



Education Budgets Analysis

Mardan, Peshawar &

Swabi Districts

of
**Khyber Pakhtunkhwa Province
(Pakistan)**

January 2014



Centre for Governance and Public Accountability (CGPA) is not for profit, non-governmental, civil society organization. CGPA strives for inclusive development and promotion of peace through right based and governance focused approaches. CGPA is registered under Society Registration Act XXI of 1860'.

Centre for Governance and Public Accountability (CGPA)

402, Block-C, City Towers, University Road, Peshawar, Pakistan

Telephone: +92-91-5701991

Email: info@c-gpa.org Web: www.c-gpa.org

[Right to education. The State shall provide free and compulsory education to all children of the age of five to sixteen years in such manner as may be determined by law.]

Article 25-A of the Constitution of Pakistan



Education Budgets Analysis

**Mardan, Peshawar &
Swabi Districts**

**of
Khyber Pakhtunkhwa Province
(Pakistan)**

January 2014

Disclaimer

This publication became possible due to financial assistance from Open Society Foundation (OSF). However, OSF is not responsible for any of the content of this publication. The sole responsibility and copy rights of this publication are reserved with Centre for Governanc and Public Accountability (CGPA). The contents of this publication can be reproduced without formal approval from CGPA, provided the source is duly acknowledged. CGPA will appreciate any suggestion for improvements of this publication.

Abbreviations

ADP	Annual Development Programme
CCB	Citizens Community Board
DC	Deputy Commissioner
DCO	District Coordination Officer
DDO	Drawing and Disbursing Officer
DMO	District Monitoring Officer
EDO	Executive District Officer
E & SE	Elementary and Secondary Education
ESR	Education Sector Reform
EST	Elementary School Teacher
F & P	Finance and Planning
HEC	Higher Education Commission
ICT	Islamabad Capital Territory
KP	Khyber Pakhtunkhwa
LGA	Local Government Act
LGO	Local Government Ordinance
MRC	Medical Reimbursement Charges
NFC	National Finance Commission
KP	Khyber Pakhtunkhwa Province
OSR	Own Source Revenue
PFC	Provincial Finance Commission
PST	Primary School Teacher
PTC	Parents Teachers Council
SMCs	School Management Committees
SST	Secondary School Teacher

Table of Contents

Executive Summary	1
1: Introduction	2
1.2 <i>Objective of the Study</i>	3
1.3 <i>Methodology</i>	3
2: Budget Making Process at District Level	4
2.1 <i>Devolution, Overall Responsibility and Management</i>	4
2.2 <i>Financing of Education</i>	5
2.3 <i>Budget Making Process</i>	5
2.4 <i>Implementation of Budget Calendar and Rules</i>	7
3. District Peshawar Education Budget Analysis	8
3.1 <i>Peshawar: Population, Its Density & Other Characteristics</i>	8
3.2 <i>An Overview of Education Sector in Peshawar</i>	9
3.3 <i>Education Budget Analysis of Peshawar District</i>	11
4. District Mardan Education Budget Analysis	16
4.1 <i>Mardan: Population, Its Density & Other Characteristics</i>	16
4.2 <i>Education Sector in Mardan District</i>	16
4.3 <i>Education Budget Analysis of Mardan District</i>	19
5: District Swabi Education Budget Analysis	22
5.1 <i>A brief profile of Swabi District</i>	22
5.2 <i>Education Sector in District Swabi</i>	23
5.3 <i>Education Budget Analysis of Swabi District</i>	24
6: Findings and Recommendations	28

Executive Summary

This study has been carried out on the education budgets of Peshawar, Mardan and Swabi districts of Khyber Pakhtunkhwa (KP) province by Centre for Governance and Public Accountability (CGPA). The purpose of this study is to analyze the preparation and implementation of the annual budgets for the education sector in order to understand various trends in terms of budget allocations, priorities, utilization and citizens' participation. The study aims to provide comparable data, which should help in informing various policy relevant analyses and discussions in KP and in Pakistan.

Information for the study is taken from both primary and secondary sources. The secondary sources of information include review of relevant statutory requirements for the budget making, annual budget books and other related documents, while the primary source of information includes key informant interviews.

The findings of the study are revealing in terms of education budget making, its implementation, and allocation under various education heads. In all of the case studies, it is found that budget rules 2003 are followed up to some extent but the core function of budget making is done on incremental basis. The increases in the annual budgets are only enough to make neutralize the impact of double digit inflation. Salary related expenses consumes from 90 to 95 percent of the current education budget and leaves little room for operational expenses, however separate funds are provided for petty repair of school buildings and class room consumables. The budget allocations for the education sector across the districts are uneven in per capita terms. Similarly, gaps exist in terms of gender related spending on education where boy schools are more and spend more education budget compared to girl schools.

It is worth mentioning here that after the enforcement of KP Local Government Act (KPLGA) 2012, all the District governments were dissolved. After the enforcement of KPLGA 2012, the existing administrative setup of education department at district level has also changed. There are now separate male and female offices for the District Education Officer.

As the time of finalization of this study, the KP Local Government Act 2013 was passed by the provincial assembly. However, the confusion in the provincial and district government departments still exist as Provincial Finance Commission (PFC) is not yet constituted.

The study strongly recommends fair, equitable and need based allocation of education budget. On one hand, the district education budget needs to be increased; and effective and efficient utilization and monitoring of education budget need to be ensured. Concerted efforts must be made to improve the conditions of primary schools by providing adequate resources, facilities and technical support. Rigorous efforts are required to make access to funds, meant for primary and middle schools, easy and timely. Maximum disclosure of budget related documents and inclusion of stakeholders in the budget making process needs to be ensured. Last but not the least, budget for non salary expenses needs to be increased so that educational infrastructure can be maintained.

1: Introduction

This section will give a brief introduction to this report on the analysis of education sector budget in the districts under study.

1.1 Background: Education Sector Plan

Education is an important human development indicator of a country's development and progress. The Education sector in Pakistan has suffered due to a number of reasons, low budgetary allocations being one of them. The 2011-12 Pakistan Social and Living Standards Measurement survey reports that the literacy rate of Khyber Pakhtunkhwa (KP) for the population 10 years and above is just 54 percent below the country average of 61 percent. The same ratios for our case study districts of Peshawar, Mardan and Swabi are 54%, 48% and 52% respectively. Similarly there are large rural-urban and gender gaps in the literacy rates across all districts in KP. Moreover, According to the latest Annual Statistical Report of Government schools (2012-13), 50 % of government primary schools for boys are run with two or less teachers while the same ratio is 60% for girl's primary schools. Similarly, 52 percent of the boy's primary school has only 2 or less rooms while 57% of girl's primary schools are with 2 or less rooms. Khyber Pakhtunkhwa shows slow progress and lags behind all other provinces other than Balochistan on the education related Millennium Development Goals. In 2012-13, around 25% of the total girls enrolled in the government primary schools are attending boy's schools. Similarly around 3% of the total boys enrolled in government primary schools are attending girl's schools. According to a World Bank report, at the current pace of progress in education sector, KP will not achieve the MDG target of 100 percent primary enrolment and gender parity at secondary schools by 2015¹. Disparities exists both at the educational level of the school and at the gender level.

Cognizant of the importance of the role of education, Government of Khyber Pakhtunkhwa devise an Education Sector Plan (ESP) 2010/11 to 2015/16. Main priority areas of the ESP were;

1. Universal Primary Education
2. Consolidation, including quality and
3. Removal of Gender Disparity

Strategies were devised for enhancement of enrollment, improving quality of education, infrastructure and environmental improvements. Special importance was give to improvement of governance and increasing the financing for education. The strategy, prepared for the first time in any province, contains elaborate measures for enhancing the quantity and quality of education. Special policy guideline was given on the financing side of the education such delegation of financial powers, targeted use of resources, innovations in financing, performance and need based budgeting (PBB & NBB).

After the 18th constitutional amendment, education has become a provincial subject with the introduction of Article 25-A stating free and compulsory education for the age groups 5-16. The current National Finance Commission (NFC) award has also helped the provinces by increasing their shares. The imposition of Education Emergency in Peshawar and implementation of Right to Education can be patterned with the help of government's budget. Education sector budgeting is not only crucial for enhancement of literary rate and quality of education but also to gauge the government's commitment towards the education sector. The study analyses and compares allocation of district education budgets vis-à-vis total budget, allocation under different heads in education sector, compliance of budget rules and calendar, gender and regional perspective, and implementation of allocated budget.

1.2 Objective of the Study

Purpose of this study is to analyze the preparation and implementation of annual budget for the education sector in order to understand various trends in terms of budget allocations, priorities, utilization and peoples' participation. Specific objectives of the study are as follows:

1. To review the budget making process for the education sector and assess whether it is effective and how it can be improved.
2. To examine the budget documents relating to the education sector, especially from the perspectives of allocations, priorities, gender and regional or urban/ rural areas.
3. To observe the implementation of education sector budget, especially the problem of low utilization, and analyze the role of relevant institutions.
4. To identify the weaknesses and gaps at various stages of budget cycle as well as in relation to relevant procedures or responsible organizations, and make appropriate recommendations for improvement.

1.3 Methodology

The study was conducted in three selected districts, which include the districts of Peshawar, Mardan and Swabi. The findings are based on both primary and secondary sources of information. The secondary source consists of analysis of budget related laws / rules for the districts, analysis of districts' budget books and other related documents, while primary source of information was key informants and stakeholders' interviews. The key informants include concerned district education and finance officers, teachers and head masters of public sector schools, and parents of public and private school going children.

¹ Pakistan-KP Public Expenditure Review, 2012.

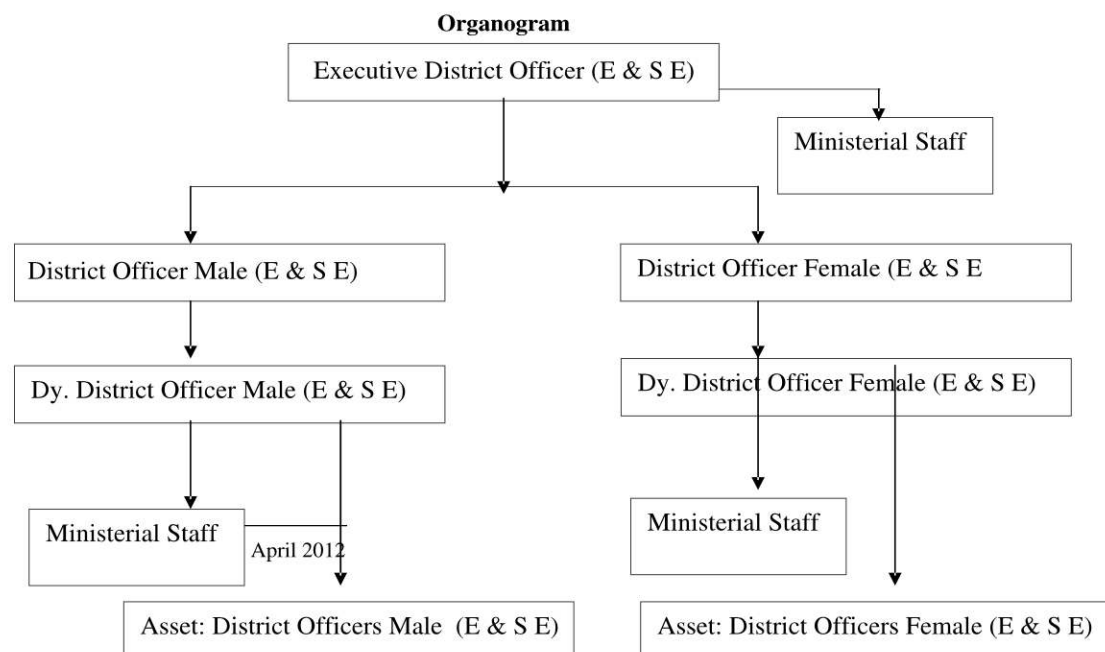
2: Budget Making Process at District Level

2.1 Devolution, Overall Responsibility and Management

Under the Local Government Ordinance 2001, the responsibility for elementary and secondary education has been devolved to the district governments. Each district government is headed by an elected District Nazim, who is responsible for overseeing and managing the routines administrative, planning and service delivery functions. However, the authority for approving development plans and annual budget as well as exercising executive oversight lies with an elected council. In each district, District Coordination Officer (DCO) serves as head of administration and is responsible for various coordination functions. Under him, there exist departments for various functions like health, revenue and education. Accordingly, in Peshawar, Executive District Officer - EDO (Elementary and Secondary Education) is responsible for all matters related to education. The EDO is responsible to DCO and then to the District Nazim, who heads the district government.

However, at present the local governance framework is unclear. The local government ordinance of 2001 was replaced in 2008 whereby provincial government took control of the local government system. Even during the Local Government Ordinance of 2001, while the de jure control of the devolved services was with the local elected government, defective control has been with the provincial government and in violation of rules.² This led to a chaotic management of the education sector and all other devolved services.

The EDO (Elementary and Secondary Education) has the responsibility for all types of pre-primary, primary, middle, high and higher secondary schools of the district. Intermediate Education (Grades 11-12) is by and large the responsibility area of Higher Education Department of the Provincial Government that manages the Intermediate Colleges or Degree Colleges which usually offer arts and science courses. However, the Higher Secondary Schools, which are managed by the Elementary and Secondary Education Department of the District, also cater to the needs of the students in classes XI-XII. The Organogram below illustrates the administrative structure of the education department in the district.



2.2 Financing of Education

The Elementary and Secondary Education department is the large provincial government department in terms of employees. It has sanctioned staff strength of about 177,093 employees, approximately 47% of the total provincial government staff. Public sector education in the district is predominantly financed through funds provided by the Provincial Governments. Main channel for this financing is the Provincial Finance Commission (PFC) Award, whereby the provincial government distributes funds among the districts falling within its jurisdiction. Khyber Pakhtunkhwa was one of the first provinces to use a need based formula which is based on population and some measures of backwardness and some indicators of social development. A number of foreign-aided programs are also involved in funding different components of education through grants, loans and technical assistance. There are also some vertical programmes financed through the Federal Public Sector Development Programmes (PSDPs). The district mobilizes very limited resources on its own and is predominantly dependant on the provincial or federal governments.

2.3 Budget Making Process

Conventionally, a budget is a financial report containing estimates of Income and Expenses or a plan for coordinating Resource Generation & Utilization. In other words, it is a financial plan incorporating receipts (cash in-flow) and outlays (cash out-flow) in a fiscal period usually a financial year which starts on 1st July and end on 30th June of next year. The budget process generally involves steps meant for preparing estimates for revenue generation as well as for prospective expenditures. In the case of districts, however, there is a limited mandate as well as capacity for collecting revenues on their own. As a result, the districts are almost completely dependent on funds provided mostly by the provincial governments and through some vertical programmes from the federal government.

In wake of the Devolution of Powers Plan and its subsequent implementation through the Local Government Ordinance 2001, the provincial government of Khyber Pakhtunkhwa provides funds to the districts through the PFC Award on the basis of:-

- Population
- Backwardness
- Lag in infrastructure

Equity being the spirit behind the institution of PFC Award, the latest weightage given to the above three parameters in 2011-12 was 60 percent, 20 percent and 20 percent respectively. The needs for development and non-development requirements of the districts are evaluated periodically through official channels by the provincial government.

The management of financial resources available to the District Government and their further allocation and re-allocation is the jurisdiction of the Finance and Planning Department at the district level. As for the education sector, the budget preparation and all its related areas of intervention are jointly administered by the Elementary and Secondary Education Department and Finance and Planning Department.

As of other sectors, budget for the education sectors is prepared on incremental basis without any need-based assessment. Allocations to different heads are usually made on notionally determined limits over the benchmark of the last year. Areas which may need special attention are treated equally with other sectors thus efficient and inefficient activities get equal treatment.

In the district, under the Budget Rules notified by the provincial government in 2003, the budget making process for the next year starts in July and should be completed by June next year when

the budget proposals should be presented before the District Council for approval. Under the Rules, the Calendar outlined in the following table should be followed for preparing annual budget:

Table 2.1: Budget Calendar – Current and Development		
Sr. #	Activity	Target Date
1	Issue Call letter and guidelines to concerned offices.	September
2	i) Submission of Schemes by CCBs (Copy to Evaluation Committee of Council). ii) Submission of prioritized list of schemes by concerned offices along with administrative approval / technical sanction to Development Committee for inclusion in ADP.	Before 1 st March
3	i) Excesses and Surrenders Statement ii) Revised Estimates and Supplementary Budget if required. iii) Statement of New Expenditure iv) Consolidation of Draft Budget (Current and Development) for next financial year. Finalization by Budget and Development Committee.	March
4	Submission of Draft Budget to Council based on initial estimates provided by the Provincial Government	1 st April
5	Review of Draft Budget by council.	April
6	Input from Government and Public on the Proposals agreed by the council.	1 st May to 1 st June
7	Revisions and Changes by Head of Offices and Finalization by Budget and Development Committee.	May – June
8	Submission of Final Budget to Council based on final estimates provided by the Provincial Government.	June
9	Approval of Final Budget by Council.	June
10	Communications of Current Budget Grants to concerned Offices and Accounts Offices.	July
11	Final Accounts Previous year.	October
<i>Source: NWFP (Now Khyber Pakhtunkhwa) District Government and Tehsil Municipal Administration (Budget) Rules, 2003.</i>		

However, in practice, the Budget Rules are not fully implemented due to a range of political constraints, capacity issues and bureaucratic inefficiencies. As a result, the following types of problems are reported:

- All stakeholders are not fully and effectively consulted in the process of identifying and prioritizing new development projects. Usually councilors submit the development schemes, which may be based on partisan view of community needs and, occasionally, discriminate against certain groups in the society like political opponents.
- Development funds are distributed among various union councils and, since the overall available funds are limited, very small projects can be implemented and, these too, sometimes are spread over several years. This creates inefficiencies and fails the very objectives of coherent planning and development, which could lead to a realization of a set goal within a given timeframe.
- The deadlines set in the Budget Calendar, which is outlined in the table above, are often

ignored, which results in long delays in identification of development projects, preparation of estimates or proposals, and obtaining timely technical sanctions or finalization of draft budgets. These delays result in slowing down the entire development process.

- In particular, draft budgets are not usually ready in time and are not presented in the Council. These are also not easily accessible to common people and civil society, which restricts the opportunities for public participation. In part, this problem is due to the technical nature of budget documents and the fact that these are prepared and presented in English.

2.4 Implementation of Budget Calendar and Rules

The Budget Rules notified by the provincial government provide a detailed procedure and calendar for preparing annual budgets. However, these Rules are not fully implemented, and the budget calendar is not strictly followed. What usually happens is that the budget making process is initiated in May and it is completed in a rushed manner, as the budget has to be approved before the month of June ends. It is despite the fact that Budget Rules require the district governments to have the draft budget ready by the end of March, which should be then discussed and debated in the Council and refined in the light of feedback received from various stakeholders.

In District Swabi, Budget Rules have been implemented to a limited extent, especially in terms of seeking public views, consulting stakeholders and presenting and discussing the draft budgets in the councils.

- Legal framework, Local Government Ordinance (LGO) 2001 and Budget Rules 2003, provides for public consultations, presentation of a draft budget in the Council and effective input by stakeholders. However, there are few instances where stakeholder's inputs in the education budget making process have been solicited. The budget making process in the focused years has been marked by confusion over changes in the local government system. KP Local Government Act (LGA) 2012 was enacted in May 2013 but its actual implementation started in January 2013. The new government introduced new LGA in 2013, under which the process, procedures and financial procedures are yet to be devised.
- Major challenges of district education budget include limited staff and their capacity, premature transfers of concerned staff, political pressures, over dependence on provincial governments, and little civil society focus on (and capacity for) analyzing, tracking or influencing budgets.
- The study also found that the budget making process starts after issuance of Budget Call Circular by the Provincial Finance Department. Development priorities are determined by consulting the elected representatives and involving public and civil society. All principals, Head Master/Head Mistresses are involved in High/Higher Secondary Schools while District Officers in case of Middle and Deputy District Officers (DDO) are involved in case of Primary Schools in the budget making process.
- The salary related budget often eats up 90 percent to 95 percent of the current education budget. This leaves very little budget for operational expenses, however special funds are provided for petty repairs of buildings and purchase of classroom consumables through Parent Teacher Councils. Provision of funds for classroom consumables help in availability of teaching aid materials, and learning process.
- The annual increase in the education budget has remained minimal, taking into consideration the annual double digit inflation rate in Pakistan.

3. District Peshawar Education Budget Analysis

3.1 Peshawar: Population, Its Density & Other Characteristics

Peshawar is the provincial capital of Khyber Pukhtunkhwa province and is also the largest city of the Province. Almost 13 percent of the total population of the province resides in Peshawar which is growing annually at a rate of 3.6 percent on average. According to 1998 census, the total population of Peshawar district is 2.026 million out of which 1.065 million are male and 0.962 million are female with a sex ratio (males per 100 females) of 110.8. Out of the total population, 46.62% of the people are migrants from other parts of KP and other provinces of Pakistan. Over 46% of the total population in the district is less than 15 years of age. The population of Peshawar District has increased more than 5 times since 1951. Peshawar population is almost equally distributed between Urban and Rural location unlike the rest of the province which is more rural. The projected population of Peshawar district is going to be around 3.4 million in 2013 based on the average annual growth rate during the period of 1981 to 1998.

According to 1998 census, the literacy rate in the district was 41.7 percent. In the rural areas, the literacy rate was 29.19 percent and, in the urban areas, it was 54.09 percent showing strong rural-urban gap. These literacy rates were significantly higher than the rates reported during the previous census in 1981. In terms of gender disparity, the literacy rate among males stood at 55.97 percent as compared to a low rate of 25.85% among females. According to the latest estimates

available from the Pakistan Social & Living Standards Measurement (PSLM) Survey, the literacy ratio of Peshawar further improved to 54% in 2010-11 as compared to 41% in 1998. The same

Table 3.1: Peshawar District Population & Literacy Ratios

Total Population 1998	2,026,851
Urban	982,816
Rural	1,044,035
Male	1,065,188
Female	961,663
Sex Ratio	110.8
Literacy Ratio 1998 (10 year +)	41.70%
Male	56.00%
Female	25.90%
Literacy Ratio 2011	54.00%
Male	68.00%
Female	38.00%
Total Population 1981	1,113,303
1981-98 Avg. Annual Growth Rate	3.58%
Projected Total Population in 2013	3,435,266

Source: Population Census Organization, Government of Pakistan

Table 3.2: Number of Schools in Peshawar by School-Type: Boys & Girls

School Level	2007-08			2012-13		
	Boys	Girls	Total	Boys	Girls	Total
Primary Schools	643	426	1069	661	471	1132
Middle Schools	84	66	150	82	74	156
High Schools	67	30	97	78	44	122
Higher Secondary schools	18	7	25	19	11	30
Total	812	529	1341	840	600	1440

Source: Various Issues of Annual Statistics Report, E&SE, KP Government

survey estimates the literacy ratio at 68% for male and 38% for female in the district. Similarly the literacy ratio for urban Peshawar is at 62% while for rural Peshawar is 45%.

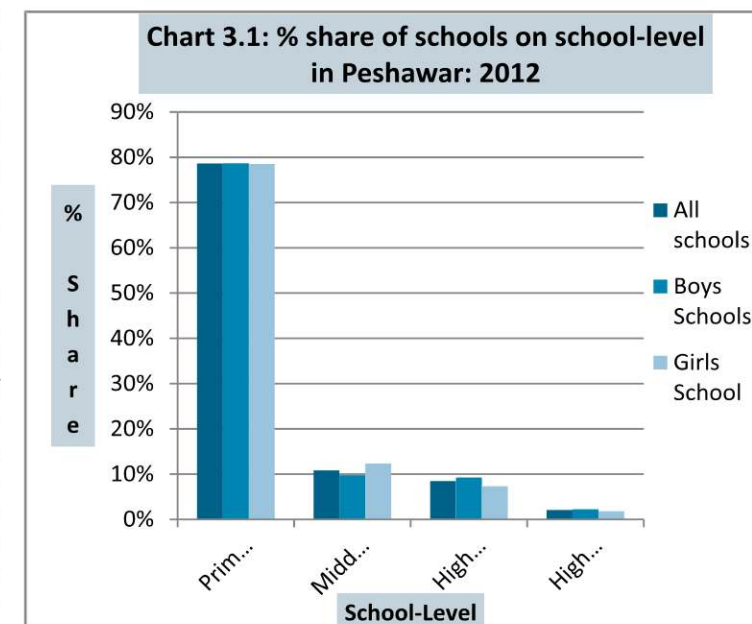
These indicators shows that though literacy rate is being improving but at a very low pace. There exists strong rural-urban and gender gap in the literacy rates in district Peshawar. If continued at this slow rate, it will be difficult for the KP government to achieve its MDG goals regarding education. Table 3.1 above gives a summary of some of these indicators.

3.2 An Overview of Education Sector in Peshawar

According to Annual Statistic Report of Elementary & Secondary Education (E&SE) department of the KP government, there exist 1,440 schools in the public sector in the Peshawar district as on October, 2012 as compared to a total of 1,341 schools in 2007-08. This also includes 54 temporary closed schools in district out of which 46 schools are government girl's primary schools. Out of the total schools in the district, 840 schools are for boys and 600 are for girls, thus indicating a clear gender gap in terms of existing educational facilities that have been established by the government. While the ratio of female population in the total population is around 48% according to 1998 census, the girls schools are only 39% of the total schools. Due to lower number of girls schools, girls attend the boy's schools especially at the primary level. Table 3.2 shows the overall picture of the government schools in Peshawar district over the period of five years. The table is indicative that very little progress has been made in the construction of new schools in these five years and only 99 more schools

were added in the Peshawar district with an average of 20 schools per year. However, schools are mostly (about 70% of total) located in Rural areas and the reason is that rural population is more dispersed over a large area as compared to most concentrated urban population. In urban areas the schools are less as compared to rural areas but student concentration in schools is much bigger in urban localities. Similarly, demand for government schools is much lesser in urban areas as compared to rural areas due to availability and affordability of private schools. Chart 3.1 shows the distribution of schools at different levels in the district. Around 80% of the total school infrastructure consists of primary schools.

According to the latest PSLM survey of district level, the primary level enrolment at government-run school is quite low in Peshawar as compared to the provincial average. About 54% of children are enrolled in government school at primary level while the remaining children go to private school. This indicator shows lower confidence of parents on government-run primary schools thus rich parents' opt-out of the government-run primary schools. This complicates the issue as poor parents usually don't have a voice in school matters as they did not participate in Parent Teacher Councils (PTCs).



Although the government schools are built on large plots with good infrastructure initially as compared to private schools, but schools were damaged due to lower spending on the repair and maintenance. Teachers usually draw heavy salaries but due to lack of monitoring and

School Level	Boundary Wall		Water supply		Electricity		Toilet	
	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls
Primary Schools								
With	565	408	495	342	395	233	553	402
Without	39	3	109	69	209	178	51	9
Middle Schools								
With	79	69	70	63	66	50	71	67
Without	1	1	10	7	14	20	9	3
High Schools								
With	76	41	73	41	72	38	74	41
Without	1	0	4	0	5	3	3	0
Higher Secondary Schools								
With	18	11	18	11	18	11	18	11
Without	1	0	1	0	1	0	1	0

Source: Annual Statistics Report 2012-13, E&SE, KP Government

accountability, their performance is not up to the mark. This gradual deterioration leads to lower demand of government schools.

Table 3.3 gives data of missing facilities in government-run schools at different school level of Peshawar as on October, 2012. The data shows that while secondary schools are generally well-maintained, the primary schools have a very high percentage of missing facilities. Almost 38% of the surveyed schools have no electricity while 18% of the school lake cleans drinking water.

School-Level	Boys Schools	Girls Schools	Total
Primary Schools	140,723	98,597	239,320
Middle Schools	10,835	7,174	18,009
High Schools	29,515	19,369	48,884
Higher Secondary Schools	15,888	11,481	27,369
Total	196,961	136,621	333,582

Source: Various Issues of Annual Statistics Report, E&SE, KP Government

which around 60 percent are enrolled in boy's schools while the remaining 40 percent are enrolled in girl's schools. It should also be noted that around 4,992 girls are enrolled in government primary school for boys while 884 boys are enrolled in government primary schools for girls. The bulk of the students (around 72 percent are enrolled at the primary level while the

remaining 28 percent are enrolled combine at middle, high, and higher secondary schools. The data shows that 192,853

Boys (57.8% of total) and 140,729 girls (42.2% of total) are enrolled in the government run schools in Peshawar district.

3.3 Education Budget Analysis of Peshawar District

3.3.1 Budget Overview: Total Education Budget and Salary Vs Non-Salary Budget

Table 3.5 below gives the estimate and revised budgets for the education sector in Peshawar for the current and last two fiscal years. For the current Financial Year 2013-14, the overall education budget of Peshawar district for elementary and secondary education is Rs 3,893.5 million³. In 2011-12, the total revised district education budget was Rs 3,368.7 million, which means that the budget has increased by around 15.6 percent over the period of two years not even sufficient for double digit inflation during these years. In real terms the spending on education in Peshawar District is stagnant. In per capita terms, the government spent around Rs 1,133 in 2013-14 in Peshawar District as compared to Rs 1,052 in 2011-12 showing a minimal increase. However, a more accurate estimate would be the education expenditure on per student. If we take the revised budget estimates for the year 2012-13 and the total enrolment for the same year in District Peshawar, than per student average expenditure for the year is around Rs 11,842.

The bifurcation of education budget into salary and non-salary budgets shows (as shown in the table 4.5) that most of the education budget goes to the employee's related expenses, mainly salaries of the teachers and supporting staff. Around 96% to 99% of the budget goes to salaries and very little money is left for operation, maintenance and other expenses. This huge salary budget needs to be linked with service delivery. Also the inadequate non-salary recurrent spending need to be increased so that school infrastructure improves.

	2011-12		2012-13		2013-14
	Budget Estimate	Revised Estimate	Budget Estimate	Revised Estimate	Budget Estimate
Salary	2,556,692,840	3,318,397,570	3,386,434,450	3,787,411,690	3,864,253,000
(% share)	(98%)	(99%)	(97%)	(96%)	(99%)
Non-Salary	63,753,950	50,340,470	97,646,480	162,960,120	29,277,000
(% share)	(2%)	(1%)	(3%)	(4%)	(1%)
Total	2,620,446,790	3,368,738,040	3,484,080,930	3,950,371,810	3,893,530,000

The non-salary budget of the department includes various sub-heads essential for the operation and maintenance as well as routine activities of the administrative offices and their subordinate institutions. Besides the vital utilities like electricity, gas, telephone, it incorporates other heads

³ This amount also includes budget estimates of one vocational training institute for girls in Peshawar. Also this excludes a sum of Rs 3.2 billion as it were shown in the budget of Peshawar while it is provincial programme meant for the whole province.

like transportation, traveling allowance, POL, repair and maintenance, purchase of equipment and furniture. The most important amongst them all are two heads of Petty Repair and Class Room Consumables, which are based on the number of class rooms in a given institution. These funds are part of the PFC Award and their present rate is RS 5000/- and RS 2000/- per class room per annum respectively. The mode of utilization is specified and governed under Parent Teacher Council (PTC) guidelines issued by the provincial government and amended from time to time.

3.3.2 Allocation for Various Levels of Education

The annual current budget allocation for Elementary and Secondary Education (E&SE) include the following sub-sectors

- Primary Schools
- Middle Schools
- Secondary Schools
- Administration

Secondary schools can further be divided into the following

- High Schools
- Higher Secondary Schools
- Centennial Schools
- Vocational Schools

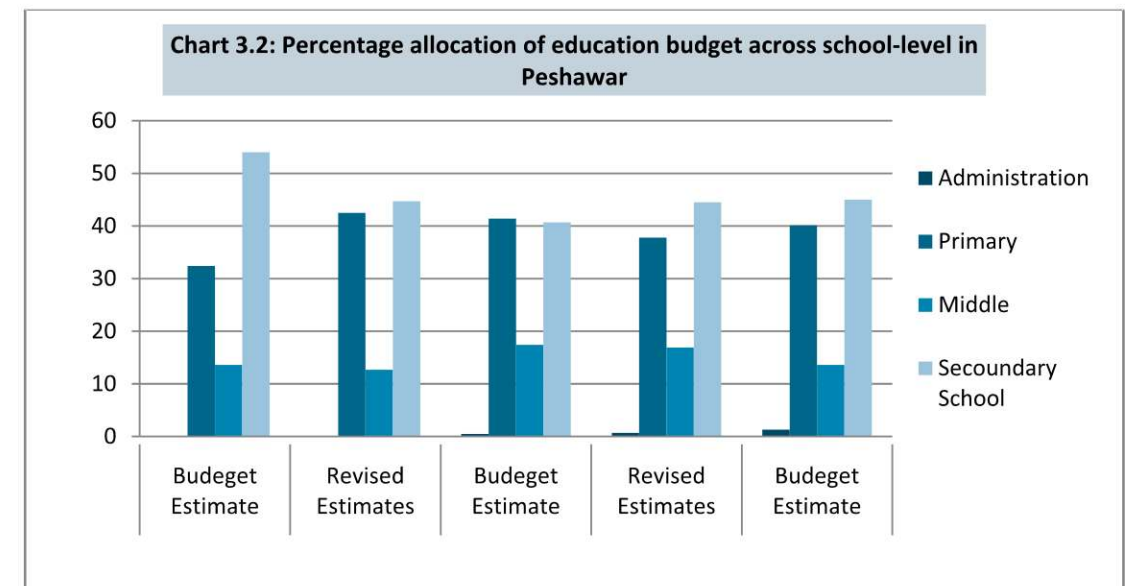
Table 3.6 shows the revised and estimated allocation of educational budget of Peshawar district to different level of schools during the last three years. The tables show that the highest percentage of funds is allocated to the secondary education sector of which high schools attract most of the budget allocations. Given that primary schools accounts for around 80% of the total school infrastructure in the district and 72% of the total students enrolled in government schools, only 40% of the total funds go to the primary education sector. For example, average allocation to a primary school in 2013-14 is Rs 1.5 million while the same is Rs 10.3 million for a high school. Primary schools are mostly in rural areas and lack teachers and the accompanying infrastructure to effectively run the schools.

According to the E&SE statistics, there are 2,625 government primary schools in the province (1,175 boys and 1450 girls) which have only one teacher and 8202 Government primary schools (4835 Boys and 3367 Girls) with two teachers only. Schools where there are one or two teachers have a total enrolment of around 731,459 students. Similarly the infrastructure facilities at the primary schools are in the worst condition. For example, more than 54% of government primary schools in the province have only two or less rooms in it. The overall allocation for education sector need to be increased so that allocations for primary education sector are increased without affecting the funding for secondary education.

If we divide total education budget of the Peshawar district into primary vs. secondary education allocation per student, then Rs 24,555 were spent per student at the secondary level while only Rs 6,237 were spent on primary education. Sectoral priorities of the KP education department show very low importance to primary education depicting in the lower budget allocation to primary schools as compared to secondary schools. According to a World Bank report, KP's expenditure per student on primary schools is the lowest in the country and its spending per student is almost half of Punjab's spending⁴. Chart 3.2 gives the percentage allocation district education budget to different levels of school in Peshawar.

⁴ Khyber Pakhtunkhwa Public Expenditure Review, Feb, 21013, World Bank.

	2011-12		2012-13		2013-14
	Budget Estimate	Revised Estimates	Budget Estimate	Revised Estimates	Budget Estimate
Administration	0	0	17,107,430	28,600,190	49,805,000
Primary Schools	848,887,310	1,433,016,660	1,440,699,130	1,492,608,600	1,563,066,000
Middle Schools	356,850,930	429,084,170	607,146,110	669,333,608	530,382,000
Secondary Schools	1,414,708,550	1,506,637,210	1,419,128,260	1,759,829,412	1,750,277,000
High Schools	1,036,603,960	1,020,992,540	996,170,790	1,280,300,966	1,216,190,000
Higher Sec Schools	313,900,920	417,352,970	332,831,380	365,021,986	425,797,000
Centennial M Schools	62,796,700	66,681,350	88,493,620	111,533,990	106,278,000
Vocational Schools	1,406,970	1,610,350	1,632,470	2,972,470	2,012,000
Total	2,620,446,790	3,368,738,040	3,484,080,930	3,950,371,810	3,893,530,000



3.3.3: Gender-wise Budget Allocations in Peshawar District

Table 3.7 gives actual and percentage distribution of education budget of district Peshawar for the last 3 years. As both the number of schools and the enrolment level is high in boys schools,

Year	Boys Schools	Girls Schools	Total
2011-12 (Revised Budget)	2,051,967,270	1,316,770,770	3,368,738,040
(In Percent)	61%	39%	100%
2012-13 (Revised Budget)	2,226,018,740	1,724,353,070	3,950,371,810
(In Percent)	56%	44%	100%
2013-14 (Estimates)	2,307,509,000	1,586,021,000	3,893,530,000
(In Percent)	59%	41%	100%

almost 60% of the total education budget is consumed by boys schools while the remaining 40% of the budget goes to girls schools. If the government is serious about filling the gender gap as promised under the MDGs then it has to increase the budget allocations for girl's school. Female literacy rate in Peshawar district and KP as a whole is well below that of Male literacy rate and the reason is both our society failure to send their girls to school and our statue failure to give equal importance to girls education in terms of lower allocations of funds.

3.3.4 Other Allocations

For the financial year 2013-14, the Peshawar education budget has some entries which are part of the provincial programmes but shown in the education budget of Peshawar. A huge amount of Rs 3.2 billion is shown in entries which are ambiguous as most belong to the 'other' category. To have a precise output based budgeting these entries need to be specially shown in the proper tangible heads. Table 3.8 gives summary of the total allocations under this head.

School Level	Heads	Budget Estimates
Primary Schools	1. Electricity	200,000,000
	2. Financial Assistance to the Families of Government Servants	421,298,000
	3. Others	150,000,000
	4. Printing and Publications	10,000
	5. Others	1,969,066,000
Middle Schools	1. Financial Assistance to the Families of Government Servants	100,000,000
	2. Others	150,000,000
Secondary Schools	1. Financial Assistance to the Families of Government Servants	100,000,000
	2. Others	150,000,000
Total		3,240,374,000

4. District Mardan Education Budget Analysis

4.1 Mardan: Population, Its Density & Other Characteristics

Mardan is the second largest city in terms of population in Khyber Pukhtunkhwa and is growing at rate of 3.0 percent per annum on average. Mardan is part of the Peshawar Valley which is considered as the food basket of the province. According to 1998 census the total population of Mardan district is 1.46 million out of which 51.6 percent are male and 48.4 percent are female with a sex ratio (males per 100 females) of 106.6. Unlike the provincial capital of Peshawar, In Mardan 17.5% of the population lives in the urban areas while the remaining 79.8 percent resides in the rural area where the main livelihood mean is agriculture. The projected population of Mardan district is expected to be around 2.278 million in 2013 excluding the migrant population inflow and outflow.

According to 1998 census, the literacy rate in the Mardan district was 36.5 percent with large Rural-Urban and gender gaps. These literacy rates were significantly higher than the rates reported during the previous census in 1981. In 1998, only 37.6 percent people in the rural areas were literate, as against 55.6 percent in urban areas. In terms of gender gap, the literacy rate among males stood at 53.5 percent while for female it was just 18.4 percent. According to the latest

estimates available from the Pakistan Social & Living Standards Measurement (PSLM) Survey, the overall literacy ratio in Mardan district further increased to 48% in 2010-11. The same survey estimates the literacy ratio at 65% for male and 31% for female in the district. To achieve the MDG goals on education, even huge investments may be insufficient to achieve the targets by 2015. Table 4.1 presents a brief summary of population and literacy related statistics.

Table 4.1: Mardan District Population & Literacy Ratios

Total Population 1998	1,460,100
Urban	255,128
Rural	1,164,972
Male	753,442
Female	706,658
Sex Ratio	106.6
Literacy Ratio 1998	36.5%
Male	53.5%
Female	18.4%
Literacy Ratio 2011	48.0%
Male	65.0%
Female	31.0%
Total Population 1981	881,465
1981-98 Avg. Annual Growth Rate	3.01%
Projected Total Population in 2013	2,278,103

Source: Population Census Organization, Government of Pakistan

4.3 Education Budget Analysis of Mardan District

4.3.1 Budget Overview: Total Budget Allocations & Salary Vs Non-Salary Budget

For the current Financial Year 2013-14, the overall education budget of Mardan district for elementary and secondary education is Rs 4218.48 million. In 2011-12, the total revised district education budget was Rs 3360.7 million, which means that the budget has increased by around

	2011-12		2012-13		2013-14
	Budget Estimate	Revised Estimate	Budget Estimate	Revised Estimate	Budget Estimate
Salary	2,517,270,260	3,241,433,850	3,412,395,110	3,852,738,660	4,161,219,000
(% share)	(96)	(96)	(95)	(94)	(99)
Non-Salary	107,917,970	119,321,900	175,442,390	225,800,630	57,265,000
(% share)	(4)	(4)	(5)	(6)	(1)
Total	2,625,188,230	3,360,755,750	3,587,837,500	4,078,539,290	4,218,484,000

25.5 percent over the period of two years only stuffed for double digit inflation during these years. So in real terms the spending on education in Mardan District is stagnant as in other districts. In per capita terms, the government spent around Rs 1798 in 2013-14 in Mardan District as compared to Rs 1519 in 2011-12 showing a significant increase over the two years. The per capita expenditure in Mardan is higher than that of Peshawar for the respective periods. This may be the effect of home constituency of the Chief Minister of the province. Discretionary powers with the CM may have been come in place to be preferred over the use of rules and regulations or it may be the effect of effective monitoring over releases of funds. However, a more accurate estimate would be the education expenditure per student. If we take the revised budget estimates for the year 2012-13 and the total enrolment for the same year in District Mardan, then per student average expenditure for the year is around Rs 11,916 marginally above than that of Peshawar District. It is to be noted that both number of schools and the enrolment there in is higher than that of Peshawar district despite the fact that population of Peshawar is much bigger than Mardan. Unequal distribution of resources across the districts over a period of time and preference for private schools in Peshawar district may be the main reasons.

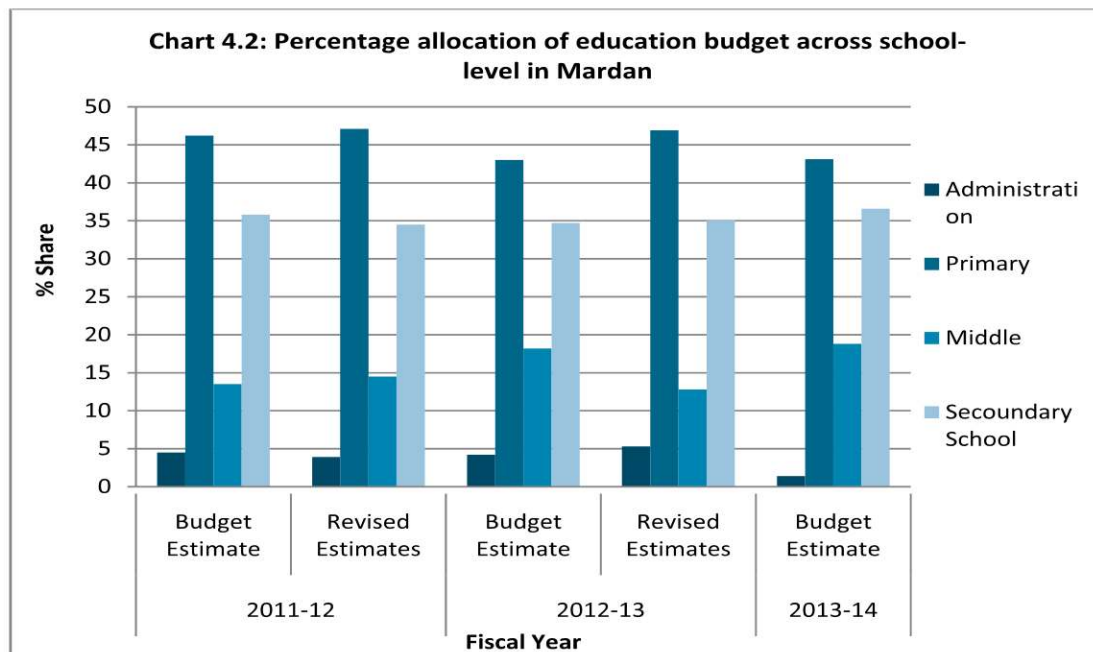
The bifurcation of education budget into salary and non-salary budgets shows (as shown in the table 4.5) that most of the education budget goes to the employees related salary expenses which mainly consists of salaries and allowances for teachers. Most of the budget (from 94% in 2012-13 to 99% in 2013-14) thus goes to salaries and very little money is left for operation, maintenance and other non-salary expenses to run the school. This huge salary budget needs to be linked with service delivery while the overall budget for the education sector should be increased to compensate for the wear and tear of school infrastructure. Our visits to some of the schools in Mardan district reveals that students are short of benches to set on. This inadequate non-salary recurrent spending need to be increased as it is clearly insufficient to meet the day to day needs of schools thus contributing to low quality. Practically there is no financial planning function left with the district and provincial educational departments other than paying salaries of teachers and

supporting staff. With insufficient funding for teaching and learning material, and utility bills etc limit effective imparting of education at the government run schools. Non-salary expenditures are also needed for the district and provincial educational department to monitor the quality of education.

4.3.2 Allocation for Various Levels of schools in Mardan

The annual current budget allocation for Elementary and Secondary Education (E&SE) are giving in tables below with break-up in its sub-sectors. The following Table 4.6 shows the actual allocation of budgets to different level of education for the last three years. The table's shows that the funds allocated to the primary education sector are in the range of 43 to 47 percent of the total budget trough out these years. The remaining funds go to other levels of education where the bulk goes to high schools. Given that primary schools accounts for around 80% of the total school infrastructure in the district and 66% of the total students enrolled in government schools, only 47% of the total funds go to primary education which is insufficient. Primary schools are mostly in rural areas and lack teachers and the accompanying infrastructure to effectively run the schools.

	2011-12		2012-13		2013-14
	Budget Estimate	Revised Estimates	Budget Estimate	Revised Estimates	Budget Estimate
Administration	118,569,760	131,320,990	148,919,520	214,806,260	60,290,000
Primary	1,212,584,860	1,581,616,840	1,542,108,600	1,911,001,050	1,820,252,000
Middle	353,819,000	487,869,280	653,063,600	522,101,880	792,262,000
Secondary Schools[Total]	940,214,610	1,159,948,640	1,243,745,780	1,430,630,100	1,545,680,000
High Schools	779,450,520	952,177,270	1,034,793,980	1,186,918,860	1,245,948,000
Higher Sec Schools	139,501,940	178,423,160	180,786,050	210,510,880	286,440,000
Centennial Model Schools	21,262,150	29,348,210	28,165,750	33,200,360	13,292,000
Total	2,625,188,230	3,360,755,750	3,587,837,500	4,078,539,290	4,218,484,000



4.3.3: Gender-wise Budget Allocations in Mardan District

Table 4.7 gives actual and percentage distribution of education budget of district Peshawar for the last 3 years. As both the number of schools and the enrolment level is high in boys schools, almost 65% of the total education budget is consumed by boys schools while the remaining 35% of the budget goes to girls schools. If the government is serious about filling the gender gap as promised under the MDGs then it has to increase the budget allocations for girl's school. Female literacy rate in Mardan district and KP as a whole is well below that of Male literacy rate and the reason is both our society failure to send their girls to school and our statue failure to give equal importance to girls education in terms of lower allocations of funds.

Year	Boys Schools	Girls Schools	Total
2011-12 (Revised Budget)	2,159,388,380	1,201,367,370	3,360,755,750
(In Percent)	64%	36%	100%
2012-13 (Revised Budget)	2,664,132,460	1,414,406,830	4,078,539,290
(In Percent)	65%	35%	100%
2013-14 (Estimates)	2,732,074,000	1,486,410,000	4,218,484,000
(In Percent)	65%	35%	100%

5: District Swabi Education Budget Analysis

5.1 A brief profile of Swabi District

Swabi is the fourth most populous district of Khyber Pakhtunkhwa province and is part of the most fertile Peshawar Valley of the province. With a total area of 1543 square kilometer, the district is situated between the river Indus and river Kabul. Most of the land is irrigated where wheat, tobacco, sugarcane and maize crops are grown.

According to 1998 census the total population of Swabi district is 1.026 million out of which 50.3 percent are male and 49.7 percent are female with a sex ratio (males per 100 females) of 101.2. Between the last two censuses, the population of the district rose at annual average growth rate of 2.96%. Majority of the population lives in rural areas. Out of the total population, 17.5% of the population lives in the urban areas while the remaining 82.5 percent resides in the rural area where the main livelihood earning is agriculture. At the annual average growth of 2.96%, the population of Swabi district is projected to be around 1.590 million in 2013.

Table 5.1: Swabi District Population & Literacy Ratios

Total Population 1998	1,026,804
Urban	179,214
Rural	847,590
Male	516,540
Female	510,264
Sex Ratio	101.2
Literacy Ratio 1998	36.0%
Male	54.0%
Female	18.3%
Literacy Ratio 2011	52.0%
Male	68.0%
Female	36.0%
Total Population 1981	625,035
1981-98 Avg. Annual Growth Rate	2.96%
Projected Total Population in 2013	1,590,433

Source: Various issues of Population Census Organization, Government of Pakistan

According to 1998 census, the literacy rate in the Swabi district was 36.5 percent with large Rural-Urban and gender gaps. These literacy rates were significantly higher than the rates reported during the previous census in 1981. The 1998 census had shown a significant rural-urban difference in terms of literacy rates. In 1998, the literacy rate in rural areas was 34.5 percent while in urban areas, it was 43.40 percent. In terms of gender gap, in 1998, the literacy rate among males stood at 54 percent and, among females, at 18 percent. According to the latest estimates available from the Pakistan Social & Living Standards Measurement (PSLM) Survey, the overall literacy ratio in Swabi district further increased to 52% in 2010-11. The same survey estimates the literacy ratio at 68% for male and 36% for female in the district. So as in other districts, Swabi too has large gender and rural-urban gaps and need serious policy focus to cover these gaps.

5.2 Education Sector in District Swabi

According to the Elementary & Secondary Education Department of Khyber Pakhtunkhwa Government, there exist 1321 schools in the public sector in Swabi district as on October, 2012.

During the last five years, a total of 72 schools were added in the district. Out of total, 773 schools are for boys and 548 for girls, which indicate a gender gap of 58 schools for boys and 42 schools for girls (See Table 5.2) despite the fact that population of the district is equally distributed between male and female. Due

School Level	2007-08			2012-13		
	Boys	Girls	Total	Boys	Girls	Total
Primary Schools	592	424	1016	613	447	1060
Middle Schools	77	41	118	76	46	122
High Schools	66	35	101	77	47	124
Higher Secondary schools	8	6	14	7	8	15
Total	743	506	1249	773	548	1321

Source: Annual Statistical Reports of Govt Schools, E&SE Department, Govt of KP 2007-08 & 2012-13

to this gender gap, girl students often go to the boys schools due to lack of girls-only schools in the nearby. And this arrangement is only feasible at the primary level so as a result girls drop-out at the 6th grade due to non-availability of girls-only school in the nearby. Chart 5.1 gives the percentage distribution of schools at different levels of schools in the year 2012. As in other district 80% of the total school infrastructure consists of primary schools

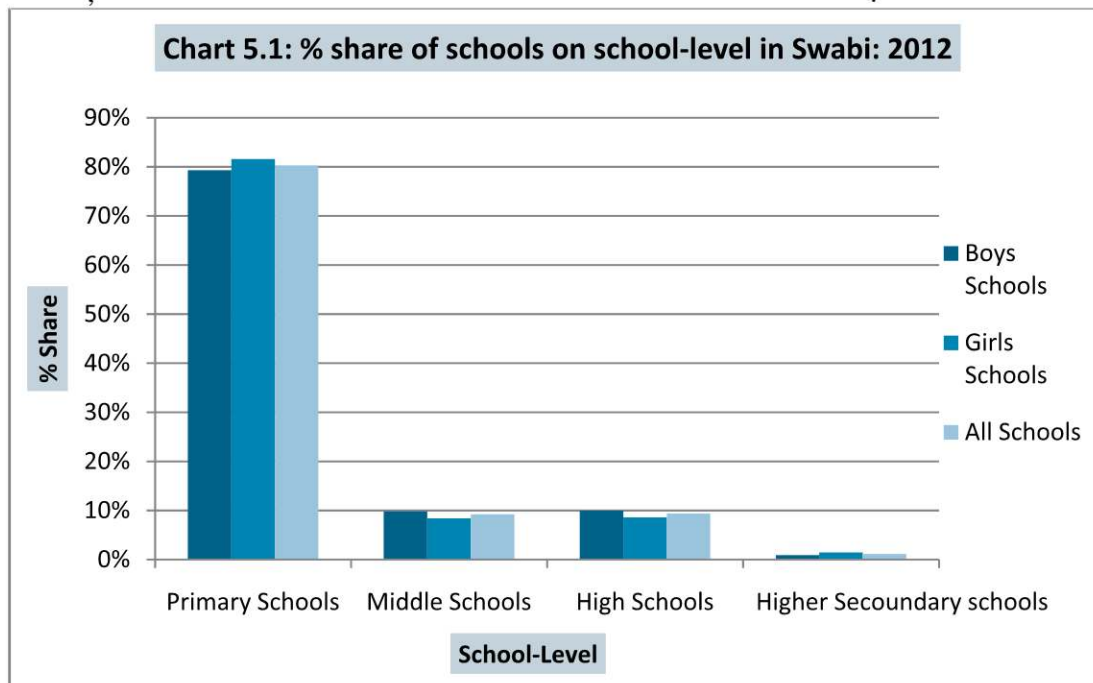


Table 5.3 gives statistics of school enrolment at various levels of school in district Swabi as on 31st October, 2012. A total of 239,914 students, both boys and girls are enrolled in the public sector school. Almost 67% of the total enrolment is at the primary school. Enrolment at primary schools for boys also includes the girls who are studying there and vice versa. A total of 12, 923 girls are studying in the boy's school, 13.7% of total enrolment in boy's primary school. Similarly, there are around 3,312 boys who go to girl's school for their primary education. Non-availability of primary schools in the close vicinity is the main cause cited during our visit to a number of mixed primary schools in Swabi.

Table 5.4 below

shows the condition of school infrastructure regarding missing facilities in District Swabi. Here again, primary schools are the major casualty in terms of missing facilities in the educational institutes that have been established by the government. Almost 12 percent of the primary schools lack basic facilities of boundary wall, water supply, electricity and toilet in district Swabi. Conditions in secondary schools are comparatively better. As discussed earlier, though the overall educational infrastructure needs huge funds to rehabilitate but the primary educational institutes are in shambles and need special attention.

Table 5.3 Total Enrolment in Boys and Girls Schools in 2012-13: Swabi

School-Level	Boys Schools	Girls Schools	Total
Primary Schools	94,316	65,310	159,626
Middle Schools	9,931	4,872	14,803
High Schools	34,694	20,920	55,614
Higher Secondary Schools	4,286	5,585	9,871
Total	143,227	96,687	239,914

Source: Various Issues of Annual Statistics Report, E&SE, KP Government

Table 5.4: District Swabi: Number of Primary Schools with or without basic facilities

School Level	Boundary Wall		Water supply		Electricity		Toilet	
	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls
Primary Schools								
With	488	445	488	392	463	385	523	443
Without	71	2	71	55	96	62	36	4
Middle Schools								
With	69	44	65	41	64	39	73	42
Without	7	2	11	5	12	7	3	4
High Schools								
With	71	47	75	45	77	46	76	47
Without	6	0	2	2	0	1	1	0
Higher Secondary Schools								
With	6	7	7	8	7	8	7	8
Without	1	1	0	0	0	0	0	0

5.3 Education Budget Analysis of Swabi District

This section presents the budget analysis of education sector in Swabi district.

5.3.1 Budget Overview: Salary Vs Non-Salary Budget

For the current Financial Year 2013-14, the overall education budget of Swabi district for elementary and secondary education is Rs 3,090.3 million. In 2011-12, the total revised district education budget was Rs 2484.9 million, which means that the budget has increased by around 24.3 percent over the period of two years only sufficient for double digit inflation during these years. In per capita terms, the government spent around Rs 1887 in 2013-14 in Swabi District as compared to Rs 1609 in 2011-12 showing a significant increase over the two years. The per capita expenditure in Swabi is much higher than that of Peshawar. However, a more accurate estimate would be the education expenditure on per student. If we take the revised budget estimates for the year 2012-13 and the total enrolment for the same year in District Swabi, than per student average expenditure for the year is around Rs 12,380 marginally above than that of Peshawar and Mardan District.

The bifurcation of education budget into salary and non-salary budgets shows (as shown in the table 5.4) that most of the education budget goes to the employees related salary expenses. Most of the budget (from 96% in 2012-13 to 99% in 2013-14) thus goes to salaries and very little

	2011-12		2012-13		2013-14
	Budget Estimate	Revised Estimate	Budget Estimate	Revised Estimate	Budget Estimate
Salary (% share)	1,957,205,810 (97)	2,416,007,400 (97)	2,494,506,920 (98)	2,839,831,540 (96)	3,064,699,000 (99)
Non-Salary (% share)	60,529,230 (3)	68,936,740 (3)	61,124,280 (2)	130,305,230 (4)	25,613,000 (1)
Total	2,017,735,040	2,484,944,140	2,555,631,200	2,970,136,770	3,090,312,000

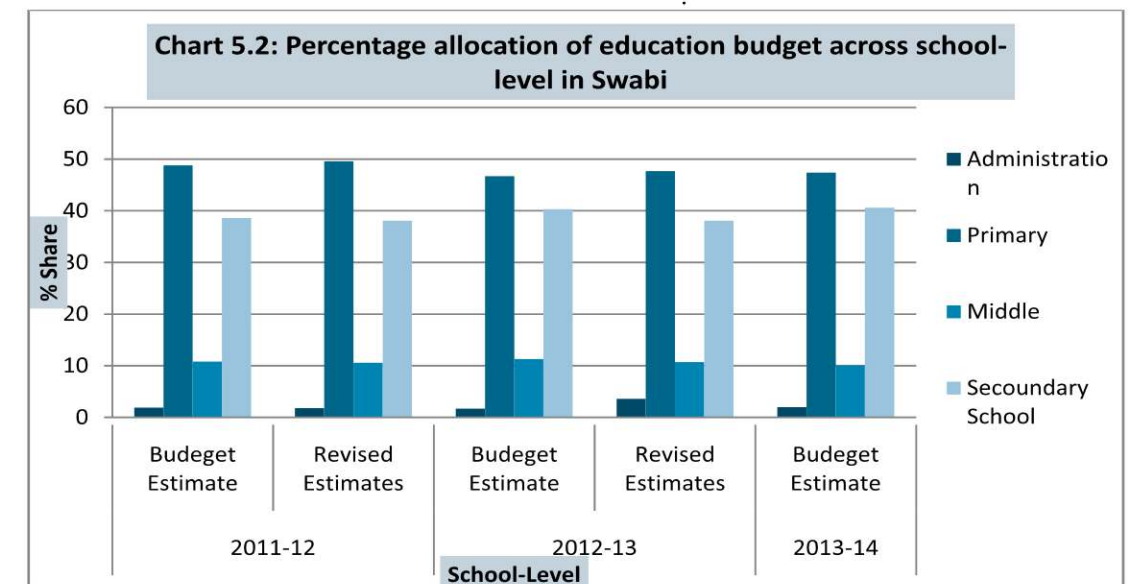
money is left for operation, maintenance and other non-salary expenses. This huge salary budget needs to be linked with service delivery while the overall budget for the education budget should be increased. Also the inadequate non-salary recurrent spending need to be increased so that school infrastructure improves. The non-salary budget of the department includes various sub-heads essential for the operation and maintenance as well as routine activities of the administrative offices and their subordinate institutions. Besides the vital utilities like electricity, gas, telephone, it incorporates other heads like transportation, traveling allowance, POL, repair and maintenance, purchase of equipment and furniture. The most important amongst them all are two heads of Petty Repair and Class Room Consumables, which are based on the number of class rooms in a given institution. These funds are part of the PFC Award and their present rate is RS 5000/- and RS 2000/- per class room per annum respectively. The mode of utilization is specified and governed under Parent Teacher Council (PTC) guidelines issued by the provincial government and amended from time to time.

5.3.2: Allocation for Various Levels of Education

Table 5.6: District Swabi: Allocations for Various Level of Education (In Pak Rupees)

	2011-12		2012-13		2013-14
	Budget Estimate	Revised Estimates	Budget Estimate	Revised Estimates	Budget Estimate
Administration	37,777,230	43,949,300	44,672,560	105,870,100	60,268,000
Primary	984,570,160	1,232,136,230	1,192,634,180	1,415,686,860	1,463,784,000
Middle	217,321,660	262,744,580	287,860,560	317,400,950	311,224,000
Secondary School	778,065,990	946,114,030	1,030,463,900	1,131,178,860	1,255,036,000
High Schools	677,195,080	827,923,630	905,163,270	1,002,497,940	1,031,000,000
Higher Sec Schools	71,110,890	84,540,610	89,873,320	88,311,320	180,514,000
Centennial M Schools	29,760,020	33,649,790	35,427,310	40,369,600	43,522,000
Total	2,017,735,040	2,484,944,140	2,555,631,200	2,970,136,770	3,090,312,000

The annual current budget allocation for Elementary and Secondary Education (E&SE) are giving in tables below with break-up in its sub-sectors. The following Table 5.6 shows the actual and percentage allocation of budgets to different level of education for the last three years. The table's shows that the funds allocated to the primary education sector are around 47/48 percent of the total while the remaining funds go to other levels of education. Given that primary schools accounts for around 80% of the total school infrastructure in the district and 66% of the total students enrolled in government schools, only 47% of the total funds go to primary education which is insufficient. Primary schools are mostly in rural areas and lack teachers and the accompanying infrastructure to effectively run the schools



According to the E&SE statistics, there are 2,625 government primary schools in the province (1,175 boys and 1,450 girls) which have only one teacher and 8,202 Government primary schools (4,835 Boys and 3,367 Girls) with two teachers only. Schools where there are one or two teachers have a total enrolment of around 731,459 students. Similarly the infrastructure facilities at the primary schools are in the worst condition. For example, more than 54% of government primary schools in the province have only two or less rooms in it. The overall allocation for education sector need to be increased so that allocations for primary education sector are increased without affecting the funding for secondary education.

If we divide total education budget of the Swabi district into primary vs. secondary education allocation per student, then Rs 18,042 were spent per student at the secondary level while only Rs 8,868 were spent on primary education. As compared to the educational budget in Peshawar, the disparity in Swabi is a significantly lower than that of Peshawar. However large variations exist in Swabi in terms of allocation of money between primary and secondary education. Sectoral priorities of the KP education department show very low importance to primary education depicting in the lower budget allocation to primary schools as compared to secondary schools. According to a World Bank report, KP's expenditure per student on primary schools is the lowest in the country and its spending per student is almost half of Punjab's spending.

5.3.3: Gender-wise Budget Allocations in Swabi District

Table 5.7 gives actual and percentage distribution of education budget of district Swabi for the last 3 years. As both the number of schools and the enrolment level is high in boys schools, almost 65% of the total education budget is consumed by boys schools while the remaining 35% of the budget goes to girls schools. If the government is serious about filling the gender gap as promised under

Year	Boys Schools	Girls Schools	Total
2011-12 (Revised Budget) (In Percent)	1,638,050,130 66%	846,894,010 34%	2,484,944,140 100%
2012-13 (Revised Budget) (In Percent)	1,972,192,160 66%	997,944,610 34%	2,970,136,770 100%
2013-14 (Estimates) (In Percent)	1,990,280,000 64%	1,100,032,000 36%	3,090,312,000 100%

the MDGs then it has to increase the budget allocations for girl's school. Female literacy rate in Swabi district and KP as a whole is well below that of Male literacy rate and the reason is both our society failure to send their girls to school and our statue failure to give equal importance to girls education in terms of lower allocations of funds.

6: Findings and Recommendations

This study brings out the several concerns that require attention of policy makers and other stakeholders.

- The overall budget for the education sector in the districts needs to be increased. This would, however, be only possible if, on the one hand, the resources allocated through the PFC Award witness significant increase and, on the other hand, the districts improve their own resource generation capacity and efforts.
- There exist a vast gap between the number of educational facilities meant for boys and girls in all three districts. And yet, little is being done to address this gender gap, despite the fact that the girls need more educational institutions to have easy access. More educational institutions for females are also required to bridge the vast gap between male and female literacy rates. The budget making process needs to be made gender sensitive in order to ensure adequate provisions for the existing girls' schools as well.
- Most of the education sector budget available with the district government is consumed by employees' related expenses. As a result, little amounts are allocated for non-salary budget heads, which are extremely important for smooth functioning of educational institutions. Without making adequate provisions for non-salary heads like communication, consumables, utilities and transport, it would be unrealistic to expect improvement in enrollments or quality of education delivered in government schools.
- The district has very limited resources available for implementing development projects. This is obvious from the fact that the district government has not been able to build any new schools from its district education budget over the last several years; and it has to solely depend on the provincial ADP.
- The budget calendar, as provided in the Budget Rules notified by the NWFP (now Khyber Pakhtunkhwa) government in 2003, is not strictly followed. In particular, the provisions relating to stakeholder consultations, timely completion of proposals and technical sanctions, and presentation of draft budget in the District Council are ignored, which limits the opportunities for public participation and oversight.
- Female teachers face additional difficulties, especially when posted away from their places of residence. It is important that their salaries packages are made attractive enough to ensure that they happily attend the schools and perform their duties.
- The non-salary allocations need to be significantly increased so that schools could meet the necessities relating to their operating expenses. Simultaneously, efforts should be made to improve procedures and human resource capacities in order to ensure that schools can efficiently access and utilize funds allocated for operating expenses.
- The budgetary allocations should be linked with performance of relevant institutions. Such Performance Based Budgeting with a well defined monitoring policy can help improve the quality of education.
- All stakeholders, including the students and communities, should be consulted in the process of identifying budgetary needs of school. This can happen at the time when schools are required to submit their requirements in response to the Budget Call Letter.
- The budget in all districts are prepared on incremental basis i.e., budget allocations to different sectoral heads are made on arbitrarily determined limits for the increments over the previous year actual budgets. This need to be changed to a proper strategy based on need and performance.

- Decentralizing of expenditures are needed as at the moment, all decisions regarding expenditure are done at the province level with little or no input from the final service delivery station is taken into account. The budget making process should include teachers and parents which can give suggestions to their E&SE department to be incorporated in final allocations.
- Due to a strong focus on the construction of new school infrastructure, the already existing infrastructure gets little attention during expenditure planning. To improve on the missing facilities at schools, especially at the primary level, will be right strategy to achieve maximum with limited resources. Low spending on the operation and maintenance of the existing public schools infrastructure is ruining the already existing facilities.
- Pakistan is signatory to MDGs and to achieve goals of 100% universal primary education and gender equity, a lot of more funds need to be diverted to the primary sector. An analysis of the current spending on education in Peshawar, Mardan and Swabi shows that KP government expenditure priorities are more focus on secondary education instead of primary education. According to a World Bank report, KP's expenditure per school is the lowest in the country as its spending per student is almost half of Punjab's.
- Special measures are needed to rehabilitate schools that were affected by militancy in the province
- There should be also measures on the demand side of education to compliment supply-side initiatives. According to surveys on education sector, poverty is the main cause of parents' not sending their children to school. So specific policy measures are needed to target the poverty-stricken households to compensate them for sending their children to schools.
- Salary related expenditure attracts most of the spending of the KP government on education (up to 99% in our case study districts). There is a need of strong monitoring to make teachers of the public schools more accountable for their service delivery
- At present all decisions regarding budgetary expenditures are made at the provincial level. The provincial government needs to decentralize the decision making to district level through holding elections under KP Local Government Act 2013, and devolving these powers to districts.
- The already existing Parent Teachers Councils needed to be mobilized as our field work suggest that there is very low participation of parents in these councils. The reason behind low participation is that rich and middle class parents have opted out from government schools and the poor class has no voice in order to have an impact on the policies. To get confidence of rich parents, quality of education should be improved besides supply side improvements. Once rich parents send their children to government schools, local community may want to be part of the policy formulations.

Visit to a Government Primary School in District Swabi

This is story of a government primary school which was visited by one of our team member in a small village of Swabi which is around 4-5 kilometer away from the main city centre. Population of the village is around 300 households and their main livelihood source is farming on lands of others on fixed rent. Their homes, mostly non-cemented and kacha, are built by their landlords. Most of the households are either local poor people or migrant from other parts of Khyber Pakhtunkwa. These migrants either came few decades ago due to non-availability of livelihood opportunities in their own localities or the more recent ones which are affectees of the war on terror in their home towns of Bajaur, Mohmand etc. Most of these households are poor and dependant on the agriculture produce.

The school, a boy's school established in 1997, has some 170 students where one third of them are girls. Non-availability of a girl's school in the village compels parents to send their girls to boy's school. The school has an area of around 2 Canals which was donated by a local landlord. This school has two rooms and a hallway. Luckily, the school has the facilities of boundary wall, latrine, drinking water and electricity. The two class rooms, however, have no benches that students can set on. Students use some torn-out rugs and plastic sheets. Each room accommodate students of two classes where seating arrangements is made such that they sit opposite to each other facing the black boards on the wall. Students of the lower grade set outside in the open and in harsh weather conditions they were told not to come to the school. Student attendance is also very low as the teacher told our team that most of the grown-up children work with their parents in the fields or at home.

The two teachers, one young and the other closed to his retirement age, were complaining the non-seriousness of the E&SE department. After their repeated requests to fill the two empty posts of teachers as the school was officially sanctioned to be run by 4 teachers at least. The teachers were saying that our voice would have been strong if the local community could add their voice to ours. But as most of the parents are from poor background and are busy in their daily livelihood earnings, their interest in school matters is non-existent. Local NGOs did come with their promises from time to time, but to no avail. The teachers were also complaining about the very low and irregular budget under the head of parent teacher allowance.

With a student-teacher ratio of 85 to 1 and the split of students in 7 grades, it is humanly impossible to reach to all students of the school. In case of emergency or illness of one of the two teachers, all students are supposed to be taught by one teacher. Most of the time the teacher may opt-out to relax instead of bothering to reach them.