

Department of Health

Adjustment Budget Summary

Table 10.1: Adjustment Budget Summary

2014/15			
R thousand	Main appropriation	Adjusted appropriation	(Decrease) / Increase
Amount to be appropriated	3 696 293	3 757 988	61 695
<i>of which</i>			-
Current payments	3 125 237	3 076 275	(48 962)
Transfers and subsidies	79 103	105 065	25 962
Payments for capital assets	491 953	576 648	84 695
Payments for financial assets	-	-	-
Direct Charge against the Provincial Fund			
Executing authority	MEC: Department of Health		
Accounting officer	Deputy Director General : Department of Health		

Aim

The aim of the Northern Cape Department of Health is to promote the health of the people of the Northern Cape, by providing quality health care, by means of the District Health System based on the Primary Health Care approach.

Changes to programme purposes, objectives and measures

No changes to programme purposes, objectives and measures were recorded for the 2014/15 financial year.

Adjustment Estimates of Provincial Expenditure 2014

Table 10.2: Adjusted Estimate of Provincial Expenditure

2014/15								
Programme	Main appropriation	Additional appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments	Total adjustment appropriation	
R thousand								
Administration	164 262				(4 300)	850	(3 450)	160 812
District Health Services	1 594 139	13 183			(10 040)	7 620	10 763	1 604 902
Emergency Medical Services	256 040	25 559			(9 810)	1 300	17 049	273 089
Provincial Hospital Services	267 985				(13 750)	1 600	(12 150)	255 835
Central Hospital Services	786 472					4 700	4 700	791 172
Health Sciences	111 113				(2 100)	370	(1 730)	109 383
Health Care Support Services	86 674	2 471				530	3 001	89 675
Health facilities Management	429 608	13 482				30 030	43 512	473 120
Total	3 696 293	54 695			(40 000)	47 000	61 695	3 757 988
Economic classification								
Current payments	3 125 237			(25 962)	(40 000)	17 000	(48 962)	3 076 275
Compensation of employees	1 952 595			26 572	(40 000)	17 000	3 572	1 956 167
Goods and services	1 172 642			(52 534)			(52 534)	1 120 108
Interest and rent on land								
Transfers and subsidies to:	79 103			25 962			25 962	105 065
Provinces and municipalities	8 182			600			600	8 782
Departmental agencies and								
Universities and technikons								
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions	64 130			12 862			12 862	76 992
Households	6 791			12 500			12 500	19 291
Payments for capital assets	491 953	54 695				30 000	84 695	576 648
Buildings and other fixed structures	379 738	13 482		11 300		30 000	54 782	434 520
Machinery and equipment	112 215	41 213		(11 300)			29 913	142 128
Heritage assets								
Specialised military assets								
Biological assets								
Land and sub-soil assets								
Software and other intangible								
Payments for financial assets								
Total	3 696 293	54 695			(40 000)	47 000	61 695	3 757 988

An additional amount of R61.965 million has been provided to the department in the adjustment budget. The above mentioned amount represents roll overs from 2013/14 on conditional grants amounting to R26.665 million, equitable share at R28.030 million, R40 million suspended by Provincial Treasury, R30 million for the adjustments to conditional grants and 17 million for Improvements on Conditions of Service (ICS).

Details of Adjustments to Estimate of Provincial Expenditure 2014

Programme 1: Administration

Table 10.2.1: Programme 1: Administration

Subprogramme	Main appropriation	2014/15 Additional appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments		
R thousand								
Office of the MEC	9 018					50	50	9 068
Management	155 244				(4 300)	800	(3 500)	151 744
Total	164 262				(4 300)	850	(3 450)	160 812
Economic classification								
Current payments	160 952				(4 300)	850	(3 450)	157 502
Compensation of employees	101 299				(4 300)	850	(3 450)	97 849
Goods and services	59 653							59 653
Interest and rent on land								
Transfers and subsidies to:	199							199
Provinces and municipalities								
Departmental agencies and								
Universities and technikons								
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions	105							105
Households	94							94
Payments for capital assets	3 111							3 111
Buildings and other fixed structures								
Machinery and equipment	3 111							3 111
Heritage assets								
Specialised military assets								
Biological assets								
Land and sub-soil assets								
Software and other intangible								
Payments for financial assets								
Total	164 262				(4 300)	850	(3 450)	160 812

Unspent earmarked funds – (R4.300 million)

An amount of R6.200 million was earmarked for capacity building of Supply Chain Management (SCM) in the CFO's office and R2.400 million for the capacity building in the Financial Management unit during the 2014 main budget appropriation. There were delays by the department in regard to human resource processes to complete recruitment, resulting in unutilised allocation amounting to R3.100 million and R1.200 million being respectively suspended by Provincial Treasury.

Other Adjustments – R0.850 million

Improvement on Conditions of Service (ICS)

An amount of R0.850 million is allocated to cater for shortfall on the ICS as per the 2012 three year wage agreement.

The programme's budget was on aggregate reduced by an amount of R3.450 million.

Programme 2: District Health Services

Table 10.2.2: Programme 2: District Health Services

Subprogramme	2014/15							Adjusted appropriation
	Main appropriation	Additional appropriation					Total adjustment appropriation	
R thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments		
District Management	101 613					600	600	102 213
Community Health Clinic Services	334 437				(633)	1 900	1 267	335 704
Community Health Centres	248 628				(2 369)	1 500	(869)	247 759
Community Based Services								
Other Community Services	72 240			1 769		400	2 169	74 409
HIV & AIDS	371 906	13 183		(1 769)		500	11 914	383 820
Nutrition	4 336					20	20	4 356
Coroner Services								
District Hospitals	460 979				(7 038)	2 700	(4 338)	456 641
Total	1 594 139	13 183			(10 040)	7 620	10 763	1 604 902
Economic classification								
Current payments	1 490 155	-	-	(13 962)	(10 040)	7 620	(16 382)	1 473 773
Compensation of employees	879 343			22 216	(10 040)	7 620	19 796	899 139
Goods and services	610 812			(36 178)			(36 178)	574 634
Interest and rent on land	-							
Transfers and subsidies to:	75 638			13 962			13 962	89 600
Provinces and municipalities	7 862			600			600	8 462
Departmental agencies and								
Universities and technikons								
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions	63 390			12 862			12 862	76 252
Households	4 386			500			500	4 886
Payments for capital assets	28 346	13 183					13 183	41 529
Buildings and other fixed structures								
Machinery and equipment	28 346	13 183					13 183	41 529
Heritage assets								
Specialised military assets								
Biological assets								
Land and sub-soil assets								
Software and other intangible								
Payments for financial assets								
Total	1 594 139	13 183			(10 040)	7 620	10 763	1 604 902

Roll over of funds – R13.183 million

The roll over amount of R13.183 million was approved by nation for the Comprehensive HIV/AIDS Grant as committed by the end of March 2014 to be utilised for the procurement of medical equipment.

Virements and shifts

A total amount of R36.178 million was reprioritised by the department from goods and services within Comprehensive HIV/AIDS grant to defray excess of expenditure and fund the implementation of the new generic structure in respect of personnel by R22.216 million. The remaining R13.962 million was shifted to transfers and subsidies. These virements under transfers are necessary to sustain the services rendered by non-profit organisation, cater for arears in transfers to municipalities and unexpected personnel exits.

Unspent earmarked funds – (R10.040 million)

An additional amount of R23.361 million was earmarked for compensation of employees during the main budget of 2014 for the absorption of medical officers and allied workers who completed the community service with the department in December 2013. The funding amounting to R10.040 million was suspended by Provincial Treasury due to underspending by the department.

Other Adjustments – R7.620 million

Improvement on Conditions of Service (ICS)

An amount of R7.620 million is allocated to cater for the Improvement on Conditions of Service (ICS) shortfall as per the three year wage agreement of 2012.

The overall budget of District Health Services was in aggregate increased by R10.763 million.

Programme 3: Emergency Medical Services

Table 10.2.3: Programme 3: Emergency Medical Services

Subprogramme	2014/15							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments	Total adjustment appropriation	
R thousand								
Emergency Transport	256 040	25 559			(9 810)	1 300	17 049	273 089
Total	256 040	25 559	-	-	(9 810)	1 300	17 049	273 089
Economic classification								
Current payments	224 628	-	-	-	(9 810)	1 300	(8 510)	216 118
Compensation of employees	153 846				(9 810)	1 300	(8 510)	145 336
Goods and services	70 782							70 782
Interest and rent on land								
Transfers and subsidies to:	350							350
Provinces and municipalities	320							320
Departmental agencies and	-							
Universities and technikons	-							
Foreign governments and international organisations	-							
Public corporations and private enterprises	-							
Non-profit institutions	-							
Households	30							30
Payments for capital assets	31 062	25 559					25 559	56 621
Buildings and other fixed structures								
Machinery and equipment	31 062	25 559					25 559	56 621
Heritage assets								
Specialised military assets								
Biological assets								
Land and sub-soil assets								
Software and other intangible								
Payments for financial assets								
Total	256 040	25 559			(9 810)	1 300	17 049	273 089

Roll over of funds – R25.559 million

An amount of R25.559 million was allocated to relief budget pressure on capital expenditure resulting from commitments at the end of 2013/14 for the construction of EMS Control Rooms, procurement of emergency vehicles and conversion thereof.

Unspent earmarked funds – R9.810 million

An additional amount of R18.217 million has been earmarked for implementation of two-man crew ambulances for 100 emergency officers to improve the EMS service coverage and a further R1.425 million for the 10 planned patient transport officers. The posts were not filled by the end of September 2014 as the results of delays in human resource processes of which caused Provincial Treasury to suspend an amount of R9.810 million.

Other Adjustments – R7.620 million

Improvement on Conditions of Service (ICS)

An amount of R7.620 million is allocated to cater for the Improvement on Conditions of Service (ICS) shortfall as per the three year wage agreement of 2012.

The programme's budget was reduced by total amount of R12.150 million.

Programme 4: Provincial Hospital Services

Table 10.2.4: Programme 4: Provincial Hospital Services

Subprogramme	Main appropriation	2014/15 Additional appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments		
R thousand								
General Hospitals	209 777				(13 750)	1 200	(12 550)	197 227
TB Hospitals	13 098					100	100	13 198
Psychiatric Hospitals	45 110					300	300	45 410
Total	267 985	-	-	-	(13 750)	1 600	(12 150)	255 835
Economic classification								
Current payments	266 410	-	-	-	(13 750)	1 600	(12 150)	254 260
Compensation of employees	187 149				(13 750)	1 600	(12 150)	174 999
Goods and services	79 261							79 261
Interest and rent on land	-							-
Transfers and subsidies to:	979							979
Provinces and municipalities								
Departmental agencies and								
Universities and technikons								
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions								
Households	979							979
Payments for capital assets	596							596
Buildings and other fixed structures								
Machinery and equipment	596							596
Heritage assets								
Specialised military assets								
Biological assets								
Land and sub-soil assets								
Software and other intangible								
Payments for financial assets								
Total	267 985	-	-	-	(13 750)	1 600	(12 150)	255 835

Unspent earmarked funds – (R13.750 million)

An additional amount of R35.951 million had been earmarked for operationalization of the new Dr Harry Surtie Hospital in Upington during the main budget of 2014. According to the department is difficult to attract and retain skilled health professionals in areas outside Kimberley, of which resulted in an amount of R13.750 million being suspended by Provincial Treasury.

Other Adjustments – R1.600 million

Improvement on Conditions of Service (ICS)

An amount of R1.600 million is allocated to cater for the Improvement on Conditions of Service (ICS) shortfall as per the three year wage agreement of 2012.

The programme's budget was reduced by total amount of R12.150 million.

Programme 5: Central Hospital Services

Table 10.2.5: Programme 5: Central Hospital Services

Subprogramme	2014/15							Adjusted appropriation
	Main appropriation	Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments	Total adjustment appropriation	
R thousand								
Provincial Tertiary Hospital Services	786 472					4 700	4 700	791 172
Total	786 472					4 700	4 700	791 172
Economic classification								
Current payments	764 393	-	-	-	-	4 700	4 700	769 093
Compensation of employees	526 016					4 700	4 700	530 716
Goods and services	238 377							238 377
Interest and rent on land								
Transfers and subsidies to:	1 860							1 860
Provinces and municipalities								
Departmental agencies and								
Universities and technikons								
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions	635							635
Households	1 225							1 225
Payments for capital assets	20 219							20 219
Buildings and other fixed structures	-			11 300			11 300	11 300
Machinery and equipment	20 219			(11 300)			(11 300)	8 919
Heritage assets								
Specialised military assets								
Biological assets								
Land and sub-soil assets								
Software and other intangible								
Payments for financial assets								
Total	786 472					4 700	4 700	791 172

Virements and shifts

The department is upgrading the high care unit at Kimberley Hospital and installing important medical equipment for providing optimal tertiary health service. The fund shift reduces allocation for the machinery and equipment with R11.300 million, while increasing the buildings & other fixed structures with the same amount.

Other adjustments – R4.700 million

Improvement on Conditions of Service (ICS)

An amount of R4.700 million is allocated to cater for the Improvement on Conditions of Service (ICS) shortfall as per the three year wage agreement of 2012.

The programme's budget was adjusted with an additional amount of R4.700 million.

Programme 6: Health Sciences

Table 10.2.6: Programme 6: Health Sciences

Subprogramme	Main appropriation	2014/15 Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments		
R thousand								
Nursing Training College	54 488							54 488
Other Training	33 701				(2 100)	370	(1 730)	31 971
Primary Health Care Training	1 362							1 362
Bursaries	21 562							21 562
Total	111 113				(2 100)	370	(1 730)	109 383
Economic classification								
Current payments	109 393	-	-	(12 000)	(2 100)	370	(13 730)	95 663
Compensation of employees	45 265			-	(2 100)	370	(1 730)	43 535
Goods and services	64 128			(12 000)			(12 000)	52 128
Interest and rent on land	-							-
Transfers and subsidies to:	77			12 000			12 000	12 077
Provinces and municipalities	-							-
Departmental agencies and	-							-
Universities and technikons	-							-
Foreign governments and international organisations	-							-
Public corporations and private enterprises	-							-
Non-profit institutions	-							-
Households	77			12 000			12 000	12 077
Payments for capital assets	1 643	-	-	-	-	-	-	1 643
Buildings and other fixed structures	-							-
Machinery and equipment	1 643							1 643
Heritage assets	-							-
Specialised military assets	-							-
Biological assets	-							-
Land and sub-soil assets	-							-
Software and other intangible	-							-
Payments for financial assets								
Total	111 113	-	-	-	(2 100)	370	(1 730)	109 383

Virements and shifts

The department had budgeted R12 million for the payment of bursaries in the item for "training & staff development" under goods & services, while the new SCOA Version 4 Circular suggests that such payments must be classified as "h/h: bursaries (non-employee)" under transfers to households. The shifting of funds is done to align the budget with the SCOA classification.

Unspent earmarked funds – (R2.100 million)

An amount of R14.939 million has been allocated for the training of 200 auxiliary nurses in the province. The amount of R2.100 million was suspended by Provincial Treasury due to the department only concluding the memorandum of understanding with prospective service providers towards the end of the second quarter.

Other Adjustments – (R0.370 million)

Improvement on Conditions of Service (ICS)

An amount of R0.370 million is allocated to cater for the Improvement on Conditions of Service (ICS) shortfall as per the three year wage agreement of 2012.

The programme's budget was reduced by the total amount of R1.730 million.

Programme 7: Health Care Support Services

Table 10.2.7: Programme 7: Health Care Support Services

Subprogramme	2014/15							Adjusted appropriation
	Main appropriation	Adjustment appropriation					Total adjustment appropriation	
R thousand		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments		
Engineering	18 779					100	100	18 879
Laundries	6 309					50	50	6 359
Orthotic and Prostetic Services	8 408	1 394				20	1 414	9 822
Forensic Services	28 333	1 077				200	1 277	29 610
Medicine Trading Account	24 845					160	160	25 005
Total	86 674	2 471				530	3 001	89 675
Economic classification								
Current payments	83 906					530	530	84 436
Compensation of employees	56 075					530	530	56 605
Goods and services	27 831							27 831
Interest and rent on land								
Transfers and subsidies to:								
Provinces and municipalities								
Departmental agencies and								
Universities and technikons								
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions								
Households								
Payments for capital assets	2 768	2 471					2 471	5 239
Buildings and other fixed structures								
Machinery and equipment	2 768	2 471					2 471	5 239
Heritage assets								
Specialised military assets								
Biological assets								
Land and sub-soil assets								
Software and other intangible								
Payments for financial assets								
Total	86 674	2 471				530	3 001	89 675

Roll overs – R2.471 million

An amount of R2.471 million was approved as the roll over to relief the budget pressure on capital expenditure as the result of commitments for the procurement of forensic vehicles and assistive medical devices at the end of March 2014.

Other adjustments – R0.530 million

Improvement on Conditions of Service (ICS)

An amount of R0.530 million is allocated to cater for the Improvement on Conditions of Service (ICS) shortfall as per the three year wage agreement of 2012.

The programme's budget was adjusted with an additional amount of R3.001 million.

Programme 8: Health Facilities Management

Table 10.2.8: Programme 8: Health Facilities Management

Subprogramme	Main appropriation	2014/15 Adjustment appropriation					Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Declared Savings	Other adjustments		
R thousand								
District Health Services	423 543	13 482		(149 572)			(136 090)	287 453
Provincial Hospital Services	6 065			149 572		30 030	179 602	185 667
Total	429 608	13 482				30 030	43 512	473 120
Economic classification								
Current payments	25 400					30	30	25 430
Compensation of employees	3 602			4 356		30	4 386	7 988
Goods and services	21 798			(4 356)			(4 356)	17 442
Interest and rent on land								
Transfers and subsidies to:								
Provinces and municipalities								
Departmental agencies and								
Universities and technikons								
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions								
Households								
Payments for capital assets	404 208	13 482				30 000	43 482	447 690
Buildings and other fixed structures	379 738	13 482				30 000	43 482	423 220
Machinery and equipment	24 470							24 470
Heritage assets								
Specialised military assets								
Biological assets								
Land and sub-soil assets								
Software and other intangible								
Payments for financial assets								
Total	429 608	13 482				30 030	43 512	473 120

Roll over of funds – R13.482 million

The roll over amount of R13.482 million was approved by National Treasury for Health Facility Revitalisation Grant to address the budget pressures experienced on infrastructure projects as at end March 2014.

Virements and shifts

The department is implementing the generic structure recommended by National Treasury in respect of Infrastructure Units for provincial departments, in order to fully implement the preventative maintenance. The allocation for Consultants and professional services dedicated to Infrastructure planning on goods & services is therefore reduced by R4.356 million, while compensation of employees increased with the same amount.

Other adjustments – R30 million

Conditional Grants Adjustments

An additional amount of R30 million has been allocated under the Health Facility Revitalisation Grant for the construction of Mental Health Hospital in progress.

The programme`s budget was adjusted with an additional amount of R43.512 million.

VIREMENTS AND SHIFTS

Table 10.3: Virements and shifts within a department

FROM			TO		
Programme by Economic classification	R thousand	Motivation	Programme by Economic classification	R thousand	Motivation
Programme 2: District Health Services	(42 719)		Programme 2: District Health Services	42 719	
Current payments	(42 719)	The budget is aligned to the business plan for HIV&Aids as submitted to National Department of Health	Current payments	22 216	The compensation of employees on Comprehensive HIV/AIDS Grant was not sufficiently budgeted.
Goods and services	(42 719)		Compensation of employees	22 216	
			Transfers and Subsidies	20 503	
			Provinces and municipalities	7 141	
			Non-profit institutions	12 862	The transfers to municipalities for Non Profit Organisation was not sufficiently budgeted.
			Households	500	The department had not sufficiently budgeted for unexpected personnel exits from the department.
Percentage of programme budget	-3%		Percentage of programme budget	3%	
Programme 6: Health Sciences & Training	(12 000)		Programme 6: Health Sciences & Training	12 000	
Current payments	(12 000)	The department had budgeted for the payment of bursaries as "training & development" under goods & services, while the SCOA Classification suggests that such payments must be classified as "HH: BURSARIES (NON-EMPLOYEE)" under transfers to households.	Transfers and Subsidies	12 000	The department is correcting the items allocation as per the SCOA Classification suggests that such payments must be classified as "HH: BURSARIES (NON-EMPLOYEE)" under transfers to households. The expenditure was captured according to the new SCOA Classification.
Goods and services	(12 000)		Households	12 000	
Percentage of programme budget	-11%	Funds remain within the programme	Percentage of programme budget	11%	Funds remain within the programme
Programme 8: Health Facilities Management	(4 356)		Programme 8: Health Facilities Management	4 356	
Current payments	(4 356)	The amount is reprioritised to implement the generic structure for Infrastructure as recommended by National Treasury	Current payments	4 356	The department is implementing the generic structure recommended by National Treasury in respect of Infrastructure Units for provincial departments, in order to fully implement the preventative maintenance.
Goods and services	(4 356)		Compensation of employees	4 356	
Payment for financial assets			Payment for financial assets		
Percentage of programme budget	-2%		Percentage of programme budget	2%	

Expenditure for 2013/14 and the preliminary expenditure for 2014/15

Table 10.4: Expenditure for 2013/14 and preliminary expenditure for 2014/15

Programme	2013/14					2014/15			
	Expenditure outcome					Preliminary expenditure			
R thousand	Adjusted appropriation	Apr 2013- Sep 2013	Apr 2013 - Sep 2013 - percentage of adjusted appropriation	Apr 2013 - Mar 2014	Apr 2013 - Mar 2014 - percentage of adjusted appropriation	Adjusted appropriation	Apr 2014 - Sep 2014	Apr 2014 - Sep 2014 - percentage of adjusted appropriation	% change in Expenditure 2013/14 - 2014/15 Apr - Sep
Administration	156 079	103 374	66%	171 648	110%	160 812	132 240	82%	28%
District Health Services	1 547 504	724 292	47%	1 465 610	95%	1 604 902	815 691	51%	13%
Emergency Medical Services	231 802	94 693	41%	199 910	86%	273 089	120 476	44%	27%
Provincial Hospital Services	233 227	99 024	42%	201 082	86%	255 835	150 505	59%	52%
Central Hospital Services	689 386	399 312	58%	739 655	107%	791 172	417 956	53%	5%
Health Sciences	96 344	38 296	40%	86 012	89%	109 383	68 144	62%	78%
Health Care Support Services	34 188	16 959	50%	84 524	247%	89 675	45 896	51%	171%
Health facilities Management	488 458	200 301	41%	453 360	93%	473 120	183 420	39%	-8%
Total	3 476 988	1 676 251	48%	3 401 801	98%	3 757 988	1 934 328	51%	15%
Economic classification									
Current payments	2 840 681	1 383 621	49%	2 814 100	99%	3 076 275	1 631 267	53%	18%
Compensation of employees	1 805 172	869 808	48%	1 786 195	99%	1 956 167	969 177	50%	11%
Goods and services	1 035 509	513 600	50%	1 026 321	99%	1 120 108	661 154	59%	29%
Interest and rent on land		213		1 584			936		339%
Transfers and subsidies to:	54 166	41 023	76%	84 440	156%	105 065	77 096	73%	88%
Provinces and municipalities	7 819	6 312	81%	5 296	68%	8 782	1 868	21%	-70%
Departmental agencies and accounts							4		-100%
Universities and technikon									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	41 472	32 187	78%	41 626	100%	76 992	37 069	48%	15%
Households	4 875	2 524	52%	37 518	770%	19 291	38 155	198%	1412%
Payments for capital assets	582 141	251 607	43%	503 261	86%	576 648	225 965	39%	-10%
Buildings and other fixed structures	437 255	208 015	48%	396 446	91%	434 520	158 471	36%	-24%
Machinery and equipment	144 886	43 592	30%	106 306	73%	142 128	66 150	47%	52%
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets				509			1 344		-100%
Payments for financial assets									
Total	3 476 988	1 676 251	48%	3 401 801	98%	3 757 988	1 934 328	51%	15%

Selected expenditure trend for the first half of the 2014/15 financial year

The expenditure in the first six months of the 2014/15 financial year amounts to R1.934 billion or 51 per cent of the adjusted appropriation of R3.757 billion. The trend of expenditure to the end of the second quarter shows an increased by 15 per cent when comparing the expenditure of 2013/14 financial year.

Programme 1: Administration

Expenditure in programme 1 Administration for the first six months of the current financial year amounts to R132.240 million or 82 per cent of the adjusted budget of R160.812 million. This amount is 28 per cent higher when compared to the expenditure of the same period in the 2013/14 financial year and is largely attributable to claims against the state on medico-legal cases, centralised expenses such as telephone, operating leases, legal fees and audit fees.

Programme 2: District Health Services

Expenditure in District Health Services for the first six months of the current financial year amounts to R815.691 million or 51 per cent of the adjusted budgeted of R1.604 billion. This amount is 13 per cent higher of expenditure when compared to the expenditure of the same period in the 2013/14 financial year.

Programme 3: Emergency Medical Services

Expenditure in Emergency Medical Services for the first six months of the current financial year amounts to R120.476 million or 44 per cent of the adjusted budgeted R273.089 million. This amount is 3 per cent higher when compared to the same period in the 2013/14 financial year. This is attributable to the accruals paid in the 2014/15 financial year.

Programme 4: Provincial Hospital Services

Expenditure in Provincial Hospital Services for the first six months of the current financial year amounts to R150.505 million or 59 per cent of the adjusted budgeted R255.835 million. This amount is 17 per cent higher when compared to the same period in the 2013/14 financial year which is attributable mainly to accruals paid during first quarter.

Programme 5: Central Hospital Services

Expenditure in Central Hospital Services for the first six months of the current financial year amounts to R417.956 million or 53 per cent of the adjusted budgeted R791.172 million. This amount is 5 per cent higher when compared to expenditure of the same period in the 2013/14 financial year.

Programme 6: Health Sciences

Expenditure in Health Services for the first six months of the current financial year amounts to R68.144 million or 62 per cent of the adjusted budgeted R109.383 million. This expended rate is 22 per cent higher when compared to the same period in the 2013/14 financial year.

The plans are in place to take drastic decision of significantly reducing the future bursary intake of students to remain within the allocated budget in 2014/15.

Programme 7: Health Care Support Services

Expenditure in Health Care Support Services for the first six months of the current financial year amounts to R45.896 million or 51 per cent of the adjusted budgeted R89.675 million. This spending higher when compared to the same period in the 2013/14 financial year, due to compliance with the approved budget and programme structure of the Health Sector.

Programme 8: Health Facilities Services

Expenditure in Health Facilities Management for the first six months of the current financial year amounts to R183.420 million or 39 per cent of the adjusted budgeted of R473.120 million, which is 8 per cent lower when compared with the expenditure of the same period in the 2013/14 financial year.

Expenditure analysis per economic classification

Compensation of Employees

The department have spent R969.177 million or 50 per cent of the adjusted budget of R1.956 billion on the first six months of the current financial year, which is 11 per cent higher when compared with the expenditure of the same period in the 2013/14 financial year.

Goods and Services

The department have spent R661.154 million or 59 per cent of the adjusted budgeted of R1.120 billion on the first six months of the current financial year. This expended rate is 29 per cent higher when compared to the expenditure of the same period in the 2013/14 financial year, which is mainly attributable to contractual obligations.

Transfers and Subsidies

The department have spent R77.096 million or 73 per cent of the adjusted budget of R105.065 million on the first six months of the current financial year. This trend significantly recorded at lower rate when compared to the same period in the 2013/14 financial year. This is attributable to an amount not transferred to Sol Plaatjie Municipality as result of provincialisation of municipal clinics by the department.

Payments for capital assets

The department have spent R225.965 million or 39 per cent of the adjusted budgeted R576.648 million at the end of September 2014. The spending trend for the current financial year is lower when compared with the 4 per cent for 2013/14 financial year. This slow spending is mainly attributable infrastructural projects.

Departmental Receipts

Table 10.5: Departmental Receipts

R thousand	2013/14					2014/15			
	Adjusted appropriation	Receipts Outcome				Preliminary Receipts			
		Apr 2013 - Sep 2013	Apr 2013 - Sep 2013 - percentage of adjusted estimate	Apr 2013 - Mar 2014	Apr 2013 - Mar 2014 - percentage of adjusted estimate	Budget estimate	Adjusted estimate	Apr 2014 - Sep 2014	Apr 2014 - Sep 2014 - percentage of adjusted estimate
Departmental Receipts	50 595	21 072	42%	43 163	85%	51 781	53 781	18 492	34%
Tax receipts									
Sales of goods and services other than capital assets	49 281	20 634	42%	39 673	81%	51 781	51 781	18 210	35%
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land									
Sales of capital assets	1 314			1 775	135%		2 000		
Financial transactions in assets and liabilities		438		1 715	0%			282	
Total	50 595	21 072	42%	43 163	85%	51 781	53 781	18 492	34%

Main departmental revenue trends for the first half of 2014/15

The revenue collected at the end of September 2014 amounts to R18.482 million or 34 per cent of the adjusted revenue target of R53.781 million. This collection rate is lower when compared to 42 per cent previously collected in the same period during 2013/14 financial year.

Changes to transfers and subsidies and conditional grants

Summary of changes to transfers and subsidies

Table 10.6: Summary of changes to transfers and subsidies

R thousand	Main appropriation	Additional appropriation				Total adjustment appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virements and shifts	Other adjustments		
Programme 1: Administration							
Economic sphere							
Current	199						199
Provinces and municipalities							
Non-profit institutions	105						105
Households	94						94
Programme 2: District Health Services							
Economic sphere							
Current	75 638			13 962		13 962	89 600
Provinces and municipalities	7 862			600		600	8 462
Departmental agencies and accounts							
Universities and technikons							
Foreign governments and international organisations							
Public corporations and private enterprises							
Non-profit institutions	63 390			12 862		12 862	76 252
Households	4 386			500		500	4 886
Programme 3: Emergency Medical Services							
Capital							
Provinces and municipalities	350						350
Households	320						320
Programme 4: Provincial Hospital Services							
Economic sphere							
Current	979						979
Provinces and municipalities							
Households	979						979
Programme 5: Central Hospital Services							
Economic sphere							
Current	1 860						1 860
Provinces and municipalities							
Non-profit institutions	635						635
Households	1 225						1 225
Programme 6: Health Sciences							
Capital							
Provinces and municipalities	77			12 000		12 000	12 077
Departmental agencies and accounts							
Universities and technikons							
Foreign governments and international organisations							
Public corporations and private enterprises							
Non-profit institutions							
Households	77			12 000		12 000	12 077
Total	79 103			25 962		25 962	105 065

The funds were shifted from current payments to defray excess of expenditure under transfers and subsidies including the corrections of SCOA classification as per circular issued by National Treasury. The movement is attributable to the shortfall and under budgeting for non-profit institutions, payment for exist packages and bursaries payment re-classified from goods and services under transfers and subsidies.

Summary of changes to Conditional Grants

Table 10.7: Summary of changes to conditional grants

R thousand	Main appropriation	Additional appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable / unavoidable	Virement and shifts	Other adjustments	Total adjustment appropriation	
Programme number, name							
Extended Public Works Programme Incentive Grant	2 115					-	2 115
Extended Public Works Programme Social Services Grant	7 337					-	7 337
Forensic Pathology Services Grant	-					-	-
Comprehensive HIV and AIDS Grant	342 789	13 183				13 183	355 972
Health Facility Revitalisation Grant	421 428	13 482			30 000	43 482	464 910
Health Professions Training and Development Grant	76 697					-	76 697
National Tertiary Services Grant	298 727					-	298 727
Nursing College	-					-	-
National Health Insurance Grant	7 000					-	7 000
Total	1 156 093	26 665			30 000	56 665	1 212 758

Comprehensive HIV/AIDS Grant – R13.183 million

An amount of R13.183 million is allocated as roll over to fund the commitments from 2013/14 financial year in respect of procurement of medical equipment.

Health Facility Revitalisation Grant – R43.482 million

An amount of R13.482 million is allocated as roll over to fund the commitments from 2013/14 financial year in respect of infrastructure projects committed by the end of March 2014. A further amount of R30 million is allocated as the conditional grant adjustment for 2014/15 financial year in respect of construction in progress at Mental Health Hospital.