

## Health

### Adjusted budget summary

R thousand	2014/15			
	Main appropriation	Adjusted appropriation	Decrease	Increase
<b>Amount to be appropriated</b>	<b>33 955 475</b>	<b>33 900 570</b>	(54 905)	–
<b>of which:</b>				
Current payments	2 014 077	2 213 299	–	199 222
Transfers and subsidies	30 916 363	31 198 309	–	281 946
Payments for capital assets	1 025 035	488 962	(536 073)	–
Executive authority	Minister of Health			
Accounting officer	Director-General of Health			
Website address	www.health.gov.za			

### Aim

*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 2014/15 as published in the 2014 ENE	Achieved in the first four months of 2014/15 (April to July) <sup>1</sup>	Changed target for 2014/15
Total number of private providers contracted to work in public health facilities	National Health Insurance, Health Planning and Systems Enablement	Outcome 2: A long and healthy life for all South Africans	900	141	–
Tuberculosis (new pulmonary) cure rate	HIV and AIDS, Tuberculosis, Maternal and Child Health		85%	75.4%	–
Tuberculosis (new pulmonary) treatment defaulter rate	HIV and AIDS, Tuberculosis, Maternal and Child Health		5%	5.8%	–
Number of new patients put on antiretroviral treatment per year	HIV and AIDS, Tuberculosis, Maternal and Child Health		500 000	206 392	–
Antenatal first visit before 20 weeks rate	HIV and AIDS, Tuberculosis, Maternal and Child Health		65%	50.9%	–
Immunisation coverage for children under the age of one year annualised	HIV and AIDS, Tuberculosis, Maternal and Child Health		90%	86.4%	–
Measles (second dose) immunisation coverage annualised	HIV and AIDS, Tuberculosis, Maternal and Child Health		90%	75.7%	–
Proportion of infant first polymerase chain reaction test positive within 2 months after birth out of all babies tested	HIV and AIDS, Tuberculosis, Maternal and Child Health		2%	1.6%	–
Cervical cancer screening coverage annualised	HIV and AIDS, Tuberculosis, Maternal and Child Health		58%	52.4%	–
Primary health care utilisation rate (Average number of primary health care visits per person per year)	Primary Health Care Services		2.9	2.4	–

<sup>1</sup> Only data for the first four months of 2014/15 are currently available. This is due to the data flow policy that provides for a 45-day period after the end of each month for data transmitted from all health facilities to reach the National Department of Health following verification by sub-districts, districts and provinces.

## Mid-year progress

The expansion of the antiretroviral programme resulted in 206 392 new patients being enrolled for treatment in the first four months of 2014/15. The targeted number of 500 000 new patients will be exceeded if this trend continues for the rest of the financial year.

Only 50.9 per cent of mothers accessed antenatal care before 20 weeks into their pregnancy. The department aims to address this problem by rolling out the cell phone based application MomConnect, which will send messages to pregnant women providing them with advice on the actions to be taken at the different stages of their pregnancy and also encouraging them to start antenatal care at an early stage.

The prevention of mother to child transmission of HIV continues to improve. The target of 2 per cent was already exceeded in the first four months of 2014/15. Only 1.6 per cent of babies born from HIV positive mothers tested within two months were HIV positive.

Census 2011 revealed that South Africa's population under the age of one had been underestimated. The significant increase in the denominator is reflected in the sudden decrease in immunisation coverage for children under the age of one, and measles (second dose) immunisation coverage during the current financial year; hence the decrease in the expected outcome from the targeted 90 per cent to 82 per cent. In the first four months of 2014/15, a 75.7 per cent measles (second dose) immunisation coverage rate has been achieved.

The primary health care service delivery platform is currently being strengthened. The sector is expanding school health services and ward based outreach services, which will result in fewer people requiring visits to fixed primary health care facilities for preventative and health promotion care. This is reflected in the stable primary health care utilisation rate of 2.4 visits, per person per year, from 2013/14 and the first four months of 2014/15.

In April 2014, there were 108 contracted general practitioners in the 10 national health insurance pilot districts, and by 31 July 2014 there were 141. The department focused on general practitioners as the initial group of private providers to contract before expanding the programme to other categories of private providers. The department has outsourced the recruitment, contracting and performance management of general practitioners in the national health insurance pilot districts to improve the capacity required for implementing the programme.

## Adjusted Estimates of National Expenditure 2014

Programme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
Roll-overs		Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments			
R thousand									
Administration	399 721	-	-	-	-	-	-	399 721	
National Health Insurance, Health Planning and Systems Enablement	621 252	-	-	6 904	-	-	-	628 156	
HIV and AIDS, Tuberculosis, Maternal and Child Health	13 049 923	-	-	-	-	-	-	13 049 923	
Primary Health Care Services	93 515	-	18 157	(327)	-	-	17 830	111 345	
Hospitals, Tertiary Health Services and Human Resource Development	18 925 780	-	-	(2 173)	-	(113 000)	(115 173)	18 810 607	
Health Regulation and Compliance Management	865 284	-	14 438	(4 404)	-	-	25 500	900 818	
<b>Total</b>	<b>33 955 475</b>	<b>-</b>	<b>32 595</b>	<b>-</b>	<b>-</b>	<b>(113 000)</b>	<b>25 500</b>	<b>(54 905)</b>	<b>33 900 570</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>2 014 077</b>	<b>-</b>	<b>15 499</b>	<b>167 993</b>	<b>-</b>	<b>-</b>	<b>15 730</b>	<b>199 222</b>	<b>2 213 299</b>
Compensation of employees	597 203	-	-	-	-	-	7 430	7 430	604 633
Goods and services	1 416 874	-	15 499	167 993	-	-	8 300	191 792	1 608 666
<b>Transfers and subsidies</b>	<b>30 916 363</b>	<b>-</b>	<b>17 096</b>	<b>264 850</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>281 946</b>	<b>31 198 309</b>
Provinces and municipalities	30 111 326	-	-	262 000	-	-	-	262 000	30 373 326
Departmental agencies and accounts	595 974	-	14 438	2 500	-	-	-	16 938	612 912
Higher education institutions	3 000	-	-	-	-	-	-	-	3 000
Foreign governments and international organisations	-	-	2 658	-	-	-	-	2 658	2 658
Non-profit institutions	206 063	-	-	350	-	-	-	350	206 413

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Payments for capital assets</b>	<b>1 025 035</b>	-	-	(432 843)	-	(113 000)	9 770	(536 073)	<b>488 962</b>
Buildings and other fixed structures	979 862	-	-	(488 459)	-	(113 000)	-	(601 459)	378 403
Machinery and equipment	45 173	-	-	55 616	-	-	-	55 616	100 789
Software and other intangible assets	-	-	-	-	-	-	9 770	9 770	9 770
<b>Total</b>	<b>33 955 475</b>	-	32 595	-	-	(113 000)	25 500	(54 905)	<b>33 900 570</b>

**Programme 1: Administration**

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Ministry</b>	<b>31 046</b>	-	-	-	-	-	-	-	<b>31 046</b>
Management	26 458	-	-	-	-	-	-	-	26 458
Corporate Services	184 647	-	-	-	-	-	-	-	184 647
Office Accommodation	105 825	-	-	-	-	-	-	-	105 825
Financial Management	51 745	-	-	-	-	-	-	-	51 745
<b>Total</b>	<b>399 721</b>	-	-	-	-	-	-	-	<b>399 721</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>392 430</b>	-	-	(116)	-	-	-	(116)	<b>392 314</b>
Compensation of employees	161 600	-	-	-	-	-	-	-	161 600
Goods and services	230 830	-	-	(116)	-	-	-	(116)	230 714
<b>Transfers and subsidies</b>	<b>1 397</b>	-	-	-	-	-	-	-	<b>1 397</b>
Departmental agencies and accounts	1 397	-	-	-	-	-	-	-	1 397
<b>Payments for capital assets</b>	<b>5 894</b>	-	-	116	-	-	-	116	<b>6 010</b>
Machinery and equipment	5 894	-	-	116	-	-	-	116	6 010
<b>Total</b>	<b>399 721</b>	-	-	-	-	-	-	-	<b>399 721</b>

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Programme Management</b>	<b>2 989</b>	-	-	(1 342)	-	-	-	(1 342)	<b>1 647</b>
Technical Policy and Planning	2 084	-	-	1 342	-	-	-	1 342	3 426
Health Information	53 725	-	-	6 904	-	-	-	6 904	60 629
Management, Monitoring and Evaluation									
Sector-wide Procurement	22 987	-	-	-	-	-	-	-	22 987
Health Financing and National Health Insurance	487 210	-	-	-	-	-	-	-	487 210
International Health and Development	52 257	-	-	-	-	-	-	-	52 257
<b>Total</b>	<b>621 252</b>	-	-	6 904	-	-	-	6 904	<b>628 156</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>543 830</b>	-	-	6 904	-	-	-	6 904	<b>550 734</b>
Compensation of employees	67 193	-	-	-	-	-	-	-	67 193
Goods and services	476 637	-	-	6 904	-	-	-	6 904	483 541
<b>Transfers and subsidies</b>	<b>75 000</b>	-	-	-	-	-	-	-	<b>75 000</b>
Provinces and municipalities	70 000	-	-	-	-	-	-	-	70 000
Non-profit institutions	5 000	-	-	-	-	-	-	-	5 000
<b>Payments for capital assets</b>	<b>2 422</b>	-	-	-	-	-	-	-	<b>2 422</b>
Machinery and equipment	2 422	-	-	-	-	-	-	-	2 422
<b>Total</b>	<b>621 252</b>	-	-	6 904	-	-	-	6 904	<b>628 156</b>

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

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management	3 609	-	-	-	-	-	-	-	3 609
HIV and AIDS	12 784 418	-	-	-	-	-	-	-	12 784 418
Tuberculosis	26 442	-	-	-	-	-	-	-	26 442
Women's Maternal and Reproductive Health	17 058	-	-	-	-	-	-	-	17 058
Child, Youth and School Health	218 396	-	-	-	-	-	-	-	218 396
<b>Total</b>	<b>13 049 923</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 049 923</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>533 116</b>	<b>-</b>	<b>-</b>	<b>(10 500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10 500)</b>	<b>522 616</b>
Compensation of employees	64 404	-	-	-	-	-	-	-	64 404
Goods and services	468 712	-	-	(10 500)	-	-	-	(10 500)	458 212
<b>Transfers and subsidies</b>	<b>12 515 080</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 515 080</b>
Provinces and municipalities	12 311 322	-	-	-	-	-	-	-	12 311 322
Departmental agencies and accounts	15 000	-	-	-	-	-	-	-	15 000
Higher education institutions	3 000	-	-	-	-	-	-	-	3 000
Non-profit institutions	185 758	-	-	-	-	-	-	-	185 758
<b>Payments for capital assets</b>	<b>1 727</b>	<b>-</b>	<b>-</b>	<b>10 500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 500</b>	<b>12 227</b>
Machinery and equipment	1 727	-	-	10 500	-	-	-	10 500	12 227
<b>Total</b>	<b>13 049 923</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 049 923</b>

**Programme 4: Primary Health Care Services**

Subprogramme	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management	3 007	-	-	-	-	-	-	-	3 007
District Services and Environmental Health	25 762	-	-	(2 088)	-	-	-	(2 088)	23 674
Communicable Diseases	13 553	-	18 157	(412)	-	-	-	17 745	31 298
Non-Communicable Diseases	25 718	-	-	-	-	-	-	-	25 718
Health Promotion and Nutrition	21 768	-	-	-	-	-	-	-	21 768
Violence, Trauma and Emergency Medical Services	3 707	-	-	2 173	-	-	-	2 173	5 880
<b>Total</b>	<b>93 515</b>	<b>-</b>	<b>18 157</b>	<b>(327)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 830</b>	<b>111 345</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>87 603</b>	<b>-</b>	<b>15 499</b>	<b>(677)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14 822</b>	<b>102 425</b>
Compensation of employees	50 567	-	-	2 173	-	-	-	2 173	52 740
Goods and services	37 036	-	15 499	(2 850)	-	-	-	12 649	49 685
<b>Transfers and subsidies</b>	<b>4 438</b>	<b>-</b>	<b>2 658</b>	<b>350</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3 008</b>	<b>7 446</b>
Foreign governments and international organisations	-	-	2 658	-	-	-	-	2 658	2 658
Non-profit institutions	4 438	-	-	350	-	-	-	350	4 788
<b>Payments for capital assets</b>	<b>1 474</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 474</b>
Machinery and equipment	1 474	-	-	-	-	-	-	-	1 474
<b>Total</b>	<b>93 515</b>	<b>-</b>	<b>18 157</b>	<b>(327)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 830</b>	<b>111 345</b>

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

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management	3 570	-	-	-	-	-	-	3 570	
Health Facilities	6 275 300	-	-	-	-	(113 000)	-	6 162 300	
Infrastructure Management									
Tertiary Health Care	10 171 405	-	-	-	-	-	-	10 171 405	
Planning and Policy									
Hospital Management	5 426	-	-	-	-	-	-	5 426	
Human Resources for Health	2 344 652	-	-	(2 173)	-	-	(2 173)	2 342 479	
Nursing Services	2 531	-	-	-	-	-	-	2 531	
Forensic Chemistry Laboratories	122 896	-	-	-	-	-	-	122 896	
<b>Total</b>	<b>18 925 780</b>	<b>-</b>	<b>-</b>	<b>(2 173)</b>	<b>-</b>	<b>(113 000)</b>	<b>-</b>	<b>18 810 607</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>185 946</b>	<b>-</b>	<b>-</b>	<b>179 286</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>365 232</b>	
Compensation of employees	104 722	-	-	(2 173)	-	-	(2 173)	102 549	
Goods and services	81 224	-	-	181 459	-	-	-	262 683	
<b>Transfers and subsidies</b>	<b>17 730 004</b>	<b>-</b>	<b>-</b>	<b>262 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 992 004</b>	
Provinces and municipalities	17 730 004	-	-	262 000	-	-	-	17 992 004	
<b>Payments for capital assets</b>	<b>1 009 830</b>	<b>-</b>	<b>-</b>	<b>(443 459)</b>	<b>-</b>	<b>(113 000)</b>	<b>-</b>	<b>453 371</b>	
Buildings and other fixed structures	979 862	-	-	(488 459)	-	(113 000)	-	378 403	
Machinery and equipment	29 968	-	-	45 000	-	-	-	74 968	
<b>Total</b>	<b>18 925 780</b>	<b>-</b>	<b>-</b>	<b>(2 173)</b>	<b>-</b>	<b>(113 000)</b>	<b>-</b>	<b>18 810 607</b>	

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

Subprogramme	2014/15								
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
R thousand									
Programme Management	4 127	-	-	-	-	-	-	4 127	
Food Control	7 512	-	-	-	-	-	-	7 512	
Pharmaceutical Trade and Product Regulation	96 248	-	-	-	-	-	25 500	121 748	
Public Entities Management	592 532	-	14 438	2 500	-	-	-	609 470	
Office of Standards	108 953	-	-	(6 904)	-	-	-	102 049	
Compliance									
Compensation	55 912	-	-	-	-	-	-	55 912	
Commissioner for Occupational Diseases and Occupational Health									
<b>Total</b>	<b>865 284</b>	<b>-</b>	<b>14 438</b>	<b>(4 404)</b>	<b>-</b>	<b>-</b>	<b>25 500</b>	<b>900 818</b>	
<b>Economic classification</b>									
<b>Current payments</b>	<b>271 152</b>	<b>-</b>	<b>-</b>	<b>(6 904)</b>	<b>-</b>	<b>-</b>	<b>15 730</b>	<b>279 978</b>	
Compensation of employees	148 717	-	-	-	-	-	7 430	156 147	
Goods and services	122 435	-	-	(6 904)	-	-	8 300	123 831	
<b>Transfers and subsidies</b>	<b>590 444</b>	<b>-</b>	<b>14 438</b>	<b>2 500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>607 382</b>	
Departmental agencies and accounts	579 577	-	14 438	2 500	-	-	-	596 515	
Non-profit institutions	10 867	-	-	-	-	-	-	10 867	
<b>Payments for capital assets</b>	<b>3 688</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 770</b>	<b>13 458</b>	
Machinery and equipment	3 688	-	-	-	-	-	-	3 688	
Software and other intangible assets	-	-	-	-	-	-	9 770	9 770	
<b>Total</b>	<b>865 284</b>	<b>-</b>	<b>14 438</b>	<b>(4 404)</b>	<b>-</b>	<b>-</b>	<b>25 500</b>	<b>900 818</b>	

**Details of adjustments to the Estimates of National Expenditure 2014****Unforeseeable and unavoidable expenditure – R32.595 million**

Programme 4: Primary Health Care Services

R18.157 million has been allocated for surveillance, infection prevention, case management, advocacy and

resource mobilisation as part of the department's response to the Ebola virus disease outbreak.

### Programme 6: Health Regulation and Compliance Management

R14.438 million has been transferred to the National Institute for Communicable Diseases for laboratory investigations, including additional human resource requirements for the Ebola virus disease outbreak.

### Virements and shifts

<b>Programmes</b>					
1. Administration					
2. National Health Insurance, Health Planning and Systems Enablement					
3. HIV and AIDS, Tuberculosis, 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>		
<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>	<b>Programme by economic classification</b>	<b>Motivation</b>	<b>R thousand</b>
<b>Programme 1</b>		<b>(116)</b>	<b>Programme 1</b>		<b>116</b>
Goods and services	Cost containment measures effected on contractors and computer services budget items	(116)	Machinery and equipment	Furniture for newly established internal audit and risk management chief directorate	116
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 3</b>		<b>(10 500)</b>	<b>Programme 3</b>		<b>10 500</b>
Goods and services	Reclassification of funds previously allocated for the human papilloma virus (HPV) component of the national health grant under the medical supplies budget item to allow for the purchase of freezers for the storage of vaccines	(10 500)	Machinery and equipment	Freezers for HPV vaccines	10 500
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>0.0%</b>			
<b>Programme 4</b>		<b>(2 850)</b>	<b>Programme 4</b>		<b>350</b>
Goods and services	Cost containment measures effected on venues and facilities	(350)	Non-profit institutions	Transfer to the National Kidney Foundation to build the capacity of the dialysis and transplant registry	350
	Reallocation of funds from various items in goods and services items to Programme 6 to increase the transfer payment to the National Institute of Communicable Diseases to coordinate the transportation of mobile laboratory to Sierra Leone <sup>1</sup>	(2 500)	<b>Programme 6</b>		<b>2 500</b>
			Departmental agencies and accounts	Transfer payment to the National Institute of Communicable Diseases to coordinate the transportation of a mobile laboratory to Sierra Leone to combat the Ebola virus disease outbreak in Sierra Leone <sup>1</sup>	2 500
Shifts within the programme as a percentage of the programme budget		0.4%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>2.7%</b>			
<b>Programme 5</b>		<b>(490 632)</b>	<b>Programme 4</b>		<b>2 173</b>
Compensation of employees	Reclassification due to funds incorrectly classified in the 2014 ENE	(2 173)	Compensation of employees	Reclassification due to funds incorrectly classified in the 2014 ENE	2 173
Buildings and other fixed structures	Reclassification of funds previously allocated to the health facility revitalisation component of the national health grant under payments for capital assets <sup>1</sup>	(181 459)	<b>Programme 5</b>		<b>488 459</b>
	Reclassification of funds previously allocated to the health facility revitalisation component of the national health grant <sup>1</sup>	(45 000)	Goods and services	The health facility revitalisation component of the national health grant, to be used for consultants, maintenance and other goods and services <sup>1</sup>	181 459
	Funds shifted from the national health grant: health facility revitalisation component in the national sphere of government for transfer to provinces <sup>1</sup>	(262 000)	Machinery and equipment	Capital furniture and equipment for hospitals and clinics <sup>1</sup>	45 000
			Provinces and municipalities	Direct grant to provinces for hospital and clinic upgrades <sup>1</sup>	262 000
Shifts within the programme as a percentage of the programme budget		2.6%			
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.0%</b>			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 6</b>		<b>(6 904)</b>	<b>Programme 2</b>		<b>6 904</b>
Goods and services	Reclassification due to funds incorrectly classified in the 2014 ENE	(6 904)	Goods and services	Reclassification due to funds incorrectly classified in the 2014 ENE	6 904
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>0.8%</b>			
<b>Total</b>		<b>(511 002)</b>	<b>511 002</b>		

1. National Treasury approval has been obtained.

## Declared unspent funds – R113 million

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

R113 million in unspent funds has been declared on the health facility revitalisation component of the indirect national health grant, due to underspending in 2014/15.

## Other adjustments – R25.5 million

### Self-financing expenditure

Programme 6: Health Regulation and Compliance Management

R25.5 million in revenue collected by the Medicines Control Council will be used to strengthen IT systems and appoint contract staff members in preparation for the establishment of the new South African Health Products Regulatory Agency in 2015/16.

## Gifts, donations and sponsorships – R100 000

Programme 4: Primary Health Care Services

R100 000 has been allocated to support the 21st World Congress of the International Association for Child and Adolescent Psychiatry and Allied Professions.

## Expenditure outcome for 2013/14 and actual expenditure for 2014/15

Programme	2013/14 Audited outcome					2014/15 Actual expenditure				
	Adjusted appropriation	Apr 13 - Sep 13	adjusted appropriation % of	Apr 13 - Mar 14	adjusted appropriation % of	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	adjusted appropriation % of	
R thousand										
Administration	405 727	167 582	41.3	363 960	89.7	399 721	1.2	206 531	51.7	
National Health Insurance, Health Planning and Systems Enablement	491 826	76 332	15.5	197 905	40.2	628 156	1.9	113 042	18.0	
HIV and AIDS, Tuberculosis, Maternal and Child Health	11 041 974	5 440 933	49.3	10 958 798	99.2	13 049 923	38.5	6 345 480	48.6	
Primary Health Care Services	102 616	31 397	30.6	88 199	86.0	111 345	0.3	44 999	40.4	
Hospitals, Tertiary Health Services and Human Resource Development	17 722 386	8 797 202	49.6	17 483 962	98.7	18 810 607	55.5	9 100 851	48.4	
Health Regulation and Compliance Management	763 652	353 563	46.3	732 273	95.9	900 818	2.7	401 332	44.6	
<b>Total</b>	<b>30 528 181</b>	<b>14 867 009</b>	<b>48.7</b>	<b>29 825 097</b>	<b>97.7</b>	<b>33 900 570</b>	<b>100.0</b>	<b>16 212 235</b>	<b>47.8</b>	
<b>Economic classification</b>										
<b>Current payments</b>	<b>1 628 026</b>	<b>488 708</b>	<b>30.0</b>	<b>1 188 687</b>	<b>73.0</b>	<b>2 213 299</b>	<b>6.5</b>	<b>730 179</b>	<b>33.0</b>	
Compensation of employees	538 400	261 971	48.7	555 318	103.1	604 633	1.8	304 543	50.4	
Goods and services	1 089 626	226 737	20.8	633 369	58.1	1 608 666	4.7	425 636	26.5	

	2013/14 Audited outcome					2014/15 Actual expenditure			
	Adjusted appropriation	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted appropriation	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted appropriation
R thousand									
<b>Transfers and subsidies</b>	<b>28 433 804</b>	<b>14 306 174</b>	<b>50.3</b>	<b>28 461 386</b>	<b>100.1</b>	<b>31 198 309</b>	<b>92.0</b>	<b>15 368 651</b>	<b>49.3</b>
Provinces and municipalities	27 686 378	13 910 544	50.2	27 686 378	100.0	30 373 326	89.6	14 987 987	49.3
Departmental agencies and accounts	540 660	273 926	50.7	559 843	103.5	612 912	1.8	291 129	47.5
Higher education institutions	7 000	4 000	57.1	4 000	57.1	3 000	0.0	-	0.0
Non-profit institutions	199 766	117 224	58.7	209 654	104.9	206 413	0.6	88 126	42.7
Households	-	480	0.0	1 511	0.0	-	0.0	1 409	0.0
<b>Payments for capital assets</b>	<b>466 351</b>	<b>72 123</b>	<b>15.5</b>	<b>173 313</b>	<b>37.2</b>	<b>488 962</b>	<b>1.4</b>	<b>113 188</b>	<b>23.1</b>
Buildings and other fixed structures	440 025	66 420	15.1	113 726	25.8	378 403	1.1	108 280	28.6
Machinery and equipment	26 326	5 703	21.7	59 587	226.3	100 789	0.3	4 656	4.6
Software and other intangible assets	-	0.0	0.0	0.0	0.0	9 770	0.0	252	2.6
<b>Payments for financial assets</b>	<b>-</b>	<b>4</b>	<b>0.0</b>	<b>1 711</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>217</b>	<b>0.0</b>
<b>Total</b>	<b>30 528 181</b>	<b>14 867 009</b>	<b>48.7</b>	<b>29 825 097</b>	<b>97.7</b>	<b>33 900 570</b>	<b>100.0</b>	<b>16 212 235</b>	<b>47.8</b>

### Expenditure trends for the first half of 2014/15

Total expenditure in 2013/14 was 97.7 per cent of the 2013/14 adjusted appropriation. Expenditure in the first six months of 2014/15 was R16.212 billion, or 47.8 per cent of the adjusted appropriation of R33.901 billion for the year. In comparison, mid-year expenditure in 2013/14 was R14.867 billion, or 48.7 per cent of the 2013/14 adjusted appropriation. Compared to the first six months of 2013/14, expenditure over the same period in 2014/15 increased by R1.345 billion, or 9 per cent. This was mainly due to payments made for software licences, servers, data lines, condoms, property payments, leasing of buildings in the previous and current financial year, and the equipping of the new Durban Forensic Chemistry Laboratory with medical and other supplies for it to become operational in February 2015.

### Departmental receipts

	2013/14 Audited outcome					2014/15 Actual receipts				
	Adjusted estimate	Apr 13 - Sep 13	Apr 13 - Sep 13 % of adjusted estimate	Apr 13 - Mar 14	Apr 13 - Mar 14 % of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 14 - Sep 14	Apr 14 - Sep 14 % of adjusted estimate
R thousand										
<b>Departmental receipts</b>	<b>23 476</b>	<b>3 257</b>	<b>13.9</b>	<b>71 606</b>	<b>305.0</b>	<b>32 760</b>	<b>69 819</b>	<b>100.0</b>	<b>39 419</b>	<b>56.5</b>
Sales of goods and services produced by department	22 224	2 125	9.6	67 091	301.9	31 512	63 420	90.8	34 033	53.7
Sales of scrap, waste, arms and other used current goods	38	14	36.8	45	118.4	36	23	0.0	2	8.7
Interest, dividends and rent on land	300	74	24.7	1 858	619.3	300	457	0.7	231	50.5
Transactions in financial assets and liabilities	914	1 044	114.2	2 612	285.8	912	5 919	8.5	5 153	87.1
<b>Total</b>	<b>23 476</b>	<b>3 257</b>	<b>13.9</b>	<b>71 606</b>	<b>305.0</b>	<b>32 760</b>	<b>69 819</b>	<b>100.0</b>	<b>39 419</b>	<b>56.5</b>

### Revenue trends for the first half of 2014/15

Revenue in the first six months of 2014/15 was R39.419 million, or 56.5 per cent of the adjusted revenue estimate of R69.819 million for the year. In comparison, mid-year revenue in 2013/14 was R3.257 million, or 13.9 per cent of the 2013/14 adjusted estimate. Compared to the first six months of 2013/14, revenue over the same period in 2014/15 increased by R36.162 million, or 1 110.3 per cent. This was mainly due to a change in the Medicine Control Council's banking details which delayed the surrendering of the Council's



receipts. Another factor was the pre-payment for advertisements (such as for HIV and AIDS media advertisements), which was erroneously entered twice. During the consolidation of annual financial statements, the Government Communication and Information System detected the error and credited the department with the overpayment. This expenditure was from 2013/14 and was rectified in 2014/15.

## Changes to transfers and subsidies, including conditional grants

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

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Primary Health Care Services</b>									
<b>Foreign governments and international organisations</b>									
<b>Current</b>	-	-	2 658	-	-	-	-	2 658	2 658
World Health Organisation	-	-	2 658	-	-	-	-	2 658	2 658
<b>Non-profit institutions</b>									
<b>Current</b>	182	-	-	350	-	-	-	350	532
Downs Syndrome South Africa	182	-	-	(182)	-	-	-	(182)	-
National Kidney Foundation of South Africa	-	-	-	350	-	-	-	350	350
World congress on pediatric cardiology	-	-	-	100	-	-	-	100	100
Mental health non-governmental organisations	-	-	-	82	-	-	-	82	82
<b>Hospitals, Tertiary Health Services and Human Resource Development</b>									
<b>Provinces and municipalities</b>									
<b>Provinces</b>									
<b>Provincial Revenue Funds</b>									
<b>Capital</b>	5 239 981	-	-	262 000	-	-	-	262 000	5 501 981
Health facility revitalisation grant	5 239 981	-	-	262 000	-	-	-	262 000	5 501 981
<b>Health Regulation and Compliance Management</b>									
<b>Departmental agencies and accounts</b>									
<b>Departmental agencies (non-business entities)</b>									
<b>Current</b>	125 280	-	14 438	2 500	-	-	-	16 938	142 218
National Health Laboratory Services	125 280	-	14 438	2 500	-	-	-	16 938	142 218

### Summary of changes to conditional grants: Provinces

R thousand	2014/15								Adjusted appropriation
	Main appropriation	Adjustments appropriation						Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Function shifts	Declared unspent funds	Other adjustments		
<b>Hospitals, Tertiary Health Services and Human Resource Development</b>									
<b>Health facility revitalisation grant</b>	5 239 981	-	-	262 000	-	-	-	262 000	5 501 981

