

CONDITIONAL GRANT & CAPITAL EXPENDITURE PUBLIC HEARING REPORT



INTRODUCTION

- The Department of Public Works receives the conditional grant and capital budgets mainly from the Department of Health and the Department of Education.
- KZN Public Works has been successful in the previous years to spend the allocations and the Infrastructure Delivery Improvement Programme has assisted in this regard.



DEPARTMENT OF HEALTH

CONDITIONAL GRANTS

- There are two (2) infrastructure programmes for KZN Department of Health that are Conditional Grant Funded, namely:
 - Hospital Revitalisation Programme
 - Forensic Mortuaries Upgrading Programme



HOSPITAL REVITALISATION **PROGRAMME**

Hospitals on the Revitalization Programme are:

- King George Hospital
- Dr. Prixley kaSeme Hospital
- Dr. John Dube Hospital
- Hlabisa Hospital
- Empangeni Hospital
- Ngwelezane Hospital
- Madadeni Hospital
- Edendale Hospital
- Reitvlei Hospital



BUDGET ALLOCATION

Infrastructure allocation received in 2007/2008 Financial Year.	▪King George V	R179 629 000
	▪Empangeni/ Ngwelezane	R31 438 000
	▪Madadeni	R13 983 000
	▪Reitvlei	R19 321 000
	▪Hlabisa	R12 446 000
	▪Dr. Pixley Seme	R12 314 000
	▪Dr. Dube	R9 850 000
	▪Forensic Mortuary	R56 577 000
	▪Edendale	Nil
	TOTAL	R335 558 000



HOSPITAL REVITALISATION PROGRAMME

MTEF ALLOCATION VS BUDGET BIDS

Item	2007 / 08	2008 / 09	2009 / 2010
MTEF Allocation	R 316 325 m	R 479 424 m	R 503 395 m
Budget Bid	R 531 195 m	R 975 263 m	R 730 180 m
Budget Bid Outcome	R 278 433 m	R 201 793 m	R 304 239 m
% Reduction on MTEF	15.14%	57.91%	39.6%



MTEF ALLOCATION VS BUDGET BIDS

- The budget bid indicated above was submitted to Treasury, and there were drastic cuts from what was submitted and the outcome was even less than the MTEF allocation.
- Due to the budget cut in the Hospital Revitalisation Programme covering the 3 year MTEF period 2007 – 2010, Hospital Revitalisation Programme changed many of the plans for hospitals receiving funding from the Hospital Revitalisation Grant, especially in view of the drastic 57% cut for the 2008 / 2009 financial year which has caused many projects to be put on hold.



HOSPITAL REVITALISATION PROGRAM

- During 2006/2007 financial year, Public Works did not receive the Infrastructure Plan from Department of Health
- The allocation of R492 million was received in 2006/2007 financial year, which included Provincial Infrastructure Fiscal Funding and Conditional Grants
- 86% of the allocated budget was spent, which is R424.2 million of R492 million received



HOSPITAL REVITALISATION PROGRAMME

- In August 2007, the Infrastructure Plan for 2007/08 was received from Department of Health
- Total allocation received was R632 millions and R278 millions was for Revitalisation Programme which Conditional Grants funded and R354 millions was for the provincial capital projects.
- Expenditure to date on conditional grants is R148 millions, and there is possibility of under spending by R20 million in 2007/2008 financial year.
- Expenditure to date on provincial allocation is R242 millions and all will be spent this financial year.



CHALLENGES RE

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- In August 2007, the I from Department of f of the second quarte
- Total allocation recei millions was for Revi Grants)
- In October 2007, R9 confirmed by Nation increased to R360 n
- Expenditure to date possibility of under s of the 2007/2008 fin confirmation of the r



FORENSIC MORTUARIES

- In November 2007, Department of Public Works was instructed by Department of Health to construct forensic mortuaries.
- The budget allocation for 2007/2008 financial year is R56 million
- Fast track plan has been instituted by Public Works and all these mortuaries will be on site by April 2008

