



RATIONALIZATION OF PUBLIC EDUCATION EXPENDITURE



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Executive Summary

AUDITED ENTITY

Ministry of Education, Sport and Youth

Executive Summary

The Audit was carried out in order to ascertain the measures taken by the Ministry of Education, Sport and Youth (MoESY) for the rationalization of public education expenditure, regarding the issues raised by the Audit Office. We examined the number of educational staff given exemptions from teaching duties throughout the years, as well as the legal framework regarding these exemptions and the statutory framework that applies to other European countries regarding this matter.

Additionally published indicators concerning the quality of the provided public education in Cyprus (in terms of assessing students school performance) were examined and compared with public expenditure for education in Cyprus, and the relevant costs per student, as well as with the corresponding indicators of other countries. Data regarding other countries were collected from the MoESY, the Statistical Service, the Financial Information Management Accounting System (FIMAS), from various studies published in Cyprus, the European Commission and the Organization for Economic Co-operation and Development (OECD).

The most important audit findings, are summarized as follows:

1.1 Teaching hours of educational staff.

1.1.1 Teaching hours of educational staff and reduction of teaching hours based on years of service.

- ◆ The teaching hours of educational staff were determined after the MoESY came to an agreement with the trade unions of educational staff, and are reduced according to their years of service.

1.1.2 Educational staff exempted from teaching time.

- ◆ Educational staff are exempted from teaching time for the performance of other duties assigned to them, such as, heads of sections, keeping of minutes of Masters Associations, heads of library, etc.
- ◆ We recommended legally regulating the abovementioned exemptions and reducing them to the minimum, given the high cost they constitute to public expenditure.

1.1.3 Educational staff exempted from teaching time for participation in union activities.

- ◆ The MoESY, following decisions taken by the Educational Service Committee (ESC), exempts a number of educational staff from their physical presence at schools, for some or all days of a week, on the grounds that these days they engage in union work.

1.1.4 Ernst & Young Study concerning the rationalization of expenditure on educational staff of the MoESY.

According to the study:

- ◆ Cyprus has the lowest weekly average teaching time, in hours, in comparison to other

European countries and countries of the OECD, except for primary education, and

- ◆ The current distribution of teaching staff based on their years of service is such, that the fact that teaching hours are reduced based on the years of service, will constantly create the need for additional educational staff being employed, in order to compensate for these lost teaching hours. This is why it is important that measures are taken to revise or terminate these reductions.

1.1.5 Statistics concerning public education derived from various studies of the European Commission and the OECD/Statistical Service/FIMAS/indicators prepared by the MoESY.

- ◆ Educational staff salary expenditure followed an upward trend over the years 2017 to 2021, whilst the percentage of MoESY's expenditure to government total expenditure is on average about 11% (based on data regarding the years 2017 – 2021), which, in our opinion, should be reflected in a higher quality education.
- ◆ According to the «Education and Training Monitor 2020 – Country Analysis» study, regarding lower secondary education, Cyprus ranks as the highest regarding the percentage increase of educational staff salaries during their first 15 years of service (85%) which until the end of their career, skyrockets to 143%.
- ◆ The cost of public education per student, from data we obtained from the Statistical Service, shows an upward trend, on all levels of education, during the years 2017 to 2021. The same applies for data collected from the MoESY, for secondary education (years 2020 to 2021), and for secondary technical and vocational education (years 2018 to 2020), whilst for the rest of the levels of education, and years, no data was provided to us. We pointed out the huge deviation between the data collected from the Statistical Service and the data collected from the MoESY, and requested MoESY's comments regarding this fact.
- ◆ Based on data mainly collected from the MoESY, the number of educational staff per level of education and per school year, during the school years 2016/17 to 2022/23, shows an upward trend. In primary education there seems to be a stabilization, though the same does not apply for secondary education, in which, a continuous increase in the relevant ratio is evident.
- ◆ The number of students per educational staff and per level of education, from data provided from the MoESY, for the school year 2018/19, is way below the average of other European countries.
- ◆ The performance of students in Cyprus, in most cases, is low in comparison to the corresponding performance of students from other countries:
 - According to the «Education and Training Monitor 2020 – Country Analysis» study, in Cyprus almost 2 out of 3 students (58,9%) from the lowest socio-economic class are low achievers in reading, whilst the European Union (EU) average is 36,4%. In the top socio-economic class, 29,7% are low achievers, the highest percentage in the EU (where the average is 9.5%).

- Regarding the same study , during the year 2018, the performance among 15-year-olds in Cyprus, in reading, maths and science, remained far below the EU average.
- Another study, carried out by the Programme for International Student Assessment (PISA), which is an international assessment of 15-year-old students' reading, mathematics, and science literacy every 3 years, and a project coordinated by the OECD, indicates, from year 2012, an upward trend in students' performance in maths, a stabilization in science, and a downward trend in reading.

1.1.6 Decision of the Joint Education Service Personnel Committee (JESC).

- ◆ In respect of the teaching periods of educational staff and the exemptions from teaching time granted to them, we noted the necessity in reducing these exemptions to the minimum. Despite several decisions taken by the Council of Ministers, and the agreement between the parties of the Joint Education Service Personnel Committee (JESC) and the educational committees, dated 22.5.2019, and approved through the Decision of the Council of Ministers, dated 18.6.2019, we noted that the shortcoming in the rationalization in Public Education, and the ineffective and inefficient utilization of public resources, is still in place. No restriction in educational staff salary expenditure was achieved and on the contrary additional staff are hired every year, especially in secondary education.
- ◆ In a meeting dated 3.11.2020, called by the JESC, where the issue was discussed, it was agreed that the exemptions granted for various reasons, at all levels of education, will be further studied and recommendations will be prepared and sent to the Trade Unions in order to be discussed at the JESC's next meeting. Despite of the fact that the MOESY prepared specific recommendations regarding these exemptions, the matter is still pending and no further recommendations have been made for approval. Furthermore, a new meeting regarding the same matter does not seem to have taken place, and therefore the agreement dated 22.5.2019, is the only agreement in effect to date.
- ◆ In the current applicable agreement of the JESC, dated 22.5.2019, the issue of assessing the duties performed by educational staff as heads of sections, has not sufficiently been addressed and no specific decisions have been taken for reducing the exemptions granted from teaching time for this purpose.
- ◆ Also, the issue of evaluating the time spent by heads of sections for duties other than teaching, remains pending.
- ◆ Regarding the matter of exemptions from teaching time to participate in activities held by trade unions, in our letter dated 17.9.2018, we have requested legal advice from the Attorney General, concerning the legality of the said exemptions, as well as the operational efficiency in schools because of this. The Attorney General replied on 7.11.2018, and the reply was forwarded to the MoESY for its comments. The MoESY has not responded to date.

1.1.7 Legislative regulation of Secondments of Educational Staff.

The legislative regulation of Secondments of Educational staff is still pending.

1.2 Secondments and placements of Educational staff.

1.2.1 Secondments.

- ◆ A significant number of educational staff is seconded to the MoESY on an annual basis, for various duties, in many cases of an administrative nature.
- ◆ Studies that have been made over time, concerning the MoESY's functions and structure, indicated, among other weaknesses, that a significant number of educational staff is seconded in the Ministry's administration departments, and of which several are involved in performing civil service/administrative duties.

We recommended that the MoESY carries out, an in depth operational and administrative re-evaluation, in order to achieve, the required rationalization, a major reduction in all secondments and MoESY's administration staff, optimal utilization of human resources and modernization of the Ministry's operational and administrative activities.

- ◆ Various terms and conditions that apply to secondments, are determined by circulars issued by the MoESY, instead of being properly regulated.

We recommended that steps are taken for regulating the employment status of seconded educational staff and their terms of employment.

- ◆ Instead of secondments being legally and rationally regulated, there seems to be a deterioration in data involving these secondments, since their terms of employment have been modified by the MoESY, in such a way so that a higher number of educational staff can be seconded for a longer period of years, and as a result educational staff seconded end up losing their teaching experience for an extremely long period of time.
- ◆ Although, in general, the available positions for secondments are announced, the positions for the office of the Minister, the Director General, the internal control unit and for the ESC are not announced, as discretion is given to the competent authority to choose the educational staff to be seconded in these positions.

In our opinion all secondment positions must be announced. The only exception could be a very small number of secondments (one or two) for the Minister's Office.

1.2.2 Placements

- ◆ According to an opinion of the Law Office of the Republic dated 7.11.2018, to the Audit Office, in which the provisions of article 38A of the Public Educational Service Law 1969 were interpreted, the placement of educational staff can be made only in relation with the University of Cyprus and the Greek Orthodox Church of Cyprus. The MoESY implements placements in various departments/services which are not covered by the provisions of the Public Educational Service Law 1969.

Placement of one educational officer in an Embassy of the Republic of Cyprus.

- ◆ Regarding a decision by the Council of Ministers in 2022, for the placement of an educational officer in an embassy of the Republic of Cyprus, where her husband was working as a diplomat in a letter to the Director General of the MoESY and the Director General of the Ministry of Foreign Affairs, we noted that the Council of Ministers did not have the jurisdiction for the placement of the educational officer in an embassy .

We also noted that the said officer could apply for leave without pay and take up work in the Embassy as local staff. With her replacement she receives on top of her salary as an educational officer (she is not even working as an educational officer) the External Maintenance Allowance, which is higher than her salary. In our opinion, this placement amounts to a gross squandering of public money, is illegal and constitutes an abuse of power.

1.3 Granting of increments to educational officers for their service/technical experience in the private sector.

- ◆ We have noted that the above recognized service is taken into consideration for the purpose of reducing the teaching hours, based on the years of service. As it turned out from the (JESC) agreement, dated 22.5.2019, from 1.9.2020, up to eight years of service in the private sector is recognized for the purpose of their appointment, increment and promotion.
- ◆ We recommended that these matters are reconsidered and regulated.

1.4 Special Education.

- ◆ There is an upward trend over time for the needs for staffing of the special education, not only for the special educational officers, but also for the school assistants. The increase in the number of the special educational officers is disproportionate in relation to the increase in the number of children with special needs, in the primary education (including the pre-primary education), for the school years 2016/17, 2017/18 and 2018/19.