

# Budgeting for School Education in West Bengal: What Has Changed and What has not?

*Policy Brief*



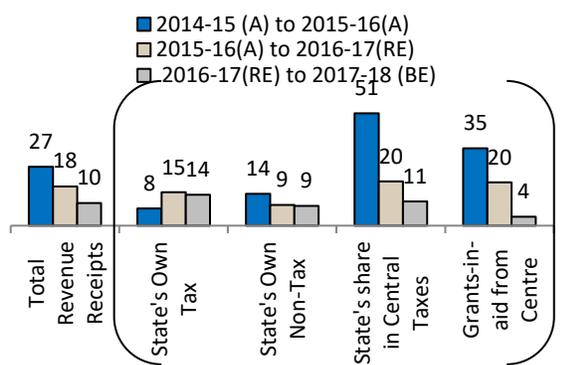
## Context

The landscape of fiscal policy and budgetary processes in India has witnessed a number of changes over the last few years. The 14th Finance Commission (FC) recommended increasing the share of states in the divisible pool of central taxes from the erstwhile 32 percent to 42 percent. On the other hand, the Union Government has pursued its fiscal consolidation by compressing expenditure, mostly on Central schemes in social sectors including school education. It is obvious that the new fiscal architecture will directly impact the public provisioning of education at the state level. In this changed fiscal space, this policy brief examines West Bengal governments' policy response to school education and attempts to assess the impact of the 14th FC recommendations on the current level of public spending on school education and identify areas where more resources need to be invested.

### Whether West Bengal has been able to enhance their resource envelope in the 14th FC period?

The size of revenue receipt of a state indicates the amount of resource in a state's exchequer. Revenue receipts comprise state's own tax, central tax devolution, non-tax revenue of the state government and grants received from Government of India.

**Figure 1: Change in resource envelope from 2014-15 (A) to 2017-18 (BE) (percent)**



Source: Budget at a glance, State Budget documents for 2016-17 and 2017-18

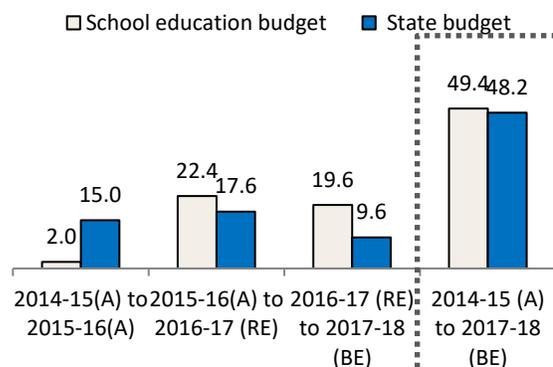
Figure 1 describes the change in total revenue receipts of West Bengal in the pre 14th FC (2014-15) period and first three years of 14th FC period (2015-16 to 2017-18 (BE)).

The figure confirms that after the 14th FC recommendations, the state actually benefitted in terms of generation of additional resources. However, it also shows that the pace of revenue generation by the state was decreasing over time. This is because of the slow growth in revenue mobilisation especially on account of state's share in Central taxes and grants-in-aid from the Centre (Figure 1). However, the state has improved its resource mobilisation through increasing its own tax revenue collection in this period.

### Whether state budget reflects improvement in prioritising school education in 14th FC period?

With the increased autonomy in setting spending priorities in the 14<sup>th</sup> FC period, West Bengal emerged as the state where there is an increase in both the total expenditure of the state, as well as education expenditure.

**Figure 2a: Extent of change in the total state budget vis-à-vis change in allocation for school education (percent)**

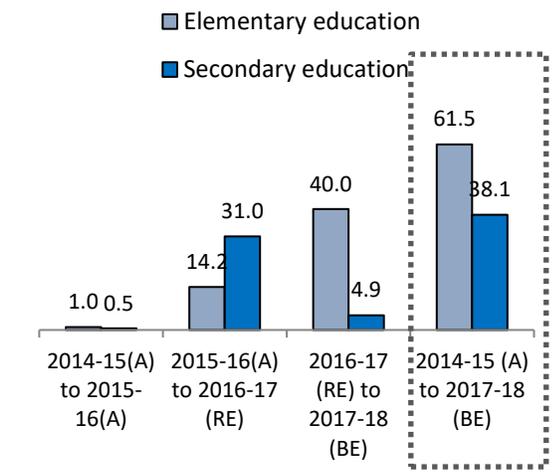


Source: Detailed Demand for Grants, state budget documents for 2016-17 and 2017-18

The extent of increase in the total state budget in comparison to the increase in the school education budget, which also indicates state's priority for a sector shows between 2015-16 (A) and 2017-18 (BE), West Bengal government actually prioritised school education in relation to total expenditure by the state.

Against a 48 percent increase in the state budget between 2014-15(A) and 2017-18 (BE), the school education budget of the state increased by 49 percent (Figure 2a). While the expenditure on secondary education between 2016-17 (RE) and 2017-18 (BE) witnessed a meagre five percent increase, there is steady increase in expenditure for elementary education in the 14th FC period (Figure 2b).

**Figure 2b: Extent of change in elementary education and secondary education (percent)**



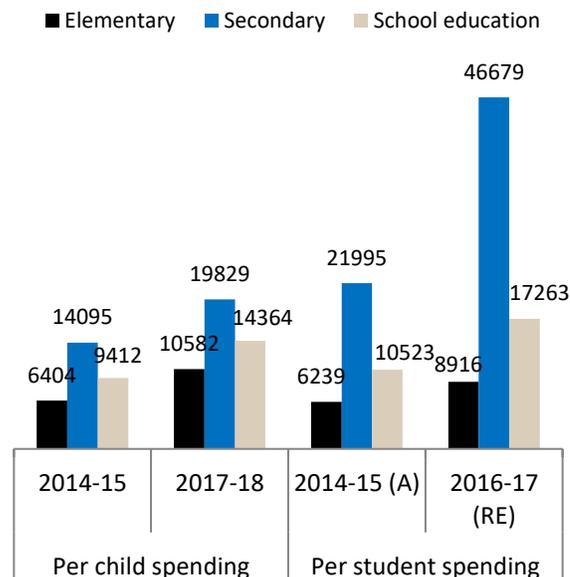
Source: Detailed Demand for Grants, state budget documents for 2016-17 and 2017-18

### How much West Bengal Government is spending on school education?

Per child and per student spending on school education indicates resource availability for each school going child and each school enrolled child respectively. A comparison of both the indicators during the 13<sup>th</sup> and 14<sup>th</sup> FC period reveals firstly, an increase in both per child and per student

spending in the 14<sup>th</sup> FC year as compared to the 13<sup>th</sup> FC year.

**Figure 3: Per Child and Per Student Spending on school education (Rs.)**



Note: The enrolment data for 2017-18 was not available.  
Source: State Budget documents, projected population of 6-17 age group from MHRD portal and DISE data

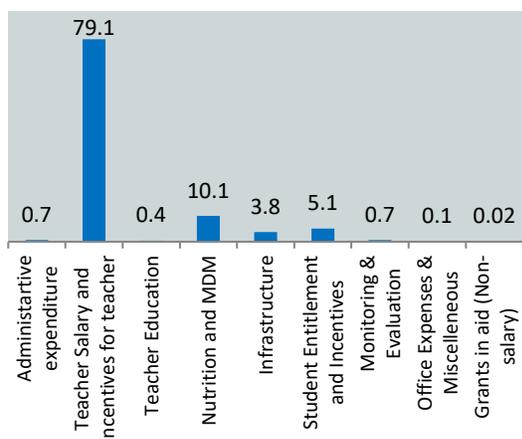
A disaggregated picture of the per child spending by level of education shows between 2014-15 and 2017-18, there is a 65 percent increase in elementary education, 41 percent in secondary education and 52 percent in school education (Figure 3).

Like per child spending, West Bengal witnessed an absolute increase in per student spending in all levels of school education between 2014-15 (A) and 2016-17 (RE). A significant jump of 112 percent is observed in case of secondary education. This increase in unit cost can be attributed to two factors. First, an absolute increase in the school education budget posts the 14th FC recommendation and second, the decline in the enrolment of children in government and government aided school over time.

In this context, it is also important to highlight that *Kendriya Vidyalayas*, considered to be ‘model’ government run schools in terms of providing quality education, spent Rs.35,664 per student in 2016-17(RE) for school education, which was Rs. 32,263 in 2014-15(A).

How West Bengal is allocating its school education budget across different components?

**Figure 4: Component wise distribution of school education budget as % of state budget**



Source: Detailed Demand for Grants, state budget documents for 2017-18

How does a state design its school education budget? Is teacher salary appropriating allocations required for other components? The distribution of components of school education in the total school education budget of West Bengal for 2017-18 (BE) gives a holistic picture on how the state is designing its school education budget. Figure 4 shows that teacher salary constitutes about 80 percent of the west Bengal school education budget. In the last few years, West Bengal has taken several policy initiatives to make education more accessible and affordable to children. These initiatives have focused on reducing the ‘opportunity cost’ of schooling through incentives like the sabuj sathi-Mukhyamantri Bi-Cycle Yojana, Kanyashree-Chief Minister Student Incentive Scheme, Girls Hostel, Scholarships for marginalised children. Mid-Day Meal (MDM) and other nutritional

interventions, which is also an incentive for children to increase and retain enrolment occupies around 10 percent of school education budget. However, the components like teacher education, monitoring and evaluation are severely resource-starved.

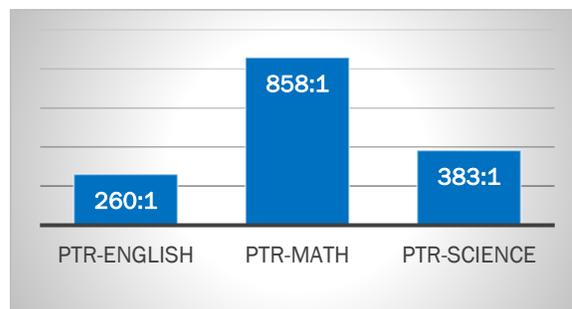
What is the pattern of allocation and spending for teachers in West Bengal? Is there any change in the 14<sup>th</sup> FC period?

Teachers are the fulcrum of the school education system. Professionally qualified teachers are a prerequisite for improving the quality of education. However, a common feature of the Indian education system is shortage of qualified teachers.

As per the minutes of the SSA Project Approval Board (PAB) meeting, 87,781 teacher posts are vacant in West Bengal, of which 32,661 are under the state and 55,120 are under SSA. Interestingly, in 2016-17, there is 1946 lesser vacancy in the state as compared to 2017-18.

At the upper primary level, there is a need not only for teachers but subject specific teachers with command over their respective subject areas. However, In West Bengal, there are 40 percent upper primary schools where subject teachers are not available as per RTE and the problem is more acute at secondary level.

**Figure 5: The pupil teacher ratio (PTR) for subject teachers at the secondary level**

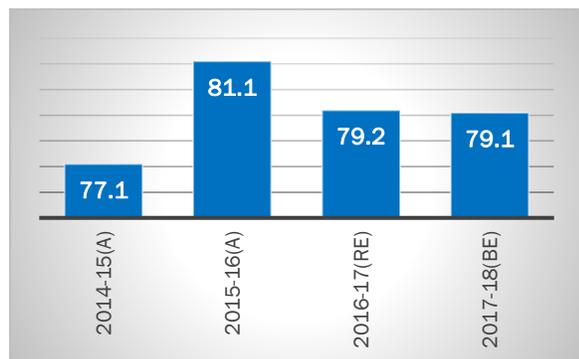


The third RMSA Joint Review Mission (JRM) highlighted the fact that shortage of science and mathematics teachers had far reaching implications in India. This included the present

cohort of students not being able to acquire skills and competencies needed in these subjects. This also meant that these students were less likely to seek scientifically oriented degrees and employment, which in turn further reduces the supply of such teachers (RMSA, 2014).

Despite understanding the urgent need recruitment of additional teachers in West Bengal has not kept pace with rapidly growing enrolment. The limited fiscal space available to the state is the key reason that causes low recruitment rates or no recruitment situation.

**Figure 6: Share of teacher salary and incentives for teachers in the total school education budget (percent)**



Source: Detailed demand for grants, State Budgets for 2016-17 and 2017-18

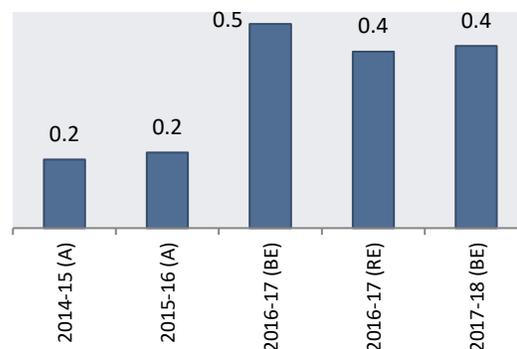
Figure 6 shows that around 80 percent of school education budget in west Bengal goes for teachers in terms of salaries, pensions and any other incentives like awards, incentives to children of teachers, transfer allowance, etc. It also shows an increase in share during the 14th FC period compared to 2014-15 (A). But given the huge shortage of teachers, this component should be much higher than what it is at present. However, as the overall resource envelope for education is small, it is difficult for states to increase spending on the other important component for quality education – teacher education.

Section 23 of the RTE Act mandates that all government school teachers should possess

minimum qualifications laid down by the National Council for Teacher Education (NCTE). Those not qualified had time until 31st March, 2015 to complete the training. However as per DISE, in West Bengal 31.4 percent of teachers at elementary level and 23.9 percent at secondary level were professionally unqualified (DISE, 2015-16). Because of poor allocation for teacher education, the state has failed to build adequate teacher training institutes and institutional capacity to train teachers. Moreover, low unit cost of in-service teacher training under SSA and RMSA, made it impossible for teachers to develop an understanding of subject matter with pedagogy.

Building institutional capacity for teacher education is resource-intensive and West Bengal has not invested in it for long.

**Figure 7: Share of teacher education in total school education budget (percent)**



Source: Detailed demand for grants, State Budgets for 2016-17 and 2017-18

However, it seems that with additional resources received by state after the 14th FC recommendations, it has increased the spending on teacher education in the 14th FC period compared to 2014-15 (A). This might also be the effect of the deadline set by the government under the RTE Act to impart required training to all professionally unqualified teachers by 2019.

### What is the pattern of allocation and spending for school infrastructure in West Bengal?

Along with teachers, school infrastructure plays a key role in quality education. It includes not only available facilities but also the extent to which they are utilised. The RTE Act has clearly specified norms for school infrastructure. The Act states that each school should have 1) at least one classroom for every teacher, 2) office cum-store-cum-head teacher's room 3) separate usable toilets for girls and boys 4) safe and adequate drinking water facility 5) a kitchen in the school where the mid-day meal can be cooked 6) playground and 7) arrangements for securing the school building by boundary wall or fencing. However, there is a huge continuing deficit in infrastructure despite eight years since RTE's inception. While infrastructure alone cannot ensure learning outcomes, it is undoubtedly necessary. However, despite immediate requirement, civil works in state are happening at a slow pace. Firstly, states are not getting regular funds for civil work from the Union Government. Secondly, the schedule of rate for construction (SORC) is very low and has not been revised since a long time. Moreover, as states have limited resources for education, states find it difficult to allocate additional resources for infrastructure building after paying teachers' salaries and other expenses.

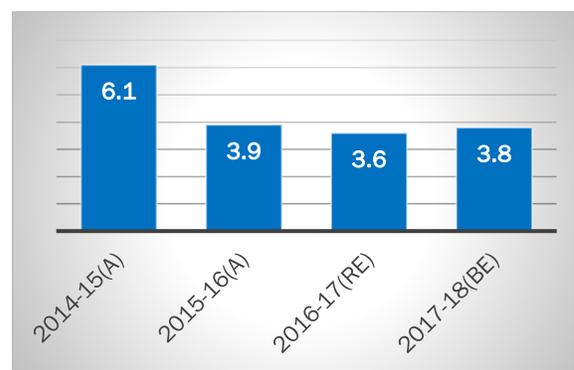
**Table 1: Status of school infrastructure at the elementary and secondary level**

Elementary	%	Secondary	%
Govt. primary schools with SCR > 30	21.3	Single classroom schools	0.45
Govt. upper primary schools with SCR > 35	55	Schools with buildings	100
Schools with drinking water facility	98.4	Schools with girls' toilets	99.8
Schools with girls' toilet facility	98.3	Schools with toilets for CWSN	20.6

Schools with ramp	91.9	Schools with electricity	97.3
Schools with playground	40.4		
Schools with boundary wall	42.8		
Schools with kitchen shed	86.3		
Schools with electricity	72.4		

Source: DISE, 2015-16

**Figure 8: Share of infrastructure in total school education budget (percent)**



Source: Detailed demand for grants, State Budgets for 2016-17 and 2017-18

Despite the shortfall in basic infrastructure, the infrastructure budgets for West Bengal drastically reduced, compared to the total school education budget of the states in the 14<sup>th</sup> FC period (Figure 8).

### How sensitive is the school education budget towards OOSC and children with special needs (CWSN) in West Bengal?

In the last ten years, there has been substantial improvement in the coverage of elementary education in terms of increased enrolment in the state. Despite this, there are still exist a large number of OOSC in West Bengal (table 2). To achieve the goals of education in a timely manner, the government needs to bring back the large numbers of OOSC into the formal schooling system.

**Table 2: Number of OOSC in West Bengal by different Survey**

States	Census (2011)	SRI-IMRB (2014)	SSA (2017-18)
West Bengal	28.02 lakh	7.06 lakh	15000

Source: Census 2011, MHRD (2014, 2017)

At present, the provisions for OOSC are mainly channelled through SSA and RMSA in the form of special training programmes. As per the policy guidelines of these programmes, state government is responsible for planning, designing and implementation of programmes to bring back OOSC to formal education in age appropriate classes. This process is resource intensive. Financial assistance is provided on the basis of assessment of OOSC and provisions made in the District Plan. The analysis of the SSA budget of West Bengal shows huge disparity between approved outlays and actual expenditure in mainstreaming OOSC. With substantial numbers of OOSC, the state had approved an outlay of Rs. 5 crore for special training of these children in 2016-17 and this has further reduced to Rs.2 crore in 2017-18. The outlay for mainstreaming OOSC in 2016-17 was only 0.1 percent of total approved outlay for SSA and of this, West Bengal has spent only Rs. 50 lakh for the special training in 2016-17.

The situation is more severe at the secondary level. Between 2015-16 and 2016-17, the state has witnessed an increase in the dropout rate from 18.6 percent to 23.7 percent. Despite provisions for training OOSC under RMSA, there is no demand for resources from the state in the Annual Work Plan and Budget (AWP&B) of the states.

### Intervention for Children with Special Need (CWSN)

Any discussion on inclusive education must include discussion on children with special needs (CWSN). However, there is not enough literature that analyses the policies for children with special needs from a budgetary lens. India is home to 4.9 million disabled children in the age group of 6-17 years and the six states together constitute 60 percent of disabled children in India. Of these, only 67 percent children attend any educational institutions and the remaining 33 percent have either dropped out or never attended any educational institutions (Census 2011). A key reason for this large number of OOSC is supply side bottlenecks. The approved outlay for CWSN under SSA and the actual expenditure confirms under allocation and underutilisation of resources for CWSN children.

In West Bengal, against a population of 2.3 lakh children with special need, an outlay of Rs. 45 crore was approved in 2016-17, which is 1 percent of the total outlay approved by SSA. Of the total approved outlay for CWSN, only 21 percent has been utilised. Similarly, under the RMSA, a programme called 'Inclusive Education of Disabled at Secondary Stage' (IEDSS) has been implemented to provide an opportunity to students with disabilities, to complete four years of secondary schooling in neighbouring schools in an inclusive and enabled environment. In 2017-18, West Bengal government has approved Rs. 6.6 crore for IEDSS, which is 2.8 percent of the total RMSA outlay.

The appointment of special educators for CWSN is an intervention under both SSA and RMSA. However, it is observed in the AWP&Bs of the last few years, that state has not budgeted for special educators. Though in 2016-17, under the IEDSS component, 483 special educators were approved but till date, no special educators have been recruited by the state.

In addition to MHRD, Department of Empowerment of Persons with Disabilities has a financial provision for the education of CWSN. Table 3 shows an increase in allocation and expenditure of West Bengal in the last five years considering all educational interventions for CWSN by different departments. However, in respect to the need, this allocation towards CWSN is very low mostly because of the absence of realistic estimates of the numbers of children coping with various types of disabilities.

**Table 3: Budgetary interventions for school education of children with disabilities (Rs. Crore)**

2014-15(A)	2015-16 (A)	2016-17 (BE)	2016-17 (RE)	2017-18 (BE)
4.2	5.3	3.6	3.6	7.3

Source: Detailed demand for grants, State Budgets for 2016-17 and 2017-18

**Decentralised planning for school education: Priority for School Management Committee and community mobilisation in state budgets**

For inclusive quality education, responsible need-based planning, budgeting, management, monitoring, supervision, reporting, and maintenance is required. To have a bottom up approach, community mobilisation and active participation of community members in implementation of school education is extremely critical, not only in effective planning and implementation of interventions in schools, but also in effective monitoring, evaluation and ownership of the government programmes by the community. DISE reported that West Bengal has 40 percent of schools with SMCs. But according to per SSA PAB minutes, the state is yet to constitute SMCs in government primary schools as per RTE guidelines. West Bengal RTE guidelines state that SMCs should be constituted through elections (West Bengal RTE Rules, 2012).

However, the state finds it difficult to conduct elections for 67,000 primary schools and hence is in the process of amending WB RTE rules. The state PAB meeting minutes for 2016-17 and 2017-18 shows that no outlay for SMC training was approved in the meeting as the state has not yet formed SMCs as per RTE guidelines. Scanty allocation towards the training of SMC and SDMC members has failed to bring about effective capacity building at the ground level. As a result, decentralised planning remains on pen and paper in West Bengal.

## Policy Recommendation

In the light of findings, the policy brief suggests immediate and long-term policy measures that state could implement to provide quality school education which is accessible to all sections of the society.

- Teacher education and infrastructure building should be the immediate priority for states. Given the huge shortage of professionally qualified teachers, there is an immediate need to create adequate teacher training institutes in West Bengal.
- The state needs to adequately invest to overcome the shortage of subject specific teachers at the secondary level.
- State should design its' school education budget by allocating more funds for interventions towards marginalised children, especially for OOSC and children with disabilities. As a first step, it should revisit the amendment for scrapping the 'no detention policy' and prioritise the need for bringing back all children in school.
- It should design policies of mainstreaming OOSC in a more focused manner and support the policies with adequate resource for implementation.
- West Bengal should form SMCs as per the guidelines of WBRTE. It should prioritise training of community members on a regular basis and allocate adequate funds for community mobilisation.
- State governments need to substantially step up and sustain investments on education for a longer period, in order to reap the benefits from this sector.

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