



Performance of Public-Private Partnerships in delivering social services: The Case of Universal Secondary Education Policy Implementation in Uganda

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Executive Summary

After implementing the Universal Primary Education policy for 10 years, Uganda initiated the Universal Secondary Education (USE) policy in 2007. The objective of the USE initiative was to equitably increasing access to secondary education. The policy is implemented by public secondary schools as well as through a Public-Private Partnership (USE PPP) between the Ministry of Education and Sports and selected private secondary schools—mainly in sub counties without any public secondary schools. Within USE PPP, the government provides a subsidy (capitation grant) to private schools to enrol UPE graduates. This brief examines the performance of the USE PPP. The focus on USE PPP is due to the fact that this type of arrangement never existed prior to the USE policy. Based on primary data collected by the authors in 2013, we show that the USE PPP is performing moderately well in terms of good accountability, relevance, effectiveness, impact and participation. However, the USE PPP is performing poorly in terms of efficiency and sustainability.

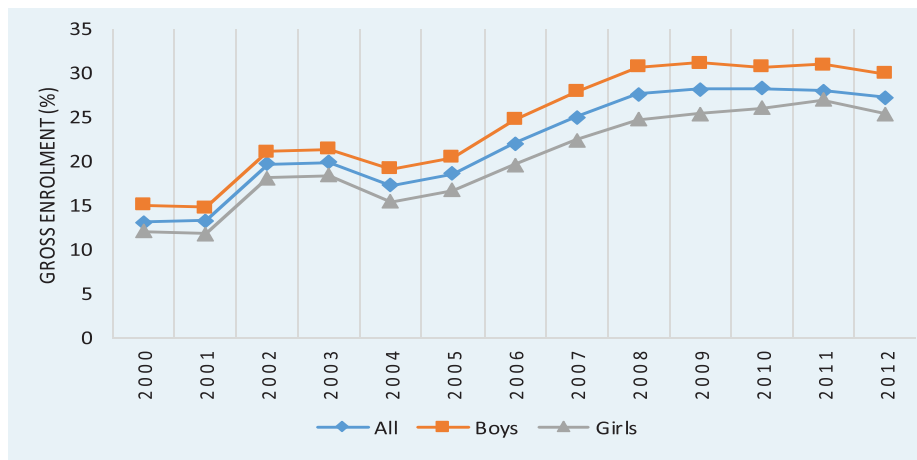
Background

The Government of Uganda initiated the Universal Secondary Education (USE) policy in 2007. The USE policy aims at consolidating Universal Primary Education (UPE) gains and ensuring equitable access to secondary education for all eligible students regardless of their socio-economic background. Pupils who graduate from primary school with aggregate scores ranging between 4 to 28 aggregates in Primary Leaving Examinations (PLE) are eligible to attend a participating USE government or private school without having to pay tuition fees. Although there are public secondary schools, the implementation of the USE policy heavily relies on the partnership between the Ministry of Education and Sports (MoES) and selected privately owned secondary schools. This partnership (hereafter referred to as USE PPP) is largely driven by limited public secondary school infrastructure, which would otherwise limit access to secondary schooling for some eligible children. Unlike for the case of UPE, public secondary schools were not as widespread as primary schools in 2007. The MoES

chooses private secondary schools to partner with and a memorandum of understanding (MOU) is signed with them to ensure that they comply with the policy's implementation guidelines.

It is over six years since the USE policy was launched however enrolment for secondary education remains low - below 30 percent of children eligible to attend secondary school as illustrated in **Figure 1**. Gross enrolment rate increased after the introduction of the USE policy, but then started to decline in 2012. Through the USE policy it was envisaged that more children would gain access to relatively affordable secondary education. It should be recognised that the attainment of the USE policy objective depends on how well the actors in the USE PPP (e.g. partnering institutions and parents) press towards the goal. Therefore, this brief provides insights into the performance of the USE PPP.

Figure 1: Gross enrolment rates in secondary schools (2000 – 2012)



Source: Education Management Information System 2000 -2012

The brief has been written using a combination of primary and secondary data. Primary data was collected from 61 private USE secondary schools. Using semi-structured questionnaires, we conducted face-to-face interviews with the Head teachers and in some cases, bursars, School Directors/Proprietors, and Chairpersons of Boards of Governors. Additionally, we reviewed the Memorandum of Understanding (MoU), certificates of accountabilities, head count forms and other relevant documents to be able to extract more data. Secondary data (for national level) was sourced from the Education Management Information System (EMIS) of the Ministry of Education and Sports. The analytical framework adapted for this study is a modification of the OECD’s standard aid evaluation criteria, and it assesses PPP performance based on seven criteria namely relevance, effectiveness, efficiency, sustainability, participation and accountability

Relevance of the USE PPP

The first measure of relevance is clarity of objectives and accordingly, it was found that nearly 77 percent of the schools are fully aware of the objective of partnering with MoES, which is to increase access to secondary education. They also note that the partnership objective does not contradict their respective school objectives because growing enrolment is desirable given the profit maximising behaviour of private entities.

The second measure of relevance is whether the PPP objective meet the perceived needs of the stakeholders. Findings indicate that the USE programme meets the

needs of stakeholders and this is supported by the following:

- a) All USE private schools receive capitation grant in lump sum (UGX 47,000 per student per term), which enables school management to pay teachers’ salaries, expand and establish new infrastructure, and undertake other activities as per the schools’ annual work plans. Also, receipt of capitation grant has relieved schools of the burden of collecting tuition, especially from poor parents/guardians.
- b) Government provides private schools with other non-monetary support, for example, students’ textbooks for core/mandatory subjects, teachers’ guides, in-service training of teachers (refreshers course conducted at regional level), English dictionaries and pronunciation CDs, and laboratory equipment and chemicals. Generally, there is great appreciation by the Head teachers that textbooks and teachers’ guides have greatly eased teaching and learning.
- c) Reporting on behalf of parents, most Boards of Governors noted that access to secondary education has increased and so has the number of adults in the communities with at least Uganda Certificate of Education (UCE) - this is a positive development compared to the pre-USE period.

The third measure of relevance is whether the stakeholders are supportive to the realization of the PPP objective. The following findings serve as evidence that indeed stakeholders are supportive of the realization of USE policy objective;

Parents take and register their eligible students at school, some of them contribute to their children's feeding by either paying lunch fees in cash or in kind (bring to school foods particularly maize flour and beans), and others provide school uniforms and scholastic materials to their children. Notwithstanding these positive contributions, similar to the experience with UPE, some parents do not provide their children with the necessary school related requirements (uniforms, books, pens and lunch, among others).

Also, when approached, many parents voluntarily contribute towards the purchase of laboratory chemicals and apparatus, and construction of more school buildings. Also, some politicians (e.g. Members of Parliament) actively participate in school fund raising activities to support infrastructural developments. On the contrary, there is some degree of politicisation of the USE programme - some Resident District Commissioners (RDCs) are cited to have interfered in the parents' participation in school development activities, claiming that government contribution to the participating schools covers all school related expenses. Head teachers report that there is a misconception that under the USE programme a parent has no financial obligation whatsoever. Lack of support from some stakeholders is not unique to Uganda but a global issue

Effectiveness of the USE PPP

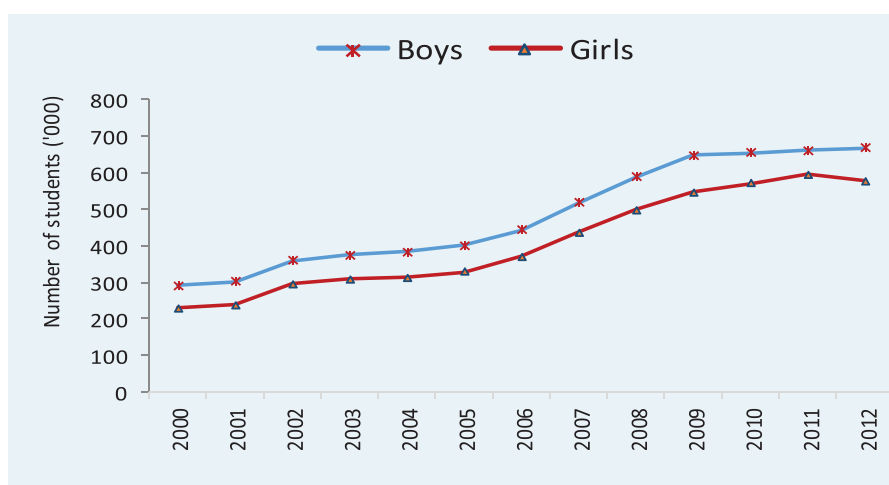
The first measure of effectiveness is whether the PPP has yielded the intended objectives. The survey

inquired about changes in access to secondary schooling and about 92 percent of headteachers were in agreement that the USE PPP has helped to avail learning opportunities to all qualifying children, irrespective of their socio-economic status. About 74 percent of headteachers agreed that the USE PPP has yielded substantial increments in school enrolments, a finding which corroborates with the results based on EMIS data in **Figure 2**.

The second measure of effectiveness is whether the PPP is being implemented as per the guidelines. During the survey, more than half of the headteachers indicated that they were following the guidelines and procedures as stipulated in the USE implementation guidelines. Surprising though, only one school out of the sampled 61 schools did have a physical copy of the implementation guidelines at the school premises. Nonetheless, most managers of schools had knowledge of some of the guidelines and to an extent followed them. Examples of compliance include: 1) All schools had certificates of accountability – implying they were properly accounting for the USE funds; 2) All schools had set up Boards of Governors, as required in the USE implementation guidelines; and 3) All schools claimed that they admitted only eligible students.

Nonetheless, to some extent the USE PPP is ineffective because some schools violate certain principles. For example, we observed that some were not displaying on their notice boards the funds received as USE capitation grants and this is against the USE

Figure 2: Trends of overall O'level enrolment for all schools; 2000 – 2012



Source: Education Management Information System (EMIS) 2000 – 2012

guidelines. Also, many headteachers admitted that they disregarded expenditure guidelines especially the allocation to teacher's salaries. According to the guidelines for spending the USE grant, only 20 percent of the capitation grant is meant to be spent on teachers' salaries. However, teachers' salaries is one of their biggest expenditures and is partly driven by the pressing demands from teachers for better and timely pay. Consequently, some of the schools are compelled to violate the guidelines by spending more than half of the grant on payment of teachers' salaries.

How efficient is the USE PPP?

Only 34 percent of schools perceive the USE PPP as efficient. Two major measures of efficiency of a PPP are adequacy of public contribution and optimal use of resources by private partners. In line with these the following is noted:

Three quarters of the Head teachers/Directors interviewed reported that the current financial contribution from Government is inadequate. They note, since 2007 when the USE programme was first implemented, the capitation grant per student has remained fixed at UGX47, 000 per child per term despite the increasing inflation. To further elaborate on this, we note that during the year 2007/08, the average annual inflation was estimated at 7.8 percent and by 2011/201, inflation had risen to 23.5 percent. All the while, the capitation grant has not been adjusted to sidestep the effect of inflation on the cost of providing quality secondary education.

Also, many USE private schools are not using the available resources optimally – in most cases there is over utilization of certain infrastructure. For instance, in heavily populated schools, the numbers of students per stream were above 60 - which is above the permissible ceiling. The Head teachers explained that they have few and sometimes small classrooms and yet they are expected to admit all eligible students for secondary education. This presents a challenge of managing demand against limited resources. It is argued that overcrowding compromises the quality of education because a teacher may not have the capacity and time to attend to several students' learning needs thus making schools inefficient.

Has the USE PPP had remarkable impact?

In terms of PPP assessment, the impact criterion mainly focuses on the generation of unintended consequences, inclusion of stakeholders, and monitoring and evaluation systems. Findings in line with these include; First, 67 percent of the respondents reported that the USE PPP has yielded mixed and unexpected consequences. The positive effects include: a) Employment creation as a result of the need for additional teaching and non-teaching staff (even though some of the employed persons, particularly teachers are not qualified); b) Significant reduction in the cost of looking for students as well as the burden of school fees collection; c) Increased ease of implementing schools' work plans – since the money comes as a lump sum; d) increased access to information; and e) ease in registration with the Uganda National Examination Board (UNEBC) – this is paid for under USE set up.

Second, nearly 59 percent of the respondents felt that all key players in USE implementation were co-opted in the PPP framework. The stakeholders involved in the implementation of the USE programme are: Central Government, District Local Governments, Parents/Guardians, Foundation Bodies/Proprietors, Head teachers, and Boards of Governors - their roles and responsibilities are clearly documented in the USE implementation guidelines.

Third, our findings reveal that some of the PPP regulations are not followed or respected, partly because of ignorance of the USE implementation guidelines. As mentioned earlier, only one school in the sample had a copy of the "Policy and Operational Arrangements for Implementation of USE". Disregard of implementation guidelines was especially true in the area of financial management – which states "The school USE Bank Account shall be opened and administered by the Chair person Board of Governors and the Headteacher". However, many Headteachers complained that the Directors/Proprietors of schools had taken over this role and were not spending the monies as per the approved budgets.

Fourth, we noted that all headteachers indicated that their schools are regularly (at least twice a year) monitored by various stakeholders. Under the USE implementation guidelines, monitoring, supervision and regular evaluation of the USE implementation

programme is expected to be conducted by various stakeholders to ensure quality and success of the programme. About 78 percent of the headteacher of private USE schools reported that they regularly receive evaluation reports as feedback from the inspection/monitoring visits. However, our interactions with the Headteachers revealed that suggestions or recommendations provided by the inspectors are rarely implemented (e.g. monitoring reports are simply shelved), even in circumstances when the recommendations are relevant and achievable. Given such scenarios, it is difficult to conclude that monitoring of USE implementation is effective, especially with regard to improving teaching and learning, instructional leadership, academic achievement and overall school performance.

Sustainability of the USE PPP

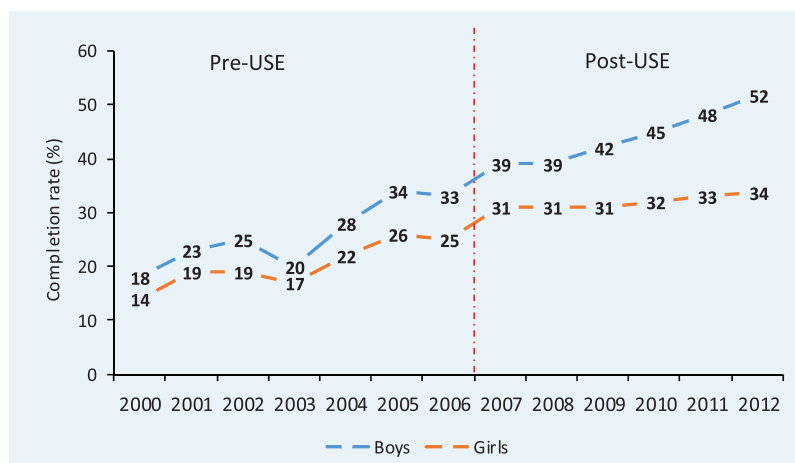
One of the measures of sustainability of any PPP is whether the achievements of the PPP are sustained over time. One major achievement that should be expected from the USE PPP is an increase in the number of people who have attained ordinary level secondary school certificate. Therefore, sustainability will be reflected in increasing senior four completion rates. **Figure 3** shows growing O'level completion rates for both boys and girls. Although the trends shown are for both USE and non-USE students, it is generally noted that since the inception of USE, the increasing trends have been maintained. The trends suggests that the USE PPP is able to achieve and sustain high O'level completion rates in the long run. However, we should not ignore

the limited growth for girls as well as a growing gender gap in completion rates. The persistent gender gap is explained by, among others, persistence of low value attached to girls' education, sexual abuse of girls, early sexual engagement and teenage pregnancy

The second measure of sustainability is whether the PPP can financially sustain itself. In our context, Government is the partner that makes the biggest financial contribution towards USE implementation. Funds are annually allocated for USE programme by the MoFPED. On the other hand, private USE schools raise additional funds through tuition fees paid by the purely self-sponsored students and other charges (such as development fee) that are paid by both USE and non-USE students. It may be noted that in private USE schools, even the USE students pay some money in form of development and lunch fees – they are only exempted from tuition. Based on these facts, many headteachers felt that in the USE PPP there is sustainable flow of funds, even though the funds are inadequate.

Thirdly, sustainability is judged from the existence of organizational structures specifically created to play an oversight role. Indeed, the operational arrangements for implementation of USE require that schools form Boards of Governors, who are responsible for management and administration of the USE programme within their localities. Indeed, every private USE school that we visited had this governance structure in place that among other things, ensured expending of USE grant as per the guidelines and engaged in monitoring

Figure 3: Senior four completion rates (%) for boys and girls; 2000 – 2012



Source: Education Management Information System (EMIS) 2000 - 2012

the implementation of USE in their areas of jurisdiction.

Participation of stakeholders in the USE PPP

The OECD (2007) defines participation as the process through which stakeholders influence and share control over priority setting, policy-making, resource allocations and access to public goods and services. Going by this definition, the following is noted

First, stakeholders such as school proprietors, teachers, members of Boards of Governors, and Parents Teachers Association (PTAs) executives influenced the design and implementation of the USE PPP - they were consulted before signing the MoU with the MoES. However, in certain unfortunate scenarios, some stakeholders (especially parents and the communities) were notified by the school proprietors/administrators after signing the MoU.

Second, three quarters of the headteachers believe that stakeholders have influence on USE policy implementation. For instance, parents, local and religious leaders, and politicians are usually invited to schools to make decisions regarding, for example, how much fees to charge on USE students; how to provide students with lunch (e.g. charge lunch fees or allow parents to bring food items); organizing fundraising functions for a particular cause (e.g. raise funds to construct a laboratory), and recruitment of new staff, among others. In a similar line of argument, about 66 percent of Head teachers/Directors agree that teachers and parents have taken their own initiative in monitoring and evaluating the USE PPP activities.

Accountability in the USE PPP

Accountability as a PPP assessment criterion investigates whether there is a system in place to guide the conduct of people or institutions participating in the partnership. In this study, we learnt that there exists a set of operational arrangements for implementation of USE policy. Private schools in the USE PPP are expected to comply with the USE implementation guidelines and there are penalties for non-compliance. For example, Headteachers are expected to account regularly for all the monies received to implement USE, which is a requirement before more money can be released. The study team observed that most Headteachers or directors had in their possession certificates of

accountability (issued by MoES) to certify that all monies expended to schools had been duly accounted for.

Still looking at financial accountability, we noted mixed perceptions with regard to management powers. For instance, in some schools the powers of headteachers were restricted to general administration and instructional leadership, and less on making decisions regarding financial matters. It was common that some headteachers had less knowledge of USE funds because they are not signatories to the school accounts. Yet, the USE guidelines empower the Headteacher to be signatory to the USE fund account. In some schools, the proprietors/directors hijack the powers of the Headteachers as far as finances are concerned. Thus, despite the existence of systems for accountability, to an extent power is abused by some school proprietors.

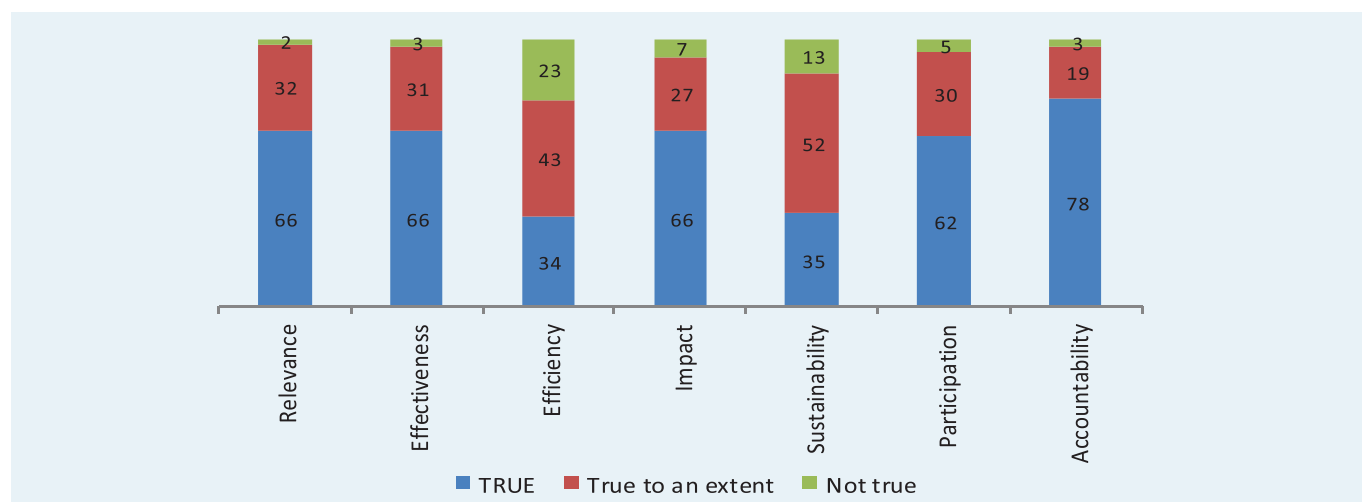
Summary of overall performance of the USE PPP

Finally, we consider the overall performance of the USE PPP by bringing together all the seven criteria discussed above. The results presented in **Figure 4** indicate that the USE PPP was performing moderately well in some aspects and poorly in others. Majority (78 percent) of the headteachers agreed that there is good accountability in the partnership. Many (66 percent) stated unreservedly that the USE PPP is relevant, effective, and of great impact. Also, without reservation, 62 percent of the headteachers were of the opinion that the USE PPP allows stakeholders to participate in decision making. On the weak side, few respondents were of the view that the USE PPP is efficient (34 percent) and sustainable (35 percent). Thus, overall the performance of the USE PPP is quite mixed. Improvements are needed especially in the areas of increasing resources and using them optimally, and ensuring financial sustainability and sustainable impact.

Emerging options for policy actions

There are certain aspects about the USE programme and its implementation modalities that need to change or improve for better outcomes. Below are some suggestions:

- a) Introduce a small new tax and earmark a portion of accrued revenue for USE implementation, with

Figure 4: Summary on performance assessment of USE PPP (% reporting)

Source: Authors' computations based on field survey data

intent to gradually increase the capitation grant per USE student in tandem with changes in the cost of education inputs. By increasing the USE capitation grant, schools will be able to improve the quality of services through recruitment of qualified teachers, conducting experiments more regularly and expanding infrastructure to avoid overcrowding.

b) Introduce consequences for disregarding the recommendations from the school monitoring/inspection report: For example, a Head teacher

should face disciplinary action for not acting on specific important recommendations which are within reach;

c) Create awareness and sensitize stakeholders about their roles and responsibilities: This will increase compliance and support towards the realization of the intended objectives of USE programme.

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Footnotes

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