

# Vote 16

## Health

### Adjusted budget summary

2019/20				
R thousand	Appropriation	Adjustments appropriation		Adjusted appropriation
		Decrease	Increase	
<b>Amount to be appropriated</b>	<b>51 460 690</b>	<b>(802 018)</b>	<b>536 491</b>	<b>51 195 163</b>
<i>of which:</i>				
Current payments	3 289 822	(786 868)	–	2 502 954
Transfers and subsidies	46 986 594	–	536 491	47 523 085
Payments for capital assets	1 184 274	(15 150)	–	1 169 124
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

Indicator	Programme	MTSF outcome	Annual performance		
			Projected for 2019/20 as published in the 2019 ENE	Achieved in the first half of 2019/20 (April to September)	Changed target for 2019/20
Total number of primary health care facilities and hospitals implementing improved patient administration and web-based information systems	National Health Insurance	Outcome 2: A long and healthy life for all South Africans	3 220 facilities and 52 hospitals	3 043 facilities and 8 hospitals	–
Total number of individuals registered on the national health insurance patient beneficiary registry	National Health Insurance		40 million	42.9 million	–
Total number of health facilities reporting stock availability at national surveillance centre	National Health Insurance		3 725	3 705	–
Total number of patients enrolled in the centralised chronic medicine dispensing and distribution system	National Health Insurance		3 million	3 million	–
Total clients remaining on antiretroviral treatment at the end of the year	Communicable and Non-communicable Diseases		5.8 million	4.8 million <sup>1</sup>	–
Infant polymerase chain reaction test positive around 10 weeks rate per year <sup>2</sup>	Communicable and Non-communicable Diseases		0.9%	0.68% (555/81 975) <sup>1</sup>	–
Number of primary health care facilities in the 52 districts that qualify as ideal clinics per year	Primary Health Care		1 800	1 920	–

Indicator	Programme	MTSF outcome	Annual performance		
			Projected for 2019/20 as published in the 2019 ENE	Achieved in the first half of 2019/20 (April to September)	Changed target for 2019/20
Number of facilities maintained, repaired and/or refurbished funded by the national health insurance indirect grant per year	Hospital Systems	Outcome 2: A long and healthy life for all South Africans	45	7	–
Number of municipalities assessed for adherence to environmental health norms and standards per year	Primary Health Care		31	30	–
Number of points of entry where port health services comply with international health regulations per year	Primary Health Care		20	5	–

1. Only data for the first five months of 2018/19 was available at the time of publication.

2. Indicator for mother-to-child transmission of HIV showing infants who tested positive for HIV as a proportion of all live births by HIV-positive mothers.

## Mid-year progress

The department is on track to exceed its target for mother-to-child transmission of HIV, which at the end of August 2019 was 0.68 per cent against the annual target of 0.9 per cent. However, the antiretroviral treatment programme is progressing somewhat slower than anticipated, with 4.8 million clients against a target of 5.8 million. The uptake is particularly slow among children and men, where the coverage is 60 per cent and 62 per cent respectively, compared to 72 per cent among females. The department intends to intensify efforts to reach the target of 6.1 million total clients on antiretroviral treatment by December 2020.

The department has already exceeded its annual target for the number of individuals registered on the national health insurance patient beneficiary registry. The implementation of the system in hospitals in Free State, Mpumalanga and Eastern Cape is expected to commence in the third quarter. However, protracted negotiations with Gauteng provincial facilities have caused delays in the implementation of the system in additional facilities.

The number of facilities reporting to the national surveillance centre on the availability of medicine has steadily increased. The department is only 20 facilities short of its annual target, and is likely to meet it by the end of 2019/20. Similarly, 1 920 public health care facilities qualify as ideal clinics against a target of 1 800, and the chronic medicines programme has already met its annual target.

Although the department has completed repair, maintenance or refurbishment projects at only 7 health facilities in national health insurance districts against the annual target of 45, the remaining facilities are expected to reach completion stage in the second half of the financial year.

During the first half of 2019/20, the department assessed 30 municipalities for adherence to environmental health norms and standards against an annual target of 31. This is in support of the department's programme to emphasise environmental determinants of health, such as sanitation and food safety monitoring, as part of the delivery of environmental health services by municipalities. In response to the department's focus on environmental health assessments in the first half of the year, compliance assessments of ports of entry will be prioritised during the remaining months. The department expects to meet its annual target of ensuring that 20 points of entry have port health services that comply with international health regulations by the end of the financial year.

## Adjusted estimates

Programme		2019/20						
		Adjustments appropriation						
				Shifts	Declared		Total	
R thousand	Appropriation	Roll-overs	Virements and shifts	between votes	unspent funds	Other adjustments	adjustments appropriation	Adjusted appropriation
Administration	661 277	–	6 700	–	(7 800)	–	(1 100)	660 177
National Health Insurance	2 111 663	–	128 892	–	(240 000)	–	(111 108)	2 000 555
Communicable and Non-communicable Diseases	23 007 269	–	(147 227)	–	(62 900)	–	(210 127)	22 797 142
Primary Health Care	221 751	–	500	–	(1 400)	–	(900)	220 851
Hospital Systems	20 381 141	89 300	(5 200)	–	(30 000)	–	54 100	20 435 241
Health System Governance and Human Resources	5 077 589	–	16 335	(8 827)	(3 900)	–	3 608	5 081 197
<b>Total</b>	<b>51 460 690</b>	<b>89 300</b>	<b>–</b>	<b>(8 827)</b>	<b>(346 000)</b>	<b>–</b>	<b>(265 527)</b>	<b>51 195 163</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>3 289 822</b>	<b>–</b>	<b>(473 041)</b>	<b>(8 827)</b>	<b>(305 000)</b>	<b>–</b>	<b>(786 868)</b>	<b>2 502 954</b>
Compensation of employees	880 543	–	(1 203)	–	(20 000)	–	(21 203)	859 340
Goods and services	2 409 279	–	(471 838)	(8 827)	(285 000)	–	(765 665)	1 643 614
<b>Transfers and subsidies</b>	<b>46 986 594</b>	<b>–</b>	<b>547 491</b>	<b>–</b>	<b>(11 000)</b>	<b>–</b>	<b>536 491</b>	<b>47 523 085</b>
Provinces and municipalities	44 988 820	–	546 288	–	(11 000)	–	535 288	45 524 108
Departmental agencies and accounts	1 822 694	–	–	–	–	–	–	1 822 694
Non-profit institutions	175 080	–	–	–	–	–	–	175 080
Households	–	–	1 203	–	–	–	1 203	1 203
<b>Payments for capital assets</b>	<b>1 184 274</b>	<b>89 300</b>	<b>(74 450)</b>	<b>–</b>	<b>(30 000)</b>	<b>–</b>	<b>(15 150)</b>	<b>1 169 124</b>
Buildings and other fixed structures	984 094	–	(170 000)	–	–	–	(170 000)	814 094
Machinery and equipment	200 180	89 300	95 050	–	(30 000)	–	154 350	354 530
Software and other intangible assets	–	–	500	–	–	–	500	500
<b>Total</b>	<b>51 460 690</b>	<b>89 300</b>	<b>–</b>	<b>(8 827)</b>	<b>(346 000)</b>	<b>–</b>	<b>(265 527)</b>	<b>51 195 163</b>

## Programme 1: Administration

Subprogramme		2019/20						
		Adjustments appropriation						Adjusted appropriation
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	Total adjustments appropriation	
R thousand	Appropriation							
Ministry	34 483	—	—	—	(1 300)	—	(1 300)	33 183
Management	13 615	—	(2 400)	—	—	—	(2 400)	11 215
Corporate Services	298 630	—	8 500	—	(2 700)	—	5 800	304 430
Property Management	185 995	—	—	—	—	—	—	185 995
Financial Management	128 554	—	600	—	(3 800)	—	(3 200)	125 354
<b>Total</b>	<b>661 277</b>	<b>—</b>	<b>6 700</b>	<b>—</b>	<b>(7 800)</b>	<b>—</b>	<b>(1 100)</b>	<b>660 177</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>650 364</b>	<b>—</b>	<b>6 831</b>	<b>—</b>	<b>(7 800)</b>	<b>—</b>	<b>(969)</b>	<b>649 395</b>
Compensation of employees	247 144	—	6 612	—	(5 600)	—	1 012	248 156
Goods and services	403 220	—	219	—	(2 200)	—	(1 981)	401 239
<b>Transfers and subsidies</b>	<b>2 683</b>	<b>—</b>	<b>288</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>288</b>	<b>2 971</b>
Departmental agencies and accounts	2 683	—	—	—	—	—	—	2 683
Households	—	—	288	—	—	—	288	288
<b>Payments for capital assets</b>	<b>8 230</b>	<b>—</b>	<b>(419)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(419)</b>	<b>7 811</b>
Machinery and equipment	8 230	—	(419)	—	—	—	(419)	7 811
<b>Total</b>	<b>661 277</b>	<b>—</b>	<b>6 700</b>	<b>—</b>	<b>(7 800)</b>	<b>—</b>	<b>(1 100)</b>	<b>660 177</b>

**Programme 2: National Health Insurance**

Subprogramme		2019/20						
		Adjustments appropriation						
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
Programme Management	5 136	–	–	–	–	–	–	5 136
Affordable Medicine	47 395	–	(3 808)	–	–	–	(3 808)	43 587
Health Financing and National Health Insurance	2 059 132	–	132 700	–	(240 000)	–	(107 300)	1 951 832
<b>Total</b>	<b>2 111 663</b>	<b>–</b>	<b>128 892</b>	<b>–</b>	<b>(240 000)</b>	<b>–</b>	<b>(111 108)</b>	<b>2 000 555</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>1 419 643</b>	<b>–</b>	<b>(460 430)</b>	<b>–</b>	<b>(240 000)</b>	<b>–</b>	<b>(700 430)</b>	<b>719 213</b>
Compensation of employees	52 019	–	(4 293)	–	–	–	(4 293)	47 726
Goods and services	1 367 624	–	(456 137)	–	(240 000)	–	(696 137)	671 487
<b>Transfers and subsidies</b>	<b>605 696</b>	<b>–</b>	<b>589 422</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>589 422</b>	<b>1 195 118</b>
Provinces and municipalities	605 696	–	589 288	–	–	–	589 288	1 194 984
Households	–	–	134	–	–	–	134	134
<b>Payments for capital assets</b>	<b>86 324</b>	<b>–</b>	<b>(100)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(100)</b>	<b>86 224</b>
Machinery and equipment	86 324	–	(100)	–	–	–	(100)	86 224
<b>Total</b>	<b>2 111 663</b>	<b>–</b>	<b>128 892</b>	<b>–</b>	<b>(240 000)</b>	<b>–</b>	<b>(111 108)</b>	<b>2 000 555</b>

**Programme 3: Communicable and Non-communicable Diseases**

Subprogramme		2019/20						Adjusted appropriation
R thousand	Appropriation	Adjustments appropriation						
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Programme Management	5 250	—	100	—	—	—	100	5 350
HIV, AIDS and STIs	22 572 408	—	(103 427)	—	(38 900)	—	(142 327)	22 430 081
Tuberculosis Management	27 748	—	(1 000)	—	—	—	(1 000)	26 748
Women's Maternal and Reproductive Health	20 299	—	(1 800)	—	(1 700)	—	(3 500)	16 799
Child, Youth and School Health	237 608	—	(43 000)	—	(11 000)	—	(54 000)	183 608
Communicable Diseases	24 058	—	—	—	—	—	—	24 058
Non-communicable Diseases	65 702	—	1 900	—	—	—	1 900	67 602
Health Promotion and Nutrition	54 196	—	—	—	(11 300)	—	(11 300)	42 896
<b>Total</b>	<b>23 007 269</b>	<b>—</b>	<b>(147 227)</b>	<b>—</b>	<b>(62 900)</b>	<b>—</b>	<b>(210 127)</b>	<b>22 797 142</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>563 564</b>	<b>—</b>	<b>(104 436)</b>	<b>—</b>	<b>(51 900)</b>	<b>—</b>	<b>(156 336)</b>	<b>407 228</b>
Compensation of employees	167 903	—	(109)	—	(13 000)	—	(13 109)	154 794
Goods and services	395 661	—	(104 327)	—	(38 900)	—	(143 227)	252 434
<b>Transfers and subsidies</b>	<b>22 443 341</b>	<b>—</b>	<b>(42 891)</b>	<b>—</b>	<b>(11 000)</b>	<b>—</b>	<b>(53 891)</b>	<b>22 389 450</b>
Provinces and municipalities	22 250 195	—	(43 000)	—	(11 000)	—	(54 000)	22 196 195
Departmental agencies and accounts	18 066	—	—	—	—	—	—	18 066
Non-profit institutions	175 080	—	—	—	—	—	—	175 080
Households	—	—	109	—	—	—	109	109
<b>Payments for capital assets</b>	<b>364</b>	<b>—</b>	<b>100</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>100</b>	<b>464</b>
Machinery and equipment	364	—	100	—	—	—	100	464
<b>Total</b>	<b>23 007 269</b>	<b>—</b>	<b>(147 227)</b>	<b>—</b>	<b>(62 900)</b>	<b>—</b>	<b>(210 127)</b>	<b>22 797 142</b>

**Programme 4: Primary Health Care**

Subprogramme		2019/20						
		Adjustments appropriation						Adjusted appropriation
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Programme Management	3 940	—	500	—	—	—	500	4 440
District Health Services	21 413	—	—	—	(1 400)	—	(1 400)	20 013
Environmental and Port Health Services	187 501	—	—	—	—	—	—	187 501
Emergency Medical Services and Trauma	8 897	—	—	—	—	—	—	8 897
<b>Total</b>	<b>221 751</b>	<b>—</b>	<b>500</b>	<b>—</b>	<b>(1 400)</b>	<b>—</b>	<b>(900)</b>	<b>220 851</b>

**Programme 4: Primary Health Care (continued)**

Economic classification		2019/20						
		Appropriation	Adjustments appropriation					Adjusted appropriation
			Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	
R thousand								
Current payments	221 512	—	(314)	—	(1 400)	—	(1 714)	219 798
Compensation of employees	195 109	—	(314)	—	(1 400)	—	(1 714)	193 395
Goods and services	26 403	—	—	—	—	—	—	26 403
Transfers and subsidies	—	—	314	—	—	—	314	314
Households	—	—	314	—	—	—	314	314
Payments for capital assets	239	—	500	—	—	—	500	739
Machinery and equipment	239	—	500	—	—	—	500	739
Total	221 751	—	500	—	(1 400)	—	(900)	220 851

**Programme 5: Hospital Systems**

Subprogramme		2019/20						
		Adjustments appropriation						
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation							
Programme Management	3 418	—	(1 800)	—	—	—	(1 800)	1 618
Health Facilities Infrastructure Management	7 178 830	89 300	(1 300)	—	(30 000)	—	58 000	7 236 830
Hospital Systems	13 198 893	—	(2 100)	—	—	—	(2 100)	13 196 793
<b>Total</b>	<b>20 381 141</b>	<b>89 300</b>	<b>(5 200)</b>	<b>—</b>	<b>(30 000)</b>	<b>—</b>	<b>54 100</b>	<b>20 435 241</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>125 442</b>	—	<b>69 651</b>	—	—	—	<b>69 651</b>	<b>195 093</b>
Compensation of employees	29 805	—	(4 049)	—	—	—	(4 049)	25 756
Goods and services	95 637	—	73 700	—	—	—	73 700	169 337
<b>Transfers and subsidies</b>	<b>19 192 501</b>	—	<b>149</b>	—	—	—	<b>149</b>	<b>19 192 650</b>
Provinces and municipalities	19 192 501	—	—	—	—	—	—	19 192 501
Households	—	—	149	—	—	—	149	149
<b>Payments for capital assets</b>	<b>1 063 198</b>	<b>89 300</b>	<b>(75 000)</b>	<b>—</b>	<b>(30 000)</b>	<b>—</b>	<b>(15 700)</b>	<b>1 047 498</b>
Buildings and other fixed structures	984 094	—	(170 000)	—	—	—	(170 000)	814 094
Machinery and equipment	79 104	89 300	95 000	—	(30 000)	—	154 300	233 404
<b>Total</b>	<b>20 381 141</b>	<b>89 300</b>	<b>(5 200)</b>	<b>—</b>	<b>(30 000)</b>	<b>—</b>	<b>54 100</b>	<b>20 435 241</b>

**Programme 6: Health System Governance and Human Resources**

Subprogramme		2019/20						
		Adjustments appropriation						
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand	Appropriation							
Programme Management	6 220	—	9 427	(8 827)	—	—	600	6 820
Policy and Planning	7 713	—	—	—	(600)	—	(600)	7 113
Public Entities Management and Laboratories	2 037 390	—	(92)	—	—	—	(92)	2 037 298
Nursing Services	9 438	—	—	—	—	—	—	9 438
Health Information, Monitoring and Evaluation	45 318	—	11 900	—	(3 300)	—	8 600	53 918
Human Resources for Health	2 971 510	—	(4 900)	—	—	—	(4 900)	2 966 610
<b>Total</b>	<b>5 077 589</b>	—	<b>16 335</b>	<b>(8 827)</b>	<b>(3 900)</b>	—	<b>3 608</b>	<b>5 081 197</b>
<b>Economic classification</b>								
<b>Current payments</b>	<b>309 297</b>	—	<b>15 657</b>	<b>(8 827)</b>	<b>(3 900)</b>	—	<b>2 930</b>	<b>312 227</b>
Compensation of employees	188 563	—	950	—	—	—	950	189 513
Goods and services	120 734	—	14 707	(8 827)	(3 900)	—	1 980	122 714
<b>Transfers and subsidies</b>	<b>4 742 373</b>	—	<b>209</b>	—	—	—	<b>209</b>	<b>4 742 582</b>
Provinces and municipalities	2 940 428	—	—	—	—	—	—	2 940 428
Departmental agencies and accounts	1 801 945	—	—	—	—	—	—	1 801 945
Households	—	—	209	—	—	—	209	209
<b>Payments for capital assets</b>	<b>25 919</b>	—	<b>469</b>	—	—	—	<b>469</b>	<b>26 388</b>
Machinery and equipment	25 919	—	(31)	—	—	—	(31)	25 888
Software and other intangible assets	—	—	500	—	—	—	500	500
<b>Total</b>	<b>5 077 589</b>	—	<b>16 335</b>	<b>(8 827)</b>	<b>(3 900)</b>	—	<b>3 608</b>	<b>5 081 197</b>

## Details of adjustments to the 2019 Estimates of National Expenditure

### Roll-overs – R89.3 million

Programme 5: Hospital Systems

R89.3 million has been rolled over for payments for capital assets under the health facility revitalisation component of the *national health insurance indirect grant*. These funds will be used for settling payments to service providers for medical equipment for hospitals in Limpopo.

### Virements and shifts within the vote

Programmes					
1. Administration					
2. National Health Insurance					
3. Communicable and Non-communicable Diseases					
4. Primary Health Care					
5. Hospital Systems					
6. Health System Governance and Human Resources					
From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 1</b>		<b>(869)</b>	<b>Programme 1</b>		<b>369</b>
Goods and services	Communication	(81)	Machinery and equipment	Computer equipment	81
Compensation of employees	Vacant posts <sup>1</sup>	(288)	Households	Leave gratuities	288
Machinery and equipment	Office furniture	(500)	<b>Programme 4</b>		<b>500</b>
Shifts within the programme as a percentage of the programme budget		0.1%	Machinery and equipment	Computer equipment	500
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.1%</b>			
<b>Programme 2</b>		<b>(464 230)</b>	<b>Programme 2</b>		<b>446 288</b>
Goods and services	Health technology assessment <sup>1</sup>	(2 000)	Provinces and municipalities	HR capacitation grant <sup>2</sup>	2 000
	National health insurance indirect grant: Personal services and non-personal services component <sup>2</sup>	(155 000)	Provinces and municipalities	HR capacitation grant <sup>2</sup>	155 000
	National health insurance indirect grant: Personal services and non-personal services component <sup>2</sup>	(289 288)	Provinces and municipalities	National health insurance grant <sup>2</sup>	289 288
	Realignment of budget structure, and travel and subsistence	(9 649)	<b>Programme 6</b>		<b>9 849</b>
	Realignment of budget structure	(200)	Goods and services	Directorate: Traditional Medicines, and administrative fees	9 649
Compensation of employees	Reallocation of funds incorrectly allocated in the 2019 ENE	(6 100)	Machinery and equipment	Directorate: Traditional Medicines	200
	Vacant posts <sup>1</sup>	(134)	<b>Programme 1</b>		<b>6 100</b>
	Realignment of budget structure	(1 759)	Compensation of employees	Reallocation of funds incorrectly allocated in the 2019 ENE	6 100
Machinery and equipment	Office equipment	(100)	<b>Programme 2</b>		<b>134</b>
Shifts within the programme as a percentage of the programme budget		21.1%	Households	Leave gratuities	134
<b>Virements to other programmes as a percentage of the programme budget</b>		<b>0.8%</b>	<b>Programme 6</b>		<b>1 759</b>
			Compensation of employees	Directorate: Traditional Medicines	1 759
			<b>Programme 3</b>		<b>100</b>
			Machinery and equipment	Computer equipment	100

From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
<b>Programme 3</b>		<b>(147 436)</b>	<b>Programme 1</b>		<b>300</b>
Goods and services	Stationery, printing and office supplies	(300)	Goods and services	Travel and subsistence	300
	Accelerating HIV prevention and management <sup>1</sup>	(100 000)	<b>Programme 2</b>		<b>100 000</b>
	Accelerating HIV prevention and management, business and advisory services <sup>1</sup> , and travel and subsistence	(4 027)	Provinces and municipalities	HR capacitation grant <sup>2</sup>	100 000
			<b>Programme 6</b>		<b>4 027</b>
Compensation of employees	Vacant posts <sup>1</sup>	(109)	Goods and services	Administrative fees	4 027
Provinces and municipalities	Human papillomavirus grant <sup>2</sup>	(43 000)	<b>Programme 3</b>		<b>109</b>
			Households	Leave gratuities	109
			<b>Programme 2</b>		<b>43 000</b>
			Provinces and municipalities	HR capacitation grant <sup>2</sup>	43 000
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.6%			
<b>Programme 4</b>		<b>(314)</b>	<b>Programme 4</b>		<b>314</b>
Compensation of employees	Vacant posts <sup>1</sup>	(314)	Households	Leave gratuities	314
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%			
<b>Programme 5</b>		<b>(175 349)</b>	<b>Programme 6</b>		<b>1 300</b>
Goods and services	Agency and support/outsourced services	(1 300)	Goods and services	Administrative fees	1 300
Compensation of employees	Reallocation of funds incorrectly allocated in the 2019 ENE	(800)	<b>Programme 1</b>		<b>800</b>
	Reallocation of funds incorrectly allocated in the 2019 ENE	(3 100)	Compensation of employees	Reallocation of funds incorrectly allocated in the 2019 ENE	800
	Vacant posts <sup>1</sup>	(149)	<b>Programme 2</b>		<b>3 100</b>
			Compensation of employees	Personnel remuneration	3 100
Buildings and other fixed structures	Refurbishment of health facilities <sup>2</sup>	(75 000)	<b>Programme 5</b>		<b>170 149</b>
	Refurbishment of health facilities <sup>2</sup>	(95 000)	Households	Leave gratuities	149
			Goods and services	Hospital beds and linen <sup>2</sup>	75 000
			Machinery and equipment	Hospital beds <sup>2</sup>	95 000
Shifts within the programme as a percentage of the programme budget		0.8%			
Virements to other programmes as a percentage of the programme budget		0.0%			
<b>Programme 6</b>		<b>(1 578)</b>	<b>Programme 6</b>		<b>269</b>
Goods and services	Business and advisory services	(269)	Machinery and equipment	Office furniture	269
Compensation of employees	Reallocation of funds incorrectly allocated in the 2019 ENE	(600)	<b>Programme 2</b>		<b>600</b>
	Vacant posts <sup>1</sup>	(209)	Compensation of employees	Personnel remuneration	600
			<b>Programme 6</b>		<b>709</b>
Machinery and equipment	Laboratory medical equipment	(500)	Households	Leave gratuities	209
			Software and other intangible assets	Laboratory software	500
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%			
<b>Total</b>		<b>(789 776)</b>			<b>789 776</b>

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement.

## Funds shifted between votes – R8.827 million

Programme 6: Health System Governance and Human Resources

R8.827 million has been transferred to the Department of Higher Education and Training for settling costs associated with the medical students' programme at the University of the Witwatersrand, ending in 2020. This programme was commissioned by the Minister of Health in 2014 to provide financial support for bachelor of medicine and bachelor of surgery students from rural areas and quintile one and two schools.

## Declared unspent funds – R346 million

R20 million in unspent funds has been declared on compensation of employees due to vacant posts. Of this amount, R5.6 million is in the *Administration* programme, R13 million is in the *Communicable and Non-communicable Diseases* programme, and R1.4 million is in the *Primary Health Care* programme.

R285 million in unspent funds has been declared on goods and services due to slow spending. Of this amount, R2.2 million is in the *Administration* programme, R240 million is in the *National Health Insurance* programme, R38.9 million is in the *Communicable and Non-communicable Diseases* programme, and R3.9 million is in the *Health Systems Governance and Human Resources* programme.

R30 million in unspent funds has been declared on payments for capital assets due to delayed spending in the health facility revitalisation component of the *national health insurance indirect grant*.

R11 million in unspent funds has been declared on the *human papillomavirus vaccine grant*.

## Expenditure outcome for 2018/19 and actual expenditure for 2019/20

Programme	2018/19					2019/20			
	Adjusted appropriation	Outcome				Adjusted appropriation	Adjusted appropriation/ Total (%)	Actual expenditure	
		Apr 18 - Sep 18	Apr 18 - % of adjusted Sep 18 appropriation	Apr 18 - Mar 19	Apr 18 - % of adjusted appropriation			Apr 19 - Sep 19	Apr 19 - % of adjusted appropriation
R thousand									
Administration	537 146	168 447	31.4	471 683	87.8	660 177	1.3	265 669	40.2
National Health Insurance	1 848 199	191 405	10.4	1 333 991	72.2	2 000 555	3.9	518 103	25.9
Communicable and Non-communicable Diseases	20 714 057	10 470 868	50.5	20 626 825	99.6	22 797 142	44.5	11 368 286	49.9
Primary Health Care	301 736	119 509	39.6	248 090	82.2	220 851	0.4	107 512	48.7
Hospital Systems	22 310 690	10 926 959	49.0	22 130 938	99.2	20 435 241	39.9	10 233 315	50.1
Health System Governance and Human Resources	1 796 546	903 240	50.3	1 783 058	99.2	5 081 197	9.9	2 504 386	49.3
<b>Total</b>	<b>47 508 374</b>	<b>22 780 428</b>	<b>48.0</b>	<b>46 594 585</b>	<b>98.1</b>	<b>51 195 163</b>	<b>100.0</b>	<b>24 997 271</b>	<b>48.8</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>3 222 828</b>	<b>732 590</b>	<b>22.7</b>	<b>2 581 996</b>	<b>80.1</b>	<b>2 502 954</b>	<b>4.9</b>	<b>879 172</b>	<b>35.1</b>
Compensation of employees	828 814	387 323	46.7	793 199	95.7	859 340	1.7	417 915	48.6
Goods and services	2 394 014	345 267	14.4	1 788 797	74.7	1 643 614	3.2	461 257	28.1
<b>Transfers and subsidies</b>	<b>43 280 914</b>	<b>21 852 104</b>	<b>50.5</b>	<b>43 246 973</b>	<b>99.9</b>	<b>47 523 085</b>	<b>92.8</b>	<b>23 877 620</b>	<b>50.2</b>
Provinces and municipalities	41 364 098	20 918 400	50.6	41 364 098	100.0	45 524 108	88.9	22 871 203	50.2
Departmental agencies and accounts	1 719 980	859 806	50.0	1 719 556	100.0	1 822 694	3.6	918 338	50.4
Non-profit institutions	195 909	72 156	36.8	161 167	82.3	175 080	0.3	86 973	49.7
Households	927	1 742	187.9	2 152	232.1	1 203	0.0	1 106	91.9
<b>Payments for capital assets</b>	<b>1 004 632</b>	<b>195 734</b>	<b>19.5</b>	<b>765 616</b>	<b>76.2</b>	<b>1 169 124</b>	<b>2.3</b>	<b>240 479</b>	<b>20.6</b>
Buildings and other fixed structures	544 073	158 688	29.2	591 035	108.6	909 094	1.8	205 077	22.6
Machinery and equipment	460 523	37 046	8.0	174 581	37.9	259 530	0.5	35 402	13.6
Software and other intangible assets	36	–	–	–	–	500	0.0	–	–
<b>Total</b>	<b>47 508 374</b>	<b>22 780 428</b>	<b>48.0</b>	<b>46 594 585</b>	<b>98.1</b>	<b>51 195 163</b>	<b>100.0</b>	<b>24 997 271</b>	<b>48.8</b>



## Expenditure trends for the first half of 2019/20

Total expenditure in 2018/19 was R46.6 billion, 98.1 per cent of the adjusted appropriation for the year. Expenditure in the first half of 2018/19 was R22.8 billion, 48 per cent of the 2018/19 adjusted appropriation, whereas mid-year expenditure in 2019/20 was R25 billion, 48.8 per cent of the adjusted appropriation for the year. Compared to the first half of 2018/19, expenditure over the same period in 2019/20 increased by R2.2 billion, 9.7 per cent. This was mainly due an increase in transfer payments to provinces for grants such as the *HIV, tuberculosis, malaria and community outreach grant* and the *human resources capacitation grant*.

## Departmental receipts

R thousand	2018/19					2019/20				
	Outcome					Budget estimate	Adjusted estimate	Adjusted receipts estimate/Total (%)	Actual receipts	
	Adjusted estimate	Apr 18 - Sep 18	Apr 18 - Sep 18 % of adjusted estimate	Apr 18 - Mar 19	Apr 18 - Mar 19 % of adjusted estimate				Apr 19 - Sep 19	Apr 19 - Sep 19 % of adjusted estimate
<b>Departmental receipts</b>	<b>7 821</b>	<b>2 219</b>	<b>28.4</b>	<b>6 013</b>	<b>76.9</b>	<b>4 044</b>	<b>5 788</b>	<b>100.0</b>	<b>3 999</b>	<b>69.1</b>
Sales of goods and services produced by department	4 614	1 701	36.9	3 572	77.4	2 948	3 024	52.2	1 600	52.9
Sales of scrap, waste, arms and other used current goods	4	1	25.0	1	25.0	1	—	—	—	—
Interest, dividends and rent on land	1 800	343	19.1	1 853	102.9	700	2 500	43.2	2 163	86.5
Transactions in financial assets and liabilities	1 403	174	12.4	587	41.8	395	264	4.6	236	89.4
<b>Total</b>	<b>7 821</b>	<b>2 219</b>	<b>28.4</b>	<b>6 013</b>	<b>76.9</b>	<b>4 044</b>	<b>5 788</b>	<b>100.0</b>	<b>3 999</b>	<b>69.1</b>

## Revenue trends for the first half of 2019/20

Mid-year revenue in 2018/19 was R2.2 million, 28.4 per cent of the 2018/19 adjusted appropriation, whereas revenue in the first half of 2019/20 was R4 million, 69.1 per cent of the adjusted estimate for the year. Compared to the first half of 2018/19, revenue over the same period in 2019/20 increased by R1.8 million, 80.2 per cent, mainly due to interest generated by funds as a result of delays in rolling out upgrade and refurbishment projects.

## Changes to transfers and subsidies, including conditional grants

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

Summary of changes to transfers and subsidies per programme								
R thousand	Appropriation	2019/20					Adjusted appropriation	
		Adjustments appropriation						
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		Total adjustments appropriation
<b>Administration</b>								
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	–	–	288	–	–	–	288	288
Employee social benefits	–	–	288	–	–	–	288	288
<b>National Health Insurance</b>								
<b>Provinces and municipalities</b>								
<b>Provinces</b>								
<b>Provincial revenue funds</b>								
<b>Current</b>	605 696	–	589 288	–	–	–	589 288	1 194 984
National health insurance grant	–	–	289 288	–	–	–	289 288	289 288
Human resources capacitation grant	605 696	–	300 000	–	–	–	300 000	905 696
<b>Households</b>								
<b>Social benefits</b>								
<b>Current</b>	–	–	134	–	–	–	134	134
Employee social benefits	–	–	134	–	–	–	134	134

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

2019/20								
R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Communicable and Non-communicable Diseases								
Provinces and municipalities								
Provinces								
Provincial revenue funds								
Current	211 200	–	(43 000)	–	(11 000)	–	(54 000)	157 200
Human papillomavirus vaccine grant	211 200	–	(43 000)	–	(11 000)	–	(54 000)	157 200
Households								
Social benefits								
Current	–	–	109	–	–	–	109	109
Employee social benefits	–	–	109	–	–	–	109	109
Primary Health Care								
Households								
Social benefits								
Current	–	–	314	–	–	–	314	314
Employee social benefits	–	–	314	–	–	–	314	314
Hospital Systems								
Households								
Social benefits								
Current	–	–	149	–	–	–	149	149
Employee social benefits	–	–	149	–	–	–	149	149
Health System Governance and Human Resources								
Households								
Social benefits								
Current	–	–	209	–	–	–	209	209
Employee social benefits	–	–	209	–	–	–	209	209

**Summary of changes to conditional grants: Provinces**

2019/20								
R thousand	Appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
National Health Insurance	605 696	–	589 288	–	–	–	589 288	1 194 984
National health insurance grant	–	–	289 288	–	–	–	289 288	289 288
Human resources capacitation grant	605 696	–	300 000	–	–	–	300 000	905 696
Communicable and Non-communicable Diseases	22 250 195	–	(43 000)	–	(11 000)	–	(54 000)	22 196 195
Human papillomavirus vaccine grant	211 200	–	(43 000)	–	(11 000)	–	(54 000)	157 200