



DISTRICT  
**KOHAT**  
KHYBER PAKHTUNKHWA

ELEMENTARY AND SECONDARY EDUCATION  
**BUDGET ANALYSIS**  
(2011-12 to 2014-15)





# DISTRICT KOHAT

Khyber Pakhtunkhwa

## ELEMENTARY AND SECONDARY EDUCATION BUDGET ANALYSIS (2011-12 to 2014-15)

This education budget analysis study is one among the six education budget analysis studies commissioned by Alif Ailaan and carried out by the Center for Governance and Public Accountability (CGPA). CGPA has been carrying out district level education budget analyses in Khyber Pakhtunkhwa in cooperation with other partners and donors as well. The present series of education budget analysis studies includes five districts of: 1) Abbottabad; 2) Mardan; 3) Bannu; 4) Kohat; 5) Tank; and 6) FATA and is jointly concerted by CGPA and Alif Ailaan.

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## List of Acronyms

<b>ADP</b>	Annual Development Plan
<b>ASER</b>	Annual Status of Education Report
<b>BCC</b>	Budget Call Circular
<b>CDS</b>	Comprehensive Development Strategy
<b>E&amp;SE</b>	Elementary and Secondary Education
<b>EMIS</b>	Education Management Information System
<b>ESP</b>	Education Sector Plan
<b>FY</b>	Fiscal Year
<b>GDP</b>	Gross Domestic Product
<b>GPI</b>	Gender Parity Index
<b>KP</b>	Khyber Pakhtunkhwa
<b>MDGs</b>	Millennium Development Goals
<b>MTBF</b>	Mid Term Budgetary Framework
<b>OBB</b>	Output Based Budget
<b>PBB</b>	Performance Based Budget
<b>PCNA</b>	Post Crisis Need Assessment
<b>PFCA</b>	Provincial Finance Commission Award
<b>PTCs</b>	Parent Teacher Councils
<b>PTR</b>	Pupil Teacher Ratio
<b>Rs</b>	Pakistani Rupee
<b>RTO</b>	Right To Education
<b>UPE</b>	Universal Primary Education





## Executive Summary

This report provides an overview of the major trends observed in the Elementary and Secondary Education (E&SE) budget allocation in district Kohat. The objective of this report is three-fold. Firstly, it intends to generate informed debate on budget making procedures of public sector education delivery. Secondly, it aims to demystify the budget-making procedures and encourage citizens to engage in the governance of public sector education delivery. Finally, the report hopes to use its findings to mobilise readers to raise their voices and to influence the education budget making process.

The public budget should be a matter of prime public concern and citizens should be able to influence decision-making processes regarding budgets. Citizens should be able to influence the discourse on budgets, and articulate their voices with public representatives for need-based, gender sensitive, equitable, and transparent budget making process. Such voices are also important for the efficient and effective utilisation of budgets. This report is a step in this direction and provides information on E&SE budgeting of the last four years (2011-12 to 2014-15) for district Kohat.

On average (for FYs 2011-12 to 2014-15) budget estimates of district E&SE Kohat have constituted 3.4% of Khyber Pakhtunkhwa's provincial E&SE current budget. Against this estimation, the average actual current expenditure in Kohat has been 4% of the provincial budget on average. Difference in estimated and actual expenditure is normal in under developed countries and the main reason for this is a lack of professional expertise of the budget making personnel.

In the E&SE department, salary and non-salary are the two main current budget heads. Salary head consumes the preeminent part of current budget. For the last four years, in district Kohat average salary budget expenditure has been 96% of the district's current budget and the remaining 4% has been earmarked for non-salary expenditure. Non-salary expenditure mainly consists of operational and maintenance costs of education institutes. Present budget trend shows a very meager proportion of budget for the operation and maintenance of schools. However, in order to suffice the non-salary budget deficit, in the FY 2014-15, the KP government had earmarked a block grant of Rs. 7 billion which is being disbursed to district E&SE departments. District Kohat has received – up till Feb 2015 – a sum of Rs. 155.68 million and consumed it for the purchase of different sorts of equipment for school operations.

Primary and secondary levels of education provide a line of distribution of budget and impart a ground for policy analysis of the E&SE department Kohat's performance towards the Universal Primary Education (UPE) objective. For district Kohat the distribution of budget along primary and secondary levels of education is 51% and 49% respectively but still it is not justified since 79% schools and 71% of the students enrolled belong to primary schools. Proportional budget expenditure and strength of the number of schools and students at primary level reveals the passive behaviour of government officials against the policy objective of attaining UPE. This budget trend is not in line with the Millennium Development Goals (MDGs)

and article 25-A of the constitution of Pakistan wherein it is obligatory for the government to provide free quality education to every child aged 5 to 16.

Development to current budget proportion of district Kohat in the FYs 2011-12 to 2014-15 was 7% and 93%; 11% and 89%; 12% and 88%; and 6% and 94% respectively. In terms of the distribution of the development budget along primary and secondary level education, the situation in district Kohat is not satisfying. It is 33% for primary and 67% for secondary education. Percentage share of development budget spent on primary education is even lower than the current budget percentage.

Gender disparity is very obvious at all levels of education governance in the district. This is contrary to the policy objective and governmental pronouncements of resolving gender disparity in education and assigning priority to girls' education to bring them at par with boys' in terms of literacy. The percentage of schools for girls in Kohat is 41%, the proportion of girls enrolled in schools is 40% and the percentage of female teachers is 37%. Budget allocation for girls compared to that for boys is also lesser; for example the PTC (Parent Teacher Council) funds provided to girls' primary schools for the FY 2014-15 are Rs. 7.672 million whereas for boys' primary schools they are Rs. 12.142 million. For girls' middle, high and higher secondary schools, PTC funds are Rs. 4.016 million whereas for boys' middle high and higher secondary schools they are Rs. 7.185 million.

Existing trends in the budget require revisiting and a new commitment for initiating measures for achieving policy objectives of universal primary education, gender parity in education, allocation of more resources for non-salary and development expenditure. Capacity building of the budget makers, public participation in the budget making processes, measures to ensure transparency and holding the public officials accountable to people require organised mechanism and civil society activism. Both government and people should join hands to eradicate illiteracy, bring all out-of-school children to school, provide adequate facilities in public schools in order to create enabling learning/teaching environment and improve learning outcomes among students.

## Introduction

The purpose of this report is to demystify the budget for a layman's understanding of the monetary flow of public finances and to provide an insight into the processes of education budget preparation and execution. However, the scope of this report includes only the E&SE department budget, while E&SE department is the principal provider of public sector education and the biggest consumer of KP provincial budget; it consumes more than one fourth of the KP's annual budget.

This report deals with the questions of what the district education annual budget trends are, their priority areas in budget allocation, and how far the budget complies with sectorial policy objectives and manifesto of the ruling parties. It offers also gender and level of education (primary versus secondary) specific analysis in respect of resource allocation.

It identifies both the strengths and weaknesses in the budget making and expenditure procedures in the education sector at district level. The report also provides material to initiate a debate among civil society, media, policy makers and scholars on equitable, need-based and efficient budgeting. It is desirable and expected that the proceeding debate will generate suggestions for improvement in fiscal discipline and informed engagement with public authorities for reforms and policy compliance. It will support the overall objective of optimum utility and public scrutiny of public finances (in the education sector) and of the education department's good governance.

## Our Objectives

- » To furnish a general understanding of the budget system, resource envelope<sup>1</sup> and resource gap in E&SE in district Kohat
- » To identify trends of resource allocation and expenditure in the E&SE department of district Kohat with a focus on gender
- » To conduct a trend analysis of the E&SE budget of district Kohat against policy priorities of education sector, against relevant strategic policy objectives of the sitting government, as well as against the needs on ground
- » To assess technical capacity of the stakeholders, mainly the public officials involved in budget making and its execution in district Kohat
- » To carry out an assessment of mechanisms in place for public participation (inclusion) in budget decisions, transparency and public accountability of the E&SE budget in district Kohat
- » To identify main issues and problems as well as strengths and weaknesses in the processes of budget cycle
- » To furnish recommendations for improvements in budget processes and education governance in district Kohat

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*1. Resource envelope is the sum of resources allocated by the government against activities planned in a budget at the time of budget preparation and resource gap indicates activities excluded in the public budget for non-availability of funds.*

## Methodology

This report is heavily based on a review of statutory sources, which provide guidelines for budgeting and help develop a framework for budget analysis, and databases sought from a number of public departments. However, primary information collected from the field from key-Informant in-depth interviews and other secondary sources of information contribute also significantly in shaping the report. The key informants interviewed for this study include district education and finance officers, officials of provincial finance department, planning and development department, headmasters and teachers of public schools, and parents of school going children (both of public and private schools).

Important information sources used for the analysis include: Education Sector Plan (ESP) 2010-15, White Paper on budget, Comprehensive Development Strategy (CDS) Paper, Annual Status of Education Reports (ASER), Education Management Information System (EMIS) database for public and private schools, Budget Call Circular (BCC) and initiatives of Performance Based Budget (PBB) / Output Based Budget(OBB), Medium Term Budgetary Framework (MTBF), Post Crisis Need Assessment (PCNA), and Parent Teacher Councils' (PTC) Guide along with some other relevant documents. Data on last four years' (FYs 2011-12 to 2014-15) education budget of district Kohat has been incorporated into the analysis.

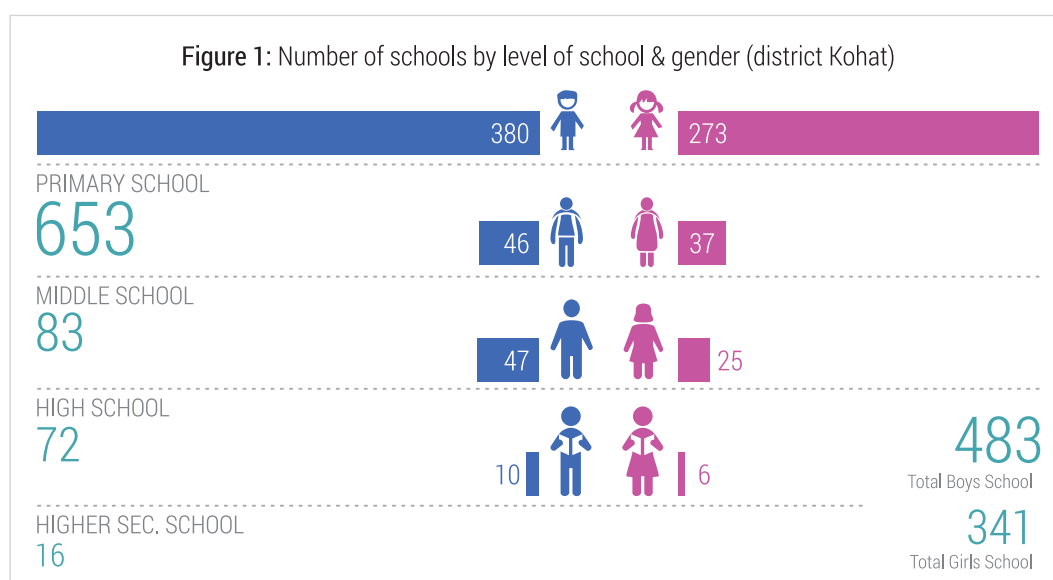
## E&SE School Infrastructure and Budget

### E&SE School Infrastructure District Kohat

Elementary and secondary education comprises of 12 years of schooling. It is divided into elementary and secondary education. Elementary education comprises of schooling from grades one to five (1-5). Secondary education comprises of schooling from grades six to twelve. School infrastructure in Pakistan includes 4 levels of schools. The first level is primary school and provides elementary education (grades 1-5). Terms elementary education and primary education may be used synonymously. Other three levels of schools provide secondary education. Their names and respective school grades are as follows:

- » middle schools                      they provide education for grades six to eight
- » high schools                        they provide education for grades nine to 10 (or six to 10)
- » higher secondary schools        they provide education for grades 11 to 12 (or six/nine to 12)

A budget is a financial statement of cash in-flows and outlays. The World Education Forum<sup>2</sup> has set a minimum benchmark of 4% to 6% of the Gross Domestic Product (GDP) of a country to be spent on education but this rate is not yet achieved in Pakistan. According to the World Bank, in 2013 (the last measured) Pakistan's public spending on education as percentage of GDP was 2.49%. Moreover, the available resources are not utilised to get optimum results. Misappropriation of funds, political influences, nepotism and vested interests practiced in the education governance hinder the pace of progress otherwise possible. In Pakistan, education is a provincial subject and the provincial governments are spending 20 to 25% of their budget on education. More finances for education in the public sector are direly needed along with governance reforms.



2. *Framework for Action Education 2030: Towards Inclusive And Equitable Quality Education And Lifelong Learning For All*; P. 18

Before going into the budget details, here it seems pertinent to have a look on the statistics of school infrastructure, teachers and students of the district in order to better understand how much financial resources are spent on how many schools, teachers and students. There are a total of 824 schools in district Kohat. Their breakdown by level of school and gender is given in the table below:

Table 1: Number of schools by level of school and gender in district Kohat

Level of School	For Boys	For Girls	Total
No. of Primary Schools	380	273	653
No. of Middle Schools	46	37	83
No. of High Schools	47	25	72
No. of Higher Secondary Schools	10	6	16
<b>Total</b>	<b>483</b>	<b>341</b>	<b>824</b>

Source: School Statistics by Education Management Information System (EMIS) 2013-14

There are 142,294 students enrolled in these 824 schools of district Kohat. Their breakdown by gender and school level is given in the table below:

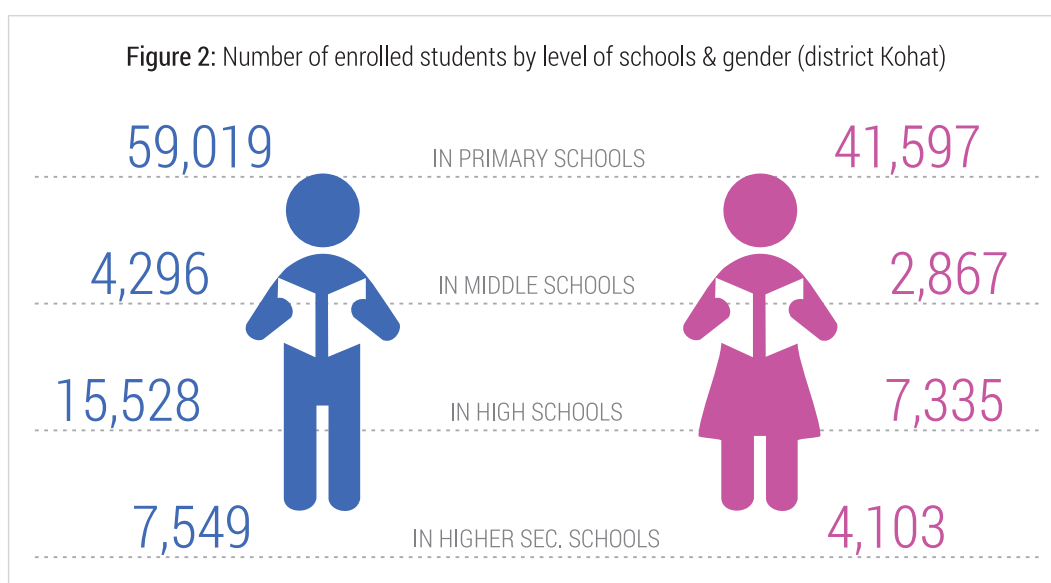


Table 2: Number of students (enrolled) by level of school and gender in district Kohat

Number of Students Enrolled	Boys	Girls	Total
In Primary Schools	59,019	41,597	100,616
In Middle Schools	4,296	2,867	7,163
In High Schools	15,528	7,335	22,863
In Higher Secondary Schools	7,549	4,103	11,652
<b>Total</b>	<b>86,392</b>	<b>55,902</b>	<b>142,294</b>

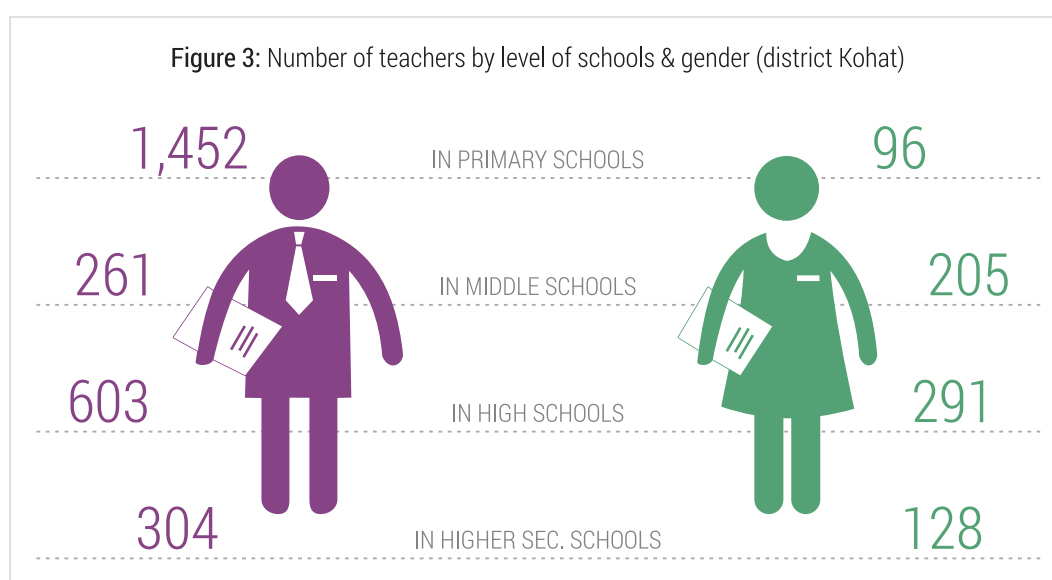
Source: School Statistics by EMIS 2013-14

There are 3,340 teachers for these 142,289 students teaching in 824 schools of district Kohat. The teachers' breakdown by school of appointment and gender is given below in the table:

Table 3: Number of teachers by level of school and gender in district Kohat

Number of Teachers	Male	Female	Total
In Primary Schools	1,452	96	1,548
In Middle Schools	261	205	466
In High Schools	603	291	894
In Higher Secondary Schools	304	128	432
<b>Total</b>	<b>2,620</b>	<b>720</b>	<b>3,340</b>

Source: School Statistics by EMIS 2013-14



With an Education score of 65.04, Kohat ranks 14th in KP (from a total of 25 districts within the province) and 68th in Pakistan (out of a total of 144 districts) in the Pakistan District Education Rankings 2015 documented by Alif Ailaan.

## E&SE Budget District Kohat (2011-12 to 2014-15)

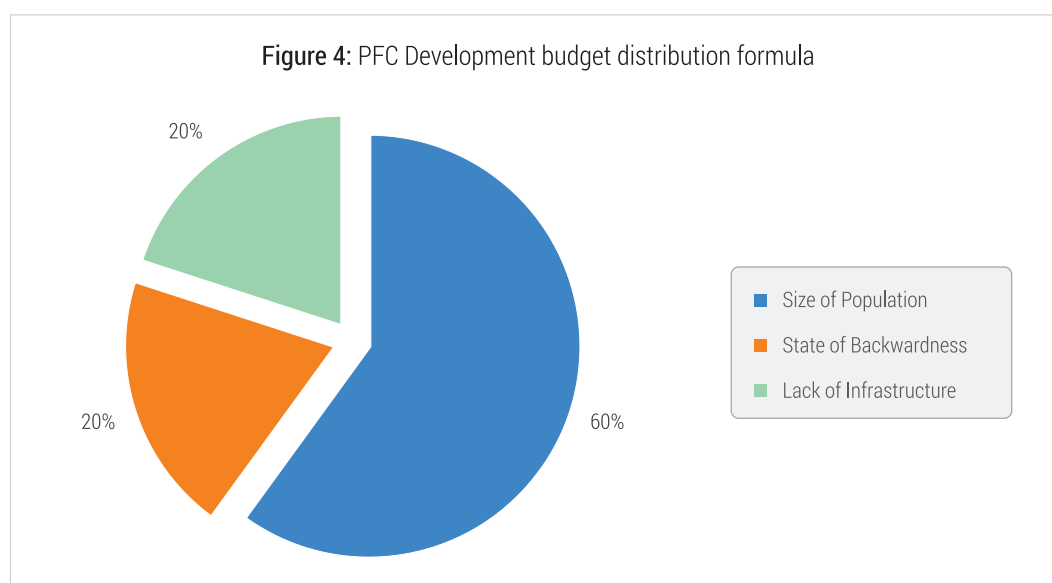
There are two budget lines for public financing of E&SE. One is a current budget and the other is a development budget. The current budget comprises of funds for staff salaries and pensions, and operational and maintenance expenses of education institutes while development budget comprises of funds for construction of new schools, new rooms in existing schools, provision of missing facilities in schools, up gradation of schools and incentives for female students in certain locations etc. Current budget and development budget are drawn from two separate provincial budget slots of E&SE budget and

of development budget. However, there is no synchronization between current and development budget planning for an integrated approach of governance in the KP's E&SE department at provincial and district levels.

The budget cycle starts from budget estimates and ends with expenditure. The provincial finance department issues BCCs (Budget Call Circular) to respective departments on yearly basis for making estimates of their expense for the year ahead. After the BCC forms are filled and submitted, they enter the process of scrutiny and approval. Once approved by the relevant committees after discussion and consultation with stakeholders, they are sent to the accounts department and after monetary allocations against specific heads, funds are released according to the rules of procedure.

The district level administration has meager sources of revenue generation and receives finances mainly from the provincial government. Some funds are also disbursed by the federal government and from donor organisations. It is expected that after the 30th of May 2015 Local Government Elections in KP, the distribution of the district development funds will be done through the Provincial Finance Commission (PFC) award. The PFC award is based on three factors. The first is population size of a district (weighing 60 %,) while the second and third are lack of education infrastructure and the state of backwardness<sup>3</sup> in a district (each weighing 20%). Rs. 30 billion has been allocated under districts annual development program for year 2015-16 budget of KP.

The PFC award needs to be constituted as early as possible. Without this formula, public officials and members of the KP provincial assembly have been using their arbitrary powers for allocating funds, thus providing opportunity for manipulating public authority for political interests.



3. Here, the state of backwardness would refer to absence or scarcity of civic amenities, market access, poverty and usage of simple technology as well as lack of development.



## Current Budget E&SE Department District Kohat

Before discussing district Kohat's E&SE budget, it would be appropriate to take a look at the provincial E&SE budget. At the provincial level, education is a major consumer and takes away almost one third of the provincial current budget. Schools sector (E&SE) takes the lion's share in the education budget. Traditionally the allocated share of E&SE is about 27% (on average for FYs 2011-12 to 2014-15) of provincial current budget whereas actual expenditure usually exceeds a little over estimated budget as shown in the table below:

Table 4: Share of KP E&SE Department in total current revenue budget of KP (Rs. in Billions)

Year	Budget Estimates			Actual Expenditure	
	KP's Total Current Budget	KP's E&SE Budget	% Share of E&SE	Actual Expenditure	% Share in KP's Total Current Budget
2011-12	149	37.2	25%	45.4	30.5%
2012-13	192	46.6	24%	46.6	24%
2013-14	211	60.6	29%	60.8	29%
2014-15*	250	73.7	29%	42.9	17%

\* Expenditure is up to Feb 2015. Source: Budget Database-Finance Department

On average 3.4% of the provincial E&SE budget is allocated for district Kohat whereas the actual expenditure exceeds to a 4% of the provincial allocation. This is a prominent observation of budget figures over the years that actual expenditure exceeds estimates whereas the development expenditure remains underutilised against allocated funds. The current budget of the E&SE department for district Kohat for the FYs 2011-12 to FY 2014-15 (both the budget estimates and actual expenditure) and its percentage share in the provincial E&SE budget is shown in the table below.

Table 5: E&SE Department district Kohat current budget (2011-12 to 2014-15) (Rs. in Millions)

Years	Khyber Pakhtunkhwa	District Kohat			
		Budget Estimate		Actual Expenditure	
		Allocation	% Share in KP's E&SE Current Budget	Expenditure	% Share in KP's E&SE Current Budget
2011-12	37,230	1,296	3.48%	1,587	4.26%
2012-13	46,602	1,723	3.70%	1,891	4.06%
2013-14	60,553	2,080	3.44%	2,086	3.45%
2014-15	73,684	2,303	3.13%	1,097	1.49%

(Expenditure for the FY 2014-15 is up till February 2015. Source: KP Finance Department Budget Database)

Differences between estimated and actual expenditure in current budget and underutilisation of development budget indicate poor planning on part of E&SE department. Allocation for the education development budget has been very low compared to the current budget. Yet, even that small percentage is not properly utilised. Inclusive governance requires some sort of mechanism for gathering public opinion on budget issues (especially allocation). This can be well administered through involving local body governments and participation of Parent Teacher Councils (PTCs). In 2014-15, major portion of development budget has been utilised through the PTCs. It is expected that local government bodies will be fully involved in the budget making process for E&SE now, as the local government election has already been held on May 30, 2015.

### Salary and Non-Salary Expenditure

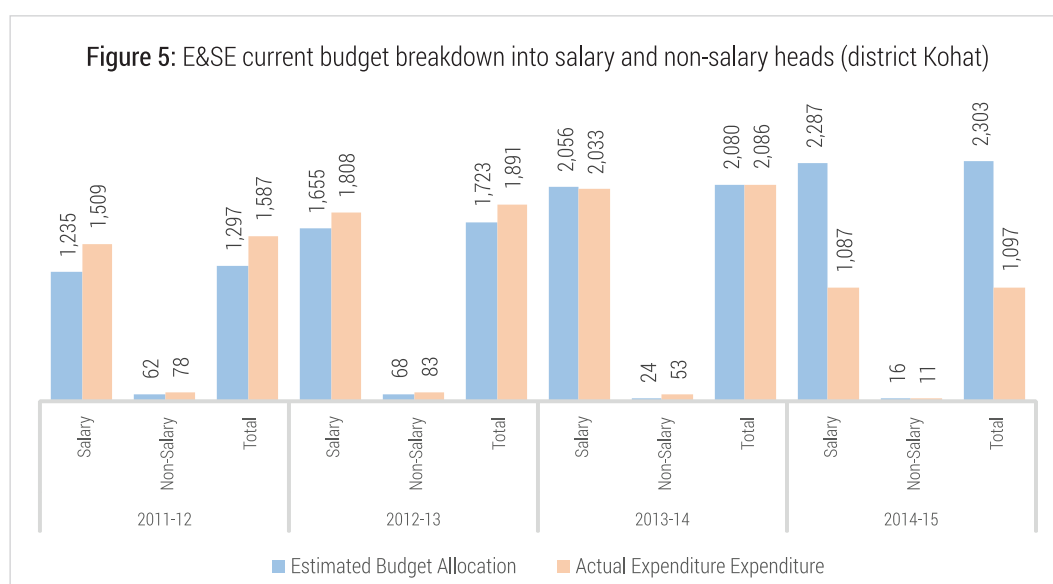
The current budget is divided into salary and non-salary heads wherein salary head ingests the principal part. It includes salaries, pensions and salary increments of teaching and non-teaching staff of E&SE department. Although the provincial budget (current) salary head normally comprises 95% to 97% (on average) and the funds for non-salary expense (3% to 5%) remain deficient, the situation in district Kohat is more or less the same. For the last 4 years, average allocation against non-salary head is 3% of the current budget but with big variance from year to year. In the FY 2011-12 it was 5% but in the FY 2013-14 it was under 1%. Average actual expenditure percentage for non-salary head is 4% for the FYs 2011-12 to 2013-14 (three years). The range of actual expenditure has remained between 5 % and 2.5% up till year 2013-14 while the range of allocation is between 5% and 1%. Detailed breakdown of budget amounts (estimated and spent) into salary and non-salary heads with percentage share in allocated and spent budget for district Kohat is provided in the following table:

Table 6: District Kohat E&SE Department current budget breakdown into salary and non-salary heads (estimates and actual expenditure) 2011-12 to 2014-15 (Rs. in millions)

Years	Budget Heads	Estimated Budget		Actual Expenditure	
		Allocation	% Share	Expenditure	% Share
2011-12	Salary	1,235	95%	1,509	95%
	Non-Salary	62	5%	78	5%
	Total	1,297	--	1,587	--
2012-13	Salary	1,655	96%	1,808	95.6%
	Non-Salary	68	4%	83	4.4%
	Total	1,723	--	1,891	--
2013-14	Salary	2,056	99%	2,033	97.5%
	Non-Salary	24	1%	53	2.5%
	Total	2,080	--	2,086	--

Years	Budget Heads	Estimated Budget		Actual Expenditure	
		Allocation	% Share	Expenditure	% Share
2014-15	Salary	2,287	99.3%	1,087	99%
	Non-Salary	16	0.7%	11	1%
	Total	2,303	--	1,097	--

(KP Finance Department Budget Database)



As mentioned in the preceding text, non-salary expenditure is mainly operational and maintenance costs of schools. It includes payment of utility bills, procurement of class consumables and laboratory equipment, furniture and jute mats, and repairs. It is important to note that maintaining the quality of education service and provision of congenial learning and teaching environment in schools falls under non-salary expense. The prevalent negative situation of schools in respect of quality of education and teaching/learning environment is due to the meager budget allocation for all these goods and services. For example the electricity bills of a number of schools are not paid on time due to a shortage of funds. It increases dropouts and poor learning outcomes among students. Private sector schools do not face such problems and provide a comparatively better learning/teaching environment. That is why the learning outcomes in private schools are significantly better than in public schools.

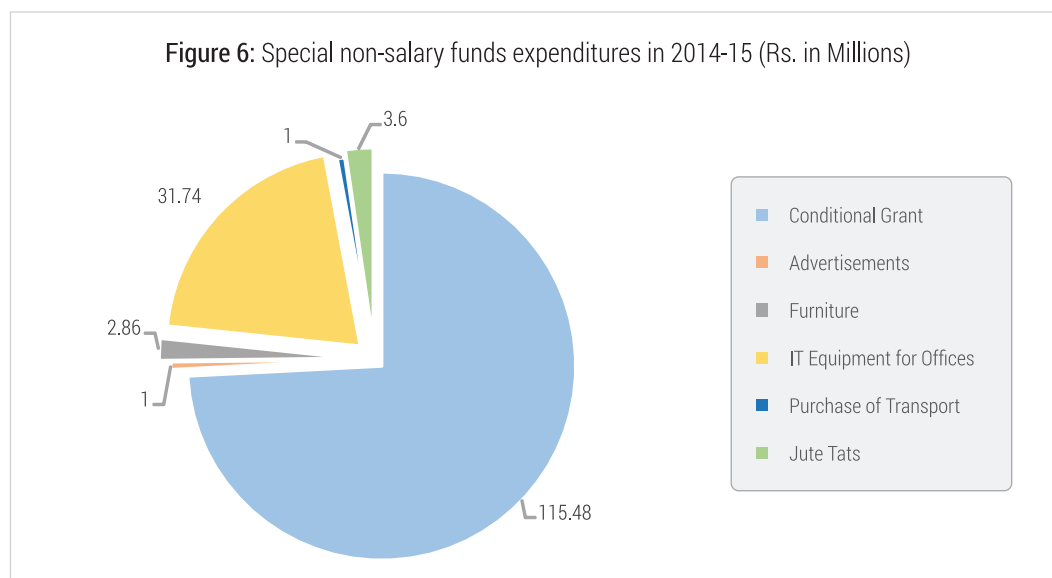
As of learning outcomes in district Kohat, according to Annual Status of Education Report (ASER) 2014, only 10% of Grade 3 students in public schools can read at least words in English while in private schools this percentage is 81%. 35% of Grade 5 students in public schools can read at least a story in Urdu/Pashto while in private schools this figure is 74%. Interestingly, parental literacy ratio in district Kohat is better than a number of other districts in KP. 65% mothers and 92% fathers of enrolled students in Kohat are found to have at least primary level education. District Kohat ranks 17th (out of 25 districts) in KP and 71st in Pakistan (out of 144 districts).

## Special Non-Salary Budget (2014-15)

For the FY 2014-15, a special non-salary allocation of Rs. 7 billion for KP province is being made for improving the quality of school environment and education which is a very positive move in filling the gap of non-salary expenditure. Target actions under these grants would include provision of missing facilities and enabling equipment in schools. This money is being disbursed to district E&SE departments. District Kohat has received Rs. 155.68 million, up till February 2015 and spent it on items mentioned in the following table:

Table 7: Special non-salary funds expenditure in 2014-15

S #	Expenditure Head	Amount (Rs. in Millions)
1	Conditional Grant	115.48
2	Advertisements	1.00
3	Furniture	2.86
4	IT Equipment for Offices	31.74
5	Purchase of Transport	1.0
6	Jute Tats	3.60
<b>Total</b>		<b>155.68</b>



## Development Budget E&SE District Kohat

About 15% of the provincial development budget is allocated to E&SE on average, through the Annual Development Plan (ADP) in KP. It is underutilised (10% of the total development budget for KP against 15%

allocation) due to capacity lag. The development budget expenditure is inequitable between elementary and secondary levels of education. Anyhow, it helps meet the upcoming needs of school infrastructure and provision of missing facilities in schools for balancing population growth. The proportion of the E&SE development budget in provincial development budget along with allocated amounts and actual expenditure is shown in the table below:

Table 8: Provincial E&SE development budget with its percentage share in the total development budget of KP (Rs. in Billions)

Year	Budget Estimates			Actual Expenditure	
	KP's Total Development Budget	KP's E&SE Development Budget	% Share of E&SE Development Budget	Expenditure	% Share of E&SE Development Budget
2011-12	85	10.2	12%	8.5	10%
2012-13	97	17.1	18%	9.5	10%
2013-14	118	24.1	20%	9.3	8%
2014-15	140	19.9	14%	4.4	3%

Expenditure up to Feb. 2015: Source: Budget Database-Finance Department

For district Kohat, the proportion of development to current budgets of the E&SE was 7% and 93% in FY 2011-12. It increased to 11% and 89% in FY 2012-13 and to 12% and 88% in FY 2013-14 but it dropped in the FY 2014-15 down to 6% and 94% of total allocation. Besides, disproportionate allocation against primary schools in development budget is also visible as in the current budget. The breakdown of the development E&SE budget district Kohat for the FYs 2011-12 to 2014-15 is given in the table below:

Table 9: Development Expenditure by Primary and Secondary Education District Kohat (Rs. in Million)

Year	Primary Education			Secondary Education			Total Expenditure
	Expenditure	% Share in Expenditure	Yearly % Increase	Expenditure	% Share in Expenditure	Yearly % Increase	
2011-12	21	19%		92	81%		113
2012-13	88	41%	319%	128	59%	39%	216
2013-14	99	38%	12.5%	160	62%	25%	259
2014-15	0.4	1%		34	99%		34

Source: KP Budget Database

## Major Issues in E&SE Budget District Kohat

Keeping in sight policy objectives of the education sector, major trends of prime concern within the E&SE department's budget spending are the gender discriminatory expenditure, under-spending, meager proportion of budget spent on teaching aid material, low provision of missing facilities, investment on

quality of education, retaining enrolment and bringing the out of school children to schools. Detail of expenditure on some of these aspects is covered in the preceding text. Further details of expenditure along primary and secondary level education and along gender lines is discussed with evident data in the forthcoming text.

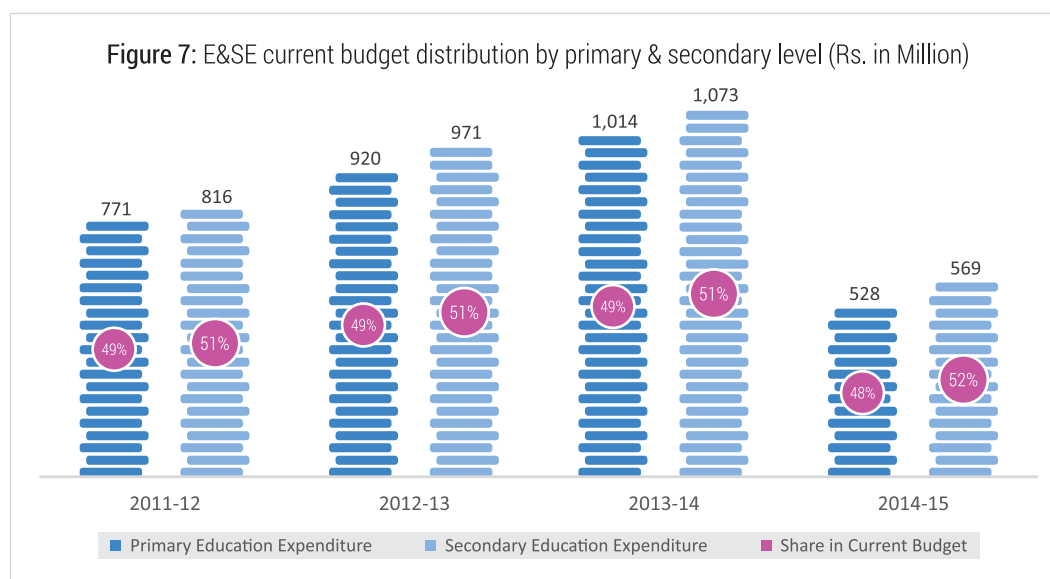
### Breakdown of E&SE Budget by Primary and Secondary Levels in District Kohat

During the last 4 years, a stagnated proportion of 49% of the E&SE budget has been allocated for primary education in district Kohat which was further decreased to 48% in the FY 2014-15. This is despite the fact that 79% of the total number of schools and 71% of the students enrolled in all schools in the district are primary level. The number of teachers in primary schools is however 46% of the total E&ESD's teaching staff which is because of deficit appointments against sanctioned posts of primary school teachers. In view of these facts, the budget allocation/expenditure proportion on primary education is inequitable whereas the strategic policy objective of the sitting government is to attain UPE as soon as possible. This is a paradox that the policy statement entails versus budget trends. The following table shows current budget distribution by primary and secondary levels of education for district Kohat.

Table 10: E&SE district Kohat current budget distribution by primary and secondary level (Rs. in Millions)

Year	Primary Education		Secondary Education		Total Expenditure
	Expenditure	% Share in Current Budget	Expenditure	% Share in Current Budget	
2011-12	771	49%	816	51%	1,587
2012-13	920	49%	971	51%	1,891
2013-14	1,014	49%	1,073	51%	2,086
2014-15	528	48%	569	52%	1,097

Expenditure is up to Dec 2014. Source: Provincial Budget Database

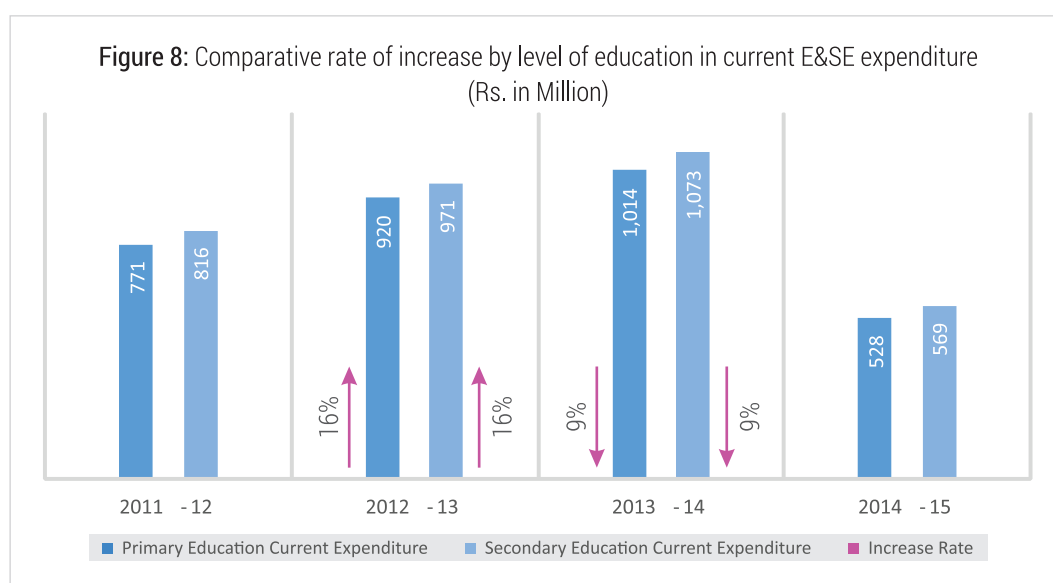


In the development budget of E&SE, the primary level is even more mistreated and proportional development expenditure on primary education is even lesser. The table below depicts the situation with an annual rate of increase both for primary and secondary levels along with the percentage of the development budget expenditure for both levels:

Table 11: Comparative rate of increase by level of education in current E&SE expenditure of district Kohat (2011-12 to 2014-15) (Rs. in Millions)

Year	Primary Education		Secondary Education		Total Expenditure
	Current Expenditure	Increase Rate	Current Expenditure	Increase Rate	
2011-12	771	--	816	--	1,587
2012-13	920	16%	971	16%	1,891
2013-14	1,014	9%	1,073	9%	2,086
2014-15	528		569		1,097

Expenditure is up to Feb 2015 and the % is projected on the trend of expenditure for the last 8 months. Source: Provincial Budget Database



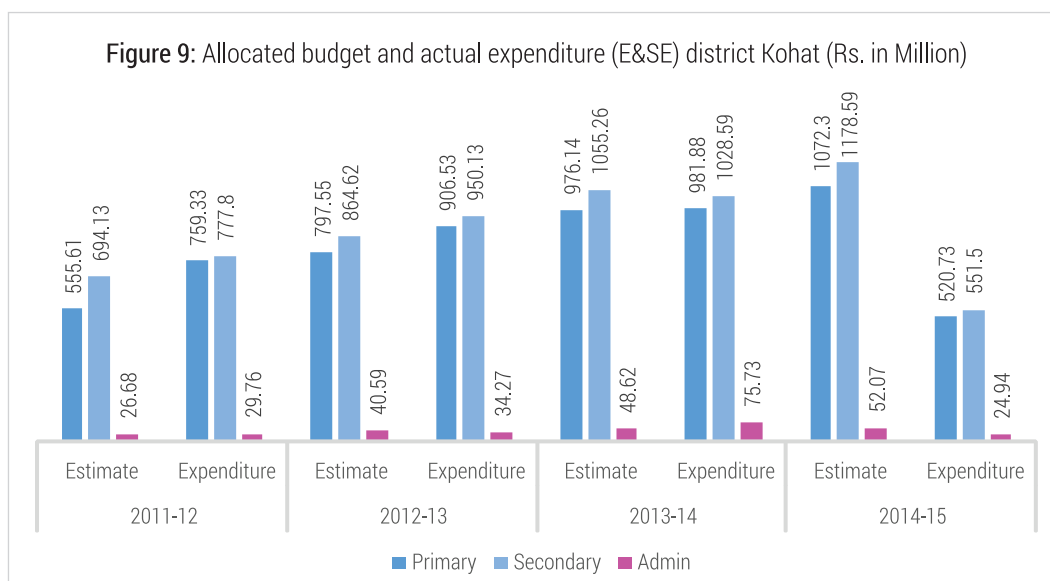
Spending on primary education increased by 16% in the FY 2012-13 but declined sharply to 9% in the FY 2013-14. Spending on secondary education has also shown similar trend of increase and decrease of 16% and 9% in the FYs 2012-13 and 2013-14 respectively. The expenditure for 2014-15 is available up till Feb 2015 and actual increase cannot be calculated at this stage.

Administration of the E&SE department is also one of the main budget heads. Expenditure incurred on administration is included in the level of education expenditure when the budget distribution is presented along primary and secondary lines. However, when administration budget head is dealt separately, the composite primary and secondary education administration of E&SE department consumes 2% to 4% of the district's total current budget expenditure. The following table shows the estimated and actual

expenditure on primary, secondary and administration heads of E&SE budget for the FYs 2011-12 to 2014-15.

Table 12: Allocated Budget and Actual Expenditure by Primary, Secondary and Administration E&SE District Kohat (Rs. in Millions)

Category	2011-12		2012-13		2013-14		2014-15	
	Estimate	Expenditure	Estimate	Expenditure	Estimate	Expenditure	Estimate	Expenditure
Primary	555.61	759.33	797.55	906.53	976.14	981.88	1072.30	520.73
%age	43%	48%	46%	48%	47%	47%	47%	47%
Secondary	694.13	777.80	864.62	950.13	1055.26	1028.59	1178.59	551.50
%	54%	49%	50%	50%	51%	49%	51%	50%
Admin	26.68	29.76	40.59	34.27	48.62	75.73	52.07	24.94
%	2%	2%	2%	2%	2%	4%	2%	2%
Total	20	20	20	0	0	0	0	0
% Increase	2%	1%	1%	0%	0%	0%	0%	0%
Total	1296.42	1586.89	1722.76	1890.94	2080.02	2086.20	2302.97	1097.17

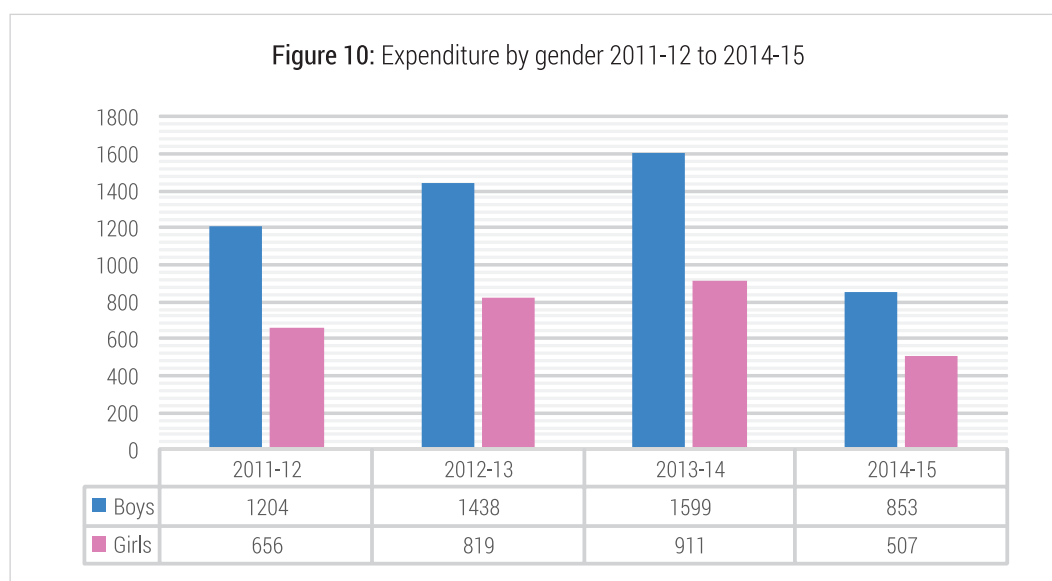


## Expenditure by Gender

Gender disparity in education service provision, in school infrastructure, in enrolment and teaching staff is obvious from the figures already provided in the preceding text. This is despite the fact that the population of KP and of district Kohat is gender egalitarian. The number of girls and boys of school going age is also identical. Provincial expenditure over the last 4 years along gender lines is depicted in figure 2 which is not different from the district level budget expenditure. In the cultural context, it is understandable that



access to education for girls is challenging but, the government – in its policy announcements – has resolved to address this issue. Provision of free quality education to all children of age 5 to 16 is the obligation of government by virtue of article 25-A of the constitution of Pakistan. In spite of this, the trends in education expenditure by gender show a discriminated allocation of budget. The gender parity issue must be addressed on a priority basis and more allocation for girls' education should be earmarked. More schools for easy access, incentives, enrolment and appointment in the E&SE department should be gender balanced. Table 13 and Table 14 below present detailed gender distributions of students in district Kohat.



**Table 13: Number of enrolled students in district Kohat by level of education, class of enrolment and gender as in Annual Statistics Report 2013-14**

Primary Level		Un-admitted	Kacchi	Pakki	Class 2	Class 3	Class 4	Class 5	Total Enrolled
	Males	16,365	10,974	9,971	9,057	8,224	8,520	63,111	16,365
	Females	11,579	7,153	5,774	5,010	4,393	3,921	37,830	11,579
	Total	27,944	18,127	15,745	14,067	12,617	12,441	100,941	27,944
Secondary Level		Class 6	Class 7	Class 8	Class 9	Class 10	Class 11	Class 12	Total Enrolled
	Males	6,961	6,039	5,213	4,316	3,541	905	583	27,558
	Females	3,610	3,254	2,654	2,177	1,742	383	300	14,120
	Total	10,571	9,293	7,867	6,493	5,283	1,288	883	41,678

(Note: Unadmitted Students are not included in the enrolled students' total number; Source: Annual Statistics Report 2013-14)

Table 14: Aggregate total by level of education and gender

	Primary	Secondary	Total
Males	16,365	27,558	43,923
Females	11,579	14,120	25,699
Total	27,944	41,678	69,622

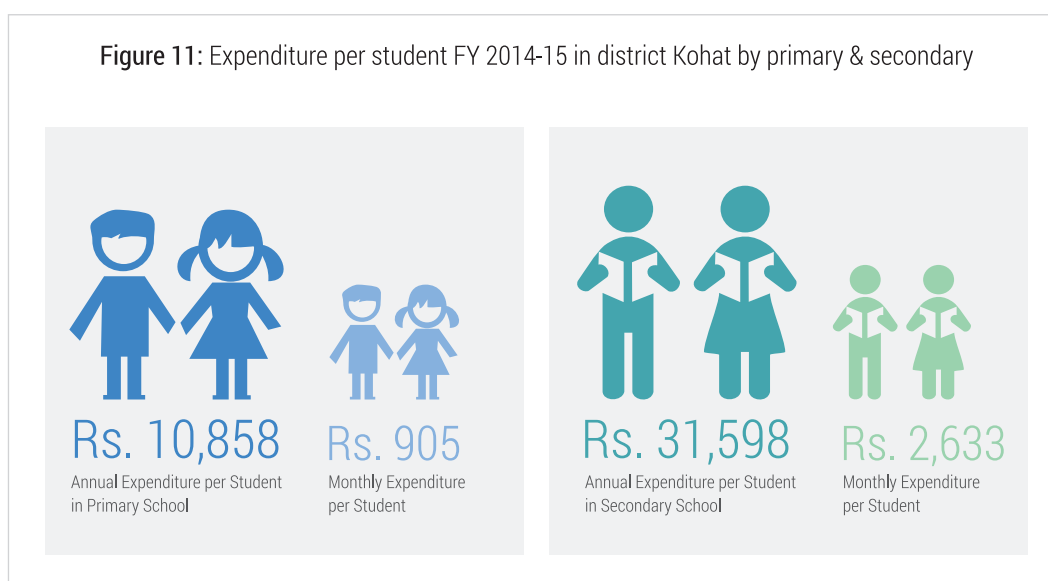
## Expenditure per Student

Expenditure per student has been increasing during 2011-12 to 2014-15 but the rate of increase is commensurate only to balance the inflation. Price hikes have been a constant factor which brings the net effect of increase in per student expenditure almost to a null. For the year 2014-15, expenditure per student in Kohat is estimated at Rs. 1381 per month but this expenditure is not equitable along level of education. Its distribution by primary and secondary is Rs. 905 and Rs. 2633 per student/month respectively. This budget trend, to a considerable extent, is responsible for low learning outcomes, inadequate number of teachers and a high dropout rate in primary schools.

Table 15. Expenditure per Student for FY 2014-15 in Kohat by Primary and Secondary

Level of Education	Expenditure (Rs. in Millions)	No. of Students Enrolled	Average Expenditure per Student	Expenditure per Student per Month
Primary	1092.49	100,616	10,858	905
Secondary	1210.47	41,678	31,598	2,633
Total	2302.96	142,294	16,578	1,381

Figure 11: Expenditure per student FY 2014-15 in district Kohat by primary &amp; secondary



## Parent Teacher Councils

Parent Teacher Councils are a very good initiative towards community participation in E&SE budget spending and inclusive governance of schools. PTCs are formed in all schools and delegated with some financial and administrative powers. They are supposed to act in accordance with the PTC guide and conventional financial audit of the funds they are provided is acquitted. However, third party validation applies upon their funds. They mainly deal with the non-salary head and take care for minor repairs and purchases of class consumables as well as of the payment of utility bills. Criterion for funds to a PTC is the number of rooms in respective school. Rs. 2,000 per month for class consumables and Rs. 5,000 for repairs are awarded for each class room to the PTC. However, from conditional grants, a PTC may utilise up to Rs. 1 million (proposal for increasing the ceiling up-to Rs. 3 million is under consideration). It falls in their jurisdiction to hire temporary teaching staff and get the civil works done on need bases. PTCs are very effective with some exceptions and their role in bringing out-of-school children to school is very appreciable.

PTCs in district Kohat are not well functioning. The membership has not been revisited for the last four years and third party validation has not taken place as well during the whole span of time analysed in this report. The allocation of funds and expenditure is very much politicised and in the hands of PTC chairman or head teacher in most of the cases. PTC guide rules are not followed and parents are not involved in decisions about expenditure. In this scenario, transparency is not ensured and benefits reaching down to the target beneficiaries of PTC funds also become questionable. Effective monitoring, third party validation and renewal of membership to PTCs is indispensable for making the PTCs more meaningful.

Table 16. PTCs' Funds for District Kohat for the Year 2014-15

Schools	No. of Rooms by Girls & Boys			Funds Released for (Rs. in Millions)		
	Girls versus Boys	No. of Class Rooms	No. of Other Rooms	Class-Room Consumables	Petty Repair	Total
Primary	Boys	1656	110	3.312	8.83	12.142
	Girls	1096	0	2.192	5.48	7.672
Middle	Boys	153	79	0.306	1.16	1.466
	Girls	134	71	0.268	1.025	1.293
Higher	Boys	420	238	0.84	3.29	4.13
	Girls	191	119	0.382	1.55	1.932
Higher Secondary	Boys	172	77	0.344	1.245	1.589
	Girls	83	42	0.166	0.625	0.791
<b>Total</b>		<b>3,905</b>	<b>736</b>	<b>7.81</b>	<b>23.205</b>	<b>31.015</b>

## SWOT Analysis of E&SE Budget District Kohat

### STRENGTHS

- » Budget allocation and expenditure of E&SE department district Kohat is increasing year by year in terms of figures as well as in term of expenditure per student.
- » Special non-salary budget deficit is realised and adjustments with special non-salary funds' provision are administered.
- » 70% of DFID's conditional grants are earmarked solely for the construction of girls' schools.
- » PTCs are awarded financial and administrative powers and under special circumstances of needs they may utilise up to Rs. 1 million (in the next FY this amount is suggested to be raised to Rs. 3 million).

### WEAKNESSES

- » Overall current and development budget of the E&SE are deficient in view of the population size, population growth rate and needs on ground. Especially, for non-salary expenditure, resources are very deficient.
- » Distribution of the available resources along primary and secondary education is not proportionally fair.
- » Gender parity measures are given least consideration is E&SE budget expenditure.
- » Constitutional obligation of article 25 A and international commitment of UPE are neglected in the budget trends.
- » Public participation in budget decisions is almost non-existent.

### OPPORTUNITIES

- » Local government institutions can contribute a lot to bring positive change in all stages of budget cycle procedures as the local government elections have already held after a gap of years.
- » Financial powers of PTCs' may be transferred to local body governments (village councils) so that public funds are spent by the public representatives and monitoring and oversight role of PTCs be enhanced.
- » PTCs can be made more effective by abiding by the rules and schedules prescribed in PTC Guide.
- » The incumbent PTI government has declared education emergency in the province. Civil society may come up with knowledge based suggestions for public private partnership and cooperate with the government for bringing up real change in the education profile of the province.
- » Underutilization of development funds can be checked with efficient planning and appropriate development proposals submitted in time.
- » International donations can be harnessed by establishing credibility observing practices of good governance, transparency, accountability and public participation in budget decisions.

### THREATS

- » If local body governments keep on playing the conventional ways of power politics, it will adversely affect governance of all sectors including E&SE.
- » If the government officials are not trained for capacity building for budgeting and efficient development planning, the development funds would remain underutilised.
- » If government does not take special measures for UPE and GP, these issues would remain neglected.
- » If the recent trends of E&SE budget are not modified to comply with policy statements and pronounced commitments, the literacy profile and education outcomes will not improve.

## Findings and Recommendations

- » Under-spending is the most prominent feature of public education service provision in district Kohat. Pakistan has yet not achieved the minimum benchmark of 4%, set by the World Education Forum, of its (Pakistan's) GDP to be spent on education service. The same pattern of low investment in public education is reflected in Kohat. The district needs a lot more new schools in easily accessible areas, especially for girls that further require increased investment on public education along governance reforms for meeting up the standards of good governance in E&SE department.
- » Under-spending is especially observable at the primary school level; UPE is a goal to be achieved by the government but it is still a faraway dream in Kohat. Reason being, number of schools are not adequate to bring all out-of-school children to school. Especially for girls, the number of schools is deficient despite the fact that the population of girls and boys of school going age in Kohat is almost identical in numbers. The budget share of primary education in Kohat has remained at an average of 51% of the total district education budget whereas the primary level number of schools and enrolled students is 79% and 71% respectively. This is proportionally unfair especially at the education level that has to build the foundations of learning and literacy among future generations. Therefore, it is recommended that public finances for education and especially for primary education be raised to a standard where quality service provision of education can be translated into action.
- » Gender discriminated patterns of investing and spending on E&SE is also a burning issue for government schools. Policy resolves speak out a lot about achieving gender parity in public education but the reality on ground does not reflect this. In Kohat, percentage share of girls in enrolment is 39% in aggregate but 41% at primary level and 32% at secondary level. The number of school for girls at primary and secondary level is less than 42% and less than 40% respectively. Therefore, for the sake of gender balanced education service provision and to minimise the existing gap of services for girls' education, 70% of the budget should be reserved for girls' schools until the gender disparity issue is resolved.
- » Meager resource allocation for operational and maintenance of schools is again attributed to scanty amounts allocated for running the schools. Only 4% of the budget is consumed for repairs, procurement of furniture, jute mats, class consumables, provision of missing facilities, payment of utility bills and laboratory equipment. This increases drop-out rates, and poor learning outcomes. A minimum 10% of the budget is recommended for maintenance and operational costs of schools enabling the provision of a good learning teaching environment and enhancement of quality and learning outcomes in government schools.
- » Professional expertise and technical skills of the budget making officials need also to be improved. The actual expenditure of the current budget has exceeded the original budget allocation by 22.5% in the FY 2011-12, 9.75% and 0.3% in the FY 2012-13 and 2013-14 respectively. It is good that the differences between estimation and expenditure are already declining, even then, further facilitation of public officials through training and capacity building for bringing the estimates and expenditure closer to equal is recommended.
- » On average the annual expenditure during the FY 2014-15 is estimated at Rs. 1381 per student/

month. There is big disparity in per student expenditure at primary and secondary level. It is Rs. 905 and Rs. 2603 per student/month in primary and secondary schools respectively. Keeping the foundational significance of primary education in mind, this difference in per student expenditure between primary and secondary levels is unacceptable.

- » In Kohat, the development budget has remained at 7% of the total current and development expenditure during the FY 2011-12. It increased to 11% and 12% for FYs 2012-13 and 2013-14 respectively but decreased to 6% of the total expenditure in the FY 2014-15. The district faces big challenges of development for UPE, gender disparity, quality of education and good learning outcomes. Therefore more resources for development initiatives should be arranged and transparently utilised for education in Kohat.
- » Private schools in Kohat comprise 29% of total schools but their enrolment is 34% of the total enrolment. Suggested measures should be initiated at the earliest possible in order to improve learning outcomes and increase enrolment in public schools.
- » Provincial legislation on RTO (Right To Education) should also be done at the earliest and its earnest implementation materialised.
- » The non-salary budget should be increased to a level where operation and maintenance of schools is well managed, providing basic education facilities, congenial learning/teaching environment and retaining enrolment.
- » For the sake of transparency, details of budget expenditure should be displayed on relevant web sites. Expenditure details of the funds provided to PTCs should be displayed on school notice boards and third party validation should be organised.
- » For participatory governance, public input in the budget making processes and expenditure should be sought and pre-budget sessions with the community and other stakeholders like civil society, media, and academia should be organised.
- » The provision of funds to PTCs should be based on the number of students enrolled in a school instead of the number of rooms.
- » Understaffed primary schools should be provided adequate rooms and teaching staff. Also, schools requiring major repairs should be provided funds for repairs.
- » Measures should be taken to make PTCs more effective and their monitoring along rules of business as prescribed in PTC guide.
- » In order to improve learning outcomes, performance based incentives may be granted to encourage healthy competition among teachers along with effective and regular monitoring and audit for strengthening accountability.





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