ANNUAL PERFORMANCE PLAN
2019/20

OHSC

Office of Health Standards Compliance

Ensuring quality and safety in health care

OFFICE OF HEALTH STANDARDS COMPLIANCE

IMPROVING THE QUALITY OF HEALTHCARE IN SOUTH AFRICA

ANNUAL PERFORMANCE PLAN

For the Fiscal Year 2019/20
[Beginning with 2019/20]

Date of Tabling: 2019

CONTENTS

FOREWORD

On the 2nd February 2018, the Norms and Standards Regulations applicable to different categories of health establishments (HEs) were promulgated to strengthen the mandate of the Office of Health Standards Compliance (OHSC). The norms and standards will come into effect 12 months after the date of promulgation in February 2019. These norms and standards introduce coverage in the compliance inspections in both public and private HEs. Furthermore, the regulations will enable the OHSC to inspect and certify public and private HEs as compliant as well as take enforcement action for persistent non-compliance. The OHSC has set itself an inspection target of 18% (687 of 3816) of public sector health establishments and 6% (24 of 393) of private HEs in 2019/20.

The Health Ombud continued to play a vital role in considering and investigating complaints to ensure that all South Africans receive quality healthcare. The Health Ombud released an investigation report into allegations of patient mismanagement and patient rights violations at the Tower Psychiatric Hospital and Psychosocial Rehabilitation Centre in the Eastern Cape in August 2018.

Educating the public about the functions of the OHSC to ensure increased awareness will remain a priority.

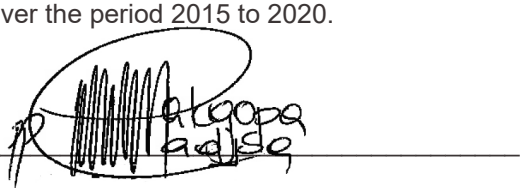
In the past financial year, the OHSC continued to fulfil its legal mandate of promoting and protecting the health and safety of the users of HEs.

Dr Zwelini Mkhize, MP
Minister of Health

OFFICIAL SIGN-OFF

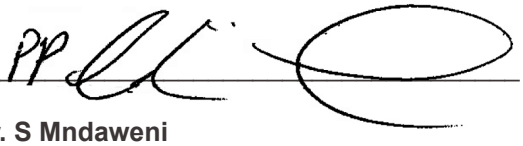
It is hereby certified that the OHSC Annual Performance Plan:

- Was developed by the management of the OHSC under the guidance of the OHSC Board;
- Takes into account all the relevant policies, legislation and other mandates relevant to the Office; and
- Reflects the strategic outcome-oriented goals and revised objectives which the OHSC will endeavour to achieve over the period 2015 to 2020.



Adv. MJ Mantsho
Director: Governance, Strategy and Board Secretariat
Date: 26/06/2019

Mr. J Mapatha
Chief Financial Officer
Date: 26/06/2019



Dr. S Mndaweni
Chief Executive Officer
Date: 26/06/2019

Ms A Montshiwa
OHSC Acting Chairperson (Accounting Authority)
Date: 26/06/2019

Approved by:

Dr. Z Mkhize, MP
Executive Authority, Minister of Health
Date: 26/06/2019

INTRODUCTION

The OHSC has been established in terms of the National Health Act, 2003 (Act No. 61 of 2003) ("the Act") as a juristic person under the oversight control and leadership of a Board appointed by the Minister of Health under the Act. The entity is further governed through the Public Finance Management Act, 1999 (PFMA) and has been listed by the Minister of Finance under Schedule 3A of the PFMA as a public entity.

1. Our Mandate

The main objectives of the OHSC as outlined in the Act are to protect and promote the health and safety of users of health services by;

- Monitoring and enforcing compliance by health establishments with norms and standards prescribed by the Minister in relation to the national health system; and
- Ensuring consideration, investigation and disposal of complaints relating to non-compliance with prescribed norms and standards in a procedurally fair, economical and expeditious manner.

The mandate contributes to two distinct but interdependent regulatory outcomes, which are as follows:

- Reduction in avoidable mortality, morbidity and harm within health establishments through reliable and safe health services; and
- Improvements in the availability, responsiveness and acceptability of health services for users.

2. Our Vision

Our vision is *"Safe and Quality Healthcare for all South Africans."*

3. Our Mission

Our Mission is to "Act independently, impartially, fairly and fearlessly on behalf of the people of South Africa in guiding, monitoring and enforcing healthcare safety and quality standards in health establishments."

4. Our Values and Principles

Our Values are informed by the South African Constitution and Batho Pele Principles, i.e. "Human Dignity; Freedom; Achievement of Equality; and that people must come first."

Our Mandate implies that we shall:

a) Act as the champion of the public and of healthcare users so as to restore credibility and trust;
b) Respect healthcare users and their families as well as healthcare personnel;
c) Push for effectiveness in achieving health system change and social impact;
d) Strive for excellence, innovation and efficiency in our operations;
e) Be truthful, fair and committed to intellectual honesty;
f) Practice transparency, but respect confidentiality;
g) Achieve the highest standards of ethical behaviour, teamwork and collaboration; and
h) Promote professionalism, compassion, diversity and social responsibility.

5. Our Strategic Outcome Oriented Goals

The broad strategies adopted by the Board during the first year of the entity's operation were designed to achieve the legislative mandate and the Strategic Goals the Board has set for the entity. These are summarised as follows:

- Prioritise those establishments that are the weakest and serve the most disadvantaged users in order to shift the system towards safer care, while still recognising excellence wherever it is found;
- Use a progressive and developmental approach to enforcement in order to enhance change at different levels of the system;
- Use the power of information and communication, ranging from awareness and guidance through monitoring, analysis, reporting and publication, as a strategic tool to influence decisions and behaviour;
- Create and effectively use platforms for interaction with key users, providers and leadership groups to foster collaborative efforts towards improved outcomes; and
- Develop the capacity of staff and those who work directly with the Office as agents of change through training, rigorous control of the quality of outputs and ongoing learning.

These broad strategies were further broken down into the following four (4) strategic outcome-oriented goals of the entity:

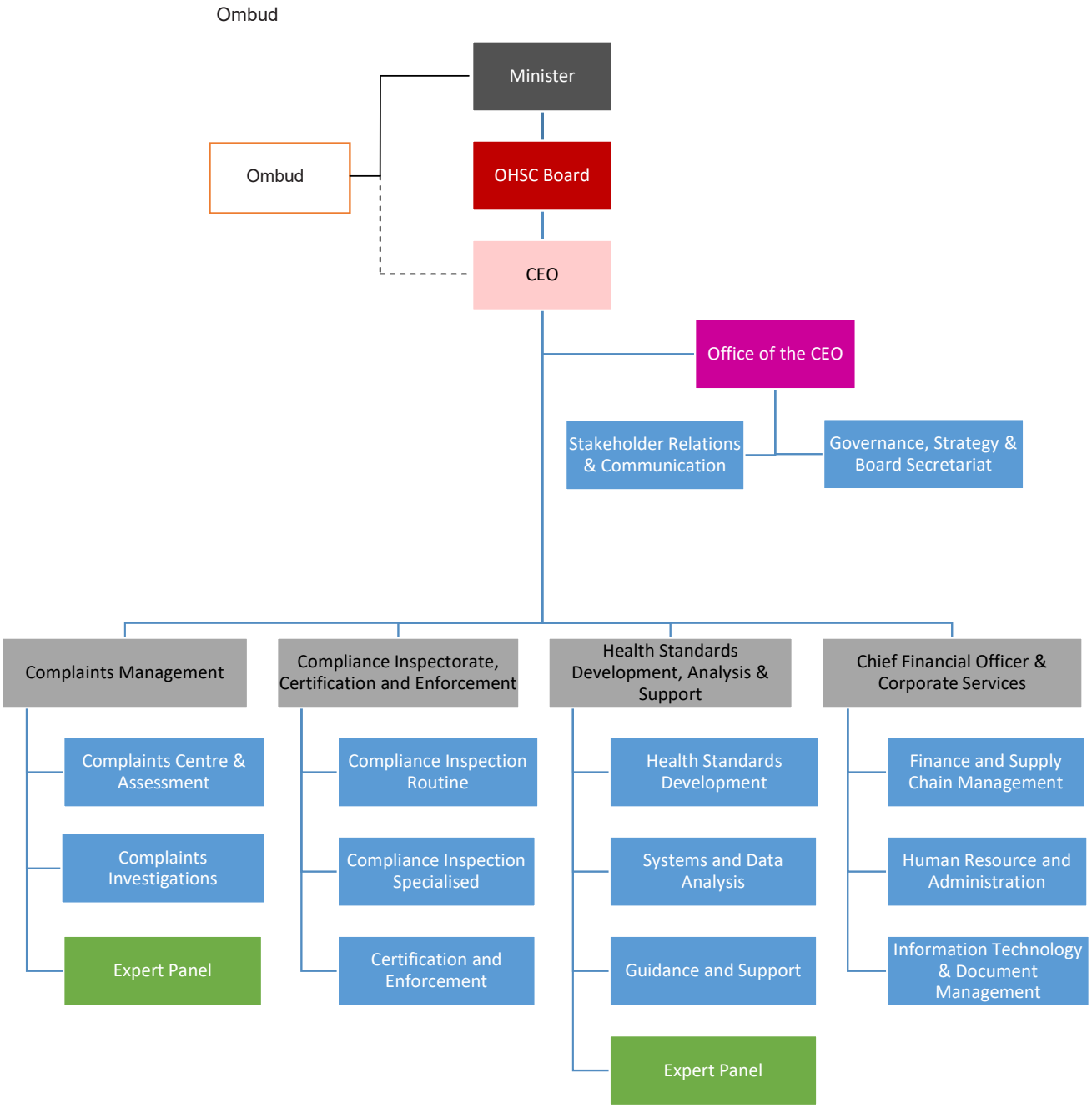
Goal 01	**Publicly demonstrate responsiveness and accountability as an effective and efficient high-performance organisation**
Goal statement	The OHSC is an effective and efficient high-performance organisation that is responsive and publicly accountable
Indicator	Auditor General's annual findings rating

Goal 02	**Inspect Health Establishments (HEs) for compliance with quality norms and standards**
Goal statement	Health establishments comply with norms and standards for health and safety of users and provision of quality, compassionate and responsive care
Indicator	% of compliant HEs certified by the OHSC within 60 days after the final inspection report

Goal 03	**Patient and community complaints regarding poor care and situations of concern are investigated and responded to**
Goal statement	The public is protected through ensuring that poor care and situations of concern are investigated and responded to
Indicator	% of low risk complaints resolved in the Call Centre within two months of lodgement
Indicator	% of user complaints resolved within 30 working days through assessment/screening
Indicator	% of complaints received for investigation and responded to within six months
Indicator	% of Ombud recommendations monitored for implementation within six months of tabling to OHSC

Goal 04	**Progressively improve the quality and safety of healthcare through effective communication and collaboration with users, providers and other relevant stakeholders**
Goal statement	Communicate and work with users, providers and other relevant stakeholders through written agreements of collaboration and information sharing to enhance quality and compliance
Indicator	Number of public awareness initiatives executed

HIGH LEVEL ORGANISATIONAL STRUCTURE



PART A
STRATEGIC OVERVIEW

1. UPDATED SITUATIONAL ANALYSIS

The Annual Performance Plan of the OHSC, in the previous years of operations was mainly focused on putting systems and processes in place which would enable the execution of the mandate as stipulated in the Act.

During the 2018/19 financial year, the Minister of Health promulgated the norms and standards for different categories of Health Establishments into regulations. The OHSC will continue to monitor and enforce compliance by health establishments using the regulated norms and standards in relation to the national health system as a way of protecting and promoting the health and safety of users of health care services. The Office developed the Annual Performance Plan for 2019/20 informed by the revised strategic plan for the Medium-Term Strategic Framework (MTSF) period 2015/16 and which also introduces some revised goals that are informed by the developmental and implementation phase of the entity. The revised goals are in the areas of Complaints Management and the Health Ombud. The revised goals are aligned to the strategic objectives of the entity for the MTSF period and have been reallocated under the relevant Strategic Outcome-Oriented Goals.

These changes will contribute towards the OHSC's continued support to government to achieve its goals and objectives in terms of reducing avoidable mortality, morbidity and harm within health establishments and improving availability, responsiveness and acceptability of health care services for users.

The OHSC continued to monitor the recommendations emanating from the Life Esidimeni report released by the Health Ombud. In August 2018, the Health Ombud released an investigation report into allegations of patient mismanagement and patient rights violations at the Tower Psychiatric Hospital and Psychosocial Rehabilitation Centre in the Eastern Cape. Improving the quality of health care is one of the critical components of the National Development Plan outcome to "strengthen health system effectiveness" through enabling external assessments of compliance with prescribed standards. The promulgated norms and standards and the investigation and resolution of complaints received by the OHSC will contribute towards improving the health system effectiveness.

1.1. Performance delivery environment

The changes in the performance service delivery environment gave rise to the need to adapt and reallocate performance indicators based on the audited performance information results. The promulgation of the Norms and Standards Regulations applicable to different health establishments has paved a way for the inclusion of private sector hospitals and clinics in the key performance indicators of the compliance inspectorate. Within the current funding envelope, the OHSC will allocate inspections in both the public and private sector. This will impact on the percentage of inspections that will be conducted in the public sector health establishments.

The existence of systems and processes in other areas will ensure delivery on the core business and support functions of the entity. The establishment of the monitoring and evaluation unit in 2019 will assist in the management of strategic information to further enhance tracking of implementation and monitoring of the OHSC programme outputs in the public and private sector. The appointment of additional personnel in monitoring and evaluation will also assist in ensuring that the strategic objectives of the OHSC are delivered as planned in the 2019/20 financial year.

1.2. Organisational Environment

The norms and standards regulations were promulgated on 2 February 2018 and will come into operation on 2 February 2019. This necessitates the development of inspection tools aligned to the norms and standards. The training of inspectors had to be aligned to the promulgated norms and standards.

The OHSC has noted an increase in the number of complaints received, as well as the public expectations on the number of health establishments that need to be inspected for compliance with prescribed norms and standards. Due to limited budgetary allocation over the MTEF period, there is limited capacity to increase human resources within the OHSC to increase inspection targets which led to a downward revision of planned targets over the MTEF period

The main changes to the strategic direction that are reflected in the 2019/20 APP are:

- The inclusion of private sector health establishments indicators for compliance;
- The fiscal constraints due to global economic challenges which do not allow the OHSC to expand the staff capacity to increase targets; and
- A clearer understanding of the role of the Office with respect to other regulators and stakeholders.

2. REVISIONS TO LEGISLATIVE AND OTHER MANDATES

There have been no significant changes to the OHSC's legislative and other mandates apart from the publication and promulgation of the norms and standards regulations, the National Health Insurance Bill (NHIB) and the Council for Medical Schemes Amendment Bill. The NHIB requires public and private service providers who deliver health services in terms of National Health Insurance to be in possession of and produce certification of compliance by the OHSC in order to be accredited by the NHI Fund.

3. OVERVIEW OF 2017 BUDGET AND MTEF ESTIMATES

3.1. Expenditure estimates

3.1.1. Table 1: Expenditure Estimates

			Medium-term estimates		
PROGRAMME	**Audited outcomes 2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**
Administration	49 691 934	50 381 055	57 709 952	60 536 306	65 109 931
Compliance Inspection, Certification and Enforcement	48 469 981	49 299 645	48 774 611	51 632 507	52 966 982
Complaints Management and Ombud	16 222 130	17 810 707	17 514 893	18 875 491	20 548 955
Health Standards Design, Analysis and Support	6 931 714	12 186 593	12 471 544	12 925 696	13 263 132
TOTAL	**121 315 759**	**129 678 000**	**136 471 000**	**143 970 000**	**151 889 000**

3.1.2. Table 2: Economic classification

Economic classification			Medium-term estimates		
	Audited outcomes 2017/18	**2018/19**	**2019/20**	**2020/21**	**2021/22**
CURRENT PAYMENTS	**111 620 492**	**126 833 713**	**132 190 068**	**140 300 486**	**148 034 224**
Compensation of employees	74 151 937	85 822 022	92 513 061	98 609 411	106 504 832
Goods and services of which:	37 468 555	41 011 691	39 677 007	41 691 075	41 529 392
Board fees and related costs	1 712 665	1 982 384	1 769 705	1 867 039	1 969 726
Travel,subsistence and accommodation	12 867 439	11 123 992	7 489 558	7 658 796	5 666 722
Training and development	1 322 469	950 400	925 131	986 094	1 065 048
Venues and facilities	432 831	644 160	660 568	823 899	890 714
Catering services	55 724	308 206	143 682	151 584	159 921
Legal fees	3 459 804	1 584 636	1 642 121	1 732 438	1 827 722
Consulting and professional services	(213 823)	3 304 653	3 001 926	2 838 726	2 779 146
Office utensils	4 035	-	-	-	-
Inventory and consumables	884 760	683 125	690 369	727 286	766 178
Publications and marketing	1 186 310	2 587 200	1 568 219	1 654 472	1 745 468
Advertisement	2 943 463	633 600	267 181	267 181	281 341
Relocation expenses	15 383	300 000	150 000	158 250	166 954
Printing and stationery	570 660	591 360	578 190	738 840	834 476
Bank charges	61 215	63 360	66 718	70 254	73 978
Insurance	274 806	300 000	400 000	421 200	443 524
Water, electricity, rates and taxes	387 575	334 620	1 573 209	1 598 649	1 623 184
General maintenance	-	-	600 000	633 000	667 815
Communication costs (telephone and data)	1 354 124	1 334 704	1 433 695	1 512 789	1 595 993
Lease payments	2 408 923	11 459 076	10 762 058	11 616 938	12 539 874
Loss on stolen assets	14 919	-	-	-	-
Postage and courier services	54 064	29 831	31 412	33 139	34 896
Motor vehicle expenses	99 907	8 944	156 320	164 917	173 988
Security services	-	105 900	768 000	810 240	854 803
Cleaning services	131 643	359 040	720 000	759 600	801 378
Depreciation and amortisation	2 826 342	-	-	-	-
Audit costs	1 504 180	1 584 000	1 667 952	1 756 353	1 533 072
IT maintenance and support	3 109 138	738 500	2 610 994	2 709 390	3 033 473
					-
PAYMENTS FOR CAPITAL ASSETS	**9 695 267**	**2 844 287**	**4 280 932**	**3 669 514**	**3 854 776**
Other machinery and equipments	454 264	716 002	925 002	786 444	828 126
Office furniture	85 349	300 000	312 758	100 000	105 300
Motor vehicles	1 056 089	-	-	-	-
Software and intangible assets	7 297 501	1 073 285	2 371 500	2 423 070	2 489 351
Computer equipment	802 065	755 000	671 672	360 000	432 000
TOTAL	**121 315 759**	**129 678 000**	**136 471 000**	**143 970 000**	**151 889 000**

3.2. Relating Expenditure Trends to Strategic Outcome-oriented Goals

Overall

- Over the five-year period covered by the OHSC's revised strategic plan, the OHSC has set itself the inspection targets of health establishments in both the public sector and the private sector. These objectives serve to promote one of the OHSC's principle, which is to act as an advocate for the public and healthcare users to restore credibility and trust. To this end, the OHSC's financial and human resource allocation is geared towards the inspections and optimising of the complaint management systems which serve as the interface with the stakeholders, thus making the OHSC accessible to the public which is the core customer base of the OHSC.

- The total budget allocation for the 2019/20 financial year is expected to be R136.5 million with 58% allocated for the core business activities and increasing to R152 million in the 2021/22 financial year. Although currently short staffed, the OHSC does not anticipate a major increase in the staff complement due to budgetary constraints over the MTEF period. The total staff complement is projected to be 125 over the MTEF period of which more than 70% are staff in the core operations over the same period.

- Overall, the budget allocation increases by an average rate of 5.4%; whereas, compensation for employees increases by an average rate of 8% to cater for cost of living adjustments and notch increases. This pattern has led to a trade-off, wherein there is a gradual decrease in expenditure allocated for goods and services, and payment of capital assets, in order to accommodate the increases in compensation of employees. The expenditure largely affected by the decrease is travel, subsistence and accommodation, which may have significant impact on how the OHSC sets its performance targets. This may affect the OHSC's ability to deliver on its core mandate of inspections, providing guidance to health establishments on norms and standards, as well as complaints investigations.

- The OHSC has been in operation for four years starting in 2015/16. Resources have been allocated for the development and implementation of necessary and critical support systems, which will enhance communication and collaboration between the OHSC and users of health services. These costs have been included under the Administration Programme. One of the largest operational budget items under this programme is the provision for office space to cater for a growing organisation.

Specific budget programmes:

- The *Compliance Inspectorate, Certification and Enforcement* is currently the largest programme of the entity and will require adequate funding to increase performance targets for the inspection of health establishments, as well as progressive enforcement of compliance as dictated by the National Health Act. However, the increase in targets might not be possible as a result of the financial constraints. The function of certification and enforcement is also located in this programme. The promulgation of norms and standards paves the way for the OHSC to inspect both private and public health establishments. The OHSC requires an increase in the number of compliance inspectors to enable the OHSC to deliver on its mandate.

- One of the main investigations undertaken was the Tower Psychiatric Hospital and Psychosocial Rehabilitation Centre in response to allegations of patient mismanagement and patient rights violations in the Eastern Cape Province. This has also contributed to trends and patterns which have shown a significant increase in the number of complaints received by the OHSC. This increase continued to pose a challenge for the OHSC to adequately and expeditiously investigate and dispose of complaints due to an inadequate staff complement. The budget for the *Complaints Management* division caters for the investigation of complaints received from the users of health care services.

- The *Administration Programme* comprises the CEO's Office, Corporate Services, Governance, Strategy and Board Secretariat, Communication and Stakeholder Relations. These provide the critical strategic support services and systems necessary for the OHSC to deliver on its mandate and comply with relevant legislative requirements. The budget in this programme will also fund the requisite systems which will support all functions of the OHSC, including the lease of office space to cater for a growing organisation.

- One of the functions of the OHSC is to advise the Minister of Health on matters relating to the determination of norms and standards to be prescribed for the national health system and the review of such norms and standards. T*he Health Standards Development, Analysis and Support Programme* is responsible for the development of standards and tools, tracking and analysis of health establishment data, and provision of guidance and support to health establishments.

PART B
STRATEGIC OBJECTIVES

4. PROGRAMME 1: ADMINISTRATION

4.1. Programme Purpose

To provide the leadership and administrative support necessary for the OHSC to deliver on its mandate and comply with all relevant legislative requirements

4.2. Strategic Objective Annual Targets for 2019/20

The following tables outline the output targets for the budget year and over the MTEF period for each strategic objective specified for this programme in the Strategic Plan

Strategic Objective	Indicator	Strategic Plan Target	Audited performance	Medium-term targets			
			2017/18	2018/19	2019/20	2020/21	2021/22
Establish a fully functional Office suitably staffed to execute the mandate and goals of the OHSC (1.1)	% of funded staff appointed	90%	93%	90%	90%	90%	90%
Accredit inspectors after successfully completing approved training course (1.2)	% of compliance inspectors accredited	100%	0%	85%	90%	90%	90%
Implement good governance, oversight and accountability through appropriate delegations, including financial management and compliance to PFMA1.3)	Auditor General's annual findings rating	Unqualified audit	Unqualified audit report	Unqualified audit report	Unqualified audit report for 2019/20	Unqualified audit report for 2020/21	Unqualified audit report for 2021/22
Leverage the Information Technology to meet the needs of the OHSC and to deliver OHSC services more efficiently (1.4)	% of IT systems uptime	95%	99%	95%	80%	90%	95%
Create public, provider and stakeholder awareness about the roles and powers of the OHSC (1.5)	# of media and communication events and campaigns conducted annually	18	8	8	12	12	12
Support the mandate and objectives of the OHSC through Memorandum of Understanding (MOUs) with relevant regulators or other organisations (1.6)	# of MOUs signed annually with regulators/other organisations to protect and promote healthcare quality and safety	10	2	4	2	2	2

4.3. Programme Performance Indicators and Annual Targets for 2017/18

The following table sets out the annual performance targets for the programme using indicators as identified.

Programme Performance Indicator	Strategic Plan Target	Audited performance	Medium-term targets			
		2017/18	2018/19	2019/20	2020/21	2021/22
% of funded staff appointed	90%	93%	90%	90%	90%	90%
% of compliance inspectors accredited	100%	0%	85%	90%	90%	90%
Auditor General's annual findings rating	Unqualified audit	Unqualified audit report	Unqualified audit report	Unqualified audit report for 2019/20	Unqualified audit report for 2020/21	Unqualified audit report for 2021/22
% of IT systems uptime	95%	99%	95%	80%	90%	95%
# of media and communication events and campaigns conducted annually	18	8	8	12	12	12
# of MOUs signed annually with regulators/other organisations to protect and promote healthcare quality and safety	10	2	4	2	2	2

4.4. Reconciling Performance Targets with the Budget and MTEF

Expenditure Estimates: Programme 1: Administration

Economic Classification			Medium-term estimates		
	Audited outcomes 2017/18	2018/19	2019/20	2020/21	2021/22
CURRENT PAYMENTS	**39 996 667**	**47 536 768**	**53 429 020**	**56 866 792**	**61 255 155**
Compensation of employees	18 843 548	20 887 478	24 061 375	25 486 050	27 826 957
Goods and services of which:	21 153 119	26 649 290	29 367 645	31 380 742	33 428 198
Board fees and related costs	1 712 665	1 982 384	1 769 705	1 867 039	1 969 726
Travel,subsistence and accommodation	424 595	642 582	520 317	521 541	561 226
Training and development	1 322 469	950 400	925 131	986 094	1 065 048
Venues and facilities	258 646	168 960	169 020	177 816	187 096
Catering services	31 688	47 892	49 571	52 297	55 173
Legal fees	-	584 636	589 121	621 523	655 707
Consulting and professional services	(420 478)	1 456 230	1 405 537	1 632 785	1 880 779
Office utensils	830	-	-	-	-
Inventory and consumables	880 052	583 341	585 296	616 434	649 229
Advertising	2 943 463	633 600	267 181	267 181	281 341
Publications and marketing	1 186 310	2 587 200	1 568 219	1 654 472	1 745 468
Relocation expenses	15 383	300 000	150 000	158 250	166 954
Printing and stationery	570 660	591 360	578 190	738 840	834 476
General maintenance	-	-	600 000	633 000	667 815
Bank charges	61 215	63 360	66 718	70 254	73 978
Insurance	274 806	300 000	400 000	421 200	443 524
Water, electricity, rates and taxes	387 575	334 620	1 573 209	1 598 649	1 623 184
Communication costs (telephone and data)	1 354 124	1 334 704	1 433 695	1 512 789	1 595 993
Lease payments	2 408 923	11 261 805	10 762 058	11 616 938	12 539 874
Security services	-	105 900	768 000	810 240	854 803
Loss on stolen of assets	14 919	-	-	-	-
Motor vehicle expenses	99 907	8 944	156 320	164 917	173 988
Postage and courier services	54 064	29 831	31 412	33 139	34 896
Cleaning services	131 643	359 040	720 000	759 600	801 378
Audit costs	1 504 180	1 584 000	1 667 952	1 756 353	1 533 072
Depreciation and amortisation	2 826 342	-	-	-	-
IT maintenance and support	3 109 138	738 500	2 610 994	2 709 390	3 033 473
PAYMENTS FOR CAPITAL ASSETS	**9 695 267**	**2 844 287**	**4 280 932**	**3 669 514**	**3 854 776**
Other machinery and equipments	454 264	716 002	925 002	786 444	828 126
Office furniture	85 349	300 000	312 758	100 000	105 300
Motor vehicles	1 056 089	-	-	-	-
Software and intangible assets	7 297 501	1 073 285	2 371 500	2 423 070	2 489 351
Computer equipment	802 065	755 000	671 672	360 000	432 000
TOTAL	**49 691 934**	**50 381 055**	**57 709 952**	**60 536 306**	**65 109 931**

PERFORMANCE AND EXPENDITURE TRENDS

The budget estimates for the Administration Programme increased from R50.3 million in 2018/19 to R65 million in 2021/22 to enable the Office to meet its strategic objectives.

The large budget items within this Programme are:

- The implementation of the approved Communication and Stakeholder Relations Strategy to increase the OHSC's brand visibility and public awareness.
- The Board and related costs to enable adequate corporate governance and oversight with required additional expertise as may be needed.
- Support functions such as rental of office premises, audit costs, training and development, telephone, information technology maintenance, as well as advertising for both procurement and recruitment.
- Requisite tools of trade for the entire Office.

PROGRAMME 2: COMPLIANCE INSPECTORATE, CERTIFICATION AND ENFORCEMENT

5.1. Programme Purpose

To manage the inspection of health establishments in order to assess compliance with national health system's norms and standards as prescribed by the Minister, certify health establishments as compliant or non-compliant with prescribed norms and standards and take enforcement action against non-compliant health establishments.

5.2. Strategic Objective Annual Targets for 2019/20

The following tables outlines the output targets for the budget year and over the MTEF period for each strategic objective specified for this programme in the Strategic Plan.

Strategic Objective	Indicator	Strategic Plan Target	Audited performance	Medium-term targets			
			2017/18	2018/19	2019/20	2020/21	2021/22
Inspect regulated (public and private) health establishment for compliance with prescribed norms and standards at least every 4 years (2.1)	# and % of public sector health establishment inspected annually by the OHSC	20%	24,18	19% (725 of 3816)	18 (687of 3816)	18 % (687 of 3816)	18 % (687of 3816)
	# and % of private sector health establishment inspected annually by the OHSC	30%	-	25% (92 of 369)	6% (24 of 393)	6 % (24 of 393)	6% (24 0f 393)
Certify HEs that are compliant with prescribed norms and standards (2.2)	Procedures for certification process developed	Certification procedures developed	Draft certification procedures developed	-	Certification procedures developed and finalised	Certification procedures implemented	Certification procedures implemented
	% compliant HEs certified within 60 days after the final inspection report	100%	-	-	100%	100%	100%
Effect enforcement action against persistently non-compliant HEs (2.3)	Procedures for timely enforcement action developed	Enforcement procedures developed	Draft enforcement procedures developed	-	Enforcement procedures developed and Finalised	Enforcement procedures implemented	Enforcement procedures implemented
	% persistently non-compliant health establishments for which enforcement action is initiated within 10 days from date of receipt of t re- inspection report	100%	-	-	100%	100%	100%
Publish information about compliance status of HE with norms and standards (2.4)	# of reports on inspections conducted, remedial recommendations issued and compliance status of health establishments (annual inspection report)	5	1	1	1	1	1

5.3. Programme Performance Indicators and Annual Targets for 2019/20

The following table sets out the annual performance targets for the programme using indicators as identified

Programme Performance Indicator	Strategic Plan Target	Audited performance	Medium-term targets			
		2017/18	2018/19	2019/20	2020/21	2021/22
# and % of public sector HE inspected annually by the OHSC	20%	24,18	19% (725 of 3816)	18% (687 of 3816)	18 % (687 of 3816)	18% (687 of 3816)
# and % of private sector HE inspected annually by the OHSC	30%	-	25% (92 of 369)	6% (24 of 393)	(6%) (24 of 393)	6% (24 of 393)
Procedures for certification process developed	Certification procedures developed	Draft certification procedures developed	-	Certification procedures developed and finalised	Certification procedures implemented	Certification procedures implemented
% of compliant health establishments certified by the OHSC within 60 days after the final inspection report	100%	-	-	100%	100%	100%
Procedures for timely enforcement action developed and implemented	Enforcement procedures developed	Draft enforcement procedures developed	-	Enforcement procedures developed and finalised	Enforcement procedures implemented	Enforcement procedures implemented
% persistently non-compliant health establishments for which enforcement action is initiated within 10 days from date of receipt of re-inspection report	100%	-	-	100%	100%	100%
# of reports on inspections conducted, remedial recommendations issued and compliance status of health establishments (annual inspection report)	5	1	1	1	1	1

5.4. Reconciling Performance Targets with the Budget and MTEF

Expenditure Estimates: Programme 2: Compliance Inspectorate, Certification and Enforcement.

Economic classification			Medium-term estimates		
	Audited outcomes 2017/18	**2018/19**	**2019/20**	**2020/21**	**2021/22**
CURRENT PAYMENTS	**48 469 981**	49 299 645	48 774 611	51 632 507	52 966 982
Compensation of employees	36 499 158	40 351 028	42 700 206	45 694 742	49 126 948
Goods and services of which:	11 970 823	8 948 617	6 074 405	5 937 765	3 840 034
Travel,subsistence and accommodation	11 906 592	8 642 047	5 826 868	5 676 613	3 564 519
Venues and facilities	51 850	-	24 719	26 079	27 513
Consulting and professional services	(8 366)	105 600	111 197	117 313	123 765
Office utensils	2 227	-	-	-	-
Catering services	16 547	143 425	51 027	53 833	56 794
Inventory and consumables	1 973	57 544	60 594	63 927	67 443
TOTAL	**48 469 981**	**49 299 645**	**48 774 611**	**51 632 507**	**52 966 982**

PERFORMANCE AND EXPENDITURE TRENDS

- This is the biggest division driven by the staff numbers required to ensure on-the-ground inspection coverage of all health establishments across the country.
- The budget allocation has gone in large part into funding the number of inspectors to initiate inspections of both public and private health establishments, which are needed in order to contribute to the objective of enhancing and enforcing compliance.
- The inclusion of the private sector health establishments will come with all the requirements for the inspection teams to function in terms of travel costs, subsistence and accommodation.

6. PROGRAMME 3: COMPLAINTS MANAGEMENT AND OMBUD*

6.1. Programme Purpose

To consider, investigate and dispose of complaints relating to non-compliance with prescribed norms and standards in a procedurally fair, economical and expeditious manner. **Ombud functions integrated into Strategic objectives and indicators as functionally Ombud is located with the Office [NHAA S 81 (3) (b) and uses staff of the Office NHAA S 81 (3) (c)].*

6.2. Strategic Objective Annual Targets for 2019/20

The following tables outlines the output targets for the budget year and over the MTEF period for each strategic objective specified for this programme in the Strategic Plan.

Strategic Objective	Indicator	Strategic Plan Target	Audited performance	Medium-term targets			
			2017/18	2018/19	2019/20	2020/21	2021/22
An accessible mechanism by which Complaints can be lodged with the OHSC is in place (3.1)	Fully functional Call Centre for receiving complains	Call Centre functional	-	-	-	-	-
Investigate and respond to complaints about non-compliance with norms and standards effectively (3.2)	% low risk complaints resolved in the Call Centre within two months of lodgement	N/A	New	50%	60%	75%	80%
	% of user complaints resolved within 30 working days through assessment/screening	N/A	New	50%	30%	45%	55%
	% complaints lodged with the OHSC investigated and responded to within 6 months	80%	38.2%	80%	-	-	-
	% complaints received for investigation and responded to within 6 months	N/A	New	-	40%	45%	50%
Issue findings and recommendations about complaints of non-compliance with prescribed norms and standards within six months (3.3)	System and procedures for investigation of complaints set up	System set up and functional	-	-	-	-	-
	% of investigation finalised within 6 months by the Ombud	80%	-	80%	-	-	-
Communicate and monitor recommendations made by the Ombud (3.4)	Procedures for communication and monitoring of Ombud recommendations set up and functional	System set up and functional	-	-	-	-	-
	% of Ombud recommendations monitored for implementation by health establishment within six months of tabling to OHSC	80%	-	80%	-	-	-
	% of Ombud recommendations monitored for implementation within six months of tabling to OHSC	N/A	New	-	85%	95%	100%

6.3. Programme Performance Indicators and Annual Targets for 2019/20

The following table sets out the annual performance targets for the programme using indicators as identified.

Programme Performance Indicator	Strategic Plan Target	Audited performance	Medium-term targets			
		2017/18	2018/19	2019/20	2020/21	2021/22
Fully functional Call Centre for receiving complains	Call Centre functional	-	-	-	-	-
% low risk complaints resolved in the Call Centre within two months of lodgement	N/A	New	50%	60%	75%	80%
% of user complaints resolved within 30 working days through assessment/screening	N/A	New	50%	30%	45%	55%
% complaints lodged with the OHSC investigated and responded to within 6 months	80%	38.2%	80%	-	-	-
% complaints received for investigation and responded to within 6 months	N/A	New	-	40%	45%	50%
System and procedures for investigation of complaints set up	System set up and functional	-	-	-	-	-
% of investigation finalised within 6 months by the Ombud	80%	-	80%	-	-	-
Procedures for communication and monitoring of Ombud recommendations set up and functional	System set up and functional	-	-	-	-	-
% of Ombud recommendations monitored for implementation by health establishment within six months of tabling to OHSC	80%	-	80%	-	-	-
% of Ombud recommendations monitored for implementation within six months of tabling to OHSC	N/A	New	-	85%	95%	100%

6.4. Reconciling Performance Targets with the Budget and MTEF

Expenditure estimates: Programme 3: Complaints Management and Ombud Budget.

Economic classification			Medium-term estimates		
	Audited outcomes 2017/18	**2018/19**	**2019/20**	**2020/21**	**2021/22**
CURRENT PAYMENTS	**16 222 130**	17 810 707	17 514 893	18 875 491	20 548 955
Compensation of employees	12 481 475	14 827 972	15 406 273	16 373 710	17 883 476
Goods and services of which:	3 740 655	2 982 735	2 108 619	2 501 781	2 665 479
Travel,subsistence and accommodation	94 484	1 161 600	428 690	707 706	746 630
Venues and facilities	-	52 800	55 598	58 656	61 882
Catering services	1 944	106 424	32 065	33 828	35 689
Agency and support outsourced	-	-	150 000	180 000	216 000
Office utensils	680	-	-	-	-
Legal fees	3 459 804	1 000 000	1 053 000	1 110 915	1 172 015
Consulting and professional services	181 009	422 400	344 787	363 750	383 757
Inventory and consumables	2 734	42 240	44 479	46 925	49 506
TOTAL	**16 222 130**	**17 810 707**	**17 514 893**	**18 875 491**	**20 548 955**

PERFORMANCE AND EXPENDITURE TRENDS

- The budget of the Complaints Management division is expected to increase from R17.8 million in 2018/19 to R20.5 million in 2021/22.
- Provision has been made for expert panels to assist in investigations where appropriate, as well as legal fees to cater for potential challenges related to the findings on investigations.
- The budget will also enable the functioning of the proper channels for the complaints system, including assessment and referral and communication of findings including the implementation of recommendations of the Ombud emanating from complaints investigations.
- The budget for compensation of employees is not proportionate with the increase in the number of complaints observed over a four-year period of operation.

7. PROGRAMME 4: HEALTH STANDARDS DESIGN, ANALYSIS AND SUPPORT

7.1. Programme Purpose

To provide high-level technical, analytical and educational support to the work of the Office in relation to the research, development and analysis of norms and standards; and support; capacity building and establishment of communication networks with stakeholders.

7.2. Strategic Objective Annual Targets for 2019/20

The following table outlines the output targets for the budget year and over the MTEF period for each strategic objective specified for this programme in the Strategic Plan.

Strategic Objective	Indicator	Strategic Plan Target	Audited performance	Medium-term targets			
			2017/18	2018/19	2019/20	2020/21	2021/22
All health establishments obligated or regulated by prescribed norms and standards to submit annual returns before the end of March each year for purposes of monitoring and inspections (4.1)	System for submission of annual returns by regulated health establishments set up and functional	System set up and Functional	System of submission for annual returns set up and functional	-	-	-	-
	% of annual returns analysed within 60 days to determine the profiles of public HEs	80%	-	80%	80%	80%	80%
	% of annual returns analysed within 60 days to determine the profiles of private sector HEs	N/A	New	-	80%	80%	80%
Recommend norms and standards for different types of HEs for submission to the Minister for promulgation (4.2)	Number of norms and standards recommended to the Minister annually.	3	1	1	-	1	1
Provide guidance on compliance with norms and standards for regulated HEs (4.3)	# of relevant authorities responsible for support to HEs that have received guidance for compliance with norms and standards	14	8	12	14	14	14
Monitor early-warning reports of situations of potential risk from HEs or users to prioritise inspections (4.4)	Fully functional surveillance system that reports on potential risks to compliance	System set up and functional	System in development phase	System for data collection and surveillance set up	System for data collection and surveillance set up and functional	-	-
	% of health establishments identified as high risk that are referred to the appropriate division/unit within OHSC	100%	100%	100%	100%	100%	100%

7.3. Programme Performance Indicators and Annual Targets for 2019/20

The following table sets out the annual performance targets for the programme using indicators as identified.

Programme Performance Indicator	Strategic Plan Target	Audited performance	Medium-term targets			
		2017/18	2018/19	2019/20	2020/21	2021/22
System for submission of annual returns by health establishments set up	System set up & functional	System of submission for annual returns set up and functional	-	-	-	-
% of annual returns analysed within 60 days to determine the profiles of Public HEs	80%	-	80%	80%	80%	80%
% of annual returns analysed within 60 days to determine the profiles of private sector HEs	N/A	New	-	80%	80%	80%
Number of norms and standards recommended to the Minister annually	3	1	1	-	1	1
# of relevant authorities responsible for supporting HEs that have received guidance for compliance with norms and standards	14	8	12	14	14	14
Fully functional surveillance system that reports on potential risks to compliance	System set up and functional	System in development phase	System for data collection and surveillance set up	System for data collection and surveillance set up and functional	-	-
% of health establishments identified as high risk that are referred to the appropriate division/unit within OHSC or the Minister for action to be taken	100%	100%	100%	100%	100%	100%

7.4. Reconciling Performance Targets with the Budget and MTEF

Expenditure Estimates – Programme 4: Health Standards Design, Analysis and Support Budget.

Economic classification			Medium-term estimates		
	Audited outcomes 2017/18	**2018/19**	**2019/20**	**2020/21**	**2021/22**
CURRENT PAYMENTS	**6 931 714**	**12 186 593**	**12 471 544**	**12 925 696**	**13 263 132**
Compensation of employees	6 327 756	9 755 544	10 345 206	11 054 909	11 667 452
Goods and services of which:	603 958	2 431 049	2 126 338	1 870 787	1 595 680
Travel,subsistence and accommodation	441 767	677 762	713 683	752 936	794 347
Venues and facilities	122 335	422 400	411 231	561 348	614 222
Office utensils	299	-	-	-	-
Catering services	5 545	10 465	11 020	11 626	12 265
Consulting and professional services	34 012	1 320 422	990 405	544 877	174 845
TOTAL	**6 931 714**	**12 186 593**	**12 471 544**	**12 925 696**	**13 263 132**

PERFORMANCE AND EXPENDITURE TRENDS

- The main budget item is the remuneration of employees in view of the division's plans to conduct a review of and develop new norms and standards, and measurement tools. This will also include additional work in terms of guidance, support and research at both national and provincial levels.
- The review of the norms and standards, coupled with guidance and support at national and provincial levels, necessitates budgetary provision for increased travelling and accommodation provisions.
- Additional external technical expertise and input will be required the development of measurement tools for the norms and standards.

8. QUARTERLY TARGETS PER PROGRAMME

8.1. Programme 1: Administration

The following table sets out the quarterly targets for the unit performance indicators identified above.

Programme Performance Indicator	Reporting period	Annual target	Quarterly targets			
			1st	2nd	3rd	4th
% of funded staff appointed	Quarterly	90%	90%	90%	90%	90%
% of compliance inspectors accredited	Annual	90%	-	-	-	90%
Auditor General's annual findings rating	Annual	Unqualified audit for 2019/20	-	-	-	Unqualified audit for 2019/20
% of IT systems uptime	Quarterly	80%	80%	80%	80%	80%
# of media and communication events and campaigns conducted annually	Quarterly	12	3	3	3	3
# of MOUs signed annually with regulators/other organisations to protect and promote healthcare quality and safety	Annual	2	-	1	-	1

8.2. Programme 2: Compliance Inspectorate, Certification and Enforcement

The following table sets out the quarterly targets for the unit performance indicators identified above.

Programme Performance Indicator	Reporting period	Annual target	Quarterly targets			
			1st	2nd	3rd	4th
# a of public sector clinics, CHCs and hospitals inspected annual/y by the OHSC	Quarterly	18%	5.8% (224 of 3816)	8.3% (319 of 3816)	1.5% (60 of 3816)	2.4% (84 of 3816)
# of private sector health establishment inspected annually by the OHSC	Quarterly	6 %	-	-	3% (12 of 393)	3% (12 of 393)
Procedures for certification process developed and implemented	Quarterly	Certification procedures developed and finilised	Certification procedures published	Certification procedures implemented	Certification procedures implemented	Certification procedures implemented
% of compliant HEs certified within 60 days by the OHSC after the final inspection report.	Quarterly	100%	-	-	100%	100%
Procedures for timely enforcement action developed and implemented	Quarterly	Enforcement procedures developed and finilised	Enforcement procedures published	Enforcement procedures implemented	Enforcement procedures implemented	Enforcement procedures implemented
% of persistently non-compliant health establishments for which enforcement action is initiated within 10 days from date of receipt of re-inspection report	Quarterly	100%	-	-	100%	100%
# of reports on inspections conducted, remedialrecommendations issued and compliance status of health establishments (annual inspection report)	Annual	1	-	-	-	1

8.3. Programme 3: Complaints Management and Ombud

The following table sets out the quarterly targets for the unit performance indicators identified above.

Programme Performance Indicator	Reporting period	Annual target	Quarterly targets			
			1st	2nd	3rd	4th
% low risk complaints resolved in the Call Centre within two months of lodgement	Quarterly	60%	60%	60%	60%	60%
% of user complaints resolved within 30 working days through assessment/screening	Quarterly	30%	30%	30%	30%	30%
% complaints received for investigation and responded to within 6 months	Quarterly	40%	40%	40%	40%	40%
% of Ombud recommendations monitored for implementation within six months of tabling to OHSC	Quarterly	85%	85%	85%	85%	85%

8.4. Programme 4: Health Standards Design, Analysis and Support (HSDAS)

The following table sets out the quarterly targets for the unit performance indicators identified above.

Programme Performance Indicator	Reporting period	Annual target	Quarterly targets			
			1st	2nd	3rd	4th
System for submission of annual returns by regulated health establishments set up and functional	Annually	-	-	-	-	-
% of annual returns analysed within 60 days to determine the profiles of public HEs.	Annually	80%	-	-	-	80%
% of annual returns analysed within 60 days to determine the profiles of private HEs	Annually	80%	-	-	-	80%
Number of norms and standards recommended to the Minister annually.	Annually	-	-	-	-	-
# of relevant authorities responsible for supporting health establishments that have received guidance for compliance with norms and standards.	Quarterly	14	2	4	4	4
Fully functional surveillance system that reports on potential risks to compliance	Quarterly	System for data collection and surveillance setup and functional	-	-	-	System for data collection and surveillance setup and functional
% of health establishments identified as high risk that are referred to the appropriate division/unit within OHSC	Quarterly	100%	100%	100%	100%	100%

PART C
LINKS TO OTHER PLANS

9. THERE ARE NO LINKS TO OTHER PLANS OR ENVISAGED CAPITAL INVESTMENTS AT THIS STAGE.

PART D

ANNEXURES

10. ANNEXURE 1: BUDGET PROGRAMME SUMMARY: COSTING FOR ENE 2019

			Medium-term estimates		
PROGRAMME	**Audited outcomes 2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**
Administration	49 691 934	50 381 055	57 709 952	60 536 306	65 109 931
Compliance Inspection, Certification and Enforcement	48 469 981	49 299 645	48 774 611	51 632 507	52 966 982
Complaints Management and Ombud	16 222 130	17 810 707	17 514 893	18 875 491	20 548 955
Health Standards Design, Analysis and Support	6 931 714	12 186 593	12 471 544	12 925 696	13 263 132
TOTAL	**121 315 759**	**129 678 000**	**136 471 000**	**143 970 000**	**151 889 000**

11. ANNEXURE 2: TECHNICAL INDICATOR DESCRIPTION SHEET

Indicator Name	Short Definition	Purpose / Importance	Source	Calculation Method	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	Baseline 2017/18	Desired Performance	Responsibility
Auditor General's annual findings rating	Annual audit by Auditor General is unqualified	As a regulator, it is critical that the OHSC should set an example and achieve an unqualified audit	Auditor general report	N/A	N/A	Output	Non cumulative	Annual	Unqualified audit report	Unqualified audit without findings	CFO
% of funded staff appointed	Posts for which funding exists in the annual budget which are filled by the end of that year	Where funding is available the OHSC must ensure it is properly staffed to function effectively	Register/ Masterfile of appointed staff Annual staffing plan	Numerator: # of appointed staff in March of each year Denominator: Total # of funded posts for that year	Picture in a single month may not reflect the situation during the remainder of the year	Output	Cumulative	Quarterly	93%	Performance above target desirable	Director: HR
# compliance inspectors accredited	Inspectors trained in a curriculum and training course and procedures approved by the Board and certified as such by the CEO	The credibility and competence of inspectors is a legislated and operational pre-requisite.	Certificate of Appointment	Numerator: # of inspectors trained Denominator: total # of inspectors in the OHSC database	N/A	Output	Cumulative	0%	New indicator	The credibility and competence of inspectors meets legislated and operational pre-requisite.	Director: Guidance and Support Director HR
% of IT systems uptime	Percentage of the time while the system was up, calculated by minutes.(Wide Area Network, Local Area Network, Active Directories, Fileserver, Call Centre, Websites, Inspection Tool, and Annual Returns System)	The availability of the integrated IT solution is crucial to running of OHSC daily operations	Reports from Server infrastructure	Numerator: Minutes of uptime/ Denominator: Total number of minutes for the specified period	Availability of server management	Output	Cumulative	Quarterly	99%	99%	Director: IT
# of media and communication events and campaigns conducted annually	Seminars, workshops, conferences and use of radio, publications or television designed to increase awareness of work of OHSC among providers and users of health services or stakeholders	The OHSC with a mandate to promote the health and safety of users the Office must ensure all relevant parties are aware of its work and assist in enhancing its effectiveness	OHSC record of events, copies of publications distributed, media awareness programme reports	Total number of events and campaigns	Nil	Activity	Cumulative	Quarterly	8	Performance above the target	Director: Communications

Indicator Name	Short Definition	Purpose /Importance	Source	Calculation Method	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	Baseline	Desired Performance	Responsibility
# of MOUs signed annually with regulators/other organisations to protect and promote healthcare quality and safety	MOUs setting out respective actions of the signatories towards enhancing quality and safety are signed and current in that year	The OHSC has a legislated and operational need to formalize its working relationships with regulators who can contribute to its mandate	Signed MOUs	Total number of signed MOUs	Will require evidence of annual review and agreement	Output	Number	Annual	2	Performance above the target might be desirable once full capacity exists	Director: Governance and Strategy
# and % of public sector health establishment inspected annually by the OHSC	% of public sector clinics, CHCs and hospitals for which an OHSC inspection team has carried out an inspection	The coverage of inspections is fundamental to the regulatory mandate of the OHSC	Inspection register and reports	Numerator: # of public HE for which an inspection was conducted Denominator: total # of public sector clinics, CHCs and hospitals	Incompleteness or variations in the denominator numbers as supplied by the NDoH	Output	Cumulative	Quarterly	24%	Performance above the target might be desirable once full capacity exists	Executive Manager: Compliance inspections
# and % of private sector health establishment inspected annually by the OHSC	% of private sector clinics, CHCs and hospitals for which an OHSC inspection team has carried out an inspection	The coverage of inspections is fundamental to the regulatory mandate of the OHSC	Inspection register and reports	Numerator: # of private HE for which an inspection was conducted Denominator: total # of private sector clinics, CHCs and hospitals	Incompleteness or variations in the denominator numbers as supplied by the NDoH	Output	Cumulative	Quarterly	New indicator	Performance above the target might be desirable once full capacity exists	Executive Manager: Compliance inspections
Procedures for certification process developedand finalised	Procedures outlining the process and criteria for certification of compliant HEs are developed and finalized	To ensure that certification processes are developed and approved for implementation	Approved Certification procedures	N/A	Requires norms and standards regulations to be effective Procedures must be published in the Gazette	Process	Non cumulative	Annual	Draft certification procedures developed	Implementation of the procedures	Director: Certification & Enforcement
% compliant HEs certified within 60 days after the final inspection report	Health establishments that are found to be complaint with regulated norms and standards are certified	To encourage compliance with norms and standards by HE	Final inspection reports for relevant HEs Copies of certificates of compliance signed by the CEO	Numerator: # of health establishment certified Denominator: total # of health establishment found to be compliant	Implementation depends on the final inspection report	Output	Cumulative	Quarterly	No	100%	Director: Certification and Enforcement

Indicator Name	Short Definition	Purpose /Importance	Source	Calculation Method	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	Baseline	Desired Performance	Responsibility
Procedures for timely enforcement action developed and implemented	Procedures outlining the process and criteria for enforcement action against persistently non-compliant HE	To ensure that enforcement processes are developed and approved for implementation	Approved procedures	N/A	Requires norms and standards regulations to be effective Procedures must be published	Process	Non cumulative	Annual	No	Implementation of the procedures	Director: Certification and Enforcement
% persistently non-compliant health establishments for which enforcement action is initiated within 10 days from date of receipt of re-inspection or EWS report	Action is taken against health establishments that are found to be persistently non-compliant with the prescribed norms and standards	To ensure quality improvement is set up towards compliance with norms and standards	Enforcement register	Numerator: # of health establishments for which enforcement action was taken Denominator: Total # of persistently non-complaint health establishments	Requires norms and standards regulations to be effective Enforcement Policy must be published in the Gazette	Output	Cumulative	Quarterly	No	100%	Director: Certification and Enforcement
# of reports on inspections conducted, remedial recommendations issued and compliance status of health establishments (annual inspection report)	Number of reports produced on inspections conducted annually, remedial recommendations issued, and compliance status of health establishments as assessed	The OHSC as a regulator must ensure that stakeholders, users and providers are aware of its findings from inspections conducted annually	Annual inspection report	Total number of reports issued	N/A	Output	Non cumulative	Annual	Yes	Performance above the target might be desirable once full capacity exists	Executive Manager: Compliance Inspections Director: Communications

Indicator Name	Short Definition	Purpose / Importance	Source	Calculation Method	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	Baseline	Desired Performance	Responsibility
Fully functional Call Centre system for receiving complaints	Call Centre for public to lodge complaints relating to non-compliance with NHA and related acts is set up with toll free line and trained complaints officers	Promote access for the public to complain about breachesof the NHA and related acts by Health Establishments.	Complaints Management System Certificates of training for Complaints Officers	N/A	N/A	Output	Non cumulative	Annually	Call Centre functional	Accessible Call Centre with ≥ 2 % downtime	Director: Complaints Centre and Assessment
% low risk complaints resolved in the Call Centre within two months of lodgement	Low risk complaints received through the Call Centre, logged on the OHSC Complaint Management System and responded to within 2 months from date of logging. A complaint is resolved when it was referred to the health establishment for action, an acknowledgement received from the health establishment and complainant satisfied with outcome	Respond to low risk complaints in a timely manner	Low Risk Complaints Register extracted from the OHSC Complaints Management System containing logged and resolved complaints OHSC Complaints Management System request details Reports showing communication with health establishments and complainants	Numerator: # of low risk complaints resolved within 2 months of logging Denominator: total # of low risk complaints logged in the 2 months	The time covered by the numerator and denominator may differ This excludes private health establishments.	Output	% cumulative	Quarterly	New indicator	Performance above the target might be desirable once full capacity exists	Director: Complaints Centre & Assessment

Indicator Name	Short Definition	Purpose / Importance	Source	Calculation Method	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	Baseline 2017/18	Desired Performance	Responsibility
% of user complaints resolved within 30 working days through assessment/ screening	Complaints assigned to assessors for screening and a final report tabled with appropriate decision within 30 working days from date of receipt of response to complaint request from health establishment. The decision may be either to dispose or refer for internal or external investigation	Measure the efficiency with which the assessors respond to complaints and produce an assessment report	Screening SLA Report extracted from the OHSC Complaints Management System showing date of assignment to Assessor and date of clearing or referral for internal or external investigation. Assessment reports for complaints cleared or referred for investigation by Assessors.	Numerator: # of complaints screened within 30 working days of receipt of response to complaint request from health establishments Denominator: total # of complaints assigned to assessors for screening in the last 30 working days	The time covered by the numerator and denominator may differ	Output	% cumulative	Quarterly	New indicator	Performance above the target might be desirable once full capacity exists	Director: Complaints Centre & Assessment
% of complaints received for investigation and responded to within 6 months	Complaints that are investigated within 6 months from date of referral from Complaints Assessment Centre with production of a final report signed off by the CEO of OHSC	The efficiency with which the complaints are investigated and feedback is provided to complainant is important	Investigation service level agreement register retrieved from the OHSC Complaints Management System reflecting details of date case assigned for investigation, date of completion and closure status. Final investigation reports that are signed off by the CEO of OHSC	Numerator: # of cases resolved within 6 months Denominator: total# of cases referred for investigation in the last 6months	The reporting cycle for the denominator and numerator may differ, 6 months' time lag for denominator may/will apply.	Output	% Cumulative	Quarterly	New indicator	60%	Senior Investigator: Health Cases
% of Ombud recommendations monitored for implementation within six months of tabling to OHSC	Recommendations by the Ombud on complaints finalised and report issued are monitored by OHSC within 6 Months from date of receipt of recommendations for monitoring	To ensure that recommendations are implemented for quality improvement	Follow up register and reports	Numerator # of Ombud's recommendation monitored Denominator Total # of Ombud's recommendations tabled to OHSC		Activity	% Non-cumulative	Quarterly	New Indicator	80%	CEO

Indicator Name	Short Definition	Purpose / Importance	Source	Calculation Method	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	Baseline 2017/18	Desired Performance	Responsibility
System for submission of annual returns by regulated health establishments set up and functional	Software system to capture HE establishment profiles	Create a database of regulated HE	Annual returns database and annual returns profiles data from HEs	N/A	Promulgation of procedural regulations	Porcess	Non-cumulative	Annually	-	Functional system	Director: Systems Data Analysis and Research
% of annual returns analysed within 60 days to determine the profiles of public health establishments	Regulated public HEs which had submitted their annual returns containing their profiles according to prescribed form. *Analysis means the determination of annual returns submitted and selected indicators from HEs profiles*	To guide the planning of inspections	Annual returns database. A register of analyzed annual returns will be kept to track annual returns analyzed within 60 days	Numerator: # of annual returns analyzed within 60 days Denominator: # of annual returns received (A register of analyzed annual returns will be kept to track annual returns analyzed within 60 days)	N/A	Output	% Non-cumulative	Annual	New indicator	100%	Director: Systems Data Analysis and Research
% of annual returns analysed within 60 days to determine the profiles of private HEs	Regulated private HEs which had submitted their annual returns containing their profiles according to prescribed form. *Analysis means the determination of annual returns submitted and selected indicators from HEs profiles*	To guide the planning of inspections	Annual returns database. A register of analyzed annual returns will be kept to track annual returns analyzed within 60 days	Numerator: # of private sector HEs annual returns analyzed Denominator: # of private sector HEs annual returns received	N/A	Output	% Non-cumulative	Annual	New indicator	100%	Director: Systems Data Analysis and Research
Number of norms and standards recommended to the Minister annually	Sets of norms and standards developed for different categories of HEs and recommended to the Minister	To regulate HE for improvement of the quality of care and user safety	Draft norms and standards	Numerator: # of norms and standards recommended to the Minister annually	None	output	Non-cumulative	Annual	1	3 sets of norms and standards in development concurrently; one set submitted for comment per year	Director: Health Standards Design and Development

Indicator Name	Short Definition	Purpose / Importance	Source	Calculation Method	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	Baseline 2017/18	Desired Performance	Responsibility
# of relevant authorities responsible for support to health establishments that have received guidance on compliance with norms and standards	Number of those authorities defined in the NHA (national, provincial, municipal and private hospital groups) for whom guidance and support is provided to ensure compliance with norms and standards by their health establishments	To communicate the norms and standards and build capacity	Register of guidance events including agenda	Numerator: # of relevant authorities responsible to support health establishment that have received guidance on compliance with norms and standards.	Some private HEs do not have relevant authorities and will therefore be counted as relevant authorities themselves	Output	Number Cumulative	Quarterly	8	Performance above the target might be desirable once full capacity exists	Director: Health Standards Design and Development
Fully functional surveillance system that reports on potential risk to compliance	A surveillance system to receive standardised or ad hoc reporting indicating potential situations of risk to patient safety	An early warning system to enable OHSC to monitor indicators of risks to patient safety	EWS database	Numerator: fully functional surveillance system that report to potential risk to compliance.	N/A	Process	Non-Cumulative	Annually	System in development phase	System functional	Director: Systems and Data Analysis and Research
% of health establishments identified as high risk that are referred to the appropriate division/unit within OHSC	High risk establishments identified by the Early Warning System that are referred to the appropriate division/unit or the Ministry of Health for action to be taken to ensure compliance with norms and standards	To mitigate risk, protect users and enforce compliance with norms and standards	Inspections data. A list of HEs referred to Inspectorate for inspections through the referral register. The list of HEs identified will also be part of the referral register-denominator source	Numerator: # of high risk health establishments referred Denominator: Total # of high risk health establishments identified by the EWS	N/A Self- reported data used Quality of external data sources, e.g. DHIS Delayed reporting	Output	% Cumulative	Quarterly	100%	100% of identified facilities referred for action to be taken	Director: Systems Data Analysis and Research

12. ANNEXURE 3: MATERIALITY AND SIGNIFICANCE FRAMEWORK FOR THE FINANCIAL YEAR YEAR 2019/20

1. BACKGROUND

a) The OHSC was established by the National Health No 12 of 2013, and also listed as Schedule 3A public entity in terms of the Public Finance Management Act (PFMA) No 1 of 1999.
b) The OHSC's materiality and significance framework is developed in terms of the following sections of the PFMA:
   i) Section 50 - Fiduciary duties of the Accounting Authority;
   ii) Section 54 - Information to be submitted by the Accounting Authorities; and
   iii) Section 55 - Annual report and financial statements.

c) In terms of Treasury Regulation 28.3, the Accounting Authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant Executive Authority.
d) In terms of the South African Auditing Standards, SAAS 320, "information is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements. Materiality depends on the size of the item or error judged in the particular circumstances of its omission or misstatement. Thus, materiality provides a threshold or cut-off point, rather than being a primary qualitative characteristic which information must have if it is to be useful."
e) In line with the legislative requirements stipulated above, the OHSC's materiality and significance framework is herein developed and is based on both qualitative and quantitative aspects.
f) In arriving at the materiality levels, the OHSC took into account the nature of its mandate and the statutory requirements prescribed under its founding legislation.

2. QUALITATIVE ASPECTS

a) Irrespective of the amount involved, the following significant events will be disclosed to the Executive Authority in the event that they occur within the OHSC, and further that approval will be sought from the Executive Authority before the OHSC can conclude on them:
   i) establishment or participation in the establishment of a company or public entity;
   ii) participation in a significant partnership, trust, unincorporated joint venture, public private partnerships or similar arrangement;
   iii) acquisition or disposal of a significant shareholding in a company;
   iv) acquisition or disposal of a significant asset that would significantly affect the operations of the OHSC;
   v) commencement or cessation of a significant business activity; and
   vi) a significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.
b) The following significant events will be disclosed to the Executive Authority if they occur within the OHSC:
   i) material infringement of legislation that governs the OHSC;
   ii) material losses resulting from criminal or fraudulent conduct in excess of the parameters significance parameters below; and
   iii) all material facts and/or events, including those reasonably discoverable, which in any way may influence the decisions or actions of the executive authority

3. QUANTITATIVE ASPECTS

a) The National Treasury issued a Practice Note - "Practice Note on Applications Under Section 54 of the Public Management Act No. 1 of 1999 by Public Entities" - setting the parameters for the rand value determinations of significance. The Practice Note further stipulates that the parameters should be derived from the rand values of certain elements of the audited annual financial statements as follows:

Element	% Range to be applied against the rand value
Total assets	1% - 2%
Total revenue	0,5% - 1%
Profit after tax [Surplus]	2% - 5%

b) The OHSC takes cognisance of the fact that financial transactions are not of the same nature. Thus, the determination of the materiality parameters takes into account that some of the transactions may not arise out of the normal activities of the OHSC.
c) When determining materiality, it is generally accepted that the lower the risk, the higher the percentage to be used, and the higher the risk, the lower the percentage to be used.
d) For purposes of determining the rand values of the identified elements, the audited annual financial statements of OHSC for the year ended 31 March 2018 were applied as follows:

Element	% range to be applied against the rand value	Amount per audited financial statements (2017/18)	Significance amount
Total revenue	1%	R136 094 702	R 1 360 947

4. REVIEW

a) The OHSC is fully aware that the environment in which it operates is a dynamic one, wherein key developments may affect the way it conducts its business.
b) On an annual basis, the OHSC will conduct a strategic risk assessment to determine any new risks that may have emerged since the conclusion of the prevailing risk management framework.
c) In line with the afore-mentioned process, the OHSC will revisit the materiality and significance framework and align it accordingly to deal with any new and emerging risks in its portfolio.
d) The review of the materiality and significance framework will, among others, take into account the previous year's audited financial statements, management letter by the Auditor General, the internal auditor's report, any new and relevant legislation, and the expectations of the OHSC's stakeholders.
e) However, more frequent review of the framework may be necessary if major changes in the operating environment occur during the year.

13. ANNEXURE 4: OHSC STRATEGIC RISK REGISTER

Risk No.	Risk Category	Risk Name	Root Cause	Risk Consequence	Existing Strategies and Controls
1	Strategic risk	Limited understanding and clarity on the independence and mandate of OHSC by key stakeholders	1. The OHSC grew out of the NDoH and developing independence would require clear directives 2. Clarity in the roles and responsibilities between OHSC and NDoH is partially inadequate 3. Inadequate implementation of stakeholder management framework 4. Public perception of the lack of independence of OHSC	1. Possible duplication of functions 2. Negative impact on OHSC service delivery 3. Negative impact on OHSC reputation and image	1. Implementation of the Communication and Stakeholder Relations strategy and stakeholder mapping 2. National Health Act 3. Implementation of the Ombud recommendations 4. Communications policy 5. Implementation of the existing MoU's with entities
2	Compliance, regulatory & legal risks	Limitation of the regulatory framework that has an impact on OHSC to implement its mandate	1. OHSC enforcement policy for health establishments has been developed and undergoing the process of finalisation 2. Inadequate guidance and support for compliance with regulated norms and standards. 3. Health establishment certification procedures have been developed and undergoing the process of finalisation 4. The need to align the existing procedural regulations with the promulgated norms and standards	1. Delay in implementing regulatory sanctions. 2. The health and safety of health care users would be compromised 3. Potential financial loss 4. Non-certification of health establishments 5. Negative impact on the implementation of the NHI 6. Negative impact on OHSC reputation and credibility	1. National Health Act 2003 2. Promulgated norms and standards for different categories of health establishments 3. Consultative workshops with relevant authorities and health care personnel in provinces are undertaken 4. Procedural regulations in place
3	Compliance, regulatory & legal risks	Litigation against the OHSC	Legal challenges related to the functions and/or actions of the OHSC	1. Sanctions may be imposed 2. Negative impact on OHSC image and reputation 3. Financial loss	1. National Health Act 2003. 2. OHSC procedural regulations 3. Approved inspector training programme 4. Promulgated norms and standards regulations 5. OHSC policies and procedures
4	Governance risk	Ongoing vacancies in the Board	Disjuncture between the number of members required and the committee's numbers	1. Over-extended governance structures and committees may not function effectively	1. Board and Committee Charters 2. National Health Act 3. Public Finance Management Act
5	People (human resource) risk	Insufficient human resource capacity and skills	1. Lack of specialised skills 2. Ineffective remuneration strategy for specialised skills 3. Insufficient financial resources	1. Negative impact on OHSC service delivery 2. Negative impact on employee morale and instances of employee fatigue 3. High staff turnover	1. Approved OHSC organogram in place 2. Limited personnel budget 3. Appointing interns and contract employees for additional capacity 4. Headhunting specialised skills 5. Retention policy 6. Employee wellness program
6	Strategic risk	Limited number of norms and standards for different types of HEs	1. Limited human resource capacity 2. Protracted process of consultation	1. Negative impact on health care service delivery 2. Negative impact on OHSC image and reputation 3. Prolonged turnaround times to develop norms and standards	Promulgated norms and standards for different categories of health establishments
7	Information & Communication Technology risk	Potential failure of ICT infrastructure in meeting business needs and cyber threats	1. Migration of ICT infrastructure to the new office space 2. ICT security threats 3. Inadequate information security 4. Inadequate funding and resources to sustain ICT OHSC systems	1. Negative impact on OHSC service delivery 2. Negative impact on the administrative efficiency of the OHSC 3. Compromised data security	1. Implementation of the ICT Strategy 2. ICT policies and procedures

Risk No.	Risk Category	Risk Name	Root Cause	Risk Consequence	Existing Strategies and Controls
Risk No.	Risk Category	Risk Name	Root Cause	Risk Consequence	Existing Strategies and Controls
8	Strategic risk	Delays in the resolutions of complaints	1. Insufficient capacity in the Complaints Management division 2. Overload to the system due to legislative gaps 3. Inadequate cooperation by health establishments	1. Negative impact on health care service delivery 2. Prolonged turnaround times 3. Loss of public confidence in the OHSC 4. Negative impact on the health and safety of OHSC staff	1.Call centre established 2. Policies and procedures in place 3. Signed MOU's with other regulators 4. Consultative workshops with relevant stakeholders
9	Reputational risk	Fraud and corruption	1. Undue pressure from health establishments to obtain certification at any cost 2. Poor implementation of policies 3. Inadequate internal control measures	1. Negative impact on OHSC reputation and credibility 2. Health establishments unduly certified	1. Fraud Prevention Plan 2. Fraud hotline. 3. Vetting of employees. 4. Implementation of Code of Conduct 5. Monitoring of compliance to prescripts
10	Strategic risk	Absence of Business Continuity Plans & Disaster Recovery Plans	Lack of funding	1. Disruption of operations. 2. Inability to deliver on the mandate	Limited ICT systems
11	Financial risk	Inadequate funding for OHSC operations	1. Dependence on NDoH for funding. 2. Lack of own revenue generation mechanism	1. Strategic and operational targets may not be met. 2. Inability to attract required human resource capacity and skills	1. Government grant 2. Investment policy
12	Compliance, regulatory &legal risks	Non-compliance with applicable regulatory requirements (core business and administrative processes)	1. Insufficient alignment of policies to regulatory requirements 2. Insufficient consequence management for unethical conduct 3. Inadequate awareness of applicable regulatory requirements 4. Inefficient internal processes may hamper compliance with regulatory requirements 5. Lack of a compliance framework	1. Potential for negative audit outcomes 2. Possible litigation and penalties may be incurred 3. Negative impact on OHSC image and reputation	1. OHSC policies and procedures 2. Governance and oversight structures 3. Internal and external audits 4. Employee induction includes orientation on OHSC strategic plan and policy and procedures 5. Continuous training and awareness on applicable regulatory requirements

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