

 **department of health**  
eastern cape, south africa



**strategic plan evaluation 2010/2011**



**daygan eagar**

# Acknowledgements

The CSA/PSAM acknowledge with gratitude the financial support of the Swiss Agency for Development and Cooperation (SDC), the Ford Foundation, International Budget Partnership (IBP), the Open Society Initiative for Southern Africa (OSISA).

We would also like to thank all those individuals and organisations mentioned in this report who generously assisted us in our work.



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

Swiss Agency for Development  
and Cooperation SDC



OSISA  
Open Society Initiative  
for Southern Africa



INTERNATIONAL BUDGET PARTNERSHIP  
Open Budgets. Transform Lives.



FORD FOUNDATION

*Working with Visionaries on the  
Frontlines of Social Change Worldwide*



*"We must promote democracy at every level of society. The best and most effective means of ensuring human rights and to promote the eradication of racism and sexism is to enable the full and unqualified participation of all races, sexes and classes in all aspects of society ... Democracy and human rights are inseparable. We cannot have the one without the other."*

Nelson Mandela 1993

**Eastern Cape Department of Health****Strategic Plan Evaluation:****Annual Performance Plan 2010/11-2012/13****Daygan Eagar**Monitoring and Research Programme, Public Service Accountability Monitor<sup>1</sup>For more information contact the PSAM, [psam-admin@ru.ac.za](mailto:psam-admin@ru.ac.za)

Tel: (046) 603 8358, Fax: (046) 622 7215

**Key Findings and Recommendations**

**Finding:** Neither the MEC's nor the HOD's forewords provide any commitment to specific strategic priorities or service delivery objectives and targets. It is therefore difficult to determine based on their forewords if there have been any significant policy shifts or, what the Department will prioritise during the 2010/11-2012/13 planning period or even, more fundamentally, what the Department's policy priorities actually are.

**Recommendation:** The MEC and HOD are ultimately accountable for service delivery in the province and should provide a clear commitment describing the Department's strategic direction in their forewords.

**Finding:** A welcome aspect of the Department's strategic planning for the 2010/11-2012/13 financial year is that it has combined the three- and one-year plans into a single document. The advantage of doing this is that it becomes far easier to link strategic objectives outlined in the three-year plan with those provided in the one-year plan. This should ensure greater consistency between plans and assist oversight and civil society in monitoring service delivery against more detailed planning documentation.

**Recommendation:** This is an important change to the Department's strategic planning documentation and should be continued going forward.

---

<sup>1</sup> In producing this report, the PSAM wishes to acknowledge the Centre on Budget and Policy Priorities (CBPP) who have provided support via a grant from the International Budget Partnership (IBP) of the CBPP.

**Finding:** In the 2008/09-2010/11 APP the Department included a full breakdown of its HR capacity in a table which outlined, for all personnel categories, the total number of posts, the number of filled posts, vacancies, vacancy rates and turnover rates.<sup>2</sup> In the 2009/10-2011/12 APP and now the 2010/11-2012/13 APP the Department has only included a table which outlines these details for public health worker posts. No information has been given for administrative and support post personnel.

**Recommendation:** Administrative and support staff perform vital functions in the day-to-day operations of the Department. It is essential that the Department include detailed recruitment, retention and performance information for these categories of personnel.

**Finding:** The Department does not provide any critical analysis of the causes of the high staff turnover rates and difficulties associated with the recruitment of new staff.

**Recommendation:** The Department should include details of its HR strategy as part of its strategic planning documentation in an effort to aid in the implementation and monitoring of any interventions.

**Finding:** In the 2010/11-2012/13 APP the Department once again does not provide any meaningful epidemiological data for key service delivery areas and programmes and only provides epidemiological data at the beginning of the APP. This suggests that the Department is relying on its performance indicators, generated at facilities, in developing its strategic plans and not need as indicated by various epidemiological data such as the overall burden of disease and need.

**Recommendation:** Basing strategic plans on need is essential in ensuring that resources are efficiently and effectively prioritised and used to address the most pressing health care issues in the province. The Department therefore should prioritise the collection and use of not only performance data but also key indicator data.

**Finding:** The Department has also not provided any detail on service delivery constraints and what it intends to do to overcome these.

**Recommendation:** If the Department is to improve its levels of service delivery it needs to clearly outline any service delivery constraints and what it intends to do to resolve these issues.

**Finding:** The Department continues to set many of its targets incrementally and not based on need or even past performance. The absence of targets which fairly represent demand, need and past performance speaks to weaknesses in the

---

<sup>2</sup> Eastern Cape Department of Health, Annual Performance Plan 2008/09-2010/11, pp. 23-25.

Department's ability to adequately monitor and evaluate its programmes and interventions.

**Recommendation:** The Department needs to set targets which are based not only on past performance but also on what is the need within the province. This can only be done once the Department resolves weaknesses in its Monitoring and Evaluation (M&E) systems and its use of external data sources.

**Finding:** Despite acknowledging the many weaknesses within its financial management systems, interventions relating to the strengthening of these systems outlined in the strategic planning documentation are not extensive and are generally limited to the Financial Management Systems Sub-Programme.

**Recommendation:** Each programme and sub-programme should outline what is being done to improve financial management and administration.

**Finding;** Even though the Department identifies improvements to audit outcomes as a priority there is no reference within the APP on how this will be done. In fact, there is no reference to strategic interventions which relate to issues highlighted by the AG at all.

**Recommendation:** The AG provides invaluable insight into issues within the Department's systems. It is therefore imperative that the Department prioritise interventions which deal with issues raised in the AG's reports.

**Finding:** The Department provides no indication of how much funding it has received from donors or what this funding will be used for.

**Recommendation:** The Department receives funding from donors for key interventions such as those relating to HIV and AIDS. In order to adequately account for these funds the Department must outline how much it has received and what will be done with these resources.

**Finding:** The Department provides no information in its strategic plans on its relationships with municipalities. There is also no indication of how much the Department is responsible for transferring to municipal health facilities, what the conditions of these transfers are, or how municipalities have done in fulfilling their responsibilities.

**Recommendation:** Since the Department is still responsible for monies transferred to municipalities, it must as a matter of process clearly indicate the conditions of these transfers and what they will be used for in their strategic planning documentation.

## **Introduction**

The South African Constitution commits government departments to the progressive realisation of socio-economic rights, including the right to education, healthcare, housing and social welfare, within available resources. The PSAM defines social accountability as the obligation by public officials and private service providers to justify their performance in progressively addressing the above rights via the provision of effective public services.<sup>3</sup> To effectively realise these rights through the delivery of public services, state departments and private service providers responsible for the management of public resources must implement effective accountability and service delivery systems. These include: planning and resource allocation systems; expenditure management systems; performance monitoring systems; integrity systems; and, oversight systems. The effectiveness of these systems can be established by monitoring their information outputs. To evaluate these systems, the PSAM has developed a set of evidence-based tools for monitoring the information produced annually by each system.

The following report focuses on the reviewed department's strategic planning system. To fulfil its mandate to provide effective and efficient public services that progressively realise people's socio-economic rights, every government department must produce strategic plans for the upcoming financial year and Medium Term Expenditure Framework (MTEF) period. This report evaluates the strategic plans of government service delivery departments by asking a number of questions which identify the necessary requirements for effective and accountable strategic plans.

Strategic planning forms the foundation on which service delivery is built. The responsibility for drawing up clear strategic plans and for setting measurable objectives for provincial government departments rests with the MEC for the relevant department. Amongst other responsibilities, the MEC should identify the people to be served by their department, and their specific service delivery needs. The MEC must also ensure that the implementation of the strategic plan is properly monitored to make certain that services are provided efficiently and in a way that represents value for money. Strategic planning requirements are strictly regulated in terms of the Public Service Regulations, Public Finance Management Act (PFMA), the Division of Revenue Acts (DORA) and by National Treasury regulations which govern the development of strategic plans.

No budget can be allocated to government departments in the absence of a strategic plan. This is because without evidence of what the department intends to do with its budget, the respective Treasury is not authorised to apportion funds to the department.

Strategic planning is intimately linked to the budgeting and reporting framework established by the PFMA. It is important to note that while strategic planning informs the budget to be allocated to departments, those undertaking planning should always develop their strategies taking the projected resource allocation for their department into account as indicated within the 3-year Medium Term Expenditure Framework.<sup>4</sup>

---

<sup>3</sup> *Constitution of the Republic of South Africa*, sections 26, 27 and 29.

<sup>4</sup> *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004, section 2, 2.1.1, p. 21.

Provincial government departments are expected to draw up two strategic plans, a five-year plan and an annual plan.

- Five-year Strategic and Performance Plans -

The Five-year Strategic and Performance Plan, linked to the five-year election cycle, sets out the department's strategic policy priorities and plans for the coming five years. It serves as a "blueprint for what the provincial department plans to do over the next five years".<sup>5</sup> The document focuses on setting specific strategic goals that will be prioritised, as well as identifying strategic objectives for each main service delivery area of the department.

- Annual Performance Plans –

Each year, provincial departments are required to produce annual performance plans which set out what they intend doing in the upcoming MTEF period to implement their respective Five-year Strategic and Performance Plans. For this reason, annual performance plans focus on the creation of specific measurable objectives and performance targets which ensure that departments meet their longer term goals. The annual performance plan covers the upcoming financial year and the following two years of the MTEF period. It should also inform, and be informed by, the budget and MTEF indicative allocations.

The importance of drawing up accurate and realistic strategic plans cannot be overestimated. In the absence of coherent plans, departments cannot properly quantify the needs of those requiring their services or properly estimate costs; they cannot accurately track, control or report on expenditure. Consequently they cannot properly monitor the delivery of services to ensure the efficient and effective use of scarce public resources to address the human rights of those dependent on public services.

- Operational Plans –

In addition to the annual performance plan, departments are expected to produce a detailed one-year operational plan. Both the annual performance plan and one-year plan (which gives effect to the first year of the three-year annual performance plan) are tabled annually. The operational plan must feed into performance agreements between executive authorities and accounting officers and should provide quarterly performance measures and targets, as well as quarterly budget information. According to Chapter 2 of the *Guidelines for Accounting Officers*, operational plans must specify measurable objectives and include service delivery indicators, total costs, timeframes and targets. Departments must report against the implementation of the one-year operational plan in their annual reports.

Departmental strategic plans should be tabled at the beginning of each financial year and made publically available at the same time as the provincial budgets. This did not happen for the 2010/11 financial year. At the time of writing this evaluation, the PSAM

---

<sup>5</sup> *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004, Section 1.4. "Overview of planning, budgeting and reporting documents", 1. Five-year Strategic and Performance Plans, p. 15.

did not have access to finalized strategic planning documentation and had to base its analysis on draft strategic plans provided by the Department. It is not clear to what extent the final strategic plans (if they exist) differ from the drafts made available to the PSAM. It is therefore not clear to what extent the findings contained in this report adequately address the contents of finalized plans.

## **Theme 1: Policy priorities and strategic objectives**

### **Requirements**

- Government departments prioritise plans to address the most pressing social needs of those dependent on public services and to respond to political priorities set by the government of the day. These policy priorities should be informed by constitutional commitments to address people's rights and should form guiding principles for planning. Policy priorities should be articulated by the executive authority responsible for the Department as he/she is ultimately accountable for the implementation of policy priorities and, therefore, the Department's planning.<sup>6</sup>
- Each year, the Department's strategic plan should set out any changes to the Department's strategic direction due to policy or programme shifts. This is to ensure that the Department is held accountable for its performance in relation to its new policy priorities/strategic direction. By identifying the most important performance targets, the administrative head of the Department undertakes to achieve these targets and makes him/herself accountable for doing so.<sup>7</sup>
- For the Department to achieve its strategic goals, there must be a direct correlation between these goals and its objectives. In other words, if the Department achieved each objective, it should have achieved its strategic goals. Any disjuncture between goals and objectives will result in the Department's failure to implement its strategic plan and effectively address the rights of those they serve.<sup>8</sup>
- Strategic objectives describe high-level outputs or the results of actions the Department plans to take; they must relate directly to the Department's policy priorities. Because they articulate the rationale for planned activities within each programme and strategically important sub-programme, strategic objectives must

---

<sup>6</sup> The executive authority of the Department should set out clearly at the beginning of the Annual Performance Plan what outputs the Department is required to deliver given its budget for the upcoming financial year in pursuit of its overall goals and objectives as set out in its Five-year Strategic and Performance Plan. Ibid, Section 4, "Foreword", p. 60. See also *Public Service Regulations, 2001*, as amended, regulation B1(a).

<sup>7</sup> In the Annual Performance Plan, the Department's Accounting Officer should give an executive summary of any significant shifts in policy or programmes that have taken place over the past year that alter the direction of the Five-year Strategic and Performance Plan. The Accounting Officer should also identify the most important performance targets as set out in the Annual Performance Plan. *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004, Section 4, Part A.1 "Overview", p. 64. See also *Treasury Regulations, 2005*, regulation 5.2.2(c).

<sup>8</sup> *Public Service Regulations, 2001*, Chapter 1, Part III, Regulation, B.1(b).



be included in the strategic plan to evaluate the Department's plans to progressively realise citizens' rights within available resources.

- Strategic plans must be integrated into macro planning frameworks for departments to give effect to national and sub-national policy priorities, as well as the realisation of international undertakings (such as the UN Millennium Development Goals). As the site of service delivery, it is critical for sub-national strategic plans to be aligned with both broader and narrower planning frameworks if such frameworks are to be implemented.<sup>9</sup>
- One-year plans must be integrated into longer-term planning frameworks to give effect to long-term strategic goals. There should therefore be a clear relationship between a Department's one-year plan and the corresponding year in multi-year plans if longer-term goals are to be achieved.

### Findings

In the Annual Performance Plan (APP) the MEC for Health is required to provide an account of the policy priorities which guided the Department's planning for the current financial year. This account should highlight the Department's priorities and most important strategic interventions to be made by the Department in the improvement of health services in the province. It is the MEC's responsibility to articulate this commitment in the APP as s/he is ultimately accountable to the provincial Executive council, the Legislature and the public for the implementation of these priorities through effective oversight, planning and service delivery.

In the foreword to the 2010/11-2012/13 APP the MEC for Health in the Eastern Cape, Mr. Phumulo Masualle, only provides a limited account of the Department's priorities for the upcoming financial year. In his foreword he only briefly outlines the National Department's ten point plan for the improvement of the health system over the next five years, but fails to provide any clear indication of how these inform and translate into provincial priorities. The foreword provides no indication of the Department's own strategic priorities or changes to its strategic direction.

The Head of Department's foreword does not fair any better in terms of providing a clear indication of the Department's strategic direction and key policy priorities. While the HOD does outline some of the Department's broad strategic priorities, this is not done with any clear indication of what the Department will be doing to realise these objectives. For example, the HOD states that the Department has committed to "Increasing human

---

<sup>9</sup> The Department should provide details of any change to its strategic direction as set out in its Five-year Strategic and Performance Plan. This should indicate which factors made any changes necessary, and how these changes will impact on the Department's strategic goals and objectives. *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for the 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004, Section 4, Part A.2 "Strategic Plan Update Analysis", p. 64. According to the South African Constitution, national, provincial and local spheres of government must "provide effective, transparent, accountable and coherent government for the Republic as a whole." In addition, all spheres of government must "cooperate with one another" by, among other things, coordinating their actions. *South African Constitution*, Chapter 3, Section 41(1)(c) and (h)(iv). See also *Treasury Regulations*, 2005, regulation 5.2.2(b).

resources capacity by the recruitment of the required personnel and the production of our nursing personnel.”<sup>10</sup> While increasing human resources capacity is undoubtedly an important strategic priority, the HOD provides no indication of any specific interventions aimed at the recruitment and retention of personnel or any specific performance targets for this process.

Neither the MEC’s nor the HOD’s forewords provide any commitment to specific strategic priorities or service delivery objectives and targets. It is therefore difficult to determine based on their forewords if there have been any significant policy shifts or, what the Department will prioritise during the 2010/11-2012/13 planning period or even, more fundamentally, what the Department’s policy priorities actually are. While the Department’s policy priorities are dealt with at some length later on in the plan (discussed below) it is imperative that both the Executive and Administrative heads do so in their forewords to the plan as they are ultimately the ones who are responsible for the Department’s performance in realising policy and strategic priorities.

Not only do plans need to be aligned to the Department’s own policy and planning frameworks, they also need to be integrated into broader planning frameworks at the sub-national, national and international levels. These broader policy frameworks include the Social Needs Cluster priorities, the Provincial Growth and Development Programme (PGDP), National Health Systems Priorities (NHSP), High Impact Priority Projects (HIPP) and the Millennium Development Goals.

Even though no mention of these broader strategic frameworks is made in either the MEC’s or SG’s forewords, the Department does provide a detailed matrix in Part A of the plan which clearly highlights linkages between the relevant plans and the Department’s own strategic plans.<sup>11</sup> In this matrix the Department lists the imperatives of each of these frameworks and then provides the corresponding departmental programmes, outputs and targets which should give effect to each of these imperatives. This clear link between the Department’s own strategic planning and the broader planning frameworks, particularly the NHSP, the National Department of Health’s 10 point plan for the health sector and the MDG’s is important as it provides oversight, civil society and departmental officials with a useful tool in the monitoring and evaluation of the Department’s strategic planning and its relationship with these frameworks.

This matrix does not, however, provide an indication of the Department’s progress in achieving the objectives and specific targets of each framework. To do this one would need to compare the Department’s past performance outlined within relevant programmes and situation analyses against these objectives and then determine if measurable objectives and targets for relevant programmes and sub-programmes would contribute to the progressive attainment of these broader objectives. It would be useful for the Department to provide this information within the matrix. This would allow the Department, oversight and civil society to more easily monitor progress made in achieving key objectives and inform future strategic planning.

The Department has also revised its broad strategic goals, ostensibly to ensure that they are more clearly and comprehensively integrated with these frameworks (particularly the NSP) The Departments new Strategic Goals are now provided as:

---

<sup>10</sup> Eastern Cape Department of Health Annual Performance Plan 2010/11-2012/2013, p.9

<sup>11</sup> Eastern Cape Department of Health Annual Performance Plan 2010/11-2012/2013, p. 22-42

1. A functional quality driven Public Health System that provides an integrated and seamless package of health services and is responsive to customer needs
2. To combat and reduce the impact of TB and HIV/AIDS with a special focus on preventing the emergence of drug-resistant strains
3. To strengthen and improve mother and child health services
4. To combat and reduce non-communicable diseases and mental conditions
5. To enhance institutional capacity through effective leadership, governance, accountability and efficient and effective utilisation of resources

In addition to consistency with broader policy and planning frameworks, there must be continuity between the Department's own strategic planning documentation, (i.e, the five-, three (APP) and one-year plans).

At the beginning of each five year electoral cycle the Department is required to produce a five-year strategic plan<sup>12</sup> which should detail any shifts in health policy and outline the Department's long term strategic objectives and targets in its efforts to realise the requirements of the Constitution and boarder strategic planning frameworks, service delivery priorities and international covenants and agreements. This plan should then form the basis of Departments medium- and short-term strategic planning each year for the remainder of the electoral cycle.

This plan was supposed to be made available at the beginning of the 2009/10 financial year but due to undisclosed delays it was only made available at the beginning of the 2010/11 financial year. This is troubling as it is not clear what long-term strategic planning framework was used to develop the 2009/10-2011/12 APP and the 2009/10 OP and if the strategic planning documentation from 2009/10 contributes to the realisation of the long term goals outlined in the in the five-year plan released a year late during the current financial year (2010/11).

While the Department only made the five-year plan available at the beginning of the 2010/11 financial year, it has provided a fairly candid review of the process of developing the Department's long term strategic planning framework. In developing the five-year plan the Department is required to undertake an extensive strategic planning review which includes a "comprehensive situation and scenario analysis".<sup>13</sup> This analysis should include, amongst other things, a review of both the organisational environment and demographic and epidemiological data. In its discussion of the five-year strategic planning process, the Department admits that while strides have been made in ensuring this process is comprehensive, the Department has not been successful in every regard and has not ensured a complete review of every aspect of the health system and service delivery context. For example, while the Department states that it has started to undertake full reviews of the financial and performance management environments, the "inability to begin developing a Clinical Health Plan remains a significant challenge".<sup>14</sup> This kind of appraisal of the many barriers to effective strategic planning is an important admission and signals that the Department is willing to engage with its weaknesses and

---

<sup>12</sup> The Development of the five-year strategic plan is a legal requirement of the National Health Act (Act 63 of 2003) chapter 4 Section 25 (3) (a) &(b)

<sup>13</sup> Eastern Cape Department of Health, Five-year Strategic Plan 2009/10-2014/15, p.27

<sup>14</sup> Ibid p. 27

challenges in a meaningful and transparent manner. What is not clear from the review, however, is what, in practical terms, will be done over the planning cycle to rectify these weaknesses.

Since the five-year plan forms the basis of all strategic planning during the electoral cycle it is imperative that strategic goals, objectives and targets are consistent between plans. The Department's revised strategic goals appear in both the five-year plan and the APP and are consistent throughout both documents. In terms of strategic objectives and targets there is consistency between plans. The five-year plan provides the rationale behind each strategic objective, limited baseline data, links with broader planning frameworks and long term goals to be achieved. The APP then provides the same strategic objectives but with more specific indicators and targets, which if achieved, should contribute to the realisation of the strategic goals outlined in the five-year plan. For example, for the Departments HIV and AIDS sub-programme the strategic objective to "facilitate the 80% achievement of the ARV treatment coverage" is given with the rationale behind this strategic objective provided as the implementation of the national HIV and AIDS Strategic Plan (NSP).<sup>15</sup> The Department then provides the baseline as 38% of those eligible for treatment covered. In the APP this strategic objective is provided with the inclusion of more specific performance indicators which include the number of facilities offering ARVs, the number of patients on treatment and the number of facilities with drug stock-outs during the year. For each of these indicators specific targets for the current financial year and the outer two years of the MTEF are provided<sup>16</sup>. In this regard the plans are clearly integrated, it remains to be seen however whether or not the strategic objectives are appropriate in achieving intended outcomes (a point I return to later).

Another welcome aspect of the Department's strategic planning for the 2010/11-2012/13 financial year is that it has combined the three- and one-year plans into a single document. So for each programme and sub-programme the Department provides tables which outline strategic objectives with indicators and targets for the MTEF period and corresponding tables which provide costed strategic objectives with indicators and quarterly targets for the current financial year. The advantage of doing this is that it becomes far easier to link strategic objectives outlined in the three-year plan with those provided in the one-year plan. This should ensure greater consistency between plans and assist oversight and civil society in monitoring service delivery against more detailed planning documentation.

Not only does there need to be consistency between plans, there also needs to be consistency within plans. This is in part achieved through linking strategic objectives, with strategic goals and appropriate elements of the broader planning frameworks mentioned earlier. In other words, if the Department were to achieve each of its strategic objectives, it should achieve its strategic goals, which in turn would result in the achievement of goals outlined in broader frameworks. In the 2009/10-2011/12 APP the Department provided a table which clearly linked its key strategic objectives with relevant strategic goals to programmes and key sub-programmes.<sup>17</sup> This table provides an easy to use guide which showed the links between broad Departmental objectives

---

<sup>15</sup> Ibid, p. 77

<sup>16</sup> Fortunately the target for the number of facilities experiencing drug stock-outs is provided as 0.

<sup>17</sup> Eastern Cape Department of Health Annual Performance Plan 2009/10-2011/2012, pp. 34-36.

and goals with the relevant programmes. In the 2010/11-2012/13 APP, however, the Department does not include this table. In five-year plan, however, this is done. In this plan strategic objectives are linked directly with relevant broader frameworks within programme tables.

This does not necessarily mean that there is not consistency between the Department's strategic objectives and broader strategic goals in the APP though. Throughout the APP the Department links at least one of its strategic goals to each sub-programme. The premise here is that the achievement of all the strategic objectives for each sub-programme should result in the realisation of the Department's strategic goals. In most respects this does appear to be the case as the strategic goals attached to each sub-programme are relevant to the aims of that sub-programme and its associated strategic objectives. For example, for the Community Services Sub-programme, which has the aim of providing community based services such as home-based care, the Department has provided Strategic Goal 1 which is given as 'a functional quality driven Public Health System that provides an integrated and seamless package of health services and is responsive to customer needs'.<sup>18</sup> Since the key objectives of the Community Services programme include the promotion of healthy lifestyles, the provision of home based care and the integration of traditional health practices<sup>19</sup>, this strategic goal clearly relates to the relevant strategic objectives.

Generally the Department has done well to produce strategic plans which are clearly integrated and articulate well with broader policy and planning frameworks as well as its own strategic planning documentation. This should help to ensure that there is a degree of continuity in strategic plans over time and ensure that the Eastern Cape Department of Health produces plans with strategic objectives which are consistent with both National and sub-national priorities.

## **Theme 2: The context of planning**

### **Requirements**

- The Department's ability to implement its strategic plan is determined, to a large extent, by its human resource capacity. It is therefore critical for the Department to provide an account of its internal organisational environment in its strategic plan, and to indicate how organisational capacity or constraints were factored into its strategic plan.<sup>20</sup>

---

<sup>18</sup> P193

<sup>19</sup> Ibid

<sup>20</sup> The Department should provide an account of changes in its internal and external service delivery environment, which updates the detailed needs analysis contained in its Five-year Strategic and Performance Plan. This should include an account of how these changes affect the Department's objectives and organisational structure in its Annual Performance Plan. *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for the 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004, Section 2, 3.2.1. 'Aim and Focus of Part A of the Annual Performance Plan, p. 27. See also *Public Service Regulations*, 2001, Chapter 1, Part III B.2 (a) – (d) and *Treasury Regulations*, 2005, regulation 5.2.2(b).

- Strategic plans should be informed by rigorous needs analysis if they are to respond to the most pressing socio-economic needs of those they serve. Departments should demonstrate in their strategic plans how proposed targets give effect to service delivery commitments *in relation to* socio-economic needs. Only then can both performance targets and undertakings be properly evaluated. In addition, departments should clearly articulate service delivery constraints caused by the external service delivery environment and demonstrate how these constraints were factored into the drawing up of strategic objectives and targets.<sup>21</sup>
- The usefulness of the Department's strategic plan is largely determined by the extent and depth of consultation with staff in its development. Staff who have played a meaningful role in developing a strategic plan are more likely to take ownership of it and thus actively work towards its implementation.<sup>22</sup>

### Findings

The Department's ability to implement its strategic plan is determined, to a large extent, by its Human Resource (HR) capacity. It is therefore critical for the Department to provide an account of its internal organisational environment in its strategic plan, and to indicate how organisational capacity or constraints were factored into its strategic plan.

In the 2008/09-2010/11 APP the Department included a full breakdown of its HR capacity in a table which outlined, for all personnel categories, the total number of posts, the number of filled posts, vacancies, vacancy rates and turnover rates.<sup>23</sup> In the 2009/10-2011/12 APP and now the 2010/11-2012/13 APP the Department has only included a table which outlines these details for public health worker posts.<sup>24</sup> No information has been given for the personnel establishment for administrative and support posts. This is troubling as these posts are as important to the Department's functioning as those of health professionals and should also be clearly factored into its planning. Failure to provide such information is likely to inhibit accurate planning and oversight.

---

<sup>21</sup> Section 195(1)(e) of the *South African Constitution* states that "People's needs must be responded to". Section 2 of the *Public Finance Management Act Implementation Guideline, 2000*, notes that departmental Accounting Officers "must have regard for the usefulness and appropriateness of planned outputs", (p. 8). It is clear that the Department cannot comply with these legislative and constitutional requirements, nor be accountable for failing to do so, without providing an account of its external service delivery environment. See also *Public Service Regulation, 2001*, regulation C.1(a).

<sup>22</sup> According to the South African Constitution, national, provincial and local spheres of government must "provide effective, transparent, accountable and coherent government for the Republic as a whole". In addition, all spheres of government must "cooperate with one another" by, among other things, coordinating their actions. *South African Constitution*, Chapter 3, Section 41(1)(c) and (h)(iv). Section 195(1)(e) of the *Constitution* states that "People's needs must be responded to, and the public must be encouraged to participate in policy-making". In addition, 195(1)(g) states that "transparency must be fostered by providing the public with timely, accessible and accurate information". See also *Public Service Regulations, 2001*, Chapter 1, Part III, Regulation C.1(b).

<sup>23</sup> Eastern Cape Department of Health, Annual Performance Plan 2008/09-2010/11, pp. 23-25.

<sup>24</sup> Eastern Cape Department of Health, Annual Performance Plan 2009/10-2011/12, pp. 116-117 and Eastern Cape Department of Health, Annual Performance Plan 2010/11-2012/13

Following commitments to enhance the department's HR capacity at both a national and provincial level<sup>25</sup>, the Department has included a number of strategic objectives relating to human resources not included in previous strategic plans. Many of these relate specifically to the recruitment and management of health professionals in critical posts. For example, this year the Department has introduced an entire sub-programme relating to the recruitment, retention and management of health professionals. The Nursing, Medical Services and Designated Service Provider Networks (*DSPN*), includes strategic objectives such as 'to facilitate the adequate supply and distribution of nursing professionals within the public health system' and the retention of community service doctors.<sup>26</sup> The Department has also included additional strategic objectives in its Integrated Human Resources sub-programme not provided in earlier plans, many of which relate to the 'effective HR planning, development and management'.<sup>27</sup> Of particular importance here is the Department's commitment to ensuring that personnel records are 'appropriately' and 'accurately' entered into its Personnel and Salaries (*PERSAL*) systems. This is an important inclusion because the AG has repeatedly cited the Department's *PERSAL* system as being one of the areas in most need of attention.<sup>28</sup>

That said, the Department does not provide any critical analysis of the causes of the high staff turnover rates and difficulties associated with the recruitment of new staff. Based on information provided within the strategic plans, for example, it is impossible to ascertain precisely why health professionals choose to leave the Department. Even those strategic objectives which do relate to staff retention provide no indication of how staff will be retained and if there are any specific programmes or interventions aimed at doing this. These objectives simply state that the Department plans to improve staff retention but not how.

One area where the Department has shown improvement is in the quantity of key health indicators and epidemiological data included in the situational analysis at the start of the 2010/11-2012/13 APP. In the past this data was limited to only a few key indicators which were largely out-of-date.<sup>29</sup> In the 2010/11-2012/13 APP, however, the Department has increased the number of both the socio-economic and epidemiological indicators in developing its strategic plan. These indicators include those which relate to socio-economic status by district and updated epidemiological indicators relating to causes of admissions, infant and maternal mortality as well as HIV/AIDS and TB.

A concern with much of this information though is that it is based on data collected from health facilities in the province. While this provides performance data for facilities, it gives little indication of the broader provincial health profile and the burden of disease. This makes it difficult to determine based on available data if the services which are being provided are the most effective and efficient in addressing the most significant health service needs in the province.

---

<sup>25</sup> Eastern Cape Department of Health, Annual Performance Plan 2010/11-2012/13 p. 34 and 49

<sup>26</sup> *Ibid*, p.88

<sup>27</sup> *Ibid*, p.92

<sup>28</sup> Eastern Cape Department of Health Annual Report, 2008/09

<sup>29</sup> See the PSAM's Strategic Plan Evaluation for 2009/10.

### **Theme 3: Performance and monitoring**

#### **Requirements**

- By indicating both progress and what still needs to be done to meet the objectives for each programme, oversight bodies and citizens are able to evaluate the Department's planned programme objectives for the upcoming financial year in light of (a) the Department's past performance and (b) what the Department still needs to do to accomplish its strategic objectives for each programme.<sup>30</sup>
- Departments should ensure that the socio-economic rights of those they serve are progressively realised. It is important that the Department identify in its strategic plans specific measures it will take to improve the quality of service delivery, including improved access to services, improved standards and improved service delivery systems. This is particularly important for departments that did not meet their strategic objectives in previous financial years, or did not meet satisfactory service standards.<sup>31</sup>
- Performance targets for each strategic objective and activity must be included in the Department's strategic plan. These targets must be measurable and observable for the Department and oversight bodies to monitor the Department's performance. In addition, the indicators must provide an accurate, unbiased and complete measure of the strategic objective or activity and produce meaningful information from a management and oversight perspective.<sup>32</sup>
- For the Department to achieve its strategic objectives there must be a direct correlation between these objectives and its planned activities. In other words, if the Department achieved each activity, it should have achieved its strategic objectives. Any disjuncture between activities and objectives will result in the Department's failure to implement its strategic plan and effectively address the rights of those they serve.<sup>33</sup>
- To monitor the implementation of its strategic plan, the Department must ensure that planned activities are specific enough to know when they have been completed. Activities must also have in-year timeframes; this enables the Department to monitor progress in implementing activities and to introduce in-year corrective measures where problems occur. In addition, activities must be individually costed to ensure accurate expenditure tracking. Specific, time-bound and costed activities are necessary for expenditure tracking and performance monitoring, as well as risk management and accurate reporting.

---

<sup>30</sup> *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for the 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004, Section 4, Part B, subsection 3, p. 65. See also *Treasury Regulations*, 2005, regulation, 5.2.2(d).

<sup>31</sup> *Public Service Regulations*, 2001, Chapter 1, Part III, Regulation C.1 (a) – (f).

<sup>32</sup> *Treasury Regulations*, 2005, 5.2.3(d).

<sup>33</sup> *Public Service Regulations* of 2001, Chapter 1, Part III B(1)(b).



## Findings

In its APP the Department is required to provide an account of its progress in achieving its strategic objectives for each sub-programme. In this progress analysis the Department should outline both what it has done and what it still needs to do to achieve these objectives. In addition to this the Department is also required to provide an account of its main service delivery constraints as well as the measures it intends to implement to overcome them. These are important aspects of the plan as they allow both officials within the Department and oversight bodies to evaluate current programme objectives in terms of past performance, the constraints which may have hindered delivery and how the Department intends to overcome these constraints.

In terms of the guidelines the Department uses to develop its strategic plans, the Department is required to provide an account of its progress in the form of a situational analysis for all its programmes and sub-programmes.<sup>34</sup> According to the guidelines, this situational analysis should include:

1. epidemiological information as appropriate, and
2. appraisal of existing services and performance.

The inadequacy of this information has been a problem in the Department's previous strategic planning documentation<sup>35</sup> The Department has in the past failed to provide detailed epidemiological data for those programmes which require it. Similarly, their appraisal of existing services, while improving, has not been extensive and has limited the Department's capacity to plan based on performance.

In the 2010/11-2012/13 APP the Department has included substantially more information in its situational analyses for each programme and many of its sub-programmes than it has in the past. Of particular value is the inclusion of detailed performance information relating to per capita expenditure, facility usage, health professional workload, and a range of other data on services delivered.<sup>36</sup> While this should be welcomed, there are various areas which remain of concern.

In the 2010/11-2012/13 APP the Department once again does not provide any meaningful epidemiological data for key service delivery areas and programmes and only provides epidemiological data at the beginning of the APP. This suggests that the Department is relying on its performance indicators, generated at facilities, in developing its strategic plans and not need as indicated by various epidemiological data such as the overall burden of disease and need. Strategic planning therefore is based on past performance and not the disease profile in the province. For example, for the HIV and AIDS sub-programme the Department provides a range of detailed information on indicators such as the number of people currently on ART, condom distribution, number of clients tested for HIV and the number of facilities conducting testing and treatment.<sup>37</sup>

---

<sup>34</sup> *Format for Annual Performance Plans of Provincial Health Department's for Financial Years 2008/09 to 2010/11*, National Department of Health, p. 9.

<sup>35</sup> See for example Public Service Accountability Monitor. (2009). *Eastern Cape Department of Health Strategic Plan Evaluation*. Pp. 14-16

<sup>36</sup> See for example Eastern Cape Department of Health Annual Performance Plan 2010/11-2012/13, p.125-135

<sup>37</sup> Eastern Cape Department of Health Annual performance Plan 2010/11-2012/13, p.151-156

The Department does not, however, provide any information on the estimated number of people who are HIV positive or how many of those require ART. This means that targets set for the MTEF period are based on past performance and available resources and not on any accurate indicator of need.

The Department has also not provided any detail on service delivery constraints and what it intends to do to overcome these. In previous strategic plans the Department provided a table outlining the main organisational and service delivery constraints, such as HR and financial management, and then what it plans to do to overcome these constraints. It is therefore not possible to determine from the APP if there are any programme specific interventions to deal with issues of poor performance management and maladministration.

Once the Department has provided an account of its progress and measures which it will implement to overcome organisational constraints, it is then required to provide tables which specify:

1. measurable objectives;
2. indicators or performance measures for those objectives;
3. final outputs or deliverables for each objective for the MTEF period;
4. baseline data from the previous two financial years; and
5. targets for each financial year.<sup>38</sup>

This information provides the very basis of the Department's strategic planning and outlines specific activities, targets and timeframes for delivery. This information, taken together for each measurable objective, should then also be SMART. That is:

- Specific, clear and well defined;
- Measurable, so it is easy to know when they have been achieved;
- Achievable within available resources and time;
- Relevant to fulfilling the Department's mandate; and
- Time-bound.

This is an area where the Department's strategic planning continues to show improvement. For each strategic objective there are associated measurable objectives, indicators, baseline data and targets for the MTEF period. The Department has also made strides in improving the quality of the strategic objectives it does include by ensuring that these are more specific and measurable than they have been in the past. Certain problems do, however, remain.

The extent to which strategic objectives and targets meaningfully contribute to realising the Department's broader strategic goals (relevance) is somewhat more difficult to assess. Without any accurate indication of what the disease profile in the province is, it is impossible to tell if the strategic objectives and targets included in the plan contribute to meeting the health needs in the province in any significant way.

It is also impossible to determine if the Department's strategic plans are complete in meeting the demand for even the most basic public health services. For example, it is

---

<sup>38</sup> *Format for Annual Performance Plans of Provincial Health Department's for Financial Years 2008/09 to 2010/11*, National Department of Health, p. 10.

impossible to determine if the Department plans to manage chronic conditions such as hypertension, diabetes and heart disease at all. While it could be assumed that interventions to treat these conditions form part of the Department's primary health care package, it is not possible to determine from the plans what the need for these services are, or what the Department's strategic objectives and targets are for dealing with them.

The Department also continues to set many of its targets incrementally and not based on need or even past performance. For example, the target for the number of pregnant women tested for HIV is states as 100 500 persons to be tested in 2010/11, 200 000 in 2011/12 and 200 500 in 2012/13. If we consider that 144 244 women were tested in 2008/09 alone, and the department intends to scale up testing and treatment,<sup>39</sup> then these targets do not take past performance into account and they do not support the Departments stated goals. Similarly, the targets for the number of pregnant women targeted to receive Prevention of Mother to Child Transmission (PMTCT) dual therapy, do not follow the Department's past performance in initiating pregnant women on treatment or, once again, the stated importance of this intervention. Despite the fact that the number of women initiated on PMTCT dual therapy dramatically increased from 3396 in 2008/09 to an estimated 26 000 in 2009/10, the targets for the MTEF only increase marginally from 28 000 in 2010/11 to 28 500 in 2011/12 and 29 000 in 2011/12.<sup>40</sup>

The absence of targets which fairly represent demand, need and past performance speaks to weaknesses in the Department's ability to adequately monitor and evaluate its programmes and interventions. The poor quality of epidemiological data means that it is difficult to plan based on need and poor surveillance data means that it is difficult to set targets which adequately address the issues at hand.

Another consequence of poor data quality and an inability to adequately monitor and evaluate programmes and then set meaningful targets is that it becomes difficult to know whether the costing of strategic objectives are accurate and fairly reflect potential resource demands. The absence of such critical material makes motivating for increased funding from Treasury and the National Department of Health all the more harder.

#### **Theme 4: Financial Management**

##### **Requirements**

- To address weaknesses identified by the Auditor-General, the Department must include a detailed strategy to address queries raised in previous financial years. The human and financial resources necessary to give effect to this strategy should also be included in the strategic plan.<sup>41</sup>
- The Department must reflect on previous and likely spending pressures and take these into account to ensure that strategic objectives are met. To this end, it must

---

<sup>39</sup> Eastern Cape Department of Health Annual Performance Plan 2010/11-2012/13, p.152-154

<sup>40</sup> Ibid

<sup>41</sup> *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for the 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004, Section 4, Part B, subsection 8.1 and 8.2, p. 72.

show expenditure by programme and sub-programme, and compare spending in previous years to MTEF projections and corresponding service delivery targets.<sup>42</sup>

- Infrastructure plays an important role in the effective and efficient delivery of public services. The Department's plans should include current and upcoming building projects, up-grading of existing facilities and plans to deal with maintenance backlogs. Capital expenditure and maintenance projects should be listed in detail and should include timeframes and costs in order to ensure effective expenditure tracking, performance monitoring, reporting and risk management.<sup>43</sup>
- The Department must reflect on its previous financial performance when approaching the upcoming MTEF period. The strategic plan should include an overview of its medium term revenues and expenditure from the previous three financial years, as well as its budget allocation for the upcoming financial year and the proposed budget for the two outer years of the MTEF. The Department should distinguish between its main budget allocation and other sources of revenue.<sup>44</sup>
- Departments should provide a summary of the revenue which they are responsible for collecting. Departments must describe in detail plans to ensure that all revenue for which they are responsible will be collected in the upcoming financial year. Departments must be accountable for the revenue they collect in order to ensure that it is (a) actually collected and accounted for and (b) transferred to the relevant fund for redistribution.<sup>45</sup>

## Findings

The poor management of the Department's financial resources continues to be one of the major factors hindering service delivery in the province. Over the last ten years the Auditor General (AG) has issued the Department with seven audit disclaimers and three adverse opinions. In issuing these poor audit results the AG has highlighted a number of issues relating to the Department's inability to manage its budget appropriately and

---

<sup>42</sup> "Part B must also reconcile the department's performance targets to the budget – analysing what pressures the department expects to emerge and what it intends doing to ensure that it, nevertheless, achieves its service delivery objectives." *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for the 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004 Section 4, Part B, 3.7 and 4.7, pp. 67-8.

<sup>43</sup> The Department must illustrate what it is doing to implement its capital investment, maintenance and asset management plans as set out in its Five-year Strategic and Performance Plan. This information should be provided for the coming year, and the two outer years of the MTEF period. *Ibid*, Section 4, Part B, subsection 5, pp. 68 - 69. See also *Treasury Regulation*, 2005, regulation 5.2.3(e).

<sup>44</sup> *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for the 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004, Section 4, Part B, subsection 6.1, p. 69.

<sup>45</sup> *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for the 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004, Section 4, Part B, subsection 6.2, p. 70.

maintain effective and efficient systems of internal control.<sup>46</sup> These deficiencies have resulted in the inefficient use of financial resources and in some instances the misappropriation of funds. It is therefore essential that the Department's strategic planning include interventions which deal with weaknesses highlighted by the AG.

In the 2010/11-2012/13 APP the Department acknowledges its failures in this regard and highlights financial management as one of its most pressing concerns. In an analysis of the organisational environment the Department states that:

“The lack of competent capacity at health facilities, districts and some health agencies in the department, contributes to poor financial management and the negative audit opinion [sic] of the Auditor General. The constant and unabated negative audit outcomes from the Auditor General will continue for the next ten years if the fundamentals of financial management are not addressed which are the effective facilitation and implementation of the Financial Control Environment, Financial Control Activities, Financial Information and Communication, Financial monitoring and Evaluation activities”<sup>47</sup>.

Despite acknowledging the many weaknesses within its financial management systems, interventions relating to the strengthening of these systems outlined in the strategic planning documentation are not extensive and are generally limited to the Financial Management Systems Sub-Programme.<sup>48</sup> Even within this sub-programme strategic objectives are by no means comprehensive and are often vague. For example, for financial management the Department provides “to achieve 100% implementation and institutionalisation on financial management strategy, systems, and platform to support the service delivery of the department” as a key strategic objective.<sup>49</sup> The performance indicator for this strategic objective is then given as “levels of financial management capability model and strategy achieved and institutionalised”. The targets for these performance indicators are then provided as levels achieved. Based on this information it is impossible to ascertain what the Department's financial management strategy is or what specific interventions will be undertaken in its strengthening. The performance indicators provided are equally as vague as it is not clear what the capability model is, what “levels 2 and 3” represent or how they will be measured.

Even though the Department identifies improvements to audit outcomes as a priority there is no reference within the APP on how this will be done. In fact, there is no reference to strategic interventions which relate to issues highlighted by the AG at all. It is therefore impossible, based on information supplied in the APP, to say what the Department will do to address AG's findings and improve its audit outcomes over the 2010/11-2012/13 period.

In addition to not including strategies to deal with the AG's findings in its APP, no reference is made in the APP to the Public Finance Management Act (PFMA) and what will be done to ensure compliance with its precepts. This is troubling as the PFMA is a key piece of financial management legislation and should form the bases of any of the Department's activities relating to financial management.

---

<sup>46</sup> See eastern Cape Department of Health Annual Reports for 2000/01-2008/09

<sup>47</sup> Eastern Cape Department of Health Annual Performance Plan 2010/11-2012/13, p.23-27

<sup>48</sup> Ibid, p. 102-120

<sup>49</sup> Ibid, p.102

A key aspect of financial management is to ensure that budgetary allocations going forward are reconciled with past performance and corresponding service delivery targets for each programme. In the 2010/11-2012/13 APP this is done to some extent. The Department does provide an outline of past expenditure, current allocations and projected allocations for each sub-programme programme and by economic classification for each programme. This provides a broad overview of the trends in expenditure and allocations for each programme and sub-programme.

The Department has then also included tables for each programme and sub-programme which reconciles strategic objectives, with quarterly targets, with budgetary allocations for the first year of the MTEF. This information is usually only supplied in the Operational Plan, but this year the Department has integrated the two plans into a single document. This is a useful change as it allows for a more detailed comparison and analysis of strategic objectives and how they have been reconciled with the budget for the first year of the MTEF (the 2010/11 financial year).

## **Theme 5: Conditional grants**

### **Requirements**

- It is critical that departments set plans for the use of funds received additional to the equitable share (whether through additional allocations or from donors) in order to ensure they are not wasted. This is especially true of supplementary funds given to departments to address specific, high-priority needs. To be accountable for the use of these funds, departments should include separate planned and costed activities for conditional grant and/or donor funds in their strategic plans.<sup>50</sup>

### **Findings**

In the 2010/11-2012/13 APP the Department only provides a broad outline of the conditional grants available to it and what these grants will be used for. In the APP the Department provides a table which provides the name of the grant, its purpose, a limited set of performance indicators, and a brief description of outputs.<sup>51</sup> This table does not include a detailed set of costed strategic objectives and targets which will be funded through the conditional grants.

This is a step backwards from the 2009/10-2011/12 APP where the Department provided a detailed breakdown of its conditional grant funding which outlined how the funds would be spent over the MTEF period against specific and costed strategic objectives and targets.<sup>52</sup>

---

<sup>50</sup> *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for the 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004, Section 4, Part B, subsection 6.3 and 6.4, p. 70.

<sup>51</sup> Eastern Cape Department of Health Annual Performance Plan 2010/11-2012/13, p. 307-309

<sup>52</sup> Eastern Cape Department of Health Annual Performance Plan 2009/10-2011/12, pp.366-368

Another area of concern is that the Department provides no indication of how much funding it has received from donors or what this funding will be used for. As with the conditional grant funding, this is a step backwards from the 2009/10-2011/12 APP where the Department did provide an outline of funding received from donors.<sup>53</sup>

The omission of necessary data on conditional grant and donor funding means that it is impossible to determine with any specificity what these monies will be used for and then monitor expenditure against clear strategic objectives and targets. This limits the quality of information available to departmental officials, oversight and civil society which could be used to track the Department's performance against commitments. This is especially problematic if we consider that many of the Departments primary strategic interventions, especially those relating to HIV and Aids and infrastructure, are funded through conditional grants.

## **Theme 6: Partnerships**

### **Requirements**

- Departments should detail areas in which they are jointly responsible for service delivery with other departments. They should state exactly what their responsibilities are and what mechanisms have been put in place to ensure effective co-ordination with other departments in order to avoid any duplication of function between departments. This enables the Department to monitor, report and be held accountable for its part of any agreement.<sup>54</sup>
- While the Department may need to work with local authorities to operate clinics, build houses, etc., the Department retains responsibility for the management of funds transferred to local authorities. It is therefore critical that the Department includes in its strategic plans the amount of money to be transferred as well as the purpose of the transfer and the conditions attached to it.<sup>55</sup>
- In order to account for all funds transferred to public entities, the Department should provide the name and main purpose of the public entity and the amount to be transferred from the Department's budget to the entity.<sup>56</sup>
- Where departmental functions are outsourced to private service providers or non-governmental organisations, the Department must ensure that service level agreements are signed between these private parties and the Department. While the Department delegates the delivery of services to the private parties, it retains

---

<sup>53</sup> Ibid, pp. 370-372

<sup>54</sup> *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for the 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004, Section 4, Part B, subsection 7.1, p. 71.

<sup>55</sup> *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for the 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004, Section 4, Part B, subsection 7.2, p. 71. See also *Public Service Regulations*, 2001, regulation, B.1(c).

<sup>56</sup> *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for the 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004, Section 4, Part B, subsection 7.3, p. 71.

full responsibility for the quality of service delivery and must monitor both how these funds are spent and ensure that services delivered are done so efficiently. The Department should include in its strategic plan the details and cost of any outsourcing arrangements it has undertaken for the upcoming financial year(s) if it is to effectively track expenditure and monitor service delivery.<sup>57</sup>

## Findings

Despite the fact that the Department is involved in a number of important partnerships with other Departments and agencies, such as the social needs cluster departments (e.g. Social Development, Education)<sup>58</sup> and the Public Works Department (PWD), it provides very little direct information on these partnerships. The only clear indication of departmental linkages with other government bodies can be found at the beginning of the APP where the Department outlines its role in the Provincial Strategic Framework and Programme for Action by highlighting health related goals, activities and other departments it will be working with during the 2010/11 financial year in realising the aims of this programme. There is little detail on the nature of these relationships, how they will be coordinated and what the responsibilities and targets for each department are.

The Department is also involved in partnerships with municipalities who are responsible for running many of the clinics found in the province and is also responsible for transferring funds to these municipalities for clinics as well as providing strategic support. It is therefore important that the Department outlines the nature of these partnerships as well as payments made to the municipalities as it is ultimately accountable for the use of these funds.

The Department provides no information in its strategic plans on its relationships with municipalities. There is also no indication of how much the Department is responsible for transferring to municipal health facilities, what the conditions of these transfers are, or how municipalities have done in fulfilling their responsibilities.

Where Departmental functions are outsourced to private service providers or non-governmental organisations, the Department must ensure that service level agreements are signed between these private parties and the Department. That said, even where the Department has delegated responsibilities to external service providers it still retains a degree of responsibility for these services and ensuring that funds are spent efficiently and effectively.

Unlike the 2009/10-2011/12 APP<sup>59</sup>, the Department provides no information on its partnerships with NGOs and NPOs for the 2010/11-2012/13 period. There is no information on the nature of these partnerships, the conditions of the relationship, or how much money will be transferred to these organisations for service provision. This makes it impossible to track the services outsourced by the Department and the funds used for this purpose.

---

<sup>57</sup> *Framework and templates for provincial departments for the preparation of Strategic and Performance Plans for the 2005-2010, and Annual Performance Plans for the 2005 financial year*, National Treasury, 16 August 2004, Section 4, Part B, subsection 7.4, p. 72.

<sup>58</sup> Eastern Cape Department of Health Annual Performance Plan 2010/11-2012/13, pp. 43-45

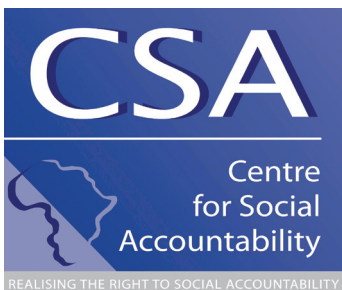
<sup>59</sup> Eastern Cape Department of Health Annual Performance Plan 2009/10-2011/2012, p. 207-211



The Department does provide some information on its Public Private Partnerships in the 2010/11-2012/13 APP. In a Table in Section C of the Plan the Department lists the name of the PPP, the purpose of the project, outputs, budget and expected date of completion. The Department does not, however, provide any indication of the progress made in achieving the stated objectives of these project or the successes and failures of each. Therefore, while it is possible to determine where the Department is involved in PPP, it is difficult to monitor these projects.



**RHODES UNIVERSITY**  
*Where leaders learn*



Incorporating the Public Service Accountability Monitor  
Tel: +27 (0)46 603 8358  
Fax: +27 (0)46 622 7215  
[www.icount.org.za](http://www.icount.org.za)  
[www.psam.org.za](http://www.psam.org.za)

