



## The Human Capital Development Programme Annual Performance FY 2021/22: What are the Emerging Issues?

### Overview

The Human Capital Development (HCD) Programme primarily contributes to the third National Development Plan (NDPIII) objective four of enhancing the productivity and social wellbeing of the population.

The key expected programme outcomes include: increased proportion of the labor force transiting to gainful employment; increased years of schooling; improved child and maternal outcomes; increased life expectancy; increased access to safe and clean water, and sanitation; and increased access by the population to social protection among others. The Budget strategy for Financial Year (FY) 2021/22 was anchored on attainment of the above outcomes with focus on priority interventions to improve the wellbeing of the population by ensuring a healthy and skilled workforce.

The Ministry of Finance, Planning and Economic Development (MFPED) through the Budget Monitoring Unit (BMAU) undertook a monitoring exercise to review and assess performance and implementation of planned targets (outputs and intermediate outcomes) as well as level of gender and equity compliance in the budget execution process.

This policy paper, therefore, presents a synopsis of both financial and physical performance of the HCD interventions in FY2021/22, the emerging issues and proposes recommendations.

### Introduction

The Human Capital Development Programme interventions are delivered through four sub-programmes namely: i) Education, Sports and Skills; ii) Labour and Employment Services; iii) Gender and Social protection, and iv) Population, Health, Safety and Management.

### Key Issues

- i) Weak focus on programme-based planning and budget implementation with entities planning and operating in silo mode.
- ii) Delays in procurement, outdated information management systems, staffing shortages and flaunting of the public finance management laws affected programme performance.
- iii) Better assessment registered at output than outcome level due to limited data to track outcome performance.

Approximately 75% of the HCD Programme interventions were assessed and the subsequent sections highlight the overall performance of the Programme during FY 2021/22.

### Programme Financial Performance

The Programme budget for FY 2021/2022 including external financing was Ug shs 8,236.26 billion (bn) accounting for 20.4% of the total national budget (Table 1). Overall the release and absorption were very good except for the Labour and Employment Services Sub-programme which received 73% of the budget. Due to delayed procurements and reimbursements, absorptions varied with Population, Health and Safety Sub-programme having the least absorption (83%).

**Table 1: Financial Performance of the HCD Programme in FY 2021/22**

Sub-Programme	Budget (Ug shs Bn)	Release	Expenditure	% of release spent
Education Sports and Skills	3,617.8	3,586.1	3,566.6	99
Labour and	262.4	190.3	175.9	92



Sub-Programme	Budget (Ug shs Bn)	Release	Expenditure	% of release spent
Employment Services				
Gender and Social Protection	215.9	274.5	273.9	100
Population Health Safety and Management	4,139.9	4,000.2	3,308	83
<b>Total</b>	<b>8,236.2</b>	<b>8,051.2</b>	<b>7,324.5</b>	<b>91</b>

Sub-programme	Very good	Good	Fair	Poor	Total
Population Health, Safety and Management	0	4	6	2	12
Labour and Employment Services	4	1	1	1	7
Gender and Social Protection	0	2	4	2	8
<b>Total</b>	<b>7</b>	<b>10</b>	<b>16</b>	<b>9</b>	<b>42</b>
<b>Percentage performance attained</b>	<b>16.7 %</b>	<b>23.8 %</b>	<b>38.1 %</b>	<b>21.4 %</b>	<b>100%</b>

Source: MFPED (2022)

### Physical Performance

The overall programme performance was fair with 64% of the planned targets achieved<sup>1</sup> (Figure 1).

Figure 1: Overall Performance of the HCD Programme (Percentage)



Source: MFPED (2022)

In terms of performance by Programme interventions, 48% registered fair performance and only 16.7% registered very good performance. Detailed intervention performance by sub-programme is highlighted in Table 2.

Table 2: Intervention Performance by Sub-programme in FY 2021/22

Sub-programme	Very good	Good	Fair	Poor	Total
Education Sports and Skills	3	3	5	4	15

<sup>1</sup> The targets assessed were mainly at output level save for Population, Health, Safety and Management which had a robust and functional Health Monitoring System. The rest of the sub-programmes did not have.

**Very good performing interventions** included: Increased access to immunization against childhood diseases; upgraded and operationalized Uganda Child Help Line; support to Technical, Vocational, Education and Training (TVET) institutions that have the minimum requisite standards to acquire international accreditation status, and roll out the modularized TVET curricula for all formal programmes to attain a flexible demand-driven system in Uganda.

**Good performing Programme interventions were:** Increased access to inclusive safe water, sanitation and hygiene (WASH) with emphasis on coverage of improved toilet facilities and handwashing practices; maintenance of existing facilities and construction of appropriate and standardized recreation and sports infrastructure at national, regional, local government and schools; prevention and control of Non-Communicable Diseases with a specific focus on Cancer, cardiovascular diseases and trauma among others.

**Poor performing interventions on the other hand were:** Establishment of a functional labour market; Institutionalization of training of Early Childhood Development (ECD) caregivers at public Primary Teachers Colleges, and enforcement of the regulatory and quality assurance system of ECD standards. Additionally, the promotion of optimal Maternal,



Infant, Young Child and Adolescent Nutrition Practices; and Upgrading of the Education Management Information System (EMIS).

### Outcome Performance

Some outcome indicators registered improvement as highlighted in Table 3.

**Table 3: Performance of Selected Outcome Indicators in FY2021/22**

Indicator	Target	Achievement
Reduced prevalence of under 5 stunting	25	25
Institutional Maternal Mortality Rate Per 100,000	75	89%
Mortality rates due to Malaria per 1,000	10	6
Access to rural water supply	70%	68%
Access to an improved sanitation facility	81%	77%
Percentage of persons with access to safe water supply in urban areas within 200m	72%	71.6%

*Source: MFPED 2022 HCD Programme Report FY 2021/22*

On the other hand, some indicators registered a negative trend and these included: the Pupil Classroom Ratio (PCR) that averaged 69:1 against a planned target of 68:1. This was partly attributed to enrolment that more than doubled following the school re-opening after the two-year closure of schools due to COVID-19. The pupil/student: book ratio averaged at 5:1 in primary school and 4:1 in secondary schools, against a standard ratio of 2:1 ratio and the pupil/latrine ratio remained high across the districts.

### Output Performance

#### i) Recruitments

A total of 6,312 (3,953 males and 2,359 females) (against 1,150 planned) were recruited and appointed into service. The over-performance on the appointment of teachers under the Education Service Commission was attributed to recruitments for the

Inter-Governmental Fiscal Transfers (UgIFT) seed schools as 1,598 teachers were recruited to operationalize the 102 (out of 117) completed seed schools. However, low staffing levels persist across different levels of education instruction due to the inadequate wage bill. For example, the Makerere University Business School lecturer-student ratio was still very high as the School had 1,132 staff out of the 2,635 expected. Relatedly the high labour turnover as several lecturers left some public universities due to lack of promotions.

A total of 1,051 health workers were recruited against the planned 1,200 (88%) by the Health Service Commission (HSC) for the Ministry of Health (MoH), National Referral Hospitals (NRHs), specialized entities and Regional Referral Hospitals (RRHs). The staffing shortages remained persistent at various levels.

The requirement to analyze the payroll for the first three months of the FY before approvals are granted by the Ministry of Public Service (MoPS) affected timely recruitments, deployment, access to payroll and provision of services.

#### ii) Construction and Rehabilitation of Facilities

Classrooms and VIP latrines were completed in 90% of the districts visited; overall progress for construction works in National Referral Hospitals (Mulago, Butabika, Kiruddu and Kawempe) stood at 73% while works under the RRHs averaged 88.6% with the construction of Intensive Care Units' in Mbale RRH and Masaka RRH nearing completion at 97% and 96% progress respectively. The Uganda National Examination Board six-floor storage facility at Kyambogo progressed to 93%; the Mubuku Youth Skills Center in Kasese was rehabilitated; two piped water systems were completed; 125 solar-powered gravity piped constructed, 183 new boreholes were constructed and 349 boreholes were rehabilitated.

The achievements notwithstanding, there were variations in the unit costs for some of the constructed



facilities. For instance, the construction of two classroom blocks without a water harvesting tank at Maziba Primary School in Kabale District cost Ug shs 500m which was considerably high compared to the average cost of Ug shs 250 million for the same infrastructure in schools constructed under the School Facilities Grant in the same district.

### **Health Care Provision**

Disease surveillance, epidemic preparedness and response were carried out. Preventive, curative and palliative care services were provided across health facilities, and specialized institutions at the National, Regional Referral, and local government levels across the country. The basket of 41 essential medicines was available at 76%; with ARVs available at 83%, laboratory commodities at 67%, and Tuberculosis and Reproductive, Maternal and Child Health Supplies at 80% respectively. However, stock-outs were still rampant with specialized clinics in NRHs registering the most stock-outs at over 46%, followed by Health Center IIs and Health Centre IIIs.

### **Social Care Protection**

Social care programme targets were implemented through the provision of funds to older persons, women groups, and Persons with Disabilities (PWDs). Interventions to reduce Gender Based Violence (GBV) were achieved as the prevention and response system was strengthened and an increase in the cases recorded was realized. However, the Youth Livelihood Programme (YLP) performed poorly due to failure to recover funds from the beneficiaries. Additionally, several social care protection institutions were characterized by dilapidated structures that were inhabitable.

### **Key Challenges**

- Delays in procurement due to (i) capacity gaps in using the new Electronic Government Procurement (EGP) system, and (ii) the lengthy approval processes of donor-funded projects.
- Staffing shortages across the programme.

- Delayed completion of the Education Management Information System (EMIS) affected the planning and performance measurement of outcome targets.
- Flouting of the Public Finance Management regulations. Sub-programmes like MoH and Uganda Heart Institute, uploaded Letters of Credit to the Bank of Uganda to avoid a return of funds to the consolidated fund as required by the law.

### **Conclusion**

The programme performance was fair as 64% of the planned targets were achieved. Delays in recruitment, procurements, and slow implementation of infrastructure projects were experienced. A weak focus on programme-based planning and implementation was exhibited, as most spending entities were operating in silo mode. Some funds were spent on outputs or projects that do not fully contribute to the achievement of the interventions and programme objectives. In some instances, the contribution of other sub-programmes towards an intervention could not be traced.

### **Recommendations**

- The MFPED should build staff capacity and that of regional procurement officers to fully utilize the EGP system.
- The MoPS should undertake deliberate efforts to amend recruitment guidelines, fast-track the restructuring of the health sector concerning the HCD targets under the NDPIII.
- The MoES should fast track the completion and rolling out of the EMIS to ensure effective planning and better service delivery.

### **Reference**

MFPED 2022, Human Capital Development Programme Annual Budget Monitoring Report FY 2021/22

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