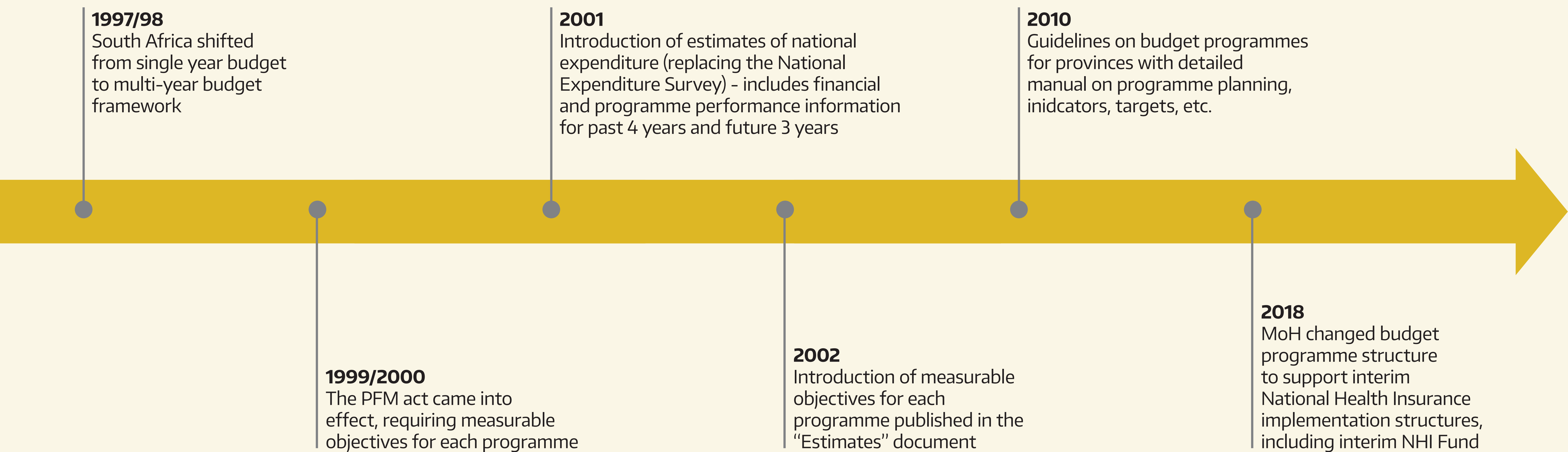




PROGRAMME-BASED BUDGETING FOR HEALTH

EVOLUTION OF BUDGET STRUCTURE REFORM



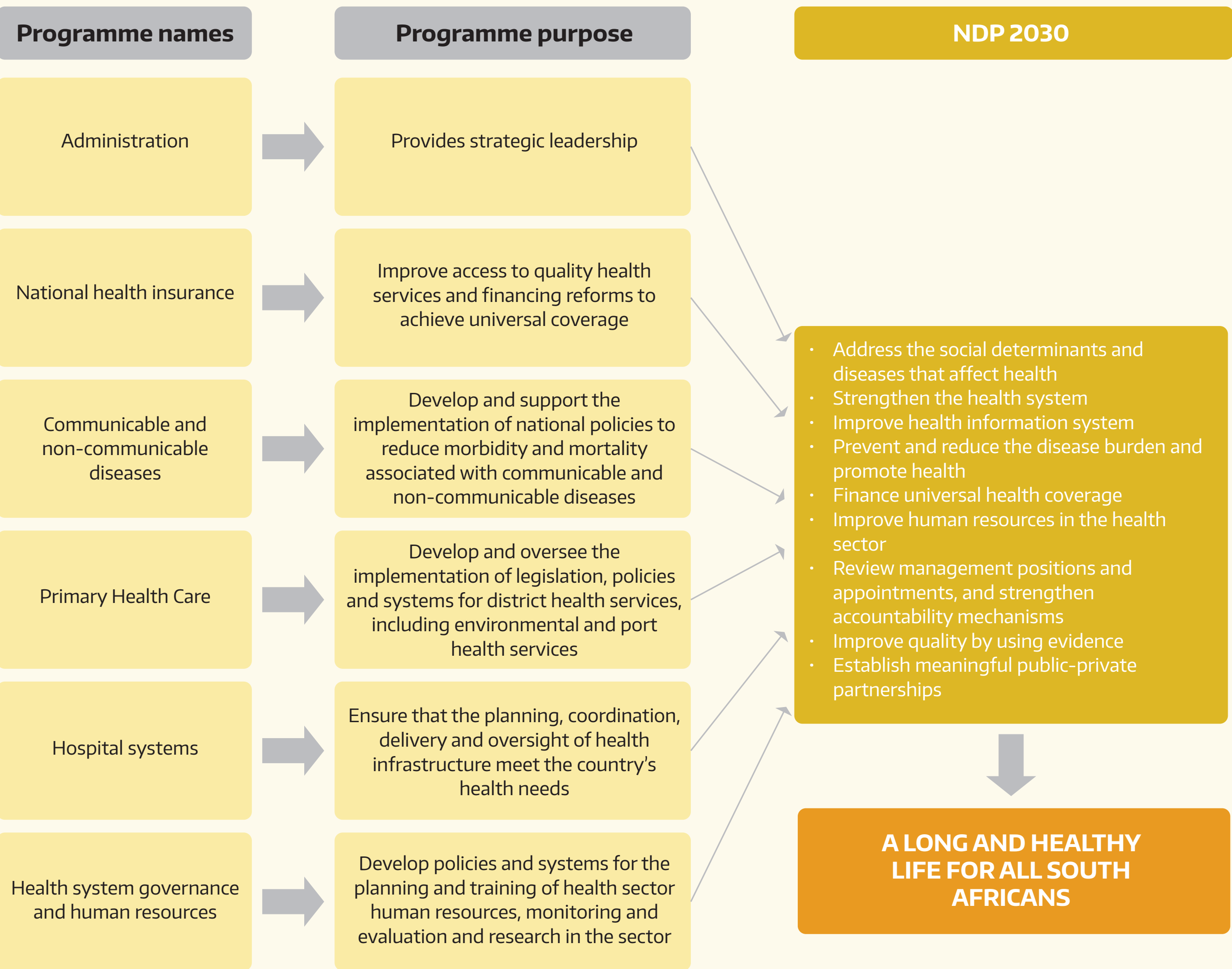
KEY OUTPUTS

- Each programme has formal definitions and objectives, inclusion and exclusion criteria
- Approved structure entered into financial management system and all transactions recorded accordingly
- Once approved, the budget structure is also used for planning and performance targets in Annual Performance Plans, enabling linkage to performance
- Departments can make requests to amend budget structure annually as priorities evolve
- Alignment of programme budget, plans and performance reporting

REMAINING CHALLENGES

- Misalignment budget structure of provincial health departments (8 programmes) and national DOH (6 programmes)
- Insufficient use of programme performance information in allocative decisions
- Allocations are partially reliant on historical expenditure (incremental budgeting)
- Many characteristics of traditional line-item budgeting remain, causing rigidity and inefficiencies (funds released in lump sum tranche for programmes but budget system allocated to specific input items)

PROGRAMME STRUCTURE OF NATIONAL DEPARTMENT OF HEATH



MOVING FORWARD

- Find mechanisms to collect spending information and report on priority areas which are not budget sub-programmes e.g. TB, disability, gender based violence
- Increase decentralised decision making and hold providers accountable for outcomes
- Restructure budget programmes in line with future legislative and administrative developments around National Health Insurance.
- Consider if and how programme budgeting will be implemented on both purchaser and provider sides