

Vote 14

Health

Adjusted budget summary

R thousand	2008/09			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	15 100 845	15 851 169	-	750 324
<i>of which:</i>				
Current payments	919 256	943 721	-	24 465
Transfers and subsidies	14 155 522	14 859 529	-	704 007
Payments for capital assets	26 067	47 919	-	21 852
Executive authority	Minister of Health			
Accounting officer	Director-General of Health			

Aim

The aim of the Department of Health is to promote the health of all people in South Africa through an accessible, caring and high quality health system based on the primary health care (PHC) approach.

Mid-year performance status

Indicators	Annual performance	
	Projected for 2008/09 as published in the 2008 ENE	Achieved in the first six months of 2008/09 (April to September)
As published in the 2008 ENE		
Percentage national immunisation coverage	90%	89.7%
Number of health districts with more than 90% full immunisation coverage	41/52 (80%)	24/52 (46%)
Percentage of health workers trained in the integrated management of childhood illnesses	80%	72%
Number of health facilities with maternity beds declared as baby friendly	245/545 (45%)	232/545 (42.6%)
TB cure rate	60%	64%
TB treatment defaulter rate	6%	8.6%
Percentage of multi-drug resistant MDR TB cases among new TB patients	<1	2.7
Percentage of extremely drug resistant cases among all MDR TB patients	4	9.1
Number of malaria cases	3 900	5 734
Percentage malaria case fatality rate	0.5%	0.59%
Number of hospital revitalisation business cases approved	9	0

TB tracer teams have been placed in districts across the country to reduce the high defaulter rate.

A study is being conducted to generate a better understanding of MDR TB.

The relatively higher number of malaria cases in the first half of 2008/09 is mainly due to an increase of cases in Limpopo.

15 hospital revitalisation business cases were received from provinces. None have yet been approved. They will be considered for inclusion in the hospital revitalisation programme subject to the availability of funding.

Adjusted Estimates of National Expenditure 2008

Table 14.1: Adjusted estimates

Programme	2008/09						
	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
R thousand							
1. Administration	215 647	21 752	-	-	9 279	31 031	246 678
2. Strategic Health Programmes	3 713 085	171 506	300 000	1 350	4 000	476 856	4 189 941
3. Health Planning and Monitoring	326 527	-	-	2 200	5 401	7 601	334 128
4. Health Human Resources Management and Development	1 714 204	3 062	-	(4 500)	-	(1 438)	1 712 766
5. Health Services	9 052 457	177 516	-	(450)	57 808	234 874	9 287 331
6. International Relations, Health Trade and Health Product Regulation	78 925	-	-	1 400	-	1 400	80 325
Departmental Total	15 100 845	373 836	300 000	-	76 488	750 324	15 851 169
Economic classification							
Current payments	919 256	16 000	-	(814)	9 279	24 465	943 721
Compensation of employees	278 395	-	-	-	9 279	9 279	287 674
Goods and services	640 861	16 000	-	(814)	-	15 186	656 047
Transfers and subsidies	14 155 522	336 084	300 000	714	67 209	704 007	14 859 529
Provinces and municipalities	13 686 597	318 381	300 000	-	57 808	676 189	14 362 786
Departmental agencies and accounts	302 150	2 952	-	414	7 401	10 767	312 917
Universities and technikons	1 000	-	-	-	-	-	1 000
Non-profit institutions	165 775	14 751	-	-	2 000	16 751	182 526
Households	-	-	-	300	-	300	300
Payments for capital assets	26 067	21 752	-	100	-	21 852	47 919
Machinery and equipment	26 067	21 752	-	100	-	21 852	47 919
Total	15 100 845	373 836	300 000	-	76 488	750 324	15 851 169

Details of adjustments to Estimates of National Expenditure 2008

Roll-over of funds – R373.836 million

Programme 1: Administration

R21.752 million has been rolled over for upgrading and commissioning the Civitas building.

Programme 2: Strategic Health Programme

R13 million has been rolled over for loveLife for the Groundbreaker programme in public clinics and the youth outreach programme to schools.

R1.751 million has been rolled over for outstanding commitments to HIV and Aids NGOs.

R16 million has been rolled over for contributions to the Global Fund to Fight AIDS, TB and Malaria.

R137.803 million has been rolled over for the forensic pathology services conditional grant for buying equipment, constructing mortuaries, and doing emergency repairs to mortuaries.

R2.952 million has been rolled over for the National Health Laboratory Services to make payments for services provided in 2007/08.

Programme 4: Health Human Resource Management and Development

R3.062 million has been rolled over for the health professional training and development conditional grant for medical equipment.

Programme 5: Health Services

R176.874 million has been rolled over for the hospital revitalisation conditional grant to complete building projects.

R642 000 has been rolled over for the national tertiary services conditional grant for equipment.

Unforeseeable and unavoidable expenditure – R300 million

Programme 2: Strategic Health Programmes

R300 million has been allocated for HIV and Aids for the rollout of the dual therapy regime for the prevention of mother to child transmission (PMTCT) programme and shortfalls on the treatment programme, which has grown by 200 000 new entrants over the past twelve months.

Virements

Table 14.2: Virements

Programme / Economic classification	R thousand		Details and motivation
	From	To	
1. Administration	(114)	114	
Current payments	(114)	-	
Goods and services	(114)	-	Incorrectly classified funds: R100 000 to machinery and equipment in this programme R14 000 to departmental agencies and accounts in this programme
Transfers and Subsidies	-	14	
Departmental agencies and accounts	-	14	From goods and services in this programme for the Health and Welfare Sector Education and Training Authority payment
Payments for capital assets	-	100	
Machinery and equipment	-	100	From goods and services in this programme for furniture
2. Strategic Health Programmes	(4 600)	5 950	
Current payments	(4 600)	5 350	
Compensation of employees	-	5 350	R400 000 from compensation of employees in programme 3 R4.5 million from compensation of employees in programme 4 R450 000 from compensation of employees in programme 5 For the realigned compensation of employees budget according to the department's approved new programme structure
Goods and services	(4 600)	-	Savings arose when operational plan refined: R400 000 to departmental agencies and accounts in this programme R200 000 to households in this programme R2.6 million goods and services in programme 3 R1.4 million to goods and services in programme 6
Transfers and Subsidies	-	600	
Departmental agencies and accounts	-	400	From goods and services in this programme for the Study on Global Aging and Adult Health (SAGE)
Households	-	200	From goods and services in this programme for a donation to the Southern African Spinal Cord Association for hosting the International Spinal Cord Society conference (R100 000) and to the Foundation for Professional Development for hosting the first South African TB conference (R100 000)
3. Health Planning and Monitoring	(400)	2 600	
Current payments	(400)	2 600	
Compensation of employees	(400)	-	Realigned budget following approved new programme structure: To compensation of employees in programme 2
Goods and services	-	2 600	From goods and services in programme 2 for the core standards appraisal
4. Health Human Resources Management and Development	(4 500)	-	
Current payments	(4 500)	-	
Compensation of employees	(4 500)	-	Realigned budget following approved new programme structure: To compensation of employees in programme 2

Table 14.2: Virements (continued)

Programme / Economic classification	R thousand		Details and motivation
	From	To	
5. Health Services	(550)	100	
Current payments	(550)	-	
Compensation of employees	(450)	-	Realigned budget following approved new programme structure: To compensation of employees in programme 2
Goods and services	(100)	-	
Transfers and Subsidies	-	100	
Households	-	100	Savings in communications, operating leases and inventories: To households in this programme From goods and services in this programme for a donation of R100 000 to the Public Health Association of South Africa for hosting the fourth national PHASA conference
6. International Relations, Health Trade and Health Product Regulation	-	1 400	
Current payments	-	1 400	
Goods and services	-	1 400	From goods and services in programme 2 for the 30th session of the Codex Committee on Nutrition and Foods for Special Dietary Uses
Total for Vote	(10 164)	10 164	

Other adjustments – R76.488 million

Adjustments due to significant and unforeseeable economic and financial events

Programme 1: Administration

Additional funding of R9.279 million has been allocated to cover costs related to the higher than budgeted wage increase granted by the Minister for Public Service and Administration.

Programme 2: Strategic Health Programme

Additional funding of R2 million has been allocated to the South African Aids Vaccine Institute and R2 million to the National Health Laboratory Service to cover inflation pressures.

Programme 3: Health Planning and Monitoring

Additional funding of R2.704 million has been allocated to the Medical Schemes Council and R2.697 million to the Medical Research Council to cover inflation pressures.

Programme 5: Health Services

Additional funding of R57.808 million has been allocated to the national tertiary services conditional grant for higher than anticipated inflation on medicine and medical equipment.

Gifts, donations and sponsorships – R300 000

The department will make a donation of R100 000 to the Public Health Association of South Africa for hosting the fourth national PHASA conference; R100 000 to the Southern African Spinal Cord Association for hosting the International Spinal Cord Society conference; and R100 000 to the Foundation for Professional Development for hosting the first South African TB conference.

Expenditure 2007/08 and preliminary expenditure 2008/09

Table 14.3: Expenditure trends

Programme	2007/08					2008/09		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2007 - Sep 2007	Apr 07 – Sep 07 % of adjusted appropriation	Apr 2007 - Mar 2008	Apr 07 – Mar 08 % of adjusted appropriation	Adjusted appropriation	Apr 2008 - Sep 2008	Apr 08 – Sep 08 % of adjusted appropriation
1. Administration	229 598	100 581	43.8	213 628	93.0	246 678	149 343	60.5
2. Strategic Health Programmes	3 317 041	1 453 576	43.8	3 096 269	93.3	4 189 941	1 782 179	42.5
3. Health Planning and Monitoring	309 507	160 943	52.0	309 126	99.9	334 128	176 608	52.9
4. Health Human Resources Management and Development	1 618 791	804 911	49.7	1 613 578	99.7	1 712 766	846 723	49.4
5. Health Services	7 543 139	3 642 304	48.3	7 465 840	99.0	9 287 331	4 514 197	48.6
6. International Relations, Health Trade and Health Product Regulation	73 060	24 898	34.1	64 290	88.0	80 325	33 535	41.7
Total	13 091 136	6 187 213	47.3	12 762 731	97.5	15 851 169	7 502 585	47.3
Economic classification								
Current payments	860 267	294 704	34.3	729 565	84.8	943 721	426 082	45.1
Compensation of employees	251 826	125 550	49.9	258 604	102.7	287 674	137 017	47.6
Goods and services	608 441	169 116	27.8	470 871	77.4	656 047	289 064	44.1
Financial transactions in assets and liabilities	-	38	-	90	-	-	1	-
Transfers and subsidies	12 186 334	5 885 534	48.3	12 011 193	98.6	14 859 529	7 049 678	47.4
Provinces and municipalities	11 736 678	5 660 188	48.2	11 552 732	98.4	14 362 786	6 839 407	47.6
Departmental agencies and accounts	299 351	168 729	56.4	301 348	100.7	312 917	165 634	52.9
Universities and technikons	1 000	-	-	400	40.0	1 000	500	50.0
Foreign governments and international organisations	-	-	-	-	-	-	47	-
Non-profit institutions	149 287	56 321	37.7	156 034	104.5	182 526	43 684	23.9
Households	18	296	1 644.4	679	3772.2	300	406	135.3
Payments for capital assets	44 535	6 975	15.7	21 973	49.3	47 919	26 825	56.0
Buildings and other fixed structures	4 734	-	-	-	-	-	(14)	-
Machinery and equipment	39 501	6 655	16.8	21 686	54.9	47 919	26 839	56.0
Software and other intangible assets	300	320	106.7	287	95.7	-	-	-
Total	13 091 136	6 187 213	47.3	12 762 731	97.5	15 851 169	7 502 585	47.3

Selected expenditure trends for the first half of 2008/09

Expenditure in the first six months of 2008/09 was R7.503 billion, or 47.3 per cent of the adjusted appropriation of R15.851 billion for the year as a whole. Expenditure in the first six months of 2008/09 increased by R1.315 billion, or 21.3 per cent compared to spending in the first six months of 2007/08 which amounted to R6.187 billion, or 47.3 per cent of the 2007/08 adjusted appropriation.

Expenditure for 2007/08 was 97.5 per cent of the adjusted appropriation for that year.

Departmental receipts

Table 14.4: Receipts

R thousand	2008/09			
	Budget estimate	Adjusted estimate	Actual receipts Apr 08 - Sep 08	% of Adjusted estimate
Departmental receipts				
Sales of goods and services other than capital assets	4 166	4 717	2 055	43.6
Interest, dividends and rent on land	256	246	176	71.5
Financial transactions in assets and liabilities	1 539	667	182	27.3
Total	5 961	5 630	2 413	42.9

Actual departmental revenue collections for the first six months of 2008/09 were R2.4 million or 42.9 per cent of the adjusted estimate of R5.6 million.

Changes to transfers and subsidies, and conditional grants

Table 14.5: Summary of changes to transfers and subsidies per programme

R thousands	2008/09						Adjusted appropriation
	Main appropriation	Additional Appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virements	Other adjustments		
1. Administration	265	-	-	14	-	14	279
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	265	-	-	14	-	14	279
Service Sector Education and Training Authority	265	-	-	14	-	14	279
2. Strategic Health Programmes	3 280 695	155 506	300 000	600	4 000	460 106	3 740 801
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	2 987 006	-	300 000	-	-	300 000	3 287 006
Comprehensive HIV and Aids grant	2 585 423	-	300 000	-	-	300 000	2 885 423
Capital	65 295	137 803	-	-	-	137 803	203 098
Forensic pathology services grant	65 295	137 803	-	-	-	137 803	203 098
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	65 271	2 952	-	400	2 000	5 352	70 623
National Health Laboratory Services	65 271	2 952	-	-	2 000	4 952	70 223
Human Science Research Council	-	-	-	400	-	400	400
Non-profit institutions							
Current	162 123	14 751	-	-	2 000	16 751	178 874
HIV and AIDS: Non-governmental organisations	58 390	1 751	-	-	-	1 751	60 141
loveLife	63 000	13 000	-	-	-	13 000	76 000
South African Aids Vaccine Initiative	10 000	-	-	-	2 000	2 000	12 000
Households							
Other transfers							
Current	-	-	-	200	-	200	200
South African Spinal Cord Association	-	-	-	100	-	100	100
Foundation for Professional Development	-	-	-	100	-	100	100

Table 14.5: Summary of changes to transfers and subsidies per programme (continued)

2008/09							
R thousands	Main appropriation	Additional Appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements	Other adjustments		
3. Health Planning and Monitoring	236 885	-	-	-	5 401	5 401	242 286
Departmental agencies and accounts							
Departmental agencies and accounts (non-business entities)							
Current	234 259	-	-	-	5 401	5 401	239 660
Council for Medical Schemes	3 447	-	-	-	2 704	2 704	6 151
Medical Research Council	230 436	-	-	-	2 697	2 697	233 133
4. Health Human Resources Management and Development	1 675 999	3 062	-	-	-	3 062	1 679 061
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	1 675 999	3 062	-	-	-	3 062	1 679 061
Health professions training and development grant	1 675 999	3 062	-	-	-	3 062	1 679 061
5. Health Services	8 961 678	177 516	-	100	57 808	235 424	9 197 102
Provinces and municipalities							
Provinces							
Provincial revenue funds							
Current	6 075 634	642	-	-	57 808	58 450	6 134 084
National tertiary services grant	6 075 634	642	-	-	57 808	58 450	6 134 084
Capital	2 882 663	176 874	-	-	-	176 874	3 059 537
Hospital revitalisation grant	2 882 663	176 874	-	-	-	176 874	3 059 537
Households							
Other transfers							
Current	-	-	-	100	-	100	100
Public Health Association of South Africa	-	-	-	100	-	100	100

Table 14.6: Summary of changes to conditional grants: Provinces¹

2008/09							
R thousand	Main appropriation	Additional appropriation				Total additional appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Other adjustments		
2. Strategic Health Programmes							
Comprehensive HIV and AIDS Grant	2 585 423	-	300 000	-	-	300 000	2 885 423
Forensic pathology services grant	466 878	137 803	-	-	-	137 803	604 681
5. Health Services							
Hospital revitalisation grant	2 882 663	176 874	-	-	-	176 874	3 059 537
National tertiary services grant	6 075 634	642	-	-	-	642	6 076 276
4. Health Human Resources Management and Development							
Health professions training and development grant	1 675 999	3 062	-	-	-	3 062	1 679 061

¹ Main appropriation detail provided in the Division of Revenue Act, 2008

