2016/17 Sector Grant and Budget Guidelines

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## **Introduction**

Each financial year, the sector participates in facilitating regional workshops for the preparation of the Local Government Budget Framework Papers for the subsequent years. Several issues were raised to which the MoES put in place a number of measures to improve efficiency and identified strategic operational areas for consideration in implementing the budgetary provisions for cost effectiveness in the medium and long term.

The issues are grouped under the outlined broad areas of: (i) The nationalpolicies for the Sector; (ii) the role and mandate of Local Governments in the Education Sector; (iii) an Overview of Central Government Grants to Local Governments; (iv) the Grants Allocation Formulae; and (v) requirements that Local Governments must follow while preparing their budget.

Attached also are detailed Budget Requirements Assessment and Compliance Tool to guide Local Governments in ensuring compliance; but it shall still be used by Central Government to verify whether Local Governments actually complied. This will inform the signing of Performance Contracts with Accounting Officers by the Permanent Secretary/Secretary to the Treasury.

## **National Development Plan and Sector Policy Priorities**

The National Development Plan (NDP) II indicates that the broad sector objectives in the medium term shall continue to focus on:

* Expansion of access to equitable and quality education and training at all levels
* Ensure delivery of relevant and quality education and training as well as
* Enhancement of efficiency and effectiveness in service delivery.

The sector policy thrusts outlined in NDP II include the following:

1. Universal Primary Education (UPE). This embraces the provision of pre-primary education, which continues to be dependent on NGOs, multilateral organizations, and the private sector.
2. Universal Secondary Education (USE)
3. Enhancement of Schools Inspection Grant at all levels
4. Health Training Institution
5. Universal Post Primary Education and Training (UPPET)
6. School Facilities Grant (SFG) at both Primary and Secondary.
7. Quality Enhancement
8. Higher Education: Despite the increased enrolment in university education, student enrolment in science and technology programs at both private and public universities is still low.

The sub-sectoral policy objectives continue to mirror the broad sector strategic objectives and policy thrusts. However, meeting the quality standards remains a challenge overriding policy concern for the sector and across all the sub-sectors

While some progress has been made towards skilling the Ugandan labour force, the economy still faces substantial skills gaps in key sectors of the economy.

Over the past five years, progress has been made mainly in formal areasof Business, Technical, Vocational Education and Training (BTVET) registering increased student enrollments. However, the number ofvacancies available in BTVET institutions compared to demand from primary and S1-S4 leavers still falls short by 60 percent.

Since their establishment, the Uganda BTVET sector Examinations Boards: Uganda Business and Technical Examinations Board (UBTEB), Uganda Allied HealthExaminations Board (UAHEB) and Uganda Nurses and Midwives ExaminationsBoard (UNMEB), have put in place an enabling environment through provision ofuniform assessment tools and other manuals necessary for enhancement of skillsdevelopment. All efforts have been made to standardize qualifications in the variousfields of vocational education and training following the principles of CompetenceBased Education and Training (CBET).

The Boards have continued to conduct quality applied knowledge and skillsExaminations with an ultimate goal of enabling the students to access further upwardacademic progression and being self-employed or getting employment in the world ofwork. This form of assessment creates easy accessibility to flexibility in learning andeasy skills acquisition

## **Roles, Responsibilities and Mandate of Local Government**

According to Schedule 2 of the Local Government Act, the education and sports functions and services for which the district councils are responsible for, subject to article 176(2) of the Constitution and sections 96 and 97 of the LG Act include but are not limited to, provision of Education services, which cover pre-primary (nursery), primary, secondary, teacher education, science technology innovation, special needs and technical and vocational education.

The functions of Vote Function at the LG level are explained in the matrix below:

| **Vote Function** | **Institutions** | **Associated LG Mandate/Functions of Vote Function at LG level** |
| --- | --- | --- |
| Pre-primary and Primary | Primary Schools | Delivery of primary education. |
| Secondary Education | Secondary Schools | Delivery of secondary education. |
| Skills Development | * Technical Institutes * Technical Farm Schools * Community Polytechnics * Health Training Institutions * PTCs, NTCs * Abolition Instructor Training school * Health Tutors College Mulago | * Delivery of different types of skill development * Empowering individuals through provision of employable practical skills. * To retain and motivate lecturers in tertiary institutions towards better services to the economy. |
| Quality (Education Inspection and Monitoring) | District Education/Municipal Education Department | * The Municipal/District Education Office provides support supervision, monitor and inspect education service provision. * They are also responsible for playing an oversight role over primary teachers. |
| Special Needs Education and career guidance | Primary and Secondary schools | * Recruitment, training and purchase of specialised equipment and equipping the institutions. * Address issues that affect the learners’ ability to complete education cycle |

*Note:* un-devolved functions include:

* Recruitment and transfer of secondary school teachers, as well as vocational instructors
* Special needs education is a function of the LGs but not currently covered by the transfer system. The grant is still controlled at the centre. This is subvention grant.
* Allocation of the Skills Development Grant
* Allocation of the Transitional Development Grant (for only FY 2016/17)

## **Overall Structure and Purpose of Sector Grants**

The purpose of the sector grants are:

* To pay salaries of education staff in pre-primary, primary, secondary and tertiary and vocational institutions
* To fund operation costs of running pre-primary, primary, secondary and tertiary and vocational institutions
* To facilitate inspection, monitoring and support supervision of all institutions
* To finance capital development works of pre-primary, primary and secondary schools

The proposed **structure and purpose of sector grants** are as follows:

|  |  |
| --- | --- |
| Grant | Purpose |
| **Wage Conditional Grant** | To pay salaries of education staff in pre-primary, primary, secondary and BTVET institutions |
| o/w Pre Primary and Primary |
| o/w Secondary Education |
| o/w Skills Development |
| **Non-Wage Conditional Grant** | To fund operation costs of running pre-primary, primary, secondary and BTVET institutions and the management and oversight of those institutions |
| o/w Pre Primary and Primary and education management |
| o/w Secondary Education |
| o/w Skills Development |
| **Development** | To finance capital development works of pre-primary and primary schools |
| **Transitional Development – Presidential Pledges** | To fund ad hoc investments, including presidential pledges and Secondary Schools |

## **Grant Allocation Formula**

The proposed allocation formula will integrate the following variables: Population of school going age (Primary and Pre Primary / Secondary), PLE results, number children of school going age per classroom (primary/secondary), population in Hard to Reach, Hard to Stay Areas, land area, enrolment in tertiary education institutions. It was recommended during sector consultations that the allocation formula should use exam results as a variable. While this is not possible to enter UACE and UCE results for this round of IPFs and these have been integrated in the formula.

The table below shows the variables to be used in the allocation formula and their corresponding weights:

| **Variable** | **Weighting** | | | | | | **Justification** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Pre Primary, Primary & Management** | | **Secondary** | | **Skills Dev** | **Educ Dev’t** |
| **W** | **NW** | **W** | **NW** | **W &NW** |
| Population of school going age (Primary & Pre Primary / Secondary) | 10 | 15 | 10 | 15 | 0 | 64 | Proxy for the number of potential children who should be in school. |
| Number of learners in primary / Secondary school. | 81 | 75 | 81 | 75 | 0 | 0 | The actual number of children in school, a key driver for operational costs |
| % Scoring Grade1 in UCE | 0 | 0 | 6 | 6 | 0 | 6 | Those local governments with lower proficiency in English and Math will receive additional resources, which will help equalise key education performance outcomes |
| Percentage of children passing PLE grade 1 to 3 | 6 | 6 | 0 | 0 | 0 | 6 |
| Population in Hard to Reach, Hard to Stay Areas | 2 | 2 | 2 | 2 | 0 | 2 | Mountainous, islands, rivers etc have peculiar terrain. Provides greater allocations to areas where costs are likely to be higher |
| Land area | 1 | 2 | 1 | 2 | 0 | 2 | Cost indicator reflecting the cost of providing education, especially in sparsely populated areas with a large land size e.g. Karamoja region |
| Fixed Allocation | 0 | 0 | 0 | 0 | 0 | 20 | To ensure that there is a minimum development grant allocation for each LG |
| 2016/17 Allocations | 0 | 0 | 0 | 0 | 100 | 0 | Input indicator reflecting the number of beneficiaries. As tertiary institutions have significant spill-over effects, it is not possible to estimate the beneficiary population. |

Education allocations under the **support services grant** would remain adhoc, and not formula based. The support services grant is current comprised of:

|  |  |  |
| --- | --- | --- |
| **Item** | **Current allocation** | **Allocation Principles** |
| Presidential pledges | 4.58 bn | Ad hoc |
| Secondary Development | 8.86bn | Ad hoc |

*The above formulae will be phased in over the medium term. The formulae and the* ***medium term allocations and phase in plan*** *for the allocation formulae is available on the budget website:* [*www.budget.go.ug/fiscal\_transfers*](http://www.budget.go.ug/fiscal_transfers)*. An individual local government’s allocation can also be found on the site.*

Performance based allocations for development grants will be introduced starting from either 2017/18 or 2018/19. The aim is to reward districts that perform well against a set of predetermined standards or institute penalties for poor performing ones. Government will build on the performance assessment system that has been applied to the LGs by MoLG (LGMSDP), MoLHUD (USMID) and OPM (GAPR) to design a revised system. In addition the options results based financing of schools funded via the non-wage conditional grants to incentivise service delivery results will be explored, piloted and rolled out.

## **Overview of Sector Budgeting Principles and Requirements**

In order to access conditional grant funding local governments are required to adhere to a number of specific **sector requirements**in the financial year 2016/17**.**

These are specified in the following sections, and are summarised in the table below:

| **Area** | **Summary of Requirements** |
| --- | --- |
| Narrative and Performance Contract | * The budget narrative summarises information on revenue, expenditure and key outputs in the performance contract. |
| Overview of Work plan Revenues and Expenditure | * Total Work plan revenues and expenditures balance and are divided correctly between wage, non-wage recurrent, GoU and donor development. |
| Salaries and Related Costs | * Salaries of permanent staff must be within the overall staff and budget ceilings. * Permanent staff in District/Municipal Education Offices must be budgeted for from the unconditional wage grant. * Permanent teaching staff must be funded from the sector conditional wage grant. |
| * Salary allocations to the Education Department must be according to the filled posts within the approved structure, recruitment plan and salary scales within a given financial year. * Each primary school must have at least a head teacher and a minimum of one teacher for each class. |
| * In addition, each school must be allocated one additional teacher for every 53 pupils. |
| * The budget must include all existing government secondary schools and meet minimum staffing requirements. * Each secondary school must be allocated a head teacher, a deputy head teacher and one subject teacher per class. |
| * The hard-to-reach allowance equivalent to 30% of a member of staff’s salary must be provided for staff in the hard-to-reach areas **outside town councils and HLG headquarters,** in line with the Hard-to-Reach Framework and schedule designated by the Ministry of Public Service. |
| * Local governments with wage conditional allocations greater than what their allocations would be under the new allocation formula are required not to budget for hiring new staff. A schedule of those LGs required to stop hiring is provided alongside the IPFs. |
| Lower Local Services (Transfers to Primary, Secondary and Tertiary Institutions) | * **Transfers for Primary Schools** are determined as follows:   + a minimum allocation (threshold) of Ugx 1,350,000 per school per year; plus   + The detailed allocation criteria is laid out in the Budget Requirements Assessment And Compliance Tool (Page 17). |
| * **Transfers for Secondary Schools**: Amounts per school should be determined on the basis of enrolment. ( details are laid out in the Budget Requirements Assessment And Compliance Tool – Page 19) |
| Monitoring, inspection and Management of Education Services | * Part of non-wage recurrent budget for the sector may be used for monitoring and management of education service delivery. This is to cater for DEO’s facilitation and Inspection components. |
| * LGs should ensure minimum budget allocations for **School inspection** to cover Primary, Secondary and Tertiary institutions are made. |
| Capacity Building | * Up to 10% of the development budget may be used for capacity development for the education department. |
| * Capacity building activities should be consistent with the positive and negative lists (see table below). |
| Development Investments | * At least 80% of development budget will be used for capital investments, to fund rehabilitation or construction of service delivery or administrative infrastructure. |
| * Prioritising Primary School Facilities: Priority should be given to (a) parishes which do not have primary schools and (b) the schools with the highest pupil to classroom ratios. * Schools with high rehabilitation needs guided by a prior needs assessments exercise should be prioritised * Schools with emergency cases should be accorded highest priority * Schools with critical Sanitation (high Pupil Stance Ratio) and Water (Water Tanks) requirements should be prioritised * Schools with high needs in science based pedagogical facilities like laboratories should accorded priority |
| * Prioritising Secondary School Facilities: Priority should be given to a) subcounties without secondary schools b) schools with high Student to classroom ratios. * Schools with high rehabilitation needs guided by a prior needs assessments exercise should be prioritised * Schools with emergency cases should be accorded priority * Schools with critical Sanitation (high Student Stance Ratio) and Water requirements (Water Tanks) should be prioritised |
| * The local government must also receive written authorisation from MoESTS before budgeting for a new school to be constructed. |
| * Recurrent costs of new schools must be submitted to the Ministry of Finance, Planning and Economic Development for inclusion in the new FY. * These recurrent costs (wage and non-wage) are to be used in the running of the new schools |
| * At most, 10% of budget allocations to education infrastructure construction and rehabilitation (capital outputs) will finance investment service costs, such as bills of quantities or economic impact assessments. |
| * Local governments must not budget for activities specified in the negative list for capital investment (see table below). |

The table below provides an indicative list of **capital investments and other development activities** which may or may not be funded under the sector development budget from central government grants:

|  |  |  |
| --- | --- | --- |
|  | Positive list (what may be funded) | Negative list (what may not be funded) |
| Primary education | * Construction, rehabilitation, renovation of classrooms * Procurement of classroom furniture * Construction of teacher houses * Construction of sanitation facilities in hard to stay areas * Construction of water facilities at schools * Construction of dormitories to primary schools with peculiar conditions (eg in Sebei region, Karamoja region, - this varies accordingly and priority is given to the girl child) * Other infrastructure for schools (offices; kitchen and store; lightening conductors; fencing) |  |
| Secondary Education | * Construction of new classrooms * Rehabilitation/renovation of classrooms * Procurement of classroom furniture * Construction of teacher houses in hard to stay areas * Construction of sanitation facilities * Construction of libraries and furnishing them * Construction and equipping of laboratories * Provision of ICT facilities (computers), virtual libraries * Other infrastructure for schools (offices; kitchen and store; lightening conductors; fencing; solar power) |  |

The table below provides an indicative list of **capacity development activities** which may or may not be funded under the sector development budget from central government grants:

|  |  |
| --- | --- |
| Positive list (what may be funded) | Negative list (what may not be funded) |
| * Short courses * Procurement of training equipment, e.g. computers | * Undergraduate qualifications (degrees, diplomas etc) * Post-graduate qualifications * PhD’s * Training courses that are not relevant to the function of the post of the staff concerned. |

## **Budget Requirements Assessment and Compliance Tool**

The Budget Requirements Assessment of Compliance is more detailed than the summary of budget requirements presented earlier in the Guidelines. For each summary requirement, detail is given on what the minimum level of compliance is, and how this will be checked in practice. An independent assessment will be conducted for the Budget Framework Paper, Draft Budget Estimates and Final Budget Estimates to determine if local governments are adhering to these requirements. This will be considered as part of the performance assessment of Accounting Officers and inform the appointment of accounting officers. Failure to adhere to these requirements may result delays to the signing of the performance contract for an Accounting Officer, or non-renewal of the contract of the Accounting Officer by the PS/ST of the Ministry of Finance, Planning and Economic Development.

*This assessment table applies to the budgets under the Local Government Work plan for Education (06), including expenditures financed by grants from the Education Sector.*

| **Area** | **Summary of Requirements** | **Definition of Compliance** | **Source of Information** | **Reporting on Compliance** | **Point Assessed** |
| --- | --- | --- | --- | --- | --- |
| **Budget Requirements** | | | | | |
| Narrative and performance contract | The budget narrative is complete and summarizes recent performance in revenue, expenditure and key outputs in the performance contract. | The OBT submission includes a narrative for the Work plan. This covers:   * Revenue performance in the current fiscal year and estimates for the budget period. * Expenditure performance in the current fiscal year and estimates for the budget period. * Key outputs for the budget period as listed in the performance contract, and performance against these outputs in the current FY. | Work plan Summary  Performance Contract | State whether the LG **is or is not** Compliant.  State for Work plan 6 if:   1. A budget narrative is prepared for the LG budget. 2. The narrative includes a discussion of revenue and expenditures in 2015/16 and 2016/17. 3. The narrative includes all indicators listed in Performance Contract. | BFP  Draft Budget  Final Budget |
| Overview of Work plan Revenues and Expenditure | Total work plan revenues and expenditures balance and divided correctly between wage, non-wage recurrent, GoU and donor development. | Total recurrent revenues equal total recurrent expenditure.  Total development revenues equal total development expenditure  Revenue allocations to the unconditional grant wage grant and the sector wage conditional grant equals wage recurrent expenditure.  Total wage budget in the staff recruitment plan for the Education Department (filled and vacant positions) is equal to the sum of the unconditional and conditional wage grant allocations.  Allocations to the development budget are at least as high as the development grant and the transitional development grant - Presidential pledges | Overview of work planrevenues and expenditure  OBT Staff recruitment plan | State whether the LG **is or is not** Compliant.  State for Work plan 6:   1. Total Recurrent Revenues and total recurrent expenditure, and difference. 2. Total Development Revenues and total Development Expenditures, and difference. 3. The sum of the Unconditional Wage Grant and Sector Wage Grant allocations, and total wage expenditure, and difference. 4. The sum of the Unconditional Wage Grant and Sector Wage Grant allocations, and total wages in the staff recruitment plan for the department, and difference. 5. The sum of sector development grant and transitional development grant allocations, and total development expenditure, and difference.   For (a), (b) and (c) state if difference is not equal to zero.  For (d) and (e) state if difference is less than zero. | BFP,  Draft Budget,  Final Budget |
| Salaries and related costs | Salaries of permanent staff must be within the overall staff and budget ceilings.  Permanent staff in District/Municipal Education Offices must be budgeted from the unconditional wage grant.  Permanent teaching staff must be funded from the sector conditional wage grant. | **District/Municipal Education Office** staff must be budgeted for under wage for ‘Education Management Services’ output 078401. The total wage allocation to this output in the Annual Work plan details  *must be equal to*  The unconditional wage grant allocation in the department revenue budget, as shown in the overview of work plan revenues.  **Primary and secondary teaching staff** must be budgeted for under wage for outputs ‘Primary Schools Services’ (078151) and ‘Secondary Schools Services’ (078251). The total wage allocation to these outputs in the Annual Work plan details  *must be equal to*  To the conditional grant wage allocation under the department revenue budget, as shown in the overview of work plan revenues. | *OBT/PBS*  ‘Overview of work plan revenues’  Annual ‘Work plan details’ | State whether the LG **is or is not** Compliant.  State for Work plan 6:   1. Total allocations for the wage recurrent budget under output 078401 2. Total wage unconditional grant allocation to the work plan.   Calculate a) – b) and state if difference is not equal to zero.   1. Total wage recurrent budget allocations to outputs 078151 and 078251 2. State the total education sector wage conditional grant allocations   Calculate c) - d) and state if difference is not equal to zero. |  |
| Salary allocations to the education department must be according to the filled posts within the approved structure, recruitment plan and salary scales within a given financial year. | The number of staff budgeted for (both in post and planned for recruitment) at each job title AND salary scale for the education department  *must be less than or equal to*  The total number of staff specified in the approved structure for the local government. | OBT/PBS staff list and recruitment plan  Approved LG establishment structure | State whether the LG **is or is not** Compliant.  State for Work plan 6:   1. The total staff budgeted for and the total staff specified in the approved structure 2. The staff titles and the differences for any specific job titles (where the number of staff budgeted for are more than the approved structure). | Draft Budget  Final Budget |
| Salary allocations must be according the filled posts within the approved structure, recruitment plan and salary scales within a given financial year in line with minimum staffing levels and in proportion to enrolment.  Each primary school must have at least a head teacher a minimum of one teacher per class then an additional teacher for every 53 pupils | The staff list and recruitment plan must reflect all government primary schools.  Each primary school must (at minimum) have:   * A head teacher * A teacher per class * An additional teacher for every 53 pupils in line with the Government policy of maintaining a 53:1 PTR | OBT/PBT ‘Work plan details’  OBT/PBS staff list and recruitment plan  MoESTS official enrolment data  MoESTS Staffing norms for primary schools | State whether the LG is **or is not** compliant.  Provide a schedule of primary schools in the district/ municipality including the following information:   1. The total number of teachers in the recruitment plan for each school. 2. The number of teachers that should have been allocated as a minimum requirement to each school. 3. The minimum number of additional teachers that should have been allocated in proportion to enrolment.   List all individual schools receiving less than the minimum number of teachers they should have received. | Draft budget,  Final budget |
| Each secondary school must be allocated a head teacher, a deputy head teacher and one subject teacher per class. | The staff list and recruitment plan must reflect all government secondary schools.  Each secondary school must (at minimum) have:   * A head teacher * A deputy head teacher * One subject teacher per class | OBT/PBT ‘Work plan details’  OBT/PBS staff list and recruitment plan  Enrolment data in PBS/OBT  MoESTS Staffing norms for secondary schools | State whether the LG is **or is not** compliant.  Review the MoESTS enrolment data and the recruitment plan for Work plan 6, and list all secondary schools that:   1. Do not have a head teacher; and/or 2. Do not have at least 1 subject teacher per class. |  |
| The hard-to-reach allowance equivalent to 30% of a member of staff’s salary must be provided for staff in hard-to-reach areas outside town councils and HLG headquarters. | The hard-to-reach allowance must be applied to staff in the lower local governments that are rural, and designated “hard-to-reach” by the Ministry of Public Service and Ministry of Education.  In the Work plan6, the number of staff receiving the hard-to-reach allowances and the qualifying schools should be stated under “non-standard outputs” under each of the following outputs:   * 078151 - Primary Schools Services * 078251 – Secondary School Services   The allocations to hard-to-reach should be made to item 211103 Allowances under the wage recurrent budget to these outputs.The allocations must be assigned to individual schools.  The amount of the hard-to-reach allowance should be equal to 30% of the allocation under item 211101 (General Staff salaries) for a given school.    None of the schools with allocations for hard to reach allowances should be in a town council or HLG headquarters, and they must be in the area stipulated by Ministry of Public Service as Hard to Reach. | Work plan outputs  Expenditure details in the budget estimates  Schedule from Ministry of Public service that designates Hard-to-Reach Areas. | State whether the LG **is or is not** Compliant.  State for Work plan6:   1. If the LG qualifies as a hard-to-reach area in the schedule, or not.   If the LG qualifies, then state:   1. The eligible schools by LLG and HLG, as listed in the schedule for hard-to-reach areas. 2. The total number of staff that will receive a hard-to-reach allowance in these units, from the non-standard outputs indicators for outputs 078151 and 078251. 3. For each of the eligible schools (in b above), check that the wage allocation for 211103 is**NOT**more than 30% of their respective wage recurrent budget allocation under item 211101.   List any schools by LLG and HLG that are eligible, but do not have a non-standard output for staff receiving the hard-to-reach allowance.  List any schools by LLG and HLG that are eligible, but whose allocation for hard to reach does not comply as in (d) above. | Draft Budget,  Final Budget |
| Local governments with wage conditional allocations greater than what their allocations would be under the new formula are required not to budget for hiring new staff. A schedule of those LGs required to stop hiring is provided alongside the IPFs. | A schedule of those LGs required to stop hiring new staff is provided alongside the IPFs.  If the schedule specifies under ‘Areas with No New Recruitment’:   * Primary Education Wage * Secondary Education Wage   Then local governments *must not* budget for recruitment of any new staff under the outputs for:   * ‘Primary School Services’ (078151) * ‘Secondary School Services’ (078251). | OBT/PBS staff list and recruitment plan  Schedule of LGs that are required NOT to hire new staff accompanying IPFs | State whether the LG **is or is not** compliant.   1. If the schedule does not specify ‘Primary Education Wage’ or ‘Secondary Education Wage’ then state: New Recruitment Allowed. 2. If the schedule specifies ‘Primary Education Wage’ or ‘Secondary Education Wage’ under ‘Areas with No New Staff Recruitment’ state: *New Recruitment NOT Allowed*. 3. If (b), then state either:    * ‘No new recruitment planned’;    * ‘New Recruitment planned’ and give details of the planned recruitment. | Draft Budget,  Final budget |
| Transfers to Primary, Secondary and Tertiary Institutions (Lower Local Services) | **Transfers for Primary Schools** are determined as follows:   * a minimum allocation (threshold)of Ugx 1,350,000 per school per year; plus * An additional allocation is then made based on enrolment (Variable) | Under Output 078151 ‘Primary School services UPE’, allocations to all primary schools under the MoESTS should appear separately in the expenditure details for work plan 6. Only primary schools on the approved MoESTS list should be identified, and funds budgeted against.  Allocations to each primary school under this output (078151)  *must be equal to or greater than*   1. SHs 1,350,000 (Threshold i.e 150,000/= per month for 9 study months)   Step 1: Multiply number of pupils by 10,000 unit cost = Total budget for UPE  Step 2: Determine Threshold   * 1,350,000 x number of schools   Step 3: Determine variable for Local Government   * Total UPE budget less Threshold ( Step 1 – Step 2)   Step 4: Determine variable unit cost   * District variable divide by pupil population of district (Step 3 / pupil population )   Step 5: Determine variable per school   * School population x Step 4   Step 6: Total UPE budget per school   * Threshold + Variable per school (1,350,000 + Step 5) | Expenditure details for work plan from the budget estimates  Schedule of approved MoESTS primary school list by category/grade  MoESTS official enrolment data | State whether the LG **is or is not** Compliant.  Provide a schedule of primary schools in the district/ municipality including the following information:   1. Total non-wage recurrent allocation for each school under output 078151 2. Minimum allocation based on enrolment figures and minimum floor of UGX10,000.   List any primary schools which have an allocation (a) less than the minimum prescribed for schools (b), and specify the amount (b) – (a).  List any primary schools that are listed on the schedule but not reflected in the budget | BFP,  Draft budget,  Final budget |
|  | **Transfers for Secondary Schools**: Amounts per school should be determined on the basis of enrolment. | Under Output 078251 ‘Secondary Capitation USE’ allocations for all secondary schools under the MoESTS should appear separately in the expenditure details for work plan 6.  Allocations to each secondary school under this output (078251) *must be at least equal to the higher of:*   1. UGX41,000 for government schools and UGX 47,000 for private schools per term per student; OR 2. For A’ level, the unit costs are UGX 80,000 per student per term for government schools and UGX 85,000 per student per term for private schools. | Expenditure details for work plan from the budget estimates  Schedule of approved MoESTS primary school list by category/grade  MoESTS official enrolment data for secondary schools. | State whether the LG **is or is not** Compliant.  Provide a schedule of secondary schools in the district/ municipality with the following information:   1. Total non-wage recurrent allocation for each school under output 078251 2. Minimum allocation based on enrolment figures and minimum floor of UGX41,000 or UGX 47,000.   List any secondary schools which have an allocation (a) less than the minimum prescribed (b), and specify the amount (b) – (a).  List any secondary schools missing from the schedule of schools and not reflected in the appropriate district work plan and budget. | BFP, Draft budget, final budget |
| Monitoring, inspection and Management of Education Services | Part of non-wage recurrent budget for the sector may be used for monitoring and management of education service delivery. | The total non-wage recurrent budget for output 078401 (Education Management services) in the work plan expenditure details  The total non-wage recurrent budget for the work plan. | Expenditure details for work plan from the budget estimates | State whether the LG **is or is not** Compliant.  State for Work plan 6:   1. The total non-wage recurrent allocation to output 078401 2. The total non-wage recurrent budget for the work plan | Draft Budget,  Final Budget |
| LGs should ensure minimum budget allocations for **School inspection** to cover Primary, Secondary and Tertiary institutions are made. | Non-wage allocations to School Inspection are made to output 078402 (monitoring & supervision of primary and secondary education)  The total allocation to this output should reflect the following:   * A minimum t**hreshold** of UGX 4m per year per LG, plus a **variable amount** based on the number of institutions (i.e primary, secondary, both government and private). * DEO monitoring 4.5m + 75,362\*the number if education institutions in a LG * Inspectors monitoring UGX 4m + UGX 93,439 \* the number of education institutions in a LG * Local Governments in **Hard to Reach/Hard to Stay** areas (including Buvuma, Kalangala and Moroto) should allocate UGX 20m above this minimum threshold for both the Education Office and Inspection. | Expenditure details for work plan from the budget estimates  Schedule of approved MoESTS schools. | State whether the LG **is or is not** Compliant.  State for Work plan 6:   1. The total non-wage allocation to output 0782402 2. The minimum allocation required by MoESTS, based on the (i) UGX 4m floor (ii) variable amount and (iii) hard-to-reach increment.   Calculate (b) – (a) and state if this is greater than or equal to zero. | Draft Budget,  Final Budget |
| Capacity Building  (development) | Up to 10% of the development budget may be used for capacity development for the education department. | All allocations to Sector Capacity Development (output 078404) should be in the development budget.  The total GoU development allocation to this output  *should be no more than 10%*  of the total GoU development budget for work plan 6 | Work plan | State whether the LG **is or is not** Compliant.  State for Work plan 6:   1. The total GoU development allocation to output 078404 2. The total GoU development budget for the work plan   Calculate (a) as a % of (b) and state if this is less than or equal to 10%. | Draft Budget,  Final Budget |
| Capacity building activities should be consistent with the positive and negative lists | Outputs and activities specified under ‘Sector Capacity Development’ (078404) in the work plan details do not include activities in the negative list in the Grant and Budget Information Paper.  In 2016/17 the negative list is:   * Undergraduate qualifications (degrees, diplomas etc) * Post-graduate qualifications * PhD’s * Training courses not relevant to the function of the post for the staff concerned.   The line ministry may approve an exemption in writing, in which case a copy of the written exemption must be provided to MoFPED alongside budget submissions. | Work plan  Grant and Budget Information Paper  Written exemption | State whether the LG **is or is not** Compliant.  Provide details of activities in the negative list provided for in the work plan.  State whether a copy of the written exemption was provided/available and seen. | Draft Budget,  Final Budget |
| Development Investments | At least 80% of development budget will be used for capital investments, to fund rehabilitation or construction of service delivery or administrative infrastructure. | Allocations for capital investment should be made under the GoU development budget using outputs:   * 078180 Classroom construction and rehabilitation * 078181 Latrine construction and rehabilitation * 078182 Teacher house construction and rehabilitation * 078183 Provision of furniture to primary schools * 078175 Service Delivery Capital Investment – Other * 078280 Classroom construction and rehabilitation * 078281 Administration block rehabilitation * 078282 Teacher house construction * 078283 Laboratories and science room construction * 078275 Service Delivery Capital Investment – Other * 078375 Service Delivery Capital Investment – Other * 078475Service Delivery Capital Investment - Other * 078575 Service Delivery Capital Investment – Other * 078172 Administrative Capital Investment * 078272 Administrative Capital Investment * 078372 Administrative Capital Investment * 078472 Administrative Capital Investment * 078572Administrative Capital Investment   *These are summarized together as ‘capital outputs for education’* and the total GOU development budget allocation to these outputs  *must be equal to or greater than 80% of*  The total GoU development budget for Work plan 6. | Expenditure details for work plan from the budget estimates | State whether the LG **is or is not** Compliant.  State for Work plan 6:   1. The total GoU development budget allocations to capital outputs for education (078180-83, 078175, 078280-83, 078275, 078375, 078475, 078575, 078172, 078272, 078372, 078472, 078572). 2. The total GoU development budget for the work plan   Calculate (a) as a % of (b) and state if this is equal to or greater than 80%. | Draft Budget,  Final Budget |
|  | Prioritising Primary School Facilities: Priority should be given to (a) parishes which do not have primary schools and (b) the schools with the highest pupil to classroom ratios. Those schools performing poorly in PLE exams which meet criteria (a) and (b) should be given highest priority. | The work plan details must specify the primary schools to which infrastructure allocations are made under outputs 078180-83, 078175.  The work plan details must state the category of infrastructure investments for each school as follows:   * **Priority 1: Completion of minimum school facility requirements** where existing schools do not have the minimum level of functional facilities and equipment for primary schools, as listed in the schedule by MoESTS. * **Priority 2: Completion of ongoing works** to make facilities operational. * **Priority 3: Construction ofnew facilities** in parishes with without primary school[[1]](#footnote-1)s   Investments in Priorities 2 and 3 should only be made if allocations have been made to all schools under Priority 1**.** Allocations in priority 3 should only be made of allocations have been made to all schools in Priority 2. | Work plan  MoESTS list of primary schools by location and infrastructure status.  MoESTS list of hard to reach/stay schools and those far from urban settlements. | State whether the LG **is or is not** compliant.  State whether the work plan gives details for GoU development allocations to outputs 078180-83, 078175:   * the school location * if the school was selected for priority 1, 2 or 3 investment   If investments in Priority 2 or 3 were planned when allocations were not made to all schools under priority 1, state the unfunded schools under priority 1 and the funded ones under priority 2 and 3;  If investments in Priority 3 were planned when allocations were not made to all schools under priority 2, state the unfunded schools under priority 2 and those funded under priority 3 | Draft Budget,  Final Budget |
|  | For Secondary School Facilities: Priority should be given to a) subcounties without secondary schools b) schools with high pupil to classroom ratios. Those schools performing poorly in UCE and UACE should be given higher priority. | The work plan details must specify the secondary schools to which infrastructure allocations are made under outputs 078280-83, 078275.  The work plan details must state the category of infrastructure investments for each school as follows:   * **Priority 1: Completion of minimum school facility requirements** where existing schools do not have the minimum level of equipment for a secondary school to be fully functional. * **Priority 2: Construction and rehabilitation** of additional school infrastructure in existing secondary schools that have the highest student : classroom ratio; * **Priority 3: Construction** of school infrastructure for new school[[2]](#footnote-2)s in sub counties without secondary schools   Investments in Priorities 2 and 3 should only be made if allocations have been made to all schools under Priority 1 requiring construction, rehabilitation, completion and extension. Allocations in priority 3 should only be made of allocations have been made to all subcounties in Priority 2. | Work plan details  Expenditure details for work plan from the budget estimates  MoESTS list of secondary schools by location and infrastructure status.  MoESTS list of hard to reach/stay schools and those far from urban settlements. | State whether the LG **is or is not** compliant.  State whether the work plan gives details for GoU development allocations to outputs 078280-83, 078275:   * the school location * if the school was selected for priority 1, 2 or 3 investment   If investments in Priority 2 or 3 were planned when allocations were not made to all schools under priority 1, state the unfunded schools under priority 1 and the funded ones under priority 2 and 3;  If investments in Priority 3 were planned when allocations were not made to all schools under priority 2, state the unfunded schools under priority 2 and those funded under priority 3 | Draft Budget,  Final Budget |
|  | The LG must receive written authorisation from MoESTS before budgeting for a new school to be constructed. | Prior to the approval of the LG budget, DGHS at the MoESTS must have approved the creation of a new school.  Evidence of approval must be submitted to MoFPED alongside budget documents. | Work plan  Letter of approval from MOESTS | State whether the LG **is or is not** Compliant.  State if any development allocations have been described as Priority 3 investments in the work plan.  State if the budget submission was accompanied by written authorization from MoESTS and if it was seen by the assessor. | Draft Budget,  Final Budget |
|  | Recurrent costs of new schools must be available in the budget year.  Funding requirements shall be submitted to the Ministry of Finance, Planning and Economic Development for inclusion in the budget of the subsequent FY before inclusion in the budget | The staff recruitment plan must include the minimum required staffing allocated to planned new school and this must be reflected under the appropriate Outputs:  The non-wage recurrent budget must include at least minimum specified allocations for a primary school / a minimum initial enrolment for a new secondary school. | MoES staffing norms for schools  Recruitment plan and staff lists | State whether the LG **is or is not** Compliant.   * If there are instances where staff or non-wage recurrent funding has not been allocated then these instances should be listed. | Draft Budget,  Final Budget |
|  | At most, 10% of budget allocations to education infrastructure construction and rehabilitation (capital outputs) will finance investment service costs, such as bills of quantities or economic impact assessments. | Allocations to investment servicing costs must be made to items:   * 281501 Environment Impact Assessment for Capital Works * 281502 Feasibility Studies for Capital Works * 281503 Engineering and Design Studies & Plans for capital works * 281504 Monitoring, Supervision & Appraisal of capital works   Allocations to these items  *must be less than or equal to 10 % of*  the total GoU allocation to capital outputs for education (078180-83, 078175, 078280-83, 078275, 078375, 078475, 078575, 078172, 078272, 078372, 078472, 078572) in the GoU Development budget for work plan 6 Education. | Expenditure details for work plan from the budget estimates | State whether the LG **is or is not** Compliant  State for Work plan 6:   1. The total allocation to items 281501, 281502, 281503, 281504 in the GoU Development budget 2. Total allocation to capital outputs 078180-83, 078175, 078280-83, 078275, 078375, 078472, 078575 in the GoU development budget.   Calculate (a) as a % of (b) and state if this is less than or equal to 10%.  State if any of items 281501, 281502, 281503, 281504 have not been budgeted for, or have not been budgeted for against the correct outputs. List details. | Draft Budget,  Final Budget |
|  | Local governments must not budget for activities specified in the negative list for capital investment. | Outputs and activities are specified in the Annual Work Plan under each capital output (codes: 078180-83, 078175, 078280-83, 078275, 078375, 078475, 078575, 078172, 078272, 078372, 078472, 078572 – see list of names above).  The work plan details should **not** include investments in the negative list in the Grant and Budget Information Paper.  In FY2016/17 these are:   * Training, seminars which are not relevant to the current function of the staff in post * Long courses eg masters and PHD programmes   The line ministry may approve an exemption in writing, in which case a copy of the written exemption must be provided to MoFPED alongside budget submissions.  *NB: note that ‘outputs’ is used in two ways here. One for grouping activities under a common code, and one referring to the individual activities themselves.* | Work plan  Grant and Budget Information Paper  Written exemption | State whether the LG **is or is not** Compliant.  Provide details of investments in the negative list that have been included in the ‘annual work plan’.  State whether a copy of the written exemption was provided/available and seen. | Draft Budget,  Final Budget |

## **Outputs and Indicators**

***Vote Function: 0781 Pre-Primary and Primary Education***

Output: 078101 Primary Teaching Services

Indicator: No. of teachers paid salaries

Indicator: No. of qualified primary teachers

Output: 078102 Distribution of Primary Instruction Materials

Indicator: No. of textbooks distributed

Output: 078151 Primary Schools Services UPE (LLS)

Indicator: No. of pupils enrolled in UPE

Indicator: No. of student drop-outs

Indicator: No. of Students passing in grade one

Indicator: No. of pupils sitting PLE

Output: 078159 Multi sectoral Transfers to Lower Local Governments

Output: 078172 Administrative Capital Investment

Output: 078175 Service Delivery Capital Investment - Other

Output: 078180 Classroom construction and rehabilitation

Indicator: No. of classrooms rehabilitated in UPE

Indicator: No. of classrooms constructed in UPE

Output: 078181 Latrine construction and rehabilitation

Indicator: No. of latrine stances constructed

Indicator: No. of latrine stances rehabilitated

Output: 078182 Teacher house construction and rehabilitation

Indicator: No. of teacher houses constructed

Indicator: No. of teacher houses rehabilitated

Output: 078183 Provision of furniture to primary schools

Indicator: No. of primary schools receiving furniture

***Vote Function: 0782 Secondary Education***

Output: 078201 Secondary Teaching Services

Indicator: No. of teaching and non-teaching staff paid

Indicator: No. of students passing O level

Indicator: No. of students sitting O level

Output: 078251 Secondary Capitation (USE)(LLS)

Indicator: No. of students enrolled in USE

Output: 078259 Multi sectoral Transfers to Lower Local Governments

Output: 078272 Administrative Capital Investment

Output: 078275 Service Delivery Capital Investment - Other

Output: 078280 Classroom construction and rehabilitation

Indicator: No. of classrooms constructed in USE

Indicator: No. of classrooms rehabilitated in USE

Output: 078281 Administration block rehabilitation

Indicator: No. of Administration blocks rehabilitated

Output: 078282 Teacher house construction

Indicator: No. of teacher houses constructed

Output: 078283 Laboratories and science room construction

Indicator: No. of ICT laboratories completed

Indicator: No. of science laboratories constructed

***Vote Function: 0783 Skills Development***

Output: 078301 Tertiary Education Services

Indicator: No. Of tertiary education Instructors paid salaries

Indicator: No. of students in tertiary education

Output: 078359 Multi sectoral Transfers to Lower Local Governments

Output: 078372 Administrative Capital Investment

Output: 078375 Service Delivery Capital Investment - Other

***Vote Function: 0784 Education & Sports Management and Inspection***

Output: 078401 Education Management Services

Output: 078402 Monitoring and Supervision of Primary & secondary Education

Indicator: No. of primary schools inspected in quarter

Indicator: No. of secondary schools inspected in quarter

Indicator: No. of tertiary institutions inspected in quarter

Indicator: No. of inspection reports provided to Council

Output: 078403 Sports Development services

Output: 078404 Sector Capacity Development

Output: 078459 Multi sectoral Transfers to Lower Local Governments

Output: 078472 Administrative Capital Investment

Output: 078475 Service Delivery Capital Investment - Other

***Vote Function: 0785 Special Needs Education***

Output: 078501 Special Needs Education Services

Indicator: No. of SNE facilities operational

Indicator: No. of children accessing SNE facilities

Output: 078559 Multi sectoral Transfers to Lower Local Governments

Output: 078572 Administrative Capital Investment

Output: 078575 Service Delivery Capital Investment - Other

1. The policy for establishing a new primary school is : catchment pupil population of at least 150 and distance to the nearest primary school is at least 3 km away [↑](#footnote-ref-1)
2. The policy for establishing a new secondary school provides that it should be at least 4 km away from an existing one. [↑](#footnote-ref-2)