

PROVINCIAL BUDGET 2020- CUTS, CUTS, CUTS

Tlamelo M Mothudi

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In his speech, the MEC finance Honourable M. Mvoko outlined that this budget is crafted to respond to the socioeconomic challenges of the day by reprioritising and allocating provincial financial resources to protect critical service delivery programmes. With health outlined as one of the departments, which accounts for 75% of the provinces budget, to what extent does the budget reflect this and respond to the critical service delivery programmes in health.

The health budget for the 2020/21 financial was adjusted upwards from R 25.6 billion in 2019/20 to R 26.4 billion, a R 802.0 thousand difference in budget. The budget was adjusted upwards by 7.2% in nominal terms but in real terms, it was adjusted upwards by 2.8%. The conditional grants also have an upward adjustment recorded at R 4.7 billion in 2019 to R 4.8 billion in 2020, R149.4 thousand difference in adjustment.

What about the critical service delivery programmes?

Emergency medical services (EMS) provides emergency care and transport for victim of trauma, road traffic accidents and emergency medical and obstetric conditions. Planned patient transportation is provided for inter-hospital transfers and less privileged patients are transported between clinics and hospitals. Of the 447 EMS vehicles that are reported by the department, 250 of these vehicles are said to be on the [road](#). The response time for emergency medical services continuous to be a problem. In a budget analysis centred on the emergency medical services programme, the [PSAM](#) asked questions around the state of EMS in the province and made some recommendations on what measures can be done to improve response time of EMS.

Provincial Hospital Services (PHC) is intended to deliver accessible and effective services, which including specialised rehabilitation services. The programme also provides a platform for the training of health professionals and research. The programmes sub-programmes include general (regional) hospital services, Tuberculosis (TB) Hospitals and Psychiatric/Mental Hospitals. The state of mental health in the Eastern Cape has been [documented](#) with no visible improvement to the conditions of patients in these facilities.

The Health Sciences and Training (HST) programme renders training and development opportunities for actual and potential employees of the department. This programmes sub-programmes include nursing training colleges, ems training colleges, bursaries and other training. The province has a [shortage of nurses, ems personnel](#) and community health workers who should be trained under the “other training” sub-programmes which deals with the provision of skills development interventions for all occupational categories in the department.

The Health Facilities Management (HFM) programme is responsible for the upgrading, revivisation and maintenance of existing facilities including the provision of appropriate health

care equipment. Clinics in the Eastern Cape are crumbling under infrastructure, which needs urgent maintenance and revitalisation. Philani clinic in King Williams Town is an example on one such clinic. Members of the *Eastern Cape Health Action Crisis Coalition* have reported the clinics walls as moulding with defined cracks and fire extinguishers missing where they should be.

Between the 2019 and the 2020 financial year, some the following programmes have shown a significant change in their downward adjustment in budget in real terms.

- Programme 3 Emergency Medical Services: -1.1%
- Programme 4 Provincial Hospital Services: -9.8%
- Programme 6 Health Sciences Training: 1.2%
- Programme 8 Health Facilities Management: -12.4%

To what extent does the budget speak to these service delivery programmes?

The province has been recorded to have an unemployment rate of 39.5% with an equitable share reduction of R 2.4 billion over the MTEF due to the migration of people leaving the Eastern Cape. The unemployment percentage means more people have less disposable income and more people will continue to rely in public services.

We welcome the following allocation but consider what they actually mean in nominal and real terms:

- R2.3 billion in 2020/21 and R 65. Billion over the MTEF towards the road infrastructure development in the province. The road infrastructure network in the Eastern Cape has affected the ability of the department to navigate rural roads in cases where EMS services are needed. This is an opportunity for the ECDoH and the Department of Transport (DOT) to work together under the district development plan to develop the rural roads in the Eastern Cape and improve the response time of EMS vehicles.
- R 7 billion for medicines and R 2.5 billion for medical supplies over the MTEF of which R 2.2 billion and R 748.6 million is allocated in the 2020/21 financial years. The programme responsible for the procurement of medicines and medical supplies is the Health Care Support Services, programme 7. Between the 2019 and 2020 financial years there programme experienced a nominal change in budget of 0.6% but in real terms, the change was -4.7%. Over the medium term, the programme experiences 0.7% change in nominal terms but 0.4% in real terms. While the budget seems to have grown in nominal terms, this is not a fact in real terms. In an environment where medicine stock outs, including contraceptives are a reality, the increase in real terms would show a commitment towards service delivery.
- R58.2 million is provided in the 2020/21 financial years towards the procurement of additional medical equipment, employing EMS personnel for ambulances. The downward adjustment in budget in real terms for the Health Sciences Training programme of 1.2% during the 2019 and 2020 financial years shows that while there has been an increase in budget, in real terms this increase is minimal for the training of much needed personnel.

Medico-legal claims continue to consume a large amount of provincial health budget with contingent liabilities of over R 29 billion. To curb medico-legal claims, the department of health formed a Special Investigative Unit (SIU) to investigate fraud of medico-legal claims and parliament is currently reviewing the State Liability Amendment Bill. Attorneys were also

employed by the government to address medico-legal claims. An additional R15 million was set aside for the state law advisor legal office to deal with medico-legal claims through a Specialised litigation Unit (SLU). A substantial amount of money being poured into fighting medico-legal claims with medico-legal claims utilising a large portion of the health budget, this will continue affecting the delivery of health services, is it the solution?

What does the above actual say about the budget allocation to health?

It is important that budget allocations that are made to prioritise and protect critical service delivery programmes, the amounts allocated are a reflection of this desire.

Due to the state of the economy and the cuts to conditional grants and the equitable share percentages, a thorough needs analysis is required to determine whether there can be trade off's. Does the limitation in available resources mean the reduction to budgets of R63 million allocated to traditional leadership to enable them to do their work to allocate towards programmes where service delivery is a threat to constitutional rights? This is an important consideration as we give homage to Mphakamisi Raymond Mhlaba who fought for the marginalised.

Tlameo M Mothudi

Health Researcher : Public Service Accountability Monitor (PSAM)

School of Journalism and Media Studies

T: +27 (0) 46 603 8828 Cell: 071 256 8254

16B Prince Alfred Street, Grahamstown, 6139

PO Box 94, Grahamstown, 6140, South Africa

www.psam.org.za Twitter: @PSAM_AFRICA