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Monica Lennon, MSP  
cc James Dornan, MSP, Chair, LGC  
Committee

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22nd January 2020

Dear Monica

Following on from a point you have raised several times I thought it would be helpful to explain further for both you, and the Committee, the differences between the costings in the Financial Memorandum of the Bill, and the figure of £24.1 million that Scottish Government estimate the Bill could cost per year.

The Financial Memorandum estimates total costs of £9.7 million per annum at the estimated maximum uptakes within each scheme. Calculations using Scottish Government figures and the same estimated maximum uptakes show this would not be sufficient. Adding together estimated product and delivery costs, the Scottish Government estimates that the same uptake levels could cost around £24 million per annum. This is almost 2.5 times higher than the estimated cost presented in the Financial Memorandum.

The Scottish Government estimates are higher than the Financial Memorandum because:

- a) The Financial Memorandum is based on a very low product unit cost of 9p, allowing for provision of only the cheapest products. The Scottish Government estimates have been based on the 'real' product costs from data collected on the price of sanitary towels and tampons purchased by local authorities, colleges and universities in the first six months of delivery which, at 17.6p and 16.1p respectively, are almost double the 9p unit cost used in the Financial Memorandum. Annex A provides more information on unit costs.
- b) The Financial Memorandum estimates an annual administrative cost of £0.866m regardless of uptake levels and delivery models. The Scottish Government estimates are based on the maximum anticipated uptake levels used to estimate product costs in the Financial Memorandum and the possible

delivery models outlined in the Bill/policy memorandum (provision of products in pupil/school toilets and a collection-based scheme from community pharmacies for those not in full-time education). Accounting for uptake and delivery models increases the estimated annual administrative costs to £4.7 million.

- c) The Financial Memorandum estimates the cost of the universal scheme for those not in full-time education based on a narrower age range of the menstruating population (13-50 year old girls and women) than the Scottish Government estimates, which are based on the age range used for funding allocations for current schemes (12-54 year old girls and women).
- d) The Financial Memorandum costs do not include provision for pupils and students on days they do not attend school, college or university during term time although I recognise that you have since provided updated costs accounting for this to the Committee. The Scottish Government estimates include provision for pupils and students throughout the whole year.

A table setting out these differences is set out in an Annex, and a breakdown of what this means for the potential cost is set out in the table below.

	Financial Memorandum	SG figures
Education settings <sup>1</sup>	£3m	£5.5m
Menstruating individuals not in education and for those in education during weekends and holidays <sup>2</sup> - products	£5.8m	£13.9m
Administration	£0.9m	£4.7m
<b>TOTAL</b>	<b>£9.7m</b>	<b>£24.1m</b>

Please note that the £24.1m estimated by the Scottish Government does not include:

- a) Costs of a postal scheme. It is estimated that a postal scheme could add an additional cost of up to £0.700m per year if 1 in 20 menstruating people not in full-time education receive monthly postal deliveries at £4.50 each. In your letter to the committee you estimate a cost of up to £0.120m based on an assumption of 1 in 100 using the universal scheme receiving monthly deliveries at £4.50 each, which we believe is too low.
- b) Initial set-up costs including training, infrastructure and stockholding

As I said at the Committee, I do not want to rule out the possibility of there being appropriate legislation in the future. However at this point, only 18 months after we have started the innovative work we have undertaken, I consider your bill to be premature. I want to gather the evidence and analyse what we have achieved so far through action that you yourself have agreed is a world-first. This will allow us to

<sup>1</sup> Uptake 50% in local authority schools, colleges and universities and 35% for independent schools

<sup>2</sup> Uptake 20%

identify what else we can and should do, building on existing work and partnerships, to ensure those that need period products can access them. It also ensures that we keep up the momentum to change the culture in society so that progress we are seeing in organisations and employers providing free period products is not rolled back.

My concern therefore remains that the number of amendments you are proposing reduces the Bill to simply a statement of a right and a requirement for a scheme, with absolutely no content or framework to guide what that scheme should look like - which is what is needed if we as a parliament are to make good legislation. I remain unconvinced that this Bill could be amended to make it workable or that it actually matches your stated intent of tackling period poverty.

**AILEEN CAMPBELL**

## Annex A

In your letter to me of 10<sup>th</sup> January you queried why the unit cost price costed by Scottish Government is so much higher than the costs quoted by Hey Girls when they gave evidence to the committee, and what work is ongoing to ensure this cost will be reduced.

Scottish Government allocations were based on 11.6p per product which was a reasonable estimate based on information from schools which had provided information on existing costs. I note that you have stated that you used the available Scottish Government figures in the Financial Memorandum. However the figure of 11.6p per product being used as the basis of SG funding for schools is contained within the following document cited in the Financial Memorandum [http://www.cosla.gov.uk/sites/default/files/documents/18-05-25\\_item\\_03\\_asp\\_leaders.pdf](http://www.cosla.gov.uk/sites/default/files/documents/18-05-25_item_03_asp_leaders.pdf) , therefore you would have been aware that this was the basis of Scottish Government funding at the point you were preparing the Financial Memorandum.

Data collected from local authorities, colleges and universities at the 6 month point suggest that existing delivery is at an average of 17p per product, therefore this is the figure on which we have based our estimates of cost for the Bill.

We have not mandated a particular supplier in line with our policy to allow maximum local flexibility. While it is clear that Hey Girls prices are low, it is for local providers to decide which products they wish to supply through their established procurement process. In particular many wish to offer choice, which is in line with the agreed Guiding Principles. For example, as I explained to the Committee last week Edinburgh University provides a range of known brands and some more eco-friendly products.

More recent figures collected following 12 months of delivery in education settings are around 15p per product in schools and 19p per product in colleges/universities, so it is clear that these figures can fluctuate, and we do expect that unit prices may fall over time as existing contracts come to an end. However it is unlikely that every local authority, college and university would move to providing only Hey Girls products, which would be the only way that we can envisage costs falling to 9p on average. Additionally there is a risk that such a move that may not meet the needs of pupils/students.

## Annex B

Figure Description	Financial Memorandum figure	Equivalent Scottish Government figure
All menstruating girls and women	<b>1,336,100</b> All girls and women living in Scotland aged 13-50 years (from mid-2015 NRS statistics)	<b>1,511,669</b> All girls and women living in Scotland aged 12-54 years (from mid-2018 NRS statistics)
All menstruating girls and women not in full-time education	<b>1,060,955</b> All girls and women living in Scotland aged 13-50 years minus the equivalent number of pupils/students covered during term time provision in schools, colleges and universities	<b>1,294,075</b> All girls and women living in Scotland aged 12-54 years (from mid-2018 NRS statistics) minus the equivalent number of people covered by term time provision in schools, colleges and universities.
Menstruating pupils at Scottish Government funded schools	<b>145,080</b> Estimated number of female pupils aged 11 and 12 years at primary schools and all female pupils at secondary schools (based on figures in Jan 2018 SG WG minutes <sup>3</sup> )	<b>149,558</b> Female pupils aged 11 and 12 years at primary schools, all female pupils at secondary schools, including grant-aided, and all female pupils aged 12 years and above at special schools (as used in 2019/20 PfG funding allocations).
Menstruating college and university students	<b>254,500</b> All female students attending colleges and universities (from Jan 2018 SG WG minutes)	<b>247,224</b> All female students attending colleges and universities, not including school pupils at college (as used in 2019/20 funding allocations)
Menstruating pupils at independent schools	<b>10,420</b> All menstruating pupils in independent schools in Scotland (from Jan 2018 SG WG minutes)	<b>8,060</b> All female pupils born in 2006 or earlier attending independent schools in 2017/18

<sup>3</sup> The Financial Memorandum incorrectly assumes that the 6,000 figure for female 11 and 12 year olds in primary schools in the WG minutes also contains pupils at independent primary schools so subtracts an estimated number of independent primary school pupils from this figure.

Product unit cost	<p style="text-align: center;"><b>9p</b></p> <p>The average unit cost for sanitary towels and tampons provided in the Scottish Government pilot in Aberdeen.</p>	<p style="text-align: center;"><b>11.6p</b></p> <p>The unit cost used to calculate funding allocations for current Scottish Government schemes.</p>
		<p style="text-align: center;"><b>17.6p</b></p> <p>The average unit cost for sanitary towels and tampons purchased by local authorities during the first six months of delivering the PfG commitment in schools.</p>
		<p style="text-align: center;"><b>16.1p</b></p> <p>The average unit cost for sanitary towels and tampons purchased by colleges and universities during the first six months of delivering the PfG commitment.</p>