	114 555	69 218	237 273	190 625
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 679 037	1 517 618	1 420 575	1 656 528	1 457 978	1 515 727	1 528 656	1 528 213	1 459 252

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		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	292 847	299 898	312 377	331 944	331 944	331 944	349 500	370 863	391 260
Compensation of employees	292 837	299 843	311 870	331 944	331 444	331 444	349 000	370 333	390 730
Salaries and wages	275 614	285 287	294 875	288 792	288 292	288 292	303 629	322 189	339 934
Social contributions	17 223	14 556	16 995	43 152	43 152	43 152	45 371	48 144	50 796
Goods and services	10	55	507	-	500	500	500	530	530
Advertising	-	-	-	-	25	25	30	32	32
Travel and subsistence	10	55	48	-	50	50	50	53	53
Operating payments	-	-	459	-	425	425	420	445	445
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	1 697	-	-
Machinery and equipment	-	-	-	-	-	-	1 697	-	-
Other machinery and equipment	-	-	-	-	-	-	1 697	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	292 847	299 898	312 377	331 944	331 944	331 944	351 197	370 863	391 260

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		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	112 438	307 476	296 947	346 821	130 389	130 389	330 543	362 857	364 342
Compensation of employees	4 613	9 752	14 163	22 000	26 300	26 300	25 000	27 000	28 485
Salaries and wages	4 265	9 016	12 967	20 460	24 271	24 271	23 250	25 250	26 735
Social contributions	348	736	1 196	1 540	2 029	2 029	1 750	1 750	1 750
Goods and services	107 825	297 724	282 784	324 821	104 089	104 089	305 543	335 857	335 857
Administrative fees	-	-	1	-	3	3	-	-	-
Advertising	-	175	-	-	-	-	-	-	-
Minor assets	6 712	8 163	39	15 000	13 986	13 986	-	-	-
Communication (G&S)	-	-	81	-	-	-	-	-	-
Cons. & prof. serv.: Business and advisory services	13 194	994	143	-	-	-	-	-	-
Infrastructure and planning	-	-	-	2 000	-	-	2 000	2 112	2 112
Legal services	-	-	409	-	-	-	-	-	-
Contractors	14	73 680	109 037	123 819	-	-	-	-	-
Fleet services (including government motor transport)	-	-	48	-	-	-	-	-	-
Inventory: Clothing material and accessories	1 923	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	2 272	1 322	884	2 500	-	-	-	-	-
Inventory: Medical supplies	1 315	4 165	38	1 300	-	-	-	-	-
Inventory: Other supplies	3 000	29 492	-	14 946	-	-	2 223	2 363	2 363
Consumable supplies	-	-	30 310	-	-	-	1 100	1 162	1 162
Consumable: Stationery, printing and office supplies	-	143	-	220	-	-	220	220	220
Operating leases	75 524	87 256	-	36	-	-	-	-	-
Property payments	3 686	91 493	141 559	165 000	89 000	89 000	300 000	330 000	330 000
Travel and subsistence	184	541	235	-	1 100	1 100	-	-	-
Training and development	-	12	-	-	-	-	-	-	-
Operating payments	-	288	-	-	-	-	-	-	-
Transfers and subsidies	37	-	-	-	-	-	-	-	-
Households	37	-	-	-	-	-	-	-	-
Social benefits	37	-	-	-	-	-	-	-	-
Payments for capital assets	1 249 994	924 521	825 046	802 534	1 018 966	1 018 966	871 937	790 192	852 125
Buildings and other fixed structures	1 171 045	908 861	801 938	783 994	916 807	916 807	831 245	585 962	552 125
Buildings	1 171 045	908 861	801 938	783 994	916 807	916 807	831 245	585 962	552 125
Machinery and equipment	78 949	15 660	23 108	18 540	102 159	102 159	40 692	204 230	300 000
Transport equipment	1 891	-	-	-	-	-	-	-	-
Other machinery and equipment	77 058	15 660	23 108	18 540	102 159	102 159	40 692	204 230	300 000
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 362 469	1 231 997	1 121 993	1 149 355	1 149 355	1 149 355	1 202 480	1 153 049	1 216 467

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		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	1 491 969	1 525 249	1 588 894	1 689 866	1 634 466	1 634 466	1 686 906	1 780 942	1 902 461
Compensation of employees	1 190 837	1 208 111	1 271 137	1 333 418	835 146	835 146	883 535	945 382	1 022 904
Salaries and wages	1 055 283	1 064 268	1 128 977	1 160 074	726 577	726 577	768 675	822 482	889 926
Social contributions	135 554	143 843	142 160	173 344	108 569	108 569	114 860	122 900	132 978
Goods and services	301 132	317 138	317 757	356 448	799 320	799 320	803 371	835 560	879 557
Administrative fees	403	61	4	159	-	-	-	-	-
Minor assets	-	-	227	-	-	-	-	-	-
Laboratory services	-	-	22 031	-	161 740	161 740	171 000	181 260	190 323
Contractors	6 516	7 220	8 778	6 934	8 500	8 500	12 000	12 720	13 356
Agency and support / outsourced services	2 344	1 922	1 860	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	31	-	-	-	-	-	-
Inventory: Food and food supplies	1 949	1 638	1 582	2 125	-	-	-	-	-
Inventory: Fuel, oil and gas	4 393	4 287	4 239	4 251	-	-	-	-	-
Inventory: Medical supplies	241 533	254 318	226 427	287 194	448 754	448 754	433 435	443 428	467 817
Inventory: Medicine	38 889	42 841	46 365	51 038	176 000	176 000	186 071	197 235	207 097
Inventory: Other supplies	4 160	4 443	4 275	3 914	-	-	-	-	-
Consumable supplies	-	-	-	-	4 116	4 116	815	864	907
Consumable: Stationery, printing and office supplies	-	-	92	-	-	-	-	-	-
Operating leases	278	376	435	531	-	-	-	-	-
Property payments	-	-	1 150	-	-	-	-	-	-
Travel and subsistence	326	32	76	114	210	210	50	53	57
Operating payments	341	-	185	188	-	-	-	-	-
Transfers and subsidies	4 458	4 974	5 540	6 400	4 800	4 800	4 873	5 165	5 165
Households	4 458	4 974	5 540	6 400	4 800	4 800	4 873	5 165	5 165
Social benefits	4 458	4 974	5 540	6 400	4 800	4 800	4 873	5 165	5 165
Payments for capital assets	-	-	1 852	-	57 000	57 000	102 870	109 042	114 498
Machinery and equipment	-	-	1 852	-	57 000	57 000	102 870	109 042	114 498
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	1 852	-	57 000	57 000	102 870	109 042	114 498
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 496 427	1 530 223	1 596 286	1 696 266	1 696 266	1 696 266	1 794 649	1 895 149	2 022 124

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		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	2 580	13 000	13 000	47 058	47 058	47 058	24 182	-	-
Compensation of employees	2 052	13 000	13 000	47 058	45 758	45 758	24 135	-	-
Salaries and wages	2 052	13 000	12 984	47 058	45 758	45 758	20 997	-	-
Social contributions	-	-	16	-	-	-	3 138	-	-
Goods and services	528	-	-	-	1 300	1 300	47	-	-
Inventory: Medical supplies	528	-	-	-	1 300	1 300	-	-	-
Travel and subsistence	-	-	-	-	-	-	47	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 580	13 000	13 000	47 058	47 058	47 058	24 182	-	-

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		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	2 581	3 682	7 122	8 400	8 400	8 400	8 896	-	-
Compensation of employees	2 581	3 682	7 122	8 400	8 400	8 400	8 896	-	-
Salaries and wages	2 581	3 681	7 121	8 400	8 392	8 392	8 896	-	-
Social contributions	-	1	1	-	8	8	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 581	3 682	7 122	8 400	8 400	8 400	8 896	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	3 131 885	3 732 255	4 159 117	4 715 488	4 705 745	4 873 609	5 532 587	5 967 566	6 546 955
Compensation of employees	1 506 390	1 666 838	1 865 079	2 100 723	1 954 392	1 943 554	1 594 018	1 724 756	1 859 839
Salaries and wages	1 320 445	1 450 904	1 624 611	1 815 729	1 690 610	1 690 970	1 426 779	1 520 076	1 638 785
Social contributions	185 945	215 934	240 468	284 994	263 782	252 584	167 239	204 680	221 054
Goods and services	1 625 494	2 065 417	2 294 038	2 614 765	2 751 353	2 930 055	3 938 569	4 242 810	4 687 116
Administrative fees	-	422	840	530	520	571	120	127	134
Advertising	3 804	17 880	14 252	6 466	6 237	12 316	40 000	42 240	44 563
Minor assets	19	200	18	3 904	17	41	3 985	4 208	4 439
Catering: Departmental activities	808	2 342	894	1 484	300	272	2 630	2 777	2 929
Communication (G&S)	321	335	318	347	319	335	425	449	474
Cons. & prof. serv.: Business and advisory services	7	7	-	-	-	-	-	-	-
Laboratory services	601 156	550 400	490 347	820 000	767 928	837 433	1 030 000	1 022 637	1 078 881
Contractors	-	-	11 416	20 000	50 809	45 219	51 227	52 416	55 299
Agency and support / outsourced services	3 604	3 547	3 015	3 604	4 306	4 586	5 243	5 537	5 842
Fleet services (including government motor transport)	154	36	123	32	248	405	110	116	122
Inventory: Clothing material and accessories	-	-	-	-	15	13	-	-	-
Inventory: Farming supplies	-	-	2	-	-	-	-	-	-
Inventory: Food and food supplies	-	3	-	-	31	-	-	-	-
Inventory: Materials and supplies	-	-	19	-	-	-	-	-	-
Inventory: Medical supplies	107 811	96 071	104 556	144 220	73 901	85 942	172 686	185 134	195 316
Inventory: Medicine	890 806	1 367 576	1 647 625	1 588 782	1 831 578	1 928 623	2 600 000	2 893 563	3 263 661
Consumable supplies	4 883	4 570	6 221	7 000	6 377	6 357	5 298	5 595	5 903
Consumable: Stationery, printing and office supplies	398	711	570	4 000	571	582	10 221	10 457	11 032
Operating leases	2 812	5 483	215	318	174	211	469	495	522
Property payments	88	92	-	78	-	-	105	111	117
Travel and subsistence	5 329	10 288	9 222	9 000	6 474	5 529	9 546	10 081	10 635
Training and development	603	1 830	2 725	-	662	789	1 191	1 258	1 327
Operating payments	2 891	3 284	1 660	5 000	886	831	5 313	5 611	5 920
Venues and facilities	-	340	-	-	-	-	-	-	-
Interest and rent on land	1	-	-	-	-	-	-	-	-
Interest	1	-	-	-	-	-	-	-	-
Transfers and subsidies	59 955	78 464	57 051	117 007	117 746	131 980	132 638	139 652	147 333
Municipalities	40 000	60 000	40 000	100 000	100 000	116 846	115 000	121 492	128 174
Municipalities	40 000	60 000	40 000	100 000	100 000	116 846	115 000	121 492	128 174
Non-profit institutions	14 292	13 790	11 454	11 507	11 507	11 321	11 821	12 017	12 678
Households	5 663	4 674	5 597	5 500	6 239	3 813	5 817	6 143	6 481
Social benefits	5 663	4 674	5 597	5 500	6 239	3 813	5 817	6 143	6 481
Payments for capital assets	66 030	2 736	31 357	20 000	29 004	26 204	12 000	7 000	7 385
Buildings and other fixed structures	-	-	-	-	2 800	2 800	-	-	-
Buildings	-	-	-	-	2 800	2 800	-	-	-
Machinery and equipment	66 030	2 736	31 357	20 000	26 204	23 404	12 000	7 000	7 385
Transport equipment	65 744	2 735	31 200	-	20 004	20 004	-	-	-
Other machinery and equipment	286	1	157	20 000	6 200	3 400	12 000	7 000	7 385
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 257 870	3 813 455	4 247 525	4 852 495	4 852 495	5 031 793	5 677 225	6 114 218	6 701 673

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		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	-	-	-	-	-	-	41 378	43 495	46 107
Compensation of employees	-	-	-	-	-	-	2 313	2 503	2 612
Salaries and wages	-	-	-	-	-	-	2 313	2 503	2 612
Goods and services	-	-	-	-	-	-	39 065	40 992	43 495
Cons. & prof. serv.: Business and advisory services	-	-	-	-	-	-	1 350	1 500	1 500
Inventory: Medicine	-	-	-	-	-	-	30 519	31 992	33 375
Inventory: Other supplies	-	-	-	-	-	-	5 847	6 000	7 120
Travel and subsistence	-	-	-	-	-	-	1 349	1 500	1 500
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	3 598	4 000	4 000
Machinery and equipment	-	-	-	-	-	-	3 598	4 000	4 000
Other machinery and equipment	-	-	-	-	-	-	3 598	4 000	4 000
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	44 976	47 495	50 107

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		
	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20
Current payments	8 434	7 145	21 258	-	311	311	-	-	-
Compensation of employees	1 527	1 531	1 594	-	-	-	-	-	-
Salaries and wages	1 475	1 475	1 534	-	-	-	-	-	-
Social contributions	52	56	60	-	-	-	-	-	-
Goods and services	6 907	5 614	19 664	-	311	311	-	-	-
Administrative fees	-	3	8	-	-	-	-	-	-
Advertising	27	-	4	-	-	-	-	-	-
Minor assets	5	2 171	384	-	-	-	-	-	-
Catering: Departmental activities	17	-	187	-	-	-	-	-	-
Communication (G&S)	-	-	11 818	-	-	-	-	-	-
Computer services	-	-	4 473	-	-	-	-	-	-
Cons. and prof. serv.: Business and advisory services	2 499	2 107	251	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	191	191	-	-	-
Contractors	-	-	4	-	-	-	-	-	-
Inventory: Clothing material and accessories	30	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	196	40	799	-	-	-	-	-	-
Inventory: Medical supplies	27	-	182	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	774	72	196	-	120	120	-	-	-
Operating leases	-	-	44	-	-	-	-	-	-
Property payments	23	-	-	-	-	-	-	-	-
Travel and subsistence	968	95	186	-	-	-	-	-	-
Training and development	1 208	903	1 055	-	-	-	-	-	-
Operating payments	1 133	223	-	-	-	-	-	-	-
Venues and facilities	-	-	53	-	-	-	-	-	-
Rental and hiring	-	-	20	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	9 965	2 349	3 787	-	-	-	-	-	-
Machinery and equipment	9 965	2 349	3 787	-	-	-	-	-	-
Transport equipment	1 094	1 303	-	-	-	-	-	-	-
Other machinery and equipment	8 871	1 046	3 787	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	18 399	9 494	25 045	-	311	311	-	-	-

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2014/15	2015/16	2016/17	Appropriation	Appropriation	Estimate	2019/20	2018/19	2020/21
A KZN2000 eThekweni	105 000	129 600	154 750	193 000	204 284	219 657	213 394	225 396	237 793
Total: Ugu Municipalities	-	-	-	-	-	-	-	-	-
B KZN212 uMdoni	-	-	-	-	-	-	-	-	-
B KZN213 uMzombe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	-	-	-	-	-	-	-	-
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	673	-	-	-	-	-	-	-	-
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	673	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 iMpendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	-	-	-	-	-	-	-	-
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	534	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN237 iNkosi Langaibalele	-	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	534	-	-	-	-	-	-	-	-
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	746	-	-	-	-	-	-	-	-
B KZN241 eNnumeni	746	-	-	-	-	-	-	-	-
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 uMhlabayalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	10 451	-	-	-	-	-	-	-	-
B KZN281 uMfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	10 451	-	-	-	-	-	-	-	-
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	117 404	129 600	154 750	193 000	204 284	219 657	213 394	225 396	237 793