

Management Functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	E&SED	E&SED	E&SED	E&SED	E&SED	E&SED
After devolution	E&SED	E&SED	E&SED	E&SED	District Government	E&SED	District Government
		District Government	District Government			District Government	

# FUNCTIONAL ASSIGNMENT IN THE ELEMENTARY AND SECONDARY EDUCATION SECTOR KHYBER PAKHTUNKHWA



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## Contents

List of Acronyms.....	iii
1. Introduction and Background.....	01
2. Functional Responsibilities for the Provincial Government under Devolution.....	04
3. The Future Role of the District Governments.....	05
4. HRM Implications of Devolution in the E&SE Sector.....	06
5. Budgetary Implications of Devolution in the E&SE Sector.....	08
6. Future Steps towards Devolution - A Possible Road Map.....	15
1. Harmonising sector legislation with the intended functional assignment.....	15
2. Sector planning in a multi-level education system.....	15
3. Sectoral financial management system.....	15
4. Assessment of provincial-level structures and processes.....	16
5. HRM in a decentralized education sector.....	16
6. Oversight system, sanctions, enforcement.....	16
7. Integrate the sector in the district management system.....	16
8. Delegation & de-concentration within the District's education sector.....	17
9. Capacity development at all levels for managing a decentralized education sector.....	17
Annex 1: Functional Assignment Tables.....	19
1. Sector Planning.....	19
2. Provision of Physical Infrastructure and Basic Facilities.....	20
3. Provision of Equipment, Furniture, School Libraries, and Laboratory & IT Equipment.....	21
4. Curriculum Development.....	22
5. Text Books and Learning Material Development.....	23
6. Printing and Distribution of Text Books.....	24
7. Examination.....	25
8. Assessment (of student competencies).....	26
9. Teacher Training and Education Pre-Service.....	27
10. Teacher Training and Education In-Service.....	28

11. Human Resource Management (HRM).....	29
12. Academic Inspection.....	33
13. Academic Supervision of Schools.....	34
14. Regulation of Private Schools and Establishing Public Private Partnership models.....	35
15. Scholarship, Stipends.....	36
16. Sports and Co-Curricular Activities.....	37
Annex 2: Explanation of Management Functions.....	38
Annex 3: Overview of Department's Drill-In Groups for Functional Assignment.....	39
Annex 4: Current Expenditure Budget of the Elementary and Secondary Education Sector (FY 2014/2015).....	41
Annex 5: Disbursement of Provincial Non-Salary Budget to the Districts (FY 2014/2015.....	43
Annex 6: Development Budget of Khyber Pakhtunkhwa, FY 2014-2015 (by level, by function).....	44
Annex 7: List of Devolved Functions for District Rules of Business.....	52
Annex 8: Devolution in the Elementary and Secondary Education Sector in Khyber Pakhtunkhwa.....	53

## List of Acronyms

<b>ADO</b>	Assistant District Officer
<b>ADP</b>	Annual Development Plan
<b>BI&amp;SE</b>	Board of Intermediate and Secondary Education
<b>BPS</b>	Basic Pay Scale
<b>CT</b>	Certificate of Teaching
<b>C&amp;W</b>	Communication and Works Department, Government of Khyber Pakhtunkhwa
<b>DCO</b>	District Coordination Officer
<b>DDEO</b>	Deputy District Education Officer
<b>DEO</b>	District Education Officer
<b>DCTE</b>	Directorate of Curriculum and Teacher Education
<b>DE&amp;SE</b>	Directorate of Elementary and Secondary Education
<b>ECCE</b>	Early Childhood Care and Education Project
<b>EEF</b>	Education Employees Foundation
<b>EMIS</b>	Education Management Information System
<b>E&amp;SED</b>	Elementary and Secondary Education Department, Government of Khyber Pakhtunkhwa
<b>ESP</b>	Education Sector Plan
<b>ESRU</b>	Education Sector Reform Unit
<b>GGHS</b>	Government Girls High School
<b>HEC</b>	Higher Education Commission
<b>HRM</b>	Human Resource Management
<b>ICT/IT</b>	Information and Communication Technology/Information Technology
<b>LGA</b>	Khyber Pakhtunkhwa Local Government Act 2013
<b>LGE&amp;RDD</b>	Local Government, Elections and Rural Development Department, Government of Khyber Pakhtunkhwa

<b>M&amp;E</b>	Monitoring and Evaluation
<b>O&amp;M</b>	Operations and Maintenance
<b>P&amp;D</b>	Planning and Development
<b>PEAC</b>	Provincial Education Assessment Centre
<b>PITE</b>	Provincial Institute for Teachers Education
<b>PO</b>	Planning Officer
<b>PTC</b>	Parent Teacher Council/Primary Teaching Certificate
<b>RITE</b>	Regional Institute for Teachers Education
<b>SDEO</b>	Sub-Divisional Education Officer
<b>SPO</b>	Senior Planning Officer
<b>SST</b>	Secondary School Teacher
<b>TBB</b>	Text Book Board

## 1. Introduction and Background

As requested by the Secretary, Elementary and Secondary Education Department, an exercise in functional assignment has been conducted since March 2014 to identify functions that the Department could devolve to the district level as part of implementing the 2013 Local Government Act of the province. Working closely with officials from the E&SED, district officials and others, the exercise was supported by advisors from two GIZ-implemented projects, the Basic Education Program and the Support to Good Governance Program.

The functional assignment process was based on an advisory approach that GIZ had developed and utilized in a number of decentralization reform processes in Asia. It basically involved.

- The identification of the functions that are part of the mandate of the sector (in this case: Elementary and Secondary Education)
- The mapping of these functions to levels of government (provincial - district) according to the existing (pre-devolution) arrangements, and (where necessary)
- The reassignment of such functions to these two levels of government following an assessment based on a number of guiding principles (see Box 1).

### Box 1 Principles that can be used when considering reassigning functions in a multi-level governance system

- Expedient disposal of government business to meet convenience and requirements of the public (as per Article 140A of the Constitution, see Preamble of the 2013 LGA)
  - Subsidiarity: Functions in question should be undertaken by the smallest jurisdiction that can do so effectively and efficiently. The UN Guidelines on Decentralization (2007) says that according to this principle, public responsibilities should be exercised by those elected authorities which are closest to the citizens. Sec 112 of the LGA 2013 mentions that the rules made by the Government for carrying out the purposes of the act shall be consistent, among others, with “subsidiarity”.
  - Efficiency & Effectiveness: Issues of cost-effectiveness (e.g. would a different allocation of functions increase transaction costs? Would it make the “production” of certain services more expensive/less expensive if responsibility for it would be moved to another level of jurisdiction? Would it make achieving the objectives of this function/service less or more likely? Would the public benefit from moving services to other levels (e.g. because less time is needed for the process, better accessibility of government offices etc.)?
  - Economies of Scale: If unit costs of delivering a certain function/service tend to be lower when the responsibility for delivery is given to a higher-level government having larger jurisdiction, then it is judicious to earmark those functions to a government at that level (typical example: bulk purchases of equipment, consumables)
  - Externalities: refers to the consequences of an action on others. For instance, actions of a certain government level (say: District Government XY) can have consequences for adjacent districts. (Similar: Spill- over effects)
  - Capacity of receiving level: In terms of human resources, physical resources, funds, access to data. It is important also to consider potential/future capacity when using this principle.
  - Traditional role distribution: Sometimes traditional roles exist that have been carried over into “modern” local government systems from the past.
  - Past experiences/lessons learnt: If something has been proven to work well and produce results, there might be justification to maintain it.
- It is also important to consider possible trade-offs between the principles. For instance “economies of scale” could work against the principle of “efficiency and effectiveness” if higher transaction costs are involved.

The attached tables (see Annex 1) document the results of the functional assignment process and are intended to become the basis for conceptualizing the required changes in the legal, budgetary and human resource systems of the sector that would make sector devolution in Khyber Pakhtunkhwa a reality.

The work process since March 2014 included the following main steps:

- An interactive workshop was conducted on 18/19 March 2014 with officials from the E&SED (provincial and district officers), giving conceptual inputs on the concept of functional assignment and the methodology to conduct a functional assignment exercise, and conducting jointly a functional assignment analysis of the current situation and for the post-devolution situation.
- During 2014, further discussion of the workshop results took place with officials from the relevant units of the E&SED (including a high-level meeting with the Secretary on 2 December 2014) and in so-called “drill-in groups” (see Annex 3 for the composition of these groups); these discussions clarified open issues and deepened the joint understanding of the various functions.
- In late February 2015, the tables were finalized as basis for the further work in preparing the devolution agenda of the sector.

The exercise identified 16 functions that are being implemented in the sector. These functions are as follows:

- Sector Planning
- Provision of Physical Infrastructure and Basic Facilities
- Provision of Equipment, Furniture, School Libraries, Laboratories and IT Equipment
- Curriculum Development
- Textbooks and Learning Material Development
- Printing and Distribution of Textbooks
- Examination
- Assessment (of student competencies)

- Teacher Training and Education - Pre-Service
- Teacher Training and Education - In-Service
- Human Resource Management (HRM)
- Academic Inspection
- Academic Supervision of Schools
- Regulation of Private Schools and Establishing Public Private Partnership Models
- Scholarship, Stipends
- Sports and Co-curricular Activities.

The fine-tuning of assigning responsibilities for functions to levels of government involved furthermore the distinction of several so-called “management functions” (see Annex 2) and an analysis which level of government is and should be responsible for each of them. In most cases for instance, the policy role for all the functions remains with the provincial level, while implementation (and partly even funding) would move to the district level.

The functional assignment exercise did not look at the operational role of lower levels of local government (tehsil, village/neighborhood) in education service delivery, but noted some monitoring and oversight roles of these levels via Standing Committees (tehsil council) or other mechanisms (village/neighborhood). Functional arrangements below the district level need to be worked out in more detail in the future. This includes (i) how the district administration can delegate part of its mandate to the lower levels, and (ii) how functional assignments to levels of local government can reflect (or incorporate) the management roles of the School Heads (e.g. for the provision of facilities and equipment, procurement of consumables, personnel management for teaching staff and administrative/support staff).

While for some functions the exercise came up with a clear assignment of functions to only one level of government, in other functions a shared responsibility (co-occupation) continues to exist (see Table 1). The following two chapters will explain in more detail how the roles and responsibilities of each level of government might look like in the future.



Table 1: Summary of Functional Assignment

	Policy	Planning	Budget & Funding	Regulation	M&R	M&E	Implementation
1	Provincial	Shared	Shared	Provincial		Shared	Shared
2	Provincial	Shared	Shared	Provincial	Shared	Shared	Shared
3	Provincial	Shared	Shared	Provincial	Shared	Shared	Shared
4	Provincial	Provincial	Provincial	Provincial		Provincial	Provincial
5	Provincial	Provincial	Provincial	Provincial		Provincial	Provincial
6	Provincial	Provincial	Provincial	Provincial		Provincial	Shared
7	Provincial	Shared	Shared	Shared	Shared	Shared	Shared
8	Provincial	Provincial	Provincial	Provincial		Provincial	Provincial
9	Provincial	Provincial	Provincial	Provincial		Provincial	Provincial
10	Provincial	Shared	Shared	Provincial		Shared	Shared
11	Provincial	Shared	Shared	Provincial		Shared	Shared
12	Provincial	District	District	Provincial		Shared	Shared
13	Provincial	District	District	Provincial		Shared	District
14	Provincial	Shared	Shared	Provincial		Shared	Shared
15	Provincial	Shared	Shared	Provincial	Shared	Shared	Shared
16	Provincial	District	District	District		District	District

## 2. Functional Responsibilities for the Provincial Government under Devolution

The Provincial Government<sup>1</sup> will retain its dominant role in policy-making for all the identified functions, and for the strategic planning of the sector (for instance in the form of the Education Sector Plan/ESP). It retains a major role in curriculum development, and in the training of teachers (both pre-service and in-service). Most of the HRM functions for sector officials from BPS grades 17-20 also remain with the Provincial Government.

In all these cases, the principles of externalities or economies of scale strongly point to the need to assign responsibilities for the function exclusively to the provincial level. For instance the education activities of the district governments need a common policy and strategy framework that defines policy objectives, priorities, time lines and milestones, and thus creates a common agenda for the sector. Within this common agenda, district governments might have some discretion to establish local priorities. For policy development and sector planning this will require a two-way approach where the Provincial Government needs to take into account priorities of the districts, while the districts in their own planning process are guided by (and must incorporate) policy objectives established by the Provincial Government.

Likewise on sector curricula there needs to be a province-wide approach<sup>2</sup> in order to avoid the fragmentation of the sector. Teacher training and education needs to be regulated and standardized in a rather uniform manner to ensure similarity of quality and content (especially regarding the pre-service training). Consequently, the Provincial Government will continue to operate and manage relevant sector institutions, like the Provincial Institute for Teachers Education (PITE), the Regional Institutes for Teachers Education (RITE), the College for Physical Education and the College for Agro-Technical Education.

In many of the other functions listed, the Provincial Government retains a major role for regulating how the function is to be implemented (for instance by establishing norms and standards, or by determining standard operating procedures). It also has a major role in Monitoring and Evaluation, in line with the stipulations of the 2013 LGA that establishes a strong oversight role of the Provincial Government vis-à-vis the levels of local government.

The implementing role of the Provincial Government will be reduced significantly under the devolution process as this role shifts mostly to the district level (see below). This shift will have implications for the HRM functions of the E&SED (see Chapter 4), and for the future distribution of budget resources (both current and development) (see Chapter 5). The much stronger role of the districts will require the E&SED to review and modify its standard operating procedures for sector planning, budget preparation, monitoring and evaluation, and for the reporting system within the E&SE sector (see Chapter 6).

<sup>1</sup>“Provincial Government” here in most cases refers to the Elementary and Secondary Education Department and its various units; sometimes it could mean other departments (like the Finance Department) or special bodies of the sector established for a specific role and with a certain degree of autonomy (like BISE, TBB, and Educational Regulatory Authority).

<sup>2</sup>This does not exclude the option to give districts limited discretion, e.g. for including local/regional history or language(s) in the curricula.

### 3. The Future Role of the District Governments

The preamble of the 2013 LGA of Khyber Pakhtunkhwa refers to Article 140A of the Constitution saying that the “expeditious disposal of government business to meet convenience and requirements of the public” is a crucial consideration for organizing public service delivery. Accordingly, the functional assignment exercise has suggested that many of the tasks and responsibilities directly related to service delivery and having a strong interface with the public should be shifted to the district governments. This includes the two main functions “provision of physical infrastructure and basic facilities” and “provision of equipment, furniture, school libraries, and laboratory and IT equipment” where in the future the main role for planning and needs identification, funding, maintenance & repairs, and implementation should shift to the district governments. Also the function of examination (for the grades 1-4 and 6-7) would in future come under the authority of the district government<sup>3</sup>. Discharge of these functions by the district governments would of course still be governed by regulations (like technical norms and standards) and policies established by the provincial level.

While the provincial level continues to implement pre-service and in-service training of teachers, the functional assignment exercise suggest that districts should be given a more prominent role in assessing the needs for in-service training, and for procuring in-service teacher training from the relevant public sector institutions according to the districts’ specific needs.

Another major shift suggested by the functional assignment process is the recommendation to devolve to the district governments the HRM function for the BPS grades 1-16. This responsibility would cover the whole cycle of HRM, from creation of posts,

recruiting, posting and transfer, to performance evaluation and promotion. In practice, this might not be such a major (or noticeable) shift as in the current arrangement the District Education Officer is already the appointing authority for Grades 15 and below. However, in future this appointing authority would be executed according to the priorities established at the district level, and accountability would be towards the district council. Like in the case of other functions, discharging the HRM role must be based on provincial rules and regulations, norms and standards. Departments like Establishment and Finance will continue to play a strong role with significant oversight responsibility.

For the Grades 17 and above posted to the district level, the district government’s role regarding HRM would mainly be funding (i.e. sanctioned posts will be financed from the district budget), and posting and transfers within the district jurisdiction.

Academic inspection and academic supervision of schools is currently being done by the District Education Officer (DEO). It will continue to remain with the DEO and the attached officials, however in future as devolved functions (as compared to de-concentrated ones). A similar pattern can be seen for instance with scholarships/stipends and sports and co-curricular activities: here, implementation is already with the DEO as field official of the E&SED and will remain with the DEO as senior civil servant of the district government.

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<sup>3</sup> Currently this responsibility is taken care of by the District Education Officers acting as de-concentrated units of the E&SED.

## 4. HRM Implications of Devolution in the E&SE Sector

One of the principles of devolution is that “funds follow functions” and “form follows functions”. In other words the future distribution of elementary and secondary education sector staff (in quantitative and qualitative terms) needs to reflect the distribution of sector functions between the provincial and the district level.

In the FY 2014/2015, the sanctioned staff strength of the sector was 187,795 (roughly 46.2 percent of the provincial work force). Most of the staff (186,722 or 99.4 percent) is working at district level and below. Correspondingly, the major share of the salary budget (Rs. 62.425 billion or 94.92 percent) is disbursed at the district level. Only 1.073 staff is working for provincial-level institutions, like the Secretariat and its directorates, or the teachers education institutes at provincial and regional level<sup>4</sup>. For devolution purposes, this means that devolving functions to the district level does not involve the physical movement of staff (often a major obstacle for decentralization reforms). It also means that the future district administration from the very beginning has access to considerable technical capacity for the education sector. Here, Khyber Pakhtunkhwa is in a much better position than many other countries that have devolved sector functions or are in the process of doing so.

There are two main staff pillars of the education sector: the teaching staff attached to schools, and the sector administration staff which is mainly the District Education Officers<sup>5</sup> and their related staff, and the Sub-Divisional Education Officers and their staff.

For the teaching staff, devolution will bring little if any changes as they continue to be attached to their schools. The sector administration staff will come under the overall authority of the district government. Physically they will remain where they are; the main change will relate to the line of command and accountability which needs to be re-directed towards the district level. Instead of having a vertical line of command and accountability towards the E&SE Department at provincial level, they will have a horizontal reporting and accountability relationship

towards the district government (and ultimately to the District Council). Technical issues might still be determined by the provincial level, but planning and implementing sector activities will be heavily influenced by district priorities. As can be seen in the next chapter, relocating the HRM function for most of the sector staff to the districts will also mean a shift of most of the sector’s salary expenses to the district budgets.

Regarding the 1000+ staff working for provincial-level institutions, the functional assignment does not indicate major changes, as sector planning, curriculum development and teachers education will remain provincial functions. As mentioned above, the Province will also have major policy-making, regulatory and M&E roles for most of the other functions. The one exception might be the department’s Directorate of Elementary and Secondary Education, whose exact future role and required staff strength would need further investigation.

Other existing institutions in the sector (like the Textbook Board, the BISE or the Educational Regulatory Authority) will not be affected by the proposed devolution, although their working processes might experience changes in view of the strengthened role of the district level.

The most noticeable change for the sector staff working at the provincial level is probably the need to (i) have planning and policy-development processes that take into account the roles and views of the districts, and (ii) to develop and strengthen sector M&E and oversight approaches that allow the provincial department to monitor the E&SE sector in the districts, and to ensure compliance of district administrations with the policies, norms and standards established by the Provincial Government, and (iii) to ensure that earmarked sector funds are indeed spent on sector functions. Provincial sector staff will focus much more on policy development and policy evaluation, on facilitating the work of the district sector staff, and on the establishment or further development of sector norms and standards.

<sup>4</sup>Data from the White Paper 2014/2015 (p.7).

<sup>5</sup>The position of “District Education Officer” is best understood as an organisational unit, with management staff, technical staff and supporting staff; it also has allocations for non-salary expenditures. The same applies to the sub-divisional education officers.

Table 2: Government Personnel in the Elementary and Secondary Education Sector by BPS Grade and Location (FY 2014/2015)

BPS	Provincial	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	Total	
		Peshawar	Charsadda	Nowshera	Mardan	Swabi	Kohat	Hangu	Karakoram	Abbottabad	Hariপুর	Mansehra	Battagram	Kohistan	Bannu	Lakki	D.I. Khan	Tank	Chitral	Dir-Upper	Dir-Lower	Swat	Shangha	Buner	Malakand	Torjhar	Total	
20	24	4	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	29
19	18	41	15	23	29	20	11	3	8	17	15	13	4	2	11	3	23	5	3	5	10	17	2	3	7	2	310	
18	173	33	28	33	48	36	22	7	19	43	35	39	2	6	26	14	26	7	7	9	38	41	11	19	15	2	739	
17	142	496	293	286	470	318	271	66	229	325	289	458	59	93	318	197	459	57	125	158	457	318	140	178	148	10	6,360	
16	103	1,025	694	548	1,030	1,035	460	329	538	833	772	973	243	263	699	429	894	194	499	374	829	684	293	478	484	60	14,763	
15	20	2,573	2,069	1,155	2,617	2,114	1,174	506	1,269	1,655	1,930	2,399	563	707	1,613	1,165	2,663	550	1,172	1,134	1,775	2,193	808	1,006	1,063	172	36,065	
14	81	55	41	35	57	48	36	18	33	40	29	48	16	19	38	28	52	17	22	30	53	39	21	26	25	11	918	
13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	
12	36	6,176	3,750	3,450	6,537	4,490	2,650	1,226	2,472	4,808	3,408	5,479	1,758	2,208	3,334	2,631	4,605	1,048	1,574	2,556	4,526	5,396	1,639	2,548	2,251	463	81,019	
11	53	205	144	137	207	173	109	50	117	150	152	192	45	47	132	99	177	49	92	79	165	150	66	96	98	15	2,999	
10	1	-	13	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17	
9	24	-	-	-	1	-	10	-	-	286	23	1	2	-	15	3	3	-	-	-	202	5	1	1	-	-	577	
8	25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	26	
7	3	88	51	42	87	43	70	6	26	65	53	58	11	7	25	21	62	7	21	30	56	53	26	26	28	-	965	
6	9	-	-	-	-	-	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13	
5	3	24	15	59	22	22	6	1	22	15	7	29	8	5	15	6	14	16	1	1	1	8	-	-	12	-	312	
4	29	7	8	6	8	9	6	6	9	6	6	6	8	6	7	6	12	6	9	8	8	7	6	7	8	4	208	
3	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	
2	6	2	2	5	4	8	2	2	2	2	2	6	2	2	2	2	2	6	2	2	3	4	2	2	2	2	78	
1	321	2,684	2,016	1,645	2,842	2,175	1,371	621	1,506	2,477	1,938	2,918	966	1,136	2,139	1,636	2,653	624	1,105	1,296	2,291	2,436	963	1,208	1,130	296	42,393	
Fixed	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	
Total:	1,073	13,413	9,139	7,425	12,959	10,491	6,198	2,848	6,251	10,723	8,659	12,619	3,687	4,501	8,374	6,240	11,645	2,566	4,632	5,682	10,414	11,351	3,978	5,599	5,271	1,037	187,795	

## 5. Budgetary Implications of Devolution in the E&SE Sector

The annual total budget of the E&SE sector in the FY 2014/2015 is Rs93,611 billion. Out of this, the development budget is Rs. 19,927 billion<sup>6</sup>, while the current expenditure (salary<sup>7</sup> and non-salary<sup>8</sup>) amounts to Rs. 73,684 billion. Out of this, Rs. 65,771 billion is spent on salaries, while Rs. 7,913 billion is spent for non-salary items.

Table 3 shows the distribution of budget funds between the provincial and the district level under the current, pre-devolution arrangement. Approx. 94 percent of the sector salary is disbursed at the district level, while a paltry 6.08 percent of the non-salary current budget is at this level. The development budget is exclusively with the provincial level.

**Table 3: Budget Allocation 2014/15 by Level (Pre-devolution)**

	Pre-Devolution							
	Salary	in %	Non-Salary	in %	Development	in %	Sub-total	in %
<b>Provincial Level</b>	<b>3,344,723,000</b>	<b>5.09</b>	<b>7,432,260,000</b>	<b>93.92</b>	<b>19,926,580,000</b>	<b>100</b>	<b>30,703,563,000</b>	<b>32.80</b>
<b>District Level</b>	<b>62,425,948,000</b>	<b>94.91</b>	<b>481,507,000</b>	<b>6.08</b>	<b>0</b>	<b>0</b>	<b>62,907,455,000</b>	<b>67.20</b>
<b>Total</b>	<b>65,770,671,000</b>	<b>100.00</b>	<b>7,913,767,000</b>	<b>100.00</b>	<b>19,926,580,000</b>	<b>100</b>	<b>93,611,018,200</b>	<b>100.00</b>
					<b>Grand Total</b>		<b>93,611,018,000</b>	

Source: 2014/15 Budget, own calculations

Taking the devolution scenario emerging from the functional assignment exercise described in Chapter 2, the distribution of the 2014/15 budget would change significantly as can be seen in Table 4.

The salary-related budget lines relevant in the context of the planned devolution are the ones dealing with (i) the teaching staff at all levels, (ii) the Sub-Divisional Officers, and (iii) the District Education Officers. As this entire staff would in future come under the district government, these budget allocations would need to be included in the fiscal transfers to the district level. This includes the consolidated budget

lines 091102 (Government Primary Schools M/F), 091103 (Sub-Divisional Education Officers M/F), 092101 Secondary Education (Middle, High/Higher Secondary Schools), and 092102 (Administration/District Education Officers M/F). The total amount for these lines would be Rs. 65.272 billion or 99.24 percent of the total salary expenditures, while Rs. 498.5 million or 0.76 percent would remain with the provincial level<sup>9</sup>.

<sup>6</sup>The development budget described in the Annual Development Plan (ADP) is financed by the Province's own development expenditures (2014/2015: Rs. 8,132 billion), and foreign assistance (2014/15: Rs. 11,795 billion).

<sup>7</sup>"Salary" means here all expenses related to a staff member, including for instance allowances. The precise terminology in the budget document is "total employees related expenses" and is consolidated on budget line A01.

<sup>8</sup>"Non-salary" would include the allocation for "total operating expenditures" (line A03), for "physical assets" (line A09), for "civil works" (line A12) and for "repairs and maintenance" (line A13). In reality, other items ("cushions") are summarized under "non-salary" as well.

<sup>9</sup>Staff at the provincial level includes the personnel of the Secretariat and its various units, of the Regional Institutes of Teachers Education, and of the colleges in the E&SE sector. The total number is less than 1,100 staff (data from the provincial government's White Paper 2014-15 p.5). There is a certain inconsistency of these data with the figures from Annex 4 which indicate a total provincial salary budget of Rs. 3,344,723,000 or 5.08 percent.

**Table 4: Budget Allocation 2014/15 by Level (Post-devolution)**

	Salary		Non-Salary		Development		Sub-Total	
	in Rs	in %	in Rs	in %	in Rs	in %	in Rs	in %
<b>Provincial Level</b>	<b>498,446,000</b>	<b>0.76</b>	<b>1,091,285,000</b>	<b>13.79</b>	<b>7,254,303,000</b>	<b>36.41</b>	<b>8,844,034,000</b>	<b>9.45</b>
<b>District Level</b>	<b>65,272,225,000</b>	<b>99.24</b>	<b>6,822,482,000</b>	<b>86.21</b>	<b>12,672,277,000</b>	<b>63.59</b>	<b>84,766,984,000</b>	<b>90.55</b>
<b>Total</b>	<b>65,770,671,000</b>	<b>100.00</b>	<b>7,913,767,000</b>	<b>100.00</b>	<b>19,926,580,000</b>	<b>100.00</b>	<b>93,611,018,000</b>	<b>100.00</b>

Source: 2014/15 Budget, own calculations

A more detailed analysis was done regarding the non-salary component of the current budget. Here, pre-devolution out of a total of Rs. 7.913 billion, Rs. 7.432 billion is allocated to the provincial level, while Rs. 481.5 million is directly distributed to the districts.<sup>10</sup> A detailed analysis shows that from the provincial allocation of Rs 7.432 billion, Rs. 256.786 million are allocated for provincial offices and institutions (like the Secretariat, the Directorates, the RITEs and others), and Rs. 834.499 million are released for programs covering provincial functions and responsibilities.

These allocations will in any case remain with the provincial level even in the post-devolution scenario. A total of Rs 3.764 billion has already been released to districts by means of a variety of schemes and programmes, including a so-called “conditional grant”<sup>11</sup>, which cover district-level functions. Another Rs. 2.577 billion was yet to be released to districts, also for functions and responsibilities which according to the functional assignment will come under the district authority.

Out of the total provincial-level allocation of Rs. 7.432 billion, in fact Rs. 6.341 billion is already transferred to the districts and should in future be reflected in the district budgets. In short, in the post-devolution scenario the split of the non-salary component of the sector budget between the two levels would change significantly, with only 13.8 percent staying with the provincial level, while 86.2 percent would go to the district level.

<sup>10</sup> Calculated on a per employee basis, the distribution to the districts is very uneven: the smallest allocation is to Abbottabad district (Rs. 1.427 non-salary expenditure per employee), while Nowshera District receives an allocation of Rs. 4.799 non-salary expenditure per employee. On average, the non-salary allocation to the districts is less than 1 percent of their wage bill.

<sup>11</sup> Interestingly, some districts are excluded from the conditional grant scheme.

**Table 5: Detailed Break-Down of Non-Salary Budget (2014/15)**

Pre-Devolution				Post-Devolution		
	Total	Provincial Use	District Use	Provincial	District	Total
	7,913,767,000					
District	481,507,000		481,507,000		481,507,000	
Province	7,432,260,000					
	Out of which:					
	• Provincial Offices & Institutions	256,786,000		256,786,000		
	• Provincial Programmes	834,499,000		834,499,000		
	• Disbursement to Districts (i)		3,763,813,000		3,763,813,000	
	• Disbursement to Districts (ii)		2,577,162,000		2,577,162,000	
Total		1,091,285,000	6,822,482,000	1,091,285,000	6,822,482,000	7,913,767,000

Source: 2014/15 Budget, own calculations

Another significant change is with the development budget, where according to the functional arrangement post-devolution 64 percent would go to the district level (as compared to zero percent in the pre-devolution scenario!), while 36 percent would remain with the provincial level. A very precise and detailed linkage between functions and development budget is difficult to establish, and certain functions like “sector planning”, “human resource management”, or “examination” do not appear to be covered at all in the development budget. However, according to the explanations of the individual programmes by the Department, the majority of schemes and programmes in the development budget addresses the provision of physical infrastructure and basic facilities (more than 50 percent), or the provision of equipment, furniture,

school libraries and IT equipment (around 15 percent) (see Table 6) - two functions that according to the functional assignment exercise should be devolved to the district governments.<sup>12</sup>

Therefore all the related funds should be allocated to the district level. There are also a number of programmes in the ADP which are clearly related to provincial-level functions, like programmes for curriculum development, for the establishment of an Independent Monitoring Unit in the E&SE Department, or for the provision of new policy initiatives in the sector.<sup>13</sup>

<sup>12</sup> Exceptions here are the establishment of cadet colleges and model schools which according to the Department should remain with the provincial government. Also the “IT/Computer Science Teachers and Computer Labs Project in Khyber Pakhtunkhwa” (Phase-II) was said to remain at provincial level.

<sup>13</sup> Some programmes could not be allocated to any of the 16 functions and have been summarized as “others”.



**Table 6: Distribution of 2014/15 Development Funds By Function**

		in mio Rs	%
1	Sector Planning	1.226,17	6,15
2	Physical Infrastructure	10.592,93	53,16
3	Equipment	3.048,28	15,30
4	Curriculum Development	111,69	0,56
5	Development of Textbooks	2.500,00	12,55
6	Printing and Distribution of Textbooks	-	0
7	Examination	-	0
8	Assessment	-	0
9	Teachers Training (Pre-Service)	-	0
10	Teachers Training (In-Service)	-	0
11	HRM	-	0
12	Academic Inspection	-	0
13	Academic Supervision of School	-	0
14	Regulation Private Schools	-	0
15	Scholarships, Stipends	1.250,00	6,27
16	Sports	-	0
	Others	1.197,51	6,01
		19.926,58	100,00

It can be seen that a devolved service arrangement in the sector would result in significant changes in the allocation of budget funds between provincial and district level, with the later playing a strong role for salaries and development expenditures, with a significant increase in the non-salary allocation to the district level.

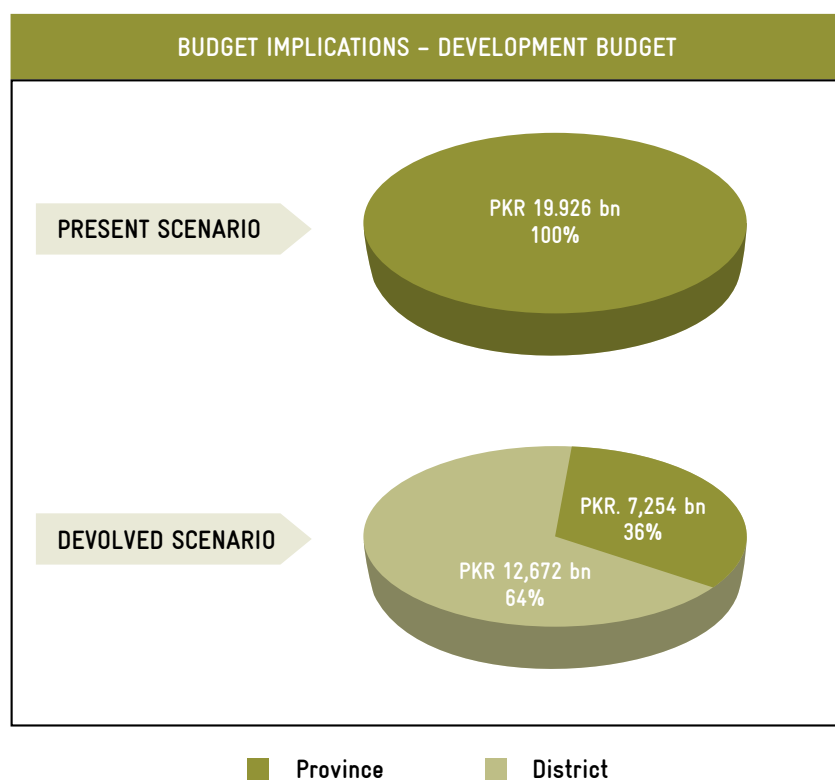
It is understood that even today, under the pre-devolution arrangement, most of the sector budget is already spent at the district level and below, and that needs identification, planning and execution of many provincial schemes and programmes is in fact done at the district level and below. The main difference for the future is that currently the sector staff working on these activities is de-concentrated staff of the department, while in a post-devolution scenario they would become part of the district administration and report ultimately to the District Council. While devolution might not result in a significant change of

the overall disbursement at district level, it will mean a significant change regarding where decisions are being taken and where budget expenditures are being authorized.

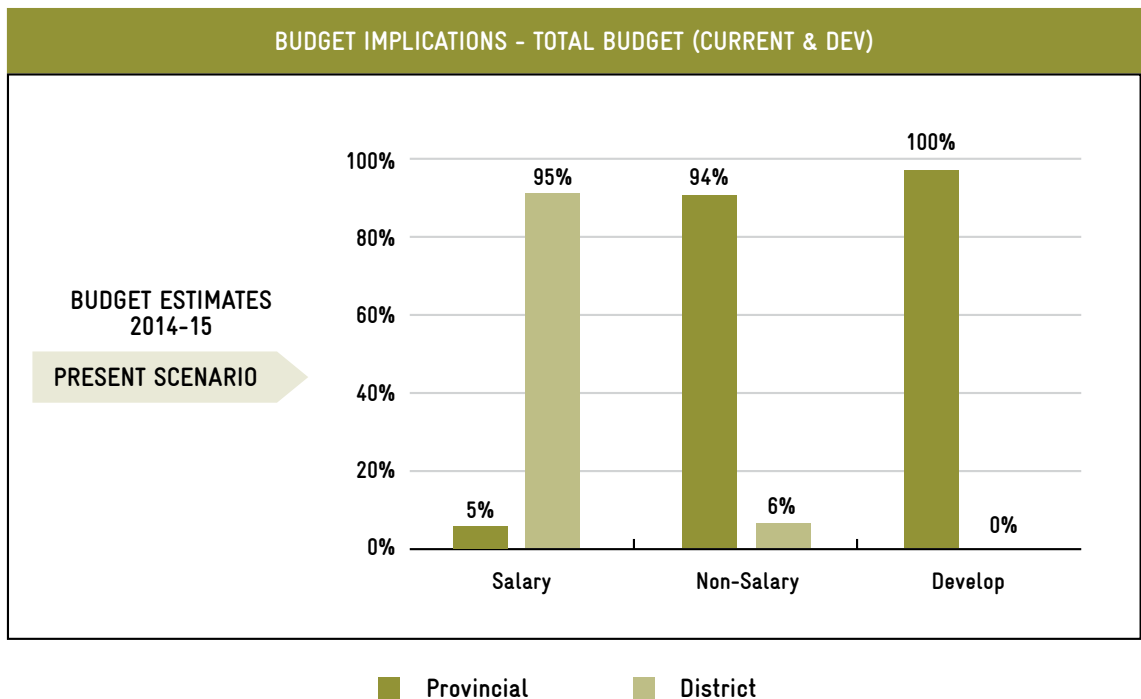
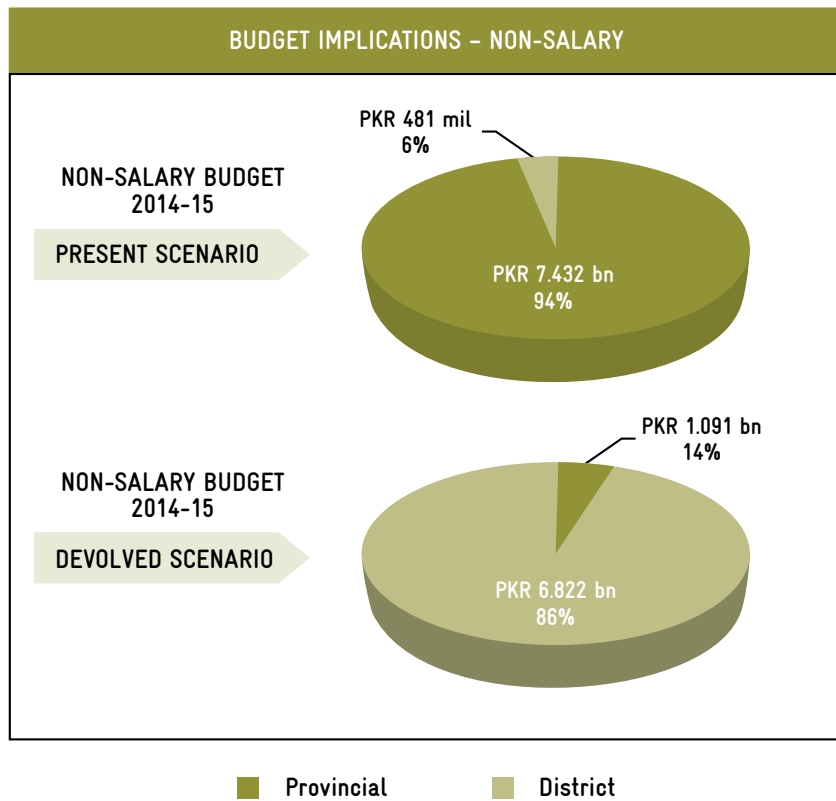
While details are not known yet about the fiscal decentralization system the Provincial Government wants to put in place under the LGA 2013, the education component of the future District Fund would need to include (i) a salary component to cover employee related expenditures for the teaching staff and the sector administration at district level (District Education Officers and their staff plus the Sub-Divisional Education Officers and their staff), (ii) the non-salary expenditures, and (iii) allocations for development expenditures. Most, if not all of these expenditures will probably be funded by means of provincial grant transfers to the district; these grants need to be earmarked to ensure that they are not diverted to other sectors.

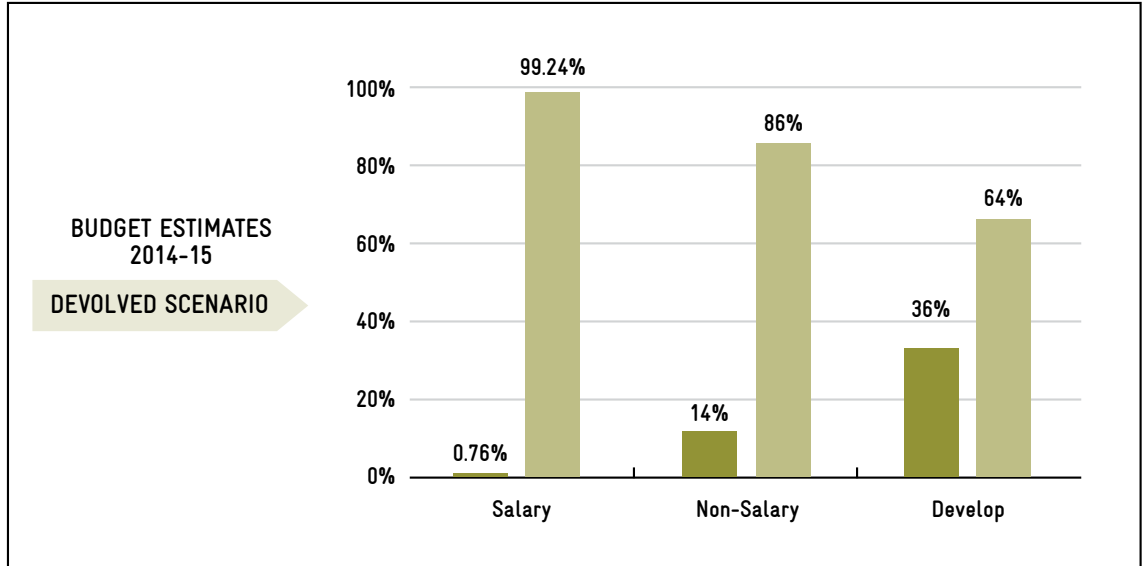
As can be seen from the budget data<sup>14</sup>, the development budget of the Province is funded substantially by foreign assistance. The education sector is the largest recipient of foreign assistance, with 29 projects worth Rs. 11,794 billion representing 30 percent of the total foreign assistance going to Khyber Pakhtunkhwa. The future fiscal decentralization system needs to ensure

that the management and disbursement arrangements for these loan and grant programmes reflect properly the devolution scenario, and do not undermine the future role of the districts by concentrating funds and authority at the provincial level for functions that have been devolved to the district governments.

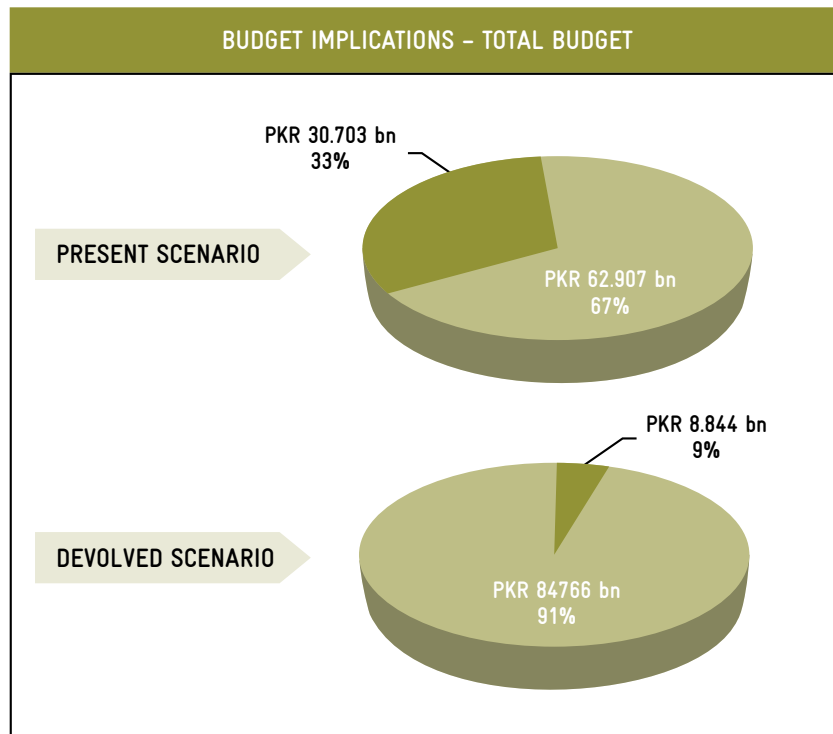


<sup>14</sup>E.g. see the Provincial Government's White Paper on the 2014/2015 budget.





■ Provincial      ■ District



■ Provincial      ■ District

## 6. Future Steps towards Devolution - A Possible Road Map

Allocating sector functions to different levels of government is a key building block in a devolution process. However, the functional assignment (as indicated in Annex 1) in itself is not sufficient. In the following, necessary further steps are listed and briefly explained that in combination would make devolution in the elementary and secondary education sector a reality. Here, one has to keep in mind that devolution is what is called a “whole of government”-reform. There are requisites of a functioning multi-level governance system that will not come from the line departments but need the contributions from

departments like Finance, Planning and Development, and Establishment. Unless these departments provide legal and administrative frameworks (e.g. for a fiscal grants transfer mechanism to the districts, for district financial management, for HRM at the district level), the machinery of provincial and district administrations will not run in harmony. The Local Government, Elections and Rural Development Department also has to develop rules and regulations for the functioning of the future district administration, that have been aligned with sector requirements.

### 1. Harmonising sector legislation with the intended functional assignment

The suggested distribution of functions between levels of government needs to be inserted in the legal and administrative framework informing the activities of the education sector. There are a number of Acts establishing special purpose bodies (like the Text Book Board, the Boards of Intermediate and Secondary Education, the Educational Regulatory Authority, the 2003 Establishment of Private

Education Institutes Act, the act on Establishment of KPK Regional Language Authority and others), that need to be reviewed in order to identify possible contradictions in the assignment of functions. The same can be said about the 2010 School Management Code which includes a variety of administrative rules and regulations (including job descriptions for sector officials).

### 2. Sector planning in a multi-level education system

The functional assignment exercise confirmed the lead role of the provincial level in sector-wide, strategic planning. It is the Provincial Government that needs to define policy priorities, establishes targets and timelines, and ensures compliance with such policies and strategies throughout the province. However, the spirit of devolution requires that such planning incorporates views and priorities of the districts, and in a way gives the districts discretion in also determining their priorities as part of the province-wide sector strategy. This requires capacity at the district level to undertake planning in the sector, and requires probably a different structure

of the provincial planning process which needs to include a sequence of consultations with the districts. An example here is the recent Education Sector Plan 2015-2020 that so far is silent about any devolution arrangements. Its objectives, activities, milestones and interventions need to be “devolved” as well to make it a meaningful document guiding the individual districts in implementing their sectoral tasks. The future distribution of development funds needs to reflect the functional assignment so that sufficient resources are available to the districts for functions devolved to them.

### 3. Sectoral financial management system

The financial management of a devolved education system needs to be integrated within the overall financial management system at the district level. Here, the Finance Department is in the lead; the E&SE Department can only provide comments and recommendations according to its own sector needs and requirements. A key requirement for

the future is to ensure that the district’s education sector has sufficient non-salary budget allocations to allow schools and sector administration to function effectively. In line with the largely enhanced responsibility for development budgets, the approval authority of the district level for procurement and investment also needs to be increased.

#### **4. Assessment of provincial-level structures and processes**

As many of the implementing tasks will shift to the district level, the Department need to review its current structures, staffing levels, and standard operating procedures to identify where adjustment are required. As mentioned above, one organisational unit for which devolution might have a larger impact is the Directorate of Elementary and Secondary Education: a review of its mandate and its structure might be

required. Another item for review might be the way in which in-service training for teachers is being planned and conducted: if districts in future would have larger discretion in identifying training needs and procuring adequate training services from the established institutes, how will this process of needs identification and planning/procurement of training interventions be organized?

#### **5. HRM in a decentralized education sector**

Similar to the financial management system, the Establishment Department in conjunction with the Local Government, Elections and Rural Development Department needs to establish HRM systems (structures, procedures, guidelines) how in future

the districts will manage the district administration's staff. There is also the issue whether the existing staff allocation to the districts (in terms of numbers, grades and qualifications) (see Table 2) is sufficient for the largely enhanced HRM role of the district.

#### **6. Oversight system, sanctions, enforcement**

One observation from decentralized government systems in other countries is that a well-functioning local government system needs a strong and engaging national/provincial government. This is not meant to determine a priori what district governments should do (and how to do it) but rather that it should keep track on the activities at the district level and their outcomes to ensure that rules and procedures are complied with, and that district activities lead to the achievement of the policy objectives established by the higher level. Pre-conditions are proper reporting and monitoring systems (preferably ICT based) (with

access by all levels) and accurate data management. The sector needs to establish processes of regular interaction between the levels (e.g. coordinating meetings, field visits) and introduce patterns of communication which are less hierarchical. However, where non-compliance with norms and procedures is detected, the Provincial Government must have the means and the will to sanction the districts resp. the officials responsible and thereby to enforce compliance. The 2013 LGA provides the Provincial Government with sufficient means for this purpose (see Chapter XII of the LGA).

#### **7. Integrate the sector in the district management system**

Elementary and secondary education is just one of the sectors where functions will be devolved to the districts. The District Government Rules of Business are the administrative and procedural framework which will describe what the District Education Office (as part of the district administration) should do, how it communicates and cooperates with other sectors,

with the District Council and with the Provincial Government. Here, the E&SED needs to ensure that the functions listed in the Rules of Business are aligned with the results of the functional assignment, and that any specific sector needs that might exist are included in the Rules.

## 8. Delegation & de-concentration within the District's education sector

Strengthening the management of schools (as the main service delivery units of the sector) is an important element of the current education policy of the Provincial Government. As mentioned earlier the functional assignment exercise has not looked at the assignment of functions below the level of the district. Here, the sector could continue the analysis in order to identify which of the district's tasks can

be further delegated to lower levels or to the school management. Also the relationship between education officials and teaching staff, and the tehsil and village/ neighborhood level needs to be developed further and in greater detail. These units below the district level need to be integrated into the M&E and data management system of the sector.

## 9. Capacity development at all levels for managing a decentralized education sector

The intended changes constitute a significant change in the way the E&SE sector is managed and run. These changes will not succeed from one day to the next, and they will require huge efforts from the staff at all level to adjust. The sector will need a comprehensive capacity-building strategy for the devolved education sector targeting both provincial government and district government officials in the

sector, elected representatives at all levels, and other stakeholders (like PTC members). "Capacity building" does not mean only training and information events to inform about the new devolution arrangements and the new assignment of responsibilities. It also requires coaching and mentoring systems to help all levels in the sector to adjust.

Regarding the sequencing of these steps, there is no pre-defined order. Some steps might run simultaneously, others steps might come one after the other. Figure 1 gives a suggestion how the sector might approach introducing the devolved arrangements. One observation from other countries' experiences is that aligning the devolution reform with the budget cycle often can provide a

smoother beginning for the devolved scenario. Implementing the devolved scenario as per 1 July 2016, based on a budget for the FY 2016/2017 that has been drafted as per the devolved scenario, could be a promising option. This does not exclude an earlier political decision establishing the devolved functional arrangement in 2015 but would defer its full implementation for one year.<sup>15</sup>

<sup>15</sup> Indonesia's "big bang" decentralization reforms followed a similar pattern: the laws establishing a decentralized system were passed in late 1999, setting a starting date in 2001. Some of the preparatory steps were finalized earlier, some later.

Figure 1: Possible sequencing of devolution from 2015 onwards





## Annex 1: Functional Assignment Tables

### 1. Sector Planning

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	E&SED	E&SED	E&SED		E&SED	E&SED
Proposed after devolution	E&SED	E&SED (Province-wide strategic planning)	E&SED	E&SED		E&SED	E&SED
		District Government (District Plan)	District Government	District Government			
<p><b>Remarks</b>            Under devolution, sector planning needs both a bottom-up and top-down mechanism; the province needs to receive meaningful data and information from the districts which enable the government to formulate a strategic plan for the whole of the province. Such a strategic plan would cover functions coming under provincial jurisdiction and functions coming under the jurisdiction of the district governments. Once approved, the district governments must take the provincial plan into account in making their own district plans.</p> <p><b>Major consideration:</b> externalities of the issue.</p>							

## 2. Provision of Physical Infrastructure and Basic Facilities

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	E&SED DCTE (for RITEs)	E&SED	E&SED C&WD	E&SED	E&SED	C&WD
		DEO			PTCs (Petty Repairs)	DEO	PTCs (Maintenance and Repair)
Proposed after devolution	E&SED	E&SED (Province infrastructure)	E&SED (Province level infrastructure)	E&SED C&WD	E&SED (Province level infrastructure)	E&SED 1. Regular M&E of provincial level infrastructure, 2. Ad-hoc M&E of district level infrastructure	C&WD
		District Government (District level infrastructure)	District Government (District level infrastructure)		District Government (District level infrastructure)	C&W Department (Send reports on all implemented infrastructure to either district government and E&SED)	District Government
					PTCs (Petty Repairs, Basic Facilities)	District Government (District level infrastructure) (Regular M&E)	PTCs (Basic Facilities, petty repairs)

### Remarks

Here, a major shift is anticipated as for district-level infrastructure the responsibility goes to the district government. This would include all primary schools and lower-levels of secondary schools (middle schools and middle portions of secondary schools). Ideally, the transfer of existing schools to the districts needs to be notified as they are public assets, and their ownership needs to be stated clearly. Once transferred, the responsibility for maintenance goes to the district. There is a strong role for the sub-district level education offices at tehsil/circle level, as they are much closer to the schools.

Provincial-level infrastructure includes the teachers training institutions (PITE, RITEs, Agrotech Institutes), head offices in Peshawar, deconcentrated units of these head offices (if they still exist).

The role of the C&W Department after devolution is similar to a (public-sector) contractor: the level responsible for infrastructure development contracts C&W department for the technical execution.

PTCs retain the current role for M&R (basic facilities) within the financial limits determined by the government.

Major consideration: subsidiarity and the policy objective of the constitution and the LGA, i.e. the "expeditious disposal of (the government administration's) business to meet the convenience and requirements of the public."

### 3. Provision of Equipment, Furniture, School Libraries, and Laboratory & IT Equipment

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	E&SED, DE&SE, DCTE, PITE, DEO	E&SED (for development funds) DE&SE, DCTE, PITE, DEO (for recurrent budget)	E&SED	E&SED, DE&SE, DCTE, PITE, DEO, School Heads through PTC	E&SED, DE&SE, DCTE, DEO	E&SED, DE&SE, DCTE, PITE, DEO
	BISE, TBB	BISE, TBB	BISE, TBB (own budget)	BISE, TBB	BISE, TBB	BISE, TBB	BISE, TBB
Proposed after devolution	E&SED	E&SED, DE&SE, DCTE, PITE	E&SED (for development funds) DE&SE, DCTE, PITE (for recurrent budget)	E&SED	E&SED, DE&SE, DCTE, PITE	E&SED, DE&SE, DCTE	E&SED, DE&SE, DCTE, PITE
	BISE, TBB	BISE, TBB	BISE, TBB (own budget)	BISE, TBB	BISE, TBB	BISE, TBB	BISE, TBB
	E&SED	District Government	District Government	E&SED	District Government	E&SE, District Government	District Government, Schools
<p><b>Remarks</b>            Similar to physical infrastructure, the responsibility for equipment, furniture etc. goes largely to the district governments.            Inputs from sub-district education offices are important. For district-level facilities, the province continues to set technical norms and standards.            The transfer of existing assets in the schools that will come under the jurisdiction of the district governments needs to be notified; these assets will be deleted in the inventory lists of the provincial government and become part of the inventory lists of the districts.            Major consideration: subsidiarity and the policy objective of the constitution and the LGA, i.e. the "expeditious disposal of (the government administration's) business to meet the convenience and requirements of the public". There is a potential trade-off between centralising procurement functions (lower purchase costs per unit) and the transaction costs involved in the required coordination of needs identification, purchase and distribution of the goods.</p>							

#### 4. Curriculum Development

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	DCTE	E&SED	DCTE		E&SED	DCTE
Proposed after devolution	E&SED	DCTE	E&SED	DCTE		E&SED	DCTE
<b>Remarks</b> There is no change in the responsibility for curriculum development after devolution - it remains a provincial function. DCTE has the mandate and authority to develop curriculum as per Curriculum Act which is approved and notified. The DCTE may consult any other stakeholder(s), if need be. E&SED is the competent authority for approvals (of planning, regulations) Major consideration: externalities: there need to be uniform standards of school curriculum throughout the province.							

### 5. Text Books and Learning Material Development

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	E&SED, DCTE, TBB	E&SED	DCTE		E&SED	TBB DCTE
Proposed after devolution	E&SED	E&SED, DCTE, TBB	E&SED	DCTE		E&SED	TBB (development) DCTE (review and approval)
<p><b>Remarks</b>            No change here at this point in time.            Textbook and learning material development is the mandate of TBB. DCTE is the competent authority to review and approve textbook and learning materials. TBB develops textbooks on the curriculum from DCTE. Once approved, TBB cannot make any change (addition/deletion) in the content of textbooks without consent/approval of DCTE. TBB can rectify errors in the textbooks, if any, on its own.            Private publishers are involved in the textbook development process as client/partner of TBB. They do the necessary investment and work on the textbook development.            TBB generates budget and funding from its own resources.            Major consideration: externalities (having same standards of books and teaching material in the province)</p>							

### 6. Printing and Distribution of Text Books

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	E&SED (for distribution)	E&SED	E&SED		E&SED	TBB
		TBB (for printing)					DEO (receives books from TBB and distributes to schools/children)
Proposed after devolution	E&SED	E&SED (for distribution)	E&SED	E&SED		E&SED	TBB
		TBB (for printing)					District Government (receives textbooks from TBB and distributes to schools/children)
<p><b>Remarks</b>            No change here: It remains a provincial function. The district governments have only a supporting role in the distribution of the books to the schools. Printing and availability of textbooks and learning material (in the market for public and private sector) is the mandate of TBB. E&amp;SED is a client for TBB. E&amp;SED procures textbooks for the public schools (as per demand/needs from districts) from TBB. DEOs receive/collect books from TBB and distribute them to schools/children.</p> <p><b>Major consideration: economies of scale</b></p>							

## 7. Examination

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	DEOs (Grades 1 to 8)	Schools Grades 1 to 8 (school own resources)	DE&SE (Grades 1 to 8)		DEOs (Grades 1 to 8)	Schools (Grades 1 to 8)
Proposed after devolution	E&SED	BISE (Grades 9 to 12)	BISE (Grades 9 to 12)	BISE (Grades 9 to 12)		BISE (Grades 9 to 12)	BISE (Grades 9 to 12)
		District Government (Grades 1-4 & 6-7)	Schools (Grades 1-4 & 6-7)	District Government (Grades 1-4 & 6-7)		District Government (Grades 1-4 & 6-7)	Schools (Grades 1-4, 6-7)
Remarks	E&SED can perform this function (examination of Grades 5 & 8) through an independent institution. Until such institute is established, this function can be performed by the district government. Major consideration: externalities which require a uniform examination and assessment system throughout the province. For the lower grades, responsibility by the school heads increases efficiency and effectiveness.	E&SED (Grades 5 & 8*)	E&SED (Grades 5 & 8*)	E&SED (Grades 5 & 8)		E&SED (Grades 5 & 8)	E&SED (Grades 5 & 8)
		BISEs (Grades 9 to 12)	BISEs (Grades 9 to 12)	BISEs (Grades 9 to 12)		BISE (Grades 9 to 12)	BISEs

### 8. Assessment (of student competencies)

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	DCTE	E&SED	DCTE		E&SED	DCTE
Proposed after devolution	E&SED	DCTE	E&SED	DCTE		E&SED	DCTE or An independent third party
<p><b>Remarks</b>            No change here: E&amp;SED should have the authority to assess any grade anytime. Three options were proposed for the function of assessment of student competencies; strengthening PEAC to perform this function or to out source this function to a third party or to establish an independent institution for this function.            Major consideration: externalities which require a uniform examination and assessment system throughout the province. For the lower grades, responsibility by the school heads increases efficiency and effectiveness.</p>							



### 9. Teacher Training and Education Pre-Service

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	DCTE	E&SED	DCTE (certificate level) HEC (degree level)		E&SED	DCTE Private and public sector universities and organisations
Proposed after devolution	E&SED	DCTE	E&SED	DCTE (certificate level) HEC (degree level)		E&SED	DCTE Private and public sector universities and organisations
<b>Remarks</b> No change here for the pre-service training. DCTE prepares overview of the requirements, criteria, numbers, course design etc and initiates programmes after necessary approvals from the E&SED. DCTE aims to prepare teachers for the competences, benchmarks set in the curriculum for ECE to Grade 12. Major consideration: externalities which require a uniform system of teachers' training and education throughout the province.							

### 10. Teacher Training and Education In-Service

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	DCTE	E&SED	DCTE		E&SED DEO	DCTE PITE District Governments
Proposed after devolution	E&SED	E&SED	E&SED	DCTE		E&SED	DCTE, PITE District Government (provision of venues, master trainers and trainees)
		District Government (own initiative)	District Government			District Government	District Government
<p><b>Remarks</b></p> <p>In-service training: There is justification for giving district governments a stronger role in the needs identification and procurement of in-service training depending on the availability of funds. That might also require a shift from a supply-driven system of in-service training to a demand-driven system, with implications of such a change for PITE and the RITEs.</p> <p>Demand and requirement particularly for the content of the training need to come from the districts. DCTE prepares and plans for the in-service trainings for approval from the E&amp;SED. PITE also plans and implements in-service trainings if directed by the E&amp;SED. PITE provides managerial trainings mainly. There was no regular budget provision for the function in the past. Allocations are made for the current year in the regular budget.</p> <p>Role of PITE: Originally PITE was responsible for preparation of training material and training of master trainers (Instructors from RITE) for the in-service trainings. Training of subject specialists was responsibility of PITE and training of SST, CT teachers was under RITE. Delivery and preparation of material for managerial training is still responsibility of PITE. Currently PITE is conducting in-service teachers training on lesson planning in 13 districts of KP. DCTE is conducting same trainings in the rest of 12 districts.</p> <p>Major consideration: externalities which require a uniform system of teachers' training and education throughout the province.</p>							

### 11. Human Resource Management (HRM)

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	<ul style="list-style-type: none"> <li>E&amp;SED (appointing Authority) Grade 1-20</li> <li>Grade 17 &amp; above for DE&amp;SE, PITE, DCTE, BISE</li> <li>Grade 18 &amp; above for TBB</li> </ul>	E&SED DE&SE DCTE PITE	Establishment Department (for all service related matters)		E&SED	E&SED
		<ul style="list-style-type: none"> <li>DCTE appointing authority for Grade 1-11</li> <li>DE&amp;SE appointing authority for Ministerial staff Grade 1-11 and Teaching Cadre Grade-16</li> <li>PITE appointing authority for Class-IV</li> <li>TBB appointing authority for Grade 1-15</li> </ul>		Finance Department (for financial matters)			
		<ul style="list-style-type: none"> <li>TBB appointing authority for Grade 1 to 17</li> <li>BISE appointing authority for Grade 1 to 17</li> </ul>	BISE & TBB (own budget)			BISEs & TBB	BISEs & TBB
		<ul style="list-style-type: none"> <li>DEO appointing authority for Grade 15 and below:</li> <li>Teaching Cadre 12-15,</li> <li>Class-IV + Ministerial Staff 1-11</li> </ul>					
		<ul style="list-style-type: none"> <li>Posting and transfers:</li> <li>1 to 17: DE&amp;SED</li> <li>18 and above: E&amp;SED</li> </ul>					

Proposed after devolution							
Creation of Posts	E&SED	E&SED, DCTE, PITE BISEs, TBB	E&SED, (DCTE, PITE, DE&SE)	Establishment Department (for all service matters)	E&SED	E&SED	E&SED
	Finance Department	District Government (DEO, Schools)	District Government (DEO, Schools)	Finance Department (Only financial matters)	District Government	District Governments	Directorate of E&SE (District Offices / Schools), DCTE
	BISE, TBB	BISE, TBB	BISE, TBB (own budget)		District Government	BISEs & TBB	District Government BISEs & TBB
Grade 1-16							
Recruiting	E&SED	District Government	District Government	Establishment Department (for all service related matters)	E&SED	E&SED District Government	District Government
Posting and Transfer				Finance Department (for financial matters)			District Government
Performance Evaluation							Immediate Supervisor (DEO)
Promotion							District Government
Teacher Welfare Issues (fund)							Education Employees Foundation (EEF)

Grade 17-18	E&SED	E&SE	District Government	Establishment Department (for all service related matters)	DE&SE District Government	DE&SE
Posting and Transfer				Finance Department (for financial matters)		DE&SE (Inter districts) District Governments (within district)
Performance Evaluation						Immediate Supervisor (for district>DEO)
Promotion						Education Employees Foundation (EEF)
Teacher Welfare Issues (fund)						

Grade 19 & above	E&SED	E&SED			E&SED DE&SE District Government	E&SED
Recruiting	E&SED	E&SED	Establishment Department (for all service matters)			E&SED
Posting and Transfer			Finance Department (Only financial matters)			E&SED (Postings & transfers)
Performance Evaluation						District Government (within district) for posting and transfers
Promotion						Immediate Supervisor (for district DEO, DCO & District Nazim)
Teacher Welfare Issues (fund)						E&SED Teacher Welfare Issues (fund)
<p><b>Remarks</b>  HR Management is an area where there should be a major change in the distribution of functions. In the suggested arrangement, most HR management functions for Grades 1-16 would sit with the district governments. There was a debate about including Grade 16 in the authority of the districts because of long delays in recruiting and processing transfers and postings for this grade. Another recommendation was that districts should be allowed to create posts -so far the prerogative of the Financial Department. For grades 17 and above, HR management would remain with the department. There could be an implementing role for transfers within the districts (e.g. for teachers in higher secondary institutions). Participants of the workshop in Peshawar were aware that this topic requires close interaction with the Establishment Department and the Finance Department. Exact role of EEF within the context of teachers welfare issues was not clear.</p> <p>Major considerations: externalities as far as grades 17 and above are concerned: officers with these grade are part of the provincial cadre, and move consistently at provincial, and between provincial and district level. Therefore overall HR management must also be with the provincial government. For the lower grades, the recommendations follow the idea of subsidiarity and the objective of expeditious disposal of government business.</p>						

## 12. Academic Inspection

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	DEO	DEO	E&SED		E&SED	DEO
Proposed after devolution	E&SED	District Government	District Government	E&SED		E&SED	District Government
<p><b>Remarks</b>            With devolution, the major share of responsibility for academic inspection will shift to the district governments. In practical terms the change might be less visible as currently the education officials at district and sub-district level are doing this already, albeit in a deconcentration mode.            Major consideration: Subsidiarity, expeditious disposal of government business.</p>							

### 13. Academic Supervision of Schools

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	DEO	DEO	E&SED		E&SED	DEO
Proposed after devolution	E&SED	District Government	District Government	E&SED		E&SED District Government	District Government
<p><b>Remarks</b>            With devolution, the major share of responsibility for academic supervision will shift to the district governments. In practical terms the change might be less visible as currently the education officials at district and sub-district level are doing this already, albeit in a deconcentration mode.            Major consideration: Subsidiarity, expeditious disposal of government business</p>							



#### 14. Regulation of Private Schools and Establishing Public Private Partnership models

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	BISE (regulation of private schools)	BISE	BISE (regulation of private schools)		DEO	BISE, DEO (DEO is member of committee under BISE to approve registration of private school)
Proposed after devolution	E&SED	EEF (Special initiatives to promote private sector)	E&SED	Elementary Education Foundation (EEF) (Only for Public Private Partnership)		E&SED, EEF	DEO
		BISE (regulation of private schools) till the establishment of Educational Regulatory Authority (ERA)	E&SED	BISE or ERA		E&SED	BISE and District Government till establishment of ERA
Remarks	This remains a provincial-level function. The to-be established Educational Regulatory Authority will take over regulatory functions from the Boards of Intermediate and Secondary Education. Major consideration: externalities. For a possible role of the district governments: subsidiarity, expeditious disposal of government business	E&SED for Public Private Partnership (PPP)	E&SED	EEF (PPP)		E&SED	EEF with District Government
		District Government (own initiatives for PPP)	District Government	EEF (PPP)		District Government	District Government

## 15. Scholarship, Stipends

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	E&SED	E&SED	E&SED		E&SED DEO	E&SED
Proposed after devolution	E&SED	E&SED (for grades 9-12)	E&SED (for grades 9-12)	E&SED (for grades 9-12)		E&SED (for grades 9-12)	E&SED (for grades 9-12)
	District Government	District Government (Grades Kachi to 8)	District Government (Grades Kachi to 8)	District Government (Grades Kachi to 8)		District Government (Grades Kachi to 8)	District Government (Grades Kachi to 8)
<p><b>Remarks</b>            Strong emphasis on devolution to the districts. In reality, only few district-wide schemes exist. (as per March 2015)            Currently three different provincial schemes for stipends:</p> <ul style="list-style-type: none"> <li>• Stipend for girls of grade 6 to 10 in 23 districts of KP</li> <li>• Stipend programme for district Toorghar and district Koshistan</li> <li>• Stipend programme for seven low NER (net enrollment rate) districts</li> </ul> <p>Major consideration: subsidiarity</p>							

### 16. Sports and Co-Curricular Activities

Management functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current situation	E&SED	E&SED DEO	Schools	E&SED		E&SED DEO	Schools
Proposed after devolution	E&SED	District Government	District Government Schools	District Government		District Government	District Government Schools
<b>Remarks</b> Strong emphasis on devolution to the districts and to the schools. In reality, only few district-wide schemes exist as per March 2015: <ul style="list-style-type: none"> <li>• Stipend for girls of grade 6 to 10 in 23 districts of KP</li> <li>• Stipend programme for district Toorghar and district Koshistan</li> <li>• Stipend programme for seven low NER (net enrollment rate) districts.</li> </ul> Major consideration: subsidiarity.							

## Annex 2: Explanation of Management Functions

Management Functions	Explanation
Policy	<p>Policies describe what governments want to achieve: they define goals and objectives, set target and determine schedules/time lines. They are usually decided at the top level (Chief Minister, Cabinet), sometimes in conjunction with the legislative body (Provincial Assembly), sometime without. Sometimes the legislative body also determines policies and let the executive work out how to implement them.</p> <p>Local governments can also have “policies” covering their geographical jurisdiction – these are often (but not always) a sub-set of the higher-level policies. In the context of the functional assignment process, the management function “policy” refers (mainly) to the higher level policies.</p>
Planning	<p>Once policy goals are set, it is the task of the administration to ensure that these goals are achieved. “Planning” can be short-term, medium-term or long-term, it can include operational planning, budget planning and others. What is meant here: which level is charged with the responsibility to operationalize policies?</p>
Budget & Funding	<p>Which budget is providing the financial resources for the function being analysed – provincial, district, other? It does not matter which institution at that level actually pays for it (department, directorate, board etc.) but whether it is part of the budget of that level in the administrative system. One question here could be: To whom is the administration accountable when spending the funds?</p>
Regulation	<p>Regulation can include setting norms and standards, e.g. for infrastructure like school buildings, or for determining entry requirements for levels of the education system or for staff recruitment at certain levels of the grade system; it can also regulate behaviour from private sector actors (like the regulation of private schools).</p>
Operations & Maintenance	<p>Applies only for physical infrastructure and equipment. It is an important aspect because often higher-level governments finance initial investments in infrastructure or the purchase of equipment, but do not provide funds for O&amp;M.</p>
Monitoring & Evaluation	<p>Important for assessing to what extent policy targets are being met. M&amp;E has also the notion of supervising compliance with rules and standards.</p>
Implementation	<p>Who is actually doing the job?</p>

### Annex 3: Overview of Department's Drill-In Groups for Functional Assignment

Drill-in-Group 1 on 09 <sup>th</sup> Feb 2015				
S.No.		Functions	Department	Nominees
1	1	Sector Planning	E&SED	Mr. Qaisar Alam, Additional Secretary Mr. Hashmat Ali, Senior Planning Officer Mr. Noor Alam, Section Officer (Budget)
2	2	Provision of Physical Infrastructure and Basic Facilities	E&SED DEOs	Sharif Gul, DEO (M) Peshawar Wali Khan, Dy. Director (P&D) DE&SE Mr. Hayat Khan ADO (P&D), Nowshera
3	14	Regulation of Private Schools and Establishing Public Private Partnership Models	E&SED, EEF, DEOs	Siraj Munir, Senior Planning Officer-II Abaidullah Kaka Khel, PD (FTB) E&SE D Wasil Nawaz, EEF
4	15	Scholarship, Stipends	E&SED, DEOs	Azam Khan, DDEO, Peshawar
5	16	Sports and Co-curricular Activities	C&SED, DEOs	Bismillah Jan, ADO (Sports) Peshawar

Drill-in-Group 2 on 11 <sup>th</sup> Feb 2015				
S.No.		Functions	Department	Nominees
1	4	Curriculum Development	DCTE	Zulfiqar Khan, Senior Subject Specialist, DCTE
2	5	Textbooks and Learning Material Development	DCTE, TBB	Muhammad Muttahir Member TBB
3	6	Printing and Distribution of Textbooks	TBB, E&SED, DEOs	Abaidullah Kaka Khel, PD (FTB) E&SED Shareef Gul DEO (M) Peshawar
4	9	Teacher Training and Education - Pre Service	DCTE	
5	10	Teacher Training and Education - In Service	DCTE, PITE	Sharif Khattak, Dy Director Training PITE

Drill-in-Group 3 on 12 <sup>th</sup> Feb 2015				
S.No.		Functions	Department	Nominees
1	7	Examination	BISE	BISE representative
2	8	Assessment	DE&SE, DCTE, DEOs	Hamid Mehmod, Additional Director (Estab) DE&SE Zulfiqar, Subject Specialist, DCTE Khalid Shah, Dy Director PITE Shafique, Dy Director PEAC, DCTE
3	12	Academic Inspection	DEOs, DCTE	Habibullah, ASDEO Peshawar Gul Raj, ADED Peshawar
4	13	Academic Supervision	DEOs	Shareef Gul, DEO Peshawar

Drill-in-Group 4 on 13<sup>th</sup> Feb 2015

S.No.		Functions	Department	Nominees
1	3	Provision of Equipment, Furniture, School Libraries, Laboratories and IT Equipment	DE&SE, DCTE, PITE, DEOs	Qaiser Alam, Additional Secretary, E&SED Wali Khan, Dy Director (P&D) DE&SE Zulifqar Khan, Senior Subject Specialist, DCTE Khalid Shah, Dy. Director PITE
2	11	Human Resource Management (HRM)	E&SED, DE&SE, DCTE, PITE, TBB, DEOs	Mr. Salahuddin, Dy Director, EMIS, E&SED Mujeeb ur Rehman, S.O Schools Hamid Mehmud, Additional Director (Estab) DE&SE Muhammad Muttahir Member TBB Shareef Gul, DEO (M) Peshawar

Annex 4: Current Expenditure Budget of the Elementary and Secondary Education Sector (FY 2014/2015)

ELEMENTARY AND SECONDARY EDUCATION										BUDGET ESTIMATES 2014-2015			
Schemes	Posts 2014-15	Budget Estimates 2013-14	Revised Estimates 2013-14	Budget Estimates 2014-15 (as per Budget Book)			Non Salary % age of Salary	Non Salary Per employee	Non Salary release out of Provincial Programme				
				Salary	Non-Salary	Total							
Provincial	1,073	6,970,142,000	3,055,474,000	3,344,723,000	7,432,260,000	10,776,983,000	222,21%	6,926,617	-				
Peshawar	13,413	3,893,530,000	4,645,955,000	4,481,238,600	37,635,000	4,518,873,600	0,84%	2,806	288,511,869				
Charsadda	9,139	2,433,272,000	3,121,780,000	2,807,276,000	30,205,000	2,837,481,000	1,08%	3,305	144,429,834				
Nowshera	7,425	2,209,245,000	2,670,854,000	2,618,221,610	35,630,080	2,653,851,690	1,36%	4,799	182,023,137				
Mardan	20	2,573	2,069	1,155	2,617	2,114	1,174	506	1,655				
Swabi	10,491	3,090,312,000	3,391,438,900	3,632,760,000	27,650,000	3,660,410,000	0,76%	2,636	302,083,759				
Kohat	6,198	2,056,651,000	2,111,482,300	2,264,233,490	15,716,870	2,279,950,360	0,69%	2,536	166,732,268				
Hangu	2,848	568,817,000	743,332,000	735,147,000	9,165,000	744,312,000	1,25%	3,218	66,544,077				
Karrak	6,251	2,028,670,000	2,169,932,000	2,280,736,000	13,602,000	2,294,338,000	0,60%	2,176	321,759,823				
Abbottabad	10,723	2,945,444,000	3,731,304,000	3,508,718,000	15,299,000	3,524,017,000	0,44%	1,427	228,019,270				
Haripur	8,659	2,548,025,000	2,879,779,000	2,990,213,000	12,432,000	3,002,645,000	0,42%	1,436	220,010,879				
Mansehra	12,619	4,328,641,000	4,195,305,000	4,562,650,200	30,808,100	4,593,458,300	0,68%	2,441	72,711,396				
Battagram	3,687	941,796,000	1,135,518,000	1,145,705,000	10,450,000	1,156,155,000	0,91%	2,834	25,743,327				
Kohistan	4,501	1,077,875,000	1,183,222,000	1,278,031,800	8,980,600	1,287,015,400	0,70%	1,995	41,898,734				
Bannu	8,374	2,326,505,000	2,512,497,000	2,659,828,000	21,159,000	2,680,987,000	0,80%	2,527	110,608,558				
Lakki	6,240	1,935,056,000	2,091,302,500	2,231,744,000	11,075,000	2,242,819,000	0,50%	1,775	158,841,752				
D.I.Khan	11,645	2,960,398,000	3,445,067,000	3,435,087,000	29,476,000	3,464,563,000	0,86%	2,531	142,304,858				

Tank	2,586	725,071,000	840,252,100	813,363,300	11,519,000	824,882,300	1,42%	4,454	154,776,741
Chitral	4,632	1,367,949,000	1,643,506,000	1,565,862,000	13,666,000	1,579,528,000	0,87%	2,950	36,234,928
Dir-Upper	5,682	1,346,525,000	1,728,020,000	1,634,948,000	14,708,000	1,649,656,000	0,90%	2,589	200,136,022
Dir-Lower	10,414	3,275,318,000	3,474,036,000	3,736,200,000	25,287,000	3,761,487,000	0,68%	2,428	67,925,763
Swat	11,351	3,120,242,000	3,894,843,200	3,946,022,800	26,064,550	3,972,087,350	0,66%	2,296	77,308,527
Shangla	3,978	967,065,000	1,291,320,600	1,226,671,800	11,681,600	1,238,353,400	0,95%	2,937	60,298,629
Buner	5,599	1,449,635,000	1,715,474,000	1,745,392,000	12,313,000	1,757,705,000	0,71%	2,199	78,198,958
Malakand	5,271	1,638,992,000	1,932,615,500	1,886,580,600	17,877,200	1,904,457,800	0,95%	3,392	45,623,453
Torghar	1,037	129,277,000	226,956,000	292,719,000	4,214,000	296,933,000	1,44%	4,064	13,493,637
<b>Total (Districts)</b>	<b>186,722</b>	<b>53,582,795,000</b>	<b>61,593,052,000</b>	<b>62,425,948,000</b>	<b>481,507,000</b>	<b>62,907,455,000</b>	<b>0,77%</b>	<b>2,579</b>	<b>3,429,971,050</b>
<b>Grand Total</b>	<b>187,795</b>	<b>60,552,937,000</b>	<b>64,594,426,000</b>	<b>65,770,671,000</b>	<b>7,913,767,000</b>	<b>73,684,438,000</b>	<b>12,03%</b>	<b>42,140</b>	<b>3,429,971,050</b>

Source: FY 2014/2015 Budget of Khyber Pakhtunkhwa, Data from E&SE Department; Own calculations



### Annex 5: Disbursement of Provincial Non-Salary Budget to the Districts (FY 2014/2015)

BUDGET ESTIMATES 2014-2015																	
ELEMENTARY AND SECONDARY EDUCATION																	
S. No.	District	Enrolment campaign	Purchase of IT equipment for HS/ HSS	Petty repair (Middle/ High/HSS)	Petty Re-pairs (PS)	Classroom Consumables (M&HS)	Classroom consumables for PS	Jute Tats	Purchase of IT equipment (DEOs)	Purchase of furniture for DEO (M&F) Offices	Purchase of Generators	Special Repair	Building Repair	Conveyance Charges	Conditional Grant	Purchase of Motor Cycles	Total
1	Abbotabad	495,520	13,230,000	13,180,000	20,060,000	3,464,000	8,020,000	5,455,750	3,675,000	1,600,000	6,000,000	1,200,000	-	2,340,000	152,824,000	1,875,000	228,019,270
2	Bannu	384,190	11,865,000	12,005,000	15,635,000	3,254,000	6,252,000	4,223,368	3,675,000	1,600,000	6,000,000	1,200,000	4,000,000	2,340,000	41,700,000	1,875,000	110,608,558
3	Battaagram	246,700	4,305,000	4,155,000	4,120,000	654,000	1,642,000	2,420,627	2,415,000	1,600,000	6,000,000	1,200,000	-	1,260,000	-	1,125,000	25,743,327
4	Bunner	253,460	8,925,000	15,295,000	11,035,000	2,076,000	4,368,000	2,101,498	2,415,000	1,600,000	6,000,000	1,200,000	4,000,000	1,260,000	21,945,000	1,125,000	78,198,958
5	Charsadda	355,280	12,075,000	7,175,000	17,735,000	3,106,000	7,094,000	3,564,554	3,465,000	1,600,000	6,000,000	1,200,000	4,000,000	1,980,000	78,865,000	1,625,000	144,429,834
6	Chitral	248,740	7,350,000	2,280,000	7,590,000	1,728,000	2,882,000	2,176,188	1,890,000	1,600,000	6,000,000	1,200,000	4,000,000	1,440,000	-	1,250,000	36,234,928
7	D.I.Khan	413,270	15,120,000	11,570,000	17,530,000	3,734,000	7,012,000	4,345,588	4,305,000	1,600,000	6,000,000	1,200,000	4,000,000	2,340,000	66,660,000	1,875,000	142,304,858
8	Dir Bala	287,820	5,985,000	14,905,000	10,145,000	1,484,000	3,860,000	2,709,202	2,625,000	1,600,000	6,000,000	1,200,000	-	1,260,000	151,850,000	1,625,000	200,136,022
9	Dir Payan	425,570	14,700,000	7,925,000	16,595,000	3,332,000	6,638,000	4,342,193	3,465,000	1,600,000	6,000,000	1,200,000	4,000,000	1,980,000	-	1,125,000	67,925,736
10	Hangu	156,100	3,780,000	13,265,000	5,785,000	884,000	2,314,000	1,099,977	2,250,000	1,600,000	6,000,000	1,200,000	4,000,000	900,000	27,565,000	875,000	66,544,077
11	Haripur	362,830	13,335,000	17,815,000	15,465,000	3,120,000	6,168,000	3,490,049	2,835,000	1,600,000	6,000,000	1,200,000	4,000,000	1,620,000	147,025,000	1,375,000	220,010,879
12	Karak	286,680	9,870,000	13,685,000	10,835,000	2,358,000	4,326,000	2,614,143	3,255,000	1,600,000	6,000,000	1,200,000	4,000,000	1,620,000	264,135,000	1,375,000	321,789,823
13	Kohat	264,970	9,240,000	5,495,000	14,310,000	2,306,000	5,504,000	2,237,298	2,415,000	1,600,000	6,000,000	1,200,000	4,000,000	1,080,000	115,480,000	1,000,000	166,732,268
14	Kohistan	324,810	3,360,000	12,615,000	9,280,000	832,000	3,712,000	3,574,924	2,415,000	1,600,000	6,000,000	1,200,000	-	1,260,000	-	1,125,000	41,888,734
15	Lakki	323,650	8,820,000	10,955,000	12,970,000	2,068,000	5,184,000	3,181,102	2,895,000	1,600,000	6,000,000	1,200,000	4,000,000	1,620,000	102,110,000	1,375,000	198,841,752
16	Malakand	236,980	8,295,000	8,390,000	9,020,000	1,750,000	3,600,000	1,921,563	2,625,000	1,600,000	6,000,000	1,200,000	4,000,000	1,260,000	-	1,125,000	45,623,453
17	Manshera	605,110	16,905,000	3,405,000	19,835,000	4,052,000	7,934,000	6,990,286	3,675,000	1,600,000	6,000,000	1,200,000	4,000,000	2,160,000	-	1,750,000	72,711,396
18	Mardan	483,680	17,535,000	11,855,000	32,840,000	5,380,000	12,584,000	4,763,171	3,885,000	1,600,000	6,000,000	1,200,000	4,000,000	2,340,000	122,810,000	1,875,000	223,790,851
19	Nowshera	300,230	11,445,000	8,895,000	15,480,000	2,966,000	6,034,000	2,637,907	2,835,000	1,600,000	6,000,000	1,200,000	4,000,000	1,620,000	121,035,000	1,375,000	182,023,137
20	Peshawar	402,740	16,590,000	3,320,000	25,250,000	4,912,000	9,884,000	3,843,129	3,255,000	1,600,000	6,000,000	1,200,000	4,000,000	1,980,000	210,050,000	1,625,000	286,511,869
21	Shangla	226,400	4,830,000	3,245,000	7,830,000	1,152,000	3,132,000	2,013,229	2,415,000	1,600,000	6,000,000	1,200,000	-	1,260,000	29,670,000	1,125,000	60,298,629
22	Swabi	380,070	15,015,000	7,170,000	20,395,000	4,076,000	8,104,000	3,588,689	3,885,000	1,600,000	6,000,000	1,200,000	4,000,000	1,980,000	228,455,000	1,625,000	302,083,759
23	Swat	440,760	13,860	8,640,000	23,735,000	3,684,000	9,088,000	4,630,767	2,835,000	1,600,000	6,000,000	1,200,000	4,000,000	1,620,000	-	1,375,000	77,308,527
24	Tank	169,310	3,780,000	17,870,000	4,955,000	812,000	1,982,000	1,188,431	2,415,000	1,600,000	6,000,000	1,200,000	-	1,260,000	115,810,000	1,125,000	154,776,741
25	Torghar	116,270	525,000	630,000	1,895,000	188,000	758,000	716,367	1,785,000	1,600,000	6,000,000	1,200,000	-	720,000	2,010,000	750,000	13,493,637
		8,191,050	250,740,000	235,740,000	350,325,000	63,372,000	138,074,000	79,840,000	73,815,000	40,000,000	15,000,000	30,000,000	70,000,000	40,500,000	1,999,999,000	34,375,000	3,429,971,050

Source: Data from E&SE Department; Own calculations

Annex 6: Development Budget of Khyber Pakhtunkhwa, FY 2014-2015 (by level, by function)

S. No.	Name of Scheme	Cost		Original Allocation 2014-15			F.A Allocation		Total		Status		Post Devolution		District	Province	By Function		
		Total		Capital	Revenue	Total Original			New	Ongoing	District	Provincial	District	Province				Total	Province
	Primary Education (Ongoing)																		
132	130415-Up-gradation of girls primary school to middle level at Bumburate Chitral	13,000		10,350	0,600	10,950	0,000		10,950		06	100%		10,950			10,950		2
133	130416-Construction of building for GPS Bumburate (5 rooms) District Chitral	16,000		15,800	0,200	16,000	0,000		16,000		06	100%		16,000			16,000		2
134	20864-Strengthening of Planning Cell of E&SED in Khyber Pakhtunkhwa	86,707		0,000	0,001	0,001	10,000		10,001		06		100%			10,001	10,001		1
135	110431-Establishment of 200 Primary Schools (B&G) in Khyber Pakhtunkhwa	960,000		180,148	8,000	188,148	0,000		188,148		06	100%		188,148			188,148		2
136	120420-Establishment of 100 Govt. Primary Schools (B&G) on need basis in Khyber Pakhtunkhwa (Phase-II)	460,000		197,564	0,000	197,564	0,000		197,564		06	100%		197,564			197,564		2
137	120470-Establishment of 5 Model Schools in Khyber Pakhtunkhwa (Karak, Haripur, Charsadda, Hangu & Battagram)	600,000		180,000	0,000	180,000	0,000		180,000		06		100%			180,000	180,000		2
138	130331-Construction of 500 Early Childhood Education rooms in existing Primary Schools in Khyber Pakhtunkhwa through PTCs	325,000		0,000	0,010	0,010	220,000		220,010		06	100%		220,010			220,010		2
139	130334-Establishment of 100 Govt. Primary Schools (B&G) on need basis in Khyber Pakhtunkhwa (Phase-II)	500,000		320,000	0,000	320,000	0,000		320,000		06		100%				320,000		2
Sub-Total	(Pry: Edu (Ongoing)	2960,707		903,862	8,811	912,673	230,000		1142,673					952,672		190,001	1142,673		

S. No.	Name of Scheme	Cost		Original Allocation 2014-15			F.A Allocation		Total		Status		Post Devolution		District	Province	By Function	
		Total		Capital	Revenue	Total Original	Total		New	Ongoing	District	Provincial	District	Province				Total
Primary Education (New)																		
140	140406-Khyber Pakhtunkhwa Early Childhood Education (ECE) Project (EBSE)	1750,000		0,000	0,010	0,010	100,000		100,010	0,000	New		100%		100,010		100,010	2
141	140408-Conversion of 100 Mosques Schools into regular Primary Schools in Khyber Pakhtunkhwa	1750,000		300,000	0,000	300,000	0,000		300,000	0,000	New		100%	300,000		300,000		2
142	140612-Establishment of 160 Govt. Primary Schools (B&G) on need basis in Khyber Pakhtunkhwa	2800,000		400,000	0,000	400,000	0,000		400,000	0,000	New		100%	400,000		400,000		2
Sub-Total. (Pry: Edu (New))		20816,500		700,000	0,010	700,010	100,000		800,010	0,000				800,010		800,010		
Secondary Education (Ongoing)																		
143	130486-Construction of a new block (consisting 30 additional classrooms) in Govt. Higher Secondary Schools No.1, Peshawar City	54,000	25,000	0,000	0,000	25,000	0,000		25,000	0,000		OG	100%	25,000		25,000		2
144	140190-Establishment of GGHS Comboh, GGHS Dir Colony GGHS Hassan Garhi & Rehabilitation of GHS Nanak, Pura, Peshawar PDWP 14.05.2014	267,500	150,000	0,000	0,000	150,000	0,000		150,000	0,000		OG	100%	150,000		150,000		2
145	130544-Establishment of Kernal Sher Khan Shaheed Cadet Collage Swabi (Phase-II)	566,000	0,000	100,000	0,000	100,000	0,000		100,000	0,000		OG		100%		100,000		2

S. No.	Name of Scheme	Cost		Original Allocation 2014-15		F.A Allocation	Total	Status		Post Devolution		Total	District	Province	By Function
		Total		Capital	Revenue			Capital	Revenue	New	Ongoing				
146	110452-Establishment of Bacha Khan Model School at Salarzai in District Buner	128,019		71,000	14,000	0,000	85,000		06		100%	85,000			2
147	130333-Establishment of Cadet College Swat (Phase-II)	586,000		131,000	0,000	0,000	131,000		06		100%	131,000			2
148	70613-Establishment of Dir Model School at Dir Upper	45,000		19,650	5,000	0,000	24,650		06		100%	24,650			2
149	130413-Up-gradation of GMS Yarkhoon Lashit to High status, District Chitral	17,200		15,600	0,600	0,000	16,200		06	100%		16,200			2
150	130414-Up-gradation of Govt. Girls Middle School to High status at Bumburate, District Chitral	20,500		18,500	0,500	0,000	19,000		06	100%		19,000			2
151	130417-Construction of 100 students hostel for girls in Bumburate	107,251		50,000	0,000	0,000	50,000		06	100%		50,000			2
152	30812-Basic Education Improvement Project in Khyber Pakhtunkhwa (Phase-II), (Norway Assisted)	124,150		0,000	5,000	257,806	262,806		06		100%	262,806			2
153	100280-Upgradation of 150 High Schools to Higher Secondary Level (G&G 30/70) in Kyber Pakhtunkhwa on need basis	2415,000		0,000	0,010	124,994	125,004		06	100%		125,004			2
154	110432-Up-gradation of 120 Primary Schools to Middle Schools (B&G) in Khyber Pakhtunkhwa on need basis (Phase-II)	1088,000		0,000	0,010	246,988	246,988		06	100%		246,988			2
155	110433-Up-gradation of 150 Middle Schools to High Level (B&G) in Khyber Pakhtunkhwa on need basis (Phase-II)	1552,500		0,000	0,010	270,000	270,010		06	100%		270,010			2

S. No.	Name of Scheme	Cost		Original Allocation 2014-15			F.A Allocation		Total		Status		Post Devolution		Province	District	By Function
		Total		Capital	Revenue	Total Original			New	Ongoing	District	Provincial	District	Province			
156	110434-Up-gradation of 100 High Schools of High Secondary Schools (B&G) in Khyber Pakhtunkhwa on need basis (Phase-I)	2000,000		0,000	0,010	0,010	390,000	390,010		06	100%		390,010	390,010			2
157	110441-Establishment of one Cadet College in Khyber Pakhtunkhwa	700,000		100,000	0,000	100,000	0,000	100,000		06	100%		100,000	100,000			2
158	110449-Reconstruction of Govt. Schools damaged due to militancy / bomb blast in the Province other than Malakand Division	688,271		170,000	0,000	170,000	0,000	170,000		06	100%		170,000	170,000			2
159	110563-Curriculum Development in 5 Languages, Composing and Printing of Curriculum and Manuals, Training of Master Trainers and Printing of extra books	193,000		0,000	0,010	0,010	111,683	111,693		06	100%		111,693	111,693			4
160	110568-IT / Computer Science Teachers and Computer Labs Project in Khyber Pakhtunkhwa (Phase-II)	500,000		0,000	328,273	328,273	0,000	328,273		06	100%		328,273	328,273			3
161	120425-Upgrade of 50 Middle Schools to High Level in deficient Union Councils	690,000		0,010	0,000	0,010	210,000	210,000		06	100%		210,010	210,000			2
162	120431-Upgrade of 25 High Schools to Higher Secondary Level in deficient Union Councils	534,750		0,000	0,010	0,010	265,000	265,010		06	100%		265,010	265,010			2
163	120442-Establishment of 50 Primary and 50 Middle Schools in rented buildings in Urban Areas of Khyber Pakhtunkhwa (including furniture & Staff)	142,000		0,000	0,001	0,001	71,000	71,001		06	100%		71,001	71,001			2

S. No.	Name of Scheme	Cost		Original Allocation 2014-15			F.A Allocation		Total		Status		Post Devolution			Province	District	By Function
		Total		Capital	Revenue	Total Original		Total	New	Ongoing	District	Provincial	District	Province	Total			
164	120499-Up-gradation of 50 Primary & 50 Middle Schools, Construction of 20 Playground and 400 additional classrooms through PTCs in Khyber Pakhtunkhwa	1430,000		0,000	0,001	0,001	680,000	680,001	680,001	06	100%		680,001	680,001			2	
165	120671-Upgradation of 50 Girls Primary Schools to Middle level in Khyber Pakhtunkhwa	431,250		0,000	0,010	0,010	211,250	211,260	211,260	06	100%		211,260	211,260			2	
166	130335-Construction of buildings for rented schools (50 Primary & 50 Middle) in Khyber Pakhtunkhwa (if land available)	800,000		300,000	0,000	300,000	0,000	300,000	300,000	06	100%		300,000	300,000			2	
167	130336-Up-gradation of 50 Primary Schools to Middle level in Khyber Pakhtunkhwa	550,500		0,000	0,010	0,010	180,000	180,010	180,010	06	100%		180,010	180,010			2	
168	130337-Construction of District Education Offices in 10 Districts (For female in land available)	150,000		80,000	5,000	85,000	0,000	85,000	85,000	06	100%		85,000	85,000			2	
169	130338-Construction of 500 Additional Classrooms in Khyber Pakhtunkhwa through PTCs	325,000		0,000	0,001	0,001	325,000	325,001	325,001	06	100%		325,001	325,001			2	
170	130339-Construction of 5 Cluster Hostels (Female) in Khyber Pakhtunkhwa on need basis (Phase-II)	150,000		80,000	0,000	80,000	0,000	80,000	80,000	06	100%		80,000	80,000			2	
171	130340-Up-gradation of 25 Govt. High Schools to Higher Secondary Level in Khyber Pakhtunkhwa	625,000		0,000	0,010	0,010	300,000	300,010	300,010	06	100%		300,010	300,010			2	
172	130341-Up-gradation of 50 Middle Schools to High level in Khyber Pakhtunkhwa (B&G) on need basis	715,000		0,000	0,010	0,010	300,000	300,010	300,010	06	100%		300,010	300,010			2	

S. No.	Name of Scheme	Cost		Original Allocation 2014-15			FA Allocation		Total		Status		Post Devolution		District	Province	By Function
		Total		Capital	Revenue	Total Original			New	Ongoing	District	Provincial	District	Province			
173	130342-Education Sector Reform Programme-Up-gradation of 50 Primary 50 Middle Schools, Construction of 15 Playgrounds and Construction of 350 additional classrooms through PTCs in Khyber Pakhtunkhwa	1450,000	0,000	0,010	0,010	900,000	900,000	0,010	900,000	06	100%	900,010	900,010	900,010		2	
174	130485-Reconstruction / Rehabilitation of 700 Govt. Primary, Middle, High & Higher Secondary Schools Partially Damaged due to flood 2010 through PTCs in Khyber Pakhtunkhwa	500,000	0,000	0,010	0,010	300,010	300,010	0,010	300,010	06	100%	300,010	300,010	300,010		2	
175	130545-Establishment of Independent Monitoring & Data Collection Unit in E&SE Department	1317,436	0,000	0,005	0,005	416,164	416,164	0,005	416,164	06	100%	416,164	416,164	416,164		1	
176	140191-Provision of Stipends to Secondary Schools Girls students of Khyber Pakhtunkhwa (Phase-VI)	1250,000	0,000	0,001	0,001	1250,001	1250,001	0,001	1250,001		100%	1250,001	1250,001	1250,001		15	
100%	140418-Provision of free text books to all students upto Intermediate level (Phase-X)	2500,000	0,000	2500,000	2500,000	0,000	2500,000	0,000	2500,000	06	100%	2500,000	2500,000	2500,000		5	
178	141026-Continuous Capacity Development of Parent's Teacher's Council (SBSE)	2106,500	0,000	0,005	0,005	734,705	734,705	0,005	734,705	06	100%	734,705	734,705	734,705			
Sub-Total Secdry: Edu (Ongoing)		27857,177	1210,760	4,169,267	4,169,267	7544,580	11713,847	7544,580	11713,847			5669,555	6044,292	11713,847			

S. No.	Name of Scheme	Cost		Original Allocation 2014-15		F.A Allocation		Total		Status		Post Devolution		Province	District	By Function
		Total	Capital	Revenue	Total Original	Capital	Revenue	Total	New	Ongoing	District	Provincial	District			
	Secondary Education (New)							0,000								
179	140203-Up-gradation of Gov. Middle Schools (including examination hall, PA Academy Risatpur and Estt. of Govt. Girls Middle Schools at PAF Academy Risatpur	40,397	30,000	0,000	30,000	0,000	0,000	30,000	New		100%			30,000		2
180	130640-Provision for new policy initiatives in Elementary & Secondary Education Sector	1800,000	0,000	800,000	800,000	0,000	0,000	800,000	New		100%			800,000		1
181	140193-Science Lab Project Khyber Pakhtunkhwa	1315,000	220,000	0,000	220,000	0,000	0,000	220,000	New		100%			220,000		3
182	140195-Up-gradation of 100 Govt. Primary Schools to Middle Level (B&G) in Khyber Pakhtunkhwa (SBSE)	1300,000	0,000	0,010	0,010	350,000	0,000	350,010	New		100%			350,010		2
183	140197-Up-gradation of 100 Govt. High Schools to Higher Secondary Level (B&G) in Khyber Pakhtunkhwa (SBSE)	2600,000	0,000	0,010	0,010	450,000	0,000	450,010	New		100%			450,010		2
184	140198-Up-gradation of 100 Govt. Middle Schools to High Level (B&G) in Khyber Pakhtunkhwa (SBSE)	1900,000	0,000	0,010	0,010	400,000	0,000	400,010	New		100%			400,010		2
185	140199-Reconstruction of 760 Non-Strategy Earthquake affected Schools	3700,000	300,000	0,000	300,000	0,000	0,000	300,000	New		100%			300,000		2
186	140200-Construction of 100 Examination Halls in High & Higher Secondary Schools	900,000	200,000	0,000	200,000	0,000	0,000	200,000	New		100%			200,000		2
187	140201-Schools Furniture Project in Khyber Pakhtunkhwa (SBSE)	7155,000	0,000	0,010	0,010	2500,000	0,000	2500,010	New		100%			2500,010		3



S. No.	Name of Scheme	Cost		Original Allocation 2014-15			FA Allocation	Total	Status		Post Devolution		District	Province	By Function
		Total		Capital	Revenue	Total Original			New	Ongoing	District	Provincial			
188	140204-Continuation of ongoing ADP schemes for completion in 2015	200,000		200,000	0,000	200,000	0,000	200,000	New		100%		200,000		
189	140206-Reconstruction of existing Primary, Middle and High Schools (50 each) in Khyber Pakhtunkhwa on need basis	900,000		300,000	0,000	300,000	0,000	300,000	New		100%		300,000		2
190	140608-Khyber Pakhtunkhwa Girls Community Schools Project (SBSE)	900,000		0,010	0,010	220,000	220,000	220,000	New		100%			220,010	2
191	140714-Schools Improvement Program in two districts of Khyber Pakhtunkhwa	1000,000		300,000	0,000	300,000	0,000	300,000	New		100%		300,000		2
Sub-Total (Secdry: Edu (New))		54678,835		1550,000	800,050	2350,050	3920,000	6270,050					5250,040	1020,010	6270,050
Sub-Total (Pry: Edu (06))		2960,707		903,862	8,811	912,673	230,000	1142,673					952,672	190,001	1142,673
Sub-Total (Pry: Edu (New))		20816,500		700,000	0,010	700,010	100,000	800,010					800,010	0,000	800,010
Sub-Total (Secdry: Edu (06))		27857,177		1210,760	2958,507	4169,267	7544,580	11713,847					5669,555	6044,292	11713,847
Sub-Total (Secdry: Edu (New))		54678,835		1550,000	800,050	2350,050	3920,000	6270,050					5250,040	1020,010	6270,050
Sub-Total (Pry: Edu (06) + Pry: Edu (New) + Secdry: Edu (06) + Secdry: Edu (New))		103043,247		4854,622	808,871	7762,493	12684,580	16619,997					13812,277	1904,292	16619,997
Sub-Total (Pry: Edu (06) + Secdry: Edu (06) + Pry: Edu (New) + Secdry: Edu (New))		103043,247		4854,622	808,871	7762,493	12684,580	16619,997					13812,277	1904,292	16619,997
Sub-Total (Pry: Edu (06) + Secdry: Edu (06) + Secdry: Edu (New))		103043,247		4854,622	808,871	7762,493	12684,580	16619,997					13812,277	1904,292	16619,997
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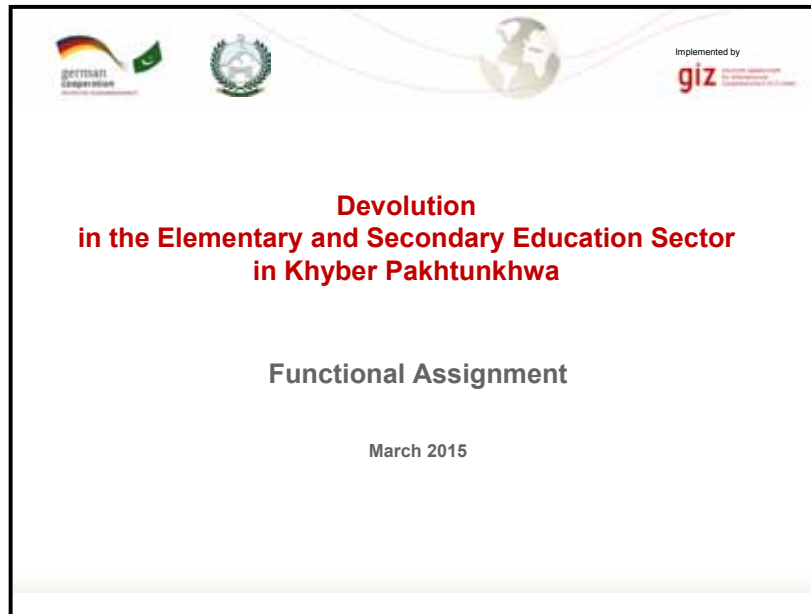
## Annex 7: List of Devolved Functions for District Rules of Business

### Draft Feedback from Elementary & Secondary Education Department to Local Government, Elections and Rural Development Department on the revised District Government Rules of Business

- Support provincial strategic sector planning and prepare a district sector plan reflecting the objectives and priorities of the provincial sector policy and local priorities. The district sector plan will be implemented on the basis of a detailed operational/expenditure plan.
- Provide physical infrastructure and basic facilities for elementary and secondary education in the district (including upgrading of existing facilities) as per identified needs and based on norms and technical standards established by the province.
- Provide equipment, furniture, school libraries and IT equipment to primary and secondary schools as per identified needs and based on norms and technical standards established by the province.
- Ensure distribution of text books (and learning materials) as provided by the province.
- Ensure planning, funding, regulation and monitoring of examinations for grades 1-4 and 6-7 in the district.
- Identify needs for in-service training of teachers in the district and inform relevant provincial institutions about the district's training needs. Or, arrange such in-service training in line with identified needs from available district budget in consultation with the relevant provincial institutions.
- Assume overall human resource management role for sector staff within the BPS Grades 1-16, including the creation of post, recruitment, posting and transfer, performance evaluation and promotion.
- Ensure regular academic inspections in the district's elementary and secondary schools according to the norms, standards and instruments prescribed for this purpose by the province.
- Ensure regular academic supervision of the district's elementary and secondary schools according to the quality standards and instruments prescribed for this purpose by the province.
- Where relevant, engage in public private partnerships for the establishment of schools in the district according to the sector policy of the province.
- Take responsibility for the implementation of scholarship & stipend programmes in the district for students up to grade 8.
- Ensure sport and co-curricular activities in the elementary and secondary schools of the district and provide funds if required and available.

In implementing these responsibilities, the district education office will ensure regular coordination and cooperation with the relevant provincial sector and the educational institutions below the district level, and provide regular reports to the E&SE Department as per standard rules or as requested.

## Annex 8: Devolution in the Elementary and Secondary Education Sector in Khyber Pakhtunkhwa





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## Process

- **Starting Point:** First Schedule of LGA 2013 defines „Primary and Secondary Education“ as a devolved office
- **Request to LGE&RDD:** Support in devolution of primary and secondary education  
(Devolved Office = Close Provincial Department?)
- **Steps to implement Devolution:** 1) Unbundling of Functions, 2) Assignment of Functions, 3) Assess Budget and HR Implications 4) Develop Roadmap  
(experience from: e.g. Indonesia, Cambodia, India)
- **Need:** The clarification of functions of different levels is a crucial building block of decentralization reforms with significant implications for financing, staffing, planning, and organizational structures (form and funds follow functions)

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Seite 3




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## Functional Assignment

- **Goal:** After a Functional Assignment process a department is in a position to make a level of government responsible for ensuring that the outputs and outcomes associated with a function are attained.
- **Ownership:** Not an external input but a process of the E&SED management with various steps involved, supported by GIZ (Education and Governance Programme)

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Seite 4



### 1) E&SED Functions (Unbundling)

1	Sector Planning
2	Provision of Physical Infrastructure and Basic Facilities
3	Regulation of Private Schools and Establishing Public Private Partnership models
4	Scholarship, Stipends
5	Sports and Co-curricular Activities
6	Provision of Equipment, Furniture, School Libraries, Laboratories and IT Equipment
7	Human Resource Management (HRM)
8	Curriculum Development
9	Textbooks and Learning Material Development
10	Printing and Distribution of Textbooks
11	Teacher Training and Education - Pre-Service
12	Teacher Training and Education - In-Service
13	Examination
14	Assessment
15	Academic Inspection
16	Academic Supervision

23.12.2015 Seite 5




### 2) Assignment of Functions

**Sector Function: Printing and Distribution of Text Books**

Management Functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current Situation							
Proposed after devolution							

23.12.2015 Seite 6




Assignment of Function (Example)

**Sector Function: 10 Printing and Distribution of Text Books**

Management Functions	Policy	Planning	Budget & Funding	Regulation	Maintenance & Repair	Monitoring & Evaluation	Implementation
Current Situation	E&SED	E&SED (for distribution) Text Book Board (for printing)	E&SED	E&SED		E&SED	Text Book Board DEO (distributes to schools/ children)
	E&SED	E&SED (for distribution) Text Book Board (for printing)	E&SED	E&SED		E&SED	Text Book Board District Government (Distribution to schools/ children)
Proposed after devolution	E&SED	E&SED (for distribution) Text Book Board (for printing)	E&SED	E&SED		E&SED	Text Book Board District Government (Distribution to schools/ children)

23.12.2015Seite 7



	Policy	Planning	Budget & Funding	Regulation	M&R	M&E	Implementation
1 Sector Planning	Provincial	Shared	Shared	Provincial		Shared	Shared
2 Provision of Physical Infrastructure and Basic Facilities	Provincial	Shared	Shared	Provincial	Shared	Shared	Shared
3 Provision of Equipment, Furniture, School Libraries, Laboratories and IT equipment	Provincial	Shared	Shared	Provincial	Shared	Shared	Shared
4 Curriculum Development	Provincial	Provincial	Provincial	Provincial		Provincial	Provincial
5 Textbooks and Learning Material Development	Provincial	Provincial	Provincial	Provincial		Provincial	Provincial
6 Printing and Distribution of Textbooks	Provincial	Provincial	Provincial	Provincial		Provincial	Shared
7 Examination	Provincial	Shared	Shared	Shared	Shared	Shared	Shared
8 Assessment (of student competences)	Provincial	Provincial	Provincial	Provincial		Provincial	Provincial
9 Teacher Training and Education - Pre Service	Provincial	Provincial	Provincial	Provincial		Provincial	Provincial
10 Teacher Training and Education - In Service	Provincial	Shared	Shared	Provincial		Shared	Shared
11 Human Resource Management (HRM)	Provincial	Shared	Shared	Provincial		Shared	Shared
12 Academic Inspection	Provincial	District	District	Provincial		Shared	District
13 Academic Supervision of Schools	Provincial	District	District	Provincial		Shared	District
14 Regulation of Private Schools and Establishing Public Private Partnership models	Provincial	Shared	Shared	Provincial		Shared	Shared
15 Scholarship, Stipends	Shared	Shared	Shared	Shared	Shared	Shared	Shared
16 Sports and Co-curricular Activities	Provincial	District	District	District		District	District

23.12.2015Seite 8



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## Main Outcome

### **E&SED will retain a major role in:**

- **Policy-making** for all the identified functions and for **strategic planning** of the sector
- **Curriculum development**, and in **the training of teachers (both pre-service and in-service)**
- **HRM** functions for sector officials from BPS grades 17-20
- **Regulating** how the function is to be implemented
- **Monitoring and Evaluation** in line with the stipulations of the 2013 LGA

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Seite 9



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## Main Outcome

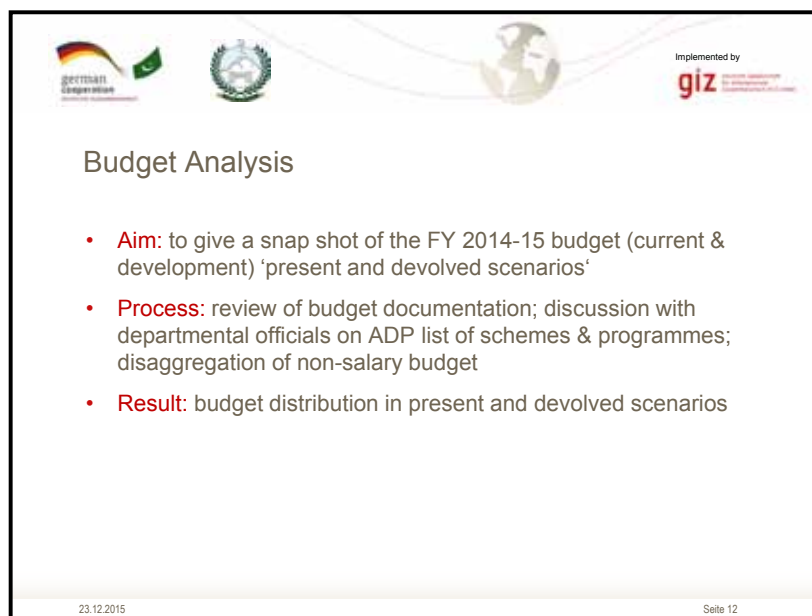
### **District Government will be responsible for:**

Tasks and responsibilities directly related to service delivery




- **Provision of physical infrastructure and basic facilities**
- **Provision of equipment, furniture, school libraries, and laboratory and IT equipment**
- **Examination** for the grades 1-4 and 6-7 (governed by E&SED regulations and policy). Assessing the needs for **in-service training**
- **HRM** function for the BPS grades 1-16 (creation of posts, recruiting, posting and transfer, performance evaluation and promotion)

23.12.2015

Seite 10








### Budget Implications – Development Budget

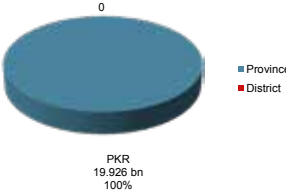
- Present scenario:**
  - 100% of development budget with provincial level
- Devolved scenario:**
  - 36% to stay with provincial level
  - 64% to be devolved to districts in line with functional assignment

23.12.2015 Seite 13

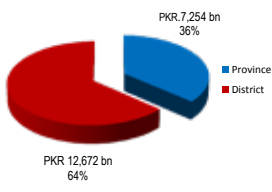
### Budget Implications – Development Budget

Present scenario



PKR 19,926 bn  
100%

Devolved scenario



PKR 7,254 bn  
36%

PKR 12,672 bn  
64%

■ Province  
■ District

23.12.2015 Seite 14



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## Budget Implications – Salary

- **Present scenario (2014-15):**
  - 99.4 % of sector staff working at the district level and below,
  - 95.0 % of the sector salary is distributed in districts
- **Assumptions for budget analysis in devolved scenario:**
  - Teaching staff remains with district government
  - DEOs, SDEOs and staff with district government
  - Only staff of Secretariat, Directorates and provincial level institutions (RITEs) remain at provincial level (= 0.6%)
  - No net effect on salary budget.


23.12.2015

Seite 15



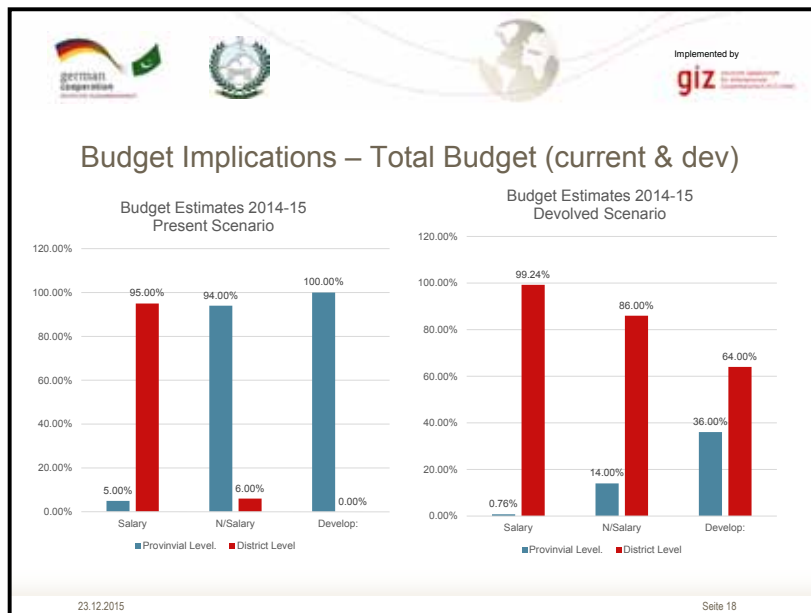
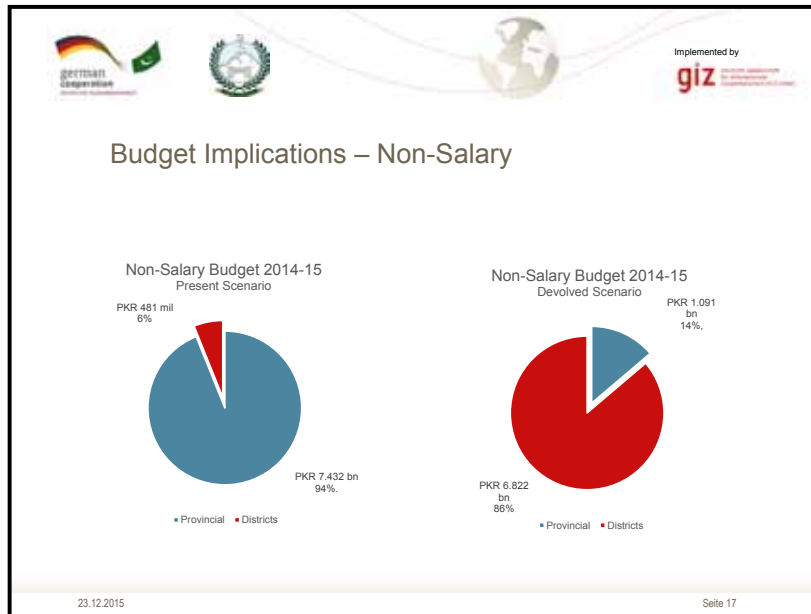
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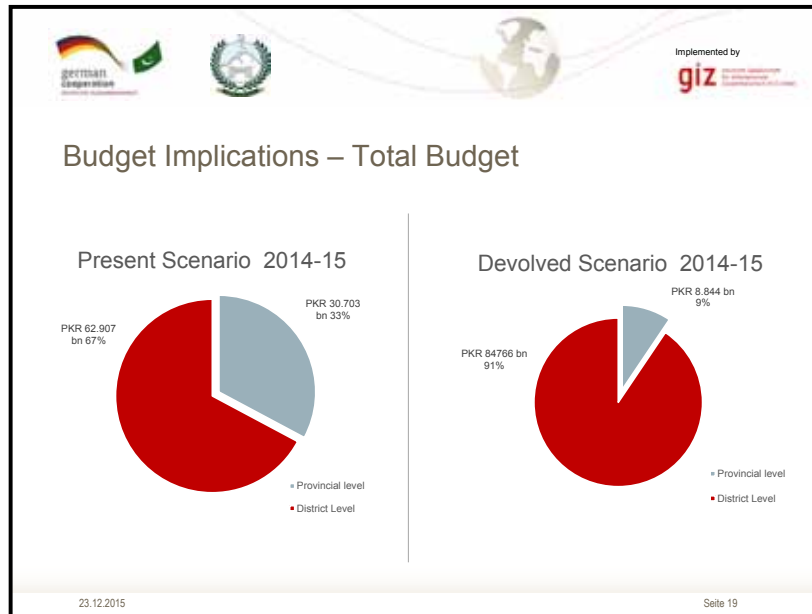
## Budget Implications – Non Salary




- **Present scenario (up to end March 2015):**
  - Total Non-Salary Budget: Rs.7.913 billion
  - Rs 481.500 million (6%) directly allocated to districts
  - Rs 7.432 billion (94%) allocated to province, of which
    - Rs. 256.786 million (3%) allocated for provincial offices / institutions
    - Rs.834.499 million (11%) released for provincial programs
    - Rs 3.764 billion (51%) released to districts for various schemes programs
    - Rs. 2.577 billion (35%) with the province to be released to districts 
- **Devolved scenario:**
  - Rs. 6.822 billion (86%) non salary budget to districts
  - Rs.1.091 billion (14%) – operational budget / provincial programs

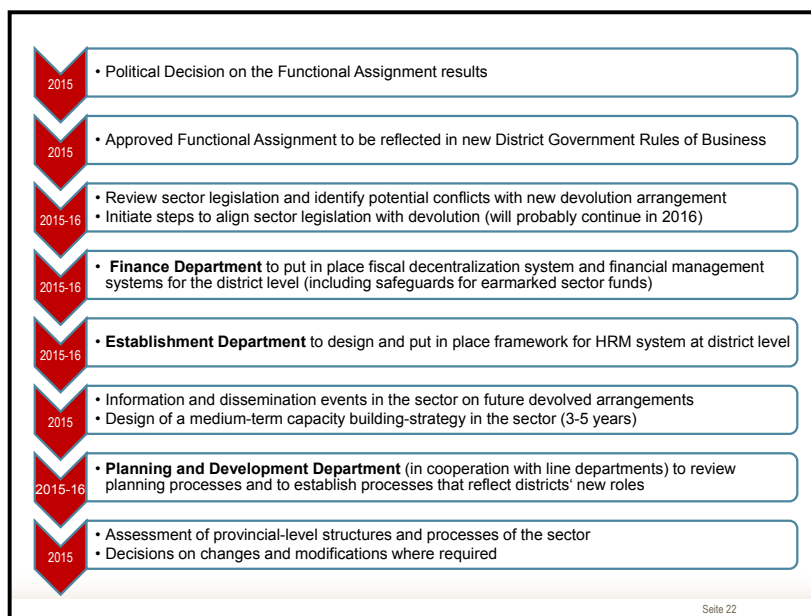
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Seite 16





- german cooperation    Implemented by **giz** German Institute for International Cooperation
- ### Budget Implications – Summary
- Significant shift in allocating the sector budget
    - 91 percent of Recurrent & Development with district government (as compared to 67 percent present situation)
    - **Likely concern:** absorption and financial management capacity at district level
- 23.12.2015 Seite 20





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- 2015 • Review and modification of the sector's oversight and M&E systems
- 2015-16 • Review functional assignment below the district level
- 2015-16 • Draft sector budget for FY 2016/2017 as per new functional assignment
- 2016 • Begin implementation of capacity-building strategy
- 2016 • As per 1 July 2016 (begin of devolved arrangement), transfer of staff and assets to the districts
- 2016-17 • Monitor implementation of devolved arrangements and introduce corrections/modifications where necessary

Seite 23



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Thank You

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Seite 24



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