

Assessing the incremental impact of Public Private Partnership enabled schools in Punjab

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Abstract

Public private partnership (PPP) is vital for catalysing investments into the least catered segments of infrastructure like healthcare, education, public utilities reducing social barriers etc. Public private partnerships are being promoted among the developing countries as panacea for growth and mitigation of all the social challenges faced by the country. The fundamental ideology behind creation of Public private partnership is to build a symbiotic relationship between the government and the private sector.

The aim of the present study is to examine the incremental impact of public private partnership in Punjab. Study aims to analyse the efforts made in the field of public private partnership in Punjab and the based on the studies, a model has been suggested to revive Adarsh schools and any other Public private partnership project related to the field of education that fulfils characteristics such as transparent application and selection process, robust and holistic selection framework, having a clear and compelling vision and mission, concrete business plan for effective operations and profitability, effective structural framework and adequate mechanism of governance and management, Well-defined roles and responsibilities of public as well private stakeholders responsibilities, Clear terms of financial partnership, Holistic framework with academic, financial and organisational key initiatives. The study attempts to quantify the impact of PPP projects in boosting not only the economy of Punjab but over all Indian economy.

1. Introduction

The Right to Education was made a fundamental right in 2002 for children between the ages of 6 and 14 through the insertion of Article 21-A into the Constitution of India via the 86th amendment. It is spelled out explicitly in Article 26 of Universal Declaration of Human Rights also. The first paragraph of Article 26 proclaims that:

“Everyone has the right to education, Education shall be free at least in the elementary and fundamental stages. Elementary education shall be compulsory.”

Keeping in view the above, The Right of Children to Free and Compulsory Education Act, 2009, more widely known as the Right to Education Act 2009 (RTE), guarantees free education to children from the age of 6 to 18. The Parliament of India enacted this act on August 4, 2009 and came into force on April 1, 2010. This enforcement of this act made India one of 135 countries in the world that have education as a fundamental right.

After the 2011 census, literacy rate India 2011 was found to be 74.04%. Compared to the adult literacy rate here the youth literacy rate is about 9% higher. Though this seems like a very great accomplishment, it is still a matter of concern that still so many people in India cannot even read and write. The numbers of children who do not get

education especially in the rural areas are still high. Though the government has made a law that every child under the age of 14 should get free education, the problem of illiteracy is still at large.

India is poised to provide quality education to all children in the country irrespective of gender, caste, creed, religion and geographies. Average spend on education proportionate to national GDP at 5.6%, while Korea being 8% and 3.5% in Turkey and Greece((OECD, 2005). India spends on an average, less than 3% of its GDP. India currently has the world's largest student body with 135 million children attending primary school(**Shikha Mahajan et al, 2013**).

Over the past decade the Sarva Shiksha Abhiyan programme has brought over 60 million additional children into school..At primary level, 7% of students study in private aided, and 20% in private unaided schools(**National Sample Survey 2009**). Quality of education is a major issue in all types of schools. Private schools can not be afforded by those parents who belong to backward sections of society due to high fees. The expansion of fee paying schools which function effectively will be limited by the number of parents who can pay enough fees to enable effective education. The private schools running on low fees have been severely constrained in terms of quality education. 37.3% Indians live below the poverty line(Economic survey 2008-2009).

As there is huge number of parents who can not pay high school fees, therefore,. Government is the only agency that can fund education. “PPP is often described as a private investment where 2 parties comprising government as well as a private sector undertaking form a partnership” (**Ministry of Finance, Government of India**).“Arrangements whereby the private sector provides infrastructure assets and services that traditionally have been provided by government, such as hospitals, schools, prisons, roads, bridges, tunnels, railways, and water and sanitation plants.” (**Organization for Economic Co-operation and Development**).

PPP can be proved to be an excellent solution for maximum enrollment of students in schools in India as well as Punjab. A focused attention is required from both government and private players with perfect synchronization. A strong conviction and processes to make sure that the best private players should come forward to provide their state of the art facilities in education sector. The most fruitful segment for a PPP engagement in Punjab is in the form of Model School scheme launched in November 2008 which has clearly articulated that out of the 6000 sanctioned, 2500 will be built under PPP. The model school infrastructure will be provided by the private entity which is legally competent to run an educational institution. The Government will contribute to recurring cost on per capita basis for the students sponsored by the Government. Besides, additional 25% support will also be provided in respect of sponsored students towards capital cost. For the implementation of the scheme MHRD has invited applications from private entities for setting up of model schools under PPP mode..

Punjab has witnessed a significant increase in number of institutions and gross enrolment ratio of students in recent years. Despite of all the efforts made, the condition of PPP projects once initiated for the better management of schools in Punjab has deteriorated with time. This is due to factors such as political changes, presence of corruption, lack of investment, lack of participation shown by private sectors and many more reasons (Kainth, 2016). These

schools were open to provide quality education to millionof students but its recent condition shows that it has not fulfilled its purpose. The Punjab government must review the various reasons behind this negative trend occurring between increasing education budget and deteriorating conditions of government, private and Adarsh schools in Punjab.

Analysis of the incremental impact and Journey of PPP model Adarsh schools in Punjab:

To establish Adarsh schools, The Punjab Education Development Act, 1998 was amended. For poor and needy students, The Punjab Education Development Board, had established Adarsh Schools, for providing free and quality education in the year 2008. 128 sites were identified to open Adarsh Schools under umbrella of Public Private Partnership. 24 Adarsh Schools were being run in the State. The education cess levied on the liquor to fund the project. With a view to improve the quality and the level of the School Education in the rural in general and specialty to provide top quality free education to “Poor and intelligent”.

In 2007, announcement of Adarsh School scheme by the Punjab government. In 2008, establishment of the Punjab Education Development Board on January with the objective to establishment of Adarsh Schools in the State, to provide free and quality education to the poor and needy students. In 2010, out of the 110 sites which have been set aside for the setting up of Adarsh schools, Punjab Education Development Board has managed to allot only 62 sites in the past three years, of which only five schools are currently functional. In 2011 “Punjab board to hand over 11 Adarsh schools to govt, after Rs 32-crore loss a year”-The PSEB spends Rs34 crore on Adarsh schools every year, but earns revenue of only Rs 1.5 crore, thus incurring a net loss of Rs 32.5 crore a year. In 2012, “Adarsh scheme hits roadblock, only 24 schools functioning”- Project of CM Parkash Singh Badal of opening Adarsh schools across the state has run into rough weather as only 24 Adarsh schools are functioning out of proposed 124. In 2014, “No salary for Adarsh teachers in last 6 months”- It has been six months since teachers at three Adarsh schools in Faridkot district have received salaries. Also no classes have been held in the schools Information received under the RTI Act claimed that , “All private management except five Adarsh schools managed by the Bharti group are involved in embezzlement and fraud. Due to regular problems in Adarsh schools such as over charging of fees from students, not providing full salary to teachers 13 Adarsh schools shut down in Moga . in 2018, “The Director General School Education (DGSE) has stated that the Teachers of Adarsh schools cannot be treated as employees of Punjab Education Development Board (PEDB) or state education department. But teachers claimed that if 70% expenditure paid by government, then how they cannot be treated as education department employees. In 2019, “15 of 25 Adarsh schools in trouble for irregularities”-Of 25 Adarsh Schools in the state being run by the Punjab Education Development Board (PEDB), 15 are in trouble for irregularities.

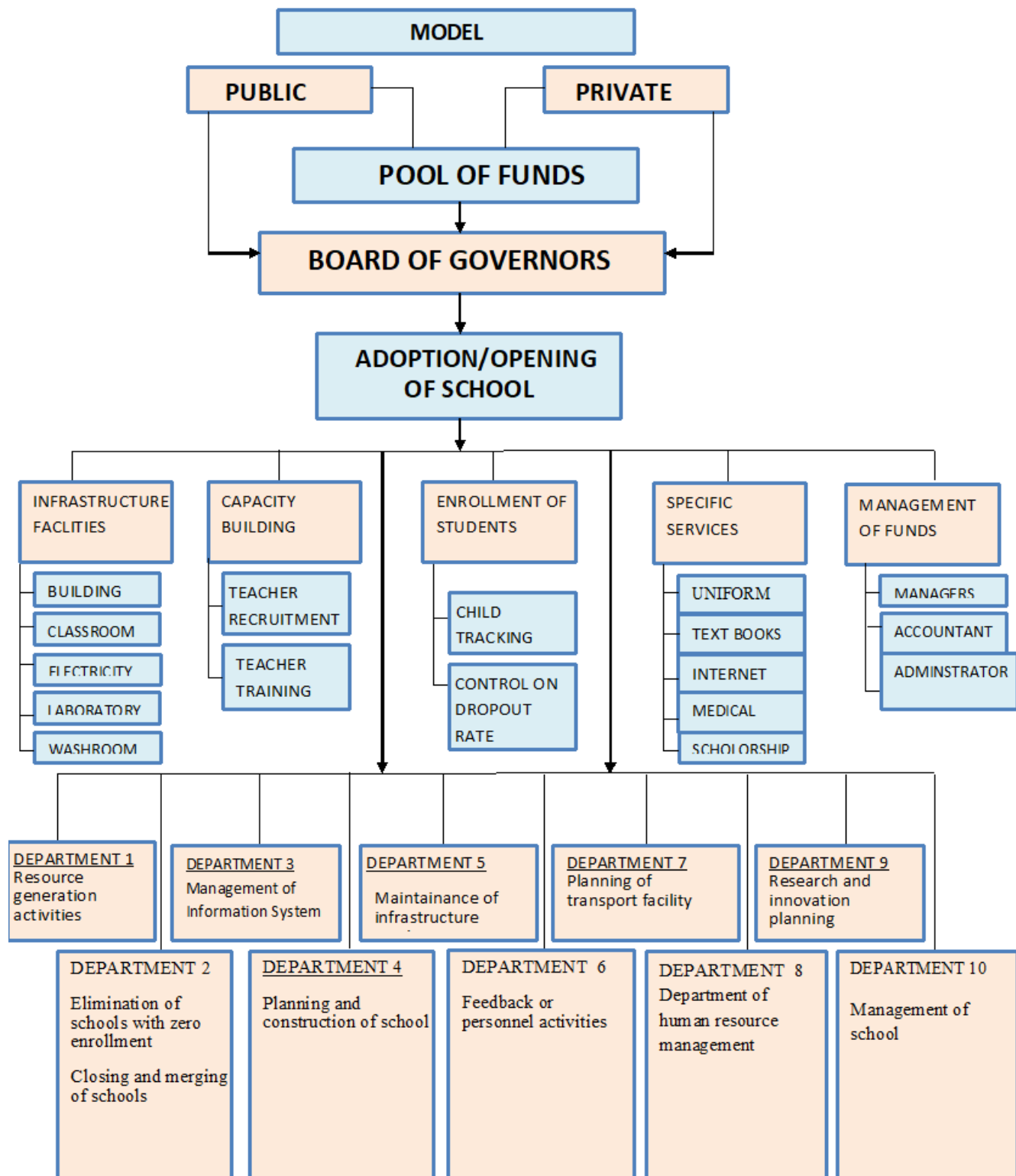
Suggestive Framework for PPP Model in Punjab:

This study attempts to propose a model, which aims to provide a suggestive working framework to the public private partnership firms. In this model private and public firms need to collaborate and make a pool of funds. Pool of funds means that both public and private firms put their money

together to provide quality educations to poor students of Punjab.

<u>Selection of Private Operators</u>	Transparent application and selection process
	Robust and holistic selection framework
	Basic points to be considered while selection of private operators- <ul style="list-style-type: none"> ➤ A clear and compelling vision and mission ➤ Interest in driving ecosystem change ➤ Solid business plan ➤ Effective structures and systems of governance and management
<u>Principles of PPP Contract</u>	Well-defined responsibilities
	Clear terms of financial partnership
<u>Monitoring and Evaluation</u>	Holistic framework with academic, financial and organisational parameters
	Outcome evaluation should be conducted by credible third party
<u>Reimbursement Mechanism</u>	Well-defined reimbursement criteria
	Significant portion of operating cost per child to be reimbursed by the government to allow for eventual tapering off of viability gap funding
<u>Governance</u>	Clear intervention policy in case of non-compliance or underperformance
	Transparency on all information pertaining to the school
<u>Exit Framework</u>	Robust framework that allows for cascaded consequences

Recommended PPP Model for Education sector in Punjab

**Summarization of challenges hampering proliferation of PPP Model schools in Punjab:**

Since various PPP models have been marred with various challenges, PPP model enabled schools have garnered moderate success, and are not able to reach the heights as anticipated and desired. some of the REASONS FOR

dragging down the progress of Adarsh schools set up under PPP model in Punjab despite of improving position of educational sector in Punjab were as follows:

Teachers - government conflict: In Adarsh school there is teacher government conflict because government is not ready to accept the teachers as employees of Punjab education development Board (PEDB) or the state education Department. The teachers claimed that if the 70% of the expenditure of the Adarsh school is paid by the government, then why are they not government employees or PEDB employees. The government claimed that the teachers was appointed by the private companies only, that's why Adarsh school teachers to be considered as private employees.

Poor performance by private societies: There has been continues complain about the private societies that they are not doing proper administration of the Adarsh schools. Many regulatory problems are occurring and private individuals are not able to run schools properly. Many corruption issues and other issues are being faced by the Adarsh schools.

Regulatory Issues: Adarsh school faces many regulatory problems. Private sector not able to manage the schools .For this reason sometimes summer vacation and winter vacation of students has also been extended.

Notproviding full salary to teachers: There has been a continuous complaint by the teachers of adarsh schools that they are being asked to sign vouchers for full salary and are actually receiving half of the amount. Some amount is taken back from them on the name of faculty development program and laptop charges.

Maintaining fake accounts of expenditure: Many entries in the account book of schools are fake. For example as per the audit report 5 clerks are being paid rupees 10,000 per month even though there is no requirement for even a single clerk. Rupees 30,000 per month is shown as salary for accounting Staffs, whereas no such account are maintained at the school premises. A doctor was paid monthly wages without any assigned work. No doctor visited even a single school. A huge diesel expenses is shown in the month of June when the school is closed for summer vacations.

Charging extra fees from students which already reimbursed by government: Although the primary objective of adarsh school is to provide free education to poor children, students were being forced to pay nearly rupees 3000 as uniform and book charges, rupees 100 to rupees 300 as transportation charges despite the fact that the schools receive rupees 1680 per student per month from the government for this purpose.

Delay payments from government: Private sector was not able to receive the share of government expenditure that is 70% from the Punjab government. Due to lack of timely payment, there has been many irregularities in the functioning of Adarsh schools.

Corruption and fraud: Many cases of corruption and fraud has been detected when (Right To Information) RTI has been filed. Embezzlements has been detected such as private sector not paying salary to the teachers, charging extra fees from the students such as transportation charges uniform charges.

Fake enrolment of students: The reality of the Adarsh school is that the children in these schools were much less than required. Thus, giving rise to the concept of fake students. This was done by private partners to claim the money of students from the government which do not exist and using it privately.

More expenditure of government then revenue earned from schools: Punjab school education board spent nearly Rupees 34 crores on Adarsh schools every year but earns a revenue of just Rupees 1.5 crore. Thus, facing a net loss of rupees 32.5 crore a year. Therefore, Punjab board has 2 hands over 11 at their schools through the government because they were not able to face the loss every year.

Conclusion :

Since, initiation of Adarsh school was a milestone achievement in the field of education. We must appreciate the efforts of the governments and the bureaucratic leaders working for the cause at that time. Though having pious intentions, the government was not able to generate desired results due the limitations mentioned in the above sections. Nearly after a decade, the Adarsh school projects can be revived back to life, perquisite of the fact that all the stakeholder must come together for the success of the project. Learning from the past mistakes, Revival of Adarsh schools and any other Public private partnership project related to the field of education must fulfil some of the following characteristics such as transparent application and selection process, robust and holistic selection framework, having a clear and compelling vision and mission, Concrete business plan for effective operations and profitability, Effective structural framework and adequate mechanism of governance and management, Well-defined roles and responsibilities of public as well private stakeholders responsibilities, Clear terms of financial partnership, Holistic framework with academic, financial and organisational parameters. Outcome evaluation should be conducted by credible third-party Well-defined reimbursement criteria where the significant portion of operating cost per child to be reimbursed by the government to allow for eventual tapering off of viability gap funding. there must be a crystal-clear intervention policy in case of non-compliance or underperformance. Creation of exclusive tribunals for quick dispute resolution must be formed for bringing confidence among private stakeholders, to enter into the contract. Fulfilment of all the recommendations would bring assured and positive results in boosting up the educational infrastructure, learning capabilities and quality among students ultimately accelerating the human development growth and dwindling economy of Punjab.

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