

CHAPTER THREE: MEASURABLE OBJECTIVES, INDICATORS, TARGETS AND BUDGETS

3.1 INTRODUCTION TO THE DEPARTMENT'S BUDGET STRUCTURE

The national Department of Health's budget is divided into three programmes. Programme 1 entitled administration consists of the budgets for the office of the Minister, Deputy Minister and Director-General. In addition, a range of support functions are funded from the programme. These include: administration of the department; communications; legal services; strategic planning; and internal audit.

Programme 2 is entitled strategic health programmes and overall purpose of which is to co-ordinate a range of strategic national health programmes through the development of policy, systems and monitoring, and manage and fund key programmes. Sub-programmes that are funded from this programme include: district development; international health liaison; health monitoring and evaluation; maternal, child and women's health and nutrition; mental health; HIV and AIDS, STIs and TB; quality of care; pharmaceutical policy and planning and; the medicines regulatory authority. The key high level objectives for this programme are to: continuously strengthen policies and programmes for HIV/Aids prevention and care, including those for sexually transmitted diseases

and tuberculosis, child health, reproductive and women's health, occupational and environmental health, and nutrition; ensure that all medicines used are safe and affordable, and that 90 per cent of essential medicines are available at all times in the public health sector; and monitor and evaluate health trends, through relevant research and epidemiological surveillance, to ensure that national health policies and programmatic interventions are having their desired impact.

The main purpose of programme 3 - Health Service Delivery is to support the delivery of services, primarily in the provincial and local spheres of Government. Sub-programmes that are funded from this programme include: disease prevention and control; hospital services and emergency medical services; human resource development and management; non-personnel health services; and the health and Welfare Bargaining Council and Industrial Relations. Two key measurable objectives for this programme are to: co-ordinate and support the development of a sustainable network of hospitals – completely upgrading or replacing 27 hospitals over the MTEF – to provide appropriate health care; and develop and assist provinces to implement a comprehensive national health human resources plan that will ensure an equitable distribution of health professionals.

3.2 PROGRAMME 1: ADMINISTRATION

3.2.1 Measurable objectives, indicators and targets

The table below summarises the key measurable objectives, indicators and three year targets for the various sub-programmes funded from programme 1.

Table: Administration - medium-term objectives, indicators and targets

Subprogramme	Measurable objective	Indicator	Target (04/05)	Target (05/06)	Target (06/07)
Legal	Key pieces of legislation finalised for tabling in Parliament	Traditional Healers Bill	Bill certified by SLA and tabled	Bill approved by Parliament	
		Other legislation (13 bills)	38% of bills submitted this year	63% of Bills submitted	100% of Bill submitted
	Regulations issued	Percent of NHB regulations issued	55%	90%	100%
Communication	Implementation of a comprehensive communications strategy	Increased flow of information to provincial health managers	12 briefing documents and one meeting per province	18 briefing documents and 2 meetings per province	24 briefing documents and 2 meetings per province
		Increased flow of information to key stakeholders outside the health system	1 meeting held; 6 articles in niche publications	1 meeting held; 6 articles in niche publications	1 meeting held; 6 articles in niche publications
		Mass media interventions to inform public of policies and programmes	At least 3 media interventions per month	At least 3 media interventions per month	At least 3 media interventions per month
Strategic planning	Implementation of an integrated strategic planning framework	Provincial SPSS reviewed and comments provided	April		April
		PSP framework updated to support provincial PSPs	Feb	Feb	Feb
		Health district planning processes monitored	March	March	March
		PSPs reviewed and comments provided	July	July	July
		Provincial Annual Reports viewed and provincial trends compiled	Nov	Nov	Nov

		Revision of national strategic plans annually	April	April	April
		NDOH annual report compiled	Aug	Aug	Aug
Health Finance	Equitable allocation of resources	Development of costed packages and associated norms and standards required to deliver care for all levels of care	March		
		Annual report on inter-provincial equity	Feb	Feb	Feb
	Mechanisms for increasing revenue generation developed	No. of provinces with revenue retention agreements with Treasuries	9		
	Develop policy and implement SHI	Adoption of SHI proposal by Cabinet SHI implemented	Draft SHI policy and legislation prepared	SHI legislation passed	SHI legislation implemented

3.2.2 COMMENTARY ON PLANS AND BUDGETS

It is anticipated that the next few years will continue to see many new pieces of legislation introduced by the Minister of Health. The National Health Bill was passed by Parliament at the end of 2003 and a host of regulations will be processed and issued in the next three years. The Traditional Healers Bill has been tabled and awaits finalisation and passage by Parliament. Other pieces of legislation that will be tabled in the next three years include: the Nursing Bill; Tobacco Products Control Amendment Bill; Health Professions Amendment Bill; Dental Technicians Amendment Bill; Pharmacy Amendment Bill; South African Medical Research Council Amendment Bill; Medicines and Related Substances Control Amendment Bill; and Foodstuffs, Cosmetics and Disinfectants Amendment Bill.

The table below provides a detailed description of the expenditure for the 2000/01 to 2002/03 financial years and the budget for the next three financial years. The exceptionally high expenditure in 2001/02 is explained by once-off capital expenditures, related in particular to the National Health Laboratory Service. When one excludes this exceptional expenditure, there has been steady growth between 1999/00 and 2002/03, which continues over the medium term. During 2002/03 a Deputy Minister was appointed, and this is now accommodated in the budget.

The most salient feature of the 2004/05 budget for programme 1 is the R9.6 million earmarked for the refurbishment of building which houses the Bureau of Occupational Diseases in Johannesburg.

Table: Programme 1 - Expenditure estimates

EXPENDITURE ESTIMATES BY SUBPROGRAMME

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06
R thousands							
Minister 1	525	630	691	747	791	831	872
Deputy Minister 2	-	-	-	607	643	675	709
Management	3 382	4 850	4 966	7 426	12 921	13 312	14 061
Corporate Services	66 536	72 529	87 247	98 219	104 361	117 603	124 083
Total	70 443	78 009	92 904	106 999	118 716	132 421	139 725
Change to 2003 Budget Estimate					5 013	214	

SUMMARY OF ECONOMIC CLASSIFICATION OF EXPENDITURE

Economic classification of payments	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06
R thousands							
CURRENT PAYMENTS							
Compensation of employees	31 814	38 788	45 564	56 190	59 561	62 908	67 607
- Salaries and wages	28 810	32 283	38 881	51 977	55 094	58 190	62 536
- Social contributions	3 004	6 505	6 683	4 213	4 467	4 718	5 071
Goods and services	33 963	31 449	37 483	42 244	44 260	63 439	68 354
Air tickets	2 945	4 007	4 895	5 309	4 978	5 227	5 488
Telephones	7 251	4 479	4 829	6 194	2 872	3 016	3 166
Consultant and special services	2 905	3 015	3 977	5 380	2 340	2 457	2 580
Stationery	2 153	1 731	2 044	1 715	1 441	1 513	1 589
- Other	18 709	18 217	21 738	23 646	32 629	51 226	55 531
Financial transactions in assets and liabilities	-	167	599	-	-	-	-
Total current payments	65 777	70 404	83 646	98 434	103 821	126 347	135 961
PAYMENTS FOR CAPITAL ASSETS							
Buildings and other fixed structures	-	2 640	7 769	72	9 600	-	-
- Buildings	-	2 640	7 769	72	9 600	-	-
Machinery and equipment	2 935	1 281	1 489	3 387	1 596	2 484	2 165
- Other machinery and equipment	2 935	1 281	1 489	3 387	1 596	2 484	2 165
Software and other intangible assets	1 731	3 684	-	5 106	3 699	3 590	1 599
Total payments for capital assets	4 666	7 605	9 258	8 565	14 895	6 074	3 764
TOTAL PAYMENTS	70 443	78 009	92 904	106 999	118 716	132 421	139 725

3.3 PROGRAMME 2: STRATEGIC HEALTH PROGRAMMES

3.3.1 Measurable objectives, indicators and targets

The table below summarises the key measurable objectives, indicators and three year targets for the various sub-programmes funded from programme 2 - Strategic Health Programmes.

Table: Strategic Health Programmes - medium-term objectives, indicators and targets

Subprogramme	Measurable objectives	Indicator	Target (04/05)	Target (05/06)	Target (06/07)
Districts and Development	Ensure functional health districts nationally	Number of provinces that use the national checklist to assess functional integration	53/53		
		Number of health districts that render the full PHC package of services	35/53	45/53	53/53
		Number of health districts with health plans using national planning guidelines	53	53	53
		Number of health districts that use national guidelines to monitor service delivery	53	53	53
	Development of strategies to improve service delivery in rural and urban nodes	Number of nodes that have service improvement plans	13 + 8 (plus additional nodes as added)	13 + 8 (plus additional nodes as added)	13 + 8 (plus additional nodes as added)
		Number of nodes that report progress on service improvement plans to national every 2 months	13 + 8 (plus additional nodes as added)	13 + 8 (plus additional nodes as added)	13 + 8 (plus additional nodes as added)
IHL	To strengthen existing and expand bi-lateral and multi-lateral relations with key partners	No of new agreements signed	Benin, Canada, Cote D'Ivoire, Mozambique, Senegal, Zimbabwe	MOUs with other strategic partners	MOUs with other strategic partners
		No of agreements implemented	Angola, Botswana, Brazil, Bulgaria, China, Cuba, Egypt, India, Iran, Lesotho, Netherlands, Nigeria, Palestine, Russia, Rwanda, Tunisia, Uganda, UK and US	Benin, Canada, Cote D'Ivoire, Mozambique, Zimbabwe	
	To strengthen existing and expand multilateral relations	No of trilateral relations established/strengthened	Rwanda/Cuba/SA; Mali/Cuba/SA SA/India/Brazil	SA/India/Brazil ; and review Rwanda/Cuba/SA agreement	Review all existing trilateral agreements

	To strengthen donor co-ordination	Policies governing donor activities reviewed and implemented	Policy developed and approved; 1 annual donor forum meeting held; one meeting with provincial co-ordinators held; four reports submitted to the Minister & DG; Agreements signed with Japan, Luxemborg and CDC	1 annual donor forum meeting held two meetings with provincial co-ordinators held; four reports submitted to the Minister & DG; agreements signed with partners	1 annual donor forum meeting held; two meetings with provincial co-ordinators held; four reports submitted to the Minister agreements signed with partners & DG;
Health Monitoring and Evaluation	Functional national health information system	Proportion of health institutions with functional systems	45%	70%	80%
		Percentage of births registered	40%	60%	80%
		Percentage of deaths registered	80%	90%	95%
		Percentage of hospitals implementing telemedicine	10%	25%	50%
	Functional health broadcast channel	Percentage of health facilities receiving the broadcast	20%	40%	60%
	Coordinating, supporting and conducting research and monitoring and evaluation activities	Support to provinces on monitoring and evaluation of the ARV operational plan	9 provinces	9 provinces	9 provinces
		Health Indicator Update and Key Health Statistics published	quarterly	quarterly	quarterly
		Monitor progress on Health Goals, Objectives and Indicators (HGOI)	10 year review commissioned	Status report on HGOI 2001-2005	Health atlas published
		Report on ante-natal HIV survey published	April	April	April
		Final report on SADHS 2003 published, disseminated and used for planning and planning for 2008 survey developed	Report published by Dec 2004 & widely publicised	SADHS results used for planning	Plan for 2008 SADHS developed
		Annual reports on Confidential Enquiry into maternal deaths published	April	April	April
		Annual report on screening of HIV by blood donors	April	April	April
		Report on incidence of HIV (conducted every 2 years)	April		April
Report on HIV and AIDS case surveillance (every 2 years)			April		

		Report on National Behavioural Surveillance Study (every 2 years)	Report published and results disseminated: April		Report published and results disseminated: April
	Strengthen disease surveillance system	Integrated electronic disease surveillance system in place	Electronic integrated disease notification system interfaced with EPI, TB, NICD	Web-based electronic integrated disease surveillance system functional	Electronic integrated disease notification system interfaced with other surveillance systems
Maternal, Child and Women's Health & Nutrition	Reduce infant, child and youth morbidity & mortality	No. of districts with immunisation coverage of less than under 80%	25%	15%	10%
		% of districts implementing Integrated Management of Child Illnesses (IMCI)	100%	100%	100%
		% public sector health workers managing children who are trained in IMCI	40%	60%	70%
		% of health districts implementing Integrated Nutrition Programme (including youth nutrition)	100%	100%	100%
		% of partners implementing the NPA at national, provincial and local levels	80%	100%	100%
	Improve youth and adolescence health	% of baby friendly maternity facilities	24%	28%	32%
		Improve youth and adolescence health	% of health facilities implementing youth friendly services	25%	30%
	Reduce maternal morbidity and mortality	% of health workers trained in youth friendly services	20%	30%	50%
		Reports from the Confidential Enquiry into maternal deaths & plans for intervention	Interim report & plan by Dec	Interim report & plan by Dec	Triennial report & assessment of implementation of recommendations of previous Triennial Report
		Percentage of health facilities authorised to provide termination of pregnancy services which provide them	45%	60%	65%
Improve health care services for school-going children	Percentage of provinces with 100% of districts implementing Phase 1 of the School Health Policy	30%	60%	100%	
Mental Health	Increase integration of mental health services into health care	% of districts that have integrated mental health into health services	20%	40%	60%

	Implement strategies to reduce substance abuse	Reduction in the rate of substance abuse and use of injectable substances by youth and pregnant women	10%	20%	30%
	Implementation of the Mental Health Care Act	Percentage of alcoholic beverage bottles with a health warning	60%	80%	100%
		Percentage of provinces with trained trainers to implement the substance abuse & detoxification guidelines	80%	90%	100%
		Number of targeted communities who have received awareness programmes on Foetal Alcohol Syndrome	60%	80%	100%
		Percentage of provinces with functional Mental Health Review Boards	20%	40%	60%
	Improve quality of care in mental health services	Percent of hospitals that meet minimum quality standards	20%	40%	60%
HIV and AIDS, STIs and Tuberculosis	Improved strategies to deal with the HIV/Aids epidemic	Percentage of public health facilities offering voluntary counselling and testing (VCT)	90%	100%	100%
		Percent of targeted people accessing VCT	30%	40%	50%
		Number of male condoms distributed	400m	425m	450m
		Number of female condoms distributed	2,9m	3,5m	4,0m
		Proportion of health facilities that offer PMTCT services	60%	80%	100%
		Reports and plan interventions on cohort studies on PMTCT programme	June	Sept	
	Effective use and management of conditional grants	Percentage of business cases or service level agreements approved using objective criteria before funds transferred	100%	100%	100%

		Percentage of reports received in compliance with DORA requirements	100%	100%	100%
		Percentage of funds spent	100%	100%	100%
	Assist districts to develop supervision and monitoring systems for community DOTS	Percentage of new smear-positive tuberculosis cases cured at the first attempt	65%	75%	85%
		Smear conversion rate (sputum test change from positive to negative)	70%	75%	85%
	To ensure implementation of DOTS strategy in all districts and to improve the quality of DOTS	Percentage of health districts with high quality DOTS programmes	100%	100%	100%
	To ensure good quality of TB laboratory services	Proportion of health districts with turn around time of 48hrs or less	100%		
	To support each province to develop a plan to reduce treatment interruption	Percentage of new smear-positive TB cases interrupting treatment (interruption rate)	10%	7%	4%
Quality of care	Implement strategies to improve quality of care	Develop the national complaints centre into a national call centre		Feb 2006	
		User friendly service norms and standards for public consumption developed for various levels of care	Nov 05 (PHC)	Nov 06 (district hospital)	March 07 (regional hospital)
		Develop SAQA accredited course on QA to be delivered by UWC winter school	June		
		Develop standards for regional hospitals		April 06	
Pharmaceutical Policy and Planning, including food control	Strategies to improve pharmaceutical procurement, management and use	Publication of PHC, adult and paediatric EDL books		August 2005	
		EDL and EDP impact surveys conducted			June 2006
		Percent of new pharmacies licensed	100%	100%	100%
		Percent of public sector pharmacies licensed	50%	100%	100%
		Percent of private sector dispensers licensed	100%	100%	100%
		Percent of public sector dispensers licensed	40%	100%	100%

		Phase 2 of data warehouse developed		March 2006	
		Norms and standards for drug supply management development and implemented	March 2005		
		Price trends monitored and report published	March 2005	March 2006	March 2007
		Percent of companies awarded contracts with BEE component	40%	60%	80%
		Percent variance of pharmaceutical budget against expenditure (total)	20%	10%	8%
		% EDL out of stock (depots)	20%	10%	8%
		% EDL out of stock (facilities)	20%	10%	8%
	Develop and implement strategies to strengthen food control	Develop and issue norms and standards on food safety	March 2005		
		Targets for implementation of new food control system achieved	Draft framework complete	Framework approved	Food Control Bill published for comment
		Foodstuffs Amendment Bill signed into law	Foodstuffs Amendment Bill processed by Parliament by end 2004		
Medicines Regulatory Authority	Improved mechanisms for safety of medicines	% of compliance with target for registration	80%	90%	100%
		Membership of the International Pharmaceutical Inspection Scheme & inspection	Member	Inspection	
		Centre for excellence for GMP and quality systems for SADC and NEPAD developed			Status achieved if inspection passed

3.3.2 COMMENTARY ON PLANS AND BUDGETS

Two clusters were allocated substantial increases in the 2004/05 budget. These are the HIV and AIDS, STI and TB cluster which was allocated R45m largely for the implementation of the comprehensive plan approved by Cabinet. The other is the Pharmaceutical Policy and Planning Cluster which was allocated an

additional R3,7M to implement policies legislated through the promulgation of Act 90.

Further changes to programme 2 budget that are notable include:

- A decrease in the budget due to the decision to move the Primary School Nutrition Programme from the Department of Health to the Department of Education as from 1 April 2004. A nutritional grant of R112m is maintained in the budget of the National Department of Health;
- The National Department did not receive an allocation for the Poverty Relief Programme;
- The HIV and AIDs grant was augmented with R448m to fund predominately the implementation of the comprehensive HIV and AIDS plan; and
- The Medical Research Council was allocated an additional R2,8m.

Table: Programme 2 - expenditure estimates

EXPENDITURE ESTIMATES BY SUBPROGRAMME

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06
R thousands							
District Health Systems	3 589	2 486	2 476	3 233	2 820	2 958	3 806
International Health Liaison	20 531	35 760	31 376	46 840	41 662	49 133	54 774
South African Development Community	1 751	1 976	2 361	-	-	-	-
Health Monitoring and Evaluation	121 464	145 374	161 831	183 592	176 019	187 365	209 102
Maternal, Child and Women's Health	654 706	616 228	624 499	843 921	135 746	148 286	28 928
Medicines Regulatory Affairs	15 105	15 843	21 330	23 012	23 491	25 112	26 442
Mental Health and Substance Abuse	4 649	6 032	4 972	6 221	6 989	7 408	7 827
HIV/Aids and Tuberculosis	181 148	265 839	459 951	766 288	1 159 168	1 505 344	1 963 369
Pharmaceutical Policy and Planning	11 016	49 180	17 257	23 937	27 702	29 102	30 607
Medical Schemes	8 831	2 585	-	2 673	2 833	3 003	3 183
Total	1 022 790	1 141 303	1 326 053	1 899 717	1 576 430	1 957 711	2 328 038
Change to 2003 Budget Estimate					1 473 327	1 035 504	

ECONOMIC CLASSIFICATION OF EXPENDITURE

Economic classification	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06
R thousands							
Current	1 021 863	1 137 174	1 324 795	1 895 557	1 569 251	1 952 708	2 322 732
Personnel	45 692	49 218	63 805	72 236	80 136	84 668	96 096
Transfer payments	746 640	858 198	1 040 966	1 422 151	1 160 815	1 542 499	1 882 793
Other current expenditure	229 531	229 758	220 024	401 170	328 300	325 541	343 843
Capital	927	4 129	1 258	4 160	7 179	5 003	5 306
Acquisition of capital assets	927	4 129	1 258	4 160	7 179	5 003	5 306
Total	1 022 790	1 141 303	1 326 053	1 899 717	1 576 430	1 957 711	2 328 038

Economic classification of payments	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06
R thousands							
TRANSFERS AND SUBSIDIES TO:							
Provinces and municipalities	602 546	640 296	814 990	1 157 216	893 830	1 258 500	1 567 214
- Provinces	602 546	640 296	814 990	1 157 216	893 830	1 258 500	1 567 214
- Provincial Revenue Funds	602 546	640 296	814 990	1 157 216	893 830	1 258 500	1 567 214
Departmental agencies and accounts	117 779	150 093	158 458	169 655	172 525	177 629	202 826
- Departmental agencies (non-business entities)	117 779	150 093	158 458	169 655	172 525	177 629	202 826
Non-profit institutions	24 315	39 839	35 518	57 847	44 380	54 123	57 371
Households	2 000	27 970	32 000	48 000	49 120	52 247	55 382
- Other transfers to households	2 000	27 970	32 000	48 000	49 120	52 247	55 382
Total transfers and subsidies	746 640	858 198	1 040 966	1 432 718	1 159 855	1 542 499	1 882 793
PAYMENTS FOR CAPITAL ASSETS							
Machinery and equipment	927	4 129	1 258	2 205	3 908	2 628	2 897
- Other machinery and equipment	927	4 129	1 258	2 205	3 908	2 628	2 897
Software and other intangible assets	1 705	1 536	895	1 955	3 271	2 375	2 409
Total payments for capital assets	2 632	5 665	2 153	4 160	7 179	5 003	5 306
TOTAL PAYMENTS	1 022 790	1 141 303	1 326 053	1 899 717	1 576 430	1 957 711	2 328 038

DETAILS OF TRANSFER PAYMENTS AND SUBSIDIES

Transfer payments and subsidies	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06
R thousands							
Provinces and municipalities (Provinces)							
Current	602 546	640 296	814 990	1 157 216	893 830	1 258 500	1 567 214
Intergrated Nutriion Programme	582 411	582 411	592 411	808 660	112 218	123 392	-
HIV/AIDS Conditional grant	16 819	54 398	210 209	333 556	781 612	1 135 108	1 567 214
Poverty Relief	3 316	3 487	12 370	15 000	-	-	-
Total Provinces and municipalities (Provincial)	602 546	640 296	814 990	1 157 216	893 830	1 258 500	1 567 214
Provincial Revenue Funds							
Current	602 546	640 296	814 990	1 157 216	893 830	1 258 500	1 567 214
Intergrated Nutriion Programme	582 411	582 411	592 411	808 660	112 218	123 392	-
HIV/AIDS Conditional grant	16 819	54 398	210 209	333 556	781 612	1 135 108	1 567 214
Poverty Relief	3 316	3 487	12 370	15 000	-	-	-
Total Provincial Revenue Funds	602 546	640 296	814 990	1 157 216	893 830	1 258 500	1 567 214

TRANSFER PAYMENTS (List subprogramme and transfer payment)

Transfer payment	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06
R thousands							
Health Monitoring and Evaluation							
Medical Research Council	108 661	127 221	145 498	156 695	154 388	164 304	188 702
Health Systems Trust	2 000	2 970	2 000	2 000	2 120	2 247	2 382
NHLS: Cancer register	287	287	287	287	304	322	341
Maternal, Child and Women's Health							
Integrated Nutrition Programme	582 411	582 411	599 549	808 660	112 218	123 392	-
Poverty Relief	3 317	3 487	12 370	15 000	-	-	-
South African Vaccine Producers	4 000	4 052	-	-	-	-	-
Financial Assistance to Non-governmental Organisations	150	-	310	350	370	392	416
Mental Health and Substance Abuse							
Financial Assistance to Non-governmental Organisations	1 051	778	1 047	750	630	688	729
SACENDU			130	130	130	130	138
SA Federation for Mental Health	100	200	200	200	200	200	212
HIV/Aids and Tuberculosis							
HIV/Aids (Non-governmental Organisations)	5 000	5 000	39 193	53 817	40 250	49 745	52 730
Government Aids Action Plan	14 013	29 809	-	-	-	-	-
South African National Aids Council	-	20 000	10 000	10 000	15 000	10 000	10 600
HIV/Aids (conditional grant)	16 819	54 398	210 209	333 556	781 612	1 135 108	1 567 214
Love Life	-	25 000	10 000	25 000	25 000	25 000	26 500
Tuberculosis: Non-governmental Organisations	-	-	2 500	2 600	2 800	2 968	3 146
South African Aids Vaccine Initiative	-	-	5 000	10 000	10 000	10 000	10 600
Life Line	-	-	-	11 000	12 000	15 000	15 900
Medical Schemes							
Medical Schemes Council	8 831	2 585	2 673	2 673	2 833	3 003	3 183
Total	746 640	858 198	1 040 966	1 432 718	1 159 855	1 542 499	1 882 793

SUMMARY OF ECONOMIC CLASSIFICATION OF EXPENDITURE

Economic classification of payments	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06
R thousands							
CURRENT PAYMENTS							
Compensation of employees	45 692	49 218	63 805	72 236	80 136	84 668	96 096
- Salaries and wages	42 265	42 713	58 247	65 213	74 126	78 318	88 829
- Social contributions	3 427	6 505	5 558	7 023	6 010	6 350	7 267
Goods and services	227 826	228 222	219 129	390 603	329 260	325 541	343 843
Printing Government Printing	1 196	10 164	5 431	8 556	7 755	8 143	8 550
Condoms	56 157	35 428	70 875	115 000	132 000	138 000	146 280
Air tickets	4 966	15 693	17 018	19 263	26 521	27 847	29 239
Consultant and special services	2 753	6 739	10 241	6 379	73 673	77 357	81 224
- Other	162 754	160 198	115 564	241 405	89 311	74 195	78 549
Total current payments	273 518	277 440	282 934	462 839	409 396	410 209	439 939

Transfer payments and subsidies	Expenditure outcome			Adjusted appropriation 2003/04	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2004/05	2005/06	2006/07
R thousands							
Departmental agencies and accounts (Entities)							
Current	117 779	150 093	158 458	169 655	172 525	177 629	202 826
Medical Research Council	108 661	127 221	145 498	156 695	154 388	164 304	188 702
National Health Laboratory Services (Cancer Register)	287	287	287	287	304	322	341
SA National Aids Council	-	20 000	10 000	10 000	15 000	10 000	10 600
Medical Scheme Council	8 831	2 585	2 673	2 673	2 833	3 003	3 183
Total Departmental agencies and accounts (Entities)	117 779	150 093	158 458	169 655	172 525	177 629	202 826
Non-profit institutions							
Current	24 315	39 839	35 518	57 847	44 380	54 123	57 371
SA Vaccine Produces	4 000	4 052	-	-	-	-	-
MCWH: NGO's	150	-	310	350	700	722	1 145
HIV/AIDS: NGO's	5 000	5 001	31 331	53 817	40 250	49 745	52 730
Government AIDS Action Plan	14 013	29 808	-	-	-	-	-
Mental HLT: NGO's	1 052	778	1 047	750	300	358	-
SACENDU	-	-	130	130	130	130	138
SA Federation for Mental Health	100	200	200	200	200	200	212
Tuberculosis: NGO's	-	-	2 500	2 600	2 800	2 968	3 146
Total Non-profit institutions	24 315	39 839	35 518	57 847	44 380	54 123	57 371
Households (Other transfers to households)							
Current	2 000	27 970	32 000	48 000	49 120	52 247	55 382
Health System Trust	2 000	2 970	2 000	2 000	2 120	2 247	2 382
SA AIDS Vaccine Initiative	-	-	5 000	10 000	10 000	10 000	10 600
Life line	-	-	-	11 000	12 000	15 000	15 900
HST: Love Life	-	25 000	25 000	25 000	25 000	25 000	26 500
Total Households (Other transfers to households)	2 000	27 970	32 000	48 000	49 120	52 247	55 382
Total	746 640	858 198	1 040 966	1 432 718	1 159 855	1 542 499	1 882 793

3.4 PROGRAMME 3 - HEALTH SERVICE DELIVERY

3.4.1 Measurable objectives, indicators and targets

The table below summarises the key measurable objectives, indicators and three year targets for the various sub-programmes funded from programme 2.

Table: Health Service Delivery – measurable objectives, indicators and targets

Subprogramme	Measurable objectives	Indicator	Target (04/05)	Target (05/06)	Target (06/07)	
Disease Prevention and Control	Prevention and control of communicable diseases	Number of provinces and other stakeholders with epidemic preparedness and integrated response functions	2	Other stakeholders		
		Percent of provincial annual malaria, etc prevention and control plans assessed by Feb	100%	100%	100%	
	Expand the cataract surgery project	Number of operations per million	950	1000	>1000	
	Eliminate backlog in assistive devices (hearing aids and wheelchairs)	Percent of wheel chairs and hearing aids backlog eliminated	100%			
	Expand services in NCD chronic diseases	Proportion of national guidelines on NCD chronic diseases printed and implemented	80%	80%	100%	
	Strengthen prevention of intentional and unintentional injuries	Trans-sectoral prevention strategy for road traffic accidents development and implemented	Plan finalised	Implemented in 4 provinces	Implemented in all provinces	
	Improve and expand key support services	Annual inspection of the Blood Transfusion Service			March 06	March 07
		Number of business & implementation plans provinces for transfer of SAPS mortuaries submitted	3	6	9	
		Proportion of laboratories with a QC system	50%	80%	100%	
		Compliance with ISO 17025	Blood and alcohol sections accredited	Final accreditation plan for other services	30% of accreditation plan finalised	
	Implementation of water fluoridation	Number of front runners who supply fluoridated water	2	4	6	
Implementation of National Oral Health Strategy	Percent of provinces and districts who implemented NOHS	100% provinces	100% districts			
Hospital Services & EMS	Guidelines for the improvement of hospital performance adopted	Percentage of hospital management guidelines adopted	50%	100%		

Subprogramme	Measurable objectives	Indicator	Target (04/05)	Target (05/06)	Target (06/07)
	Planning and design guidelines adopted by all health facilities by end 2006/07	Percentage of departments with adopted planning and design guidelines	45%	63%	100%
	Effective hospital revitalisation programme extended to 81 hospitals by end 2006/07	Percentage of all hospitals accepted onto the revitalisation programme	12%	16%	21%
		Hospital business cases approved as proportion of planned target	100%	100%	100%
		Percentage of revitalisation hospitals implementing hospital management component	100%	100%	100%
	Authority delegated to hospital managers by end 2005/06	Provinces with effective delegations at hospital level	6	9	
	Facility and equipment maintenance systems in provinces by end 2006/07	Number of provinces implementing equipment asset management systems in hospitals	3	6	9
		Number of provinces with development and maintenance programmes for facilities	3	6	9
	Health technology policies adopted by end 2005/06	No of health technology policies adopted (total of 4)	2	4	
	Improve the effectiveness of EMS services	Number of provincial business cases approved by national DOH for the National Strategic EMS Framework	9	-	-
		Approval by National Treasury of conditional grant for phased implementation of the National Strategic EMS Framework over 5 years	Oct 2004		
		Percentage of implementation of the National Strategic EMS Framework in all 9 provinces		10%	20%
	Strengthen the development of disaster management strategies	Number of provincial disaster management policies appraised by the NDOH	9		
		Percentage of provincial hospital contingency plans appraised by NDOH		15%	40%

Subprogramme	Measurable objectives	Indicator	Target (04/05)	Target (05/06)	Target (06/07)
	Conditional grants fully and appropriately used as per DORA	Percentage of business cases, plans or SLAs approved using objective criteria before funds transferred	100%	100%	100%
		Percentage of reports received in compliance with DORA requirements	100%	100%	100%
		Percentage of funds spent	100%	100%	100%
Human Resources	Develop and implement strategies to strengthen human resources for health	National HR planning norms developed		March 2005	
		Number of health districts with a HR plan based on the national guidelines	35/53	45/53	53/53
		Number of provinces with a HR plan based on the national HR plan	6	9	9
		Proportion of training institutions implementing the need & employment equity quotas set nationally	50%	75%	100%
		Scopes of practice for mid level workers and other health professionals developed		Complete by March 2006 for health professionals	Complete by March 2007 for midlevel workers
		Regulations for health prof not currently regulated and midlevel workers drafted	March 2005	March 2006 – midlevel workers	
		Implementation of national framework for CHWs monitored and reports published	March 2005	March 2006	March 2007
		Traditional Health Practitioner Council established	March 2005		
		Implementation of national recruitment and retention strategy monitored and reports prepared for PHRC	March 2005	March 2006	March 2007
		Number of health workers trained to implement ARV rollout plan	2585	6233	13805
		Community service for nurses implemented		January 2006	
		Non-personal health services	Improving environmental health services	Number of provinces implementing the National Health Care Waste Management Strategy	5
Devolution of environmental health services to metro and district municipalities	All			All	All

Subprogramme	Measurable objectives	Indicator	Target (04/05)	Target (05/06)	Target (06/07)	
	Expanding occupation health services	Number of provinces implementing the national strategy for occupational health	9	9	9	
		Proportion of DOH facilities that are safe and risk free	30%	50%	60%	
		Percent reduction in CCOD backlogs	70%	90%	100%	
		Number of provinces that have assessed health risks on mines with specific reference to TB	7	9	9	
		Number of medical benefit examinations done	28 000	30 000	32 000	
	Expanding health promotion services	Percent of schools implementing the Health Promoting Schools initiative	15%	20%	30%	
		Number of provinces that implement the 5 priority health promotion campaigns (nutrition; substance abuse; tobacco use; healthy environment ; risks)	6	9	9	
	Health and Welfare Bargaining Council & Industrial Relations	Improved management of employee relations	Proportion of grievances resolved internally (within NDOH)	70%	90%	95%
		Improved employment relations and equity	Percentage of referred employees counselled	90%	95%	100%
Percentage of exit interviews conducted			85%	90%	95%	
Percent of formal grievances facilitated within 30 days			85%	90%	95%	
Percent of disciplinary hearings finalised within 6 months			80%	85%	90%	
Percent of new policies reviewed in compliance with the Employment Equity Act			85%	90%	95%	
Percent of appointments monitored in compliance with the EE Act			80%	85%	90%	
Improved working conditions of employees		Number of resolutions passed by the PHWSBC & the PSCBC that improve working conditions	5	5	8	

3.4.2 COMMENTARY ON PLANS AND BUDGETS

Two cost centres benefited from additional allocations. These are radiation control in the Cluster: Hospital Services and Management and chronic diseases in the Cluster: Chronic Diseases, Disabilities and Geriatrics. The latter received R17m to reduce the backlog in the provision of assistive devices. It should be noted that the increases for other hospital grants (other than the revitalisation grant which is reflected below) is between 6 and 7.5%.

Other notable changes in the 2004/05 budget include:

- An increase of R34.6m (66%) for medico-legal services;
- An increase of R194m (27%) for hospital revitalisation; and
- The allocation of R92m to Pretoria Academic Hospital has been discontinued as the construction phase of the hospital was completed in the 2003/04 financial year.

Table: Programme 3 – expenditure estimates (see next page)

EXPENDITURE ESTIMATES BY SUBPROGRAMME

Subprogramme	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06
R thousands							
Disease Prevention and Control	51 273	91 333	217 487	153 013	177 175	169 005	178 932
Hospital Services	5 455 550	5 360 623	5 885 086	6 291 730	6 783 436	7 247 078	7 681 783
Human Resources	8 419	9 988	6 789	6 651	7 328	7 768	8 187
Non-Personal Health Services	57 937	53 204	51 157	61 815	69 081	69 393	73 224
Health and Welfare Bargaining Sector Negotiations	1 014	1 981	1 034	1 770	2 699	2 861	3 023
Total	5 574 193	5 517 129	6 161 553	6 514 979	7 039 719	7 496 105	7 945 149
Change to 2003 Budget Estimate					6 930 816	7 363 898	

ECONOMIC CLASSIFICATION OF EXPENDITURE

Economic classification	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06
R thousands							
Current	4 699 461	4 822 915	5 434 172	6 390 886	6 896 053	7 344 712	7 784 672
Personnel	63 611	68 500	58 209	63 724	68 044	72 563	76 194
Transfer payments	4 578 277	4 705 034	5 341 741	6 271 661	6 760 825	7 227 335	7 660 976
Other current expenditure	57 573	49 381	34 222	55 501	67 184	44 814	47 502
Capital	874 732	694 214	727 381	124 093	143 666	151 393	160 477
Transfer payments	866 191	686 800	719 000	105 659	126 116	133 919	141 955
Acquisition of capital assets	8 541	7 414	8 381	18 434	17 550	17 474	18 522
Total	5 574 193	5 517 129	6 161 553	6 514 979	7 039 719	7 496 105	7 945 149

TRANSFER PAYMENTS (List subprogramme and transfer payment)

Transfer payment	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06
R thousands							
Disease Prevention and Control							
Council for the Blind	350	350	400	510	424	449	476
National Health Laboratory Services	-	33 000	30 111	23 704	24 336	30 796	32 644
Medical Legal	-	-	-	67 000	86 600	91 796	97 304
Malaria Lubombo Spatial Development Initiative	-	-	5 000	5 000	5 000	-	-
Cholera Epidemic - KwaZulu-Natal (conditional grant)	-	-	147 000	-	-	-	-
Hospital Services							
Hospital Revitalisation (conditional grant)	423 139	500 000	649 000	717 628	911 856	1 027 427	1 180 284
Hospital Management and Quality Improvement (conditional grant)	-	-	126 000	133 404	141 832	150 342	159 363
Hospital Construction: Durban Academic Hospital (conditional grant)	331 200	103 800	-	-	-	-	-
Hospital Construction: Umtata Hospital (conditional grant)	111 852	-	-	-	-	-	-
Hospital Construction: Pretoria Academic Hospital (conditional grant)	-	50 000	70 000	92 356	-	-	-
National Tertiary Services (conditional grant)	3 391 041	3 459 594	3 727 077	3 994 774	4 273 005	4 529 386	4 801 149
Health Professionals Training and Development (conditional grant)	1 174 000	1 234 090	1 299 248	1 333 499	1 434 132	1 520 180	1 520 180
Non-Personal Health Services							
Compensation Commissioner	12 000	11 000	6 500	8 805	9 000	10 000	10 600
Health Promotion	886	-	405	600	700	800	848
Environmental Health Non-Governmental Organisation	-	-	-	40	56	78	83
Total	5 444 468	5 391 834	6 060 741	6 377 320	6 886 941	7 361 254	7 802 931

SUMMARY OF ECONOMIC CLASSIFICATION OF EXPENDITURE

Economic classification of payments R thousands	Expenditure outcome			Adjusted appropriation 2003/04	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2004/05	2005/06	2006/07
CURRENT PAYMENTS							
Compensation of employees	63 611	68 500	58 209	63 724	68 044	72 563	76 194
- Salaries and wages	55 220	61 641	52 362	58 163	62 941	67 121	69 607
- Social contributions	8 391	6 859	5 847	5 561	5 103	5 442	6 587
Goods and services	55 607	46 489	33 140	55 501	67 184	44 814	47 502
-Air tickets	4 184	2 049	2 256	3 036	2 842	2 984	3 133
-Telephones	4 894	2 778	2 304	1 783	1 539	1 616	1 697
-Printing: Govt printer	2 879	464	1 880	1 989	1 354	1 422	1 493
-Laboratory consumables	6 364	8 072	5 136	2 558	2 749	2 886	3 030
- Other	37 286	33 126	21 564	46 135	58 700	35 906	38 149
Total current payments	119 218	114 989	91 349	119 225	135 228	117 377	123 696
TRANSFERS AND SUBSIDIES TO:							
Provinces and municipalities	5 431 232	5 347 484	6 018 325	6 338 661	6 847 425	7 319 131	7 758 280
- Provinces	5 431 232	5 347 484	6 018 325	6 338 661	6 847 425	7 319 131	7 758 280
- Provincial Revenue Funds	5 431 232	5 347 484	6 018 325	6 338 661	6 847 425	7 319 131	7 758 280
Departmental agencies and accounts	12 000	44 000	41 611	37 509	38 336	40 796	43 244
- Social security funds	12 000	11 000	6 500	8 805	9 000	10 000	10 600
- Departmental agencies (non-business entities)	-	33 000	35 111	28 704	29 336	30 796	32 644
Non-profit institutions	886	-	405	640	756	878	931
Households	350	350	400	510	424	449	476
- Other transfers to households	350	350	400	510	424	449	476
Total transfers and subsidies	5 444 468	5 391 834	6 060 741	6 377 320	6 886 941	7 361 254	7 802 931
PAYMENTS FOR CAPITAL ASSETS							
Buildings and other fixed structures	-	-	-	-	-	-	-
- Buildings	-	-	-	-	-	-	-
Machinery and equipment	8 541	7 414	7 976	15 648	14 737	14 723	15 606
- Other machinery and equipment	8 541	7 414	7 976	15 648	14 737	14 723	15 606
Software and other intangible assets	1 966	2 892	1 082	2 786	2 813	2 751	2 916
Total payments for capital assets	10 507	10 306	9 058	18 434	17 550	17 474	18 522
TOTAL PAYMENTS	5 574 193	5 517 129	6 161 553	6 514 979	7 039 719	7 496 105	7 945 149

DETAILS OF TRANSFER PAYMENTS AND SUBSIDIES

Transfer payments and subsidies	Expenditure outcome			Adjusted appropriation	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2003/04	2004/05	2005/06
R thousands							
Provinces and municipalities (Provinces)							
Current	4 565 041	4 743 684	5 369 325	5 621 033	5 935 569	6 291 704	6 577 996
HLT Professional Training & Dev	1 174 000	1 234 090	1 299 248	1 333 499	1 434 132	1 520 180	1 679 543
National Tertiary Services	3 391 041	3 459 594	3 727 077	3 994 774	4 273 005	4 529 386	4 801 149
Hospital Construction: Pretoria Academic	-	50 000	70 000	92 356	-	-	-
Hospital Management and Quality Improvement	-	-	126 000	133 404	141 832	150 342	-
Medico Legal	-	-	-	67 000	86 600	91 796	97 304
Cholera epidemic: KwaZulu Natal	-	-	147 000	-	-	-	-
Capital	866 191	603 800	649 000	717 628	911 856	1 027 427	1 180 284
Hospital Revitalisation	423 139	500 000	649 000	717 628	911 856	1 027 427	1 180 284
Durban Academic Hospital	331 200	103 800	-	-	-	-	-
Hospital Construction: Umtata hospital	111 852	-	-	-	-	-	-
Total Provinces and municipalities (Provincial)	5 431 232	5 347 484	6 018 325	6 338 661	6 847 425	7 319 131	7 758 280
Provincial Revenue Funds							
Current	4 565 041	4 743 684	5 369 325	5 621 033	5 935 569	6 291 704	6 577 996
HLT Professional Training & Dev	1 174 000	1 234 090	1 299 248	1 333 499	1 434 132	1 520 180	1 679 543
National Tertiary Services	3 391 041	3 459 594	3 727 077	3 994 774	4 273 005	4 529 386	4 801 149
Hospital Construction: Pretoria Academic	-	50 000	70 000	92 356	-	-	-
Hospital Management and Quality Improvement	-	-	126 000	133 404	141 832	150 342	-
Medico Legal	-	-	-	67 000	86 600	91 796	97 304
Cholera epidemic: KwaZulu Natal	-	-	147 000	-	-	-	-
Capital	866 191	603 800	649 000	717 628	911 856	1 027 427	1 180 284
Hospital Revitalisation	423 139	500 000	649 000	717 628	911 856	1 027 427	1 180 284
Durban Academic Hospital	331 200	103 800	-	-	-	-	-
Hospital Construction: Umtata hospital	111 852	-	-	-	-	-	-
Total Provincial Revenue Funds	5 431 232	5 347 484	6 018 325	6 338 661	6 847 425	7 319 131	7 758 280
Departmental agencies and accounts (Social security funds)							
Current	12 000	11 000	6 500	8 805	9 000	10 000	10 600
Compensation fund	12 000	11 000	6 500	8 805	9 000	10 000	10 600
Total Departmental agencies and accounts (Social security funds)	12 000	11 000	6 500	8 805	9 000	10 000	10 600

Transfer payments and subsidies R thousands	Expenditure outcome			Adjusted appropriation 2003/04	Medium-term expenditure estimate		
	Audited	Audited	Audited		MTEF Baseline	MTEF Baseline	MTEF Baseline
	2000/01	2001/02	2002/03		2004/05	2005/06	2006/07
Departmental agencies and accounts (Entities)							
Current	-	-	35 111	28 704	29 336	30 796	32 644
National Health Laboratory Services	-	-	30 111	23 704	24 336	30 796	32 644
MRC (Malaria LSDI)	-	-	5 000	5 000	5 000	-	-
Capital	-	33 000	-	-	-	-	-
National Health Laboratory Services		33 000					
Total Departmental agencies and accounts (Entities)	-	33 000	35 111	28 704	29 336	30 796	32 644
Non-profit institutions							
Current	886	-	405	640	756	878	931
Health Promotion: NGO	886	-	405	600	700	800	848
Enviromental HLT: NGO	-	-	-	40	56	78	83
Total Non-profit institutions	886	-	405	640	756	878	931
Households (Other transfers to households)							
Current	350	350	400	510	424	449	476
Council for the Blind	350	350	400	510	424	449	476
Total Households (Other transfers to households)	350	350	400	510	424	449	476
Total	5 444 468	5 391 834	6 060 741	6 377 320	6 886 941	7 361 254	7 802 931