

OHSC ANNUAL PERFORMANCE REPORT 2021/22

HEALTH PORTFOLIO COMMITTEE
12 OCTOBER 2022



Dr SIPHIWE MNDAWENI -- CEO
MR JULIUS MAPATHA -- CFO

OHSC Board



Dr EM Kenoshi
Chairperson



Ms OA Montshiwa
Deputy Chairperson



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Board Member



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Board Member



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Board Member



Prof M Chetty
Board Member



Prof U Chikte
Board Member



Dr L Simelane
Board Member

Executive Management

Executive Management Team

Dr Siphiwe Mndaweni
**Chief Executive
Officer**

Mr Julius Mapatha
**Executive Manager:
Corporate Services
and CFO**

Ms Winnie Moleko
**Executive Manager:
Health Standards
Design, Analysis,
and Support**

Dr Donna Jacobs
**Executive Manager:
Complaints
Management**

Ms Dikeledi Tsukudu
**Executive Manager:
Compliance
Inspectorate**

Outline



The
Mandate

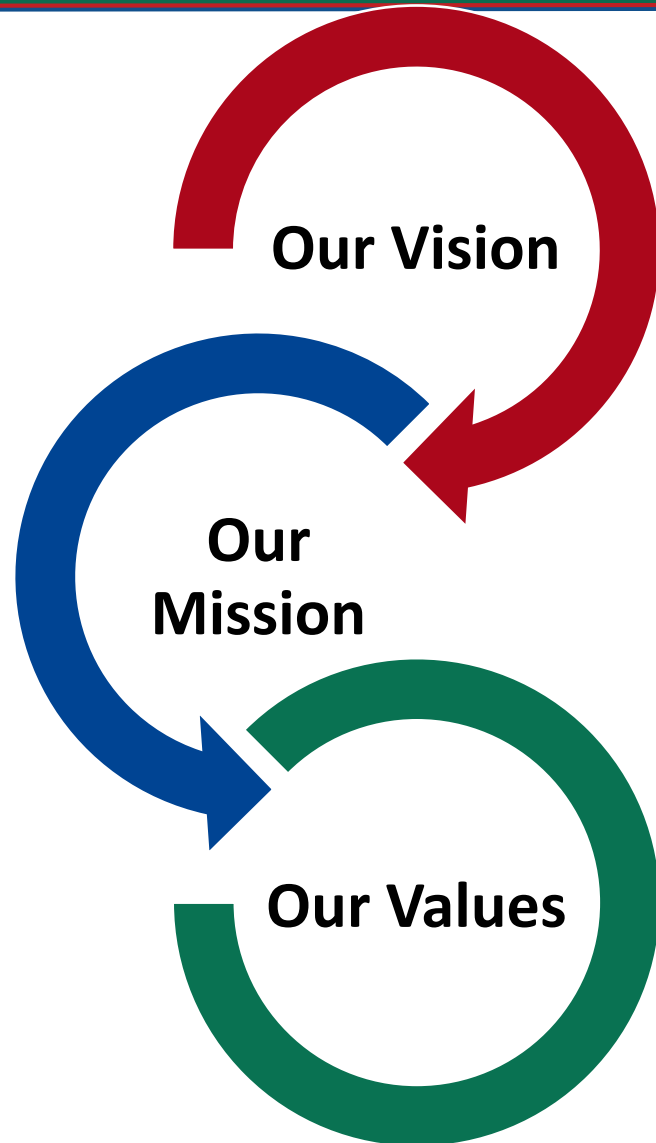


Annual
Performance
Information
Report 2021/22



Annual
Financial
Statements
2021/22

Strategic Focus



**Consistent, safe, and quality
healthcare for all**

**We monitor and enforce healthcare
safety and quality standards in health establishments
independently, impartially, fairly, and fearlessly on
behalf of healthcare users**

**The OHSC's corporate values are
shaped by ethical considerations and constitute guiding
principles that govern the actions of all employees.
OHSC staff members are required to maintain the
highest standards of integrity at all times and our
values ensure there is no doubt of what is required of
them**

OHSC Values

Human dignity	We have respect for human individuality and treat each individual as a unique human being
Accountability	We take responsibility for our results and outcomes
Transparency	We operate in a way that creates openness between managers and employees
Quality healthcare	Quality healthcare means doing the right thing, at the right time, in the right way, for the right person – and having the best possible results
Safety	We maintain a safe and healthy workplace for all employees in compliance with all applicable laws and regulations and promote a positive attitude towards safety
Integrity	We conduct ourselves with openness, honesty, and respect for all stakeholders

Strategic Outcomes

Outcome 1

A fully functional
OHSC

Outcome 2

Compliance with
norms and standards
is effectively
monitored

Outcome 3

Improved quality of
health care services
rendered to the
users in the Health
Establishments

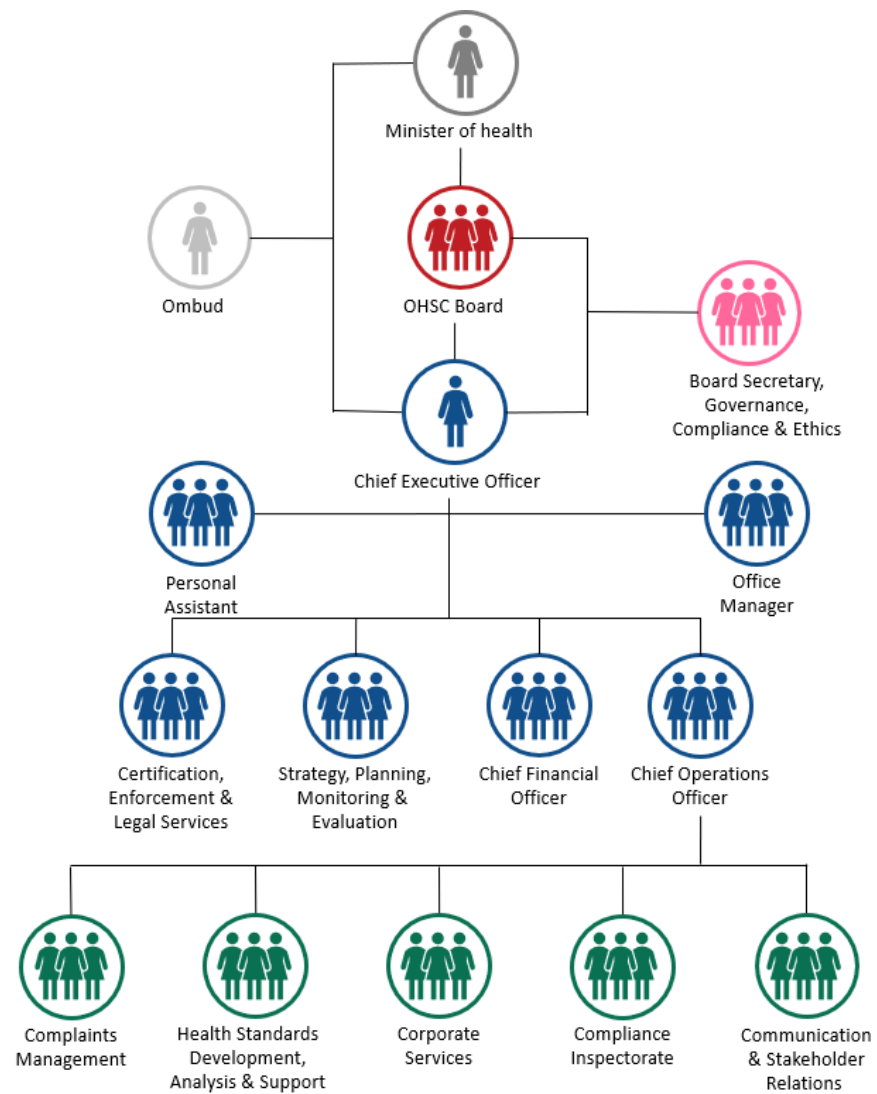
Outcome 4

Facilitate achievement
of compliance with
the norms and standards
regulations for
different categories of
Health Establishments

Outcome 5

Compliance with norms and
standards increased

Organogram



The OHSC was created by the National Health Act, of 2003 and the Amendment Act of 2013 to promote and protect the health and safety of users of health services

Regulations:

- Procedural Regulations for the functioning of the OHSC and Ombud
- Norms and standards regulations for categories of health establishments



Government Gazette
staatskoerant

REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID AFRIKA

Constitutional Mandate:

Section 27

Section 28

Policy and Legislative Mandate:

NHA, 2003

NHI Bill, 2019

National Policy on Quality 2007

National Development Plan (2030), Medium Term Strategic Framework, Sustainable Development Goal

Norms & Standards (2018)

Procedural Regulations pertaining to the functions of OHSC (2016)

Policies and Strategies (Presidential Health Summit Compact of July 2019)

Relevant Court Rulings

The objectives of the OHSC in terms of Section 78 is to **promote** and **protect** 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 of Health
- Ensuring that complaints about non-compliance with prescribed norms and standards are **considered**, **investigated**, and **disposed** of in a procedurally fair, economical, and expeditious manner



“Promote” implies the state plays an active role in quality and safety of health services



“Protect” Implies the state responsibility is to protect citizens from harm

Programmes Performance Information



Programme 1:
Administration



Programme 2:
Compliance Inspectorate



Programme 3:
Complaints Management and Office of the Ombud

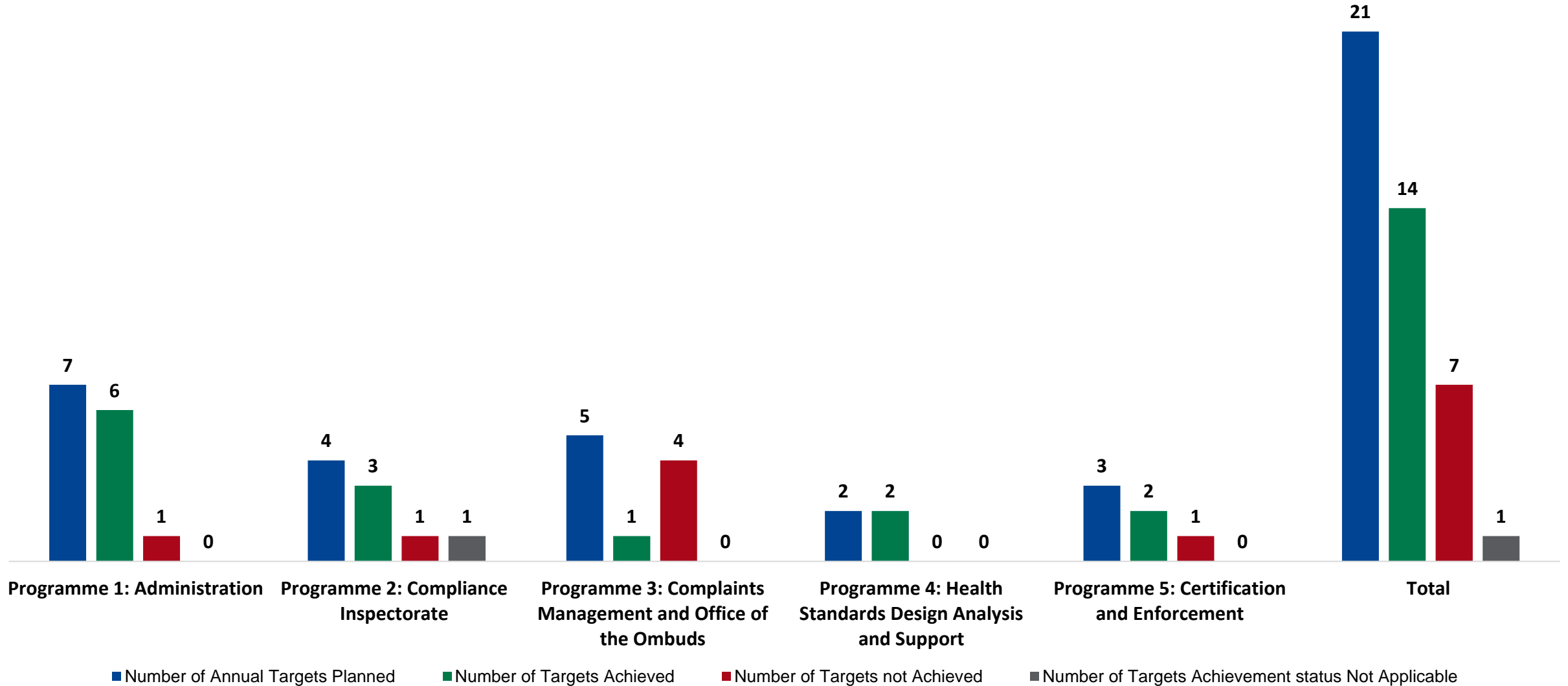


Programme 4:
Health Standards Design, Analysis, and Support



Programme 5:
Certification and Enforcement

Annual Performance against targets for F/Y 2021/22



OUTCOME:

A fully functional OHSC

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

Programme 1: Administration

Sub-Programme: Human Resource Management

Output Indicator:

Percentage of vacancies filled within four months of the vacancy existing

Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22
New Indicator	41.7% (10/24)	90%	21.43% (3/14)

The challenges relating to filling of posts within the four months period is attributed to external factors which included no suitable candidate found from the first round of recruitment or suitable

By the end of the financial year 10 posts were filled out of the 14 vacant posts

119/123 (97%) funded posts were filled

Programme 1: Administration

Sub-Programme: Human Resource Management

Output Indicator: Percentage of certified inspectors after completion of training

**Audited Actual
Performance 2019/20**

New Indicator

**Audited Actual
Performance 2020/21**

80% (49/61)

**Planned Annual
Target
2021/22**

95%

**Actual Achievement
2021/22**

95.24% (40/42)

40/42 inspectors completed the approved training course and certified

Programme 1: Administration

Sub-Programme: Information and Communication Technology

Output Indicator: Percentage of ICT availability for core OHSC services

Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22
New Indicator	99.84%	95%	99.98%

IT systems operated efficiently due to close monitoring of systems, contracts with service providers and implementation of automation → electronic inspection tool, early warning system, annual returns

Programme 1: Administration

Sub-Programme: Information and Communication Technology

Output Indicator: Percentage of ICT availability for OHSC support services

Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22
New Indicator	98.22%	95%	99.96%

IT systems operated efficiently due to close monitoring of systems, contracts with service providers and implementation of automation

Programme 1: Administration

Sub-Programme: Communication and Stakeholder Relations

Output Indicator: Number of community stakeholder engagements to raise public awareness on the role and powers of the OHSC and Health Ombud

**Audited Actual
Performance 2019/20**

New Indicator

**Audited Actual
Performance 2020/21**

6

**Planned Annual
Target 2021/22**

12

**Actual Achievement
2021/22**

32

- Roadshows conducted provinces, rural areas: Northern Cape, North- West, Mpumalanga
- Radio advertisement campaign – targeted community radio stations, reached 80 community radio stations
- Coverage of over 4.9 million listeners

Programme 1: Administration

Sub-Programme: Communication and Stakeholder Relations

Output Indicator: Number of private sector engagements to raise awareness on the role and powers of the OHSC and Health Ombud

Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22
New Indicator	3	8	9

- Engagement with private sector health establishments and professionals advertorials in various medical publications, and
- Placement of Advertorials placed in digital, print and medical publications: Medical chronicle, Modern Medicine, Medical Academic and Med-Pharm

Programme 1: Administration

Sub-Programme: Finance and Supply Chain Management

Output Indicator: Unqualified audit opinion achieved by the OHSC

**Audited Actual
Performance 2019/20**

New Indicator

**Audited Actual
Performance 2020/21**

Unqualified audit

**Planned Annual
Target 2021/22**

Unqualified audit

**Actual Achievement
2021/22**

**Unqualified audit
opinion achieved
by the OHSC**

The OHSC achieved an unqualified audit opinion from the Auditor General South Africa

Programme 2: Compliance Inspectorate

OUTCOME:

- Compliance with Norms and Standards is effectively monitored

PROGRAMME PURPOSE:

- The purpose of the Compliance Inspectorate is to inspect health establishments against prescribed norms and standards

Programme 2: Compliance Inspectorate

Compliance Inspectorate

Output Indicator: Percentage of public health establishments inspected for compliance with the norms and standards

Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22
16.95% (647/3 816)	10.14 % (387 of 3 816)	8% (299 of 3 741)	14.54% (544 of 3 748)

- 544 inspections conducted against a target 299 -- introduced financial and operational efficiencies, including inspecting additional health establishments located near those scheduled for routine inspections
- Utilised surplus funds for additional human resources for inspections
- In addition to the routine inspections, risk-based and pilot inspections for district and regional hospitals, were conducted during this financial year
- 1 578 / 3 748 inspections of all public health establishments
- Significantly increased the target for FY 2022/23 → 786 inspections

Programme 2: Compliance Inspectorate

Compliance Inspectorate

Output Indicator: Percentage of private health establishments inspected for compliance with the norms and standards

Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22
New Indicator	0%	6% (26 of 431)	

- Private hospital tools draft tools finalised
- Proof of concept of the draft inspection tool – pilot conducted in private hospitals
- Private sector inspections will commence during quarter 4

Programme 2: Compliance Inspectorate

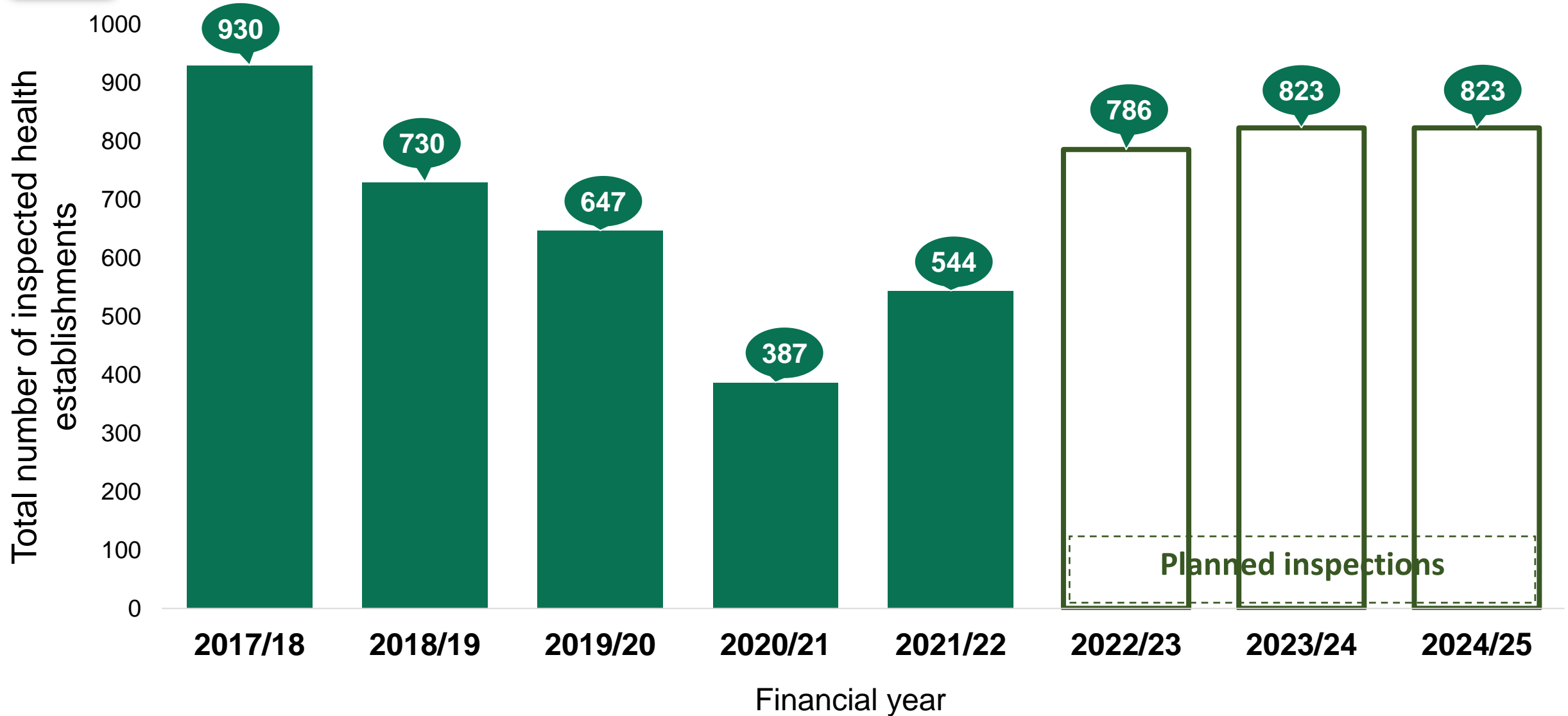
Compliance Inspectorate

Output Indicator: Percentage of additional inspections (re-inspection) conducted in public and private health Establishments that have completed the regulated reporting period and where non-compliance was identified from April to October

Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/2022
New Indicator	0%	100%	99.5% (181/182)

- FY 2021/22 conducted re-inspections for the first time
- 181/182 inspections additional inspections conducted -- One health establishment scheduled for re-inspection during quarter 3 could not be re-inspected due to renovations. The health establishment has been scheduled for the next cycle

Inspections Conducted and Planned



Programme 2: Compliance Inspectorate

Compliance Inspectorate

Output Indicator: Publish reports of inspections conducted with names and locations of health establishments every six months

Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22
New Indicator	2	2	2

- Timelines for communicating 2020/21 reports to health establishments and finalising them fell into the next financial year. However, a report relating to 2019/20 inspections was tabled in the current reporting period.

Programme 2: Compliance Inspectorate

Compliance Inspectorate

Output Indicator: Publish an annual report that sets out the compliance status of all HEs and summarises the number and nature of the compliance notices issued

Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22
New Indicator	1	1	

- 2019/2020 annual inspection report published
- Timelines for communicating 2021/22 reports to health establishments and finalisation fell into the next financial year.
- Draft FY 2021/2022 annual inspection report

PROGRAMME 3: COMPLAINTS MANAGEMENT AND OMBUD

OUTCOME:

- Improved quality of healthcare services rendered to users of Health Establishments

PROGRAMME PURPOSE:

- To consider, investigate and dispose of complaints relating to noncompliance with prescribed norms and standards in a procedurally fair, economical, and expeditious manner

Programme 3: Complaints Management and Office of the Ombud

Complaints Management and Office of the Ombud

Output Indicator: Percentage of low-risk complaints resolved within twenty-five working days of lodgement in the call centre

**Audited Actual
Performance 2019/20**

95.58%
(1 580/1 651)

**Audited Actual
Performance 2020/21**

91.81%
(2 108/2 296)

**Planned Annual Target
2021/22**

75%

**Actual Achievement
2021/22**

83.09%
(2 756 / 3 317)

- 2 756 / 3 317 low risk complaints resolved
- Of the five programmatic indicators, only one indicator of low risk complaints resolution was achieved

Programme 3: Complaints Management and Office of the Ombud

Complaints Management and Office of the Ombud

Output Indicator: Percentage of user complaints resolved through assessment within 30 working days of receipt of a response from the complainant and/or the health establishment

Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22
7.3% (9/24)	2.46% (5/203)	55%	26.71% (39 / 146)

- Large number of backlog cases, as well as new complaints received
- Delayed responses by health establishments for requested information
- Notably, performance has steadily increased from 7.4% in quarter 1 to 27% in quarter 4, indicating improvement in the resolution of cases to clear backlogs
- Limited investigation capacity

Programme 3: Complaints Management and Office of the Ombud

Complaints Management and Office of the Ombud

Output Indicator: Percentage of complaints resolved within 6 months through investigation

**Audited Actual
Performance 2019/20**

**10.00%
(2/20)**

**Audited Actual
Performance 2020/21**

11.11% (1/9)

**Planned Annual Target
2021/22**

10%

**Actual Achievement
2021/22**

**4.43%
(7/158)**

Reasons for target not met:

- Denominator inflated by the large number of backlog cases,
- Referral of new cases for investigation,
- Human resource constraints and
- Lengthy investigative processes

Programme 3: Complaints Management and Office of the Ombud

Complaints Management and Office of the Ombud

Output Indicator: Percentage of complaints resolved within 12 months through investigation

**Audited Actual
Performance 2019/20**

New Indicator

**Audited Actual
Performance 2020/21**

0%

**Planned Annual Target
2021/22**

5%

**Actual Achievement
2021/22**

1.27% (2/158)

Reasons for target not met:

- Denominator inflated by the large number of backlog cases,
- Referral of new cases for investigation,
- Human resource constraints and
- Lengthy investigative processes

Programme 3: Complaints Management and Office of the Ombud

Complaints Management and Office of the Ombud

Output Indicator: Percentage of complaints resolved within 18 months through investigation

Audited Actual
Performance 2019/20

New Indicator

Audited Actual
Performance 2020/21

0%

Planned Annual Target
2021/22

2%

Actual Achievement
2021/22

0%
(0/158)

Although target not met, thirteen backlog cases resolved during the 2021/22 financial year:

- Denominator inflated by the large number of backlog cases,
- Referral of new cases for investigation,
- Human resource constraints and
- Lengthy investigative processes

Programme 4: Health Standards Design, Analysis, & Support

OUTCOME

- Facilitate achievement of Compliance with the Norms and Standards Regulations for different categories of Health Establishments.

PROGRAMME PURPOSE

- The purpose of the Health Standards Design, Analysis and Support programme is to provide high-level technical support to the Office through research, health systems analysis, development of data collection tools, training in the use of these tools, and analysis and interpretation of the data collected.

Programme 4: Health Standards Design, Analysis, & Support

Health Standards Design, Analysis, and Support

Output Indicator: Number of recommendations for improvement in the healthcare sector made to relevant authorities

**Audited Actual
Performance 2019/20**

New Indicator

**Audited Actual
Performance 2020/21**

3

**Planned Annual Target
2021/22**

3

**Actual Achievement
2021/22**

3

- Consolidated recommendations report on early warning system – related to the monitoring of the indicators of risk on serious breaches of norms and standards
- Annual returns report on the profile of health establishments
- Submitted to the Minister of Health a review on the norms and standards first year of operation

Programme 4: Health Standards Design, Analysis, & Support

Health Standards Design, Analysis, and Support

Output Indicator: Number of guidance workshops conducted to facilitate implementation of the norms and standards regulations

**Audited Actual
Performance 2019/20**

New Indicator

**Audited Actual
Performance 2020/21**

18

**Planned Annual Target
2021/22**

24

**Actual Achievement
2021/22**

26

Guidance workshops provided to health systems managers and leaders on inspection tools developed to prepare health establishments for inspections

PROGRAMME 5: CERTIFICATION AND ENFORCEMENT

OUTCOME

- Compliance with Norms and Standards is Increased

PROGRAMME PURPOSE

- The purpose of the Certification and Enforcement programme is to certify compliant health establishments and take enforcement action against non-compliant health establishments.

Programme 5: Certification and Enforcement

Certification and Enforcement

Output Indicator: Percentage of HEs issued with a certificate of compliance within 15 days from the date of the final inspection report

**Audited Actual
Performance 2019/20**

New Indicator

**Audited Actual
Performance 2020/21**

100%

**33 out of 33
health**

**establishments
were recommended
for
certification**

**Planned Annual Target
2021/22**

100%

**Actual Achievement
2021/22**

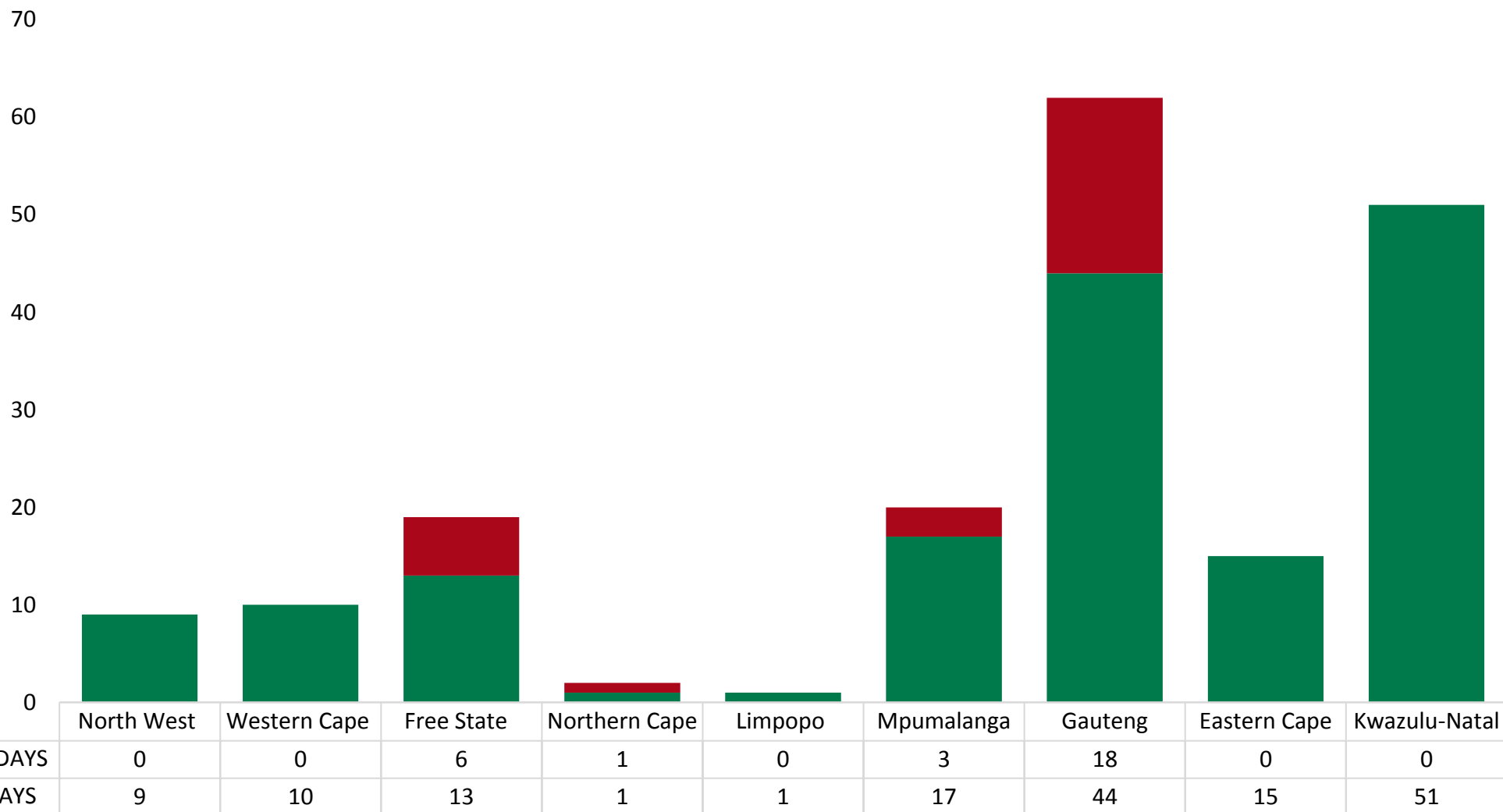
85.19%

**161 out of 189
health**

**establishments
recommended
for certification
were certified
within 15 days**

- Thirty three (33) health establishments certified in FY 2020/21
- 189 health establishments certified in FY 2021/22
- All health establishments recommended for certification were issued with Certificates of Compliance, however 161 issued within 15 days as per Certification and Enforcement policy

Compliance Certificates Issued by Province (n=189)



■ # HE WITHIN 15 WORKING DAYS

■ # HE OUTSIDE 15 WORKING DAYS

Programme 5: Certification and Enforcement

Certification and Enforcement

Output Indicator: Percentage of HEs against which enforcement action is initiated within 10 days from the date of the final inspection report

Audited Actual Performance 2019/20	Audited Actual Performance 2020/21	Planned Annual Target 2021/22	Actual Achievement 2021/22
New Indicator	0%	100%	0% (0/23)

- Non-compliant facilities were issued with Compliance Notices, and given time to correct non-compliance
- Enforcement action may not begin until an additional inspection that confirms the health establishment's persistent non-compliance is completed
- During FY 2021/2022, the first group of Health Establishments issued with Compliance Notices were subjected to a re-inspection process
- At the end of FY 2021/2022, twenty four (24) re-inspection reports were completed
- Ended the financial year in the process of completing enforcement action against identified health establishments, which was finalised by the end of the first quarter in FY 2022/2023

Programme 5: Certification and Enforcement

Certification and Enforcement

Output Indicator: Number of health establishment compliance status reports published

Audited Actual
Performance 2019/20

New Indicator

Audited Actual
Performance 2020/21

1

Planned Annual Target
2021/22

2

Actual Achievement
2021/22

2

The image shows the cover of the 2021/22 Annual Report for the Office of Health Standards Compliance. The cover features a red top section with the text '2021/22 ANNUAL REPORT' and 'Of the Office of Health Standards Compliance'. Below this is a large blue wave-like shape, followed by a grey wave, and a white bottom section containing the OHSC logo and name. The logo consists of three stylized human figures in red, green, and blue, with a red arc above them.

2021/22
ANNUAL REPORT
Of the Office of Health Standards Compliance

AUDITED FINANCIAL INFORMATION
2021/22

CHIEF FINANCIAL OFFICER
MR JULIUS MAPATHA



Office of Health Standards Compliance

Financial Performance

	2020/21	2021/22	% Change	% of total 2021/22
REVENUE				
Government grant	137,648,000	157,997,172	15%	98.70%
Interest received	1,545,588	2,034,038	32%	1.27%
Other income	-	43,162	100%	0.03%
TOTAL REVENUE	139,193,588	160,074,372	15%	100%
EXPENDITURE				
Compensation of employees	89,781,490	100,254,886	12%	67%
Board members' costs	959,202	1,082,252	13%	1%
Depreciation and amortisation	7,068,644	6,893,015	-2%	5%
General expenses	35,271,669	40,799,696	16%	27%
TOTAL EXPENDITURE	133,081,005	149,029,849	12%	100%
SURPLUS FOR THE YEAR	6,112,583	11,044,523	81%	

- **AUDIT OUTOMES**

- Clean audit achieved

- **REVENUE**

- 15% increase in allocation from the National Treasury compared to 2020/21
- Increase in interest on short term investment with the OHSC bankers, as a result of increased interest rates by the SARB

- **EXPENDITURE**

- Salary increases and contract employees
- Board costs relatively the same as most meetings took place virtually
- Increased travelling - easing of lockdown restrictions

- **Main contributors to surplus:**
 - Additional revenue from investment interest
 - No private sector inspections in 2021/22
 - Most stakeholder engagements held virtually (COVID-19)
 - Additional revenue from National Treasury received at the end of the financial year
 - Salary increases less than budgeted for

- 2019/20 – R158 million
- 2020/21 – R135 million (commencement of lockdown)
- 2021/22 – R152 million (during lockdown with some relaxed restrictions)
- 2022/23 budget – R157 million (easing of most restrictions)

Expenditure expected to increase with volume of activities during 2022/23, due to complete easing of lockdown restrictions

Surplus Plan

- National Treasury approval to retain the 2021/22 surplus for:
 - To service prior year commitments such as ICT projects, and short-term employment contracts.
 - Supplementing human resource capacity on short term contracts across the units to increase inspection coverage and complaints resolution
 - Implementation of the communications and stakeholder relations strategy to increase OHSC visibility and stakeholder awareness
 - HSDAS projects on early warning system, Scientific and Research Technical Task Team and annual returns

Total Expenditure Per Division

DIVISION	2020/21	2021/22	% Change
CEO'S OFFICE	11,720,192	11,929,922	2%
COMPLIANCE INSPECTORATE	40,988,501	49,718,575	21%
COMPLAINTS MANAGEMENT & OMBUDSMAN	18,839,509	22,071,465	17%
CORPORATE SERVICES	52,731,680	56,829,637	8%
CERTIFICATION AND ENFORCEMENT	2,244,676	2,154,426	-4%
HSDAS	9,189,268	9,827,755	7%
TOTAL	135,713,826	152,531,780	12%

% Share of Expenditure Per Division

FOCUS AREA	2020/21	2021/22
Support functions	47%	45%
CEO's Office and the Board	9%	8%
Corporate Services	39%	37%
Core functions	53%	55%
Compliance Inspectorate	30%	33%
Complaints Management and Ombud	14%	14%
Certification and Enforcement	2%	1%
HSDAS	7%	6%
TOTAL	100%	100%

Compensation Costs By Employee Level

Level	2021/22	
Executive management	10,172,346	10%
Senior management	14,393,833	14%
Professionally qualified and experienced specialists and mid-management	26,741,989	27%
Skilled technical and academically qualified workers, junior management and supervisors	40,405,912	40%
Semi-skilled and discretionary decision-making	8,540,806	9%
TOTAL	100,254,886	100%

Staff Complement

PROGRAM	2020/21	2021/22
CEO'S OFFICE	9%	11%
COMPLIANCE INSPECTORATE	45%	45%
COMPLAINTS MANAGEMENT & OMBUD	17%	16%
CORPORATE SERVICES	18%	17%
CERTIFICATION AND ENFORCEMENT	3%	2%
HSDAS	8%	9%
TOTAL	100%	100%

FOCUS AREA	2020/21	2021/22
Support functions	27%	28%
Core functions	73%	72%
TOTAL	100%	100%

NGIYA THOKOZA! ro livhuwa!
dankie! ke a leboga! **ENKOSI!**
inkomu! thank you! **udo livhuwa!**
ke a leboha! **ngiyabonga!**
siyabonqa!



OHSC

Office of Health Standards Compliance

Ensuring quality and safety in health care

www.ohsc.org.za

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