

The main positions of the National Audit Office based on the audit that analysed the use of education support – in the format of Q&A

What is education support for local governments?

Education support is a government grant paid from the state budget to local governments. It includes support for salaries of basic school teachers, salaries of upper secondary school teachers, salaries of the school principal and head teachers, in-service training, study aids and school lunches. The audit focused on salary support. The exact distribution of the support between local governments is determined every year with a regulation of the Government of the Republic.

How much money is spent on education support?

The amount allocated for 2016 is *ca* 237 million euros. This is the biggest support local governments get from the state budget, as it comprises a total of 14% of their revenue.

Are there many problems with the use of the salary support of teachers in local governments?

Not really. There were some small deviations from rules in the audited local governments, but on the larger scale the money was used as it should have been, i.e. it was paid to teachers. It can be said that local governments manage to use the money appropriately, as required.

Is there anything principally wrong with the present education support?

Yes. The main problem is that the intended purpose of the education support is too strictly determined. The contradiction in the goals of the education support and the recently launched school network programme is also a problem – this does not motivate local governments to streamline the school network, as they only get the education support if they have their own school. The system is also not financially motivating and does not stimulate local governments to merge their schools if they have more than one.

Why should the state consider abolishing the intended purpose of education support?

Firstly, local governments must be guaranteed sufficient funds for the performance of their functions, but they must also have the freedom to decide how to use them in a manner that is the best for their communities. This condition is not met when the area of use of the money is pre-determined. Secondly, local governments are currently not responsible for using the support reasonably, as the state has decided how the local governments should be using it. One of the roles of a local government is to guarantee good access to quality education, but this should not necessarily mean keeping its own school, especially if its population is decreasing. For example, school education could also be given in cooperation with neighbouring local governments, but at present the support is only paid to the local governments that have their own schools. In other words: no school, no support. Running a school is expensive for the society and with good reason, but this means that everyone should make even more of an effort to ensure that the money is used wisely. More freedom in using the support creates better conditions for finding more reasonable and sustainable solutions to offering school education in local governments.

Does the abolishment of the intended purpose of the education support not jeopardise the pay rise of teachers?

No, it will not – the pay rise of teachers can also be influenced via the minimum salary of teachers, which has also been done until now. In some years, the minimum salaries of teachers have been raised faster than the salary support to local governments.

What is the contradiction between the objectives of the education support and the school network programme?

Local government-based coefficients, with which the support amount based on the number of students is usually differentiated, are used to distribute a part of the education support, i.e. the salary support of teachers, between the local governments. The idea is to promote operating schools also in places where it is more expensive. The coefficients were established a few years ago when the support was class-based, not student-based, and support was also received for places that were not filled. A higher coefficient still brings a larger amount of support per student to local governments with such schools. And here lies the contradiction with the school network programme, which basically wants to see a decrease in the number of schools. Paying more support per student to those whose schools are not full has the opposite effect, as it promotes the preservation of the school. It's not up to the National Audit Office to say which direction is the right one, but a contradiction like this should not exist in the measures of any area.

Will the administrative reform solve the problems highlighted in the audit?

Not automatically, but as we know, the plan is to review the local government financing principles in the course of the reform. This should definitely include taking a look at the education support, as the restrictions on its use must be decreased, even little by little if there is no other way.

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