

Annual Performance Plan of the Office of Health Standards Compliance

***Presentation to the Health Portfolio Committee
15th April 2015***



OHSC

Office of Health Standards Compliance
Ensuring quality and safety in health care

Situational analysis

- **Revised Strategic plan submitted**
- **Key challenge is the phasing in of delivery and expenditure and reconciling this with expectations for functionality and coverage as per legislative mandate**

Situation analysis

- ***Changes to Performance Delivery environment***
 - Data on inspections (20+% coverage) showing persistent poor compliance
 - Multiple efforts underway to improve system functioning
 - Drafting of regulations providing clarity on obligations, including private sector, monitoring of recommendations of Ombud
 - Critical that health authorities assume responsibility for compliance with standards through voluntary compliance

Situation analysis (cont)

- ***Changes in Organizational environment***
 - Formal processes of Review and re-inspection, Enforcement actions
 - Focus on promoting voluntary compliance through awareness/guidance, requirement for annual self-assessment
 - Enhanced profile of OHSC (www.healthstandards.org.za) and start-up of early warning system for risk-based inspections, through collaboration with community organizations and openness to concerned staff
 - Revision of tools and procedures, training of inspectors, set up of all monitoring systems
 - Now set up as independent entity; Corporate services capacity in place, recruitment at advanced stage for all units
 - although some skills very scarce in the market, phasing in of full staffing

MTEF allocated budget 2014-2017

Programme / Budget	2015/16	2016/17	2017/18
Budget programme / business unit			
1. Office of the CEO	11,048,093	11,146,196	13,041,414
2. Corporate Services	25,611,190	29,742,230	34,543,243
3. Compliance Inspection	34,501,367	38,706,705	47,617,275
4. Complaints Management	7,030,219	8,388,239	15,084,253
4a. Office of the Ombud	2,538,099	2,679,873	2,826,636
5. Health Standards Design, Analysis & Support	8,177,033	9,871,757	12,598,179
Total	88,906,000	100,535,000	125,711,000
Economic classification			
Compensation of employees	53,100,362	62,326,209	83,720,111
Goods and services	31,441,815	35,459,158	38,659,744
Payments for capital assets	4,363,823	2,749,633	3,331,145
Total and MTEF allocation	88,906,000	100,535,000	125,711,000

Relating expenditure trends to

outcomes

- Significant rate of growth over baseline (16%, 12%, 25%) reflecting set-up costs of independent entity, move towards implementation of mandate
- Significant increase in staffing with doubling of budget for Compensation of employees as appointments are made in new entity (Q1 of 2015/16); but still inadequate at present to meet legislative mandate of 4-yearly inspections
- Much lower growth in expenditure on Goods and Services, Capital; however some delayed expenditure from 2014/15 will now have to be funded out of 2015/16 budgets

Expenditure related to outcomes (Budget programmes)

- ***CEO's office:*** Set up of capacity including Communications and Stakeholder relations, Certification and Enforcement
- ***Corporate services:*** Includes Finance, HR and IT; covers all capital expenditure
- ***Compliance Inspectorate:*** some growth in numbers, focus on follow-up of critical or persistent non-compliance
- ***Complaints and Ombud:*** Doubling then quadrupling of budget and staffing to set up complaints logging and management capacity and gradually improve access and response time
- ***Design, Analysis and Support:*** Critical unit with highly skilled staff to ensure integrity and consistent application of standards and assessment tools, effective use of data, and support for voluntary compliance

BUDGET PROGRAMMES

Budget Programme 1: CEOs office

1. Purpose

To provide the leadership, communication and regulatory functions required to carry out the mandate and functions of the OHSC as per legislative requirements

2. Strategic objective annual targets for 2015/18

3. Programme performance indicators and annual targets for 2015/18

4. Quarterly targets for 2015/16

5. Reconciling performance targets with the Budget and MTEF

- Expenditure estimates
- Performance and expenditure trends

Strategic objective annual targets for 2015 to 2018

Strategic Objective	Performance Indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance	Medium-term targets		
			2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
1.5 Health Establishments found to be compliant with prescribed norms and standards are certified	System for certification of compliant establishments set up and functional	System set up & functional	-	-	-	New indicator	System set up functional		
1.6 Enforcement action is effected with respect to persistently non-compliant health establishments	System and procedures for timely enforcement action set up	System set up	-	-	-	New indicator	System set up		
2.4 Recommendations made by the Ombud are monitored	System and procedures for communication of and monitoring of Ombud recommendations set up and functional	System set up & functional	-	-	-	New indicator	System set up functional		
3.1 Public, provider and stakeholder awareness on the roles and powers of OHSC is created	Number of media and communication events and campaigns to increase awareness of OHSC among public, providers and stakeholders carried out annually	12	-	-	-	New indicator	4	6	8
3.3 Memoranda of Agreement (MOAs) to further the mandate and objectives of the OHSC are signed with relevant regulators or other organisations	Number of signed MOAs with regulators to protect and promote quality and safety of care in place each year	10	-	-	-	New indicator	2	6	10
3.4 Information relating to compliance with norms and standards is published	No. of reports on inspections conducted, recommendations issued, and compliance status of health establishments	5	-	-	-	New indicator	2	3	4

Programme performance indicators and annual targets for 2015 to 2018

Programme Performance Indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance	Medium-term targets		
		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
System for certification of compliant establishments set up and functional	System set up & functional	-	-	-	New indicator	System set up	System functional	100%
System and procedures for timely enforcement action set up	System set up & functional	-	-	-	New indicator	System set up	System functional	
System and procedures for communication of and monitoring of Ombud recommendations set up and functional	System set up & functional	-	-	-	New indicator	System set up	System functional	
Number of media and communication events and campaigns to increase awareness of OHSC among public, providers and stakeholders carried out annually	12	-	-	-	New indicator	4	6	8
Number of signed MOAs with regulators to protect and promote quality and safety of care in place each year	10	-	-	-	New indicator	2	6	10
No. of reports on inspections conducted, recommendations issued, and compliance status of health establishments	5	-	-	-	New indicator	2	3	4

Quarterly targets for 2015 to 2016

Quarterly targets				Annual target	Reporting period	Programme Performance Indicator
1st	2nd	3rd	4th			
				System set up	Annual	System for certification of compliant establishments set up and functional
				System set up	Annual	System and procedures for timely enforcement action set up
				System set up	Annual	System and procedures for communication of and monitoring of Ombud recommendations set up and functional
				4	Annual	Number of media and communication events and campaigns to increase awareness of OHSC among public, providers and stakeholders carried out annually
				2	Annual	Number of signed MOAs with regulators to protect and promote quality and safety of care in place each year
				2	Annual	No. of reports on inspections conducted, recommendations issued, and compliance status of health establishments

Expenditure estimates 2015 to 2018

CURRENT PAYMENTS	<i>Medium term estimates</i>		
	2015/16	2016/17	2017/18
Compensation of employees	6,070,836	6,694,671	7,571,232
Salaries and wages	6,070,836	6,694,671	7,571,232
Goods and services	4,977,257	4,451,525	5,470,182
Advertising	1,944,309	1,064,793	1,748,033
Assets < than the threshold (currently R5 000)	52,700	55,493	58,268
Board and expert panel remuneration	1,056,108	1,312,082	1,377,686
Catering: Departmental activities	29,484	31,047	32,599
Communication	444,366	467,917	491,313
Computer services	167,586	176,468	185,291
Consultants and professional service: Business and advisory service	293,012	308,542	323,969
Inventory: Other consumables	212,486	223,748	234,936
Travel and subsistence	637,094	670,860	704,403
Venues and Facilities	140,112	140,575	313,685
Total current payments	11,048,093	11,146,196	13,041,414
Total payments for capital assets	-	-	-
TOTAL PAYMENTS	11,048,093	11,146,196	13,041,414

Budget programme 2: Corporate services

1. Purpose

- To provide the financial, human resources, IT and administrative support necessary for the OHSC to deliver on its mandate and comply with all relevant legislative requirements.

- 2. Strategic objective annual targets for 2015/18**
- 3. Programme performance indicators and annual targets for 2015/18**
- 4. Quarterly targets for 2015/16**
- 5. Reconciling performance targets with the Budget and MTEF**

– Expenditure estimates

– Performance and expenditure trends

Strategic objective annual targets for 2015 to 2018

Strategic Objective	Performance Indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance	Medium-term targets		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
4.1A fully functional Office is set-up and suitably staffed in accordance with the mandate and goals of the OHSC	% of funded staff appointed	90%	-	-	-	New indicator	60%	80%	90%
4.3. Financial management and PFMA requirements are complied with	Unqualified audit report without findings	Unqualified report	-	-	-	New indicator	Unqualified report	Unqualified report	Unqualified report
4.4 Leveraging technologies to deliver OHSC services more effectively	IT system in place and functional	System in place & fully functional	-	-	-	New indicator	System in place	System in place	System fully functional

Programme performance indicators and annual targets for 2015 to 2016

Programme Performance Indicator	Strategic Plan Target		Audited/Actual performance			Estimated performance	Medium-term targets	
	2011/12	2012/13	2013/14	2014/15	2015/16		2016/17	2017/18
% of funded staff appointed	90%	-	-	New indicator	60%	80%	90%	
Unqualified audit report without findings	Unqualified report	-	-	New indicator	unqualified report	Unqualified report	Unqualified report	
IT system in place and functional	System in place & fully functional	-	-	New indicator	System in place	System in place	System fully functional	

Quarterly targets for 2015 to 2016

Programme Performance Indicator	Reporting period	Annual target	Quarterly targets			
			1st	2 nd	3rd	4 th
% of funded staff appointed	Annual	60%				
Unqualified audit report without findings	Annual	Unqualified report				
IT system in place and functional	Annual	System in place				

Expenditure estimates 2015 to 2018

CURRENT PAYMENTS		2015/16	2016/17	2017/18
<i>Medium term estimates</i>				
Compensation of employees	8,051,490	10,155,842	13,125,066	13,125,066
Salaries and wages	8,051,490	10,155,842	13,125,066	13,125,066
Goods and services	13,195,876	16,836,755	18,087,032	18,087,032
Advertising	66,096	92,232	266,700	266,700
Assets < than the threshold (currently R5 000)	118,385	124,660	130,893	130,893
Audit cost: External	3,000,000	3,159,000	3,316,950	3,316,950
Agency and support / outsourced services	303,148	319,215	335,176	335,176
Catering: Departmental activities	30,039	31,631	33,213	33,213
Communication	1,556,308	1,975,201	2,000,461	2,000,461
Computer services	1,941,171	3,592,345	4,084,045	4,084,045
Consultants and professional service: Business and advisory service	414,508	436,477	458,300	458,300
Consultants and professional service: Legal cost	750,000	789,750	829,238	829,238
Households	750,000	789,750	829,238	829,238
Inventory: Other consumables	147,420	155,233	162,995	162,995
Inventory: Stationery and printing	632,400	665,917	699,213	699,213
Operating leases (Lease of premises)	2,000,000	3,635,963	3,817,761	3,817,761
Operating Payments (Lease of equipment)	309,876	326,299	342,614	342,614
Office Refurbishment	897,200	448,600	471,030	471,030
Training and development	175,917	185,592	194,872	194,872
Travel and subsistence	39,760	41,867	43,960	43,960
Venues and Facilities	63,649	67,023	70,374	70,374
Total current payments	21,634,376	26,992,597	31,212,098	31,212,098
PAYMENTS FOR CAPITAL ASSETS				
Buildings and other fixed structures	48,000	50,544	53,071	53,071
Buildings	-	-	-	-
Other fixed structures	48,000	50,544	53,071	53,071
Machinery and equipment	107,000	105,000	110,250	110,250
Other machinery and equipment	107,000	105,000	110,250	110,250
Software and other intangible assets	4,208,823	2,594,089	3,167,824	3,167,824
Total payments for capital assets	4,363,823	2,749,633	3,331,145	3,331,145
TOTAL PAYMENTS	25,611,190	29,742,230	34,543,243	34,543,243

Budget programme 3: Compliance inspectorate

1. Purpose

To manage the inspections of health establishments in order to assess and encourage compliance with national health system norms and standards as prescribed by the Minister and take measures to ensure such compliance.

2. Strategic objective annual targets for 2015/18

3. Programme performance indicators and annual targets for 2015/18

4. Quarterly targets for 2015/16

5. Reconciling performance targets with the Budget and MTEF

- Expenditure estimates***
- Performance and expenditure trends***

Strategic objective annual targets for 2015 to 2018

Strategic Objective	Performance Indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance	Medium-term targets
			2011/ 2012/ 2013/ 14	2012/ 2013/ 14	2013/ 14		
1.3. Compliance with quality standards in regulated health establishments is monitored and inspected annually by the OHSC	# and % of public sector clinics, CHCs and hospitals inspected	20%	-	236	6%	584	15%
1.4. Non-compliant HE are subjected to re-inspection or review within 6 months	% of provisionally non-compliant health establishments subjected to re-inspection or review within 6 months	80%	-	-	-	-	40%
4.3. Inspectors accredited after successfully completing approved training course	Requirements and accreditation of inspectors approved by the Board	Requirements approved	-	-	-	-	Approved

Programme performance indicators and annual targets for 2015 to 2018

Programme Performance Indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance	Medium-term targets		
		2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
# and % of public sector clinics, CHCs and hospitals inspected annually by the OHSC	20% p.a.	-	236 6%	584 15%	10%	10%	12%	15%
% of provisionally non-compliant health establishments subjected to re-inspection or review within 6 months	80%	-	-	-	New indicator	30%	35%	40%
Requirements and procedures for accreditation of inspectors approved by the Board	Requirements approved	-	-	-	New indicator	Approved		

Quarterly targets for 2015 to 2016

Programme Performance Indicator				Annual target	Reportin g period	# and % of public sector clinics, CHCs and hospitals inspected annually by the OHSC	% of provisionally non-compliant health establishments subjected to re-inspection or review within 6 months	Requirements and procedures for accreditation of inspectors approved by the Board
Quarterly targets								
1st	2nd	3rd	4th					
2.5%	2.5%	2.5%	2.5%	10%	Quarterly			Annual
				30%	Annual			Annual
				Approved				Annual

Expenditure estimates 2015 to 2018

CURRENT PAYMENTS	<i>Medium term estimates</i>		
	2015/16	2016/17	2017/18
Economic classification			
Compensation of employees	24,562,643	27,921,785	36,163,584
Salaries and wages	24,562,643	27,921,785	36,163,584
Goods and services	9,938,724	10,784,920	11,453,691
Assets < than the threshold (currently R5 000)	277,572	214,329	225,045
Catering: Departmental activities	57,770	73,305	76,971
Inventory: Other consumables	49,006	51,603	54,183
Training and development	533,145	591,567	621,146
Travel and subsistence	8,849,687	9,657,513	10,269,914
Venues and Facilities	171,544	196,602	206,432
Total current payments	34,501,367	38,706,705	47,617,275
Total payments for capital assets	-	-	-
TOTAL PAYMENTS	34,501,367	38,706,705	47,617,275

Budget programme 4: Complaints and Ombud*

- 1. 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)]

- 2. Strategic objective annual targets for 2015/18**
- 3. Programme performance indicators and annual targets for 2015/18**
- 4. Quarterly targets for 2015/16**
- 5. Reconciling performance targets with the Budget and MTEF**

- Expenditure estimates
- Performance and expenditure trends

Strategic objective annual targets for 2015 to 2018

Strategic Objective	Performance Indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance	Medium-term targets		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
2.1. An accessible mechanism by which Complaints can be lodged with the OHSC is in place	Call centre in place and functional	Call centre functional	-	-	-	New indicator	Call centre functional		
2.2. Complaints or concerns regarding non-compliance with norms and standards are effectively managed and resolved	System for receiving and managing complaints set up and functional	System set up & functional	-	-	-	New indicator	System set up	System functional	
	(%) of Complaints lodged by the OHSC managed and resolved within 6 months.	80%				New indicator	50%	60%	70%
2.3. Findings and recommendations relating to complaints of non-compliance with prescribed norms and standards are issued within agreed time frames	System and procedures for investigation of complaints set up	System set up & functional	-	-	-	New indicator	System set up	System functional	

Programme performance indicators and annual targets for 2015 to 2018

Programme Performance Indicator	Strategic Plan Target	Audited/Actual performance					Estimated performance	Medium-term targets
		2011/12	2012/13	2013/14	2014/15	2015/16		
Call centre in place and functional	Call centre functional	-	-	-	-	New indicator	Call centre functional	
System for receiving and managing complaints set up and functional	System set up & functional	-	-	-	-	New indicator	System set up	
(%) of Complaints lodged by the OHSC managed and resolved within 6 months.	80%					New indicator	50% 60% 70%	
System and procedures for investigation of complaints set up	System set up & functional	-	-	-	-	New indicator	System set up System functional	

Quarterly targets for 2015 to 2016

Programme Performance Indicator	Reporting period	Annual target	Quarterly targets			
			1st	2nd	3rd	4th
Call centre in place and functional	Annual	Call centre functional				
System for receiving and managing complaints set up and functional	Annual	System set up	50	50	50	50
(%) of Complaints lodged by the OHSC managed and resolved within 6 months.	Annual	50%				
System and procedures for investigation of complaints set up	Annual	System set up				

Expenditure estimates 2014 to 2017

CURRENT PAYMENTS		2015/16	2016/17	2017/18
<i>Medium term estimates</i>				
Economic classification				
Compensation of employees	6,042,683	7,399,558	14,046,138	-
Salaries and wages	6,042,683	7,399,558	14,046,138	
Goods and services	987,536	988,681	1,038,115	
Advertising	283,728	298,766	313,704	
Assets < than the threshold (currently R5 000)	98,000	52,000	54,600	
Catering: Departmental activities	77,996	82,130	86,236	
Consultants and professional service: Business and advisory service	105,400	110,986	116,536	
Inventory: Other consumables	34,892	36,741	38,578	
Training and development	104,182	109,704	115,189	
Travel and subsistence	266,811	280,952	294,999	
Venues and Facilities	16,527	17,403	18,273	
Total current payments	7,030,219	8,388,239	15,084,253	
Total payments for capital assets	-	-	-	
TOTAL PAYMENTS	7,030,219	8,388,239	15,084,253	

OMBUD Budget

CURRENT PAYMENTS	<i>Medium term estimates</i>		
	2015/16	2016/17	2017/18
Economic classification			
Compensation of employees	2,418,307	2,553,732	2,694,188
Salaries and wages	2,418,307	2,553,732	2,694,188
Goods and services	119,792	126,141	132,448
Assets < than the threshold (currently R5 000)	7,378	7,769	8,157
Catering: Departmental activities	12,636	13,306	13,971
Training and development	15,810	16,648	17,480
Travel and subsistence	83,968	88,418	92,839
Total current payments	2,538,099	2,679,873	2,826,636
Total payments for capital assets	-	-	-
TOTAL PAYMENTS	2,538,099	2,679,873	2,826,636

Health Standards design, analysis and support

1. Purpose
 - To provide support to the work of the Office in relation to the development and analysis of norms and standards and their dissemination

2. Strategic objective annual targets for 2015/18
3. Programme performance indicators and annual targets for 2015/18
4. Quarterly targets for 2015/16
5. Reconciling performance targets with the Budget and MTEF

- Expenditure estimates

- Performance and expenditure trends

Strategic objective annual targets for 2015 to 2018

Strategic Objective	Performance Indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance	Medium-term targets		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
1.1. All health establishments obligated or regulated by prescribed norms and standards are registered annually for purposes of monitoring and inspections	System for annual registration of regulated health establishments set up	System set up & functional	-	-	-	New indicator	System set up	System functional	
3.2. Norms and standards for different types of HEs are consulted, developed and/or revised for submission to the Minister for promulgation	System and procedures for selection, development or periodic review of norms and standards for different types of health establishments set up	System set up & functional	-	-	-	New indicator	System set up	System functional	
1.2. Guidance is provided on compliance with norms and standards for regulated HEs	% of relevant authorities responsible for support to public health establishments that have received guidance on compliance with norms and standards	90%	-	-	-	New indicator	40%	50%	60%
1.7. Early warning reports of potential situations of risk from HEs or users are monitored to prioritise inspections	Surveillance system set up for reporting on indicators of risks to compliance	System set up & functional	-	-	-	New indicator	System set up	System functional	

Programme performance indicators and annual targets for 2015 to 2018

Programme Performance Indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance	Medium-term targets		
		2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
System for annual registration of regulated health establishments set up	System set up & functional	-	-	-	New indicator	System set up	System functional	System set up
System and procedures for selection, development or periodic review of norms and standards for different types of health establishments set up	System set up & functional	-	-	-	New indicator	System set up	System functional	System set up
% of relevant authorities responsible for support to public health establishments that have received guidance on compliance with norms and standards	90%	-	-	-	New indicator	40%	50%	60%
Surveillance system set up for reporting on indicators of risks to compliance	System set up & functional	-	-	-	New indicator	System set up	System functional	System set up

Quarterly targets for 2014 to 2015

Quarterly targets				Annual target	Reporting period	Programme Performance Indicator
1st	2nd	3rd	4th			
				System set up	Annual	System for annual registration of regulated health establishments set up and functional
				System set up	Annual	System and procedures for selection, development or periodic review of norms and standards for different types of health establishments set up and functional
10%	10%	10%	10%	40%	Quarterly	% of relevant authorities responsible for support to public health establishments that have received guidance on compliance with norms and standards
				System set up	Annual	Surveillance system set up for reporting on indicators of risks to compliance

Expenditure estimates

CURRENT PAYMENTS	<i>Medium term estimates</i>		
	2015/16	2016/17	2017/18
Economic classification			
Compensation of employees	5,954,403	7,600,621	10,119,903
Salaries and wages	5,954,403	7,600,621	10,119,903
Goods and services	2,222,630	2,271,136	2,478,276
Assets < than the threshold (currently R5 000)	96,462	101,575	106,653
Catering: Departmental activities	23,188	24,417	25,638
Consultants and professional service: Business and advisory service	1,106,700	1,165,355	1,223,623
Training and development	264,000	277,992	291,892
Travel and subsistence	302,400	318,427	334,349
Venues and Facilities	429,880	383,371	496,122
Total current payments	8,177,033	9,871,757	12,598,179
Total payments for capital assets	-	-	-
TOTAL PAYMENTS	8,177,033	9,871,757	12,598,179