

OFFICE OF THE CONTROLLER OF BUDGET



NATIONAL GOVERNMENT BUDGET IMPLEMENTATION REVIEW REPORT

FIRST SIX MONTHS
FY 2023/24

FEBRUARY, 2024

4.3 Education Sector

4.3.1 Introduction

The Education Sector comprises four MDAs, which include the State Department for Vocational and Technical Training, the State Department for Higher Education and Research, the State Department for Basic Education and the Teachers Service Commission (TSC), together with their affiliated Agencies and Institutions.

The Sector envisions attaining “*Quality and inclusive education, training and research for sustainable development*” in Kenya. The Sector’s strategic objectives include: enhancing access, equity, quality and relevance in education, training and research; establishing, maintaining and managing professional teaching and learning services for all early learning centres, primary, secondary and tertiary institutions; enhancing development capacities for Science Technology and Innovations; enhance mechanisms for dissemination and commercialisation of research findings; improve data quality and sharing in education, training, research and labour market; promote vibrant industry - institutional linkages in the area of skilling for employability; and integrate ICT in Education, Training and Research for management, teaching and learning at all levels.

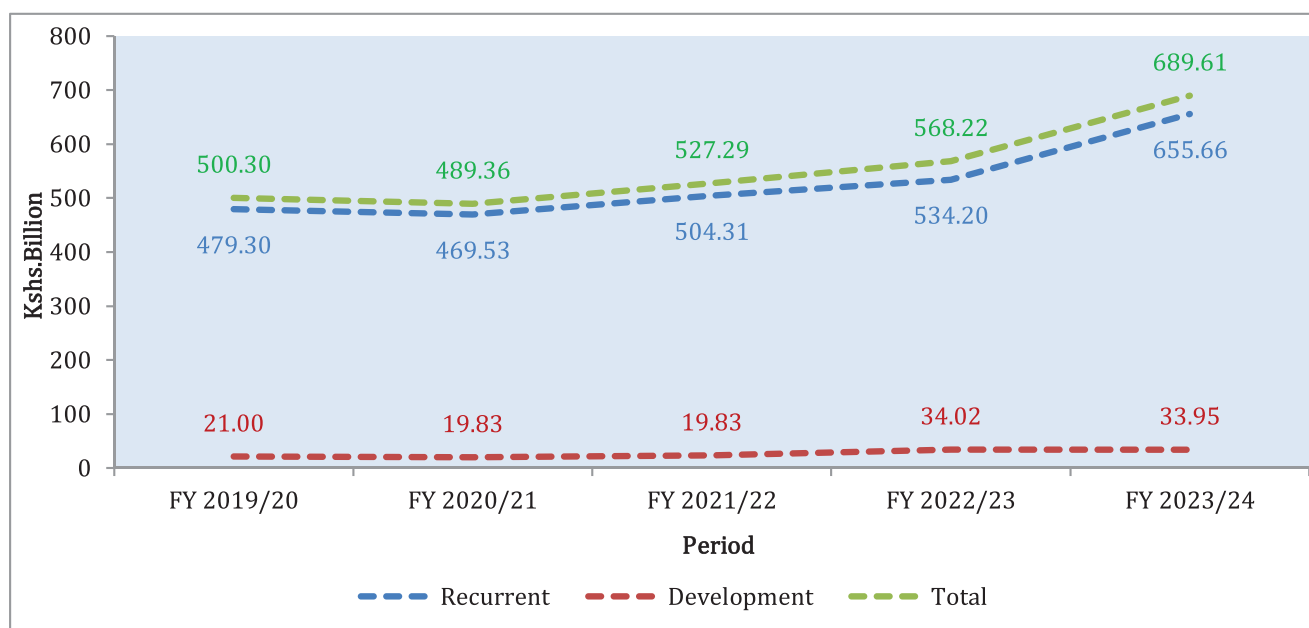
Worth noting is that the ongoing education transitions from the 8-4-4 to the 2-6-6-3 system will require substantial investment in infrastructure, equipment, and human capital in FY 2023/24 and the medium term 2023/24 to 2025/26.

4.3.2 Budget Performance for the Education Sector

The budgetary allocation to Education in FY 2023/24 amounted to Kshs.628.58 billion, which was later revised to Kshs.689.61 billion in Supplementary Budget I, compared to the Kshs.568.22 billion allocated in FY 2022/23. This amount represents 15.2 per cent of the revised gross national budget of Kshs.4.54 trillion and 28.0 per cent of the MDAs’ budget of Kshs.2.64 trillion. The allocation included Kshs.33.95 billion (4.9 per cent) for development activities and Kshs.655.66 billion (95.1 per cent) for recurrent expenditure. Teachers Service Commission received the highest budgetary allocation of Kshs.343.40 billion (49.8 per cent of the Sector’s budget), while the State Department for Vocational and Technical Training had the lowest budgetary allocation of Kshs.24.83 billion (4.8 per cent of the Education Sector allocation).

The high allocation to the Teachers Service Commission is attributed to its role in teacher management for basic education. Figure 4.3 shows the budgetary allocation trends of the Education sector for the period FY 2019/20 to FY 2023/24.

Figure 4.3: Budgetary Allocation Trend for the Education Sector



Source: National Treasury

The total exchequer issues to the Education sector amounted to Kshs.232.59 billion, representing 37.8 per cent of the Sector’s revised net estimates. This amount comprised Kshs.10.95 billion for development expenditure, representing 38.1 per cent of development revised net estimates, and Kshs.221.64 billion for recurrent activities, representing 37.8 per cent of recurrent net estimates. Table 4.4. shows the Education sector analysis of exchequer issues and expenditures for the first six months of FY 2023/24.

Table 4.4: Education Sector-Analysis of Exchequer Issues and Expenditure.

VOTE	Development (Kshs. Billion)						Recurrent (Kshs. Billion)					
	Revised Gross estimates	Revised Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Revised Net Estimates	% of Expenditure to revised Gross estimates	Revised Gross estimates	Revised Net estimates	Exchequer Issues	Expenditure	% of Exchequer to Revised Net Estimates	% of Expenditure to revised Gross estimates
State Department for Vocational and Technical Training	7.07	4.22	1.11	2.42	26.4	34.2	25.84	20.62	5.20	8.45	25.2	32.7
State Department for Higher Education and Research	3.55	3.00	0.24	0.25	8.2	7.1	150.97	90.24	34.85	42.69	38.6	28.3
State Department for Basic Education	22.13	20.33	9.25	5.92	45.5	26.8	136.44	134.32	28.50	84.56	21.2	62.0
Teachers Service Commission	1.20	1.16	0.34	0.21	29.6	17.2	342.40	341.74	153.09	163.74	44.8	47.8
Total	33.95	28.71	10.95	8.80	38.1	25.9	655.66	586.92	221.64	299.44	37.8	45.7

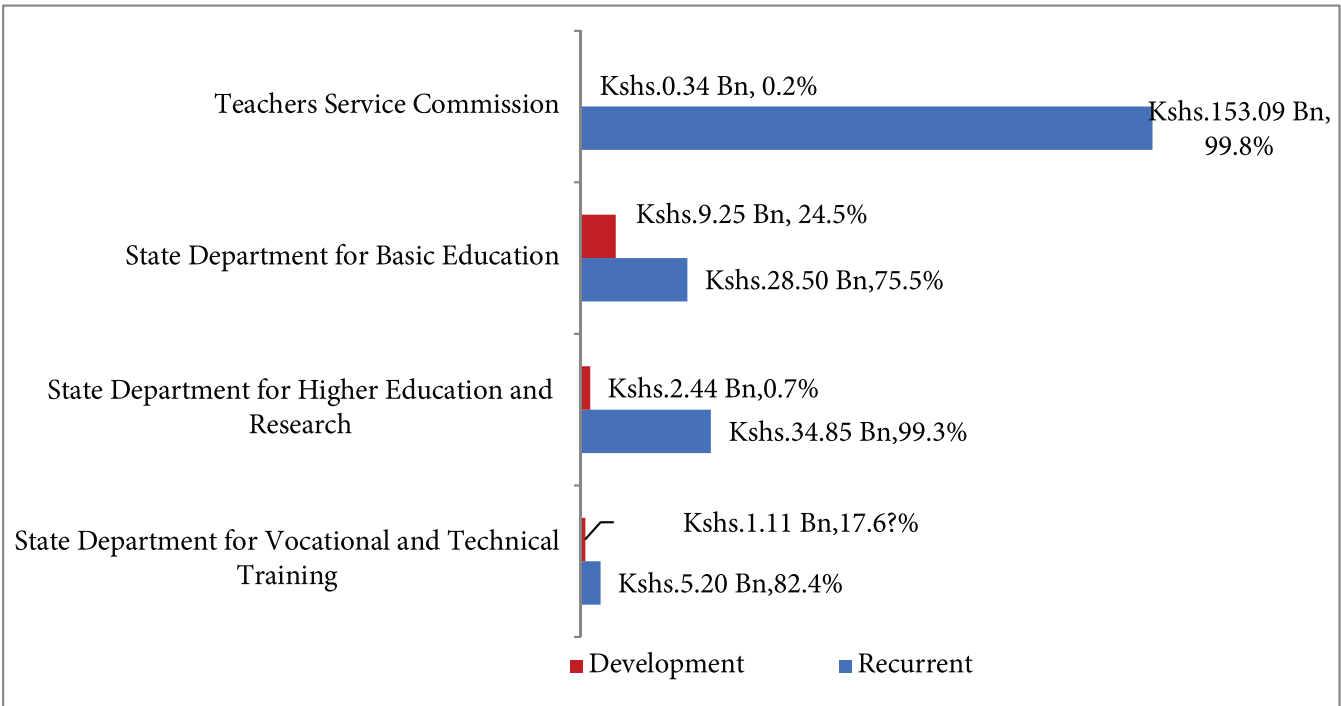
Sector Summary

	Revised Gross estimates	Revised Net estimates	Exchequer Issues	Expenditure	% of Ex-chequer to Revised Net Estimates	% of Expenditure to Revised Gross estimates
Development	33.95	28.71	10.95	8.80	38.1	25.9
Recurrent	655.66	586.92	221.64	299.44	37.8	45.7
Total	689.61	615.63	232.59	308.23	37.8	44.7

Source: MDAs and National Treasury

In the first six months of FY 2023/24, the State Department for Basic Education received the highest proportion of development exchequer issues to development revised net estimates at 45.5 per cent, while the State Department for Higher Education and Research received the lowest at 8.2 per cent. The Teachers Service Commission recorded the highest proportion of recurrent exchequer issues to revised net estimates of 44.8 per cent while the State Department for Basic Education recorded the lowest ratio of 21.2 per cent. Figure 4.4 shows the exchequer issues in the Education Sector in the first six months of FY 2023/24.

Figure 4.4: Exchequer Issues to the Education Sector.



Source: National Treasury

The total expenditure for the Education Sector amounted to Kshs.308.23 billion, representing 44.7 per cent of the revised gross estimates, compared to Kshs.243.16 billion (44.7 per cent) recorded in a similar period of FY 2022/23. This amount comprised Kshs.8.80 billion for the development budget representing an absorption rate of 25.9 per cent, compared to 8.27 billion (28.6 per cent) recorded in a similar period FY 2022/23, and Kshs.299.44 billion for recurrent expenditure representing 45.7 per cent of the recurrent revised gross estimates, compared to Kshs.234.89 billion (45.6 per cent) recorded in a similar period 2022/23.

The State Department for Vocational and Technical Training recorded the highest absorption of the development budget at 34.2 per cent, while the State Department for Higher Education and Research recorded the lowest at 7.1 per cent. The State Department for Basic Education recorded the highest proportion of recurrent expenditure to gross estimates at 62.0 per cent, while the State Department for Higher Education and Research recorded the lowest

at 28.3 per cent.

4.3.3 Budget Implementation by Programmes and Sub-Programmes for Education Sector

The Education sector's budgetary allocation was to fund thirteen programmes.

Table 4.5 summarises the budget execution by programmes in the first six months of FY 2022/23.

Table 4.5: Education Sector's Programme Performance

Pro-grammes	Sub-Pro-grammes	Revised Approved Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorp-tion Rate (%)
		Recurrent	Development	Total	Recurrent	Development	Total	
State Department for Basic Education								
Primary Education	Free Primary Education	15,520.08	14,895.07	30,415.15	9,378.64	4,096.47	13,475.11	44.3
	Special Needs Education	974.99	505.00	1,479.99	229.93	155.00	384.93	26.0
	Early Child Development and Education	2.97	-	2.97	1.33	-	1.33	44.9
	Primary Teachers Training and In-Servicing	396.42	29.20	425.62	197.83	-	197.83	46.5
	Alternative Basic Adult and Con-tinuing Education	56.57	-	56.57	19.25	-	19.25	34.0
	School Health, Nutrition and Meals	4,933.40	-	4,933.40	4,933.40	-	4,933.40	100.0
Secondary Education	Free Day Secondary Education	103,075.17	6,568.80	109,643.97	65,859.69	1,554.65	67,414.34	61.5
	Secondary Teachers Education Services	243.70	-	243.70	121.85	65.00	186.85	76.7
	Secondary Teachers In-Service	414.73	-	414.73	185.70	-	185.70	44.8
	Special Needs Education	200.00	-	200.00	100.00	-	100.00	50.0
Quality Assurance and Standards	Curriculum Development	1,240.29	-	1,240.29	585.14	-	585.14	47.2
	Examination and Certification	2,569.41	133.00	2,702.41	371.21	53.25	424.46	15.7
	Co-Curriculum Activities	1,275.96	-	1,275.96	493.12	-	493.12	38.6
General Administration,	Headquarters and Administrative Services	2,388.51	-	2,388.51	866.12	-	866.12	36.3
Planning and Support Services	County Administrative Services	3,147.81	-	3,147.81	1,219.42	-	1,219.42	38.7
	Sub-Total	136,440.01	22,131.07	158,571.08	84,562.63	5,924.37	90,487.00	57.1
State Department for Higher Education and Research								
University Education	University Edu-cation	91,604.92	3,425.00	95,029.92	18,598.70	250.56	18,849.26	19.8
	Quality Assur-ance	469.05	-	469.05	115.53	-	115.53	24.6
	Higher Education Support Services	57,861.09	-	57,861.09	23,493.24	-	23,493.24	40.6

Pro-grammes	Sub-Pro-grammes	Revised Approved Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorp-tion Rate (%)
Research Science Technology and Innovation	Research Man-agement and	408.98	126.00	534.98	187.54	-	187.54	35.1
	Science	260.42	-	260.42	68.99	-	68.99	26.5
General Administra-tion, Planning and Support Services	General Adminis-tration,	369.25	-	369.25	138.62	-	138.62	37.5
	Planning and Support							
	Sub-Total	150,973.72	3,551.00	154,524.72	42,602.63	250.56	42,853.19	27.7
State Department for Technical, Vocational Education and Training								
Technical Vocational Education and Training	Technical Accred-itation and Quali-ty Assurance	1,071.50	-	1,071.50	455.75	-	455.75	42.5
	Special Needs in Technical and Vocational Education	220.00	-	220.00	110.00	-	110.00	50.0
	Technical Train-ers and Instruc-tors Services	24,040.90	-	24,040.90	7,789.36	-	7,789.36	32.4
	Infrastructure Development and Expansion	-	7,070.00	7,070.00	-	2,416.56	2,416.56	34.2
Youth Training and Develop-ment	Revitalization of Youth Polytechnic	50.37	-	50.37	13.42	-	13.42	26.6
General Admin-istration, Planning and Support Services	Planning and Monitoring Services	2.92	-	2.92	-	-	-	-
	Headquarters and Administrative Services	457.71	-	457.71	83.57	-	83.57	18.3
	Sub-Total	25,843.40	7,070.00	32,913.40	8,452.10	2,416.56	10,868.65	33.0
Teachers Service Commission								
Teacher Research Manage-ment	Teacher Resource Planning -Pri-mary	211,561.65	215.00	211,776.65	100,734.52	62.39	100,796.91	47.6
	Teacher Resource Planning -Sec-ondary	118,295.62	900.00	119,195.62	56,978.32	134.98	57,113.30	47.9
	Teacher Resource Planning-Tertiary	3,726.12	-	3,726.12	1,862.96	-	1,862.96	50.0
Gover-nance and Teaching Standards	Quality As-surance and Standards	5.32	-	5.32	2.61	-	2.61	48.9
	Teacher Profes-sional Develop-ment	6.58	-	6.58	2.20	-	2.20	33.5
	Teacher Capacity Development	1,300.16	-	1,300.16	630.95	-	630.95	48.5

Pro-grammes	Sub-Pro-grammes	Revised Approved Estimates (Kshs. Million)			Expenditure (Kshs. Million)			Absorp-tion Rate (%)
General Administration,	Policy Planning and Support Services	7,054.14	87.00	7,141.14	3,340.23	9.73	3,349.96	46.9
	Field Administrative Services	244.38	-	244.38	85.73	-	85.73	35.1
Planning and Support Services	Automation of TSC Operations	206.39	-	206.39	97.81	-	97.81	47.4
	Sub-Total	342,400.36	1,202.00	343,602.36	163,735.33	207.11	163,942.43	47.7
	Grand Total	655,657.50	33,954.07	689,611.56	299,352.69	8,798.59	308,151.28	44.7

Source: MDAs and National Treasury

Analysis of Programme and sub-programmes shows that the School Health, Nutrition and Meals sub-programme under the State Department for Basic Education had the highest absorption of 100 per cent while the Examination and Certification sub-programme recorded the lowest absorption of 15.7 per cent.

4.3.4 Key achievements by MDAs in the Education sector

The State Department for Teachers Service Commission under the Teacher Resource Management sub-programme targeted to recruit 20,000 intern teachers, and as of 31st December 2023, it achieved the target. The Teachers Service Commission set out to improve the quality of learning in schools through the Governance and Standards Programme. The Teacher Management Unit for Secondary trained 6,346 teachers on the School-Based Teacher Support System and trained 800 teachers on peer-to-peer support. The Governance and Standards unit improved the quality of learning by appraising 94.2% of teachers on Teacher Performance Appraisal and Development (TPAD), sensitized 1,177 field officers on TPAD and trained 1,177 teachers on personal computers and TPAD. The Teacher Capacity Development unit trained 45,362 teachers and 985 tutors on the Competency-Based Curriculum (CBC).

The State Department for Higher Education and Research aimed at improving the quality of university education. The Kenya Universities and Colleges Central Placement Service (KUCCPS) placed 140,107 students in universities, and 168,947 students placed in Technical and Vocational Training institutions. Further, sensitized 844 teachers on career guidance and guided 650 secondary schools on career choices. Commission for University Education (CUE) audited 7 universities against a target of 9, quality assured and accredited 10 institutions and evaluated 80 per cent of programme applications. Higher Education Support Services provided student financing services to 468,019 students in Public Universities, sponsored 68,994 students to Private Universities and awarded 356,182 student loans as an incentive for students to further their education.

4.3.5 Project Implementation for the Education Sector

Most of the development projects are multi-year in nature and implemented over some time. In the first six months of FY 2023/24, the Education Sector incurred a development expenditure of Kshs.8.80 billion, representing an absorption rate of 25.9 per cent.

Table 4.6 summarises the development of some of the projects with the highest expenditure in the reporting period in the Education sector.

Table 4.6: Education Sector Development Projects with the Highest Expenditure.

MDA	Project Name	Project Commence Date	Expected Completion Date	Source of Funds	Estimated Value of project (Kshs. Mn)	As of 31st December, 2023		Completion (%)
						Funds released (Kshs. Mn)	Amount paid (Kshs. Mn)	
State Department for Technical, Vocational Education & Training	GoK-AfDB TVET Phase II Headquarters	30-Jun-19	31/12/2023	Gok and Foreign Borrowings	6,700.00	6,664.00	6,365.00	95.0
State Department for Early Learning & Basic Education	Kenya Primary Education Equity in Learning Programmes	01-Mar-22		GoK/Donor (World Bank)		15,694.07	4,095.49	19.5
State Department for Technical, Vocational Education & Training	East Africa Skills for Transformation and Regional Integration Project (EASTRIP)	01-Jan-20	30/06/2024	Foreign Borrowings	4,440.00	3,883.00	3,354.00	75.5
State Department for Technical, Vocational Education & Training	GoK Infrastructure Development and Facilities Upgrading for Public TVET Institutions	01-Jul-20	30-Jun-26	Gok	3,690.00	3,264.00	2,680.00	72.6
State Department for Higher Education & Research	Construction of Centres of Excellence	07-Jun-17	06/06/2023	GoK/Donor	1,800.00	1,541.00	1,541.00	85.6
Early Learning & Basic Education	Kenya Secondary Education Quality Improvement	01-Dec-17	72 months	GoK	20 billion	3,700.00	1,488.65	64.7
State Department for Higher Education & Research	Science & Technology Parks Initiative	09-May-15	04/09/2027	GoK	1,700.00	591.00	1,109.00	65.2
State Department for Technical, Vocational Education & Training	GoK-AfDB Technical, Vocational Education Training & Entrepreneurship	01-Feb-21	30/06/2025	Gok and Foreign Borrowings	4,397.00	1,833.00	896.00	19.00
State Department for Higher Education & Research	Construction of Administration Block & Lecture Theatre	01-Jul-17	10/07/2026	GoK	1,392.00	846.00	846.00	61.00
State Department for Higher Education & Research	Construction of Men's Hostels	06-Jun-14	06/02/2026	GoK	1,300.00	778.00	778.00	60.00

Source: MDAs