

GiveWell Year 4 Financial Narrative Report

April 2020 – March 2021

Overview

This narrative report covers the year 4 period from 1 April 2020 to 31 March 2021. It should be read alongside the year 4 financial report, which gives a summary of the budget and expenditure figures for the year, and the country narrative reports which give details of the activities which have taken place in each country.

For each country, expenditure is shown broken down into 7 categories: Capital Expenditure, Project Activities, Staff Costs, Administration Costs, Monitoring Evaluation and Lesson Learning, Programme Management, and Overheads.

The first 5 categories make up the 'Country Total' which represents the in-country cost of the activities. Generally, with the exception of staff and some office running costs, this expenditure is variable and spend only occurs when activities take place.

The programme management category captures expenditure incurred in providing support and technical advice to the countries. This cost is split proportionately across the countries based on their annual expenditure.

In year 4, actual expenditure across the programme was 66% of what was budgeted. In several countries: Guinea, Guinea Bissau and DRC, expenditure was either displaced or was not able to take place due to the COVID-19 pandemic. In Nigeria and Cameroon, most of the activities went ahead, but some were delayed. Where activities were missed in year 4, we have worked with the countries to amend the year 5 budgets to include the activities which are still necessary.

In response to the pandemic, project activities were, or will be, adjusted to follow the COVID-19 guidelines in the RAMA-approved SOPs. This will mean increased expenditure in all countries in order to purchase products such as facemasks, hand sanitiser etc (PPE) and also to adapt meetings and training sessions to ensure the safety of those involved. For example, in Cameroon some training sessions were held over more days to reduce the number of people in one place at the same time, resulting in increased venue costs and increased allowance and travel costs.

As there are still activities to be completed in all the countries, we do not yet have comprehensive data for robust analysis on the increase in expenditure caused by COVID-19.

Looking more broadly across our programmes, we have found that PPE is a key cost driver in terms of incremental spend relating to working in a Covid-19 context. We have started tracking a new metric: PPE cost per person and the benchmark for this is around \$3 - \$4.

Across the budgets we have been able to make cost savings on various budget lines by taking advantage of opportunities and existing resources. For example, in Nigeria we took advantage of a radio station, in one of the LGAs, that offered to air radio jingles to communicate upcoming NTD activities, at no cost. The team in Nigeria were also able to secure a bulk deal when procuring PPE,

which reduced the unit cost compared to what we were initially expecting. All these savings will be reallocated to activities that benefit the programme the most.

Nigeria

In Nigeria, despite delays due to the COVID-19 pandemic and security issues in some states, the majority of planned activities went ahead. In several States, coverage evaluation surveys and/or final project review meetings were not completed before the end of the project year. As indicated above, where activities are still required, the related costs have been incorporated into the year 5 budgets.

Overall, across the 7 States in Nigeria 84% of the year 4 budget was spent. As well as the activities not yet completed this underspend was caused by the following key variances:

Less in-person supervision was carried out due to the restrictions put in place because of COVID-19. MDA activities were instead monitored and supervised virtually which resulted in reduced travel and allowance costs. The team were able to provide real-time supervision and troubleshoot problems instantly without needing to be there in-person. It would appear that the use of technology in this way is an excellent option to reduce costs without reducing the quality of distribution. Provided the coverage evaluation survey results also confirm this, we will be exploring this as a longer-term option in the future.

Staff costs were less than budgeted at the beginning of the year as we were able to share costs with other Sightsavers led programmes.

The savings reported above were offset to an extent by increases to fuel costs. This was due to the phased removal of a subsidy on fuel in Nigeria, such that fuel costs were higher than anticipated when the budget was prepared. This also has an impact on future year budgets in Nigeria.

Guinea Bissau

Due to various reasons described in the country narrative report, including the COVID-19 pandemic, the activities planned in year 4 in Guinea Bissau were not able to take place.

As a result, the only costs reported in year 4 were the staff and office running costs.

We have adjusted the budgets for year 5 onwards to take account of the required activities that could not be completed in year 4.

Guinea

In Guinea, activities in 3HDs in the Forest Region were displaced by funds from other funders as described in the country narrative report. Activities in the other regions could not take place due to the COVID-19 pandemic, followed by an outbreak of Ebola.

As a result, the only costs reported in year 4 were the staff and office running costs.

We are working with the country office to adjust the budgets for year 5 onwards to include the required activities that could not be completed in year 4. We have shared an indicative budget as part of the financial report, which will need to be adjusted in the coming weeks as we finalise the budget with the country office.

The budget for years 5 and 6 in Guinea will show an increase when compared to the financial report that was submitted last year. This is due in part to an oversight in the year 3 financial report. We inadvertently submitted a year 4 budget that was much lower than that required. This has been compounded by an increase to the official national per diem rate in Guinea, resulting in increased costs for activities going forward.

DRC

In DRC, activities in 12 districts in Ituri Sud were displaced by funds from other funders as described in the country narrative report. Activities in the other regions could not take place due to the COVID-19 pandemic.

As a result, the only costs reported in year 4 were staff, office running costs and some equipment purchases.

We have adjusted the budgets for year 5 onwards to take account of the required activities that could not be completed in year 4.

Cameroon

In Cameroon, we spent 110% of the year 4 budget. Despite the COVID-19 pandemic, all of the activities, with the exception of the coverage evaluation survey, went ahead in Cameroon as planned.

The coverage evaluation survey, which was not completed but is still necessary will be rolled forward and reported in the upcoming year 5.

The overspend in year 4 was due in part to the unplanned SCH/STH mini campaign in 3 health areas in the West Region, which was required as an urgent response to an outbreak of haematuria. The reported spend also reflects an increase relating to implementation taking place during the COVID-19 pandemic. So far, costs required to mitigate the risk of COVID-19 have been proportionately highest in Cameroon. The driver for this is the increased sensitization and COVID-19 awareness raising activities that were required following false rumours.