

# Vote 16

## Health

### Adjusted budget summary

2017/18				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>42 625 723</b>	<b>42 645 557</b>	<b>(166 177)</b>	<b>186 011</b>
<b>of which:</b>				
Current payments	2 404 684	2 590 616	–	185 932
Transfers and subsidies	39 355 426	39 282 084	(73 342)	–
Payments for capital assets	865 613	772 778	(92 835)	–
Payments for financial assets	–	79	–	79
Executive authority	Minister of Health			
Accounting officer	Director-General of Health			
Website address	www.health.gov.za			

### Vote purpose

*Provide leadership and coordination of health services 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 approach.*

### Mid-year performance status

Indicator	Programme	Outcome	Annual performance		
			Projected for 2017/18 as published in the 2017 ENE	Achieved in the first six months of 2017/18 (April to September)	Changed target for 2017/18
Total number of primary health care facilities implementing improved patient administration and web-based information systems <sup>4</sup>	National Health Insurance, Health Planning and Systems Enablement	Outcome 2: A long and healthy life for all South Africans	2 450	1 967	–
Total number of health facilities reporting medicine stock availability at national surveillance centre <sup>4</sup>	National Health Insurance, Health Planning and Systems Enablement		3 261	3 272	–
Total number of patients receiving medicine through the centralised chronic medicine dispensing and distribution system <sup>4</sup>	National Health Insurance, Health Planning and Systems Enablement		950 000	1 522 453	–
Percentage of human papillomavirus immunisation first dose coverage per year <sup>2, 4</sup>	HIV and AIDS, Tuberculosis, and Maternal and Child Health		87%	73.6%	–
Total number of clients remaining on antiretroviral treatment at the end of the year <sup>4</sup>	HIV and AIDS, Tuberculosis, and Maternal and Child Health		4.5 million	3.87 million	–
Tuberculosis new client treatment success rate <sup>1</sup>	HIV and AIDS, Tuberculosis, and Maternal and Child Health		86%	86.1%	–
Infant polymerase chain reaction test positive around 10 weeks rate per year <sup>3</sup>	HIV and AIDS, Tuberculosis, and Maternal and Child Health		1.35%	1.04%	–
Total number of functional ward-based primary health care outreach teams <sup>4</sup>	Primary Health Care Services		2 000	3 519	–
Number of additional primary health care facilities in the 52 districts that qualify as ideal clinics per year <sup>4</sup>	Primary Health Care Services		750	1 037	–
Total number of commercial points of entry that provide port health services that are compliant with international health regulations <sup>4</sup>	Primary Health Care Services		10 <sup>5</sup>	2	–
Number of facilities maintained, repaired and/or refurbished in national health insurance districts <sup>4</sup>	Hospitals, Tertiary Health Services and Human Resource Development		197	171	–
Percentage of backlog eliminated for blood alcohol tests <sup>4</sup>	Hospitals, Tertiary Health Services and Human Resource Development		100%	30.5%	–

1. Data incomplete due to reporting delays from health facilities in several provinces. Actual performance is likely to be higher.

2. Indicator reported on with a lag of one year.

3. Indicator for mother-to-child transmission of HIV, which shows the infants tested positive for HIV within 10 weeks as a proportion of all live births by HIV-positive mothers.

4. Only data for the first four months of 2017/18 are currently available. This is due to the data flow policy that provides for a 45-day period after the end of each month of for data transmitted from all health facilities to reach the department following verification by sub-districts, districts and provinces.

5. Target changed to align with the department's 2017/18 annual performance plan, which was finalised after the 2017/18 ENE had been published.

### Mid-year progress

There have been concerted efforts by the department in partnership with provincial departments of health to scale up various initiatives to strengthen the health system, which has resulted in several targets being exceeded in the first six months of 2017/18.

The standardised patient administration and web-based information system has already been rolled out to 1 967 public health care facilities, and 3 272 health facilities (3 081 public health care facilities and 191 hospitals) report their stock availability to the national surveillance centre. These partnerships have also influenced the marked increase in the number of patients enrolled on the centralised chronic medicine dispensing and distribution system. 1 522 453 patients were enrolled in the first half of the year, exceeding the annual target of 950 000 by 572 453 in the first six months of 2017/18.

The first round of the 2018 human papillomavirus vaccination campaign took place in February and March 2017, and 73.6 per cent first-dose coverage was achieved in this period. It is anticipated that the target of 87 per cent first-dose coverage will be achieved by the end of 2017/18 after the second round of the campaign.

3.87 million patients were on antiretroviral treatment after the first four months of 2017/18 against the annual target of 4.5 million. This target is expected to be achieved in 2017/18 through the universal test and treat campaign.

In the first four months of 2017/18, 2 commercial points of entry were found to provide port health services compliant with international health regulations. This is in line with the department's annual performance plan, to conduct a baseline audit and a plan of action in the first half of the year.

There were 3 519 functional ward-based outreach teams as at the end of July 2017, which already exceeds the annual target of 2 000. Significant progress has also been made in the Ideal Clinic programme, as 1 037 public health care facilities have reached ideal clinic status against the annual target of 750 clinics. The high performance relative to the annual target is due to the department's concerted efforts to address weaknesses in all health facilities.

In the first half of the year, mother-to-child transmission of HIV declined to 1.04 per cent, compared to the annual target of 1.35 per cent. This achievement was as a result of focused interventions in the 17 districts that had transmission rates of greater than 1.5 per cent.

In terms of number of facilities maintained, repaired and/or refurbished in national health insurance districts, 171 facilities have projects under implementation. These were planned to be fast-tracked in the half of the financial year. Most of these projects are expected to be completed by the end of 2017/18.

## Adjusted Estimates of National Expenditure 2017

Programme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration	512 838	-	-	2 000	-	-	2 000	514 838
National Health Insurance, Health Planning and Systems Enablement	735 087	-	-	199 600	-	-	199 600	934 687
HIV and AIDS, Tuberculosis, and Maternal and Child Health	18 278 344	-	19 834	(400)	-	-	19 434	18 297 778
Primary Health Care Services	264 299	-	-	(400)	-	-	(400)	263 899
Hospitals, Tertiary Health Services and Human Resource Development	21 108 184	-	-	(200 400)	-	-	(200 400)	20 907 784
Health Regulation and Compliance Management	1 726 971	-	-	(400)	-	-	(400)	1 726 571
<b>Total</b>	<b>42 625 723</b>	<b>-</b>	<b>19 834</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19 834</b>	<b>42 645 557</b>

Economic classification	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
<b>Current payments</b>	<b>2 404 684</b>	-	-	<b>185 932</b>	-	-	<b>185 932</b>	<b>2 590 616</b>
Compensation of employees	760 032	-	-	113 326	-	-	113 326	873 358
Goods and services	1 644 652	-	-	72 606	-	-	72 606	1 717 258
<b>Transfers and subsidies</b>	<b>39 355 426</b>	-	<b>19 834</b>	<b>(93 176)</b>	-	-	<b>(73 342)</b>	<b>39 282 084</b>
Provinces and municipalities	37 520 392	-	19 834	30 000	-	-	49 834	37 570 226
Departmental agencies and accounts	1 649 797	-	-	(133 648)	-	-	(133 648)	1 516 149
Non-profit institutions	185 237	-	-	8 500	-	-	8 500	193 737
Households	-	-	-	1 972	-	-	1 972	1 972
<b>Payments for capital assets</b>	<b>865 613</b>	-	-	<b>(92 835)</b>	-	-	<b>(92 835)</b>	<b>772 778</b>
Buildings and other fixed structures	714 646	-	-	(70 662)	-	-	(70 662)	643 984
Machinery and equipment	145 967	-	-	(22 173)	-	-	(22 173)	123 794
Software and other intangible assets	5 000	-	-	-	-	-	-	5 000
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>79</b>	-	-	<b>79</b>	<b>79</b>
<b>Total</b>	<b>42 625 723</b>	-	<b>19 834</b>	-	-	-	<b>19 834</b>	<b>42 645 557</b>

**Programme 1: Administration**

Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Ministry	31 840	-	-	-	-	-	-	31 840
Management	19 646	-	-	(80)	-	-	(80)	19 566
Corporate Services	232 421	-	-	3 080	-	-	3 080	235 501
Office Accommodation	165 179	-	-	-	-	-	-	165 179
Financial Management	63 752	-	-	(1 000)	-	-	(1 000)	62 752
<b>Total</b>	<b>512 838</b>	-	-	<b>2 000</b>	-	-	<b>2 000</b>	<b>514 838</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>505 989</b>	-	-	<b>1 561</b>	-	-	<b>1 561</b>	<b>507 550</b>
Compensation of employees	197 170	-	-	-	-	-	-	197 170
Goods and services	308 819	-	-	1 561	-	-	1 561	310 380
<b>Transfers and subsidies</b>	<b>2 252</b>	-	-	<b>425</b>	-	-	<b>425</b>	<b>2 677</b>
Departmental agencies and accounts	2 252	-	-	-	-	-	-	2 252
Households	-	-	-	425	-	-	425	425
<b>Payments for capital assets</b>	<b>4 597</b>	-	-	-	-	-	-	<b>4 597</b>
Machinery and equipment	4 597	-	-	-	-	-	-	4 597
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>14</b>	-	-	<b>14</b>	<b>14</b>
<b>Total</b>	<b>512 838</b>	-	-	<b>2 000</b>	-	-	<b>2 000</b>	<b>514 838</b>

**Programme 2: National Health Insurance, Health Planning and Systems Enablement**

Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
R thousand								
Programme Management	3 752	-	-	200	-	-	200	3 952
Technical Policy and Planning	97 961	-	-	(200)	-	-	(200)	97 761
Health Information Management, Monitoring and Evaluation	67 533	-	-	(400)	-	-	(400)	67 133
Sector-Wide Procurement	139 445	-	-	-	-	-	-	139 445
Health Financing and National Health Insurance	346 709	-	-	200 000	-	-	200 000	546 709
International Health and Development	79 687	-	-	-	-	-	-	79 687
<b>Total</b>	<b>735 087</b>	-	-	<b>199 600</b>	-	-	<b>199 600</b>	<b>934 687</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>700 068</b>	-	-	<b>122 377</b>	-	-	<b>122 377</b>	<b>822 445</b>
Compensation of employees	114 740	-	-	-	-	-	-	114 740
Goods and services	585 328	-	-	122 377	-	-	122 377	707 705
<b>Transfers and subsidies</b>	<b>28 401</b>	-	-	<b>315</b>	-	-	<b>315</b>	<b>28 716</b>
Non-profit institutions	28 401	-	-	-	-	-	-	28 401
Households	-	-	-	315	-	-	315	315
<b>Payments for capital assets</b>	<b>6 618</b>	-	-	<b>76 908</b>	-	-	<b>76 908</b>	<b>83 526</b>
Machinery and equipment	1 618	-	-	76 908	-	-	76 908	78 526
Software and other intangible assets	5 000	-	-	-	-	-	-	5 000
<b>Total</b>	<b>735 087</b>	-	-	<b>199 600</b>	-	-	<b>199 600</b>	<b>934 687</b>

**Programme 3: HIV and AIDS, Tuberculosis, and Maternal and Child Health**

Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Programme Management	6 458	-	-	-	-	-	-	6 458
HIV and AIDS	18 004 547	-	19 834	-	-	-	19 834	18 024 381
Tuberculosis	26 498	-	-	(200)	-	-	(200)	26 298
Women's Maternal and Reproductive Health	18 390	-	-	(200)	-	-	(200)	18 190
Child, Youth and School Health	222 451	-	-	-	-	-	-	222 451
<b>Total</b>	<b>18 278 344</b>	<b>-</b>	<b>19 834</b>	<b>(400)</b>	<b>-</b>	<b>-</b>	<b>19 434</b>	<b>18 297 778</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>532 751</b>	<b>-</b>	<b>-</b>	<b>(9 066)</b>	<b>-</b>	<b>-</b>	<b>(9 066)</b>	<b>523 685</b>
Compensation of employees	79 420	-	-	-	-	-	-	79 420
Goods and services	453 331	-	-	(9 066)	-	-	(9 066)	444 265
<b>Transfers and subsidies</b>	<b>17 729 326</b>	<b>-</b>	<b>19 834</b>	<b>8 661</b>	<b>-</b>	<b>-</b>	<b>28 495</b>	<b>17 757 821</b>
Provinces and municipalities	17 557 903	-	19 834	-	-	-	19 834	17 577 737
Departmental agencies and accounts	17 547	-	-	-	-	-	-	17 547
Non-profit institutions	153 876	-	-	8 500	-	-	8 500	162 376
Households	-	-	-	161	-	-	161	161
<b>Payments for capital assets</b>	<b>16 267</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16 267</b>
Machinery and equipment	16 267	-	-	-	-	-	-	16 267
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>5</b>
<b>Total</b>	<b>18 278 344</b>	<b>-</b>	<b>19 834</b>	<b>(400)</b>	<b>-</b>	<b>-</b>	<b>19 434</b>	<b>18 297 778</b>

**Programme 4: Primary Health Care Services**

Subprogramme	2017/18							Adjusted Appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Programme Management	3 136	-	-	-	-	-	-	3 136
District Health Services	46 266	-	-	-	-	-	-	46 266
Communicable Diseases	21 923	-	-	(200)	-	-	(200)	21 723
Non-Communicable Diseases	22 491	-	-	-	-	-	-	22 491
Health Promotion and Nutrition	26 456	-	-	(200)	-	-	(200)	26 256
Environmental and Port Health Services	144 027	-	-	-	-	-	-	144 027
<b>Total</b>	<b>264 299</b>	<b>-</b>	<b>-</b>	<b>(400)</b>	<b>-</b>	<b>-</b>	<b>(400)</b>	<b>263 899</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>256 084</b>	<b>-</b>	<b>-</b>	<b>(466)</b>	<b>-</b>	<b>-</b>	<b>(466)</b>	<b>255 618</b>
Compensation of employees	185 583	-	-	-	-	-	-	185 583
Goods and services	70 501	-	-	(466)	-	-	(466)	70 035
<b>Transfers and subsidies</b>	<b>2 960</b>	<b>-</b>	<b>-</b>	<b>55</b>	<b>-</b>	<b>-</b>	<b>55</b>	<b>3 015</b>
Non-profit institutions	2 960	-	-	-	-	-	-	2 960
Households	-	-	-	55	-	-	55	55
<b>Payments for capital assets</b>	<b>5 255</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 255</b>
Machinery and equipment	5 255	-	-	-	-	-	-	5 255
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>11</b>
<b>Total</b>	<b>264 299</b>	<b>-</b>	<b>-</b>	<b>(400)</b>	<b>-</b>	<b>-</b>	<b>(400)</b>	<b>263 899</b>

**Programme 5: Hospitals, Tertiary Health Services and Human Resource Development**

Subprogramme	2017/18							Adjusted Appropriation
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand								
Programme Management	3 692	-	-	-	-	-	-	3 692
Health Facilities Infrastructure Management	6 623 670	-	-	(200 000)	-	-	(200 000)	6 423 670
Tertiary Health Care Planning and Policy	11 680 763	-	-	-	-	-	-	11 680 763
Hospital Management	5 155	-	-	(200)	-	-	(200)	4 955
Human Resources for Health	2 653 788	-	-	-	-	-	-	2 653 788
Nursing Services	6 562	-	-	-	-	-	-	6 562
Forensic Chemistry Laboratories	127 405	-	-	-	-	-	-	127 405
Violence, Trauma and EMS	7 149	-	-	(200)	-	-	(200)	6 949
<b>Total</b>	<b>21 108 184</b>	<b>-</b>	<b>-</b>	<b>(200 400)</b>	<b>-</b>	<b>-</b>	<b>(200 400)</b>	<b>20 907 784</b>

**Programme 5: Hospitals, Tertiary Health Services and Human Resource Development (continued)**

Economic classification	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Current payments</b>	<b>315 518</b>	-	-	<b>(60 867)</b>	-	-	<b>(60 867)</b>	<b>254 651</b>
Compensation of employees	128 470	-	-	-	-	-	-	128 470
Goods and services	187 048	-	-	(60 867)	-	-	(60 867)	126 181
<b>Transfers and subsidies</b>	<b>19 962 489</b>	-	-	<b>30 766</b>	-	-	<b>30 766</b>	<b>19 993 255</b>
Provinces and municipalities	19 962 489	-	-	30 000	-	-	30 000	19 992 489
Households	-	-	-	766	-	-	766	766
<b>Payments for capital assets</b>	<b>830 177</b>	-	-	<b>(170 305)</b>	-	-	<b>(170 305)</b>	<b>659 872</b>
Buildings and other fixed structures	714 646	-	-	(70 662)	-	-	(70 662)	643 984
Machinery and equipment	115 531	-	-	(99 643)	-	-	(99 643)	15 888
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>6</b>	-	-	<b>6</b>	<b>6</b>
<b>Total</b>	<b>21 108 184</b>	-	-	<b>(200 400)</b>	-	-	<b>(200 400)</b>	<b>20 907 784</b>

**Programme 6: Health Regulation and Compliance Management**

Subprogramme	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
R thousand		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Programme Management</b>	<b>4 532</b>	-	-	-	-	-	-	<b>4 532</b>
Food Control	11 728	-	-	(200)	-	-	(200)	11 528
Radiation Control and Health Technology	18 956	-	-	133 448	-	-	133 448	152 404
Public Entities Management	1 630 082	-	-	(133 648)	-	-	(133 648)	1 496 434
Compensation Commissioner for Occupational Diseases and Occupational Health	61 673	-	-	-	-	-	-	61 673
<b>Total</b>	<b>1 726 971</b>	-	-	<b>(400)</b>	-	-	<b>(400)</b>	<b>1 726 571</b>
<b>Economic classification</b>	<b>94 274</b>	-	-	<b>132 393</b>	-	-	<b>132 393</b>	<b>226 667</b>
<b>Current payments</b>	<b>54 649</b>	-	-	<b>113 326</b>	-	-	<b>113 326</b>	<b>167 975</b>
Compensation of employees	54 649	-	-	113 326	-	-	113 326	167 975
Goods and services	39 625	-	-	19 067	-	-	19 067	58 692
<b>Transfers and subsidies</b>	<b>1 629 998</b>	-	-	<b>(133 398)</b>	-	-	<b>(133 398)</b>	<b>1 496 600</b>
Departmental agencies and accounts	1 629 998	-	-	(133 648)	-	-	(133 648)	1 496 350
Households	-	-	-	250	-	-	250	250
<b>Payments for capital assets</b>	<b>2 699</b>	-	-	<b>562</b>	-	-	<b>562</b>	<b>3 261</b>
Machinery and equipment	2 699	-	-	562	-	-	562	3 261
<b>Payments for financial assets</b>	<b>-</b>	-	-	<b>43</b>	-	-	<b>43</b>	<b>43</b>
<b>Total</b>	<b>1 726 971</b>	-	-	<b>(400)</b>	-	-	<b>(400)</b>	<b>1 726 571</b>

**Details of adjustments to Estimates of National Expenditure 2017****Unforeseeable and unavoidable expenditure – R19.834 million**

Programme 3: HIV and AIDS, Tuberculosis, and Maternal and Child Health

An additional R19.834 million has been allocated to the vote for the comprehensive HIV, AIDS and tuberculosis grant to support the malaria programme in response to the malaria outbreaks in Limpopo and Mpumalanga in April and May 2017.

## Virements and shifts within votes

<b>Programmes</b>					
1. Administration					
2. National Health Insurance, Health Planning and Systems Enablement					
3. HIV and AIDS, Tuberculosis, and Maternal and Child Health					
4. Primary Health Care Services					
5. Hospitals, Tertiary Health Services and Human Resource Development					
6. Health Regulation and Compliance Management					
<b>FROM:</b>			<b>TO:</b>		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>			<b>Programme 1</b>		
Goods and services	Cost containment measures effected on minor assets and stationery	(425)	Households	Leave gratuities	425
	Cost containment measures effected on stationery	(14)	Payments for financial assets	Theft and losses	14
Shifts within the programme as a percentage of the programme budget		0.3%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 2</b>			<b>Programme 1</b>		
Goods and services	Cost containment measures effected on business and advisory services, and science and technological services	(400)	Goods and services	Printing costs	400
	Cost containment measures effected on advertising, business and advisory services, and minor assets	(315)	<b>Programme 2</b>		
	National health insurance indirect grant <sup>2</sup>	(76 908)	Households	Leave gratuities	315
			Machinery and equipment	Capital equipment and hardware (computers and office equipment) in the national health insurance indirect grant	76 908
Shifts within the programme as a percentage of the programme budget		10.5%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.1%</b>			
<b>Programme 3</b>			<b>Programme 1</b>		
Goods and services	Cost containment measures effected on business and advisory services, and operating payments	(400)	Goods and services	Printing costs	400
	Cost containment measures effected on advertising, and travel and subsistence	(161)	<b>Programme 3</b>		
	Cost containment measures effected on minor assets	(5)	Households	Leave gratuities	161
	Reallocation of funds incorrectly allocated in the 2017 ENE <sup>1</sup>	(8 500)	Payments for financial assets	Theft and losses	5
			Non-profit institutions	Transfer payment to Universities South Africa <sup>1</sup>	8 500
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Programme 4</b>			<b>Programme 1</b>		
Goods and services	Cost containment measures effected on travel and subsistence	(400)	Goods and services	Printing costs	400
	Cost containment measures effected on travel and subsistence	(55)	<b>Programme 4</b>		
	Cost containment measures effected on travel and subsistence	(11)	Households	Leave gratuities	55
			Payments for financial assets	Theft and losses	11
Shifts within the programme as a percentage of the programme budget		0.0%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.2%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 5</b>		<b>(231 172)</b>	<b>Programme 1</b>		<b>400</b>
Goods and services	Cost containment measures effected on travel and subsistence	(400)	Goods and services	Printing costs	400
	Reclassification of funds incorrectly classified in the 2017 ENE <sup>2</sup>	(29 695)	<b>Programme 2</b>		<b>29 695</b>
	Cost containment measures effected on contractors and travel and subsistence	(766)	Goods and services	Health professionals, and centralised chronic medicine dispensing and distribution in the national health insurance indirect grant	29 695
	Cost containment measures effected on advertising	(6)	<b>Programme 5</b>		<b>30 772</b>
	Reclassification of funds incorrectly classified in the 2017 ENE <sup>2</sup>	(30 000)	Households	Leave gratuities	766
Buildings and other fixed structures	Reclassification of funds incorrectly classified in the 2017 ENE <sup>1</sup>	(70 662)	Payments for financial assets	Theft and losses	6
			Provinces and municipalities	Infrastructure projects in the national health insurance indirect grant	30 000
Machinery and equipment	Reclassification of funds incorrectly classified in the 2017 ENE <sup>1</sup>	(99 643)	<b>Programme 2</b>		<b>170 305</b>
			Goods and services	Health professionals, and centralised chronic medicine dispensing and distribution in the national health insurance indirect grant	70 662
			Goods and services	Health professionals, and centralised chronic medicine dispensing and distribution in the national health insurance indirect grant	99 643
Shifts within the programme as a percentage of the programme budget		0.1%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.9%</b>			
<b>Programme 6</b>		<b>(134 230)</b>	<b>Programme 1</b>		<b>400</b>
Goods and services	Cost containment measures effected on administrative fees	(400)	Goods and services	Printing costs	400
	Cost containment measures effected on minor assets, and travel and subsistence	(167)	<b>Programme 6</b>		<b>133 830</b>
	Cost containment measures effected on minor assets	(15)	Households	Leave gratuities	167
Departmental agencies and accounts	Reallocation of funds for South African Health Products Regulatory Authority <sup>1</sup>	(83)	Payments for financial assets	Theft and losses	15
	Reallocation of funds for South African Health Products Regulatory Authority <sup>1</sup>	(28)	Households	Leave gratuities	83
	Reallocation of funds due delays in the amendment of the Medicines and related Substance Act (1965) <sup>2</sup>	(113 326)	Payments for financial assets	Theft and losses	28
	Reallocation of funds due delays in the amendment of the Medicines and related Substance Act (1965) <sup>1</sup>	(19 649)	Compensation of employees	South African Health Products Regulatory Authority <sup>1</sup>	113 326
	Reallocation of funds due delays in the amendment of the Medicines and related Substance Act (1965) <sup>1</sup>	(562)	Goods and services	South African Health Products Regulatory Authority	19 649
			Machinery and equipment	South African Health Products Regulatory Authority	562
Shifts within the programme as a percentage of the programme budget		7.7%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			
<b>Total</b>		<b>(452 996)</b>			<b>452 996</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

## Expenditure outcome for 2016/17 and actual expenditure for 2017/18

Programme	2016/17					2017/18			
	Audited outcome					Actual expenditure			
R thousand	Adjusted appropriation	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted appropriation	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of Adjusted Appropriation
Administration	461 964	226 506	49.0	442 877	95.9	514 838	1.2	233 048	45.3
National Health Insurance, Health Planning and Systems Enablement	588 620	300 794	51.1	679 170	115.4	934 687	2.2	343 587	36.8
HIV and AIDS, Tuberculosis, and Maternal and Child Health	16 009 609	7 804 414	48.7	15 965 182	99.7	18 297 778	42.9	9 042 436	49.4
Primary Health Care Services	256 539	108 711	42.4	225 731	88.0	263 899	0.6	116 432	44.1
Hospitals, Tertiary Health Services and Human Resource Development	19 573 998	9 628 319	49.2	19 468 716	99.5	20 907 784	49.0	10 583 793	50.6
Health Regulation and Compliance Management	1 706 686	843 006	49.4	1 714 510	100.5	1 726 571	4.0	792 350	45.9
<b>Total</b>	<b>38 597 416</b>	<b>18 911 750</b>	<b>49.0</b>	<b>38 496 186</b>	<b>99.7</b>	<b>42 645 557</b>	<b>100.0</b>	<b>21 111 646</b>	<b>49.5</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 341 574</b>	<b>1 039 165</b>	<b>44.4</b>	<b>2 234 739</b>	<b>95.4</b>	<b>2 590 616</b>	<b>6.1</b>	<b>1 032 706</b>	<b>39.9</b>
Compensation of employees	857 398	417 111	48.6	837 269	97.7	873 358	2.0	374 406	42.9
Goods and services	1 484 176	622 054	41.9	1 397 470	94.2	1 717 258	4.0	658 300	38.3
<b>Transfers and subsidies</b>	<b>35 664 565</b>	<b>17 593 112</b>	<b>49.3</b>	<b>35 659 990</b>	<b>100.0</b>	<b>39 282 084</b>	<b>92.1</b>	<b>19 810 771</b>	<b>50.4</b>
Provinces and municipalities	33 981 012	16 801 854	49.4	33 981 012	100.0	37 570 226	88.1	18 957 445	50.5
Departmental agencies and accounts	1 494 669	737 303	49.3	1 497 348	100.2	1 516 149	3.6	747 455	49.3
Higher education institutions	3 304	–	0.0	–	0.0	–	0.0	–	–
Foreign governments and international organisations	14 370	–	0.0	16 031	111.6	–	0.0	–	–
Non-profit institutions	167 249	51 526	30.8	161 670	96.7	193 737	0.5	104 264	53.8
Households	3 961	2 429	61.3	3 929	99.2	1 972	0.0	1 607	81.5
<b>Payments for capital assets</b>	<b>590 977</b>	<b>279 114</b>	<b>47.2</b>	<b>600 798</b>	<b>101.7</b>	<b>772 778</b>	<b>1.8</b>	<b>268 091</b>	<b>34.7</b>
Buildings and other fixed structures	471 883	269 675	57.1	574 044	121.6	643 984	1.5	265 236	41.2
Machinery and equipment	119 094	9 439	7.9	24 575	20.6	123 794	0.3	2 855	2.3
Software and other intangible assets	–	–	–	2 179	–	5 000	0.0	–	0.0
<b>Payments for financial assets</b>	<b>300</b>	<b>359</b>	<b>119.7</b>	<b>659</b>	<b>219.7</b>	<b>79</b>	<b>0.0</b>	<b>78</b>	<b>98.7</b>
<b>Total</b>	<b>38 597 416</b>	<b>18 911 750</b>	<b>49.0</b>	<b>38 496 186</b>	<b>99.7</b>	<b>42 645 557</b>	<b>100.0</b>	<b>21 111 646</b>	<b>49.5</b>

### Expenditure trends for the first six months of 2017/18

Total expenditure in 2016/17 was R38.5 billion, or 99.7 per cent of the 2016/17 adjusted appropriation. Expenditure in the first six months of 2017/18 was R21.1 billion, or 49.5 per cent of the adjusted appropriation of R42.6 billion for the year. In comparison, mid-year expenditure in 2016/17 was R18.9 billion, or 49 per cent of the 2016/17 adjusted appropriation. Compared to the first six months of 2016/17, expenditure over the same period in 2017/18 increased by R2.2 billion, or 11.6 per cent. This was mainly due to improved performance in the national health insurance indirect grant.



## Departmental receipts

R thousand	2016/17					2017/18				
	Audited outcome					Actual receipts				
	Adjusted estimate	Apr 16 - Sep 16	Apr 16 - Sep 16 % of adjusted estimate	Apr 16 - Mar 17	Apr 16 - Mar 17 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 17 - Sep 17	Apr 17 - Sep 17 % of adjusted estimate
<b>Departmental receipts</b>	<b>69 125</b>	<b>34 548</b>	<b>50.0</b>	<b>59 233</b>	<b>85.7</b>	<b>8 112</b>	<b>59 524</b>	<b>100.0</b>	<b>54 361</b>	<b>91.3</b>
Sales of goods and services produced by department	63 867	31 919	50.0	54 298	85.0	4 658	53 078	89.2	49 306	92.9
Sales of scrap, waste, arms and other used current goods	-	-	-	-	-	4	4	0.0	2	50.0
Interest, dividends and rent on land	3 718	1 859	50.0	3 627	97.6	2 500	2 500	4.2	1 343	53.7
Transactions in financial assets and liabilities	1 540	770	50.0	1 308	84.9	950	3 942	6.6	3 710	94.1
<b>Total</b>	<b>69 125</b>	<b>34 548</b>	<b>50.0</b>	<b>59 233</b>	<b>85.7</b>	<b>8 112</b>	<b>59 524</b>	<b>100.0</b>	<b>54 361</b>	<b>91.3</b>

## Revenue trends for the first six months of 2017/18

Revenue in the first six months of 2017/18 was R54.4 million, or 91.3 per cent of the adjusted revenue estimate of R59.5 million for the year. In comparison, mid-year revenue in 2016/17 was R34.5 million, or 50 per cent of the 2016/17 adjusted estimate. Compared to the first six months of 2016/17, revenue over the same period in 2017/18 increased by R19.8 million, or 57.3 per cent. This is mainly due to the department's expanded mandate to regulate certain health products in addition to orthodox medicine.

## Changes to transfers and subsidies, including conditional grants

### Summary of changes to transfers and subsidies per programme

R thousand	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Administration</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	425	-	-	425	425
Employee social benefits	-	-	-	425	-	-	425	425
<b>National Health Insurance, Health Planning and Systems Enablement</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	315	-	-	315	315
Employee social benefits	-	-	-	315	-	-	315	315
<b>HIV and AIDS, Tuberculosis, and Maternal and Child Health</b>								
<b>Provinces and municipalities</b>								
<b>Provinces</b>								
<b>Provincial Revenue Funds</b>								
<b>Current</b>	17 557 903	-	19 834	-	-	-	19 834	17 577 737
Comprehensive HIV, AIDS and tuberculosis grant	17 557 903	-	19 834	-	-	-	19 834	17 577 737
<b>Non-profit institutions</b>								
<b>Current</b>	-	-	-	8 500	-	-	8 500	8 500
Universities South Africa	-	-	-	8 500	-	-	8 500	8 500
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	161	-	-	161	161
Employee social benefits	-	-	-	161	-	-	161	161
<b>Primary Health Care Services</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	55	-	-	55	55
Employee social benefits	-	-	-	55	-	-	55	55

## Summary of changes to transfers and subsidies per programme (continued)

R thousand	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>Hospitals, Tertiary Health Services and Human Resource Development</b>								
<b>Provinces and municipalities</b>								
<b>Provincial Revenue Funds</b>								
<b>Capital</b>	5 654 495	-	-	30 000	-	-	30 000	5 684 495
Health facility revitalisation grant	5 654 495	-	-	30 000	-	-	30 000	5 684 495
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	766	-	-	766	766
Employee social benefits	-	-	-	766	-	-	766	766
<b>Health Regulation and Compliance Management</b>								
<b>Departmental agencies and accounts</b>								
<b>Departmental agencies (non-business entities)</b>								
<b>Current</b>	133 648	-	-	(133 648)	-	-	(133 648)	-
South African Health Product Regulatory Authority	133 648	-	-	(133 648)	-	-	(133 648)	-
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	-	-	-	250	-	-	250	250
Employee social benefits	-	-	-	250	-	-	250	250

## Summary of changes to conditional grants: Provinces

R thousand	2017/18							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
<b>HIV and AIDS, Tuberculosis, and Maternal and Child Health</b>	17 557 903	-	19 834	-	-	-	19 834	17 577 737
Comprehensive HIV, AIDS and tuberculosis grant	17 557 903	-	19 834	-	-	-	19 834	17 577 737
<b>Hospitals, Tertiary Health Services and Human Resource Development</b>	19 962 489	-	-	30 000	-	-	30 000	19 992 489
Health facility revitalisation grant	5 654 495	-	-	30 000	-	-	30 000	5 684 495