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Strategic Review of Social Audit in the Health Sector

Options

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Strategic Review of Social Audit in the Health Sector

Government of Nepal

Ministry of Health and Population

Department of Health Services

Curative Services Division

Kathmandu, Nepal

2019

Executive Summary

Purpose and objectives

The purpose of this strategic review is to review the status of social auditing in the health sector and its relevance and appropriateness in the changed governance context. Under the leadership of the Ministry of Health and Population (MoHP), the review process sought to build consensus on how the strengths of social auditing in the sector can be sustained during federalisation, while ensuring coherence with emerging social accountability drivers and opportunities to maximise impact for health.

Methodology

The review was led by the Curative Services Division (CSD) of the Department of Health Services (DoHS), which established a Technical Working Group (TWG) to guide the process. The review mined existing evidence from a wide range of sources and consulted government stakeholders at federal, provincial and local levels. Civil Society Organisations (CSOs) involved in social accountability and social auditing were consulted in Gandaki Province and Province #5. The Municipal Association of Nepal, the National Association of Rural Municipalities of Nepal and development partners active in this space were members of the TWG.

Social accountability and social audit

Social accountability is an approach for improving public accountability through the actions of citizens and non-state actors. Social accountability approaches come in various forms, use a range of tools and have different areas of focus and objective. Social accountability can be divided into tactical and strategic approaches. Tactical approaches are generally narrow demand-side initiatives while strategic approaches are more complex institutional change processes that use demand- and supply-side tactics. Strategic approaches create an enabling environment for collective action and coordinate citizen voice initiatives with reforms that promote public sector responsiveness. Context is key to shaping, making and breaking social accountability. Approaches therefore need to be framed according to the governance, institutional and social context.

Social audit is the main social accountability tool being implemented by the government in the health sector. It was designed to provide citizens with a space to monitor the quality of health services and performance of health facilities, and bring community people and health staff together to prioritise and address gaps. Implementation has suffered from serious gaps in quality. Insufficient budget has led to short cuts. The focus of government staff on compliance has resulted in a ritualised approach to completing the task rather than a focus on citizen empowerment or impacting policy.

Strategic reshaping and transition of social audit

Given the changed governance context and the increasing space for citizens to hold the government to account in the federal system, and considering evidence of the achievements and challenges faced by social auditing, the review proposes strategic reshaping and repositioning of social auditing in the health sector.

Strategic vision: The changed context has created an opportunity for more strategic, coherent and multisectoral social accountability approaches. While social auditing remains a relevant tool, it makes sense for MoHP to broaden the scope of its support to social accountability and reposition social auditing as one of a number of possible social accountability tools. Based on this proposal, the TWG has agreed to develop Social Accountability Directives to frame social accountability in the health sector and position social audit as one tool for local governments to consider.

Building block for the future: Given the iterative nature of social accountability and the intense political, institutional and administrative changes taking place in Nepal, the assets created by social audit need to be sustained. It is therefore proposed that the social audit approach be reshaped to fit the new governance context, address the capacity and quality gaps in implementation, and be a bridge to evolving, locally determined social accountability approaches.

Localise to fit the federal system: The social audit methodology needs to be reshaped in light of the new powers and authority of the local government and the new roles and responsibilities of federal and provincial governments. In line with the Local Government Operations Act (2017), new flexibility will be built into the social audit method so that the scope and focus of social auditing will be decided at the local level according to local priorities and concerns.

Increase multisectoral opportunities: The new governance landscape has created an opportunity for social accountability across sectors. The forthcoming Ministry of Federal Affairs and General Administration (MoFAGA) framework for multisectoral social auditing will reduce duplication and inefficiencies in how communities are mobilised to participate in social accountability. In this context, flexibility will be built into the revised health sector Social Audit Guidelines so they can be adapted to fit MoFAGA's new multisectoral approach and link to multisectoral social accountability platforms and mechanisms present in the local context.

Increase coherence and collaboration: The narrow focus and vertical nature of social audit implicitly undervalued coordination with local development initiatives and agencies. In contrast, more strategic, horizontal and locally-driven social accountability approaches, of which social audit may be one tool, will help to overcome this design weakness. The MoHP's Social Accountability Directives and the revised social audit model for the health sector will encourage flexibility in design and the iterative shaping of social auditing according to the larger social accountability landscape.

More inclusive participation: Greater attention to the empowerment objective of social audit and links to broader social accountability strategies will improve the inclusion of excluded and vulnerable populations. Social audit processes that have strong local ownership and roots can better coordinate with other local development initiatives to mobilise populations that are hard to reach or traditionally excluded from governance. The reshaped method will increase attention to monitoring who participates in social audit in order to track and reduce the risk of elite capture and exclusion of the most powerless.

Capacity development: Weak capacity has impacted the quality of social auditing and its credibility and influence. Capacity development is a priority to support the institutional repositioning and reshaping of social audit for the new context. Within the parameters of the Social Accountability Directives, it is proposed that the MoHP include a three-year Capacity Development Plan (CDP) to support the implementation of the reshaped and repositioned social audit. This investment will also

increase local government capacity to respond to and stimulate more coherent and strategic social accountability approaches.

Improve the quality of implementation: In addition to strengthening the capacity of key stakeholders, the reshaped social audit needs to improve the quality of implementation. This includes: integrating social audit outputs into government's planning and budgeting cycle; accreditation of social audit organisations and a roster of accredited organisations that local government can use; strengthening the District Health Office (DHO) to provide documentation and information support to social auditors.

Recommendations and next steps

Strategic vision: It is recommended that:

1. MoHP reposition and reshape the social audit methodology within a broader canvas of social accountability.
2. The Federal MoHP prepare National Social Accountability Directives to frame social accountability in the health sector and position social audit as one tool for local governments to consider. The directive will include the Government's intention to sustain the achievements and resources created through social auditing in the health sector as building blocks for emerging and more strategic and coherent social accountability strategies.

Reposition and reshape social audit: It is recommended that:

3. The existing social audit methodology be repositioned and reshaped as per the findings of this review.
4. MoHP include remodelled Social Audit Guidelines for the Health Sector for Local Government as part of the National Social Accountability Directives. This will reinforce the move to a locally-driven and locally-customised social audit approach that is repositioned to fit the federal system of government, and is resourced and structured to be more effective and achieve impact.
5. MoHP review experience with the transition in 2022/23 and revise the National Social Accountability Directives and social audit model to fit with and lever opportunities in the political, institutional and social context.

CDP: It is recommended that:

6. MoHP support a three-year CDP to support the repositioning and reshaping of social auditing as a stepping stone towards locally-driven approaches.

Funding: It is recommended that:

7. Federal MoHP fund the implementation of the CDP, 2020/21 to 2022/23.
8. Federal MoHP include funding for implementation of the reshaped and repositioned social audit process in the conditional grant provided to local governments for the next three years.

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Acronyms

CDP	Capacity Development Plan
CSD	Curative Services Division
CSO	Civil Society Organisation s
DFID	UK Department for International Development
DHO	District Health Office
DoHS	Department of Health Services
FY	Fiscal Year
GIZ	German Corporation for International Cooperation
GoN	Government of Nepal
HFOMC	Health Facility Operation and Management Committee
HURDEC	Human Resource Development Centre
MoFAGA	Ministry of Federal Affairs and General Administration
MoHP	Ministry of Health and Population
MoSD	Ministry of Social Development
NGO	Non-governmental Organisation
NHSSP	Nepal Health Sector Support Programme
NHTC	National Health Training Centre
PHCRD	Primary Health Care Revitalisation Division
PHTC	Provincial Health Training Centre
SAHS	Social Accountability in the Health Sector Programme
TNA	Training Needs Assessment
TOT	Training of Trainers
TWG	Technical Working Group

1. Introduction

1.1 Background

In the absence of elected local government in Nepal (2002–2018) various social accountability approaches have evolved to create space for citizens to hold the government to account. In the health sector, the Ministry of Health and Population (MoHP) introduced social audit in 2009 as a tool for social accountability and to increase the responsiveness of services to local needs, especially to the needs of the poor, women and excluded populations. In 2011, the Primary Health Care Revitalisation Division (PHCRD) of the Department of Health Services (DoHS) led the process of harmonising two social audit methodologies that had been developed in parallel. The harmonised approach was piloted with support from the UK Department for International Development (DFID)/Nepal Health Sector Support Programme (NHSSP) and then MoHP proceeded to scale up coverage across the country. In 2015, the consolidated approach was revised again based on the findings of a process evaluation[1]. In 2017/18, social audit had been rolled out to 77 districts and over 1,900 health facilities.

Distinct from the health sector, the Ministry of Federal Affairs and General Administration (MOFAGA) established local structures for citizen participation in local planning and decision-making processes (Ward Citizen Forums) and promoted various social accountability approaches including social audit. Other sectors, such as education and social protection, also developed tailor-made social accountability tools. Weak linkages or convergence between sector-specific and local government social accountability mechanisms have impacted their effectiveness and efficiency and overburdened citizen participants and local officials. The use of different methodologies by various sectors and agencies under the same name, such as social audit, has also added to the confusion.

Federalism has created the enabling conditions for more responsive and inclusive local governance and the political economy, underpinning social accountability broadly and social auditing in the health sector more specifically, has changed.

1.2 Purpose and objectives of the strategic review

The purpose of this strategic review is to review the status of social auditing in the health sector and its relevance and appropriateness in the changed governance context and in light of national plans to promote multisectoral social accountability mechanisms.

The review is focused at the strategic or big-picture level and aims to define MoHP's vision for the future of social auditing in the health sector. In addition, it responds to MoHP's immediate programmatic need to revise the existing Social Audit Guidelines. Under the leadership of the MoHP, the review process sought to leverage the evidence base and stakeholder interest generated by the DFID Social Accountability in the Health Sector Programme (SAHS) and build MoHP consensus on the way forward. The specific objectives of the strategic review are to:

- Lead a strategic review of the current status of social auditing in the health sector and its relevance in the federal context and produce recommendations on the practical changes required in the existing Social Audit Guidelines.

[1] See NHSSP. HURDEC. 2015. Social Audit Process Evaluation Report. Kathmandu: Ministry of Health and Population and Nepal Health Sector Support Programme.

- Use the evidence base and stakeholder interest in social auditing in the health sector generated by SAHS and work with SAHS to fill critical evidence gaps essential for the strategic review.
- Convene consultations on the future of social auditing including with federal, provincial and local government stakeholders, health providers, community women and men, development partners and Civil Society Organisations (CSOs).
- Develop consensus within the MoHP on how the strengths of social auditing in the sector can be sustained during federalisation, while ensuring coherence with emerging social accountability drivers and opportunities to maximise impact for health.
- Define MoHP's strategic vision for the future of social auditing for health and develop a three-year plan of action.

2. Methodology

2.1 MoHP leadership

The review was led by the Curative Services Division (CSD) in the DoHS. CSD formed a Technical Working Group (TWG) to guide the review. The TWG included representatives from government, civil society and development partners. The TWG agreed the scope and focus of the strategic review, approved the data collection plan and field visits, and reviewed the findings and recommendations of the study.

Technical Working Group

Director General, DoHS: Convenor

Director CSD/DoHS

Representatives of

- Policy, Planning, Monitoring Division/MoHP
- Health Coordination Division/MoHP
- NHSSP
- World Bank
- GIZ
- SAHS
- Municipality Association of Nepal and National Association of Rural Municipalities of Nepal
- Consumers' Forum

2.2 Evidence-mining

The review leveraged the evidence base and insights gained from SAHS, evidence collected under NHSSP's support to the MoHP on social auditing since 2011, other relevant national studies and global reports on social accountability. A review of national policies, laws and operational guidelines was undertaken to map the policy and governance context and related gaps in the existing Social Audit Guidelines.

SAHS studies provided a political economy lens and recent local-level data on the institutional and implementation context of social auditing in the health sector and space for social accountability. This body of work provided a springboard from which targeted consultations with key stakeholders and key lines of inquiry were developed.

Table 1: Key evidence reviewed

National policies, laws and guidelines	Constitution of Nepal Approach paper of the 15th plan (2019/20–2023/24) National Health Policy, 2019

	Local Government Operations Act, 2017 Public Health Service Act, 2018 Right to Safe Motherhood and Reproductive Health Act, 2018 Ministry of Health. Department of Health Services. Health Sector Social Audit Operational Guideline 2013 (Amendment, 2017)
Social Accountability in the Health Sector	SAHS. 2017. Situation Analysis on Social Accountability in the Health Sector. SAHS. 2017. Applied Political Economy Analysis Baseline. SAHS. 2018. Midterm Applied Political Economy Analysis. SAHS. 2018. Case Studies Report.
NHSSP-/DFID-supported Social Audit research	NHSSP/MoHP. Basu Dev Neupane. September 2011. Review of Social Audit Practices and Guidelines in Nepal. NHSSP/MoHP. Bharat Devkota, Santosh Ghimere, Basu Dev Neupane. 2013. Social Auditing Pilot Programme in Rupendehi and Palpa Districts. NHSSP/MoHP. HURDEC. 2015. Social Audit Process Evaluation Report. Kathmandu: Ministry of Health and Nepal Health Sector Support Programme. NHSSP/MoHP. 2017. Equity Monitoring Process Report.
Other national studies	Mukesh Hamal et al. 2019. Social Accountability in Maternal Health Services in the Far-Western Development Region in Nepal: An Exploratory Study. International Journal of Health Policy and Management 2019, 8(5), 280-291. Rasmus Schojodt. December 2017. Social Accountability in the Delivery of Social Protection. Nepal Case Study. Development Pathways. Neil Webster, Arun Regmi, Kishor Pradhan, Dibya Gurung, Ching Lamu Sherpa and Shreya Thakali. December 2018. A Study of Social Mobilisation in the Local Governance and Community Development Programme and the Community Development Programme in Nepal. Commissioned by DFID Nepal in collaboration with Ministry of Federal Affairs and General Administration. GIZ. 2015. Making Local Health Services Accountable. Social Auditing in Nepal's Health Sector.
Global reports and good practice	Derick W. Brinkerhoff and Anna Wetterberg. 2015. Gauging the Effects of Social Accountability on Services, Governance, and Citizen Empowerment. Public Administration Review, Vol 76, Iss. 2, pp 274-286. Jonathan Fox. September 2014. Social Accountability: What Does the Evidence Really Say? Global Partnership for Social Accountability Working Paper No. 1. Grandvoinnet, Helene, Ghazia Aslam, and Shomikho Raha. 2015. Opening the Black Box: The Contextual Drivers of Social Accountability. New Frontiers of Social Policy series. Washington, DC: World Bank. O'Meally, S. C. 2013. Mapping Context for Social Accountability: A Resource Paper. Social Development Department, World Bank, Washington, DC.

2.3 Consultations and primary data collection

Data was collected from interviews and focus group discussions with stakeholders at each sphere of government, and a workshop was held in Pokhara for Gandaki Province. Stakeholders consulted included federal and provincial ministries, elected representatives of municipalities and Ward Chairs, municipality administrative staff, District Health Office (DHO), Provincial Health Training Centre (PHTC) staff, health facility management and staff, Health Facility Operation and Management Committee (HFOMC) members, civil society and health service users.

Fieldwork was undertaken in Gandaki Province and Province 5.

Table 2: List of stakeholders consulted

Federal Government of Nepal (GoN) Ministry of Health and Population: Curative Services Division Ministry of Federal Affairs and General Administration: Federal Affairs Division	
Gandaki Province Provincial Social Development Ministry: Secretary, Ministry of Social Development; Chief of Health Division Pokhara Provincial Health Training Centre Pokhara Health Directorate Kaski District Health Office	**Province #5** Provincial Social Development Ministry: Secretary, Ministry of Social Development; Staff of Health Division Provincial Health Training Centre Health Directorate Rupendehi District Health Office
Local government Pokhara Metropolitan City: Chief Administrative Officer and Head of Health Division Provincial Heads of the Associations of Municipalities and Rural Municipalities Gandaki Province: Administrative Officers and Health Coordinators participated in the provincial workshop	**Local government** Butwal Sub-Metropolitan City: Health Division Chief and team Kohalpur Municipality: Mayor and Chief Administrative Officer Devadaha Municipality: Vice Mayor and Chief Administrative Officer and team; Chief of Health Section Omsatiya Rural Municipality: Chief Administrative Officer and team; Health Section Chief and team Kohalpur Urban Health Office: Ward Chief and Chairperson
	Health facilities Kohalpur Urban Health Office: Chief Devadaha Health Post: Health Post In-charge; Health Facility Operations and Management Committee Chief, Deputy Chief and members
Social audit institutions and CSOs in Gandaki Province Social Auditors associated with Nepal Public Health Association	**Social audit institutions and CSOs in Province #5** Bageshwari Good Governance Club and Social Auditors (working in the whole of Banke district)

Social Auditor associated with Consumer Forum	Multi-Stakeholder Social Accountability Forum at Kohalpur Municipality (covers all wards): INRUDEC Nepal, Banke; Yuba Dristi Nepal; Social Reform Programme Nepal, Kohalpur
Other stakeholders Municipal Association of Nepal and National Association of Rural Municipalities of Nepal SAHS programme team	

3. Social Accountability and the Changed Context

3.1 What is social accountability

Social accountability is an approach for improving public accountability through the actions of citizens and non-state actors. A widely used definition of social accountability is 'the broad range of actions and mechanisms beyond voting that citizens can use to hold the state to account, as well as actions on the part of the government, civil society, media and other societal actors that promote or facilitate these efforts'[2]. World Bank (2015) sets out five constituent elements to social accountability as shown in the diagram below, whereby the interplay between citizen and state action is supported by three levers of information, citizen-state interface and civic mobilisation[3].

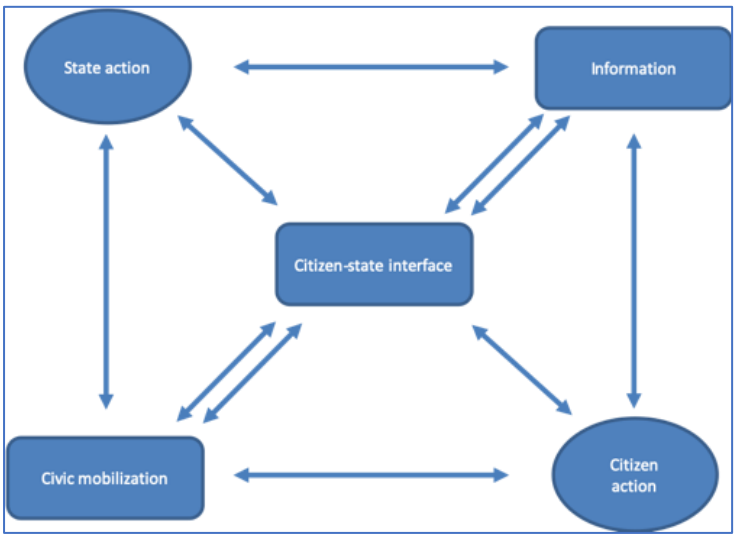


Figure 1: Constituent elements of social accountability

While social accountability approaches are often promoted to improve public sector performance and address accountability gaps through civic engagement, the evidence of their effectiveness is contested[4]. There is no standard pathway or sequencing for how the five elements in the model connect or what the very nature of those constituent parts should be. Social accountability approaches come in various forms and use a range of tools or methods and have different areas of focus and objective; see Table 3 below. Social accountability approaches fall into two camps, either tactical or strategic[5]. Tactical approaches are

[2] See O'Meally, S. C. 2013. "Mapping Context for Social Accountability: A Resource Paper." Social Development Department, World Bank, Washington, DC.
[3] Grandvoinnet, Aslam, and Raha. 2015. Opening the Black Box: The Contextual Drivers of Social Accountability. New Frontiers of Social Policy series. Washington, DC: World Bank.
[4] See Grandvoinnet, Helene, Ghazia Aslam, and Shomikho Raha. 2015. Opening the Black Box: The Contextual Drivers of Social Accountability. New Frontiers of Social Policy series. Washington, DC: World Bank.
[5] See Jonathan Fox. September 2014. Social Accountability: What Does the Evidence Really Say? Global Partnership for Social Accountability Working Paper No. 1.

typically narrow demand-side initiatives while strategic approaches are more complex institutional change processes that use demand- and supply-side tactics. Strategic approaches seek to create an enabling environment for collective action and coordinate citizen voice initiatives with reforms that promote public sector responsiveness.

Table 3: Different forms of social accountability adapted from World Bank (2013)[6]

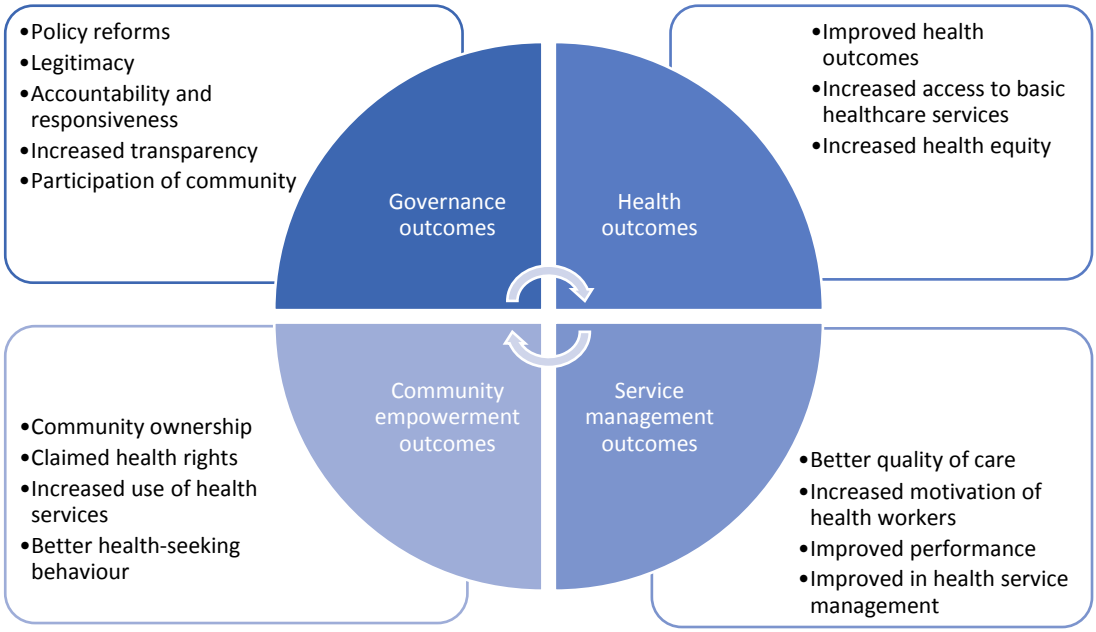
Focal area	Operational tool	Policy/institutional aspect	Mode of engagement	Outcome focus
Transparency: collection, analysis and monitoring of information related to government policies and programmes Accountability through more collaborative and incremental approaches Accountability through more contentious approaches that challenge the political status quo Participation in policy making or implementation as a means of oversight	Transparency: • Information campaigns • Citizen charters Accountability more collaborative: • Community scorecards • Expenditure tracking Accountability more contentious: • Advocacy campaigns • Protests Participation: • Participatory budgeting • Participatory planning	• Policy reforms • Legal reforms • Capacity development and institutional strengthening • Public financial management reforms • Public service delivery system reforms	Instrumental or transformational: e.g. more efficient services or challenge power relationships Collaborative or confrontational: e.g. joint problem-solving or protest Formal or informal: e.g. legal procedures or networks Choice or rights: e.g. new public management or empowerment Short or long route of accountability: citizen-provider or citizen-state relationship Individual or collective action: e.g. citizen scorecards or civic mobilisation	• Improved service delivery • Improved state responsiveness • Better budget utilisation • Lower corruption • Building democratic spaces • Citizen formation • Empowerment • Social cohesion • Improved state-society relationships • Answerability • Sanctions

Context is key to shaping, making and breaking social accountability. Social accountability approaches are iterative, and need to be framed and shaped according to the governance, institutional and social contextual drivers that impact on the space for and impact of social accountability. They require the continuous assessment of entry points and trajectories, the assessment of the risks and trade-offs of different strategies and actions, and implications for future social accountability approaches.

3.2 Social accountability in the health sector in Nepal

Social accountability in the health sector has been promoted as a strategy for achieving multiple objectives, including improving the quality of health services, empowering communities, strengthening governance and achieving better health outcomes.

[6] O'Meally, S. C. 2013. "Mapping Context for Social Accountability: A Resource Paper." Social Development Department, World Bank, Washington, DC.



In the absence of elected local government from 2002 to 2018, a wide range of social accountability approaches mushroomed in the health sector as government, development partners and Non-governmental Organisations (NGOs) created various demand-side structures to act as a bridge between citizens and the state, and foster interaction. These approaches have been driven from the supply and demand side, and vary in their relative focus on information, accountability and participation, the tools used and their purpose. Some approaches have centred on government health services, such as social audit and public hearings, and others have focused on the accountability of NGOs and their relationships with communities. Some approaches such as public expenditure tracking surveys have taken a strong evidence-based approach; others such as community radio have focused on mobilising communities.

The SAHS Situational Analysis Report (2017)[7] found poor coordination and a lack of coherence between different social accountability approaches and little evidence of effectiveness. Moreover, the SAHS study found little evidence that contextual drivers that impact the space and effectiveness of social accountability were factored into their design and development.

3.3 The changed governance context

The governance context is a contextual driver of social accountability and the changed context in Nepal provokes and raises the opportunity to rethink and reshape social accountability approaches broadly and social audit in the health sector specifically.

The Constitution transformed Nepal into a federal democratic republic state. It moved the country from a system of centralised governance to deconcentrated and shared governance, from welfare-based to rights-based, and guarantees citizens' basic health rights. Power-sharing among the three tiers of government that have been created (federal, provincial and local) is constitutionally guaranteed in a collaborative federalism framework that includes political, economic and fiscal, legislative and administrative federalisation. Local government has been entrusted with the power of local-level policy making, law-making, development management and management of basic

[7] See, Social Accountability in the Health Sector Programme (SAHS), Applied Political Economy Analysis, (Baseline), November 2017

services. Federal and provincial governments are responsible for policy, harmonisation, coordination, monitoring and evaluation. This fundamental shift in the governance system has critical implications for the institutional structure, human resource capacity, and resourcing and accountability relationships of the health sector.

Policies, acts and plans introduced after the Constitution, including the 15th Plan (2019–2023/24), National Health Policy, 2019 and Local Government Operations Act, 2017, build from the rights, principles and governance changes in the Constitution and include an emphasis on inclusive development, people's participation, accountability and transparency.

3.3.1 MoFAGA plans

The MoFAGA is in the process of assessing how social accountability best fits in the federal context as a means of making government systems accountable to citizens. It is piloting a multisectoral social auditing approach to be tailored to the local context and to leverage the complimentary roles and capacities of federal, provincial and local governments. By the end of the Fiscal Year (FY) 2019/2020, MoFAGA plans to issue a national framework for multisectoral social auditing with national standards and scope for local customisation. Such standards will aim to improve the professional competence and quality, autonomy, integrity and sustainability of social accountability.

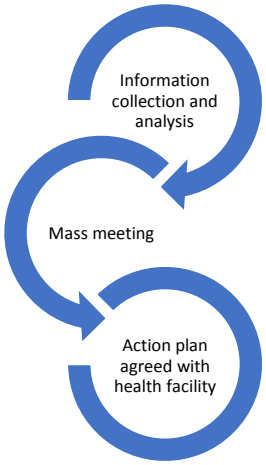
Under the Local Government Operations Act, 2017, a Governance Committee has been established made up of members of the local executive. The Governance Committee is the pivot for improving accountability and transparency of local government and an influencing body to be targeted by citizen-led social accountability actions.

4. Social Audit in the Health Sector

4.1 Social audit methodology in brief

The social audit methodology developed by the health sector was designed to provide citizens with space to monitor the quality of health services and performance of health facilities, and bring community people and health staff together to prioritise and address gaps. The process was facilitated by independent social auditors contracted by the DHO. The methodology covered all public health facilities in a district and focused on selected primary health care programmes and quality and management indicators defined at the national level.

Figure 3: Key steps in social auditing



The social audit process included an analysis of health records, observation of the physical standard of the health facility, data on human and input resourcing, and perceptions of service users and underserved community groups. The social auditor analysed the various pieces of evidence and presented them to the HFOMC and health staff and together they drafted an action plan to address gaps. The findings were

presented to the public at a mass meeting for validation and discussion and led to revisions in the action plan. Following the mass meeting, the social auditor finalised the action plan with the health facility staff and shared it with the HFOMC and the DHO. Progress was monitored through annual follow-up visits by the social auditor, who presented progress at a mass meeting with the community and updated the action plan.

4.2 The current status and challenges of social audit

4.2.1 Evidence from SAHS

MoHP had rolled out social audit to 77 districts and over 1,900 health facilities in 2017/18 from red book funding. However, in striving to achieve national scale in the context of budget constraints, implementation suffered from serious gaps in quality. SAHS studies lay out the strengths and weaknesses of the health sector social audit approach[8]. It found that while the methodology was widely known among health functionaries, the budget allocated for implementation was insufficient, leading to short cuts and resulting in a ritualised approach. For government staff, the focus was on compliance and completing work plan activities rather than citizen empowerment or impacting policy or resource decisions[9]. Moreover, the centralised nature of decision-making prior to federalism meant systemic issues identified at the local level through social audits, such as lack of human resources and infrastructure, could not be addressed by health facilities or district managers. The absence of vertical levers to affect central decisions left facility-based citizen participation in social auditing without the teeth to hold the government to account, and illustrated the governance challenge of bottom-up planning in a centralised, top-down system.

Under federal arrangements, implementation of health sector social audits has been assigned to local governments and funding included in the 2018/2019 conditional grants provided by the MoHP. The challenge of devolution and bottlenecks in the transfer of government staff to local governments has, however, hindered the capacity of local governments to fulfil their mandate. SAHS 2018 Midterm Applied Political Economy Analysis[10] found municipal health unit staff unaware that the conditional grant included funding for social audit and local representatives largely unaware of the social audit process. SAHS studies have also identified a lack of interest or felt need among elected representatives to formally consult citizens about local issues and concerns rather than rely on their established networks and contacts. This tendency runs the risk of perpetuating social exclusion.

4.2.2 Stakeholder perspectives

Provincial and local government stakeholders who were consulted by this strategic review shared their perception that social auditing in health and other sectors had become ritualised and implemented without sufficient awareness-raising and mobilisation of community participants, leaving them ill-prepared to participate in the process or strengthen their sense of agency. They also reflected on the weak capacity of social auditors to facilitate the social audit process, and the budget squeeze on social audit organisations that further reduced the quality of the process and product. The low political appetite for social accountability among elected representatives was felt to hinder

[8] See SAHS. 2017. Situation Analysis on Social Accountability in the Health Sector; SAHS. 2017. Applied Political Economy Analysis Baseline. SAHS. 2018. Midterm Applied Political Economy Analysis.

[9] For example, the social audit process was cut back from seven to three days because of budget limitations.

[10] See, Social Accountability in the Health Sector Programme (SAHS), Midterm Applied Political Economy Analysis, November 2018

the importance and clout of social auditing. Local CSOs and government stakeholders noted that the social audit process focused overly on supply-side bottlenecks and neglected the importance of health attitudes and behaviours, empowerment and the broader demand-side factors critical to health. Both prior to and subsequent to federalism, it was noted that the social audit process was not well mainstreamed into the planning and budgeting system or monitoring and evaluation processes, and that plans and budgets fail to respond to local gaps and priorities.

4.3 Reshaping and repositioning social auditing in the health sector

Given the changing governance context, and investment in and learning from social auditing, this section of the report proposes strategic reshaping and repositioning of social auditing in the health sector. These proposals draw on evidence from SAHS and other national studies, feedback from government and civil society participants consulted by this review, and the views of the TWG. Design and implementation implications of these strategic shifts are presented in Annex 1.

4.3.1 Continued relevance but within a broader framework of social accountability

The rights of citizens embodied in the Constitution, including the right to health and the right to participation, amplify the importance of social accountability and people's participation in governance. The changed governance context has widened the space and scope for citizens and communities to hold local government to account. Within this context, and given MoFAGA's plans to introduce a national framework for multisectoral social auditing by the end of FY 2019/2020, it makes sense for MoHP to broaden the scope of its support to social accountability and reposition social auditing as one of a number of possible social accountability tools. Based on this proposal, the TWG has agreed to develop Social Accountability Directives to frame social accountability in the health sector and position social audit as one tool for local governments to consider.

4.3.2 Building block for the future

The MoHP is widely recognised as having played a leading role in institutionalising social auditing into the government system. It has achieved this through wide-scale implementation, involvement of CSOs, and its tested, refined and systematic approach and tools. MoFAGA recognises that this is an important resource that can be built upon and leveraged for future health and multisectoral social accountability initiatives. Given the inherently iterative nature of social accountability and the intense political, institutional and administrative changes taking place in Nepal, the assets created by social audit need to be sustained. It is therefore proposed that the social audit approach be reshaped to fit the new governance context, address the capacity and quality gaps in implementation, and be a bridge to evolving, locally determined social accountability approaches.

4.3.3 Localise to fit the federal system

The social audit methodology needs to be reshaped given the new powers and authority of the local government, and the greater potential to hold elected representatives, budget holders and health system decision-makers to account. This reshaping includes the new oversight role played by the Governance Committee and changed or new roles and responsibilities of the Federal Ministry of Health and Population, Provincial Ministry of Social Development (MoSD), the DHO, Public Health Section of Local Government, and HFOMC (see Box 1).

In line with the Local Government Operations Act (2017), new flexibility will be built into the social audit method so that the scope and focus of social auditing will be decided at the local level. The

Local Government Operations Act, 2017, requires local governments to develop locally customised procedural guidelines. Local governments will require support to action this authority. The revised social audit model to be prepared by MoHP will ease this step by factoring in the scope for adaptation. Based on a situation assessment, local government will decide on the priority areas for social audit to focus on, including health outcomes, behaviours, programmes and services to address, health facilities to cover, performance indicators and targets to use. This will provide local governments with the scope to rebalance the supply-side focus of the past and to target local priorities and concerns, which may include health determinants outside public health services, such as sanitation. It will also enable local governments to include any public health facility in its jurisdiction, including secondary hospitals, which have not been covered by social audit in the past. It is expected that the DHO will provide technical and facilitation support to local government.

Box 1: Multi-Stakeholder Social Accountability Forum in the Health Sector, Kohalpur Municipality, Banke District – An encouraging initiative of institution building for collaboration at the local level

The ***Multi-Stakeholder Social Accountability Forum in the Health Sector*** initiated at Kohalpur Municipality is building social audit capacity at the local level. The forum is an entry point for collective dialogue on how more coherent, constructive and collaborative measures can be adopted to strengthen social accountability in the health sector. The initiative is led by the Mayor of the Municipality with representation and good participation from government, NGOs and community organisations.

The forum is convening to bring together a wide set of stakeholders to strategically position social accountability at the local-level health sector by creating a common understanding among health sector actors on social accountability approaches and initiatives. Efforts have been made to facilitate dialogues on: how effective measures can be brought to scale to improve health service delivery; effective implementation of health-related programmes; how to improve the accountability system of health sector management; and how to network with the government and with non-government organisations for change and reform. The forum is now working deliberately on formulating 'Social Accountability Promotion Procedures' within the local government framework.

4.3.4 Increase the scope for multisectoral social accountability

The new governance landscape has created opportunity for social accountability across traditional sector boundaries. Pilot initiatives such as SAHS Multisectoral Social Accountability Forums are one such platform, testing and learning how synergies and cohesion can be built at the ground. The forthcoming MoFAGA framework will reduce duplication and inefficiencies in how communities are mobilised to participate in social accountability mechanisms. In this context, flexibility will be built into the revised social audit in the health sector guidelines so they can be adapted to fit MoFAGA's multisectoral approach and link to multisectoral social accountability platforms and mechanisms present in the local context.

4.3.5 Improve coherence and greater collaboration

Coordination and coherence between social audit and other social accountability actions (civic mobilisation, information-driven initiatives, citizen-state interaction, state responsiveness efforts such as quality-of-care initiatives, or citizen actions such as report cards) have been weak. This is in part because of the top-down design of social audit and its narrow focus on improving services at health facilities where social audit took place. The vertical nature of social audit, with limited collaboration beyond contracted social audit organisations, contributed to this lack of connection

with local development initiatives and agencies. In contrast, more strategic, horizontal and locally-driven social accountability approaches, of which social audit may be one method, will help to overcome this design weakness and encourage linkages with social mobilisation, community empowerment, governance and systems-strengthening initiatives. Greater focus on community mobilisation within the social audit process is one practical example where linkages with a range of organisations and stakeholders at the local level can be fostered and better coordinated.

Stronger coherence of accountability actions will depend on the capacity of local actors and allies that are able to weave together and champion multiple accountability initiatives in the local political and social context. While such organic and dynamic change processes cannot be prescribed, the MoHP Social Accountability Directives and the revised social audit model need to encourage flexibility in design and iteration of social auditing according to the larger social accountability landscape.

4.3.6 More inclusive participation

Greater attention to the empowerment objective of social audit and links to broader social accountability strategies will improve inclusion of excluded and vulnerable populations. This will require identification of target populations and leveraging existing community mobilisation and outreach activities or making targeted efforts to mobilise their participation in social accountability. Social audit processes that have strong local ownership and roots can better coordinate with other local development initiatives to mobilise populations that are hard to reach or traditionally excluded from governance. The reshaped method will increase attention to monitoring who participates in social audit in order to track and reduce the risk of elite capture and exclusion of the most powerless.

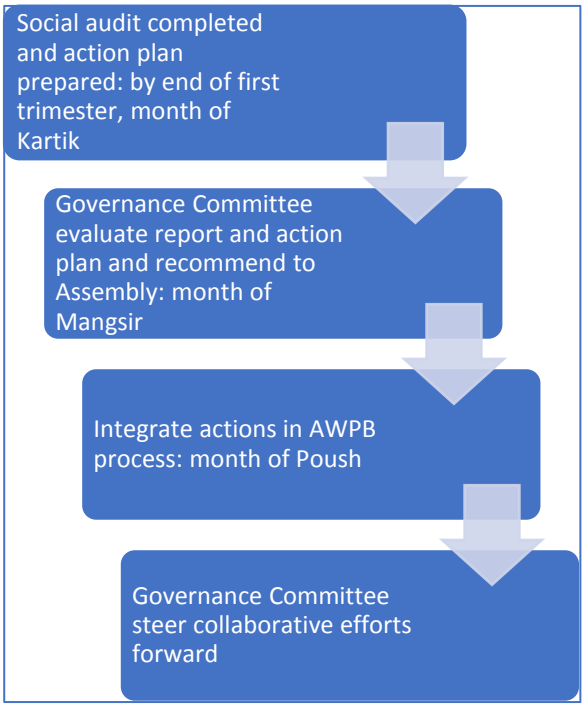
4.3.7 Capacity development is a priority

Weak capacity has impacted the quality of social auditing and its credibility and influence. Capacity development is a priority to support the institutional repositioning and reshaping of social audit for the new context. MoFAGA acknowledges that deliberate efforts are required to build the capacity of local governments to institutionalise social audit as a means for developing local systems of accountability and preparing the ground for strategic social accountability approaches. Within the parameters of the Social Accountability Directives, it is therefore proposed that the MoHP include a three-year Capacity Development Plan (CDP) to support the implementation of the reshaped and repositioned social audit (see Section 5). This will include orientation of local government representatives, the Governance Committee, Public Health Section staff, and HFOMC members as well as capacity building of social auditors to raise standards. This investment will also contribute to building local government capacity to respond to and stimulate more coherent and strategic social accountability approaches.

4.3.8 Improve the quality of implementation

In addition to strengthening the capacity of key stakeholders, the reshaped social audit needs to improve the quality and effectiveness of health service delivery (and health governance). implementation. This includes:

a. Integrating the social audit process into the planning and budgeting cycle so that the social audit action plan informs local government resource allocation decisions including human resource allocations. Similarly, linking the action plan to local supervision and monitoring processes so that local government monitor and enable actions agreed via the social audit process.
b. Accreditation of social audit organisations and a roster of accredited organisations prepared by the DHO. This roster will guide local government selection of social audit organisations.
c. Strengthening the DHO to provide documentation and information support to social auditors.



5. Recommendations and Next Steps

5.1 Strategic vision

Based on the findings of this strategic review and the enhanced opportunity for social accountability in the changed governance context, it is recommended that MoHP reposition and reshape the social audit methodology within a broader canvas of social accountability. It is proposed that the Federal MoHP prepare National Social Accountability Directives to frame social accountability in the health sector and position social audit as one tool for local governments to consider. The directive will include the government's intention to sustain the achievements and resources created through social auditing in the health sector as building blocks for emerging and more strategic and coherent social accountability strategies.

5.2 Reposition and reshape social audit

It is recommended that the existing social audit methodology be repositioned and reshaped as per the findings of this review. The MoHP may include remodelled Social Audit Guidelines for the Health Sector for Local Government as part of the Social Accountability Directives. This will reinforce the move to a locally-driven and locally-customised social audit approach that is repositioned to fit the federal system of government, and is resourced and structured to be more effective and achieve impact. It is also recommended that MoHP review experience with the transition in 2022/23 and revise the Social Accountability Directives and social audit model to fit with and lever opportunities in the political, institutional and social context.

5.3 CDP

To progress the health sector's commitment to participatory governance and social accountability and support the repositioning and reshaping of social auditing as a stepping stone towards locally driven approaches, it is recommended that the MoHP develop the capacity of key stakeholders to enable this transition. A three-year CDP has been prepared in consultation with the TWG to take this forward: see Annex 2. The plan builds from the strategic shifts proposed by this review and the revised roles, responsibilities and linkages of federal, provincial and local government stakeholders, the DHO, HFOMCs and social audit organisations. Further detailing of the CDP will need to be undertaken with provincial and local government stakeholders once the plan is endorsed by the Federal MoHP.

5.4 Funding

It is recommended that the Federal MoHP fund the implementation of the CDP and include funding for implementation of the reshaped and repositioned social audit process in the conditional grant provided to local governments for the next three years. According to the local context and directives expected from MoFAGA, local governments may choose to supplement the conditional grant allocation and further invest in social accountability actions that will benefit health outcomes.

Annex 1: Points for revision in the Social Audit Guidelines of the Health Sector

S.No.	Subject of revision	Priority Issues/provisions to be considered for addition and revision/amendment
1	Conceptual clarity and comprehensiveness	• Separate chapter for 'social accountability' to guide the operational framework on social audit • Localisation and bottom-up approach • Integration of multisectoral issues with health impact at the local level • The MoHP, DOHS/CSD to frame 'Social Accountability Directives for the Health Sector' on the basis of principled approach to define uniform standard criteria to guide localisation and customisation of social audit at the local level
2	Fundamental guiding principles of social audit	• Localised impacts with appropriate customisation • Broader collaboration and partnerships • Continuity and enhanced sustainability
3	Objectives	• Increased accountability of government to citizens • Empowerment of communities to enable active and meaningful participation • Disclosure of social audit to stakeholder
4	Implementation strategies	• Guidelines as the strategic and guiding framework for local customisation • Strategic planning capacity of the local level strengthened with strategic, facilitation and technical/management support from the Federal MoHP and MoFAGA, provincial-level health institutions and DHO • Mainstreaming and integration of social audit in the planning, programming, budgeting, monitoring and evaluation system of health sector management and service delivery at the local level • Community-empowerment- and participation-focused social audit • Equity monitoring guidelines for disaster-affected and remote and vulnerable areas to be used as reference document for the local-level health sector social auditing • Focused attention and special effort for inclusive participation • Professional competency-based selection and accreditation of social audit institution and social auditors • Evidence-based social auditing • Active and lead role of local representatives, ward level and HFOMCs • Flexibility in determining the scope of health service/programme auditing based on local realities • Inclusion of financial, institutional capacity and health service employees in the social audit
5	Institutional arrangements	• Policy coordination, facilitation, technical and management support, strategic review, quality assurance of capacity development, research and development role of the CSD of DoHS • Policy coordination, facilitation, technical and management support, capacity-development role of provincial-level health division • DHO has the role of coordination, facilitation, technical support for selection and management of social audit institutions • Governance Committee and Monitoring and Evaluation Committee to provide strategic guidance and oversee the social audit at the local level • Governance Committee to consider establishing a local-level social audit committee for the health sector under the responsibility of the Health Section of the local government • Empowered and capable HFOMC and ward level to lead social audit at the community level • Option to establish Multisectoral Forum of Local-level NGOs led by the Mayor/Chairperson at local level, and based on the possibility such mechanism

		may be extended down to the ward level
6	Social audit institution	• Local government authorised to select and appoint the social audit institution based on the roster of competent social audit institutions recorded by the DHO • Competency standard-setting of social audit institution by DHO and customisation by local government • Social audit institution accountable to the local government with monitoring and evaluation of their services by the local government • Terms of Reference for task of social audit to be developed by local government
7	Social auditor	• Mandatory requirement of professional training • Accreditation system for social auditors • Local government is the appointing authority of social auditor • Code of conduct of Social Auditor to be developed by local government and enforced
8	Capacity development and institutionalisation	• Inclusion of social audit human resource capacity development in the local government human resource development plan with required programme and budget • Social audit capacity development of local representatives • Training needs assessment of social audit institutions and social auditors and design of curriculum for training and capacity enhancement by National Health Training Centre (NHTC) • Capacity development may include professional training, orientation and familiarisation, sensitisation and other activities • Social audit master trainer training to be conducted by the NHTC • Social audit Training of Trainers (TOT) to be conducted by the Provincial Health Training Centre (PHTC) at the local level upon the request of the local government • Accreditation of social auditors by the PHTC • PHTC to assume the responsibility of resource centre and focal agency for social audit capacity development • PHTC in coordination with the local government to evaluate effectiveness of social audit training • Local-level Health Coordinator and local government health staff responsible for social audit monitoring to receive social audit planning and management training • PHTC to support local government develop and action the social audit training and capacity development manual • Customised operating procedures for social audit institutions and social accountability promotion developed at local level
9	Steps and methods of social audit:– First step – work planning and preparation	• Formative assessment by local government to inform the design and framework of localised social audit • Local government to develop strategic plan and work plan preparation for social accountability including social audit in the health sector in collaboration and participation of the local community and stakeholders • DHO to provide facilitation support • Dedicated programme and budget for social audit to be included in the local government plan and budget
	Steps and methods of social audit:– Second step – capacity enhancement	• Orientation and familiarisation on social audit to local government and health facility staff by DHO • Inclusion of ‘social accountability’ as the broader concept in the orientation and familiarisation of social audit

	Steps and methods of social audit:– Third step – preparation for social audit	• Local government to carry out preparation for social audit at the local and health facility levels • Local-level Health Division/Section to coordinate social audit preparations and at the health facility level, the HFOMC to assume coordination responsibility
	Steps and methods of social audit:– Fourth step – conduction of social audit	• Motivation and encouragement to the local community for participating in the orientation and familiarisation programme • Information, education and communication plan to be introduced by the local government for developing community interest to participate in the social audit process • Local government office holders and ward-level representatives to be mandatorily included as participants in the orientation and familiarisation programme • Interaction with local government office holders for collecting information and feedback • Mass meeting/public hearing to be conducted at local-government and health-facility levels • Local-level representatives to be active participants in the mass meeting/public hearing • Local government Health Coordinator and the In-charge of the health facility to brief the overall aspects of health service delivery and health management in the mass meeting/public hearing
10	Monitoring and reporting	• Local government to monitor social audit with allocation of programme and budget, and to include it in the local monitoring system • Governance Committee to oversee social audit and have authority and resources to support social audit implementation • Result-monitoring framework to be introduced for ensuring a result-oriented social audit with performance/result indicators to achieve impact • Establish a fit-for-purpose Information and Documentation Centre at DHO to support competent and evidence-based social audit • Social audit performance report submitted to the Governance Committee, which reviews and make recommendations to the local assembly.
11	Monitoring indicators	• Governance Committee, with the technical support of the Health Division/Section, to determine performance indicators for social audit implementation • Results framework for social audit monitoring to be introduced • Monitor who participates in social audit process disaggregated by sex, geographical location and vulnerability
12	Reporting system	• Social audit completion report and action plan shall be submitted to and reviewed by the Governance Committee, and recommendations made to the local assembly • Local government shall disseminate the report for public information • The follow-up actions and reform measures suggested by the social audit report shall be included in the programme and budget of the succeeding FYs • Health facilities will execute the social audit action plan as far as possible within their mandate and with the support of the HFOMC. Higher-level reforms and demands beyond the powers of the health facility will be determined by the Governance Committee

Annex 2: Capacity Development Plan, 2020/21 to 2022/23

S.No.	Reform Action/Activities	Time Plan (In quarters)												Responsible Agency	Result Indicator
		1	2	3	4	5	6	7	8	9	10	11	12		
A. Action: CDP preparation and approval															
1	Preparation, assignment and conduction, report prepared of capacity assessment study													DoHS/CSD	Capacity assessment study completed
2	Detailed CDP developed including sequencing of coverage													DoHS/CSD	CDP formulated and approved
B. Action: Design training															
3	Training Needs Assessment (TNA) for capacity development of different groups													NHTC	TNA completed
4	Curriculum development for different training courses: master training, training of provincial- and district-level trainers, orientation training													NHTC	Curriculum developed
5	Development of training manual for social audit training													NHTC	Training manual developed
C. Action: Assignment of responsibility															
6	Performance agreement between DoHS/CSD and NHTC regarding assignment for training/capacity development													NHTC	Assignment done
7	Agreement between the training using agency and training provider agency													CSD/DoHS and NHTC and PHTC	Performance agreement done
D. Action: Delivery of capacity-development training															

8	Master trainer course in social audit													NHTC	Master trainer course conducted
9	Training of provincial trainers													PHTC	TOT conducted
10	Professional training for social auditors													PHTC	Professional training course conducted
11	Induction/familiarisation/orientation for the position holders of local authorities and health staff													Local Government Health Division/Section with facilitation from DHO	Induction/ familiarisation/ orientation courses conducted
	E. Action: Monitoring, evaluation and placement follow-up														
12	Development of resource pool of social audit professionals													DHO	Social audit professionals' resource pool set up
13	Monitoring of trained persons and quality assurance													PHTC/ DHO	Monitoring report prepared
14	Training evaluation													DoHS/CSD/NHTC	All training courses evaluated
15	Build the capacity of the DHO to provide documentation and information resources													DHO	Documentation and Information Centre set up
	F. Action: Future reforms														
16	Evaluation of the Social Accountability Directives, revised social audit model and CDP													DoHS/CSD/NHTC	Evaluation completed
17	Areas of reform prioritised, planned and implemented													DoHS/CSD/NHTC	Reform plan prepared and put into implementation

Implementation notes:

1. The CDP will begin from FY 2020/21 with programming on a quarterly basis.
2. Programme and budget for the CDP shall be allocated by MoHP (DoHS/CSD) for three years.
3. Training responsibility with performance indicators will be assigned to NHTC and PHTCs.
4. DoHS/CSD will monitor training for quality assurance, including through the Health Division of the Provincial MoSD.
5. Evaluation of training to be commissioned by CSD in 2022/23 for future improvement.
6. Level of responsibility for training
    i. Master trainer development – NHTC with oversight by CSD
    ii. TOT – PHTCs with oversight by Provincial Health Directorate
    iii. Professional and induction training for social auditors delivered by PHTCs with oversight by Provincial Health Directorate
    iv. DHO to coordinate between the local and provincial levels
    v. Familiarisation and orientation to local representatives delivered by local government with technical support from the DHO.