

Vote 16

Health

Adjusted budget summary

| R thousand | 2016/17 | | | |
|--|----------------------------|------------------------|----------|---------------|
| | Main appropriation | Adjusted appropriation | Decrease | Increase |
| Amount to be appropriated of which: | 38 563 317 | 38 597 416 | - | 34 099 |
| Current payments | 2 304 770 | 2 341 574 | - | 36 804 |
| Transfers and subsidies | 35 637 020 | 35 664 565 | - | 27 545 |
| Payments for capital assets | 621 527 | 590 977 | (30 550) | - |
| Payments for financial assets | - | 300 | - | 300 |
| 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 2016/17 as published in the 2016 ENE | Achieved in the first six months of 2016/17 (April to September) | Changed target for 2016/17 |
| Tuberculosis new client treatment success rate per year ¹ | HIV and AIDS, Tuberculosis, and Maternal and Child Health | Outcome 2: A long and healthy life for all South Africans | 84% | 78% | - |
| Tuberculosis client loss to follow-up rate per year ¹ | HIV and AIDS, Tuberculosis, and Maternal and Child Health | | 5.40% | 6.3% | - |
| Total number of clients remaining on antiretroviral treatment at the end of the year ¹ | HIV and AIDS, Tuberculosis, and Maternal and Child Health | | 4.3 million | 3.45 million | - |
| Percentage of first antenatal visit before 20 weeks of pregnancy per year ¹ | HIV and AIDS, Tuberculosis, and Maternal and Child Health | | 64% | 64% | - |
| Immunisation coverage per year for children under the age of 1 year ¹ | HIV and AIDS, Tuberculosis, and Maternal and Child Health | | 92% | 80% | - |
| Coverage per year for second dose of measles immunisation ¹ | HIV and AIDS, Tuberculosis, Maternal and Child Health | | 84% | 95% | - |
| Infant polymerase chain reaction test positive around 10 weeks rate per year ¹ | HIV and AIDS, Tuberculosis, and Maternal and Child Health | | 1.4% | 2% | - |
| Coverage of cervical cancer screening coverage per year ¹ | HIV and AIDS, Tuberculosis, and Maternal and Child Health | | 62% | 57% | - |
| Coverage per year of first dose human papilloma virus immunisation ¹ | HIV and AIDS, Tuberculosis, and Maternal and Child Health | | 87% | 72% | - |
| Total number of functional ward based outreach teams ¹ | Primary Health Care Services | | 2 000 | 2 879 | - |
| Percentage of backlog eliminated for blood alcohol tests | Hospitals, Tertiary Health Services and Human Resource Development | | 100% | 31% | - |

| Indicator | Programme | Outcome | Annual performance | | |
|---|--|---|--|--|----------------------------|
| | | | Projected for 2016/17 as published in the 2016 ENE | Achieved in the first six months of 2016/17 (April to September) | Changed target for 2016/17 |
| Percentage of backlog eliminated for toxicology tests | Hospitals, Tertiary Health Services and Human Resource Development | Outcome 2: A long and healthy life for all South Africans | 100% | 4% | - |
| Percentage of food tests completed within targeted turnaround time (30 days for perishable and 60 days for non-perishable) per year | Hospitals, Tertiary Health Services and Human Resource Development | | 100% | 73% | - |

1. Only data for the first four months of 2016/17 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

3.45 million patients continued to receive antiretroviral treatment at the end of July 2016. Although lower than anticipated in relation to the target, the number is expected to rise from September 2016 onwards, when the universal test and treat approach is implemented. This method has been proven to significantly reduce the chance of an HIV-positive person passing the virus to others when they are on treatment and their viral loads are undetectable.

In relation to immunisation coverage for children under the age of 1 year, the 80 per cent of children fully immunised against the annual target of 92 per cent is due to the currently prevailing global shortage of the Hexavalent vaccine.

The expanded programme of immunisation has administered the second dose of measles vaccines to 95 per cent of children under 2 years of age and is likely to exceed the target of 84 per cent in 2016/17. This improvement is partly due to a change in the schedule to provide the second dose of measles vaccines to children of 12 months, a change from the original 18 months.

Cervical cancer screening coverage is at 57 per cent and is projected to meet the annual target of 62 per cent in 2016/17. The department will improve efforts to raise awareness among women on the importance of screening.

Round one of the 2016 human papilloma virus vaccination campaign took place in February and March 2016, and a 72 per cent coverage of the first dose was achieved. It is anticipated that the total target of the first dose coverage will be achieved by the end of 2016/17, when data from the second round has been added.

The backlog in blood alcohol tests (post-mortem and ante-mortem) was reduced by the forensic chemistry lab in the first 3 months of 2016/17. Progress on the elimination of the backlog is slow, with the bulk being processed at the Johannesburg laboratory. The department is closely monitoring the performance of all laboratories.

The elimination of the backlog on toxicology tests continues to be slow as some cases cannot be linked to case numbers in the police department. Tests for these cases cannot thus be processed.

Adjusted Estimates of National Expenditure 2016

| Programme | 2016/17 | | | | | | | |
|---|--------------------|---------------------------|---------------------------|----------------------|------------------------|-------------------|---------------------------------|------------------------|
| | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | Adjusted appropriation |
| | | Roll-overs | Unforeseeable/unavoidable | Virements and shifts | Declared unspent funds | Other adjustments | | |
| R thousand | | | | | | | | |
| Administration | 463 464 | - | - | (500) | (1 000) | - | (1 500) | 461 964 |
| National Health Insurance, Health Planning and Systems Enablement | 559 762 | 18 858 | - | 10 000 | - | - | 28 858 | 588 620 |
| HIV and AIDS, Tuberculosis, and Maternal and Child Health | 16 018 568 | - | - | (10 000) | - | 1 041 | (8 959) | 16 009 609 |
| Primary Health Care Services | 257 839 | - | - | - | (1 300) | - | (1 300) | 256 539 |

| Programme | 2016/17 | | | | | | | |
|--|--------------------|---------------------------|----------------------|------------------------|-------------------|---------------|---------------------------------|------------------------|
| | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | Adjusted appropriation |
| Roll-overs | | Unforeseeable/unavoidable | Virements and shifts | Declared unspent funds | Other adjustments | | | |
| R thousand | | | | | | | | |
| Hospitals, Tertiary Health Services and Human Resource Development | 19 573 498 | - | - | 500 | - | - | 500 | 19 573 998 |
| Health Regulation and Compliance Management | 1 690 186 | - | - | - | (10 000) | 26 500 | 16 500 | 1 706 686 |
| Total | 38 563 317 | 18 858 | - | - | (12 300) | 27 541 | 34 099 | 38 597 416 |
| Economic classification | | | | | | | | |
| Current payments | 2 304 770 | 18 858 | - | 4 155 | (12 300) | 26 091 | 36 804 | 2 341 574 |
| Compensation of employees | 873 398 | - | - | (3 700) | (12 300) | - | (16 000) | 857 398 |
| Goods and services | 1 431 372 | 18 858 | - | 7 855 | - | 26 091 | 52 804 | 1 484 176 |
| Transfers and subsidies | 35 637 020 | - | - | 27 545 | - | - | 27 545 | 35 664 565 |
| Provinces and municipalities | 33 972 012 | - | - | 9 000 | - | - | 9 000 | 33 981 012 |
| Departmental agencies and accounts | 1 494 455 | - | - | 214 | - | - | 214 | 1 494 669 |
| Higher education institutions | 3 304 | - | - | - | - | - | - | 3 304 |
| Foreign governments and international organisations | - | - | - | 14 370 | - | - | 14 370 | 14 370 |
| Non-profit institutions | 167 249 | - | - | - | - | - | - | 167 249 |
| Households | - | - | - | 3 961 | - | - | 3 961 | 3 961 |
| Payments for capital assets | 621 527 | - | - | (32 000) | - | 1 450 | (30 550) | 590 977 |
| Buildings and other fixed structures | 471 883 | - | - | - | - | - | - | 471 883 |
| Machinery and equipment | 149 644 | - | - | (32 000) | - | 1 450 | (30 550) | 119 094 |
| Payments for financial assets | - | - | - | 300 | - | - | 300 | 300 |
| Total | 38 563 317 | 18 858 | - | - | (12 300) | 27 541 | 34 099 | 38 597 416 |

Programme 1: Administration

| Subprogramme | 2016/17 | | | | | | | |
|--------------------------------------|--------------------|---------------------------|----------------------|------------------------|-------------------|----------|---------------------------------|------------------------|
| | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | Adjusted appropriation |
| Roll-overs | | Unforeseeable/unavoidable | Virements and shifts | Declared unspent funds | Other adjustments | | | |
| R thousand | | | | | | | | |
| Ministry Management | 31 534 | - | - | - | - | - | - | 31 534 |
| Corporate Services | 20 069 | - | - | - | - | - | - | 20 069 |
| Office Accommodation | 206 733 | - | - | - | (1 000) | - | (1 000) | 205 733 |
| Financial Management | 143 695 | - | - | - | - | - | - | 143 695 |
| Financial Management | 61 433 | - | - | (500) | - | - | (500) | 60 933 |
| Total | 463 464 | - | - | (500) | (1 000) | - | (1 500) | 461 964 |
| Economic classification | | | | | | | | |
| Current payments | 456 419 | - | - | (1 181) | (1 000) | - | (2 181) | 454 238 |
| Compensation of employees | 192 521 | - | - | (371) | (1 000) | - | (1 371) | 191 150 |
| Goods and services | 263 898 | - | - | (810) | - | - | (810) | 263 088 |
| Transfers and subsidies | 2 594 | - | - | 585 | - | - | 585 | 3 179 |
| Departmental agencies and accounts | 2 594 | - | - | 214 | - | - | 214 | 2 808 |
| Households | - | - | - | 371 | - | - | 371 | 371 |
| Payments for capital assets | 4 451 | - | - | - | - | - | - | 4 451 |
| Machinery and equipment | 4 451 | - | - | - | - | - | - | 4 451 |
| Payments for financial assets | - | - | - | 96 | - | - | 96 | 96 |
| Total | 463 464 | - | - | (500) | (1 000) | - | (1 500) | 461 964 |

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

| Subprogramme | 2016/17 | | | | | | | |
|--|--------------------|---------------------------|----------------------|------------------------|-------------------|----------|---------------------------------|------------------------|
| | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | Adjusted appropriation |
| Roll-overs | | Unforeseeable/unavoidable | Virements and shifts | Declared unspent funds | Other adjustments | | | |
| R thousand | | | | | | | | |
| Programme Management | 3 184 | - | - | - | - | - | - | 3 184 |
| Technical Policy and Planning | 22 011 | - | - | - | - | - | - | 22 011 |
| Health Information Management, Monitoring and Evaluation | 55 491 | 18 858 | - | - | - | - | 18 858 | 74 349 |
| Sector-wide Procurement | 39 550 | - | - | - | - | - | - | 39 550 |
| Health Financing and National Health Insurance | 373 528 | - | - | 10 000 | - | - | 10 000 | 383 528 |
| International Health and Development | 65 998 | - | - | - | - | - | - | 65 998 |
| Total | 559 762 | 18 858 | - | 10 000 | - | - | 28 858 | 588 620 |

Programme 2: National Health Insurance, Health Planning and Systems Enablement (continued)

| Economic classification | 2016/17 | | | | | | | |
|--------------------------------------|--------------------|---------------------------|----------------------|------------------------|-------------------|----------|---------------------------------|------------------------|
| | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | Adjusted appropriation |
| Roll-overs | | Unforeseeable/unavoidable | Virements and shifts | Declared unspent funds | Other adjustments | | | |
| R thousand | | | | | | | | |
| Current payments | 421 349 | 18 858 | - | 25 889 | - | - | 44 747 | 466 096 |
| Compensation of employees | 97 271 | - | - | (89) | - | - | (89) | 97 182 |
| Goods and services | 324 078 | 18 858 | - | 25 978 | - | - | 44 836 | 368 914 |
| Transfers and subsidies | 110 591 | - | - | 9 089 | - | - | 9 089 | 119 680 |
| Provinces and municipalities | 85 227 | - | - | 9 000 | - | - | 9 000 | 94 227 |
| Non-profit institutions | 25 364 | - | - | - | - | - | - | 25 364 |
| Households | - | - | - | 89 | - | - | 89 | 89 |
| Payments for capital assets | 27 822 | - | - | (25 000) | - | - | (25 000) | 2 822 |
| Machinery and equipment | 27 822 | - | - | (25 000) | - | - | (25 000) | 2 822 |
| Payments for financial assets | - | - | - | 22 | - | - | 22 | 22 |
| Total | 559 762 | 18 858 | - | 10 000 | - | - | 28 858 | 588 620 |

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

| Subprogramme | 2016/17 | | | | | | | |
|---|--------------------|---------------------------|----------------------|------------------------|-------------------|--------------|---------------------------------|------------------------|
| | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | Adjusted appropriation |
| Roll-overs | | Unforeseeable/unavoidable | Virements and shifts | Declared unspent funds | Other adjustments | | | |
| R thousand | | | | | | | | |
| Programme Management | 4 736 | - | - | - | - | - | - | 4 736 |
| HIV and AIDS | 15 744 874 | - | - | - | - | 1 041 | 1 041 | 15 745 915 |
| Tuberculosis | 27 370 | - | - | - | - | - | - | 27 370 |
| Women's Maternal and Reproductive Health | 18 924 | - | - | - | - | - | - | 18 924 |
| Child, Youth and School Health | 222 664 | - | - | (10 000) | - | - | (10 000) | 212 664 |
| Total | 16 018 568 | - | - | (10 000) | - | 1 041 | (8 959) | 16 009 609 |
| Economic classification | | | | | | | | |
| Current payments | 553 239 | - | - | (17 443) | - | 1 041 | (16 402) | 536 837 |
| Compensation of employees | 75 779 | - | - | (46) | - | - | (46) | 75 733 |
| Goods and services | 477 460 | - | - | (17 397) | - | 1 041 | (16 356) | 461 104 |
| Transfers and subsidies | 15 449 467 | - | - | 14 416 | - | - | 14 416 | 15 463 883 |
| Provinces and municipalities | 15 290 603 | - | - | - | - | - | - | 15 290 603 |
| Departmental agencies and accounts | 16 711 | - | - | - | - | - | - | 16 711 |
| Higher education institutions | 3 304 | - | - | - | - | - | - | 3 304 |
| Foreign governments and international organisations | - | - | - | 14 370 | - | - | 14 370 | 14 370 |
| Non-profit institutions | 138 849 | - | - | - | - | - | - | 138 849 |
| Households | - | - | - | 46 | - | - | 46 | 46 |
| Payments for capital assets | 15 862 | - | - | (7 000) | - | - | (7 000) | 8 862 |
| Machinery and equipment | 15 862 | - | - | (7 000) | - | - | (7 000) | 8 862 |
| Payments for financial assets | - | - | - | 27 | - | - | 27 | 27 |
| Total | 16 018 568 | - | - | (10 000) | - | 1 041 | (8 959) | 16 009 609 |

Programme 4: Primary Health Care Services

| Subprogramme | 2016/17 | | | | | | | |
|--|--------------------|---------------------------|----------------------|------------------------|-------------------|----------|---------------------------------|------------------------|
| | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | Adjusted appropriation |
| Roll-overs | | Unforeseeable/unavoidable | Virements and shifts | Declared unspent funds | Other adjustments | | | |
| R thousand | | | | | | | | |
| Programme Management | 2 994 | - | - | - | - | - | - | 2 994 |
| District Health Services | 26 047 | - | - | - | - | - | - | 26 047 |
| Communicable Diseases | 21 561 | - | - | - | - | - | - | 21 561 |
| Non-Communicable Diseases | 21 598 | - | - | - | - | - | - | 21 598 |
| Health Promotion and Nutrition | 22 723 | - | - | - | - | - | - | 22 723 |
| Environmental and Port Health Services | 162 916 | - | - | - | (1 300) | - | (1 300) | 161 616 |
| Total | 257 839 | - | - | - | (1 300) | - | (1 300) | 256 539 |
| Economic classification | | | | | | | | |
| Current payments | 252 922 | - | - | (1 704) | (1 300) | - | (3 004) | 249 918 |
| Compensation of employees | 215 633 | - | - | (1 690) | (1 300) | - | (2 990) | 212 643 |
| Goods and services | 37 289 | - | - | (14) | - | - | (14) | 37 275 |
| Transfers and subsidies | 3 036 | - | - | 1 690 | - | - | 1 690 | 4 726 |
| Non-profit institutions | 3 036 | - | - | - | - | - | - | 3 036 |
| Households | - | - | - | 1 690 | - | - | 1 690 | 1 690 |
| Payments for capital assets | 1 881 | - | - | - | - | - | - | 1 881 |
| Machinery and equipment | 1 881 | - | - | - | - | - | - | 1 881 |
| Payments for financial assets | - | - | - | 14 | - | - | 14 | 14 |
| Total | 257 839 | - | - | - | (1 300) | - | (1 300) | 256 539 |

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

| Subprogramme | 2016/17 | | | | | | | |
|---|--------------------|---------------------------|----------------------|------------------------|-------------------|----------|---------------------------------|------------------------|
| | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | Adjusted appropriation |
| Roll-overs | | Unforeseeable/unavoidable | Virements and shifts | Declared unspent funds | Other adjustments | | | |
| R thousand | | | | | | | | |
| Programme Management | 3 713 | - | - | - | - | - | - | 3 713 |
| Health Facilities Infrastructure Management | 6 078 821 | - | - | - | - | - | - | 6 078 821 |
| Tertiary Health Care Planning and Policy | 10 851 438 | - | - | - | - | - | - | 10 851 438 |
| Hospital Management | 5 159 | - | - | 500 | - | - | 500 | 5 659 |
| Human Resources for Health | 2 500 069 | - | - | - | - | - | - | 2 500 069 |
| Nursing Services | 6 627 | - | - | - | - | - | - | 6 627 |
| Forensic Chemistry Laboratories | 120 533 | - | - | - | - | - | - | 120 533 |
| Violence, Trauma and EMS | 7 138 | - | - | - | - | - | - | 7 138 |
| Total | 19 573 498 | - | - | 500 | - | - | 500 | 19 573 998 |
| Economic classification | | | | | | | | |
| Current payments | 409 592 | - | - | 239 | - | - | 239 | 409 831 |
| Compensation of employees | 131 726 | - | - | (120) | - | - | (120) | 131 606 |
| Goods and services | 277 866 | - | - | 359 | - | - | 359 | 278 225 |
| Transfers and subsidies | 18 596 182 | - | - | 120 | - | - | 120 | 18 596 302 |
| Provinces and municipalities | 18 596 182 | - | - | - | - | - | - | 18 596 182 |
| Households | - | - | - | 120 | - | - | 120 | 120 |
| Payments for capital assets | 567 724 | - | - | - | - | - | - | 567 724 |
| Buildings and other fixed structures | 471 883 | - | - | - | - | - | - | 471 883 |
| Machinery and equipment | 95 841 | - | - | - | - | - | - | 95 841 |
| Payments for financial assets | - | - | - | 141 | - | - | 141 | 141 |
| Total | 19 573 498 | - | - | 500 | - | - | 500 | 19 573 998 |

Programme 6: Health Regulation and Compliance Management

| Subprogramme | 2016/17 | | | | | | | |
|---|--------------------|---------------------------|----------------------|------------------------|-------------------|---------------|---------------------------------|------------------------|
| | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | Adjusted appropriation |
| Roll-overs | | Unforeseeable/unavoidable | Virements and shifts | Declared unspent funds | Other adjustments | | | |
| R thousand | | | | | | | | |
| Programme Management | 4 062 | - | - | - | - | - | - | 4 062 |
| Food Control | 9 972 | - | - | - | - | - | - | 9 972 |
| Pharmaceutical Trade and Product Regulation | 139 572 | - | - | - | (10 000) | 26 500 | 16 500 | 156 072 |
| Public Entities Management | 1 474 937 | - | - | - | - | - | - | 1 474 937 |
| Compensation Commissioner for Occupational Diseases and Occupational Health | 61 643 | - | - | - | - | - | - | 61 643 |
| Total | 1 690 186 | - | - | - | (10 000) | 26 500 | 16 500 | 1 706 686 |
| Economic classification | | | | | | | | |
| Current payments | 211 249 | - | - | (1 645) | (10 000) | 25 050 | 13 405 | 224 654 |
| Compensation of employees | 160 468 | - | - | (1 384) | (10 000) | - | (11 384) | 149 084 |
| Goods and services | 50 781 | - | - | (261) | - | 25 050 | 24 789 | 75 570 |
| Transfers and subsidies | 1 475 150 | - | - | 1 645 | - | - | 1 645 | 1 476 795 |
| Departmental agencies and accounts | 1 475 150 | - | - | - | - | - | - | 1 475 150 |
| Households | - | - | - | 1 645 | - | - | 1 645 | 1 645 |
| Payments for capital assets | 3 787 | - | - | - | - | 1 450 | 1 450 | 5 237 |
| Machinery and equipment | 3 787 | - | - | - | - | 1 450 | 1 450 | 5 237 |
| Total | 1 690 186 | - | - | - | (10 000) | 26 500 | 16 500 | 1 706 686 |

Details of adjustments to the Estimates of National Expenditure 2016**Roll-overs – R18.858 million**

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

R18.858 million has been rolled over for the continuation of the South African demographic health survey.

Virements and shifts within votes

Programmes

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

| FROM: | | | TO: | | |
|--|---|-----------------|---|---|---------------|
| Programme by economic classification | Motivation | R thousand | Programme by economic classification | Motivation | R thousand |
| Programme 1 | | (1 181) | Programme 1 | | 310 |
| Goods and services | Cost containment measures effected on external contractors, consumables, stationery, printing and office supplies | (96) | Payments for financial assets | Theft and losses | 96 |
| | Cost containment measures effected on minor assets | (214) | Departmental agencies and accounts | Levy for the Health and Welfare Sector Education and Training Authority | 214 |
| | Cost containment measures effected on consultants, and business and advisory services | (500) | Programme 5 | | 500 |
| | | | Goods and services | Travel for the ministerial task team | 500 |
| Compensation of employees | Vacant posts ¹ | (371) | Programme 1 | | 371 |
| | | | Households | Leave gratuities | 371 |
| Shifts within the programme as a percentage of the programme budget | | 0.1% | | | |
| Virements to other programmes as a percentage of the programme budget | | 0.1% | | | |
| Programme 2 | | (34 111) | Programme 2 | | 34 111 |
| Goods and services | Cost containment measures effected on advertising, minor assets, and stationery, printing, and office supplies | (22) | Payments for financial assets | Theft and losses | 22 |
| | Reallocation of funds from the diagnosis-related group | (9 000) | Provinces and municipalities | IT systems upgrades ¹ | 9 000 |
| Compensation of employees | Vacant posts ¹ | (89) | Households | Leave gratuities | 89 |
| Machinery and equipment | Cost containment measures effected on equipment ² | (25 000) | Goods and services | Contracting under the indirect national health insurance grant ² | 25 000 |
| Shifts within the programme as a percentage of the programme budget | | 6.1% | | | |
| Virements to other programmes as a percentage of the programme budget | | 0.0% | | | |
| Programme 3 | | (24 443) | Programme 2 | | 3 000 |
| Goods and services | Cost containment measures effected on vaccines for the human papilloma virus ² | (3 000) | Goods and services | Contracting under the indirect national health insurance grant ² | 3 000 |
| | Cost containment measures effected on catering, stationery, printing, and office supplies | (27) | Programme 3 | | 14 443 |
| | Reallocation of funds incorrectly allocated in the 2016 ENE ¹ | (14 370) | Payments for financial assets | Theft and losses | 27 |
| Compensation of employees | Vacant posts ¹ | (46) | Foreign governments and international organisations | Donation to the 21 st International AIDS Conference ¹ | 14 370 |
| | | | Households | Leave gratuities | 46 |
| Machinery and equipment | Cost containment measures effected on procurement of fridges for health facilities ² | (7 000) | Programme 2 | | 7 000 |
| | | | Goods and services | Contracting under the indirect national health insurance grant ² | 7 000 |
| Shifts within the programme as a percentage of the programme budget | | 0.1% | | | |
| Virements to other programmes as a percentage of the programme budget | | 0.1% | | | |

| FROM: | | | TO: | | |
|---|---|-----------------|--------------------------------------|----------------------------------|---------------|
| Programme by economic classification | Motivation | R thousand | Programme by economic classification | Motivation | R thousand |
| Programme 4 | | (1 704) | Programme 4 | | 1 704 |
| Goods and services | Cost containment measures effected on operating payments | (14) | Payments for financial assets | Theft and losses | 14 |
| Compensation of employees | Vacant posts ¹ | (1 690) | Households | Leave gratuities | 1 690 |
| Shifts within the programme as a percentage of the programme budget | | 0.7% | | | |
| Virements to other programmes as a percentage of the programme budget | | 0.0% | | | |
| Programme 5 | | (261) | Programme 5 | | 261 |
| Goods and services | Cost containment measures effected on operating leases, rental and hiring, and travel and subsistence | (141) | Payments for financial assets | Theft and losses | 141 |
| Compensation of employees | Vacant posts ¹ | (120) | Households | Leave gratuities | 120 |
| Shifts within the programme as a percentage of the programme budget | | 0.0% | | | |
| Virements to other programmes as a percentage of the programme budget | | 0.0% | | | |
| Programme 6 | | (1 645) | Programme 6 | | 1 645 |
| Goods and services | Cost containment measures effected on contracting | (261) | Households | Arbitration award to an employee | 261 |
| Compensation of employees | Vacant posts ¹ | (1 384) | Households | Leave gratuities | 1 384 |
| Shifts within the programme as a percentage of the programme budget | | 0.1% | | | |
| Virements to other programmes as a percentage of the programme budget | | 0.0% | | | |
| Total | | (63 345) | | | 63 345 |

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act (1999).

Declared unspent funds – R12.300 million

R12.300 million in unspent funds has been declared on compensation of employees due to vacancies that cannot be filled, in order to achieve the approved compensation of employees spending ceilings.

Programme 1: Administration

R1 million

Programme 4: Primary Health Care Services

R1.300 million

Programme 6: Health Regulation and Compliance Management

R10 million

Other adjustments – R27.541 million

Funds shifted between votes – R1.041 million

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

R1.041 million has been transferred from the Department of Basic Education to contribute towards South Africa's co-hosting of the 21st International AIDS Conference in 2016.

Self-financing expenditure – R26.500 million

Programme 6: Health Regulation and Compliance Management

R26.500 million in revenue generated by the Medicines Control Council will be returned from the National Revenue Fund to support the establishment of the South African Health Products Regulatory Authority.

Expenditure outcome for 2015/16 and actual expenditure for 2016/17

| Programme | 2015/16 Audited outcome | | | | | 2016/17 Actual expenditure | | | |
|--|----------------------------|--------------------|------------------|--------------------|------------------|---|--------------------|-------------------|--------------|
| | Adjusted appropriation | Apr 15 - Sep 15 | adjusted % of | Apr 15 - Mar 16 | adjusted % of | Adjusted appropriation/ Total (%) | Apr 16 - Sep 16 | adjusted % of | |
| R thousand | | | | | | | | | |
| Administration | 456 578 | 235 420 | 51.6 | 438 501 | 96.0 | 461 964 | 1.2 | 226 506 | 49.0 |
| National Health Insurance, Health Planning and Systems Enablement | 596 646 | 205 899 | 34.5 | 553 053 | 92.7 | 588 620 | 1.5 | 300 794 | 51.1 |
| HIV and AIDS, Tuberculosis, and Maternal and Child Health | 14 378 878 | 7 002 660 | 48.7 | 14 179 001 | 98.6 | 16 009 609 | 41.5 | 7 804 414 | 48.7 |
| Primary Health Care Services | 224 917 | 99 619 | 44.3 | 212 571 | 94.5 | 256 539 | 0.7 | 108 711 | 42.4 |
| Hospitals, Tertiary Health Services and Human Resource Development | 18 938 242 | 9 445 989 | 49.9 | 19 002 315 | 100.3 | 19 573 998 | 50.7 | 9 628 319 | 49.2 |
| Health Regulation and Compliance Management | 1 603 875 | 1 142 793 | 71.3 | 1 599 420 | 99.7 | 1 706 686 | 4.4 | 843 006 | 49.4 |
| Total | 36 199 136 | 18 132 380 | 50.1 | 35 984 861 | 99.4 | 38 597 416 | 100.0 | 18 911 750 | 49.0 |
| Economic classification | | | | | | | | | |
| Current payments | 2 238 308 | 873 043 | 39.0 | 1 933 991 | 86.4 | 2 341 574 | 6.1 | 1 039 165 | 44.4 |
| Compensation of employees | 774 278 | 363 111 | 46.9 | 750 097 | 96.9 | 857 398 | 2.2 | 417 111 | 48.6 |
| Goods and services | 1 464 030 | 509 932 | 34.8 | 1 183 894 | 80.9 | 1 484 176 | 3.8 | 622 054 | 41.9 |
| Transfers and subsidies | 33 496 141 | 17 091 350 | 51.0 | 33 482 153 | 100.0 | 35 664 565 | 92.4 | 17 593 112 | 49.3 |
| Provinces and municipalities | 31 904 748 | 15 957 182 | 50.0 | 31 904 748 | 100.0 | 33 981 012 | 88.0 | 16 801 854 | 49.4 |
| Departmental agencies and accounts | 1 417 125 | 1 050 628 | 74.1 | 1 419 422 | 100.2 | 1 494 669 | 3.9 | 737 303 | 49.3 |
| Higher education institutions | 3 138 | - | - | - | - | 3 304 | - | - | - |
| Non-profit institutions | 171 130 | 82 570 | 48.2 | 155 073 | 90.6 | 167 249 | 0.4 | 51 526 | 30.8 |
| Households | - | 970 | - | 2 910 | - | 3 961 | - | 2 429 | 61.3 |
| Payments for capital assets | 464 687 | 167 855 | 36.1 | 567 817 | 122.2 | 590 977 | 1.5 | 279 114 | 47.2 |
| Buildings and other fixed structures | 354 629 | 150 565 | 42.5 | 470 641 | 132.7 | 471 883 | 1.2 | 269 675 | 57.1 |
| Machinery and equipment | 110 058 | 12 812 | 11.6 | 92 968 | 84.5 | 119 094 | 0.3 | 9 439 | 7.9 |
| Software and other intangible assets | - | 4 478 | - | 4 208 | - | - | - | - | - |
| Payments for financial assets | - | 132 | - | 900 | - | 300 | - | 359 | 119.7 |
| Total | 36 199 136 | 18 132 380 | 50.1 | 35 984 861 | 99.4 | 38 597 416 | 100.0 | 18 911 750 | 49.0 |

Expenditure trends for the first six months of 2016/17

Total expenditure in 2015/16 was 99.4 per cent of the 2015/16 adjusted appropriation. Expenditure in the first six months of 2016/17 was R18.9 billion, or 49 per cent of the adjusted appropriation of R38.6 billion for the year. In comparison, mid-year expenditure in 2015/16 was R18.1 billion, or 50.1 per cent of the 2015/16 adjusted appropriation. Compared to the first six months of 2015/16, expenditure over the same period in 2016/17 increased by R779.4 million, or 4.3 per cent. This was mainly due to payments for the distribution of condoms that were procured in 2015/16, the streamlining of payments to health professionals and the payment of several large invoices for health facilities infrastructure under the health facility revitalisation component of the indirect national health insurance grant.

Departmental receipts

| R thousand | 2015/16 | | | | | 2016/17 | | | | |
|--|-------------------|-----------------|--|-----------------|--|-----------------|-------------------|---------------------------------------|-----------------|--|
| | Adjusted estimate | Audited outcome | | | Actual receipts | | | | | |
| | | Apr 15 - Sep 15 | Apr 15 - Sep 15 % of adjusted estimate | Apr 15 - Mar 16 | Apr 15 - Mar 16 % of adjusted estimate | Budget estimate | Adjusted estimate | Adjusted receipts estimate/ Total (%) | Apr 16 - Sep 16 | Apr 16 - Sep 16 % of adjusted estimate |
| Departmental receipts | 44 605 | 29 463 | 66.1 | 53 885 | 120.8 | 54 860 | 69 125 | 100.0 | 34 548 | 50.0 |
| Sales of goods and services produced by department | 38 860 | 28 316 | 72.9 | 46 052 | 118.5 | 51 377 | 63 867 | 92.4 | 31 919 | 50.0 |
| Sales of scrap, waste, arms and other used current goods | 3 | - | - | 44 | 1 466.7 | 3 | - | - | - | - |
| Interest, dividends and rent on land | 5 000 | 580 | 11.6 | 6 536 | 130.7 | 2 400 | 3 718 | 5.4 | 1 859 | 50.0 |
| Transactions in financial assets and liabilities | 742 | 567 | 76.4 | 1 253 | 168.9 | 1 080 | 1 540 | 2.2 | 770 | 50.0 |
| Total | 44 605 | 29 463 | 66.1 | 53 885 | 120.8 | 54 860 | 69 125 | 100.0 | 34 548 | 50.0 |

Revenue trends for the first six months of 2016/17

Revenue in the first six months of 2016/17 was R34.5 million, or 50 per cent of the adjusted revenue estimate of R69.1 million for the year. In comparison, mid-year revenue in 2015/16 was R29.5 million, or 66.1 per cent of the 2015/16 adjusted estimate. Compared to the first six months of 2015/16, revenue over the same period in 2016/17 increased by R5.1 million, or 17.3 per cent. This was mainly due to revenue collected from pharmacists for the three-yearly renewal of their dispensation licence, under the *National Health Insurance, Health Planning and Systems Enablement* programme.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

| R thousand | 2016/17 | | | | | | | Total adjustments appropriation | Adjusted appropriation |
|--|--------------------|---------------------------|---------------------------|----------------------|------------------------|---|-------------------|---------------------------------|------------------------|
| | Main appropriation | Adjustments appropriation | | | | | Other adjustments | | |
| | | Roll-overs | Unforeseeable/unavoidable | Virements and shifts | Declared unspent funds | | | | |
| Administration | | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | | | |
| Current | 2 594 | - | - | 214 | - | - | 214 | 2 808 | |
| Health and Welfare Sector | 2 464 | - | - | 344 | - | - | 344 | 2 808 | |
| Education and Training Authority | | | | | | | | | |
| Public Service Sector Education and Training Authority | 130 | - | - | (130) | - | - | (130) | - | |
| Households | | | | | | | | | |
| Social benefits | | | | | | | | | |
| Current | - | - | - | 371 | - | - | 371 | 371 | |
| Employee social benefits | - | - | - | 371 | - | - | 371 | 371 | |
| National Health Insurance, Health Planning and Systems Enablement | | | | | | | | | |
| Provinces and municipalities | | | | | | | | | |
| Provinces | | | | | | | | | |
| Provincial Revenue Funds | | | | | | | | | |
| Current | 85 227 | - | - | 9 000 | - | - | 9 000 | 94 227 | |
| National health insurance grant | 85 227 | - | - | 9 000 | - | - | 9 000 | 94 227 | |
| Households | | | | | | | | | |
| Social benefits | | | | | | | | | |
| Current | - | - | - | 89 | - | - | 89 | 89 | |
| Employee social benefits | - | - | - | 89 | - | - | 89 | 89 | |

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

| R thousand | 2016/17 | | | | | | | Adjusted appropriation |
|--|--------------------|---------------------------|---------------------------|----------------------|------------------------|-------------------|---------------------------------|------------------------|
| | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | |
| | | Roll-overs | Unforeseeable/unavoidable | Virements and shifts | Declared unspent funds | Other adjustments | | |
| HIV and AIDS, Tuberculosis, and Maternal and Child Health Foreign governments and international organisations | | | | | | | | |
| Current | - | - | - | 14 370 | - | - | 14 370 | 14 370 |
| International AIDS Society | - | - | - | 14 370 | - | - | 14 370 | 14 370 |
| Households | | | | | | | | |
| Social benefits | | | | | | | | |
| Current | - | - | - | 46 | - | - | 46 | 46 |
| Employee social benefits | - | - | - | 46 | - | - | 46 | 46 |
| Primary Health Care Services | | | | | | | | |
| Households | | | | | | | | |
| Social benefits | | | | | | | | |
| Current | - | - | - | 1 690 | - | - | 1 690 | 1 690 |
| Employee social benefits | - | - | - | 1 690 | - | - | 1 690 | 1 690 |
| Hospitals, Tertiary Health Services and Human Resource Development | | | | | | | | |
| Households | | | | | | | | |
| Social benefits | | | | | | | | |
| Current | - | - | - | 120 | - | - | 120 | 120 |
| Employee social benefits | - | - | - | 120 | - | - | 120 | 120 |
| Health Regulation and Compliance Management | | | | | | | | |
| Households | | | | | | | | |
| Social benefits | | | | | | | | |
| Current | - | - | - | 1 384 | - | - | 1 384 | 1 384 |
| Employee social benefits | - | - | - | 1 384 | - | - | 1 384 | 1 384 |
| Households | | | | | | | | |
| Other transfers to households | | | | | | | | |
| Current | - | - | - | 261 | - | - | 261 | 261 |
| Employee social benefits | - | - | - | 261 | - | - | 261 | 261 |
| National Health Insurance, Health Planning and Systems Enablement | | | | | | | | |
| National health insurance grant | | - | - | 9 000 | - | - | 9 000 | 94 227 |

Summary of changes to conditional grants: Provinces

| R thousand | 2016/17 | | | | | | | Adjusted appropriation |
|--|--------------------|---------------------------|---------------------------|----------------------|------------------------|-------------------|---------------------------------|------------------------|
| | Main appropriation | Adjustments appropriation | | | | | Total adjustments appropriation | |
| | | Roll-overs | Unforeseeable/unavoidable | Virements and shifts | Declared unspent funds | Other adjustments | | |
| National Health Insurance, Health Planning and Systems Enablement | 85 227 | - | - | 9 000 | - | - | 9 000 | 94 227 |
| National health insurance grant | 85 227 | - | - | 9 000 | - | - | 9 000 | 94 227 |