

Inept spending threatens health care

Linda Ensor

Political Correspondent

CAPE TOWN — Misdirected spending of two critical, conditional health grants worth R6,5bn would "exacerbate the already precarious conditions" under which the public health system functioned, Finance and Fiscal Commission chairman Bethuel Setai said yesterday.

The commission said it had found that the spending of grants at national and provincial level was not properly controlled and had "drifted from their original purpose".

It warned this could lead to "a potential decline in the services and outputs which the grant is meant to protect".

The leakages occurred because conditions for spending were not specified in detail and provinces were not required to meet minimum standards.

As a result, public hospitals, often in the spotlight for their appalling conditions, received only 52% of the funds necessary to provide a "reasonable service". There were also 10,4% fewer hospital beds for the sick than there should have been, the commission said.

The commission, set up under the constitution to advise the treasury on the division of revenue between national, provincial and local governments, presented its recommen-

dations for 2007-08 allocations to the National Council of Provinces yesterday.

Setai said there were "significant differences between actual (public health) services provided and reasonable benchmarks of what should be provided".

He said even provinces such

as Gauteng and Western Cape, whose hospital services seemed over-resourced, could be under-resourced when measured against benchmarks.

The commission called on the health department to devise "a detailed policy framework" for spending, including grants for

national tertiary services of R5bn and the health professions training and development grant of R1,52bn. It said a lack of targeted spending of the health professions training and development grant had resulted in "unplanned shortfalls in the required number of professionals".