

**2019**

**Determining the real impact of Dignity packs  
on learners in Gauteng for the period  
2015/16-2018/19**

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## Summary

In 2011, the Department of Social Development (DSD) in consultation with the Department of Education started distributing sanitary towels to identified schools across 15 Education Districts, targeting orphaned and vulnerable girls.

The Dignity packs programme was launched in response to the President's call (2011 State of the Nation Address) for government to provide sanitary towels to indigent women.

Based on the increase demands in schools, the annual targets for the Department increased in the subsequent years. The programme has further ensured that girl learners' rights to reproductive health and dignity are upheld, as opposed to previously when they had to resort to materials such as newspapers, rags and other unhygienic items during menstruation, which also had adverse health consequences such as children developing infections. In addition, to restore balance from a gender perspective the boy child was also included in the programme.

The programme has also been expanded to children with albinism. Some of the benefits incurred through the provision of dignity packs include the following: the rate of school attendance improved, the absenteeism rate for girl children has since decreased and the pass rate has improved.

Furthermore, the provision of dignity packs to poor children has relieved the parents of the monthly expenditure burden and therefore this has resulted in extra disposable income to spend on other essential goods (i.e. food).

Since the programme was introduced, the department has achieved its targets. However, in the 2018/2019 financial year, the target was not met due to the introduction of the Classification Circular 21 of 2018. The circular required the department to procure goods and services through tender process rather than transferring funds to Non-profit institutions (NPIs). The NPIs previously undertook the project on the department's behalf.

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This PER report will explore the inefficiency and challenges of the Circular 21. It will become evident that the function needs to be taken back to the NPIs who proved to carry out the programme more efficiently.

The tender process resulted in huge delays in the implementation of the programme leading to targets not achieved. The department should put in place control measures to improve and eliminate the inefficiencies in the tender process.

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## 1. Introduction

Many South African learners, girls and boys, often miss school because their families cannot afford to buy them basic toiletries for personal hygiene. Since 2011, the National Department of Social Development and its stakeholders have been issuing dignity packs, at first just to girls, many of whom miss school because they do not have sanitary pads, but now also to boys as per the resolutions from Executive Council meetings (EXCO). Restoring a child's dignity improves his or her self-esteem, and the hope is that better self-esteem will encourage attendance at school and improve a child's chances of passing.

In the past, rolling out dignity packs was undertaken by Non-profit organisations (NPOs), but since 2018 the function has resided with the department responsible for packaging, distributing and sourcing out suppliers. The method of distribution changed because of the implementation of Classification Circular 21 of 2018 which states that in instances where a non-profit institution receives funds to acquire goods or deliver services for the department, the payment should be classified as goods and services or payment for capital assets and not as transfers.

Is this proving cost-effective? Are there efficiency gains to be found or is more funding needed to respond to the high number of children who need the packs? Are we reaching our targets? Are dignity packs having the intended impact?

The available data to answer these questions has some limitations, however, assumptions were made to interrogate the real impact of this programme.

The unavailability of data from 2011/12 until 2013/14 (despite the programme commencing in 2011) is because objective (budget) code for dignity packs was not created on the system at that time. It should also be noted that BAS does not contain adequate data on Dignity packs for thorough analysis. Although, the information can be sourced from the Service level agreements (SLA's) of NPOs, it is very difficult to obtain such.

## **2. Policy and Institutional Information**

This Programme is underpinned guided by the National Sanitary Dignity Implementation Framework (SDIF), drafted by the Department of Women (DOW) and other stakeholders. The aim of the SDIF is to promote sanitary dignity and to provide norms and standards in respect of the provision of sanitary products to indigent persons who are afforded the opportunity to manage menstruation in a knowledgeable, safe, and dignified manner.

In addition, the programme is also guided by the department's mandate of steering delivery towards the improvement of the quality of life, reduce hunger and poverty amongst vulnerable citizens through accelerated social transformation. The delivery methodology puts emphasis on driving a core set of Departmental priority programmes which focuses on the outcomes such as the provision of dignity packs.

In light of the above initiatives, DSD is responding by distributing dignity packs to learners which contains; body lotion, tooth paste, toilet roll, roll-on deodorant and a pack of sanitary towels. A pack for children with albinism includes sunscreen, a lip balm (Lipsano), aqueous cream, a hat and the above generic pack.

The success of the programme has led to many role players (such as private companies and other institutions) wanting to contribute to it. The National Student Financial Aid Scheme (NSFAS) is allocating R275 for personal health care to students. The eligible students come from an economically poor background, and offers support to both young men and women to take care of their personal hygiene requirements.

### **INSTITUTIONAL ARRANGEMENTS**

The Gauteng Department of Social Development is the leading entity, and is working in close collaboration with Gauteng Department of Education.

All Social Cluster Departments such as the Department of Health, Department of Arts, Culture and Recreation, Department of Education and Department of Human Settlements are all expected to contribute towards the dignity packs project.

The Department also works in partnership with Procter and Gamble, through its Footprint Foundation and other foundations who complement the work done by the Department by extending the service to schools the Department is unable to reach.

Water supply, Sanitation and Hygiene (WASH) is another crucial component of the sanitary dignity programme. Moreover, in November 2018, the Water Research Commission launched the School Sanitation and Menstrual Hygiene Management Guidelines. These guidelines are aimed at improving girl friendly toilets and ensuring that these are clean.

Furthermore, it is expected that more private companies will be part of the project roll-out through their contribution towards the project.

<b>STAKEHOLDER</b>	<b>ROLES AND RESPONSIBILITIES</b>	<b>Is this function/role being carried out as expected?</b>
<b>DSD</b>	<ul style="list-style-type: none"> <li>• Function Lead department</li> <li>• Procurement and distribution of packs</li> </ul>	<ul style="list-style-type: none"> <li>• YES</li> </ul>
<b>GDE</b>	<ul style="list-style-type: none"> <li>• Learner profiling</li> <li>• Furnishing DSD with list in school of deserving/needly learners</li> </ul>	<ul style="list-style-type: none"> <li>• YES</li> </ul>
<b>GDoH</b>	<ul style="list-style-type: none"> <li>• Policy advice and framework on disposal of medical waste</li> <li>• Disposal of used pads (hazardous waste)</li> </ul>	<ul style="list-style-type: none"> <li>• NO: learner dump used pads in school toilets. Toilets gets blocked as pads should be disposed of like medical waste.</li> </ul>
<b>CoGTA</b>	<ul style="list-style-type: none"> <li>• Land for disposal – waste management</li> <li>• Disposal of used pads (hazardous waste)</li> </ul>	<ul style="list-style-type: none"> <li>• NO: the department is not involved</li> </ul>
<b>GDARD</b>	<ul style="list-style-type: none"> <li>• Environmental protection of medical waste (NEMA act)</li> </ul>	<ul style="list-style-type: none"> <li>• NO: the department is not involved</li> </ul>

### **Awareness campaigns**

The department in collaboration with GDE, also provides Hygiene awareness campaigns to learners. It emphasizes sexual and reproductive health education which is important in ensuring that girls are prepared for the changes their bodies are going through.

In addition, girl children are taught how to dispose sanitary towels instead of merely throwing the waste in the school toilets. Thus, this effort assists to maintain health standards and contribute to effective drainage management systems.

Moreover, Menstrual Hygiene Day which is an annual awareness day on May 28 aims to break the silence around menstruation that results in millions of women and girls having to hide, miss school and work. The day is also used to lobby governments and civil society to promote good menstrual health and hygiene management

### **3. Programme Chain of Delivery**

Reclassification Circular 21 of 2018 purpose *“is to provide national and provincial departments with an understanding on how to classify budgeted and actual expenditure with a specific focus on the distinction between the goods and services, payments for capital assets; and transfers and subsidies expenditure categories in line with the Constitution of the Republic of South Africa (1996), the Public Finance Management Act (1999), Treasury Regulations (issued in terms of the Public Finance Management Act) and the Economic Reporting Format (September 2009)”*. In essence, the circular states that where a non-profit institution receives funds to acquire goods or deliver services for the department, the payment should be classified as goods and services or payment for capital assets and not as transfers (as previously classified). In the case of distributing dignity packs, these are classified as goods and services.

The process in which the department undertook **prior** to the implementation of the reclassification Circular 21 of 2018 is explained in greater detail below:

Prospective NPOs were expected to submit their funding applications to DSD by end of September each year. Thereafter, the Departmental adjudication process commences to identify the relevant and suitable organisations to be funded. More importantly, the NPOs were

required to ensure that their objectives were aligned with the Departmental mandate & priorities. Once all eligible NPOs were identified, SLAs were signed and funds were transferred to NPOs. The SLAs outlined and summarised the targets including set outputs.

Furthermore, the department was required to manage and monitor the transfers to NPOs. In addition, it needed to ensure that appropriate accountability and transparency is maintained whilst also ensuring effective and efficient spending is promoted. It was a requirement that NPOs submit monthly and quarterly reports on performance and financial information. On-site visits were conducted quarterly by DSD's monitoring and evaluation officials. Findings and recommendations were discussed at a **regional multi-disciplinary task team** which was held every quarter, and corrective measures were put in place to deal with the non-compliance by NPOs.

Owing to the monitoring role of the department, the following issues were identified from the NPOs; governance matters; poor financial management; lack of fund raising skills from donors; human resource management and labour relations.

Since the department is in compliance with the Classification Circular 21 of 2018, the budget was reclassified from NPOs to Supply Chain Management. As a result, the products and services for the project are now acquired through the procurement processes (SCM) and in accordance with SCM regulations. However, the circular brought about challenges which are outlined below:

- Long time frames of SCM process;
  - The department is in the process of requesting deviation to procure through quotations whilst the tender process is unfolding. These delays have an impact on the targets
- Compliance to SCM Regulations;
- Decline on the number of cooperatives empowered
  - Performance and expenditure on cooperatives for dignity packs was affected by the rollout of new supply chain management process resulting in the appointment of logistics companies in March 2019

- Lack of Capacity within the SCM Directorate
  - The Tender & Contract unit in the department is not adequately capacitated to deal with additional work based on the increased number of tenders resulting from Classification Circular 21 of 2018.

For 2018/2019, the Department obtained Treasury approval to procure through quotations due to limited time to follow tender processes.

The step-by-step processes that drive the Dignity pack programme (which is in compliance with Classification Circular 21 of 2018) is explained in detail below:

1. The department developed specifications for supply of dignity packs and specification was presented at BSC in June.
2. The Bid Specification Committee (BSC) deferred the matter back to Management to reconsider the approach in line with National Department of Women policy on sanitary towels.
3. A decision was taken in July to adopt a hybrid approach. The specifications of the hybrid approach will be presented to BSC for consideration.
4. The department is in the process of requesting deviation to procure through quotations whilst the tender process is unfolding.

The section below explains the programme chain of delivery:

Once the policy has been formulated, consulted on and approved. The department works closely with GDE to identify beneficiaries from quintile 1 to 3 schools. Other schools are identified through community and household profiling done by community development practitioners. Orphaned and vulnerable children living with albinism also benefit from this programme.

Furthermore, costing of the programme is done prior to receiving approval for implementation. The costing takes into account the number of learners, packing, storing and distributing of the dignity packs to schools. The department, then, establishes capacity to carry out this programme thus also developing an implementation roll-out plan. There are

also activities that the department undertakes such as determining parties responsible for packaging and distribution of the packs. It is also very important that the department develops clear criteria's for screening the drivers responsible for delivery the packs (through the development of norms and standards). The following important factors should also be taken into account upon appointing a service provider:

- **Storage considerations**

Storage consideration should form part of tender specifications factors such as security, capacity, and ease of access (location) and building structure should be considered. The storage of dignity packs is not generally problematic, as most items are non-perishable or have long shelf lives. (Exceptions may be toothpaste, which has 24 months shelf life.)

- **Environmental Considerations**

Environmental considerations should always be upheld when selecting dignity pack contents. Plastic wrappers should be reduced and the She bins should be available in schools. Learners should be educated about hygiene or disposing the waste.

Furthermore, the Monitoring and Evaluation (M&E) process monitors the progress of the programme for effectiveness, consistency, any misconduct identified and adherence to the norms and standard. The department will also report on performance information such as the number of learners benefited, number of schools identified whilst the total expenditure will form part of the financial information. (Refer to Annexure 1 for logical framework)

#### **4. Expenditure Observations**

The unavailability of data from 2011/12 until 2013/14 (despite the programme commencing in 2011) is because objective (budget) code for dignity packs was not created on the system at that time. It should also be noted that BAS does not contain adequate data on Dignity packs for thorough analysis. Although, the information can be sourced from the SLA's of NPOs, it is very difficult to obtain such.

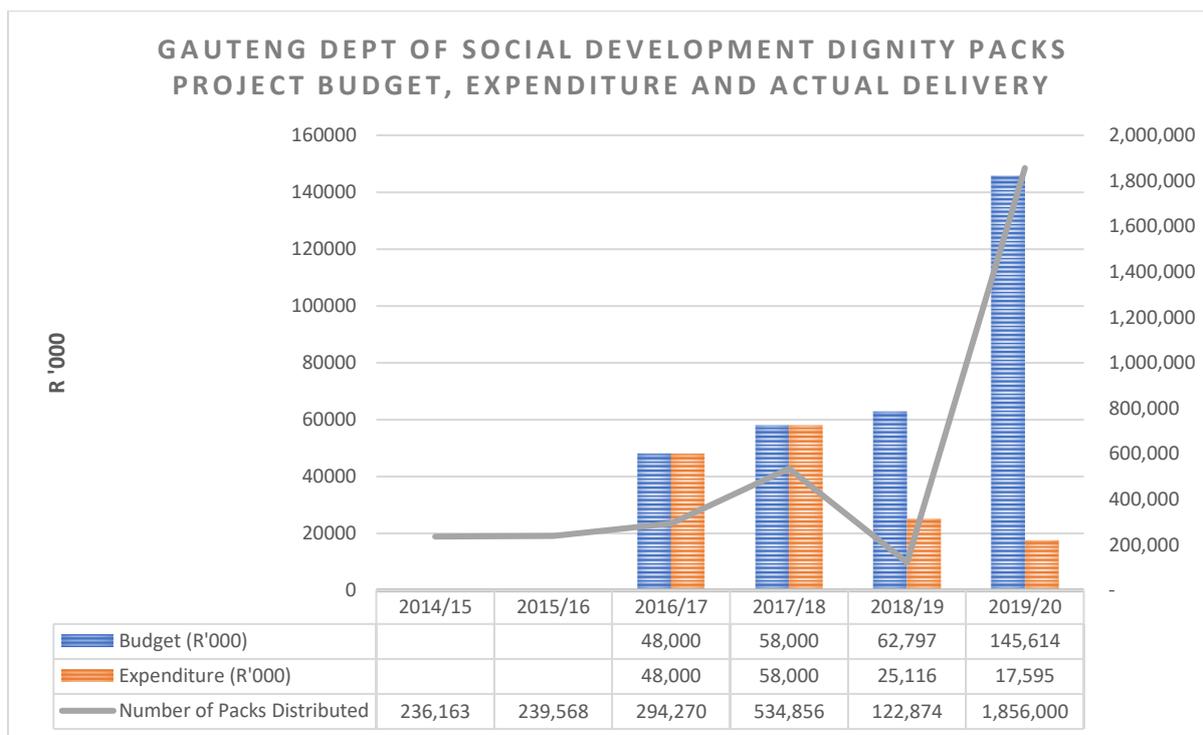
An expenditure of R48 million and R58 million was incurred in 2016/17 and 2017/18 respectively. This translates to 100 per cent of the total budget spent. What is striking is that in 2017/18 (please refer to the graph), a total of 534 856 dignity packs were distributed with an allocated budget of R58 million. However, the budget only grew by R10 million in 2017/18 whilst the packs distributed were 240 586 more as compared to the ones distributed in 2016/17. This is because more schools have been added to the programme as committed by the department in the delivery plan. What could be the reason of the low expenditure recorded in 2018/19? Could this be attributed to the implementation of Classification Circular 21 of 2018? What is this performance trend suggesting about this Circular? Could it be posing as a barrier for targets to be attainable? And what about the actual beneficiaries of the project? How are they impacted in the departments under achievement since only 122 874 packs were distributed?

For 2019/2020, the Department has set aside a budget of R145 million for the project. The procurement processes was envisaged to be completed by end of July 2019. The unit expenditure of the dignity packs has increased very rapidly over the years because of the additional contents of the pack (such as toothpaste and toilet paper) as well as inflationary increases. It is also important to remember that boys and children with albinism were also added as beneficiaries to the project which also justifies the increase.

As a means of savings, the department should consider only providing sanitary towels as opposed to the other additional contents.

**TABLE 1**

Financial Year	Target	Actual Performance	Budget	Expenditure	Location of schools	Planned cost per unit	Actual cost per unit
<b>Dec-11</b>	PPI not recommended for this financial year	77 000	Not available	Not available	West Rand, Sedibeng, Ekurhuleni, Tshwane and JHB.		
<b>2012/13</b>	150 000	152 790	Not available	Not available	West Rand, Sedibeng, Ekurhuleni, Tshwane and JHB		
<b>2013/14</b>	200 000	201 929	Not available	Not available	West Rand, Sedibeng, Ekurhuleni, Tshwane and JHB		
<b>2014/15</b>	225 000	236 163	8 425 000	8 425 000	West Rand, Sedibeng, Ekurhuleni, Tshwane and JHB	37,4	35,7
<b>2015/16</b>	238 493	239 568	12 355 920	12 355 920	West Rand, Sedibeng, Ekurhuleni, Tshwane and JHB	51,8	51,6
<b>2016/17</b>	251 849	294 270	22 828 000	22 828 000	West Rand, Sedibeng., Ekurhuleni, Tshwane and JHB	90,6	77,6
<b>2017/18</b>	264 444	534 856	41 271 200	41 271 200	West Rand, Sedibeng., Ekurhuleni, Tshwane and JHB	156,1	77,2
<b>2018/19</b>	1 226 496	122 874	69 797 000	27 305 422	West Rand, Sedibeng., Ekurhuleni, Tshwane and JHB	56,9	222,2
<b>2019/2020</b>	1 856 000	92 273 (April 2019)	145 614 000	17 144 981	West Rand, Sedibeng., Ekurhuleni, Tshwane and JHB	78,5	185,8



*\*The Programme to provide expenditure for 2014/15 and 2015/16 FYs because objective (budget) code for dignity packs was not created on the system at that time*

*\*\* 2019/20 budget includes the R8.777m earmarked allocation from NT, while expenditure is to date, and 1 856 000 the target*

## 5. Performance

Since the launch of the programme in 2011, about 660 000 girl children have benefited from the programme. Furthermore, a balance was maintained from a gender perspective as dignity packs were distributed to boy children as well. The programme has since expanded to children with albinism.

For 2016/17, the Department provided a total of 294 270 dignity packs to disadvantaged learners in the Province. The department managed to achieve its targets since the programme started (from Dec 2011-2017/18).

But for 2018/19 only 122 874 packs were distributed against the initial target of 1.2 million. This is a huge under achievement was caused by the products and services being acquired through slow procurement processes. This resulted in the department seeking Treasury approval to procure through quotations as tender processes take less time.

**TABLE 2**

Financial Year	Performance indicator	Target	Actual Performance
<b>Dec-11</b>	Number of dignity packs distributed	PPI not recommended for this financial year	77 000
<b>2012/13</b>		150 000	152 790
<b>2013/14</b>		200 000	201 929
<b>2014/15</b>		225 000	236 163
<b>2015/16</b>		238 493	239 568
<b>2016/17</b>		251 849	294 270
<b>2017/18</b>		264 444	534 856
<b>2018/19</b>		1 226 496	122 874
<b>2019/2020</b>		1 856 000	92 273 (April 2019)

**TABLE 3**

Performance Indicator	2018/19 Target	2018/19 Actual	2019/20 Target	Q1 Target	Q1 Actual
<b>Number of dignity packs distributed</b>	1 226 496	122 874	1 856 000	464 000	<b>369 131</b>

What can be seen from the illustration above is that, at the end of 2019 first quarter the department did not attain its targets. This underachievement is linked to the rollout of new supply chain management process. The department had also indicated (*this was presented during 2019 National Treasury Visits*) that the performance was also affected by one of the cooperative who delayed packaging due to subcontracting conflict. Furthermore, it was alluded that catch up plans will be implemented to address the backlogs.

### **Role of cooperatives**

The Department contributes to Township Economy Revitalisation through its partnerships with cooperatives and township enterprises who are responsible for packaging dignity packs thus creating employment. In 2017/18, 594 cooperatives were empowered by the Department. It would have been very interesting (and provided informative analysis) if the performance indicators were split between men and women, so as to obtain a clear and

better understanding of the number of targeted **women** (as they are the main target) benefiting from this programme. It is also difficult to determine the exact number of cooperatives that are responsible for packaging the Dignity packs as the department has other projects that requires the usage of cooperatives such as food parcels and school uniform. Fortunately, the services of cooperatives are not only limited to packaging as sometimes they gain preferential procurement such as supplying toilet paper.

**TABLE 4**

	2016/17 Actual	2017/18 Target	2017/18 Actual	Reason for Deviation
Number of cooperatives enlisted to provide goods and services to the Department and other service users	521	543	594	<b>Target:</b> Exceeded <b>Reason for deviation:</b> Performance is due to more cooperatives enlisted to provide goods and services to the Department.

*\*The table is extracted from the department's 2017/18 Annual Report*

**TABLE 5**

Performance indicator	Financial Year	Target	Actual Performance
Learner absenteeism rate	2014/15		No baseline
	2015/16	5%	5%
	2016/17	5%	5%
	2017/18	5%	5%
	2018/19	5%	<b>**4.1%</b>

*\*The information is extracted from GDE's APP*

*\*\* Estimated performance*

Although GDE managed to achieve its target, the actual performance has been constant from 2015-16 until 2017/18. One of the main objectives of the Dignity pack programmes is to reduce the learner absenteeism rate, however, the rate has not improved over the years. One would expect the rate decreasing at least slightly to align with the high increase of the

packs that have been distributed. Is this programme achieving its purpose? Is this stagnant learner absenteeism rate associated with other factors other than hygiene issues?

This data is complex to measure the absenteeism rate of the actual beneficiaries of the programme as it includes the absentee rate for all learners across the province.

More research is required to be able to determine the efficacy of the program.

Stringent monitoring controls should be in place to ensure that there is no misconduct or no “ghost learners” benefiting from the programme. The profiling /screening system is also a concern, are the officials undertaking this tasks qualified, what is their criteria for profiling learners? How certain are we that the actual deserving learners are benefitting from this programme. One would also want to know, how are the number of learners validated by GDE, is there no double counting involved?

The limited and unclear list of performance indicators results in an inadequate analysis of the effectiveness of the programme. Below are the proposed list of indicators that the programme should be collecting data on, that could assist in making an overall assessment of the impact of the Dignity packs programme:

- *Number of girl children receiving dignity packs*
- *Number of boys receiving dignity packs*
- *Number of girl children with albinism receiving dignity packs*
- *Number of boy children with albinism receiving dignity packs*
- *Total number of primary school in quintile 1-3 benefiting from the Dignity Pack programme*
- *Total number of secondary school in quintile 1-3 benefiting from the Dignity Pack programme*
- *Number of cooperatives providing goods and services to the Dignity Packs programme*
- *Absenteeism rate of all dignity packs beneficiaries*

- *Pass rate of all dignity packs beneficiaries*

Finally, Former Minister ,Ms Bathabile Dlamini has cited that water and sanitation mechanisms and facilities need to be in place to support management of menstruation which should be followed by a sustainable disposal mechanism for used sanitary products as these must be treated as medical waste. In addition, the former minister has also alluded to the fast tracking of national standards for menstrual products such as reusable pads and menstrual cups.

## **6. Options**

Although the data was limited but useful, costing the content of the dignity packs was based on assumptions. Since this is an existing programme, data could **only** be attainable for 2016/17. Firstly, before costing the total package , one needs to determine what the content of the package include and cost each item since the pack varies for boys, girls and children with albinism. The Annual Performance Plan of the department was used to get information on the targets, which for the purpose of this section can be referred to as the demand.

However, I discovered that the APP does not separate its performance indicator between girls, boys and children with albinism as previously mentioned. As such, it is very difficult to determine the exact demand for girls, boys and children with albinism.

For the purpose of this exercise only the total number of the packs distributed will be costed. It should also be noted that the department only reports under one line item, inventory other consumables: toiletries. Details of other hidden costs such as storage and distribution costs are not available.

Moreover, it was observed that prices vary as per the type of dignity pack distributed. The price per dignity package for children with albinism is high compared to other packs. This is because it includes more contents such as sunscreen, lip balm, aqueous cream, a hat and the generic pack. However, the total number of children with albinism is not available.

## Costing per items (girl children)

TABLE 6

Item	2016/17 BASE	Assumption cpi	2017/18	2018/19	2019/20	Annual average growth rate
Sanitary towels	R 14.50	1.05	R 15.23	R 15.99	R 16.79	5%
Hand lotion	R 9.99		R 10.49	R 11.01	R 11.56	5%
Deodorant	R 8.99		R 9.44	R 9.91	R 10.41	5%
Soap	R 8.00		R 8.40	R 8.82	R 9.26	5%
Toothpaste	R 10.00		R 10.50	R 11.03	R 11.58	5%
Toilet Paper	R 5.00		R 5.25	R 5.51	R 5.79	5%
Packaging Cost	R 18.00		R 18.90	R 19.85	R 20.84	5%
<b>Total</b>	<b>R 74.48</b>		<b>R 78.20</b>	<b>R 82.11</b>	<b>R 86.22</b>	<b>5%</b>

## Costing per items for children with albinism

TABLE 7

Item	Assumption cpi	2016/17	2017/18	2018/19	2019/20	Annual average growth rate
Lipsano	1.05	R 63.00	R 66.15	R 69.46	R 72.93	5%
Sunscreen		R 115.00	R 120.75	R 126.79	R 133.13	5%
Aqueous Cream		R 30.00	R 31.50	R 33.08	R 34.73	5%
Hats		R 143.00	R 150.15	R 157.66	R 165.54	5%
<b>Total</b>		<b>R 351.00</b>	<b>R 368.55</b>	<b>R 386.98</b>	<b>R 406.33</b>	<b>5%</b>

## Costing assumption versus Actual expenditure (BAS)

TABLE 8

Financial year	Performance Indicator	Actual performance (APP)	Unit Price	Total expenditure (assumptions)	Actual expenditure (BAS)
2016/17	Dignity Packs distributed	294 270	R 74.48	21 917 230	<b>22 828 000</b>
2017/18		534 856	R 78.20	41 827 879	<b>41 271 200</b>
2018/19		122 874	R 82.11	10 089 700	<b>27 305 422</b>

The table above demonstrates the actual expenditure versus the assumptions. For 2016/17 and 2017/18, the calculations for assumptions and actual expenditure had less variance compared to the 2018/19. Since, the inputs costs are unavailable, it is difficult to determine whether the department costed accurately. The expenditure (unit price) for 2018/19 is high compared to other financial years. This can be attributable to the procurement process that the department had to follow which leads one to make the following assessment: due to the introduction of the Classification Circular 21 of 2018, fewer packs were distributed with more money.

Due to the nature and significance of the Dignity packs programme, the quantity (*but not the content*) of the packs distributed **cannot** be reduced. As this will mean that the intended

impact of *reducing learner absenteeism and improving the self-esteem of learners* will not be attained.

One of ways that costs can be reduced is through the packaging process. Learners from the benefitting schools can package their own products. Strict control measures should be put in place by school officials for accountability and to avoid theft. The “packaging process” will be crafted in such a way that it will not disrupt normal learning activities, this “activity” could be done during Life Orientation classes or during second breaks once a week on a rotational basis between Grade 5-12 in the identified schools.

In addition, instead of packaging the products in a fancy box or plastic container, recyclable paper bags could be used. Not only are these paper bag environmentally friendly but it could also be cost-effective.

### Cost Saving and Efficiency

SCENARIO 1 (Distributing Sanitary towels only)						
Item	2016/17 BASE	Assumption cpi	2017/18	2018/19	2019/20	Annual average growth rate
Sanitary towels	R 14.50	1.05	R 15.23	R 15.99	R 16.79	5%

Financial year	Performance Indicator	Actual performance (APP)	Unit Price	Total expenditure (assumptions)	Actual expenditure(BAS)	Potential savings
2016/17	Dignity Packs distributed	294 270	R 14.50	4 266 915	22 828 000	18 561 085
2017/18		534 856	R 15.23	8 143 183	41 271 200	33 128 017
2018/19		122 874	R 15.99	1 964 294	27 305 422	25 341 128

The table above demonstrates potential savings if sanitary towels were only distributed. It is evident that savings would be realised which could afford the department the opportunity to redirect the funds to core priority areas or budget pressures. Potential savings equate to R18.6 million, R33, 1 million and R25 million in 2016/17, 2017/18 and 2018/19 respectively. These savings could also be directed to children with albinism as there's only a small size of

the population that could benefit from the programme. However, this requires accurate data for a qualified assumption. Alternatively, the department could consider reducing the total number of content in each pack, see the table below:

#### SCENARIO 3 (ITEMS REDUCED)

Item	2016/17 BASE	Assumption n cpi	2017/18	2018/19	2019/20	Annual average growth rate
Sanitary towels	R 14.50	1.05	R 15.23	R 15.99	R 16.79	5%
Deodorant	R 8.99		R 9.44	R 9.91	R 10.41	5%
Toothpaste	R 10.00		R 10.50	R 11.03	R 11.58	5%
Toilet Paper	R 5.00		R 5.25	R 5.51	R 5.79	5%
<b>Total</b>	<b>R 38.49</b>		<b>R 40.41</b>	<b>R 42.44</b>	<b>R 44.56</b>	<b>5%</b>

Financial year	Performanc e Indicator	Actual performan ce (APP)	Unit Price	Total expenditure (assumptio ns)	Actual expenditure(B AS)	Potential savings
2016/17	Dignity Packs distributed	294 270	R 38.49	11 326 452	22 828 000	11 501 548
2017/18		534 856	R 40.41	21 615 938	41 271 200	19 655 262
2018/19		122 874	R 42.44	5 214 186	27 305 422	22 091 236

The above reflects possible savings that could be gained if the department eliminated soaps and hand lotion in the content. As the general assumption is that every household should have the basic toiletries such as soap and petroleum jelly, therefore, there won't be any negative impact on the learners.

## 7. Recommendations

It is recommended that the directive that was issued out in 2018/19 (Classification Circular 21 of 2018) to be abolished. It is evident that the tender process resulted in huge delays in the implementation of the programme leading to targets not achieved.

The department should also bring to an end the wasteful procurement practices that allow for obscene mark-ups of goods and services. It should put in place control measures to improve and eliminate the inefficiencies in the tender process and consider taking back the function to NPOs who proved to carry out the programme efficiently.

The impact of the inefficiencies of the Circular is much greater than the actual benefit not only to learners but also to cooperatives. Employment opportunities were created to cooperatives (prior the Classification Circular 21 of 2018) as they provided services and products such as sun hats and toilet paper.

Moreover, the department needs to appoint an oversight committee to monitor the efficiency of the programme as there are processes and place accountability on various stakeholders involved. Since it is complex to determine the efficacy of the programme due to limited data, performance indicators should be revisited and distinctions should be made from a gender perspective.

Lastly, capacity issues within the SCM unit should be addressed promptly as this too contributes to the delays with the procurement process. It is also worrisome that this department has capacity issues especially when one considers the other projects (school uniform and food parcel) and its impact on communities.

## **8. Action**

The first step is to investigate the department's SCMs unit. This is determine the other challenges (other than capacity issues) that the department is facing and address them accordingly. In addition, a thorough verification process should be undertaken between the business plan, tender specification and the actual output. Any variances should be scrutinized and remedial action taken accordingly. The SLAs (with a particular focus on the unit prices and costs) from suppliers should be interrogated and any glaring anomalies must be addressed with the department. In addition, where the department had mentioned that it was experiencing challenges or delays, follow up meetings will be necessary to determine the department's capability to timeously address its challenges.

In addition, the expenditure and performance should be monitored at a quarterly basis. This is to determine an alignment between the expenditure and performance and take remedial actions promptly where there are deviations. Transparency is a serious issue with this programme, there is limited data and unclear information. The department should ensure that information is easily **accessible**.

## ANNEXURE 1 LOGFRAME

