



## DISTRICT EDUCATION SPENDING IN RWANDA

**A STUDY PRODUCED BY RENC  
RESEARCH CONDUCTED BY CLAIRE KUMAR**

This briefing paper presents the executive summary from an analysis of Rwanda's District education budgets. An additional and complementary study to the 'Investment in Children's Education in Rwanda' (RENC/Save the Children, September 2015), this study reviews the education budgets of thirty Districts. It investigates and analyses the disparities in education spending across Districts & provides recommendations for improved equitable education spending per child.

### PURPOSE

Over the years Rwanda has made great progress in education; building national infrastructure at primary level, and increasing access to primary school and achieving progress in key areas such as gender equality, increasing completion rates and reducing drop out rates. However, recent data indicates that significant challenges are emerging at the primary level. Repetition rates at primary level increased significantly (from 12.7% in 2011 to 18.3% in 2013) and drop out rates at primary level also went up (from 10.9% in 2011 to 14.3% in 2014). Combined with the growing financial pressure on the education budget, especially on the primary allocation, there is a need to carefully monitor resource allocation at pre-primary and primary levels, as well as seeking to use the currently available resources in the most efficient and equitable manner.

This in-depth analysis of the education budgets of Rwanda's thirty districts was a follow up to earlier work analysing the national education budget, which uncovered significant differences in the level of education spending per student between different districts. This study investigates

further these disparities at primary level, particularly looking at how they relate to the pursuit of equity and educational performance goals.

The new Sustainable Development Goals (SDGs) that Rwanda will now be working towards, place equitable progress at the heart of education goals. This requires that we maximise resources available for children and invest these in the most efficient and equitable way possible.



*Photo: Colin Crowley/Save the Children*



## KEY FINDINGS: DISTRICT BUDGET SPENDING

- Rwanda implements an education-financing model that is based on student numbers. There is no equity-based formula to help steer public resources effectively towards the poorest districts or to under-performing schools in Rwanda, and all districts are treated equally for all budget items. Equal treatment across districts, however, does not lead to equitable outcomes. In the case of the fund for vulnerable children, for example, it means the districts with the highest numbers of poor children do not get additional support to help vulnerable children into school, but get the same budget as the wealthiest districts. Not only does the current system not promote equity, in practice, it has also led to significant inequities between locations.
- 2014/15 spending per student varied between a high of RwF 28,629 in Huye (one of the richest districts) and a low of RwF 16,249 in Nyagatare (the 11th poorest district). This is a big variance and translates to a potential budget difference of RwF 990m between high & low-spend locations.
- Out of the 8 districts with the lowest spending per student, 6 of these are in the group of poorest districts (Rutsiro, Burera, Ngororero, Nyagatare, Gatsibo and Kirehe). Conversely of the 4 districts with the highest spending per student, 3 districts are among the richest (Huye, Muhanga and Nyarugenge). Unfortunately districts with higher poverty rates are often disadvantaged.
- The single most important factor driving this pattern of resource allocation between districts is the teacher salary budget, which absorbs the bulk of the district budget for primary education. Teachers' average monthly salaries range from RwF 66,763 in Nyagatare to RwF 114,955 in Huye. As teachers at primary level are all paid the same starting salary (A2 benchmark) it is the difference in teachers' years of experience that accounts for the inequities between locations. This means that the districts showing the lowest salary spends per teacher also have the least experienced teachers. This is important as normally experience is related to the quality of teaching in the classroom.
- Although Ministry guidelines allow for 3 teachers for every 2 classrooms, no district reaches this, meaning overall there is a lack of teachers in the primary system. This study finds that over 5,000 teachers should be on the public payroll under current hiring rules. If the '2 classrooms - 3 teachers' teacher hiring rules were reformed and linked to student numbers rather than classroom numbers this would help reduce the great disparities between districts.

*Photo: Colin Crowley/Save the Children*







*Photo: Colin Crowley/Save the Children*

- There appear to be unusual disparities between primary student numbers and the level of capitation grant received by districts in 2014/15. Fifteen out of thirty districts received significantly less capitation grant than they should have based on their student numbers. Data shows capitation grants being reduced and primary teacher salary budget lines being increased. The analysis also shows that of the 15 districts that suffered the most from this budget cut, 10 of those are ranked amongst the poorest districts. **This means that it is the poorest districts that have suffered disproportionately from this budget accommodation strategy.** Positively this accommodation does not appear to have occurred in the 2015/16 budget.

## KEY FINDINGS: IMPACT ON OUTCOMES AND QUALITY

- Educational outcomes are associated with budget to some degree. The worst performing districts for pupil-teacher ratios and drop out rates are more likely to have low budgets. The best performing districts for these indicators are higher spending

districts. Drop out rates appear associated with poverty rates, which points to the fact that poorer districts face more challenges keeping children in school.

- Districts with higher poverty rates are often disadvantaged. Districts with the lowest spending are most often from the group of poorer districts. Poorer districts are more likely to spend less per student. They are more likely to attract the least experienced teachers, translating to a lower budget for teacher salaries and arguably poorer quality teaching. Poorer areas - where children are already affected in multiple ways by their socio-economic disadvantages - are also often receiving less investment than richer, more privileged locations.
- Districts that particularly reflect these trends are Ngoma, Nyagatare, Gatsibo and Kirehe. These four combine high poverty with the worst pupil-teacher ratios and the poorest educational outcomes (measured by drop out). Of these four districts, three also have the lowest levels of spending - both per student and on teacher salaries: Nyagatare, Gatsibo and Kirehe.

## RECOMMENDATIONS

- **The GoR should consider ensuring that education receives a higher share of the national budget. MINEDUC and MINECOFIN could adopt a shared target of reaching the GPE recommended 20% of the national budget for education by 2017/18. Increased resources could:**
  - \* Reverse the trend of dis-investment at the pre-primary and primary level,
  - \* Achieve an increase in the annual primary level salary provision;
  - \* Invest more in infrastructure at the primary level to increase the number of primary classrooms in districts which suffer particularly from classroom over-crowding and high pupil-teacher ratios,
  - \* Ensure the benchmark for capitation grants are consistently met for all primary students,
  - \* Create a budget line to support children with special educational needs at primary level as well as to support full assessments on how to best deliver resources to meet their needs.
- **In light of the disparities in spending per student across districts, MINEDUC could begin a formal process to investigate alternative models of education financing in Rwanda, which would deliver a more equitable targeting of resources.**
  - \* A policy establishing a minimum budget amount per student that all districts should reach, as well as a suitable financing mechanism to deliver the additional resources to the districts that require supplements to achieve this level.
  - \* The development of a strategy to attract more experienced teachers to poorer areas as priority.
  - \* Consideration of a formula to differentiate capitation grant levels. Variables to be considered could include: district poverty rates, student numbers, teacher pupil ratios and remoteness.
  - \* A reform of the Primary Education Vulnerable Fund to spend all available funds on the poorest districts only. Such a reform should consider increasing the fund overall, as well as a feasible targeting method to ensure the poorest children are properly identified and supported.
- **MINEDUC should consider carefully what new, disaggregated data and information should be gathered to support any move towards a more equitable targeting system. In this light it would be important to consider collecting and publishing the following:**
  - \* Data at the school level on the socio-economic status (ubudehe category) of each child enrolled;
  - \* Data on average salary spending per teacher per district;
  - \* Primary completion rates per district;
  - \* Disaggregated data by public, government-aided, and private categories;
  - \* 'Within-district' analysis with school level data regarding equitable financing questions. This is important given urban-rural inequities are likely to be substantial.
- **Government of Rwanda should consider conducting a study to determine the increase in the teacher workforce necessary to decrease the pupil-teacher ratio in Rwanda. This study should look particularly at the differences between districts (and within districts where possible). On the basis of the results it could be relevant to consider whether teacher hiring guidelines be changed from a teacher per classroom benchmark to a teacher-pupil benchmark. Budget implications of such changes should be assessed as part of this effort.**