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# Analysis of the Function and Structure of the Ministry of Education and Culture of the Republic of Cyprus

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<b>Acronym</b>	<b>Meaning</b>
CERE	Center for Educational Research and Evaluation
CoM	Council of Ministers
CPD	Continuing Professional Development
CPI	Cyprus Pedagogical Institute
CSA	Committee of Seven Academics
CSO	Cyprus Sports Organization
DAOs	District Administration Offices
DEOs	District Education Offices
DRR	Disaster Risk Reduction
ECE	Early Childhood Education
EIAO	European and International Affairs Office
EMIS	Education Management Information System
EPS	Education Psychological Services
ERO	Education Review Office
ESC	Educational Service Commission
ESF	European Social Fund
EU	European Union
GDP	Gross Domestic Product
GED	General Education Department
HED	Higher Education Department
HQ	Headquarters
HRMIS	Human Resources Management Information System
ICT	Information and Communication Technologies
IIEP	International Institute for Educational Planning
ILO	International Labour Organization
ISCED	International Standard Classification for Education
KEDI	Korean Educational Development Institute
KYSATS	Cyprus Council for the Recognition of Higher Education Qualifications
LLL	Lifelong Learning
MCW	Ministry of Communications and Works
MoEC	Ministry of Education and Culture
MTEF	Medium-term Expenditure Framework
NVQF	National Vocational Qualifications Framework
OECD	Organization for Economic Cooperation and Development
OELMEK	Union of Secondary General Education
OFSTED	Office for Standards in Education
OLTEK	Union of Secondary Technical and Vocational Education
PISA	Program of International Student Assessment
POED	Union of Pre-primary and Primary Education
PSPD	Policy and Strategic Planning Department
SEKAP	Council for Education and Accreditation
SGC	School Governing Council
TIMSS	Trends in International Mathematics and Science Study
TVE	Technical and Vocational Education
TVET	Technical and Vocational Education and Training
UK	United Kingdom
UNESCO	United Nations Educational Scientific and Culture Organization
YB	Youth Board of Cyprus

# Executive Summary

## Context

1. **The Government of Cyprus is committed to providing a quality education to all children.** The government manifesto sets out a vision of “an educational system which encourages a nation of free-thinking people within a democratic framework, an investment in education that is inclusive, allows for the individual to develop and express themselves, and provides opportunity for learning throughout life.”

2. **The function of the Ministry of Education and Culture (MoEC) is to develop and implement education policy in line with the government’s declared vision.** To this end, the MoEC is required to develop strategic goals and the programs to fulfill the government’s vision, to prepare annual operational plans, to monitor and assess progress towards achieving the goals, and to support schools in implementing the programs. In addition, the MoEC is responsible for research related to education and culture, for the continuing professional development for teachers and school principals, and for the inspection of schools.

## History of the Reforms

3. **There have been several attempts to reform the education sector in Cyprus.** Several experts have assessed the main challenges faced by the education sector in Cyprus, and several studies containing reform proposals have been put forward since the late 1990s. Following Cyprus’s accession to the EU, the government launched a reform effort, but little has resulted from that. While experts have made substantial suggestions on how to reform the institutional organization of the education sector, teacher policies, evaluation and assessment mechanisms, the higher education subsector, and the curricula, only the curriculum reform has been carried out.

4. **The country’s investment in education does not yield commensurate outcomes.** Public expenditure on education in Cyprus is around 7.8 percent of GDP, which is high by international and European standards. Annual public and private expenditure in Cyprus is €9,145 per pupil, which is higher than the EU average of €6,900. Although it is difficult to draw any concrete conclusions because of a lack of learning achievement data, it does appear that the high expenditures on education are not translating into improved learning outcomes for children.

5. **Cyprus’s educational outcomes, as measured by average national scores in PISA and TIMSS, are below what might be expected given the country’s level of economic development and investments in education.** Results from PISA and TIMSS place students in Cyprus significantly below the OECD average in reading, mathematics, and science. There is very little formal assessment of student learning. Consequently, it is difficult for the MoEC to identify and address systemic issues of education quality and to adjust policy in a timely manner.

6. **The hiring of teachers does not take account of demographic trends.** Despite the drop in the school age population, the number of teachers employed in the system has grown steadily over the last few years. In addition, policies related to teacher selection, promotion, and evaluation are not conducive to providing effective education services.<sup>1</sup>

## Management of the Education Sector

7. **The management of education is highly centralized** with a large central ministry of 717 staff managing a sector with 12,065 teachers (a ratio of 1 to 17) and 144,000 students (a ratio of 1 to 201). These ratios are very high compared to other countries in Europe and may reflect inefficiencies in the

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<sup>1</sup> These issues are analyzed in detail in the accompanying report on “Teacher Policies in Cyprus.”

system. The Ministry of Education and Culture (MoEC) has 14 departments (some of which also include several units) all of which report directly to the Permanent Secretary who is also the accounting officer. This places a considerable administrative burden on the Permanent Secretary's office, thus limiting the time it has available for policy implementation, strategic planning, program development, and assessment. A number of departments appear to have a large number of staff for the relatively few functions that these departments have been assigned compared to their equivalents in comparable countries.

## **The Ministry of Education and Culture**

**8. The analysis in this report of Cyrus's education performance and of the functions and of the structure of the MoEC suggests that the allocation of responsibilities is not always clear and that the structure of the MoEC is not optimal for delivering its mandate.** This section summarizes the report's assessment of the management structure and the related functions of the MoEC and presents some recommendations for reform.

**a) *Ministry leadership:*** The ministry's core strategic functions for policy and strategic leadership are compromised by an unduly heavy burden of administrative and bureaucratic work. For example, the Permanent Secretary has at least 14 departments reporting directly to her, with little or no delegation of decision-making. The offices of the Minister and the Permanent Secretary are staffed by seconded teachers rather than by contract staff or civil servants who have the relevant public service and sectoral backgrounds.

*Recommendation:* We suggest that the existing departments be reorganized into fewer and larger departments while delegating many managerial responsibilities from the Minister and the Permanent Secretary to the departments, which would free up the leadership to focus on strategic issues. To this end, the office of the Minister could be staffed by contracted external experts while that of the Permanent Secretary could be staffed by appropriately qualified civil servants.

**b) *Policy development and implementation leadership:*** The functions of strategic planning, goal setting, and programming development (including medium-term results-based budgeting) are not clearly articulated in any document. Nor is there is any institutional home for rigorous data collection or analysis to aid senior policymakers. Consequently, there is no evidence available to inform policymaking and adjustments. Planning is fragmented across all of the many departments within the MoEC and tends to take only a short-term perspective, and there is no rigorous assessment or quality assurance process.

*Recommendation:* We recommend that a Department for Policy and Strategic Planning be established with responsibility for:

- i) Policy and strategic planning
- ii) Public finance management
- iii) The education management information system and all data collection
- iv) Quality assurance and performance assessment
- v) The management of European and international affairs.

**c) *General education leadership:*** Currently the primary, secondary, and technical and vocational education departments of the MoEC undertake some short-term planning and make some decisions on a range of school-level administrative matters. They also provide support on the selection of learning materials and collect some data, but they undertake little analysis. The departments are also responsible for special needs education, psychological services, and lifelong learning activities. Some of these activities are duplicated among the departments, and synergies are not fully exploited.

*Recommendation:* We suggest that a single Department for General Education be established with responsibility for providing pedagogical planning and advice to schools. A number of functions could be transferred to the schools and to the District Education Offices (for primary schools) and District

Administration Offices (for secondary schools). The Department of Education Services could then become a small agency providing policy and strategic advice to the different education levels and the District Offices, while the Department of Educational Psychological Services would act only as an advisory agency for referrals. Also, all lifelong learning functions could be brought together and managed under a single department or unit, which would identify demand, make relevant links to the National Qualifications Authority for professional pathways, identify providers of lifelong learning, and monitor and assess lifelong learning programs.

**d) Continuing professional development:** The MoEC houses the Cyprus Pedagogical Institute (CPI), which in turn hosts the Center for Educational Research and Evaluation (CERE). The functions of the CPI and the CERE are to identify and support schools' capacity development needs, to monitor the effectiveness of training programs, and to identify and manage research to inform education policy reform or implementation. However, their capacity is not currently sufficient to carry out these functions and needs to be enhanced.

*Recommendations:* We recommend that the CPI focuses on the key areas of strategic planning including identifying capacity development needs (in-service programs and advice on pre-service capacity building) and monitoring the effectiveness of training programs. Meanwhile, the CERE could be moved to the Department for Policy and Strategic Planning to gather and conduct research to help to inform evidence-based policymaking.

**e) Evaluation and assessment:** Evaluations and assessments are vital for collecting evidence on whether students are learning and teaching is effective. Regular monitoring is needed of all programs, teaching and learning methods, curricula, resources, facilities, and administrative structures. In Cyprus, many of these assessment functions are missing while others need to be enhanced. It is currently very difficult to assess the efficiency and effectiveness of the education sector as little information has been collected on student and teacher performance.

The inspectors perform several functions including advising schools and teachers, coordinating schools, advising on the curriculum, and inspecting schools. Their inspection role is hampered by the lack of any objective criteria for teacher and school evaluation and by the absence of public transparency.

*Recommendations:* We suggested that the Department for Policy and Strategic Planning be given responsibility for quality assurance and monitoring outcomes. The inspectorate function needs to be clearly defined as the assessment of learning, teaching, and overall school management and not to involve any advice and pedagogical support. We recommend that the Inspectorate become a separate department within the MoEC.

**f) Administration:** Several administrative departments and units report separately to the Permanent Secretary. The teaching and non-teaching staff are managed by different units. Some functions that would be better suited to human resources (such as personal development and staff transfers) are currently being managed by the pedagogical departments. The scope of the work performed by the Department of Technical Services needs to be revisited given that the main push for building school infrastructure has already happened.

*Recommendations:* We recommend establishing a single Department for Finance, Accounts, Human Resources Management, and General Administration (including a reduced Technical Services team) to bring these functions together. The organization of this department is being handled at the central level and such departments are likely to be established within all line ministries. We recommend that the technical services team be given a strategic planning and advisory role within the MoEC and at the District Offices to support school maintenance but that all implementation be contracted out from the Ministry of Communications and Public Works.

**g) Cultural Services:** Cultural services cover a much wider remit than education as they affect the whole nation and represent the face of Cyprus to the rest of the world. Therefore, this function sits somewhat uneasily within the education sector. The Department of Cultural Services within the MoEC needs to be better coordinated with the Ministry of Communication and Public Works and the Ministry of Energy, Commerce, Industry, and Tourism in order to fulfil its mandate of maintaining and developing the national cultural heritage, assuring access and exposure to all cultural experiences for all citizens (including children and youths), and supporting a wide range of cultural activities.

*Recommendations:* We recommend that the department develop a medium-term strategic plan jointly with the other two ministries and then seek financial support from the EU to cover the planned cultural activities.

### **The Sub-national Management of Education: School Boards and District Offices**

**9. Schools are not accountable to local stakeholders on student learning matters and also have little autonomy over their programs and resources. The management of pedagogy is centralized in the MoEC, and the administration and finances of education are handled by the school boards.** There is little student learning data that can be analyzed by the schools or shared with parents, children, and other schools. District Offices play a very important role in terms of providing schools with pedagogical advice, technical services, psychological services, and advice and support for children with special needs, and their role needs to be strengthened.

*Recommendations:* We recommend that the creation of a School Board in each municipality to manage the supply of items for which there are economies of scale. In addition, we suggest that each school (or small group of schools in rural areas) might have a School Governing Council with elected members (including parents and other community members) and representatives of the local administration. The government might also consider giving more financial and pedagogical autonomy to the school principal with the District Offices playing an advisory role.

### **Higher Education Subsector**

**10. The management of the higher education sub-sector is faced with key challenges with respect to ensuring that resources are used efficiently and effectively.** The inefficiencies in this subsector are the result of the many administrative functions that the Department of Higher Education is obliged to perform in addition to its core business of setting the strategic plan for the subsector, such as student selection.

*Recommendations:* We propose the adoption of a more modern budgeting method that looks at incentives, outcomes, and results as opposed to the current system based on historic norm budgeting. We also recommend devising a set of indicators to track student performance and to hold higher education institutions accountable. A more effective role for the department is outlined in Annex 5.

### **State-owned Enterprises**

**11. This report also carried out the functional review of two state-owned enterprises, the Cyprus Sports Organization (CSO) and the Youth Board of Cyprus (YB), and the review concluded that there is no rationale at the current time for changing the status of these organizations from that of state-owned enterprises. The analysis of the two organizations in this report demonstrates that, while the CSO is largely well structured and is internally coherent, this is less the case for the YB. However, neither organization operates under an overall coherent policy and strategic framework that spells out its responsibilities and that would serve as the basis for making regular and formal reports to the Minister.**

*Recommendations:* We recommend that the MoEC establish a strong policy and strategic framework for both organizations that would enable them to focus on their core functions.

### **Staff and Cost Implications**



**12. It is not possible for this review to spell out the staffing and cost implications of our recommendations until after the new structure of the MoEC and the subnational governance structure have been decided.** Annex 7 presents a first estimate of the number and profile of staff needed based on the proposed structure. While we are recommending the creation of a small number of new senior posts at the MoEC, we anticipate that there will be an overall reduction in the size of the MoEC and in particular in the numbers of seconded teachers on staff (who have filled many vacant positions that have arisen as the MoEC has grown) as a result of rationalization, a reduction in duplication of functions, the transfer of functions to subnational levels, and contracting out of others. In addition, the departments will have some changed functions and will require staff with specific profiles.

*Recommendations:* We recommend that the staff of the MoEC be relevantly qualified civil servants and that they be employed on the basis of standard civil servant terms and conditions of service. The appointment of seconded teachers will continue to be important as the MoEC transitions to a new way of working and a new structure, and we recommend that seconded and other teachers be able to apply for vacant posts. However, we anticipated that, over the next two years, a number of posts occupied by seconded teachers may no longer be required so we expect the “real cost” – the one that accounts for the cost of seconded teachers – of the MoEC to be reduced as a result of the reforms. In some cases, a “one-off” cost of initiating the reform will have to be incurred, but we expect that recurrent expenditures will be lower.

## Section 1. Context

13. The Government of Cyprus is committed to providing a quality education to all children. The government manifesto sets out a vision of “an educational system which encourages a nation of free-thinking people within a democratic framework, an investment in education that is inclusive, allows for the individual to develop and express themselves and provides opportunity for learning throughout life.”

14. The Ministry of Education and Culture (MoEC) is a mandate to provide all children in Cyprus with a relevant, quality education and to provide lifelong learning opportunities to the whole population. The MoEC also has the important role of safeguarding the cultural life and heritage of Cyprus.

15. There is high-level commitment to reform and the modernization of the education system within the government, and a consensus has emerged that the management of the system needs to be streamlined to ensure more effective delivery of education and better learning outcomes. To date, this high-level commitment to reforms has only partially been translated into specific results-focused policy goals for the MoEC as a whole and into programs with outcomes that can be implemented and monitored by its subsector departments and other units and offices.

16. This functional review of the MoEC has been taking place as part of a broader examination of the structure and functions of the civil service. There are ongoing horizontal reviews of human resources and personnel management, public finance management, and local government. Each of these reviews is likely to have a considerable impact on the management and functioning of the education sector. Therefore, any changes to the MoEC that may take place as a result of this study will need to be both coherent with and complementary to these other changes. This is particularly important in the case of any local government reforms.

17. The MoEC is already involved in the public sector modernization measures co-financed by the European Social Fund (ESF), in particular with the project for strengthening the strategic, leadership, and management capacity of the country’s public administration.<sup>2</sup> One outcome of this project will be that each ministry, department, and service will prepare a three-year strategic plan, specifying its vision, objectives, and annual business plans. There will be a strong focus on monitoring progress towards each institution’s objectives. The public sector modernization project aims to create a well-qualified and professional public sector and to build its capacity for policy planning, strategic goal setting, and objective reviews and assessments.

18. The team carrying out this education functional review has analyzed the policy framework, the structure, and the operation of the education system to explore whether the present structure and functions of the departments and units are optimal for: (i) providing a high-quality and relevant education to all children in Cyprus; (ii) providing the population with lifelong learning opportunities; (iii) ensuring that MoEC leadership and management has timely and relevant information to make and adjust policy; and (iv) developing and expanding the cultural heritage of the country.

19. This report proposes changes to the functions and structure of the MoEC so that it can achieve its mandate more efficiently and effectively. These recommendations build on the solid foundations of the current Cyprus education system and the opportunities that come from EU membership. They take account both the reality of the financial and resource restrained environment in Cyprus and the dynamic global changes in education theory. The non-binding recommendations in this report propose a new organizational structure for the education sector, including a leaner MoEC, that is more focused on learning outcomes than its current incarnation.

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<sup>2</sup> This project, implemented by the Cyprus Academy of Public Administration, aims to strengthen the strategic, management, and leadership capacity of the country’s public administration by providing specific training to public servants. The project has identified specific areas for improvement and has developed a comprehensive plan for strengthening the skills and competencies of management staff in the public service. Approximately 2,500 employees who hold managerial and other posts in 100 public service organizations will undergo specific management training between 2009 and 2015.

## Section 2. The History of Reform

### Context

20. The education system of the Republic of Cyprus was created in the late nineteenth and early twentieth century and has been influenced heavily by Greece and Britain and, to a lesser extent, by France and Germany. This historical dependence on other countries' educational policy may be at the root of one of the challenges faced by the Cypriot education system. It may have been a disincentive for the Ministry of Education and Culture (MoEC) to focus on strategic planning and the formulation, implementation, and monitoring of policies.

21. In the mid-1990s, with the aim of reforming its education system, the Government of Cyprus asked UNESCO to undertake an appraisal of the system in co-operation with the International Institute for Educational Planning (IIEP). Published in 1997, the study<sup>3</sup> was the first attempt to reform the education system in Cyprus and to introduce international ideals, ideologies, policies and practices and an emphasis on outcomes, benchmarks, efficiency, accountability, and performance measures.

22. In 2003, the Council of Ministers appointed the Committee of Seven Academics (CSA) with a mandate to examine the education system of Cyprus and to submit proposals for comprehensive reform. In August 2004, the CSA submitted its report, entitled *Democratic and Human/Humane Education in a Euro-Cypriot State: Prospects for Reconstruction and Modernization*.<sup>4</sup> Soon after the beginning of the reform efforts, the coalition government, led by President Tassos Papadopoulos, stated that "an immediate qualitative upgrading and modernization of all levels of education"<sup>5</sup> was a main goal of the administration. The reform initiative that followed the CSA's report is seen by experts as "the first real major education reform in Cyprus."<sup>6</sup> In 2007, after the reform initiative had already been launched, the MoEC undertook a review of the education sector that led to a comprehensive set of proposals for reforming the education system – *Strategic Planning for Education: A Comprehensive Review of Our Education System*<sup>7</sup> – with the stated goal of improving the quality of education.

23. Even though these three reports were produced by different experts from different institutions at different times and in different circumstances, their main conclusions follow the same lines and can be summarized in the following five areas:

- (i) Evaluation/assessment
- (ii) Teacher policies
- (iii) Institutional organization
- (iv) Higher education
- (v) Curriculum/pedagogy.

24. This section will focus on each of the pillars. Although several factors are common to more than one pillar, the section addresses one pillar at a time for the sake of clarity. Each subsection explains: (i) what challenges were identified; (ii) what was proposed; and (iii) what the reform efforts have accomplished. Finally, there is a concluding section that provides a broad appraisal of the reform effort as a whole.

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<sup>3</sup> UNESCO and IIEP (1997)

<sup>4</sup> CSA (2004)

<sup>5</sup> *Phileleftheros* Newspaper, January 31, 2005

<sup>6</sup> Persianis (2010) p. 107.

<sup>7</sup> MoEC (2007)

## Previous Recommendations and Reform Attempts

### *Evaluation/Assessment*

25. The lack of established, formal education standards against which the performance of pupils can be measured is one of the main problems with the Cyprus education system. Benchmark educational performance is essential for providing society with information on how its resources are being spent. This is particularly important given the country's high public expenditures on education – 7.8 percent of GDP compared to an average of 5.2 percent across the EU – and given “the high educational expectations of the Cypriot society and the major financial sacrifices made by parents.”<sup>8</sup> Not only are there no adequate quality evaluation mechanisms for students, there is also a lack of any adequate mechanism for assessing teachers, principals, schools and, the system as a whole.

26. In 1997, UNESCO's report had described the education system's evaluation and research practices as “dispersed, mostly small-scale, uncoordinated, and clearly unrelated to the educational policy needs and concerns of the MoEC.”<sup>9</sup> Later, in 2004, the CSA's report suggested that evaluation practices were outdated and there were only a few mechanisms existed to evaluate learning outcomes and the overall quality of education. These included pan-Cyprian examinations and international assessment studies, but the results of these were not being systematically used to improve Cyprus's education system.

27. The proposals put forward by the teams of experts mainly consisted of: (i) a new system of teacher evaluation that would focus more on learning outcomes than on pedagogic-didactic practices (discussed in more detail below) and (ii) the continuous evaluation and regular monitoring of the quality of schools in particular and the education system in general. As a result of the latter proposal, the government created the Center for Educational Research and Evaluation (CERE) in 2008. However, it has neither been staffed in accordance with the experts' recommendations (in other words, most of its staff are seconded teachers who have not been trained to do actual research) nor created as an independent unit with links to policymaking (instead it is a unit within the Cyprus Pedagogical Institute within the MoEC). For that reason, the CERE is not well equipped to deliver its original mandate of promoting research on education and assessing the education system. Moreover, it is unclear how the CERE's research results are fed back into the education system.

28. Hence, although the lack of any continuous assessment of education outcomes has been repeatedly underscored as a major challenge in Cyprus, little has been done to address this issue. Resistance to performance assessment from teacher unions and inspectors may be one factor that has hindered reform.

### *Teacher Policies*

29. Teaching is a coveted profession in Cyprus. However, given the high number of potential candidates, at least since the UNESCO report of 1997 teacher policies have long been considered inadequate for making the best use of the human capital available. In practice, the recruitment and promotion of teachers are both based primarily on seniority. According to the CSA's report, the promotion system is “outdated and counterproductive, an inseparable part of a centralized-bureaucratic system”<sup>10</sup> and is often criticized for failing to reward excellence with promotion and to make the greatest use of the most able teachers until they have probably passed their peak.<sup>11</sup> The system has also been criticized on the grounds that it focuses on teacher activities and not on student learning and that inspectors have too much power. While pre-service training is provided by both the universities and the Cyprus Pedagogical Institute (CPI),<sup>12</sup> only the CPI is in charge of in-service training. It has been argued that the CPI's courses are offered only on a supply-driven basis and that there is little demand from teachers for the training on offer.

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<sup>8</sup> Persianis (2012) p. 23

<sup>9</sup> UNESCO and IIEP (1997), p. 73.

<sup>10</sup> CSA (2004), p. 266

<sup>11</sup> UNESCO and IIEP (1997), p. 4.

<sup>12</sup> The CPI was in charge of pre-service training for secondary education teachers until 2007.

30. The CSA report recommended that a more just, transparent, and meritocratic teacher appointment system be devised. It proposed that all stakeholders should be invited to contribute to the development of the new recruiting system and that written examinations (covering pedagogical ability) should be part of the selection criteria. UNESCO's 1997 report suggested that teacher evaluation procedures should focus on educational outcomes as opposed to educational processes. Moreover, the CSA report proposed replacing the current external evaluation system based on inspection with an internal system that would cover both tenure and promotion and that could include the following dimensions: (i) self-evaluation by teachers; (ii) evaluation by teacher counselors who would be experts in assessment and who would replace inspectors; (iii) evaluation by pupils; (iv) evaluation by peers; and (v) evaluation by the school principal. According to the CSA, this new system would enhance the quality of education and would encourage all stakeholders to participate in the processes of education. Related to teacher evaluation, the controversial dual role of inspectors – evaluation versus pedagogical support and mentoring – would be replaced by the new, comprehensive evaluation system and by teacher counselors. Finally, the CSA suggested that the CPI should collaborate with the University of Cyprus in order to provide in-service training to all teachers in Cyprus.

31. New rules for teacher recruitment and evaluation were also proposed by the MoEC report in 2007. For recruitment, more weight would be given to examinations (60 percent), while academic qualifications and teaching experience would each count for 20 percent. An interview would also be part of the process. As for the teaching evaluation, the focus would be shifted from didactics and teacher practices to student learning outcomes (in agreement with the Athena Consortium<sup>13</sup>). The report proposed that more career progression options should be created such as a “Senior Teacher” and “Education Advisor” positions. The latter would be part of a mentoring scheme that was also proposed.

32. Based on the suggestions contained in the three reports, the government upgraded the CPI and enhanced its compulsory and optional in-service training programs to include novel forms and patterns of professional development courses and seminars, such as school-based training and distance/online training. Pre-service training for secondary education teachers was relocated from the CPI to the University of Cyprus. Additionally, in 2008, the government launched an induction training program for newly appointed teachers and mentors in all levels of education to ensure the smooth induction of novice teachers. Finally, in the context of the introduction and implementation of a new curriculum in public schools, the CPI helped to produce new curriculum-related teaching materials and designed and implemented mass in-service training seminars for teachers and principals. However, there are still few rigorous metrics to assess the effectiveness of the new professional development programs. Moreover, in spite of the recommendations to staff the CPI in accordance with its mission, the Institute continues to rely heavily on seconded teachers.

33. Following the recommendations of all three reports and after long negotiations with stakeholders, in May 2012 the MoEC released a new plan for a system of teacher recruitment and in October 2013 it announced further consultation and dialogue with stakeholders. The intention is to implement the new system in 2015 and eventually phase out the existing long waiting list for appointment by 2019, so there will be a transitional period of four years between the new and the old system. The new system will be based on specific criteria and the collection of points. For the period 2015-2019, there will be five crucial criteria upon which recruitment will be based: (i) a written exam; (ii) academic qualifications; (iii) teaching experience; (iv) year of graduation with the first degree;<sup>14</sup> and (v) service in the National Guard.

### *Institutional Organization*

34. The structure of the MoEC has long been criticized by different stakeholders. The most important structural problems identified in the reports were:

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<sup>13</sup> The Athena Consortium had proposed the abolition of the inspectors and of many more career development options for teachers.

<sup>14</sup> This criterion will be removed in 2019.

- a. The lack of a unit focused on core education functions such as policymaking, strategic planning, data collection, evaluations, and monitoring of education quality. Responsibility for education research and systemic evaluations is dispersed among various institutions and departments, and these activities are largely uncoordinated, often duplicated, and mostly unrelated to the education policy needs and concerns of the MoEC.
- b. The fragmentation and lack of coordination and communication between the various departments of the MoEC.
- c. The staffing of the MoEC by teachers on secondment instead of qualified experts.

35. In its assessment of the institutional organization of the MoEC, the CSA determined that “the system of administration/governance and supervision of Cyprus education remains strictly centralized, hierarchical, bureaucratic, inflexible, and outdated. The participation of the local stakeholders, the school units, the teachers and other agents of civil society in decision-making and their power to influence decision-making are limited, if not non-existent. Furthermore, the central sectors and departments of the Ministry are reported as ‘fragmented,’ resulting in no communication and coordination between the various services and levels of the education system.”<sup>15</sup>

36. At the central level, the CSA suggested: (i) the establishment of a Council of Education, which would advise the Minister on issues of education policy; (ii) the setting up of an autonomous Center for Educational Research and Evaluation (CERE) composed of academics from Cyprus and abroad; (iii) the restructuring of the Cyprus Pedagogical Institute, which is in charge of the design and implementation of in-service teacher training, curriculum development, and the production of teaching and learning materials; (iv) the establishment of a Department of Education, which would have a coordinating and executive role in the implementation of the educational policy of the MoEC; (v) and the reorganization of various departments of the MoEC. At the local level, the CSA recommended increased the participation of local communities and authorities in educational planning and in the development and enrichment of curricula and teaching methods to ensure that local circumstances were taken into account. In addition, the report proposed setting up educational committees made up of school representatives (teachers and pupils) and representatives of parents’ associations and the local authorities to give local communities a voice in the running of their schools. On the MoEC’s staffing, the MoEC’s 2007 report proposed the creation of permanent posts to replace seconded, interchangeable staff and the creation of a Department of Supporting Education Services to coordinate the diverse needs of students. The report also suggested creating an academy to oversee the training and selection of school principals.

37. Despite these recommendations, very little has been done to restructure the MoEC or the education system as a whole. Although the creation of posts to replace teachers on secondment and that of a post of Director of Education, who would have a coordinating and executing role in implementing policy, was approved by the Council of Ministers, the proposal was opposed by “a very small group of employees,” which culminated in the submission of an amendment to the proposed proposal requiring the abolition of all of these new posts. As a result, the education system of Cyprus remains highly centralized with little or no decentralization of powers or autonomy to schools and district offices.

### Higher Education

38. The Cyprus higher education subsector is fairly young. The University of Cyprus, the oldest university on the island, admitted its first students in 1992. Since then, two other public universities and five private universities have been founded. This expansion of the Cypriot higher education subsector was driven mainly by: (i) the high value that Cypriots attach to higher education; (ii) the EU’s strategy of promoting tertiary education; (iii) the political desire to reduce student emigration; and (iv) the Government’s vision of making Cyprus a hub for higher education research. The promotion of research and the quality assurance framework, which are currently carried out by three

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<sup>15</sup> Kazamias, A. (2012) pp. 29-30

different bodies, are key concerns. While the Council of Education Evaluation and Accreditation (SEKAP) evaluates and accredits programs offered in private institutions, the Evaluation Committee of Private Universities (EAIP) examines applications for establishing and operating private universities. Lastly, the Council for the Recognition of Higher Education Qualifications (KYSATS) recognizes diplomas obtained abroad. However, the division of responsibilities among these institutions is not always clear.

39. The CSA's proposals for the higher education subsector embodied key issues such as equity and quality. In order to reduce the amount of private tutoring in pre-university education, which raises equity concerns, the CSA proposed abolishing exams as an admission mechanism and strengthening public higher education. The report set a goal of increasing enrollment in the University of Cyprus to 10,000 undergraduates and 2,500 postgraduates by 2014 and in the Cyprus University of Technology to 8,000 undergraduates and 1,250 postgraduates by 2017. The report also suggested reinforcing the quality assurance mechanisms in the subsector. It proposed strengthening the KYSATS and SEKAP and creating a new body, the National Agency of Quality Assurance and Accreditation, to fulfill Cyprus' obligations under the Berlin Declaration (with SEKAP to be absorbed into that body). Moreover, it called for private universities to express a clear public mission and to offer liberal arts courses in addition to market-oriented programs. Eventually, the report argued, these institutions should become non-profit. Finally, it was recommended that a national strategy for research and economic and technological growth be set up as a first step towards converting Cyprus into a regional hub of knowledge and research and aligning its higher education policies with those of the EU.

40. In 2009, the MoEC collaborated with various academics to produce a plan for the development of universities and research. This report pointed out some of the challenges in the subsector, namely the lack of coordination (in particular regarding private universities), the need to make student grants means-tested, and the need to increase funding for research. It also suggested upgrading and relocating the Research Promotion Foundation from the Ministry of Finance to the MoEC and creating a commission of academics that would be in charge of formulating higher education policy and monitoring its implementation.

41. Despite the increase in the number of places in higher education institutions, current capacity is still far from the level recommended in the CSA report. The University of Cyprus currently has 4,800 undergraduates and 1,700 postgraduates. Following the CSA's recommendations, the university entrance and school leaving examinations were merged into one exam. However, the anticipated increase in enrollment in higher education did not follow, which has fueled concerns about the inequitable implications of private tutoring. Following the CSA's recommendation, a new law was prepared in 2009 that reinforced the autonomy of universities and put forward new accountability and quality assurance mechanisms, but it was never passed into law. Nevertheless, under an amendment to the existing legislation on private universities, the MoEC was given control over the annual increases in tuition fees charged by private universities, which was a reaction to the accusation that fees in private universities increased arbitrarily every year. Finally, the MoEC created the Cyprus Agency of Quality Assurance and Accreditation in Education (CAQAAE) which will eventually replace SEKAP, the EAIP, and SETE. This new body was legally established in 2007, but it has not begun operating yet. Its membership will consist of eight academics and five members of the civil society. They will be appointed by the Council of Ministers following the MoEC's recommendations. Its main responsibilities will be to evaluate public and private universities, evaluate and accredit public and private higher education institutions (including private universities operating under provisional licenses), and recognize diplomas obtained abroad.

### **Curriculum/Pedagogy**

42. Curricula and pedagogy were also identified by the different studies as key areas for action in Cyprus. In its 1997 report, UNESCO suggested the creation of a unit focused on curriculum development. The CSA review also recommended revising and modernizing school curricula and pedagogic practices. Lastly, 10 years after the first review, the MoEC's 2007 review proposed that curricula should be modernized based on the EU's framework with a particular focus on mathematics,



science, Greek, and foreign languages and that information and communication technologies be incorporated into the classroom.

43. The lack of coordination between primary and secondary education – a result of the fact that the two levels were managed by separate departments within the MoEC – was identified by both the UNESCO and CSA reports as a major weakness of the education system in Cyprus. In addition, the experts on the report teams also criticized the dual upper secondary education system, according to which students are streamed into general or vocational education tracks. The CSA's key proposals, which aimed to shift the focus from knowledge transmission and acquisition to pupils' needs and learning achievements, were to: (i) unify the nine-year basic education curriculum under one authority; (ii) extend the length of the compulsory education system from 9 to 12 years; and (iii) gradually eliminate the dual system of upper secondary education and combine general with technical and vocational education

44. Following the studies' suggestions, a Committee of Experts for the Development of a New Curriculum for the Public Schools of Cyprus was appointed by the MoEC in the summer of 2008 with the aim of developing a new curriculum for all grades and levels of compulsory education. According to the MoEC, one of the main goals of the new curriculum initiative was the creation of an integrated continuum of early childhood education, primary education, and secondary education, that is, a ten-year course of compulsory education, and thus, to tackle the long-standing problems of the education system. In December 2008, the Committee submitted its proposals. In February 2009, 20 different committees consisting of both academics and teachers were established, one for each school subject, in order to prepare the new curriculum. The work of these committees was published at the end of the 2009-2010 school year, and the new curriculum was piloted in a number of schools in the following school year. The new curriculum was introduced in all public schools in the 2011-2012 school year following minor revisions.

45. In order to introduce the new curriculum, the Cyprus Pedagogical Institute designed and provided training to all teachers of all education levels. The new curriculum still emphasizes the acquisition of information but it also focuses on teaching methods, indicators of success, key skills and competencies, and methods of evaluation. The new curriculum also brings the family close to their children's education by indicating their role in after-school activities. However, although the curriculum was upgraded and the discontinuity between primary and lower secondary education was partly addressed, the problem was not fully solved as these two levels of education continue to be managed separately. Moreover, the disparity between general and vocational education remains.

### **Conclusions**

46. Despite the unprecedented efforts in policymaking and the production of many reform proposals since 2004 as well as the existence of a broad consensus about the persistent weaknesses and problems of the education system, little appears to have changed. Proposals have been made for reforming the governance of education, the recruitment, evaluation, and promotion of teachers, the structure of the school system, and the structure of the MoEC. Yet these reform proposals have never been put into practice. There have been a few notable exceptions, such as changes concerning the school curriculum, the professional development of teachers, and the higher education subsector, but even these have not always been in line with the proposals. Thus, the reform effort, ongoing since 2004, seems to have resulted in little change on the ground.

47. Understanding what prevented the reforms from taking place is critical for policymakers in Cyprus to build on lessons learned and promote the key reforms that the country needs. One of the key factors seems to have been a misjudgment about how easy it would be to implement the changed policies. This misjudgment seems to be indicative of a lack of capacity in the area of reform planning and implementation. The MoEC staff's lack of expertise in specific topics may have contributed to the poor design and implementation of some reforms. Another obstacle to reform may have been resistance from groups with a vested interest in maintaining the status quo, possibly including teachers' unions, inspectors who would have lost their jobs under some reform proposals, and staff at the MoEC whose jobs may have been eliminated in a restructuring of the MoEC.



### Section 3. Policy and Policy Development

48. The government's broad education policies are presented in its manifesto and in the Cyprus National Reform Program of 2010: Europe 2020 Strategy for Smart, Sustainable, and Inclusive Growth. The policies reflect the government's strong commitment to reforming the education system with the goal of improving children's learning.

49. The manifesto sets out a vision of an educational system that encourages a nation of free-thinking people within a democratic framework, that is inclusive, that allows individuals to develop and express themselves, and that provides opportunities for learning throughout life. It recognizes that the current legislation is dated and needs to be reviewed through a process of public consultation. The strategy document spells out several specific goals including: (i) developing a skilled workforce that can respond to labor market needs; (ii) promoting job quality and lifelong learning; (iii) improving the performance of education and training systems at all levels; and (iv) increasing participation in tertiary education. It also sets out specific national targets, including reducing the dropout rate to 10 percent by 2020 (down from 11.9 percent) and increasing the share of the population aged 30 to 34 with a completed tertiary education to at least 46 percent by 2020 (up from 44.7 percent). It aims to pursue these goals through the following measures: (i) modernizing and upgrading the curriculum for all public schools (from pre-primary to upper secondary education); (ii) strengthening the links between technical vocational education, training, and the labor market; and (iii) promoting transnational mobility. However, to date, these policies have not been developed into more specific outcome-related policy goals for the MoEC as a whole or into programs for its departments and other units and offices

50. The legal and regulatory framework for the education sector is based on legislation from 1965, which has been amended numerous times since then, as well as other specific laws that directly concern education (for example, related to children with special needs or higher education). The large number of amendments reflect the changes that have occurred over time in the country's approach to learning, the management of education, and the ways in which services are delivered and organized, not least among which are the changes resulting from membership of the European Community. The many changes and amendments to what has become an increasingly outdated piece of legislation have made identifying the exact roles and functions of departments very difficult. Overall, the analysis in this review strongly endorses the government's commitment to reviewing the legislative framework through a process of public consultation. This is likely to lead to a simpler, more coherent, and up-to-date framework.

51. The MoEC is accountable for:

- a) Evidence-based policy formulation and implementation
- b) Learning outcomes
- c) Relevant and appropriate learning
- d) The quality of teaching and the quality of the learning environment
- e) The inclusion of all children
- f) Policy, strategy, and implementation on lifelong learning
- g) Cultural activities
- h) Providing services efficiently and effectively with value for money

52. However, these functions do not form the basis for strategic and operational planning.<sup>16</sup> The MoEC does not prepare annual goal-oriented policy-based strategic plans with an accompanying program of operational work and activities with medium-term results-based budgets and capacity development plans. There is no agreed quality assurance or performance assessment framework. Nor is there any regular assessment of results against specific outcomes and outputs or any assessment of

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<sup>16</sup> The OECD Report on the most recent PISA results from 2013 (OECD, 2013) notes that the more successful countries have medium-term strategic plans with objective targets and a process for monitoring and updating them.

whether learning standards are being met.<sup>17</sup> The lack of data on whether schools, District Offices,<sup>18</sup> and central agencies are meeting the country's education goals makes it difficult to assess whether or not the current structure of the MoEC is effective. International experience makes it clear that having short-, medium-, and long-term plans with measurable outcomes against which progress is regularly monitored is the best way to produce the evidence needed for policymaking and for making the most efficient use of scarce resources. More regular and formal assessments of learning, teaching, and administration in schools and of the operation of the MoEC would yield evidence of the achievement or otherwise of the sector's policy goals. It would also make possible regular evidence-based reviews of the curriculum, learning materials, and teaching methods and management.

53. Reforming the education system to focus strongly on the relevance and quality of education for all and to give the MoEC a strong policy, strategy, and assessment role (while retaining many of its service delivery functions) should result in better learning outcomes across Cyprus. Changing the structure of the MoEC to reflect its more strategic remit will also mean a change in its staffing profile, its ways of working, and its management style. This process will need careful planning and management and may benefit from bringing in external experts to help to negotiate and manage the changes.

## **Section 4. Analysis of the Education Sector**

### **The Structure of the Sector**

54. Education governance in Cyprus is largely centralized with only a limited amount of decentralization and deconcentration. The main authorities responsible for education are the Council of Ministers, the Ministry of Education and Culture (MoEC), the Educational Service Commission (ESC), and the local school boards.

55. The Council of Ministers sets education policy. The overall responsibility for policy implementation and service delivery rests with MoEC (except for a small number of higher education institutions, which come under other ministries).

56. The MoEC is organized into 14 departments, all of whom report to the Permanent Secretary and largely follow the structure of the education system. The Department of Primary Education administers pre-primary and primary education. The Department of Secondary Education administers secondary education, while technical education is the responsibility of the Technical Education Department. The Tertiary and Higher Education Department administers tertiary and higher education. There is also a Department for Personnel Administration and a Department of Technical Services for planning the building of schools. Each pedagogical department is responsible for its own management and has its own team of inspectors (with the exception of tertiary and higher education). Curriculum development is carried out by separate curriculum development centres for pre-primary and primary, for secondary and for technical education. The Cyprus Pedagogical Institute, which is responsible for the in-service training of teachers and for curriculum support, is also a department of the MoEC.

57. The Educational Service Commission (ESC), a collegiate body consisting of five members appointed by the Council of Ministers for a six-year term, manages the appointment, promotion, secondment, and retirement of educators and the appointment of head teachers and inspectors. It also presides over disciplinary cases against educators and inspectors (excluding criminal matters, which are dealt with by the courts). The ESC office employs 46 people, 28 of whom are permanent staff, 10 are casual, 4 are seconded, and 4 are hourly paid staff. As a result of the hiring freeze in the public

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<sup>17</sup> This is not necessary to introduce any formal, objective testing and evaluation of students, staff, schools, and administration. However without a more structured approach to knowing how well the education system is meeting the country's aspirations, it will remain difficult to identify and make any necessary adjustments to policy or to know how effective public spending is and whether the government and civil society are getting value for the taxpayer's money.

<sup>18</sup> District Education Offices (DEOs) are the local government bodies responsible for primary education, and District Administration Offices (DAOs) are the equivalent bodies for secondary education. There are four DEOs and [four?] DAOs. Collectively they are referred to in this report as the District Offices.

sector from January 2011 and the promotion freeze from May 2012, the ESC has experienced what is expected to be a temporary drop in its workload.

58. The teacher hiring function is split between the MoEC and the ESC, with the MoEC being responsible for assigning teachers to districts while the ESC assigns the teachers to specific schools. The placement is made based on each school's needs, but there is no planning process to determine the future requirements of the school system as a whole. The Department of Secondary Education within the MoEC has a set of informal rules that the department has agreed with the teachers' union, which incorporate the preferences of teachers regarding the frequency of rotation (about every seven years). Head teachers and inspectors are appointed from a shortlist prepared by the MoEC and submitted to the ESC. After calculating the points that indicate seniority and interviewing three candidates for each vacant position, the ESC announces the winner. This is a rather time-consuming activity for the five ESC members as the law requires that at least three of them sit in on every interview.

59. Four separate entities provide quality assurance and accreditation for the higher education sector. The Cyprus Council for the Recognition of Higher Education Qualifications (KYSATS) is an independent body in charge of the recognition of qualifications awarded by higher education institutions. The Council for Education and Accreditation (SEKAP) is another independent body that advises the MoEC on issues concerning the establishment, monitoring, and operation of tertiary education institutions. The Advisory Committee of Tertiary Education deals with matters concerning the establishment of public and private institutions, the registration of new programs of study, and tertiary-level education policies. The final body is the Evaluation Committee for Private Universities.

60. A draft law that is currently being considered by Parliament proposes to establish the Cyprus Quality Assurance and Accreditation Board, which will be responsible for the external evaluation of all tertiary education institutions. The Board will replace the existing separate evaluation and accreditation bodies and will incorporate the functions that are currently performed by SEKAP and KYSATS.

61. School boards are public entities charged with some financial management and infrastructure management of school buildings, including employment of auxiliary staff (cleaning and maintenance staff of schools). There are 46 school boards, of which 18 are in Nicosia. Each school board manages a number of primary and secondary schools, as assigned by the Council of Ministers. The members of the school boards are a combination of elected officials from the municipality and directly elected school board members (whose elections take place at the same time as the municipal elections). Once a school is built, it is transferred into the management of the local school board. In assessing the needs of schools and preparing their annual budgets, school boards cooperate with the head teachers, parents' associations, and the Technical Services Department of the MoEC. They deal with minor, routine requests from schools on a daily basis, but are often slow to respond, which can create tensions between the school management and school boards, sometimes leading to schools having to tap into their escrow accounts for minor repairs.

62. School boards are the custodians of the schools and of the land on which schools are constructed. They act as an intermediary administrative and supply station between the MoEC and the schools. They take on the administrative burden for recruiting and managing teacher assistants to help with special needs children, hiring school support staff (such as cleaners and guards), purchasing and delivering stationery, distributing learning materials from the school stores, contracting out minor repairs to schools, and liaising with Technical Services for larger repairs and school maintenance. The school boards cooperate with the head teachers and with parents' associations but play no role in the pedagogical management or quality control of the schools, which is a part of the role of the District Offices.

63. All funds raised by the schools have to pass to the school board and are not necessarily available to the school to use as they wish. The school board's accountability relationships are not clear, with some being accountable to the local authority and some to the MoEC, but none of them are accountable to the schools or to the parents. The school boards prepare the budget for each school and submit them to the MoEC, and the school boards are responsible for budget execution.

64. Schools have limited decision-making autonomy over both financial and human resources. Public schools are not permitted to receive external funding; all external sponsorships must be pre-approved by the MoEC. As a consequence, the central budget is virtually the sole source of funding for schools. A small sum is available to the schools allocated on a per capita basis amounting to €6.83 in 2013. There is no national policy on promoting school-parent partnerships, but schools work closely with the parents' associations. Cooperation between the parents' associations and schools has intensified in the last few years to help schools to weather the financial crisis.

65. The three teachers' unions are major stakeholders in education (POED is the union for pre-primary and primary teachers, OELMEK is the union for secondary general teachers, and OLTEK is the union for secondary technical and vocational education teachers). The trade unions are powerful and always participate in negotiations about teachers' working conditions, remuneration, and evaluation. The membership in the three trade unions is customary.

66. There are also District Education Offices (DEOs), which are local government bodies responsible for primary education, and District Administration Offices (DAOs), which are the equivalent bodies for secondary education. There are four DEOs and DAOs. The DEOs were established by regulation under the Education Act since 1960.

67. The staff of the DEOs are appointed by or allocated from the inspection unit and report to the Chief Inspector. The DEOs are responsible for:

- Supporting the professional development of teachers in the schools
- Handling some aspects of staffing and transfers of staff (ESC also has a role), granting of staff leave
- Implementing the MoEC's instructions in the schools
- Cooperating with all stakeholders
- Handling the transfer of students with delegated authority from the Director of Primary Education.

68. The DAOs, which have existed since 2008, are not established by regulation and while they may work in the same offices as the DEOs there are no formal links between the two. Each office has a Chief Education Officer and two other staff members. The function of the DAOs is not formally defined, so working arrangements are by internal agreement. Also, there is no formal relationship between the school boards and the District Offices.

### **The Performance of the Sector**

69. It is important to look at key indicators of the education sector performance in Cyprus to assess effectiveness of MOEC in delivering on its mandate. Table 1 below compares Cyprus's performance on key education indicators with Finland, Lithuania, and UK and with the averages for the EU. It is clear that public expenditure on education in Cyprus, about 7.8 percent of GDP, is high by international standards with additional private expenditure of about 3 percent of GDP. The annual public and private expenditure of €9,145 per pupil is among the highest in the EU (average €6,900).<sup>19</sup> At 15 percent, financial support to pupils and students in Cyprus as a share of total public expenditure on education is among the highest in the EU.<sup>20</sup> The economic crisis has affected the educational choices of families (with many of them transferring their children from private to public schools). The crisis has accentuated the concerns that dropouts may increase among children from poor and immigrant families, and the MoEC is considering additional interventions such as the expansion of the school meals program.

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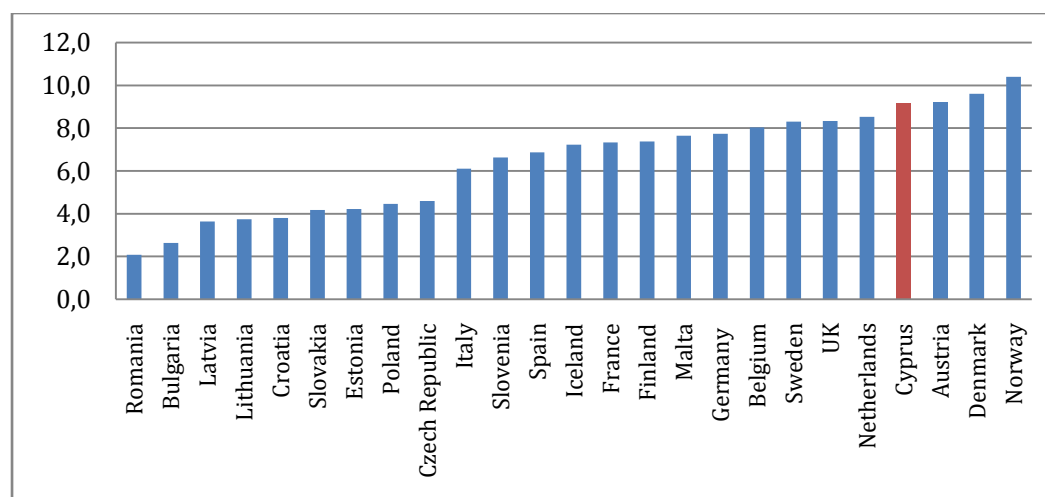
<sup>19</sup> Cyprus ranks 4th after Norway, Denmark, and Austria according to Eurostat

<sup>20</sup> Includes financial aid to students studying abroad. The EU average stands at 7.4 percent, Malta 16.1 percent, Norway 15.4 percent, Bulgaria 18.1 percent, and Denmark 14.7 percent (Eurostat, 2010)

**Table 1: Key Education Indicators in Cyprus, Comparable Countries, and the European Union**

	Cyprus	Finland	Lithuania	UK	EU avg
Public expenditure as % of GDP (2010)	7.9%	6.8%	5.4%	6.2%	5.4%
Annual public and private expenditure per pupil (2010) €	9,145	7,379	3,739	8,335	6,900
Population 0-19 (%)	13.5%	11.8%	12.6%	11.9%	10.8%
School life expectancy a/	14.9	20.6	19.1	16.9	17.5
Participation rate among 15-24 year olds	42.4%	69.8%	77.1%	53.1%	61.5%
Enrollment rate, primary (2011)	99.0%	98.0%	91.0%	100.0 %	--
Enrollment rate, secondary (2010 or 2011)	89.0%	93.0%	91.0%	98.0%	--
Tertiary education attainment	35.0%	32.8%	28.6%	34.7%	24.6%
Early school leavers	11.4%	8.9%	6.5%	13.6%	12.8%
Pupil-teacher ratio (ISCED 1-3) (2011)	11.4	13.3	8.1	17.7	--
PISA scores (in reading) 2012	449	524	477	499	--
Funding of education (by central government as % of all levels of government funding) (2010)b/	100% c/	32.7%	38.8%	37.6%	45.1%
School-level autonomy					
Financial management	No	Varies	Yes	Yes	--
Hiring of teaching staff	No	Varies	Yes	Yes	--

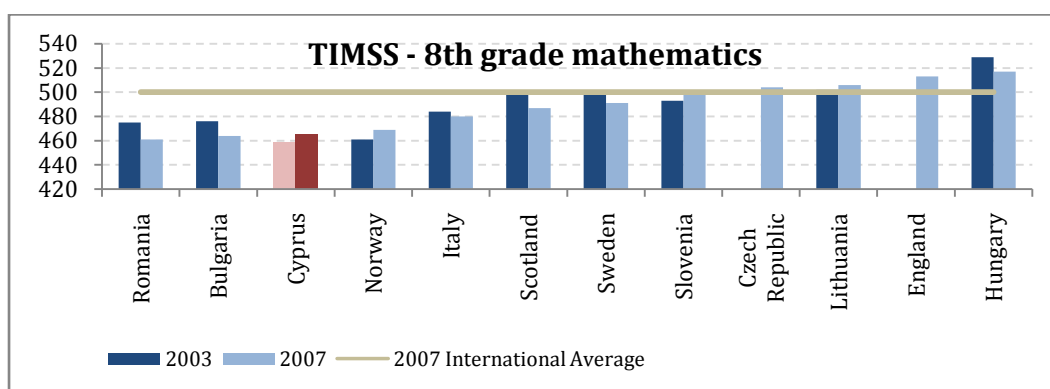
Notes: a/ Eurostat . School expectancy corresponds to the expected years of education over a lifetime and has been calculated adding the single-year enrolment rates for all ages. This type of estimate will be accurate if current patterns of enrolment continue in the future. Estimates are based on headcount data. To illustrate the meaning of school expectancy, let us take an example: school expectancy for the age of 10 would be one year if all 10-year-old students (in the year of the data collection) were enrolled. If only 50 % of 10-year-olds were enrolled, school expectancy for the age of 10 would be half a year. b/ Eurostat., c/ This demonstrates the highly centralized nature of the Cypriot system.

**Figure 1: Expenditure on Public and Private Educational Institutions Per Pupil, 2010**

Source: Eurostat

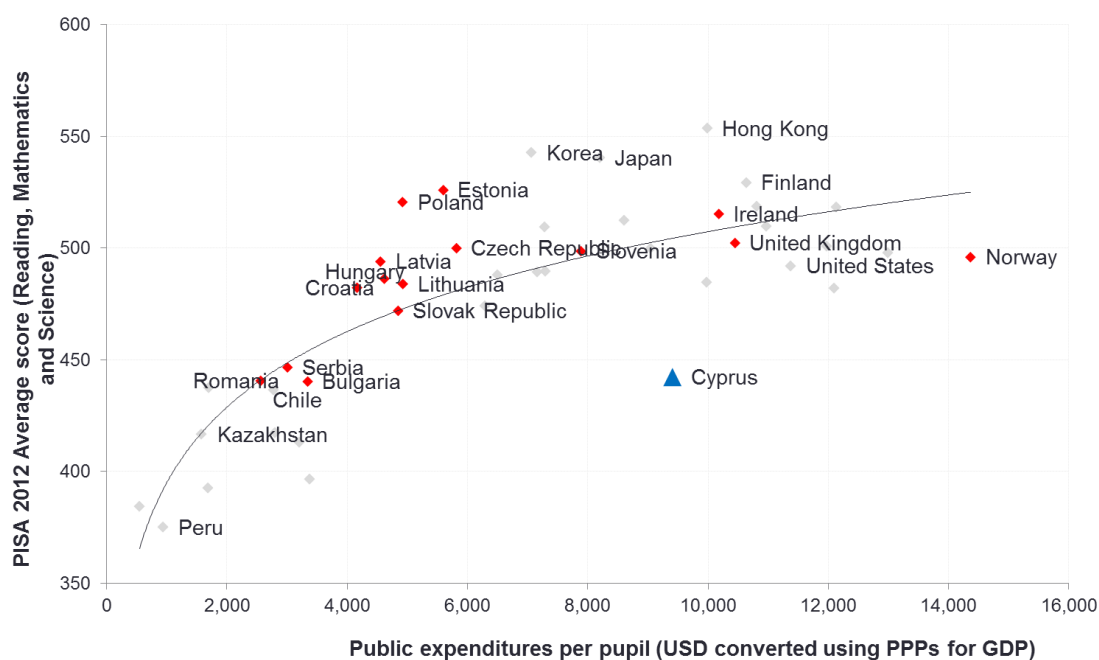
70. However, Cyprus's high expenditure on education and the increasing numbers of teachers is not translating into improved learning performance for children. Over the past two decades, Cyprus has participated in several international studies, including the Trends in International Mathematics and Science Study or TIMSS (in 1995, 1999, 2003, and 2007) and the Program of International Student Assessment or PISA (in 2012). The results of the 2003 and 2007 TIMSS placed Cypriot students below the OECD average in mathematics and science and below what might be expected given the country's level of economic development and investment in education.

**Figure 2: TIMSS Scores for 8<sup>th</sup> Grade Mathematics**



71. The results of the 2012 PISA confirmed these trends.<sup>21</sup> They also showed Cyprus as an outlier in terms of its high public investments in education that have yielded lower than expected outcomes.

**Figure 3: PISA Scores and Public Expenditures (as % of GDP)**



72. There are no national standard for student learning nor is there a national policy on assessment. As a result, each teacher uses his or her own criteria, methods, and instruments.<sup>22</sup> Consequently, it is difficult for the MoEC to identify and address systemic issues of education quality in a timely manner. National examinations not only serve to certify student achievement but also are a good way to hold schools accountable. This method of ensuring accountability has become increasingly important in Cyprus in the past few decades, while the more traditional forms of accountability that focus more on inputs and processes are being phased out.

73. Past attempts to introduce national standardized testing have not succeeded, in part due to fears that students' learning outcomes would be used to measure teachers' performance. Successive Cypriot

<sup>21</sup> Cyprus, with a score of 449 in reading, is more than 40 points (or one year equivalent) below the OECD average and more than 25 points below the score predicted by its per capita income.

<sup>22</sup> The new curriculum does include learning standards for different modules of the curriculum, but these are not formally assessed

governments have emphasized the importance of implementing educational evaluation policies to measure and improve the performance of the system as a whole, but they were never able to garner sufficient support from key stakeholders to implement national standardized testing.

74. Cyprus does well on some broad education indicators but falls short on others. The adjusted net enrollment rate in primary education in Cyprus was 99.3 percent in 2010. The average time spent in school is 14.9 years, the lowest in the EU where the average is 17.5 years.<sup>23</sup> Cyprus has the lowest participation rates in education among 15 to 24 year olds in Europe – 42.4 percent in 2011 compared with an EU average of 61.5 percent.<sup>24</sup> It also appears to have the lowest enrollment rate in any type of schooling among 18 year olds – only 34.4 percent, which is significantly lower than the EU average of 80.7 percent. Enrollment among 18 year olds has dropped by 5 percent drop since 2009 while the EU average has continued to increase.<sup>25</sup> There may be several reasons for this, including compulsory military service for men and migration to continue studies abroad, or it could signify that more 18 year olds are finding employment. However, it may also be a result of poor efficiency and therefore needs further investigation.

75. The European Union has set a target to reduce the percentage of early school leavers to 10 percent or below by 2020. In Cyprus, this indicator steadily improved from 18.2 percent in 2005 to 11.4 percent in 2012 and is better than the EU average of 12.8 percent. However, there is a sizable difference between the percentage of male (16.5 percent) and female (7.0 percent) early leavers<sup>26</sup>.

76. Overall, demand for higher education is high in Cyprus with 82 percent of those students who complete the upper secondary level seeking to enter institutions of higher education. Historically, higher salaries and better employment opportunities have been associated with having a tertiary education, and this has provided students with an incentive to continue learning. The dropout rate from tertiary education is low, partly because of a generous financial aid program and the existence of specialized student services that work with students at risk of dropping out. The number of university students has nearly tripled since 2000 to 31,773, of whom 37 percent are foreign students. The government covers the cost of tuition for the EU students studying at public universities in Cyprus. Cyprus has achieved the EU 2020 strategy goal of at least 40 percent of individuals aged 30 to 34 years old completing tertiary or equivalent education.

77. The government has set a national target for the percentage of the population engaging in lifelong learning – 12 percent by 2020. This indicator has improved from 5.6 percent in 2005 to 7.4 percent in 2012 and compares well with the 9 percent EU average.

78. Similar to many countries in Europe, Cyprus is experiencing a demographic decline. Combined with a policy that allows for new primary schools in every village or town with at least 15 school-aged children and a capping of class size at 25 pupils, the pupil-teacher ratio in the ISCED 1-3 categories<sup>27</sup> has dropped over the last few years from 14:1 in 2005 to 11.4:1 in 2011. There is a sizable discrepancy in the pupil-teacher ratio among the various ISCED classifications with 16:1 in kindergartens, 12:1 in primary schools, 7:1 in secondary schools, and 9:1 in technical schools.<sup>28</sup> While a reduced pupil-teacher ratio may signal a better learning environment, this is not necessarily the case and may actually represent overstaffing. An official policy on class sizes at each level could help to address the situation.

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<sup>23</sup> Eurostat, 2011

<sup>24</sup> Eurostat, 2011

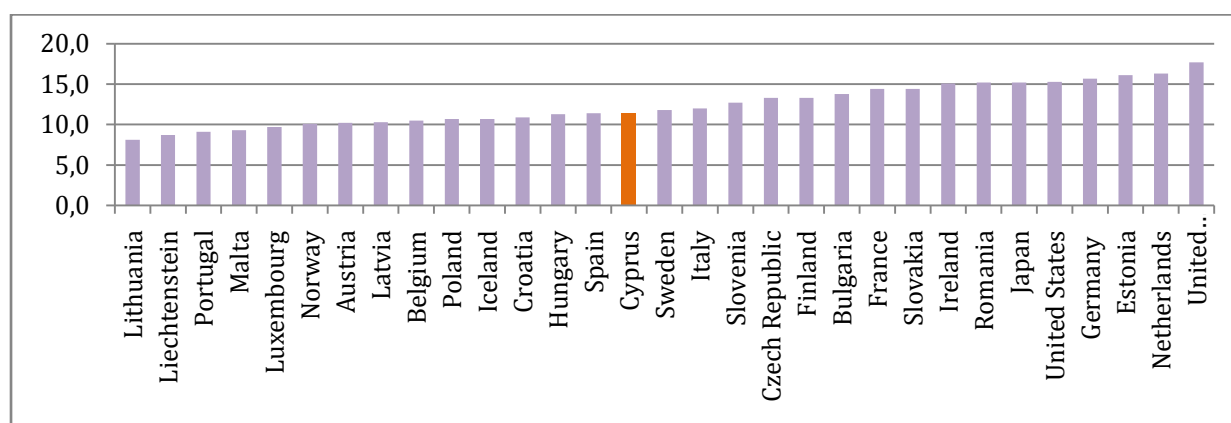
<sup>25</sup> Eurostat, 2011

<sup>26</sup> Eurostat, 2012

<sup>27</sup> The International Standard Classification of Education (ISCED) is a statistical framework for organizing information on education maintained by UNESCO. The latest version has nine levels of education with 0 largely covering early childhood development, 1 covering primary education, 2 covering lower secondary education, and 3 covering upper secondary education [check].

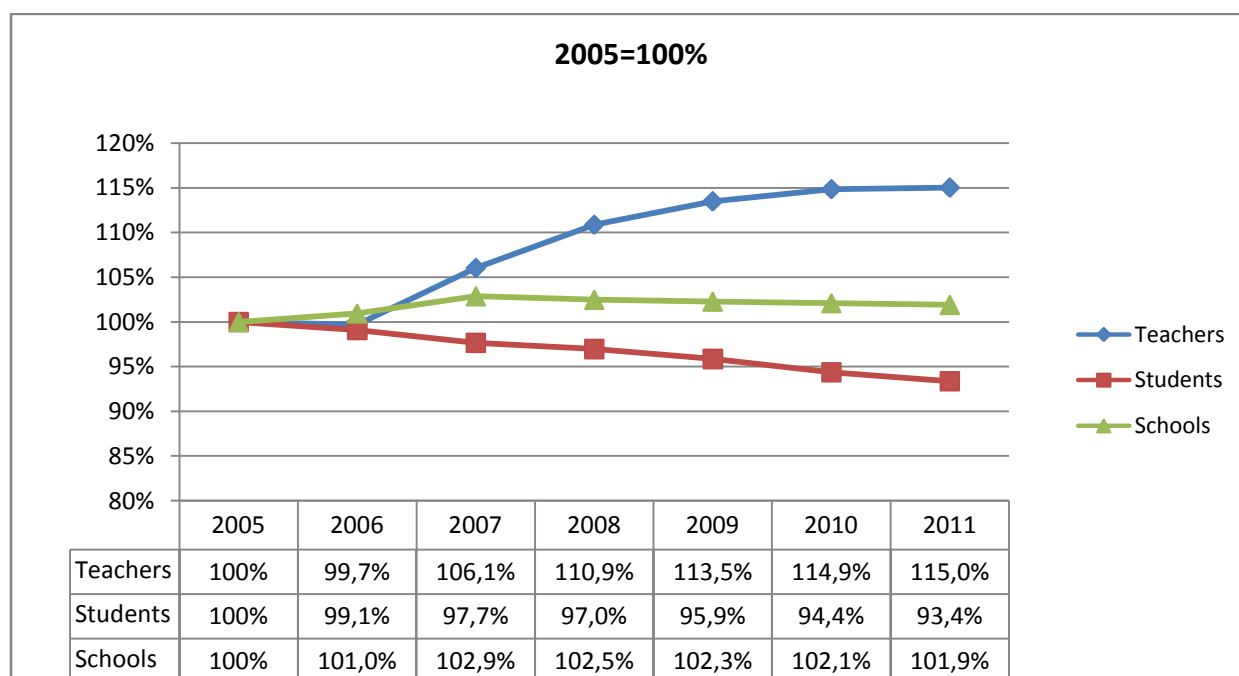
<sup>28</sup> MoEC data for academic year 2012-13

**Figure 4: Comparative Pupil-Teacher Ratios, ISCED 1-3, 2011**



79. The trend in the number of teachers and schools is inversely related to the demographic trends. Despite the drop in student population, the number of teachers employed in the system grew steadily over the last few years. The data for 2012 and 2013 are not yet available to show the effects of the hiring and promotion freeze policy.

**Figure 5: Teachers and Students in Primary and Secondary Education**



Source: Data provided by the MOEC

### Comparison with EU Countries: Governance, Monitoring, and Structure

80. The management of education in Cyprus is highly centralized compared to other EU countries. A study in 2012 explored how much autonomy is granted to schools<sup>29</sup> in Europe and it revealed that some countries grant schools more autonomy over financial and human resources than others. The study also found that autonomy is more likely to be given to schools in some areas of activity rather than in others. Only a few countries in the study granted only limited or no financial and human resource autonomy to schools, including Germany, Greece, France (ISCED 1), Luxembourg (ISCED

<sup>29</sup> Euridice Network and Eurostat (2012)



1), and Malta. In terms of human resources management, the hiring of school principals is very often under the control of the education authority, while the management of the teaching staff is delegated to the school level. Cypriot schools have no autonomy over their financial and human resources.

**Table 2: School Autonomy in Selected European Countries**

			School autonomy - primary and secondary education							
		Cyprus	Estonia	Lithuania	Latvia	UK	Finland	Slovenia	Luxembourg	Malta
Financial Management										
Capital expenditure	None	Limited	Limited	Full	Limited (ENG, WLS), None (NIR, SCT)	Can be delegated by local authorities	Limited	None	Limited	
Operating expenditure	None	Full	Limited	Full	Full		Full	Limited (primary), Full (secondary)	Full	
Fundraising and use of private funds	None	Full	Full	Full	Full		Full	None (primary), Full (secondary)	Full	
Human Resources										
Teacher hiring	Central/regional govt	School	School	School	Municipal/local/ school	Municipal/local/ school	Central/regional govt	Central/regional govt	Central/regional govt	
Teaching and learning										
Choosing teaching methods	Limited	Full	Full	Full	Full	Full	Full	Full	Full	
Choosing textbooks	None	Full	Limited	Limited	Full	Can be delegated by local authorities	Limited	Limited	None	
Curriculum content of optional subjects	None	Limited	Full	Limited	Limited (ENG, WLS, NIR), Full (SCT)	Limited	Limited	N/A (primary), Full (secondary)	N/A (primary), None (secondary)	

Source: Eurydice Network and Eurostat (2012)

### Box 1: School Autonomy in Europe

School autonomy is widespread in Europe. It is the result of a gradual process of implementation which began in the 1980s in a few pioneering countries and then expanded massively during the 1990s. In the vast majority of cases, these reforms were introduced as part of a top-down decision-making process.

Eleven countries grant schools a large degree of autonomy over both financial and human resources – Belgium, the Czech Republic, the Baltic countries, Ireland, Italy (especially financial management), Slovenia, Slovakia, Sweden (except for private funds), and the United Kingdom (England, Wales, and Northern Ireland). The situation is similar in Hungary and Poland, but in these countries, many school-level decisions are subject to the approval of a higher authority or are taken within established guidelines.

In Denmark, the Netherlands, and Finland, the situation is more variable as it is left to the responsible authorities to choose whether or not to delegate powers to schools. In contrast, in a minority of countries, very little autonomy is granted to schools, including Germany, Greece (although legislation passed in 2010 has given schools full autonomy over their operating expenditures), France (ISCED 1), Luxembourg (ISCED 1), and Malta. In Cyprus schools have no autonomy in either area.

In a majority of countries, schools have full autonomy to raise private funds through donations, sponsorships, or the leasing of school premises. School autonomy is much more limited with respect to the power to take out a loan, with the exceptions being Belgium (grant-aided schools), Italy, and the Netherlands (if the power is delegated).

The appointment of principals is often decided by the education authority while decisions about the management of teaching staff are usually taken at the school level. Schools have full autonomy in selecting their principals in Belgium (in Flemish and, for grant-aided schools, German-speaking communities), Ireland, Slovenia, and the UK (England, Wales, and Northern Ireland). When schools have a lot of autonomy over matters related to their teaching staff, they are also usually the formal employer.

On teaching and learning, many education systems are driven by goals established at the central, regional, or local level, but a great deal of flexibility is often granted to educational organizations and institutions in determining how these goals are to be achieved. In contrast to procedures governing the compulsory curriculum, schools generally have greater freedom when it comes to determining the curricula of optional subjects.

Most countries leave schools free to decide what teaching methods to use although mechanisms for monitoring teaching are often in place, for example, via inspections. In almost all countries, schools also choose their own textbooks, the exceptions being Greece, Cyprus, and Malta.

*Source:* Euridice Network and Eurostat (2012)

81. In Cyprus, external inspectors evaluate individual teachers, while schools are not the focus of the evaluation process. Although some external evaluation of schools exists, it is limited in scope (usually covering their accounts, health and safety measures, and archives, for example) and does not include any pedagogical elements. The vast majority of countries have a process of school evaluation in place, which may be internal and/or external. In most countries, schools are subject to external evaluation, which is generally carried out by an inspectorate, while internal evaluation is performed by school staff and sometimes other members of the school community. In the 21 countries or regions of the EU where individual teachers are appraised as well as schools, it is usually the school head and/or other senior members of staff with management functions who are responsible for doing this.

## **Box 2: Supervision and Support services for Primary and Secondary Education in Other Countries: How Countries Assess School Performance**

This box examines how five countries – Finland, New Zealand, the Netherlands, England and the Republic of Korea – organize the supervision and support of schools and teachers at the primary and secondary levels. The countries are compared and contrasted in terms of their performance on seven aspects of supervision.

In the four countries, schools, rather than teachers or principals, are the primary unit of focus for external supervision. While the supervision of a school may include drawing conclusions regarding teaching quality, for the most part external supervision does not include detailed reviews of individual teacher quality – this being the role of the principal. The short answer to the question “how do these different systems supervise teachers” is that they do not – at least not directly. A notable exception to this rule is Korea, which has been experimenting with a teacher evaluation system for the past few years.

*Finland* has the most decentralized or “loosest” approach to school supervision. As part of a wave of decentralizing reforms and cost-cutting measures in the early 1990s, Finland eliminated its province-based education inspectorate, giving full responsibility for educational provision and supervision to municipalities. While a level of provincial government remains, provincial involvement in education is limited to helping to ensure sufficient school places and assistance with national evaluation efforts. Municipalities are required by law to evaluate the schools under their purview on a yearly basis. Both the National Board of Education and the Evaluation Council for Education and Training carry out sample-based studies and evaluations of educational issues and performance and may use this information in the design of national curricula, special programs, or continuing education courses for teachers. However, there is no direct link between these national evaluations and the ongoing supervision and evaluation of individual schools. By contrast, England, the Netherlands, and New Zealand combine various levels of decentralized provision of education with a centralized supervision function.

*New Zealand*, like Finland, had long had a province-based education inspectorate, which was abolished in the late 1980s along with the entire provincial level of government. Responsibility for schools was passed to legally mandated school boards, by-passing local authorities. However, the government opted to re-establish an independent, national evaluation entity in the form of the Education Review Office (ERO). While individual school boards have ongoing supervision responsibility for schools, the ERO produces both school-level and national level evaluation data on a periodic basis.

*The Netherlands* has retained the responsibility for supervising the quality of education in individual schools at the national level through a national, semi-independent Education Inspectorate within the Ministry of Education. The Inspectorate receives and reviews plans and yearly self-assessments from schools and conducts periodic school-level visits and evaluations. The role of the Inspectorate has changed over time, with an increased emphasis in recent years on helping schools to improve both student outcomes and their own self-assessment process.

In *England*, the first line of external school supervision is by either a school board or a local authority. Local authorities are specifically charged with ensuring the quality of the schools under their jurisdiction, and their efforts in this regard are in themselves subject to periodic evaluations. The regional authorities are not involved in school supervision at this time. The Inspectorate was given independent non-ministerial status in

1992 and renamed the Office for Standards in Education, Children's Services, and Skills (OFSTED). OFSTED conducts periodic evaluations of individual schools based upon the school's yearly self-assessment and also conducts periodic reviews of local authorities' efforts in support of education and other social services.

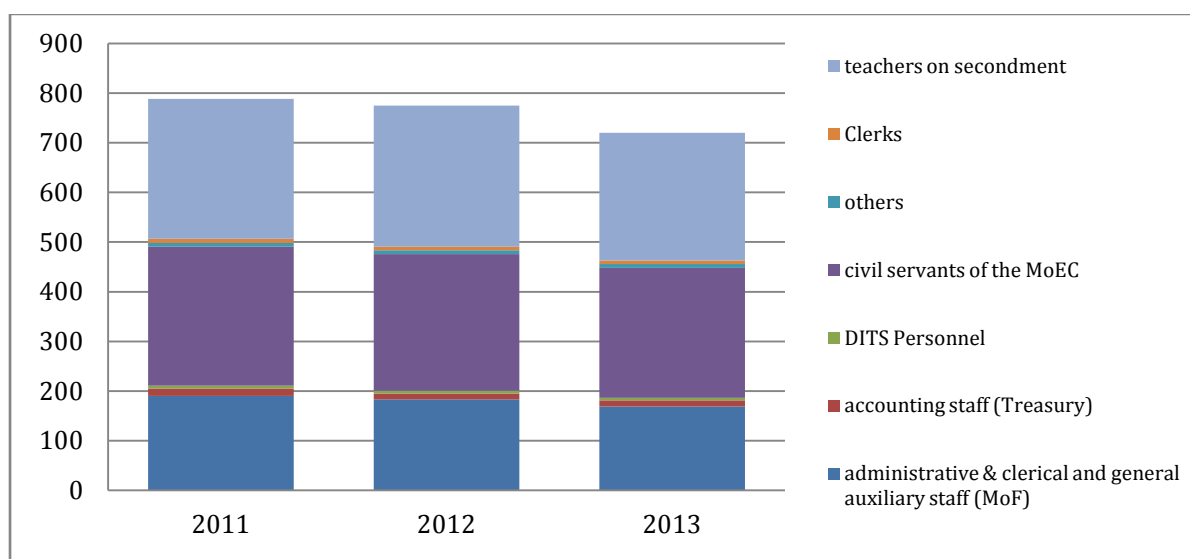
*The Republic of Korea* has the most centralized education system of all of the five countries examined. Korea does not have a separate national entity charged with supervision, such as an inspectorate, and up until recently did not conduct formal evaluations of schools. In-depth educational evaluation work and strategic planning is provided by the government sponsored Korean Educational Development Institute (KEDI), but this work tends to be national in focus. Provincial offices (POEs) are now required to carry out a formal evaluation of all public and private elementary and secondary schools on a three-year cycle. The program is still in its infancy, and the quality of the evaluations varies. As in the case of the local authorities in England, which are subject to OFSTED evaluations, the POEs are themselves evaluated on a yearly basis by MEST.

82. While almost all countries implement some form of external school evaluation and routinely publish their findings, Cyprus has not adopted this practice.

83. Most ministries of education around Europe have a compact structure that is built around the institution's main functions – education policy and strategy development, monitoring, and implementation. Pre-primary, secondary and vocational education are, as a rule, under one department. The education policy and strategy development function is usually intrinsic to the educational departments (as in Finland, Norway, Estonia, and Lithuania) but is sometimes handled by a separate unit (as in Latvia). As a rule, ministries of education also include other issues like youth (Finland, UK, and Latvia), sports (Finland, Slovenia, and Latvia), research and science (Estonia, Lithuania, Latvia, Slovenia, and Norway), and culture (Finland). These functions are the responsibility of the departments, which report to the Permanent Secretary or deputy minister. Research and science tend to be combined with higher education. Finland has made the separation at a high level by appointing two ministers at the Ministry of Education and Culture, one with the education and science portfolio and one with the culture and sport portfolio.

84. Compared to the size of other European ministries of education, the MoEC appears to have a large number of staff. The MoEC has a total of 720, of whom 263 are civil servants, 257 are seconded teachers, 170 are deployed from the Ministry of Finance (administrative, clerical, and general auxiliary staff), 12 are employees of the Treasury, and 15 are clerks and other support staff. The total number of employees has fallen in the last three years from 789 in 2011 to 720 in 2013.

**Figure 6: Composition of the Staff in the Ministry of Education and Culture**



Source: Data provided by the MoEC

85. Table 3 below presents a comparison of the MoEC's staffing numbers with those in several EU countries by providing a ratio of teachers and students to ministry staff. There are 17 times as many students per staff in Lithuania as in Cyprus, and 9 times as many as in the UK. The ratio of teachers to ministry staff reveals a similar distortion. There are 17 teachers to one MoEC staff member, compared to 304 teachers to one ministry staff member in Finland and 301 to one in Lithuania.

**Table 3: Comparison of Ministry of Education Staffing Among Selected European Countries**

	Cyprus	Estonia	Lithuania	Latvia	UK	Finland	Slovenia
<b>Ministry staff</b>	720	230	224	413	3,881	279 <sup>a/</sup>	335
<b>Teachers</b> <sup>b/</sup>	12,065	18,217	67,382	31,938	641,746	84,735	25,464
<b>Students</b> <sup>c/</sup>	143,868	223,831	552,768	339,393	11,789,421	1,088,256	312,424
<b>Ratios</b>							
<b>Teachers/staff</b>	17	79	301	77	165	304	76
<b>Students/staff</b>	200	973	2468	822	3038	3901	933

Notes: a/ Online roster of the staff of the Ministry of Education and Culture of Finland. According to the functional review of the Ministry of Education, Science, and Technology (FRIDOM, 2009), the Ministry of Education and Culture of Finland employs 440 people. b/ Eurostat (2011). Total full-time equivalent, ISCED 0-4. ISCED 4 not available for Estonia, Slovenia, Finland, UK. c/ Eurostat (2011). Total number of students ISCED 0-4.

86. Our analysis of the distribution of MoEC personnel by departments suggests that the teams within the MoEC are overstaffed. This may be partly attributable to the centralized education system in Cyprus but may also be a consequence of inefficiency within the system. It is important to note that these numbers do not take into account the degree of decentralization of national education systems, nor the number of subordinate and associated agencies with which the ministries work.

## Section 5. Functional Analysis and Policy Options

87. Our analysis of the performance of the education sector has shown that, even though the Government of Cyprus has allocated a considerable amount of resources to education, the results are not as good as might be expected. There are few formal and recorded assessments of students, teachers, schools, and ministerial departments. There is little strategic medium-term planning with clear defined expected outcomes. The functions of the MoEC are highly centralized but with unclear accountability and reporting processes. The options that we propose in this section are intended to address these issues. However, any functional changes will need to be linked to achieving the core targets as these become clear from the strategic planning – further adjustment will be required over time.

88. Our recommendations for policy actions are built on the following principles:

- They build on the government’s policy goals.
- They follow a medium-term policy-oriented strategic planning approach.
- They aim to foster an evidence-based management approach in which outcomes are monitored, assessed, and adjusted at agreed intervals.
- They aim to avoid any duplication of functions and roles.
- They distinguish support functions from core functions.
- They aim to make the policymaking process more responsive to context-specific needs.

89. Our proposed new structure for the MoEC (see Annex 1b) is not a straightforward rearrangement of existing units within the ministry but instead it is based on a reorganization of functions. Each department will have an agreed mandate with specified roles and responsibilities and annual and medium-term outputs and outcomes, which will apply to all of the different units within each department. This will lead to a discussion of the numbers and profiles of professional staff and administrative support staff needed by each department and unit. (See Annex 7 for a discussion of key unit functions, staffing profiles, and indicative numbers.)

90. While detailed work on specifying the vision, goals, and function of the new departments and identifying the numbers and profiles of the staff of each has yet to be carried out, the review team believes that the staff required be within the current establishment ceilings and that, over time, significantly fewer seconded staff will be required. Seconded staff play an important role in bringing field experience into the MoEC, and seconded staff gain useful experience in how the ministry functions. Currently, seconded teachers are paid from the budget reserved for teaching staff and are not included in the MoEC’s administrative budget. As such, they may make up as much as 35 percent<sup>30</sup> of the “real” administrative costs of managing the MoEC, which is not reflected in the MoEC administrative budget (as opposed to the teaching staff budget). It is important to note that the reorganization that we are proposing is likely to lead to a reduction in the “real” administrative costs of the MoEC. It might be necessary to establish a few more senior positions, but the costs of these can likely be met from savings made elsewhere over time.<sup>31</sup> Once the structure and approach has been agreed, it will be possible to define the functions of the departments and to draw up estimates staff profiles and numbers.

91. Changes of this kind will require time-consuming consultations with stakeholders, and many may require legislative amendments. The reform process is likely to take at least four years and probably longer. (See Annex 8 for a very broad guide on the likely timeline.) The MoEC will have to agree on the extent of the reform and then on its phasing and priority setting. In addition, there is likely to be a need for an intensive staff development program to upgrade the skills and knowledge of the staff and this will need to be part of the internally agreed plan. Devising a detailed change management and staff development plan will be the next step.

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<sup>30</sup> Estimate based on the fact that approximately 35 percent of MoEC’s employees are seconded teachers.

<sup>31</sup> We estimate that, with the reorganization and rationalization of functions, fewer administration and management staff will be required. This reduction can be managed by gradually returning seconded staff to their school posts and by not replacing some retiring staff. This attrition will likely have a major effect over the next five years.

92. In order to avoid confusion, in the following discussion, we have chosen to refer to the main areas of the MoEC as departments, within which there are units and sections. The Head of a department is assumed to be a senior civil servant reporting directly to the Permanent Secretary. This language is used merely to show the hierarchy within the ministry and will have to be replaced by the language used within the civil service.

93. This section lists and discusses the review team's recommendations for restructuring the MoEC.

**i. Strengthen leadership and streamline management by reorganizing and restructuring the MoEC**

**Why:** The MoEC has a very centralized and top-down approach to management. Currently, there are at least 14 departments and units that report directly to the Permanent Secretary. The department or unit heads have very little decision-making authority over budget, administration, or professional issues. As a result, the Permanent Secretary spends a great deal of time making all decisions, both large and small, so has little time to take the strategic lead in ensuring that government policy is reflected in planning and that education outcomes are achieved.

The organization and distribution of functions within MoEC has developed organically over time and as a result, responsibility for the core ministry functions is fragmented among many different departments. As additional responsibilities have arisen or new activities initiated, existing structures have been expanded to encompass the extra work. This has led to both duplication and fragmentation of functions, a lack of focus on the ministry's core functions of policy, strategy, and quality assurance, and too much emphasis being devoted to administrative and operational concerns, many of which could be consolidated or devolved to district offices and schools.

The Ministries of Education in many countries in Europe are small and focus on policy, strategic planning, and the evaluation of learning and service delivery.<sup>32</sup> Even in large countries with large central ministries (such as France), there are coordinators for groups of departments. As noted above, Cyprus has a relatively large central establishment given the size of its school-age population and the number of teachers. It is difficult to make direct comparisons between countries, but this review suggests that bringing functions together within the MoEC would both sharpen the ministry's focus and provide an opportunity to rationalize.

**What:** The review team's proposal is to restructure the ministry into a small number of larger departments, each with a well-articulated mandate, and appropriately staffed to deliver the services for which they are responsible. Annex 1 presents two organograms, one that shows the current situation and another that shows the proposed new structure.

The consolidation and reorganization that we propose would result in a reduced number of departments and units with more focused functions and a core staff with more relevant qualifications. We suggest reducing the number of departments and units reporting directly to the Permanent Secretary to enable that individual to play a stronger strategic leadership role while reducing his or her administrative burden. Each new department would be led by a Director and would be staffed mostly by professional civil servants or contract staff, and the number of seconded staff employed in the ministry would gradually be reduced over time. All departments, now reduced in number, should report to the Permanent Secretary.

We also considered the option of moving the Inspectorate function out of the MoEC and establishing it in an independent agency as is the case in many other European countries. However, now may not be the right time. If the government adopts our proposed changes to the autonomy and management of schools, then it seems likely that the MoEC may require new inspection functions. The role of the Inspectorate can be reviewed at that stage, and a final decision taken on where to locate the function.

Under our proposals, departments would be given responsibility for strategic planning and budget assessments to be coordinated by the Permanent Secretary whose role would become less involved in

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<sup>32</sup> Eurydice Network and Eurostat (2012). There are many other relevant comparative sections in this document.

administration and book keeping and more involved in policy formulation, strategic coordination, and monitoring.

There are currently no formal management and accountability processes in the MoEC. For example, there is no senior policy management team chaired by the Minister and no strategic planning management team lead by the Permanent Secretary. There are no semi-annual and annual strategic assessments of progress towards agreed performance goals and no reporting by the departments and units on progress towards the outcomes and outputs specified in their annual operational plans. A senior management team (consisting of the Permanent Secretary and the department heads and chaired by the Permanent Secretary) should be established to meet regularly with a formal agenda and minutes and with all major decisions being announced after each meeting.

Each department would prepare annual and semi-annual reports of the progress being made towards achieving the department's strategic goals. The reports would be formally presented to the Permanent Secretary and Minister and debated, and agreements on actions to be taken recorded.

The Minister would establish his or her own management procedure to stay informed about all policy implementation, any challenges and whatever proposals are made to address those challenges.

At present seconded teachers play a very important role in staffing the Ministry, constituting 257 out of a total staff of 717. These secondments give teachers an opportunity to learn more about the sector and allow the MoEC to benefit from the practical knowledge that teachers possess. However, the large numbers of seconded teachers recruited on short-term contracts to fill perceived gaps in the ministry and their lack of key skills, training, and/or public service experience means that it is time to reconsider the usefulness of this practice. If the structure of the ministry and the definition of its functions change along the lines proposed in this report, then it will become necessary to employ more public servants with appropriate qualifications and experience. Over time, the number of seconded teachers at the ministry would be reduced though a certain number of secondment places would be retained to provide a limited number of teachers with the opportunity to experience working at MoEC.

**When:** The major structural changes being proposed here would need to be planned in stages and implemented over a period of time. We suggest that the main changes could be planned and implemented over the next 12 months.

The first step will be to make the decision to move towards the new structure, the second will be to agree on which functions to devolve to the districts and the schools, and the third will be to prepare the detailed outcome and function map for the departments (outlining the department's vision and goals) and to agree on the profile and numbers of staff needed.

What could be done immediately would be to create a change management technical task force with a mandate to work within the broader government reform process. The task force would be responsible for preparing a detailed report on the division of functions among all departments and units, identifying any necessary legal and regulatory changes, determining staffing needs, reviewing the proposed changes, and developing a timeframe for implementing these changes. The government might consider employing an external change management team of consultants to support the task force with external experience and the objectivity that is often required when undertaking substantial reforms.

## **ii. Establish a policy, planning, and quality assurance unit staffed by relevantly qualified and experienced civil servants**

**Why:** While a planning function appears on the current organogram of the MoEC, it does not exist in practice. There is no culture of department-led strategic planning, goal-setting, reviews, or assessments. It appears to be based on inputs and outputs rather than on outcomes or program goals, and the ministry lacks an overall coherent vision. No single entity has the responsibility for data collection, and not only does this make the sector analysis less efficient and less coherent but it also means that there is little data available for use in planning and decision making. There is no specific

quality assurance and quality setting function. Also, the MoEC has yet to adopt program-based budget planning.<sup>33</sup>

Bringing the policy, planning, and quality assurance functions together in a single unit would allow for a coherent and complementary approach to policymaking, goal setting, and quality assurance and would make it possible for the MoEC to argue for funding for its programs during the annual budget-setting process.

**What:** We recommend establishing a Department of Policy and Strategic Planning that would have responsibility for policy and strategic planning. It would carry out the functions of: (i) medium-term planning and goal setting; (ii) the assessment of strategic goals; (iii) quality assurance (setting standards as opposed to evaluating if the standards are being met, which would be the role of the Inspectorate), (iv) the supervision of the education management information system (EMIS) including data collection, analysis, and feedback; and (v) program budgeting and medium-term expenditure development (public finance management functions). Ideally this department would also be responsible for the research and evaluation function while we also propose moving CERE from the CPI to the new department.

**When:** Our suggested timeframe for implementing this recommendation is the next 12 months.

**iii. Establish a General Education Department (GED) that includes pre-primary, primary, secondary, technical and vocational, and education services (special education, psychological services, disaster risk reduction, and health education)**

**Why:** Having a single department in charge of all levels of general education would enhance coordination across all education levels and avoid any duplication of functions. The present departments carry out a range of activities that are often short-term, input- and output-based and administrative rather than focusing on the learning outcomes of children.

**What:** We recommend creating a single General Education Department under a Head of General Education to: (i) manage the quality and relevance of education for school-age children; (ii) prepare, monitor, and adjust medium-term strategic plans for general education with the support of the planning department; and (iii) ensure the coherence of pre-primary, primary, and secondary academic and technical programs. This department would oversee professional development (working with the Cyprus Pedagogical Institute) and advise the ministry on curriculum and pre-service teacher training. It would manage regular meetings between the department heads to coordinate annual work planning and reporting. The General Education Department would develop its strategic plan with a focus on providing leadership and direction, updating information and monitoring success, introducing innovative practices, and advising on curriculum and general guidelines for the operation of schools.

Within the Department there would be a Pre-Primary, Primary, Secondary, and Technical and Vocational Education Unit and an Education Services Unit, which would cover education psychology services, special needs, health education, and disaster risk reduction, all of which would service to each of the sub-sector departments. An option would be to move civil defense and the health and safety offices to the Administration Department.

As special education, psychological services, health education and disaster risk reduction are services that cover all of the education sub-sectors, the strategic planning and high-level monitoring functions would be based in this department with the operational work being managed by the District Offices.

Some administrative functions could be transferred to schools or the District Offices (for example, student placements and transfers and minor school maintenance, some to the Policy and Planning Department (such as data collection and analysis), and some to other departments or units (such as continuing professional development and lifelong learning).

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<sup>33</sup> There is a distinction between the accounting function on the one hand and the financial planning function and the preparation of the medium-term expenditure framework on the other. We propose that the public financial management function within the MoEC is moved to the Policy and Planning] as programming and budget analysis go together.



**When:** Our suggested timeframe for implementing this recommendation is the next 24 months.

**iv. Accelerate the transfer of administrative and financial functions to the District Offices and schools, establish school governance structures, and gradually transfer the function of school boards to schools and the District Offices**

**Why:** Under the present centralized system, schools do not have the freedom to respond to the unique needs of the communities that they serve and thus have no way of being held accountable to local stakeholders. District Offices are better situated to respond to local needs and can provide support to schools.

**What:** Changing the governance structure to enable schools to govern themselves (either as individual schools or as clusters of smaller schools) would bring parents into the school community and engage them in their children's learning. Schools would become more accountable to their immediate stakeholders and be able to respond to their concerns. There is international evidence to show that locally managed schools are able to find local solutions to local challenges. Thus, we recommend giving schools greater autonomy to manage their pedagogical, administrative, and financial affairs by: (i) continuing the process of giving schools autonomy to implement the curriculum (and thereby making the role of the Inspectorate more critical); (ii) providing direct funding transfers for school development plans and annual operational plans; and (iii) transferring the administrative functions (and some of the staff) from the school boards to the schools.

Under this devolved structure, the District Offices would offer advisory services for pedagogy (including psychological services and special needs), administrative, and management concerns to schools. Their professional staff would be strengthened to provide these services and would be given adequate administrative support. Some staff would transfer to the District Offices from the present sub-sector departments, some from the Inspectorate, and some from the specific services.

**When:** Guidelines could be prepared and a funding formula agreed immediately and the process piloted in a few large schools in 2014. There could then be a further roll out in 2015 leading to complete devolution in 2016.

**v. Contract out technical services or move them to another government agency that is already managing construction**

**Why:** The major expansion of school facilities has come to an end. In the future the design and management of tendering and the supervision of contracts could be managed by the Ministry of Communications and Works (MCW) or could be contracted out to the private sector. With the increased autonomy of schools and the restructured municipalities, schools would be able to deal directly with the Municipal Technical Services Department.

The MCW is the center of the specialized knowledge needed for construction, planning, contracting, supervising, and liaising with the private sector. Specialists on education-related construction could be employed within a very small unit or contracted in as needed.

The restructuring of the municipal level of government will concentrate resources and provide a clear line for schools to go to for support.

The new ICT system will make it possible to produce multiyear projections of infrastructure needs for the education sector that could be managed by the MCW as a part of an overall plan.

Transferring technical services to the MCW or to contractors would relieve the Permanent Secretary and the Minister of responsibility for an area in which they cannot be expected to have expertise.

**What:** We recommend transferring the responsibility for education technical services to the MCW or to contractors, while retaining a small technical services department in the central MoEC to handle the strategic development of future facility needs and to be the liaison for the design, tendering, contracting, and construction of those facilities with either the MCW or private companies. Technical

Services in the municipalities would continue to be available to advise schools on all aspects of maintenance.

**When:** Our suggested timeframe for implementing this recommendation is 2014/15.

**vi. Establish a Department of Administration and Finance (Finance, Accounts, Human Resources Management, and General Administration including Technical Services)**

**Why:** There are currently several administrative departments and units reporting separately to the Permanent Secretary. The teacher and non-teacher administration is somewhat scattered. Some functions that should be under the human resources sections are being managed by the pedagogical departments (for example, the personal development administration).

**What:** A Department should be established that brings together the various administrative services and non-pedagogical service functions of the Ministry (Technical Services, ICT). The Department would include finance and possibly audit, human resources management and information systems (with the role of managing the human resources and not of deciding on the establishment or the appointment of staff), stores and purchases, state assets and technical services. It is noted that this recommendation is preliminary, and that the Department's detailed functional design will be informed and coordinated with similar efforts in other ministries.

**When:** Our suggested timeframe for implementing this recommendation is the next 12 months.

**vii. Prepare a National Cultural Policy covering all areas of culture**

**Why:** The MoEC Cultural Services Department is divided in two major sections – Arts and Letters – with an addition area – Libraries. The main function of Cultural Services is to maintain and develop Cyprus's national cultural heritage, ensure access and exposure to all cultural experiences for all citizens (including children and youths), and support a wide range of cultural activity. Specifically this covers:

- Fostering artistic creation and the enrichment of cultural institutions as well as promoting and safeguarding traditional culture.
- Enhancing and promoting contemporary Cypriot artistic and literary works abroad.
- Strengthening cultural organizations and foundations.
- Developing relations between the general public and artistic works and providing opportunities for all citizens to experience artistic works.
- Developing cultural activities in non-urban regions.
- Protecting cultural diversity, intercultural dialogue, and bi-communal collaboration.
- Promoting artistic education and media literacy.
- Enhancing the organizational skills of those working in the cultural domain.
- Developing synergies between cultural and other areas such as tourism, research, and technology.
- Using culture as a key element in international relations and in collaboration with EU member states and other countries in the geographical region of Cyprus.
- Nurturing and developing links to international (and particularly European) cultural activity.

In order to achieve these goals, the Cultural Services Department run various programs and activities in all areas providing a mixture of technical advice and grants, including:

- a) Annual subsidies of cultural organizations and foundations
- b) Subsidies for individual artists working on *ad hoc* cultural projects
- c) Annual subsidies to municipalities for cultural activities
- d) Annual subsidies to communities for cultural activities.

The provision of cultural services is split between the MoEC and the Ministry of Communications and Works (MCW) with the former covering contemporary activity and some museums and the latter covering antiquities. There is no formal link between the two agencies, nor is there any link to the

Ministry of Tourism or other tourism agencies. Also, there is no National Strategic Plan for Culture that brings together the areas mentioned above.

Indeed, there is no strategic plan at the department level nor is there a set of department-level goals and no formal mechanism for monitoring overall progress. The Director has lamented the fact that there has been no overall review or statistical study of the country's cultural heritage as a whole.

At the sub-national levels, the Local Government Report noted:

“The Ministry of Education makes decisions on applications for funding relating to the arts and amphitheater projects.

There is an annual program of subsidies for local authorities. Providing this subsidy can be problematic, particularly relating to the quality and standard of works being funded. Problems relate to both communities and municipalities who invariably request funds in excess of what can actually be afforded.

There is currently a duplication of facilities and services within close proximity of each other, and substantial debt has been amassed by both Municipalities and Communities to fund cultural infrastructure.

The report also confirmed that “there is no overall strategic cultural plan for Cyprus [...] more centralized control needs to be established a) for better overview of projects, b) in order to benefit from economies of scale by providing a wider range of cultural infrastructure over a greater geographical area, and c) tighter budget control.”

In 2013 the MoEC and the MCW presented to Parliament a proposal for creating of a Single Authority for Culture, which had some (quite small) financial cost associated with it. However, due to the financial crisis, the proposal was withdrawn.

**What:**

- We recommend that a joint commission consisting of members from the Department of Culture, the MoEC, the MCW, and the Ministry of Tourism should prepare a five-year strategic plan for culture in Cyprus. This plan while being comprehensive would spell out a small set of measurable key performance outcomes, the resources required to implement the plan, a timeframe, and a monitoring framework. There would have to be wide stakeholder engagement at all levels with the preparation of this plan, which may be presented jointly by the Ministers of the MoEC and the MCW as a core policy that would contribute to both economic and cultural growth.
- Flowing from this plan, there would be very clear multiyear programs that respond to the priorities in the plan.
- We propose establishing a cross-ministerial working group jointly chaired by the Permanent Secretaries of the MoEC and the MCW. The preparation of a comprehensive policy would take time. The Department of Culture could immediately begin developing programs with precise objectives for key cultural activities. This is already being done in some branches of the arts by, for example, the *Terphsichori* Program for Research, Development, and Production of Choreographic Works in dance, and by the Cinema Advisory Committee, which is providing grants for writing film scenarios, producing the movies, and promoting them in Cyprus and abroad.
- The MoEC leadership would need to gradually delegate authority for the management and budget expenditure and monitoring for the programs to lower levels of management with clear targets and financial management systems in place.
- Consideration might be given to reviewing whether the function of providing librarians to each ministry in government is efficient and whether this function should be transferred to each ministry. This would enable the department to focus on cultural activity.

- Consideration might be given to incorporating the Cyprus Research Institute into the Department of Culture.

In terms of costs, these proposals might imply a need for additional staff. This could be attained by internal transfers of staff (posts) as long as there are relevantly qualified staff within the civil service. A one off cost to establish the commission to prepare the five-year strategic plan for culture would be incurred.

**When:** Our suggested timeframe for implementing this recommendation is the next 12 months.

**viii. Recognize the Cyprus Pedagogical Institute (CPI) as the core agency for strategic planning, coordination, and monitoring of professional development and research in the education sector with all service delivery and research activity contracted out to other providers.**

**Why:** Currently, the CPI is assessing the needs of schools, teachers, departments, and the key areas identified by the European Union institutions as part of the process of developing a comprehensive plan for professional development in education. However, it does not yet have the authority needed to build an effective and structured response. At present, CERE has limited capacity to carry out research.

**What:** We recommend that the CPI should be the main body for the strategic planning, coordination, and supervision of the professional development of teaching staff and for providing services for professional development and training (from their own resources, those of the MoEC, or contracted in).

We propose that the CPI be the equivalent of a department within the MoEC, reporting to the Permanent Secretary. It operates under a medium-term strategic plan and annual operational plan.

We recommend that CERE be transferred to the Policy and Strategic Planning Department with a mandate to identify key areas for research, contract research service providers as needed, and then use the research outcomes to prepare short policy notes for policymakers.

Service providers for both training and research might come from the university sector, the private sector, or the non-government sector.

We propose that CPI and CERE staff be staffed largely with civil servants with the required skill sets. The CPI would be able to contract expert teachers for specific training purposes and might be able to continue to employ a limited number of seconded teaching staff to provide experience to teachers and bring their knowledge of the field to the institutions.

**When:** Our suggested timeframe for implementing this recommendation is immediately and over the next two years.

**ix. Link the MoEC's lifelong learning activities to the national Management of European Lifelong Learning Programs to ensure coherence among all service providers**

**Why:** At present there is a wide range of vocational and professional development programs on offer in Cyprus. Different programs are managed by the Primary, Secondary and Technical and Vocational Departments within the MoEC. In addition, vocational training is provided by the Youth Board. There is also the Foundation for the Management of European Lifelong Learning Programs, which was founded by decision of the Council of Ministers in January 2007 and whose mandate is currently being renewed to take account of the new Erasmus+ programming of the EU that starts in 2014. It was not obvious to the review team that the Foundation had prepared a national policy and strategy for lifelong learning or any coherent approach to all the various lifelong learning initiatives.

**What:** We recommend the preparation of a national policy and strategy on lifelong learning that ensures a coherent approach to service delivery and maximum efficiency and value for money.

We propose the establishment of a single department within the MoEC responsible for planning, monitoring, and managing all opportunities for lifelong learning provided by the MoEC. This department would ensure coherence between the different programs, monitor their quality, provide for different career opportunities, and link as appropriate to qualifications when needed within the national Qualifications Framework.

Precisely where within the MOEC structure this lifelong learning unit should be located requires further discussion. It could be located in the Department of Vocational and Technical Education, the Department for General Education, the CPI, or the Department of Higher Education.

**When:** Our suggested timeframe for implementing this recommendation is the next two years.

#### **x. Establish a separate Inspectorate body**

**Why:** Currently the Inspectorate has a number of different functions, some of which are inspections and many of which are advice and support.

- They formally assess teachers.
- They provide knowledge and skills support to schools and teachers.
- They can recommend training courses for staff or suggest programs for the training days and the monthly training sessions.
- They can provide links for learning successes/ best practices of one school to another.
- They provide pedagogical advice to committees on curriculum

The Inspectorate has been the subject of a number of recommendations in the previous reports and sector reviews.

The background study for this functional review noted:

“The Inspectors play a key role in the running of the education system. Apart from the inspection of teachers, the Inspectors are responsible for teacher pedagogical support, disciplinary matters and curriculum development. They also carry out a wide range of administrative functions at school level. In particular, the Inspectors have the task of inspecting teachers formally during the probation period and again after the twelfth year of service when teachers become eligible for promotion. Inspectors also assess the Principals of schools during a wider inspection process called the General Inspection. Second, the Inspectors give support and advice in their specialized subjects to teachers. They also meet teachers regularly for either compulsory or voluntary specialist seminars. Third, Inspectors take part in curriculum development, the production of textbooks, the identification of curricular resources, the setting of examinations for school leaving certificate and for the university selection examination. Fourth, Inspectors play an important role in the day-to-day administration of schools and the school service. They are involved in the disciplinary matters of school staff and in giving approvals for various school activities.

In their 1997 report, UNESCO and the International Institute for Education Planning (IIEP) identified two main problems in relation to this multidimensional role of the Inspectorate in Cyprus education. First, they raised concerns about the sheer amount and multiplicity of work that falls upon Inspectors: “For one group to be the key to curriculum, quality, and direct administration is most demanding.”<sup>34</sup> Second, the consultants cast doubts whether the advisory and inspectorial roles of the inspectors were compatible. In relation to these two problems, they suggested that the aims of inspection and the dual role of the inspectors as both inspectors and advisors needed to be urgently reviewed. They maintained that the emphasis of inspection should shift from processes to outcomes. “There is a need to evaluate the overall educational experiences offered to young people,” as the consultants put it.<sup>35</sup>

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<sup>34</sup> UNESCO and IIEP (1997), p. 22

<sup>35</sup> UNESCO and IIEP (1997), p. 23

Despite these recommendations, no major changes have been made to the role played by inspectors in the education system since the launching of the education reform.

The 2007 Strategic Plan for Education made a strong case for separating the inspection functions from the advisory functions and for establishing a new cadre of staff who would be education advisers. The plan suggested that schools could establish self-evaluation mechanisms that would be supported by the education consultants and that there could be an Inspectorate within the CPI/ CERE that would be responsible for conducting external evaluations of schools.<sup>36</sup>

Internationally we know that inspection functions need to be clearly identified. Improving quality and evaluation is a top priority of the government, and it is about to undertake a review of the evaluation system with a view to modernizing and changing the current procedures (including the role of inspectors and the special advisers). Our recommendations below should be considered as one of the options.

**What:** We recommend that the Inspectorate should be an independent body or have a mandate to provide independent inspection reports of schools against agreed standards and make recommendations for improvement but not be involved in that process. In many countries the Inspectorate is an agency outside the education ministry, and this might over time be considered in Cyprus. The non-inspection functions could be moved to the General Education Department and the District Offices.

The inspectors would inspect teaching in the classroom and in the whole school (including the way in which the school delivers the curriculum and, after devolution, handles administrative and financial matters). CERE or an independent body would need to develop Standards and performance levels and reporting lines and to decide how to handle underperforming schools.

**When:** We suggest that the necessary regulations be prepared in 2014 and the new activity implemented in 2015.

#### **xi. Establish formal professional advisory support for the Minister and the Permanent Secretary**

**Why:** With a greater focus in the MoEC on policy, strategy, assessment and medium-term financing, the senior managers (Minister and Permanent Secretary) need to have adequate policy and strategic advice. In the case of the Minister, as a political appointee, direct advisers should not be Civil Servants but contracted staff for the term of his/ her tenure. In the case of the Permanent Secretary, the advisers should be established civil servants with professional skills in public policy and education policy.

**What:** We recommend providing contracted professional support to the Minister and appropriately qualified civil servants in advisory function to the Permanent Secretary. The Permanent Secretary would require at least two such advisers, one covering public policy and the other covering education policy with education financing expertise (the department directors could provide additional support).

The mechanisms already exist for the Minister and the Permanent Secretary to access (employ) staff and they already do so, but what appears to be missing is a detailed scheme of service (rather than the general civil service scheme), a work plan, and reporting procedures for these positions.

**When:** Our suggested timeframe for implementing this recommendation is the next 12 months.

#### **xii. Change the role of the Education Psychological Services (EPS) to a referral service**

**Why:** Highly skilled and trained psychologists are currently doing administrative assessment work for referrals of students to the health system that, with training, teachers and DEO officers could manage.

**What:** We recommend that a small unit within the MoEC would coordinate staff working in the District Offices to provide support to the schools in building their capacity to identify children at risk

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<sup>36</sup> MoEC (2007), p.49

and those needing referral to the health services; supporting teachers to manage children with difficulty.

The proposal is to reduce the administrative burden on the EPS and to provide more time for practice with children and parents.

If EPS is to be for referral then, as noted, this can be managed by appropriately trained and supported staff in schools and an administrative function at DEO. This approach might significantly reduce the numbers in EPS and enable the highly skilled education psychologists to practice from the health sector rather than be administrators in the education sector.

An alternative would be to similarly support schools to identify children and families in need of support but to provide the therapy services through the DEOs. The danger being that staff are still involved into too much administration.

**When:** This could either happen following a consultation process between the MoEC and the Ministry of Health or immediately as part of the preparation of the strategic plan and transfer of the functions to the DEOs.

**xiii. Further development and expansion of a comprehensive ministry-wide ICT system (development costs to be covered by the EU grant from the ESF and the Regional Development Fund)**

**Why:** We are proposing a large-scale decentralization of functions and increased school and district-level autonomy and in order for this to be effective, a comprehensive and well-coordinated ICT system is required. .

**What:** We recommend creating an ICT Unit within the Department of Finance, Human Resources, and General Administration with a head and six project managers and all other services contracted out. This would require further development and the implementation of the management information system (MIS) that has already been developed, the procurement of hardware, software, training, monitoring, and assistance, and the establishment of a helpdesk. The MIS will be able to manage both the management data (finance, human resources, and administration) and the pedagogical data (for example, on learning materials). In addition, the MIS will be able to collect vital data on students' learning performance.

**When:** This move would need to be made before the decentralization process begins and could begin as soon as the EU grant is approved.

**xiv. Sub-national structures and functions**

**Why:** At the sub-national level, there are the school boards, District Education Offices (dealing with the primary subsector), District Administration Offices (dealing with the secondary sub-sector), and the schools themselves. There are also parents' associations, though these tend to be largely concerned with fundraising.

School boards play no role in the governance of the schools other than by having a budgetary control function. In fact, by taking over some administrative activities, the school boards have allowed schools to concentrate on their key function of helping children to learn well. However, they are an additional layer in the bureaucracy – if schools had an allocated budget, they could easily carry out many of the functions of the school boards. A more important challenge is that school boards get in the way of effective accountability between the school and the parents and community and between the school and the MoEC. A number of schools reported to the review team that they would be willing and able to take on the roles of the school boards. However, representatives of the Primary and Secondary Principals Associations mentioned that some principals are reluctant to do this given the current legislation that makes them individually responsible for what occurs in the school and given the fact that they do not have the necessary management skills to take on the additional responsibility.

Neither the DEOs nor DAOs have formal approved annual work plans or formal accountability either to schools or to other stakeholders (only upwards to the Chief Inspector). While they are perceived to have an advisory function, it is unclear precisely what this might be as there are no formal procedures, guidelines, or reports indicating this.

Overall, there is no formal functional and regulatory framework for the education sector at the sub-national level. There is a lack of well-defined roles and responsibilities and clear job descriptions as well as little forward strategic planning and unclear or ineffective lines of accountability.

The MoEC instructs schools on all organizational and pedagogic matters by issuing circulars. There has recently been a move towards some strategic planning in the production of three-year development plans, but these are limited in scope because of administrative and financial limitations.

**What:** The following three recommendations build on the ideas expressed in the MoEC's 2007 report.

a. We recommend *devolving responsibility to schools* for a range of pedagogical issues, school finances, and administration. This would make schools accountable to local stakeholders, would increase the engagement of parents and the community in the education of their children, and foster local solutions to local problems. We propose that schools become responsible for: (i) meeting learning standards and benchmarks set by the MoEC and making any necessary changes based on internal management information; (ii) monitoring, assessing, and recording the progress of all children; (iii) monitoring, assessing, and recording the performance of teachers and providing them with in-service and professional development to ensure a high level of performance; (iv) preparing three-year rolling school development plans and annual operational plans and monitoring progress in achieving these plans; (v) preparing and executing annual school budgets that include operational costs and development costs; (vi) managing their own finance and administration and small-scale maintenance activity (for major works, the school governing councils would send requests to the Technical Services Departments of the Department of Works in the relevant district offices).

It is suggested that the school principal put together and lead a school management team made of senior teachers to: (i) assess teaching competencies and support teachers; (ii) evaluate how well students are learning and take any remedial measures that may be needed; and (iii) prepare an annual plan for in-service training and for professional development for staff members.

b. We recommend that *large schools be governed by independent school governing councils*. These councils would consist of members elected at a general school meeting (one or two members of the school staff, two or three parents, and two or three members of the community) as well as one or two members of the municipal or local council with the school principal acting as the secretary. In the case of smaller schools, the school governing council would cover a cluster of schools within the local administration clustering that will be proposed under the changes to the decentralized administration. These school governing councils may have a slightly larger membership to reflect their broader geographical spread but should not have more than 15 members. The school principal would continue to be the school leader and to have ultimate responsibility for teacher and school management, the day to day operation of the school, and the school's learning outcomes.

The next steps would be to: (i) arrange for the gradual closure of school boards<sup>37</sup> and the financial and administrative transfer of their functions to the school governing boards; (ii) prepare the legal framework for school governance; (iii) prepare school management guidelines; (iv) decide on the formula for transferring the reporting, accounting, and auditing functions to schools; and (v) provide the school principals with management and leadership training and adjust the teaching/ non-teaching balance of their terms of reference. There would be a one-off cost involved in establishing the framework for governance and for training school principals. The transfer of clerks to schools will have no cost.

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<sup>37</sup> If it were to be decided to retain the school boards after the deconcentration of authority to the schools, then they should retain only the functions of purchasing and procurement. Whether this would be viable or useful might need to be considered with the local government decisions [not clear].



c. We recommend that *the role of DEOs and DAOs should be to support all schools in the district on a demand-driven basis*. This support could include: (i) pedagogical advice to the schools for internal assessment, evaluation, and response purposes; (ii) advice on innovations in teaching methods, curriculum delivery, learning materials, and in-service training; (iii) advisory support on administration and governance; and (iv) advice on special needs and psychological services.

The DEOs and DAOs would have annual work plans and budgets. There would also be procedures for giving formal feedback to schools and reports on progress towards the agreed outputs and outcomes to the Head of the Office and to the pedagogical leader in the Department of General Education. The head of the Office would have to have management and leadership qualifications and considerable experience in a similar role. The staff of the DEOs and DAOs would respond to demand for advice and support from the schools. Once the exact functions have been agreed, it will be possible to specify how many schools each advisor would be required to support .

The location of the DEOs and DAOs will be decided by the proposals that are being made in the local government report regarding municipal centers. ... If the report proposes to have a few large local government offices, then the DEOs and DAOs should be established and resourced in these centers. There may be some initial startup costs for new offices, but there would be no staff costs as all posts would be filled by those who are currently employed.

**When:** Our suggested timeframe for implementing this recommendation is over the next two or three years as it will be linked to the local government reform process.

#### **xv. Improve Budgeting in the Higher Education Sector and Ensure Greater Financial Accountability**

**Why:** Vast public resources are allocated to higher education institutions. As is discussed in more detail in Annex 2, the Department of Higher Education is heavily burdened with administrative that are not relevant to its main mandate of setting policy directions for the higher education subsector. In addition, as discussed below, the budgeting process and the accountability mechanisms need to be further developed.

Budgeting is a major challenge for the MoEC and the universities. The system is based on historic norms and not on current best practices. Currently, the MoEC provides, on average, 60 percent of the yearly operating budget of the public higher education sector, with the other 40 percent coming from private funds. However, the MoEC maintains oversight over the whole of the institutions' budgets, which severely limits both the autonomy and accountability of the institutions. Allowing them more autonomy and requiring more accountability would be likely to yield greater efficiencies and improvements in the quality of the educational services that they provide.

Although the Ministry of Finance has mandated that ministries must budget on a three-year cycle, the MoEC and, subsequently, the public universities have to negotiate annually with the Ministry of Finance for their input budgets. Moreover, the Ministry of Finance has to approve all of their expenditures and release funds only monthly, which creates administrative and accounting bottlenecks for the MoEC and the public universities.

Funding is provided by the state to the universities in two ways. One block of funds is derived from a portion of the fees paid by students, which is returned to the institution on a per student basis. The universities receive the remainder of their budget to cover their annual input needs on the basis of calculations determined by the institution and negotiated with the Treasury. This kind of budgeting creates perverse incentives, whereby the universities benefit from making ambitious plans without necessarily being required to justify those expenditures from a strategic perspective because of the lack of strategic planning behind the budgeting process. , Reforming the financial accountability norms for the sector would involve establishing goals and strategies for the institutions as well as reducing the level of MoEC oversight every month.

Over the past two years, the MoEC has been gathering data on the universities and their programs with the aim of learning more about academic streams, student preferences, course sizes, and

redundancies among other issues. These data will help the institutions and the MoEC to develop strategic plans for academic programming based on national priority needs, such as the need for qualified personnel in the oil and gas industries, for instance. These data will complement the market needs analysis conducted by the Human Resource Authority, which will help institutions to take long-term labor market needs into consideration in their planning.

Meanwhile, the MoEC needs to find ways to increase the accountability of public higher education institutions for the resources that they receive from the Treasury. Effective accountability is dependent upon a few key factors:<sup>38</sup>

- The existence of high-quality information systems that can produce finely disaggregated data is an important prerequisite for adaptable and relevant accountability measures.
- Higher education institutions need to be willing and able to explain how their budget and resources relate to their specific goals, populations, and outcomes. To do this effectively, their funding needs to stop being based on requests to being aligned with national priorities, and institutional goals.
- Adequate incentives must be in place to promote genuine, sustainable financial accountability on the part of higher educational institutions. The rewards must be large enough to give the institutions a real incentive to work toward well-defined outcomes, while maintaining their fiscal stability. These incentives must also be adaptable as benchmarks, goals, and outcomes evolve over time.
- There must be a universal commitment to accountability from all stakeholders in the sector. Increasing the efficiency and effectiveness of the sector should, inherently, be a goal for all stakeholders until accountability becomes the norm.

These considerations should form the core of any dialogue on increasing financial accountability in the sector. The next step would be to identify the most useful indicators for evaluating expenditures in the higher education sector. Table 5 below presents some possibilities.

**What:** Table 4 below summarizes the budgeting challenges for the higher education subsector, why they are important, and what can be done to address them.

**Table 4: Budgeting: Challenges and Recommended Responses**

Challenge	Why It Matters	Proposed Response
Budgets are based on historic practices not on efficiencies or outcomes.	There are no incentives for institutions to improve their performance or spend more efficiently.	The MoEC must give adequate incentives, including financial rewards, to encourage institutions to prepare outcome-driven budgets and work to achieve those outcomes.
There are few incentives for universities to seek out complementary funding.	Complementary funding—including building up endowments—ought to be encouraged in pursuit of pre-agreed outcomes.	Institutions need to have a source of annual base funding that is consistent and reliable so that its core operations can be funded regardless of any other activities. Additional funding could come from various other sources, including performance-based budgeting, research grants or private donations. Any additional funds raised by the institutions should not result in a reduction in their state contribution as this would be a disincentive to pursue these sources of funding.
The current regressive funding model provides tuition subsidies to those who need	In the long term, providing income contingent funding is more efficient and equitable as it would promote social mobility through access to higher education and minimize the	Student financing in Cyprus is currently being analyzed by an IMF team. However, best practice would suggest changing student subsidies to income contingent (not merit-based) funding and providing merit scholarships only to the very best

<sup>38</sup> Adapted from Long (2009)

them least.	funds being spent on students from high-income families.	students.
Further salary cuts could reduce the quality of academic staff as there is considerable mobility in the subsector, especially among the best qualified.	Base salaries for academic staff should be consistent with the market to ensure fair but not excessive salary levels. The quality of academic staff is paramount in the overall quality of the universities.	Graduate students could be used to teach wherever possible and in the interests of the institution. There should be flexibility in hiring to remove salary scale limitations for the very best-qualified candidates while offering an adaptable hiring environment (where leaders understand they will absorb the trade-offs of hiring decisions on the size of their academic staff).

**Table 5: Indicators for Building a Framework for Financial Accountability**

Indicator	What it is	What it shows	Why it is useful
<b>Revenues</b>	Sum total of: <ul style="list-style-type: none"> <li>• Tuition</li> <li>• State appropriations</li> <li>• Private funds for research or capital investment</li> <li>• State funds for research or capital investment</li> <li>• Auxiliary enterprises (such as hospitals or conferences)</li> </ul>	Identifies the primary sources of operating revenue and how those resources have changed over time.	Builds a complete picture of all sources of revenue to the finest detail possible.
<b>Educational Spending</b>	Sum total of: <p>Education Spending</p> <ul style="list-style-type: none"> <li>• Academic salaries</li> <li>• Administrative salaries for student services</li> <li>• Operations and maintenance costs of academic spaces</li> <li>• Academic and institution support to students</li> </ul> <p>General Spending</p> <ul style="list-style-type: none"> <li>• Research and public service expenditures</li> <li>• Net scholarships/ fellowships provided by the institution</li> <li>• Sum total of spending on all activities, including any auxiliary operations (such as bookstores, dining halls, student hostels, hospitals, or conference services).</li> </ul>	Presents the full cost accounting for the educational activities of the institution.	Illustrates the full complexity of spending across all levels of expenditures. <p>Makes it possible to relate expenditures directly to education activities and auxiliary activities.</p> <p>Makes it possible to examine spending on stated goals and desired outcomes.</p>
<b>Total Operating Expenses (per full time equivalent student.)</b>			
<b>Relationship between Costs and Tuition</b>	Assesses the growth rate of educational and general spending per FTE over a set period and compare against	Shows the relationship between changes in the price per student (tuition) and in spending per	Makes it possible to conduct time-series examinations of public and private

	funding increases, including tuition.	student to assess whether tuition increases are driven by increased spending or changes in subsidies.	contributions to higher education relative to institutional spending.
<b>Subsidy Patterns</b>	<p>Student share:</p> <ul style="list-style-type: none"> <li>Divide net tuition revenues (total tuition minus financial aid funded through tuition) by institutional spending on education and education services.</li> </ul> <p>Subsidy Share:</p> <ul style="list-style-type: none"> <li>Subtract net tuition revenue from institutional spending on education and services to get the subsidy amount, then divide the subsidy by total education-related spending.</li> </ul>	<p>Shows how much of the core academic costs are borne by students via tuition. Imperative for assessing public/private contributions and returns to higher education.</p> <p>Tracks how much of the core academic costs are being borne by public subsidies (and/or private donations, investments, or auxiliary operations).</p> <p>When added together, student + subsidy share should equal 100%, making it clear who pays and how much for educating students.</p>	Clarifies private expenditures on education and their relationship to public (state) spending as well as making it possible to assess private returns to education.
<b>Education Spending per Student Completion</b>	Divide institutional spending on education and related services by the number of student completions (certificates/degrees) in a given year or, for trend analysis, annually over a set period of years.	<p>Gauges outputs in relation to inputs <i>but</i> should be used to provide incentives and with caution because:</p> <ul style="list-style-type: none"> <li>Different academic programs may have different completion norms, so each outcome should be assessed within the context of the program or institution's mission, objectives, and student expectations.</li> <li>Completion is important but should not necessarily be a proxy for quality, since learning outcomes cannot be comparatively assessed simply by looking at completion rates.</li> </ul>	<p>Provides one useful indicator of effectiveness/efficiency of spending against a specific outcome. Another potential indicator might be employment levels post-graduation.</p> <p>Spending could also be linked to research outputs.</p>

Source: The Delta Project (2013)

**When:** We recommend immediately establishing a task force within the MoEC (possibly with the assistance of outside experts) to design the budgeting and accountability framework. Implementation could then be expected for 2015-2016.

## **Section 6. Functional Analysis of State-owned Enterprises and Policy Options**

94. As part of the effort to modernize the MoEC and the education sector in general, the World Bank team was also commissioned to review the functional organization of two state-owned enterprises: (i) the Cyprus Sports Organization (CSO) and (ii) the Youth Board of Cyprus (YB). Annex 6 provides an in-depth analysis of the two SOEs and a summary of our recommendations and their cost implications.

95. There is no rationale at the current time for changing the status of the two organizations. There would be no added value in terms of management, costs, or staffing efficiency to absorbing them within the MoEC. This move would simply result in the creation of new departments with a more or less direct transfer of functions. Given the changes that we are recommending for the MOEC, this would be highly disruptive and an added burden for the Minister and Permanent Secretary when our aim is to reduce their workload.

96. While there are some opportunities for increased revenue generation these will not amount to a great deal, and both organizations will continue to depend on government transfers as becoming fully private agencies is not an option.

97. Nevertheless, the MoEC has a legal responsibility to provide accountability oversight, a link to the Council of Ministers and budget coherence. The legislation governing both agencies requires that they report to the Minister of Education and Culture and that they prepare policy and strategic frameworks.

98. Our analysis of the two organizations has found that the CSO is largely well-structured and has internal coherence, but this is less the case for the YB. However, neither organization operates under an overall coherent policy and strategic framework that spells out its responsibilities and that would serve as the basis for making regular and formal reports to the Minister.

99. There is currently an opportunity to considerably strengthen both the CSO and the YB as the newly appointed members of both SOE boards are acutely aware of the lack of a policy framework and an effective strategic plan. In the case of the CSO further challenges have been identified by a report on the local government that is being prepared in parallel with this functional review.

100. The MoEC should play a role in supporting the two organizations as they go through the process of establishing themselves on a firm goal-oriented policy and strategic footing.

### **Recommendations for the CSO**

- a) In order for the CSO to define its responsibilities and develop a strategic plan, the government needs to develop a National Sports Policy with a long-term vision and medium-term goals. The policy would define the functions of different actors (the CSO, federations, clubs, and municipalities), their decision-making authority (for example for new facilities), and the mechanism for ensuring coordination and complementarity (perhaps through the creation of a Sports Council).

The MoEC with the approval of the Council of Ministers should develop the new national policy through a process of consultation within a specific timeframe. This might be a short-term commission or it might simply be a sports policy development task force.

Ideally this body would be independent of any of the interested parties but able to consult extensively and effectively with them. It would require specific terms of reference and an agreed timeframe.

- b) The body in question should have an agreed report framework and calendar and should hold formal minuted meetings with the Minister and Permanent Secretary at least once and probably twice a year.

## **Recommendations for the YB**

There are a number of areas where the YB would benefit from greater clarity in government and MoEC policy:

- a) There are many agencies within the government engaged in the area of lifelong learning, all of which claim to have legitimate reasons for doing so (the Primary, Secondary, and Technical Departments in the MoEC, the YB, and various training programs offered by other ministries). However there does not appear to be an overall policy or a coordinating agency to provide leadership and to ensure efficiency in the provision of lifelong learning opportunities. It may be that the Erasmus+ Foundation for the management of European Lifelong Learning is the correct body for this.
- b) As with the CSO, a process of formal reporting and feedback should be established with an agreed report framework/ structure and calendar. The YB should have formal, minuted meetings with the Minister and Permanent Secretary at least once and probably twice a year.
- c) There are some functions that are important but that are not properly within the remit of the YB, for example, running toy libraries that cater to pre-school children, managing a youth hostel, and managing and maintaining facilities and vocational training which should come under lifelong learning. Proper arrangements need to be agreed for activities in these areas to allow the YB to focus on its core functions.
- d) The opportunity currently exists to rationalize several of the YB's other functions and to increase its focus on strategic planning and oversight, research, and innovation. For example, divesting the YB of much of its service delivery role would result in a slimmer and more focused organizational structure. Some staff reallocation might be needed, and a review of the contracted staffing would probably be appropriate.

## **Staffing and Costs**

### **a) CSO**

As the new structure and functions of the CSO emerge, it may become clear that some skills are missing from the current staff mix while others may become redundant. This may require some staff transfers and some training. If CSO divests itself of the ownership and management of its sports centers (maybe by leasehold or to the private sector), this would yield large savings in staff costs, but there would need to be a decision on how to ensure that low-income individuals can continue to access those facilities. A policy commission could be set up to examine these options (and costs).

### **b) YB**

Removing much of the YB's service delivery function and focusing more on strategy, advice, and monitoring with two rather than four sectors would likely result in the need for fewer Civil Service staff.

The non-permanent staff (for example, at the youth multi centers and the youth hostel) would be removed from the payroll and could apply to or be recruited by the private sector agencies that have taken them over. The private sector agencies would also take on the expenses involved in running and maintaining the facilities, which would result in savings for the YB.

The YB's annual budget would have to reflect the cost of buying in the services from the divested agencies, the amount of which would depend on the government's policy on what to subsidize.

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## **Annex**

Annex 1 presents (a) the current organization of the MoEC and (b) its proposed organization;

Annex 2 is a detailed functional analysis of the MoEC's current structure and details of the proposed changes;

Annex 3 provides suggestions for the structure of the new Department of Policy and Strategic Planning and Department of General Education;

Annex 4 proposes a new structure for the subnational institutional arrangement in the education sector;

Annex 5 includes an action plan for implementing the recommendations and key responsible players;

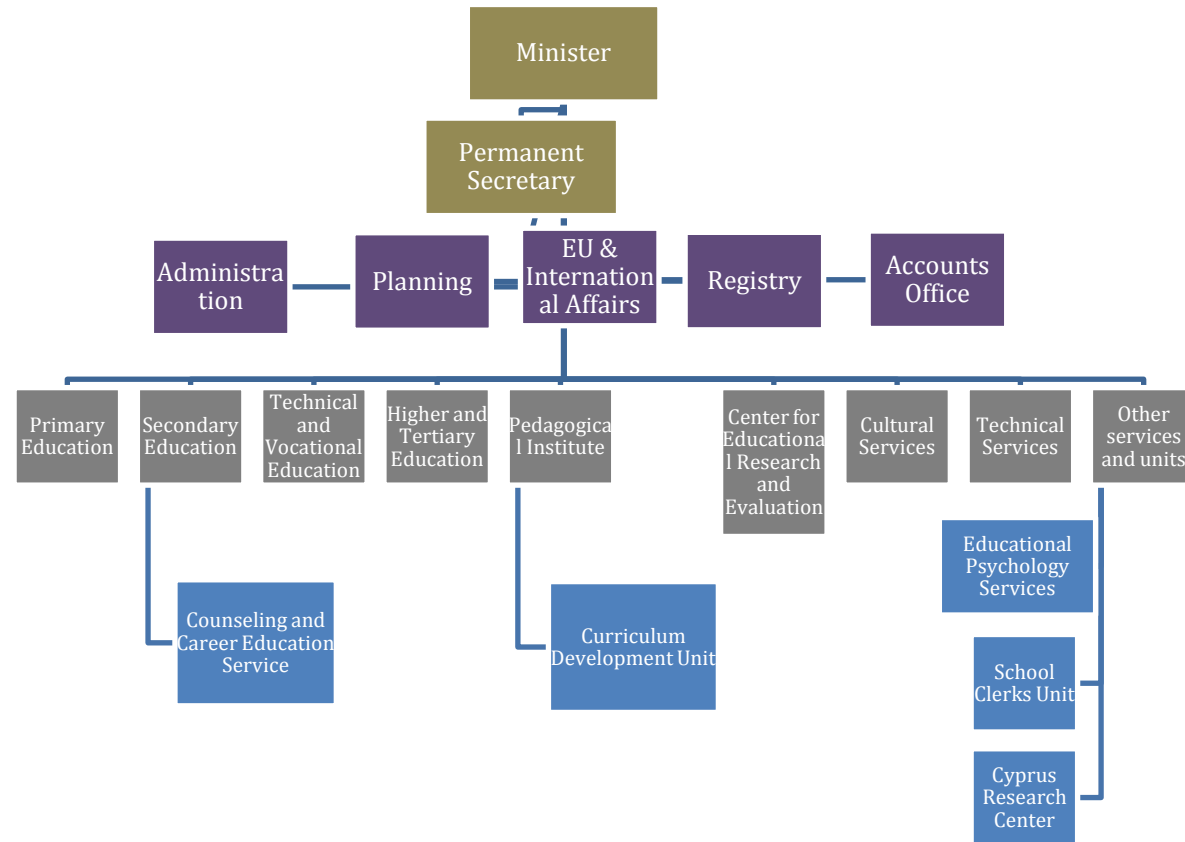
Annex 6 includes the detailed functional analysis of the Cyprus Sports Organization and the Youth Board;

Annex 7 has unit functions, staffing profiles and cost implications of changes in key units/departments;

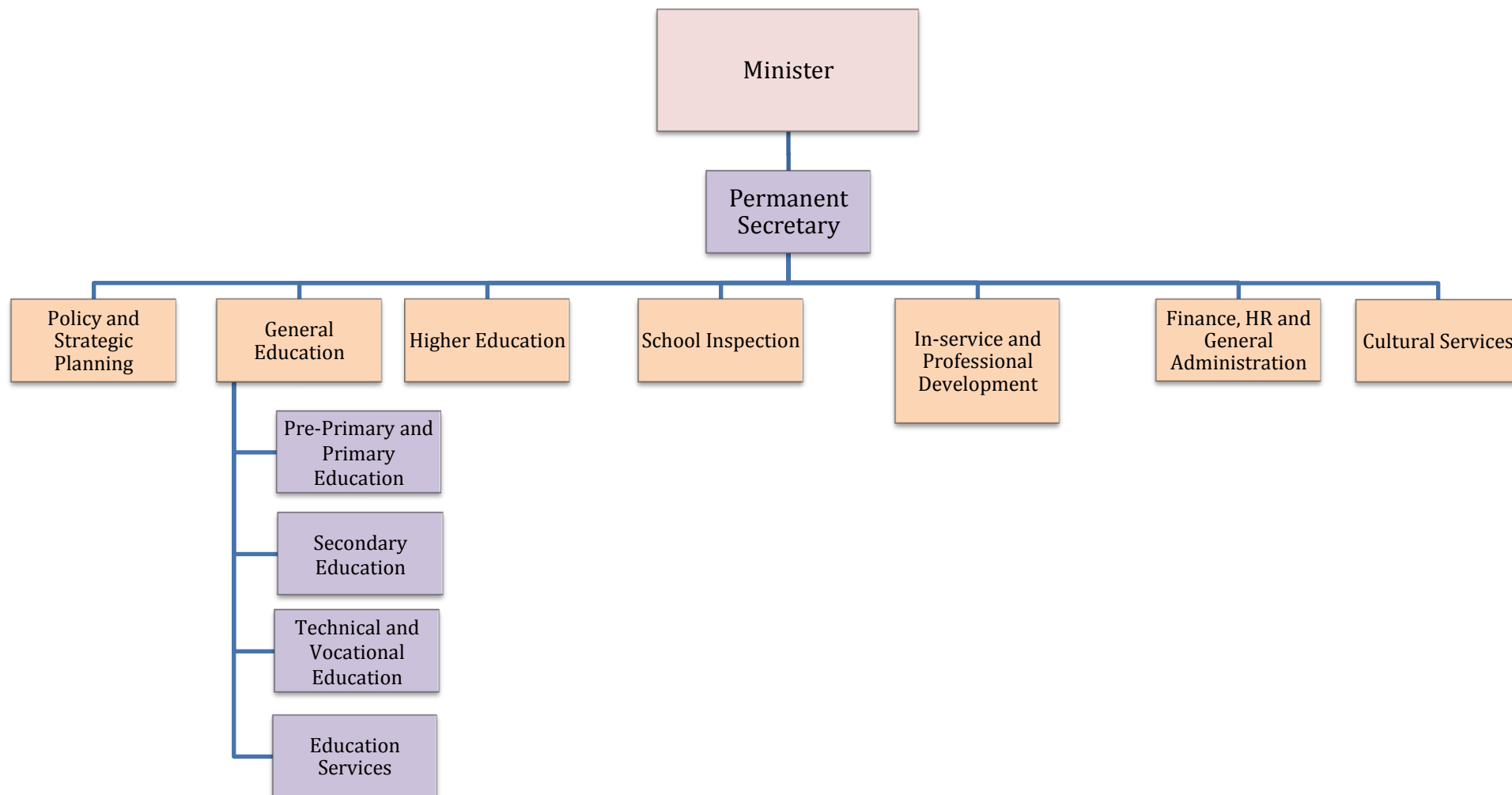
Annex 8 presents a timeline for setting the proposed reforms in motion with key activities and actors.

Annex 9 includes a framework to monitor the evolution of the reform effort.

### Annex 1a: Current Structure of MoEC



### Annex 1b: Proposed Structure of MoEC



\*See Table A. 1 below for more details on the proposed structure.

**Table A. 1 Additional units in the proposed structure**

<b>Internal Audit</b>	Report directly to the Minister	
<b>Minister's Office</b>		
<b>Permanent Secretary's Office</b>	Report to the Permanent Secretary	
<b>Department for Policy and Strategic Planning</b>	European Union and International Affairs Unit	
	Public Finance Management (MTEF) Unit	
	Education Management Information System Unit	
	Quality Assurance and Performance Unit	
<b>Department of General Education</b>	Department of Education Services	Special Needs Unit
		Health, Education, DRR Unit
<b>Department of Finance, HR, and General Administration</b>	Technical Services Unit	
	Finance and Audit Unit	
	Administrative and HR unit	
	School Clerks Unit	
	ICT Unit	

## Annex 2: Analysis of current and proposed MoEC structure

Office/Department/Unit	Proposal <sup>39</sup>
<b>Minister's Office</b>  <i>Function:</i> Political level policy setting and monitoring of impact of policy goals.	<i>Current situation:</i> The Minister has six selected seconded teachers who act as his 'cabinet'. <i>Policy option:</i> Institutionalize a formal Office for the Minister with contracted advisers. Work guidelines and outputs should be agreed and professional staff contracted under specific terms and conditions. <i>Timeframe:</i> Immediate.
<b>Permanent's Secretary Office</b>  <i>Function:</i> Lead the strategic planning and have oversight of the Ministry.	<i>Current situation:</i> The PS is directly supported by 2 seconded teaching staff selected by the PS. The Ministry has 14 Departments/Units reporting directly to the PS who is also the Budget Officer for all expenditures. Management style is characterized by informal meetings and arrangements that help make the bureaucracy function. There are no formal senior management meetings with agenda or minutes. <i>Policy options:</i> <ol style="list-style-type: none"> <li>1. Prepare a detailed job description for the PS function.</li> <li>2. Institute a formal office of the PS with professional Civil Service advisers (not seconded teachers).</li> <li>3. Identify in the MoEC organogram a support office. Staff would have an agreed mandate with an annual work program. Staff would be career civil servants.</li> <li>4. Institute a program of regular formal management/leadership meetings in order to improve formal accountability and to strengthen the institutional memory. Prior to the meetings agendas and discussion papers will be circulated and minutes with action points circulated immediately after the meetings.</li> <li>5. Prepare and oversee a MoEC multiyear strategic plan with agreed monitoring and evaluation points.</li> </ol> Work guidelines and outputs should be agreed and professional staff contracted under specific terms and conditions.

<sup>39</sup> Staffing profiles for key recommended units/departments are discussed in Annex 7.

	<u>Timeframe:</u> Immediate.
<b>Primary Education Department</b>  <u>Function:</u> Manage pre-primary and primary education, the Cyprus Educational Mission in the UK, education for the Greek Diaspora and summer camps, and adult education centers.	<p><u>Current situation:</u> The Department is largely administrative. It is responsible for managing student transfers and allocations within the law; coordinating the in-service training; collecting and coordinating school infrastructure requirements; coordinating text book and materials requests and liaising with the stores units; applying a simple mechanism to assess private schools; liaison with the District Education Offices (DEOs) and managing the adult education centers.</p> <p><u>Policy option:</u></p> <ol style="list-style-type: none"> <li>1. Become Pre-Primary and Primary Education units under a new Department of General Education.</li> <li>2. These units should focus on developing and monitoring the policy goals and preparing programs for improving access and quality. Moving the administrative roles will free up the space for the policy role.</li> <li>3. Detailed review to identify the administrative functions which can better be linked either directly from the school to the technical departments or via the DEO (as they are close to the schools it makes sense to use them as the intermediary if one is needed).</li> <li>4. Undertake a consultancy study on the Cyprus Education Mission in UK and Education for the Greek diaspora to review the modality, exploring the use of technology to cover and to even extend some activity (video conferencing, webinars, Facebook). Acknowledging that these activities are important for a small island country they come at a cost and resources might be more efficiently utilized.</li> <li>5. Management of Adult Education Centers should be combined with other lifelong learning activity within the Technical Vocational and Lifelong Learning unit within the same department.</li> </ol> <p>The unit's focus would move from administration to policy and program development, review and assessment and feed back to the schools/DEOs.</p> <p><u>Timeframe:</u> Immediate.</p>
<b>Secondary Education Department</b>  <u>Function:</u> Oversee lower	<p><u>Current situation:</u> The separation of pre-primary and secondary education hampers the continuity of the education cycle for students. Moreover, the Department engages in a number of administrative functions that prevent it from focusing on assessing the quality of education provided and promoting and implementing new policies.</p>

secondary and academic upper secondary education, provide a liaison and coordination role between the District Offices and other attached units (special education, private education careers and State Institutes for Further Education).	<p><u>Policy options:</u></p> <ol style="list-style-type: none"> <li>1. Become a unit under a new Department of General Education.</li> <li>2. Review if the administrative functions can be better linked either directly from the school to the technical departments or to the DEO (as they are closer to the schools it makes sense to use them as the intermediary if one is needed).</li> <li>3. Ministry level work with the policy and planning department to have the national strategic programs in place and monitored. Moving the administrative roles will free up the space for the policy role.</li> </ol> <p><u>Timeframe:</u> Immediate.</p>
<p><b>Vocational Education and Training (VET) Department</b></p> <p><u>Function:</u> Oversee vocational education and training, which is provided as an alternative to academic learning in last 3 years of secondary education.</p>	<p><u>Current situation:</u> There is a wide range of options for students with 34 specific technical areas in 11 fields of study. There is a very low student per teacher ratio which might indicate that more efficient use of space and teacher time would be possible. There are strong links with industry and service employers. However, many of the school graduates then pass to university which is counter to the function of a vocational stream. The technical school facilities are used throughout the day and in the evenings for adult classes. There is no link to the National Vocational Qualifications Framework (NVQF).</p> <p><u>Policy options:</u></p> <ol style="list-style-type: none"> <li>1. Become a unit under a new Department of General Education.</li> <li>2. Review the internal VET qualification framework as the NVQF is established and transfer to NVQF approved qualifications.</li> <li>3. Reduce the number of courses offered to a core set that are presented in a national policy and linked to key areas of the labor market.</li> <li>4. Put in place a contract system whereby students cannot access university level education unless it is linked to their training or after a certain number of years.</li> </ol> <p><u>Timeframe:</u> Immediate.</p>
<b>Special Needs Education</b>	<p><u>Current situation:</u> It is currently covered by both the Primary and Secondary Education Departments.</p> <p><u>Policy options:</u></p>

<p><i><b>Function:</b></i> Provide support for all children with special needs (under provision of the separate special education Act).</p>	<ol style="list-style-type: none"> <li>1. Transfer as a coordination function to the Education Services Department under the new Department of General Education (as special education is cross cutting it should be part of the services section).</li> <li>2. Prepare a special needs strategic plan that specifies functions for DEOs and any specific elements of primary and secondary learning.</li> <li>3. Review so as to focus on teacher support from the district levels. Functions in MoEC headquarters are that of strategic planning and quality assurance, while DEO's deal with the operational level.</li> </ol> <p><i><b>Timeframe:</b></i> Short term, but completion requires DEOs to be operational.</p>
<p><b>Educational Psychology Services (EPS)</b></p> <p><i><b>Function:</b></i> Act as a link between the child and the specialized intervention.</p>	<p><i><b>Current situation:</b></i> EPS is an important cross-cutting service. The staff is largely engaged in assessment and referral to the health services. Because the unit is so small, as a result of the duties assigned under the Special Education Act, the role appears to have become more of a stumbling block than a link. Teachers should be able to refer children to practitioners without having to wait for an EPS psychologist to visit the school.</p> <p><i><b>Policy options:</b></i></p> <ol style="list-style-type: none"> <li>1. Transfer as a coordination function to the Education Services Department under the new Department of General Education. At the central level, the function is that of strategic planning and evaluation.</li> <li>2. One focus on teacher support from the district levels so that referral process is streamlined and made less bureaucratic. DEO becomes the operation level where the focus of EPS should be on building the capacity/skills of teachers and supporting them to identify children at risk.</li> <li>3. Develop school guidelines for referral of children directly to the health services or to DEO for screening and treatment if needed (this will require clear demarcation of DEO roles one for school support and one for treatment).</li> <li>4. If the option to refer to the health services is used, then allocate surplus EPS staff to the health service to focus on therapy rather than on administration.</li> </ol> <p>The EPS unit would act as a coordinator of education psychology teacher training and a resource center, meaning the service would be slimmed down to a teacher support and case monitoring role, relieving professionally qualified education psychologists to work in either the health system or as therapists out of the DEO.</p>



	<p>In the United Kingdom these services are contracted directly to the health services with referrals from the schools being seen by clinic staff. Teachers are provided with in service training on how to recognize children at risk or in need.</p> <p><u>Timeframe</u>: Short term, but completion requires DEOs to be operational.</p>
<p><b>Other services (Health Education, Civil Defense, and Health and Safety)</b></p>	<p><u>Current situation</u>: These services provide important elements of the safety and well-being of the child. The programs presented were focused on the input/activity and success is measured in outputs.</p> <p><u>Policy option</u>: Bring these functions as one unit under the Education Services unit of the new General Education Department. As important cross-cutting activities, the programs should be included in the sub-sectoral medium term plans.</p> <p><u>Timeframe</u>: Immediate.</p>
<p><b>Inspectors</b></p> <p><u>Function</u>: Currently, inspectors have a number of different functions:</p> <ul style="list-style-type: none"> <li>• Formally assess teachers</li> <li>• Recommend training courses for staff or suggest programs for the training days and the monthly training sessions</li> <li>• Provide knowledge and skills support to schools</li> <li>• Link learning success</li> </ul>	<p><u>Current situation</u>: Inspectors appear to have a high degree of autonomy on deciding what their duties are. However, there is not a formal link to whole school inspection and there is no monitoring against formal agreed standards and benchmarks. Moreover, there does not appear to be a rigorous work planning process whereby the inspectorate themselves can be evaluated/assessed.</p> <p><u>Policy option</u>:</p> <p>Working in line with the Quality Assurance and Performance Assessment Unit (in the new Department of Policy and Strategic Planning), contract a detailed study on the roles and functions of inspection and assessment in the light of a more outcome-focused Ministry. This would specify the assurance/assessment modality, times and places. On the basis of this review, a new Inspectorate with the clear function of inspection against agreed criteria or benchmarks would be established.</p> <p>The advisory function would be moved to the district levels. There would be a cadre of advisory staff working at the District levels and reporting to the Department of General Education. Their functional role and schemes of service will have to be developed as a means of supporting more autonomous schools.</p> <p><u>Timeframe</u>: 2014 and 2015.</p>

of one school to another <ul style="list-style-type: none"> <li>• Provide general pedagogical advice</li> </ul>	
<p><b>The Cyprus Pedagogical Institute</b></p> <p><i>Function:</i> Provide continuing professional development (CPD) to teachers and some professional development for new school principals.</p>	<p><i>Current situation:</i> CPD is not formalized into annual or multi-annual plans for individual professional development building on assessments and inspector reports. Newly appointed teachers are provided with two weeks compulsory initial training but there is no close follow-up to this nor rolling forward into additional training or support in the very important first two years of a teachers life. Moreover, there are only two allocated school training days. Although schools select what they want covered, due to lack of budget, this is often dependent on supply rather than demand. CPD is provided by CPI, University departments, non-governmental organizations and the unions, but does not appear to be planned and complementary. Finally, training for principals in administrative, management and leadership is limited (in many countries a specific period of training is required<sup>40</sup>).</p> <p>Currently the CPI organizes some short training for the school head teachers post appointment. Other CPD is carried out by the Cyprus Academy for Public Administration. For the future, decisions are required as to what responsibility lies where for the professional leadership, administrative, management development.</p> <p><i>Policy options:</i></p> <ol style="list-style-type: none"> <li>1. CPI to set up a small task force to prepare a policy for professional development (PD). The policy would inter alia include and a draft would be ready by September 2014:</li> <li>1. Outcomes and goals for mandatory and voluntary PD (broad areas to be covered e.g. knowledge, skills,</li> </ol>

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<sup>40</sup>With the exception of Sweden, where head teachers can be recruited from other professions, in all countries it is necessary to be a fully recognized and qualified teacher and have sufficient experience ranging from five to ten years. One could imagine that training (and certification) required or offered to head teachers would be a crucial component to successfully fulfilling the professional requirements of being a head teacher. However, training for head teachers is not yet common practice in the majority of countries surveyed. Specific leadership training and/or a certification is only required in some countries (Slovenia, Estonia and Catalonia). Northern Ireland, Hungary and Lithuania foresee offering certification or specific training in the future. Training offers for future or performing head teachers already exist in Sweden, UK and Switzerland; head teachers' professional profile and roles across Europe – Insight [http://insight.eun.org/ww/en/pub/insight/thematic\\_dossiers/articles/leadership/survey\\_profile.htm](http://insight.eun.org/ww/en/pub/insight/thematic_dossiers/articles/leadership/survey_profile.htm)

	<p>ICT, leadership, management).</p> <ol style="list-style-type: none"> <li>2. Requirements for different professional groups (teachers, deputy principals, subject leaders, etc) and individual planning informed by annual evaluation.</li> <li>3. Professional career paths (moving to become ‘master’ teachers or into leadership/administration) and relation to the National Qualifications Framework.</li> <li>4. Information on service providers and their mandates to operate.</li> <li>5. Ideal staffing levels and mandates for a professionally staffed CPI either as coordinator of CD or as coordinator and provider.</li> </ol> <ol style="list-style-type: none"> <li>2. CPI prepares a strategic plan on the basis of the Policy outcome.</li> <li>3. Develop the Human Resources Management Information System (HRMIS) function of recording and managing staff development. The individual PD plan will be a result of negotiation between the Inspectorate, the advisory staff in the DEOs, the school and the individual.</li> <li>4. Schools prepare an annual program for in-service needs as a part of the school development planning. Schools work individually and together with the support of the Inspectorate. This would be an interactive process with the service providers (and in particular with CPI).</li> <li>5. CPI and CERE develop tools for post training assessment (ideally longitudinal research and evaluation).</li> </ol> <p>CPI should be the main body for forming strategic planning, coordination and supervision of the professional development of teaching staff and provide services for professional development and training (from their own resources, those of the MoEC or contracted in). CPI would have the equivalent position in the MoEC as a Department.</p> <p><i>Timeframe:</i> Completion by 2015.</p>
<p><b>Function: Education Research and Policy Development</b></p> <p>Education research is carried out by (i) the Center for Education Research and</p>	<p><i>Current situation:</i> CERE is embedded in the CPI for infrastructure, budget, administrative support purposes and reports through the CPI Director to the PS and the Minister. Research staff are seconded teachers. CERE acts as an education research coordination agent for national and international research initiatives and undertakes some education research activity with the support of seconded teachers. There is a strong research culture in the university community and internationally recognized research is undertaken and published.</p> <p><i>Policy options:</i></p> <p>CERE will find it hard to become the center for actually doing research without a dedicated research staff and</p>

<p>Evaluation (CERE) which is at present structure under the CPI Director, and (ii) several of the universities.</p>	<p>sufficient budget to initiate and implement research programs. A more appropriate role would be for CERE to concentrate on what education research needs to be carried out, contracting this out to research bodies, acting as the reference group for research activity and interpreting research into policy proposals. This would suggest a core of appropriately qualified and professional (not seconded) staff. As a source of action-oriented, evidence-based research data for MoEC, CERE is relevant to Policy and Strategic Planning and should move to this new Department.</p> <ol style="list-style-type: none"> <li>1. Review the mandate of CERE making its function clear: identify research areas, contract research, manage research, evaluate and incorporate findings into policy proposals for the ministry leaders. If CERE is to carry out research then it will have to be adequately staffed.</li> <li>2. CERE prepares (in collaboration with the universities, as agreed) a 3-5 years research agenda and the budget for the activity.</li> <li>3. CERE's staff structure is reviewed in the light of the advisory mandate and professional staff are recruited.</li> </ol> <p><u>Timeframe</u>: Review and agree on mandate and structure by September 2014.</p>
<p><b>Other research: Cyprus Research Centre (CRC)</b></p> <p><u>Function</u>: Carry out research and be the repository for historical and contemporary Cyprus studies.</p>	<p><u>Current situation</u>: The Centre has been and is likely to continue to be a target for cost savings.</p> <p><u>Policy option</u>: Consider transferring the CRC to the Cultural Services. In order to function effectively, the work must be adequately funded and housed where research findings are part of an easily accessible archive system. Funding may be available from European and other international sources but the application and implementation requires access to research facility and staff.</p> <p><u>Timeframe</u>: Immediate.</p>
<p><b>Higher Education Department (HED)</b></p> <p><u>Function</u>: Develop, review and monitor the operational</p>	<p><u>Current situation</u>: Overall the HED is engaged in extensive administrative and operational work (e.g. manage student grants and scholarships). There is not a substantive departmental strategic plan with goals/outcomes, timelines, resources. The Department is heavily reliant on seconded teachers. While they continue to be employed it is important that they have detailed (agreed) schemes of work and that their role/function is reviewed regularly to make sure that the strategic plan and the schemes of service (and the numbers of staff) match.</p>

<p>framework for tertiary education, provide government resources to assure equitable access, manage examination services, and assure the balance of government investment to programs that will contribute to the social and economic growth with a focus on meeting labor market demand.</p>	<p>Moreover, there are moves in train to rationalize the registration and accreditation procedures for private sector institutions with legislation expected to pass shortly – this may have an impact on the roles and responsibilities of the department and the organization/ staff needs – the impact of these changes on the functioning and staff needs of the HED will need to be assessed.</p> <p>Finally, there is extensive funding of public universities and also some funding to private universities. The HED noted that some of the regulations for government and self-funding institutions are not fully conducive to building multiannual research programs or developing research centers.</p> <p><u>Policy options:</u></p> <ol style="list-style-type: none"> <li>1. There should be a move away from detailed supervision by the HED as the new oversight mechanisms become law. The HED needs to prepare a strategic plan for the next 3-5 years that outlines the areas of focus. These will include monitoring the impact of the legislation, longitudinal studies on graduate employment, designing a good database for monitoring what programs are being offered and where, linking labor market data to government investment in education.</li> <li>2. Review the Department function in light of new legislation, changes to the student grant/scholarship processes and adjust staff/ organization structure appropriately</li> <li>3. Agree the function and mandate of a higher education policy and strategy unit staffed by qualified policy, budget and assessment staff (not seconded staff). Start by mapping/recording current programs on offer and linking these to the labor market (ILO, WB have skills in this area and may support).</li> <li>4. Adopt an accountability framework with key indicators to monitor the performance of Higher Education Institutions (along the lines of what is suggested in the main body of the document).</li> </ol> <p><u>Timeframe:</u> 2014 and 2015. Activities that depend on new legislation may have to be carried out in 2016.</p>
<p><b>Function: Lifelong Learning (LLL)</b></p> <p>Lifelong learning programs are offered by several ministry departments:</p>	<p><u>Current situation:</u> Cyprus has a good network of post-school learning opportunities and makes wide use of the institutional infrastructure. However, whether the programs should be consolidated under a single agency or department should be considered. Many of the programs offered are not certified other than by attendance (should be linked to the National Qualifications Framework when it comes into operation).</p> <p>In addition, vocational training is provided by the Youth Board. There is also <i>The Foundation for the Management of European (EU) Lifelong Learning Programs (LLP)</i>, which was founded by decision of the</p>

<p>- Department of Primary Education, which manages a program of courses with more than 70 subject areas</p> <p>- Department of Secondary Education manages more than 40 State Institutes of Further Education</p> <p>- Technical and Vocational Education Department offers evening learning opportunities to adults in a range of technical subjects</p>	<p>Council of Ministers, dated the 17th of January 2007 and whose mandate is currently being renewed to take account of the new Erasmus+ programming that runs from 2014. It is not clear that the Foundation prepared a national policy and strategy for LLL and that this incorporated to all the various initiatives.</p> <p><u>Policy options:</u></p> <ol style="list-style-type: none"> <li>1. Bring the responsibility for lifelong learning into one department to allow for an overall MoEC policy to be developed (in the context of the national policy from <i>The Foundation</i>). This would ensure coherence and complementarity of different programs, allow for quality to be monitored and assessed, provide for different career opportunities and link as appropriate to qualifications when needed (within the national Qualifications Framework). Based on the outcomes of the debate prepare any laws, regulations and new structures/staffing needed to implement the recommendations.</li> <li>2. Clarify the policy framework around LLL: the long term goals, the rationale and the expected outcomes. It was not obvious that <i>The Foundation</i> prepared a national policy and strategy for LLL and that this incorporated (provided a coherent approach) to all the various initiatives.</li> <li>3. Examine the demand, coherence and complementarity of programs offered and how they contribute to the policy goals (and identify areas of overlap).</li> <li>4. Evaluate possible links to the National Qualifications structure and what this might mean for program organization.</li> <li>5. Consider different service delivery models and funding modalities.</li> </ol> <p>Cyprus is one of the countries that took part in the research for the October 2013 OECD publication <i>Skilled for Life</i>. Cyprus did less well than many other countries in several areas. The Report proposes a number of policy areas for improving literacy, numeracy and for acquiring the skills needed for the modern world, inter alia: provide high quality initial education and lifelong learning opportunism; make lifelong learning opportunities accessible to all; recognize and certify skills proficiency.</p> <p><u>Timeframe:</u> Immediate.</p>
<p><b>Cultural Services</b></p> <p><u>Function:</u> Maintain and</p>	<p><u>Current situation:</u> The responsibility over cultural services is split between MoEC and the Ministry of Communications and Works with the former covering contemporary activity and some museums and the latter antiquities. The two agencies coordinate neither among themselves nor with the agencies in charge of tourism. Additionally, there is no National Strategic Plan for Culture that brings together the areas mentioned</p>

<p>develop the national cultural heritage, assure access and exposure to all cultural experiences. Nurture and develop links to international (and particularly European) cultural activity.</p>	<p>above.</p> <p><u>Policy options:</u></p> <ol style="list-style-type: none"> <li>1. Elevate this Department in the MoEC structure to depend and report directly to the Minister (ideally it should be an independent Ministry, although this may not be fiscally feasible at the moment).</li> <li>2. Prepare a medium term strategy (5 years) for Culture in Cyprus (jointly with the Ministry of Communications and Works and the agencies in charge of tourism).</li> <li>3. Develop a business model that specifies the purpose and beneficiaries of cultural development (particularly the learning advantages and opportunities for children). This should be a multiyear plan which articulates the outcomes, strategies and activities, human and other resource requirements. The plan should identify opportunities for cost recovery and mechanisms to liaise and access private sector funding.</li> <li>4. Review and agree the programs and the program needs in terms of MoEC management monitoring inputs and adjust staffing accordingly.</li> </ol> <p><u>Timeframe:</u> 2014 and 2015.</p>
<p><b>Accounts Office</b></p> <p><u>Function:</u> Provide departments with budget ceilings and then support the preparation of the extremely detailed line item budgets.</p>	<p><u>Current situation:</u> The office reports directly to the PS and its staff are appointed from the Ministry of Finance and have a general accounting function for the whole of the Ministry.</p> <p><u>Policy options:</u> The Accounts Office should be part of the new Department of Administration and Finance. When it comes to budget preparation, the MoEC should move to a program-based budgeting with a medium term framework as this would provide greater flexibility in the ways in which budgets are both prepared and expended. Budget preparation should be led by the Policy and Strategic Planning Department and supported by the accounts section. Moreover, the MoEC should actively participate in the discussions around public finance management (PFM).</p> <p><u>Timeframe:</u> 2014 and 2015.</p>
<p><b>Human Resources (HR) Management</b></p> <p><u>Function:</u> Manage and develop a professional</p>	<p><u>Current situation:</u> Most of the Ministry's staff are civil servants, but some of them fall under the Civil Service Law regulation and others (seconded teachers, whose one year contracts can be renewed multiple times) fall under the Education Act regulations. There are different HR arrangements with documentation and staff records kept in different places depending on status. In addition there are numbers of hourly</p>

cadre of education staff (teachers and administrators).	<p>contracted staff. Furthermore, although some type of electronic data do exist, excel tables are still the rule and a comprehensive Human Resources Management Information System (HRMIS) has not been established (HRMIS).</p> <p>The mix of seconded and career staff could lead to conflicts of accountability and authority, lack of clarity of roles and expected outcomes, complex staff reporting, problems of management within departments and job dissatisfaction for seconded staff. Having staff from the field in the Ministry does have an advantage of all parties learning. However, given the large numbers and the long periods of secondment, there is the possibility that it ‘bloats’ the staff in MoEC, does not provide the correct sets of professional skills and experience needed and stifles the professionalization of the ministry.</p> <p><u>Policy options:</u> As the MoEC changes its structure and becomes a more policy goal oriented agency the human resource requirements of the departments will change – this is an opportunity to strengthen the professional staff.</p> <ol style="list-style-type: none"> <li>1. Discuss with the MoF and other agencies working on the horizontal reform issues about re-establishing the addition of the projected civil service posts in the MoEC in order to provide professional career staff in the right positions of a partly restructured and outcome-based Ministry.</li> <li>2. As part of the process of building the departmental programs, review the resource needs against the program outcomes in terms of professional skills needed and number of staff. For each post prepare work specifications and on an annual basis prepare work plans. These posts should not be in addition to current positions but should allow for allocation to specific sets of activities that are currently being done by seconded staff (who might be eligible for the new posts).</li> <li>3. Review the secondment process while it is being phased out. The Departments should examine and justify on an annual basis (with a proposal based on performance outcomes) the need for a seconded staff. Each secondment should be for a limited (maximum) period, with a focus on providing the opportunity for staff learning/development.</li> <li>4. Joint management of staff by the Department of Administration and Finance, in which an HR unit should create an electronic database of all staff.</li> </ol> <p><u>Timeframe:</u> Immediate.</p>
<b>Internal Audit (IA)</b>	<u>Current situation:</u> At present there is a one person who is dedicated to the audit/internal control function



<p><u>Function:</u> Audit MoEC's activities.</p>	<p>based in MoEC. The IA's focus is largely on Technical Services, although an internal audit/control function will become increasingly important if budgets are decentralized and units within the MoEC become more autonomous.</p> <p><u>Policy options:</u> There is a recent decision by the Council of Ministers regarding the establishment and the functioning of Internal Audit (along with other public financial management decisions) and MoEC will respond to these.</p> <p><u>Timeframe:</u> Immediate.</p>
<p><b>Technical Services (TS)</b></p> <p><u>Function:</u> Plan for new schools/classrooms and renovation, support large maintenance programs, design, prepare drawings, prepare tenders, and bills of quantities, supervise construction.</p>	<p><u>Current situation:</u> The major expansion of school facilities has come to an end. However, the Department is still staffed with 57 with 7 vacant posts who are a mix of engineers and other staff. Currently, for minor repairs schools contact the School Board (SB) who may provide funds for the school to repair or may contact TS to manage the repairs (hire a contractor). This is an additional and probably unnecessary layer in the bureaucracy.</p> <p><u>Policy options:</u></p> <p>The role of a large TS Unit needs to be evaluated and different options explored. In many countries there is either (i) a small technical service in the Ministry who arrange the forward planning, keep the records of state assets, prepare tenders (sometimes contracted out) and oversee works, or (ii) a Department of Public Works who respond to the construction/ maintenance areas. The Ministry of Communications and Works is the center of the specialized knowledge needed for construction, planning, contracting, supervision and close liaison with the private sector. Specialist knowledge on schools/education construction can be maintained within a very small unit or with individuals or contracted in as needed. The new ICT system will provide for multiyear projections of infrastructure needs and can be managed by Ministry of Communications and Works as a part of an overall plan.</p> <p>A detailed study might look at the following options:</p> <ol style="list-style-type: none"> <li>1. TS might become a state assets planning, contracting and oversight unit with all other work (architectural, drawing, construction, etc.) contracted out; minor maintenance would be contracted at the service delivery (school) level and would not need recourse to TS. The study would conduct the cost benefit of contracted out services, review of the internal arrangements between schools, School Boards and TS and possible efficiency gains in the light of a proposed greater school autonomy.</li> </ol>

	<p>2. Consider whether the function would be better managed from the Ministry of Communications and Works. Transfer to a more relevant technical ministry will relieve the PS and Minister of responsibility for an area they cannot be expected to have expertise.</p> <p>3. A very small central coordinating unit who would focus on strategic planning of the state assets with a small advisory staff attached to the DEOs to support schools that would be mandated to carry out their own contracting for all but the largest works.</p> <p>The role of the School Boards needs to be examined particularly with relation to the larger schools where increased financial and administrative autonomy will make the School Boards redundant as schools can go straight to the Municipal TS.</p> <p><u>Timeframe</u>: Immediate.</p>
<p><b>School Clerks</b></p> <p><u>Function</u>: Provide administrative support.</p>	<p><u>Current situation</u>: The existing system that allocates school clerks is managed at the central level. It has the advantage of allowing for (i) the evaluation of total system needs, and (ii) the placement of an employee to cover more than one school.</p> <p><u>Policy options</u>: Review the function in the light of decentralization to schools, based on which schools will be able to recruit their own staff based on a grant allocation from central government. This would provide a flexible approach to specific school needs, easy management of resources and development of skills needed by staff for that school. Additionally, temporary cover would be easy to provide. Promotions would be realized through competition for posts rather than by right or age and this would be more efficient and cost effective.</p> <p>In the case of appropriate autonomy, the recruitment of School Clerks at the school level would:</p> <ul style="list-style-type: none"> <li>- Make the management of staff within the schools more flexible and more adjusted to the special needs of each school.</li> <li>- Resolve any emerging problems having to do mostly with the placement/movement of this staff.</li> <li>- Be a more cost effective solution in financial terms.</li> </ul> <p><u>Timeframe</u>: Completion by 2015.</p>
<b>Function: Information</b>	<p><u>Current situation</u>: Function is performed by different units/Departments.</p>

<p><b>and Communication Technologies (ICT)</b></p> <p>Provide timely ICT support to the MoEC</p>	<p><u>Policy options:</u></p> <ol style="list-style-type: none"> <li>1. Establishment of a single ICT Unit within the Department of Administration and Finance</li> <li>2. Further development and roll out country wide of the Management System that has already been developed (it is awaiting approval of EU funds to be rolled out) and the provision of hardware, software, training, monitoring, assistance and the establishment of a helpdesk. The system will be able to manage both the management (finance, human resources and administrative matters) and the pedagogical (learning materials) elements. In addition the system will be able to collect learning performance data.</li> <li>3. Updating and rolling forward of the ICT strategic plan.</li> </ol> <p>This system would be able to integrate the filing and financial function and the functions of the Ministry/school management system should be collapsed into a single Unit).</p> <p><u>Timeframe:</u> Immediate</p>
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### Annex 3: Proposal for the Department of Policy and Strategic Planning and Department of General Education

#### Proposal for the Department of Policy and Strategic Planning

**Function:** Lead strategic planning, program preparation and program monitoring, preparation of the sector and sub-sector Medium Term Expenditure Framework (MTEF). Translate education policy into medium term programs for the whole sector. Sub-sector programs will identify program priorities and for each of the programs specify the measurable outcomes, identify the activities and agree the phasing within an agreed timeframe and allocate resources (both human and financial). Develop monitoring mechanisms to follow the progress of the outcomes and use the data to make adjustments to the programs (that is, a performance assessment framework). Provide updated documents and reports for the Minister and the PS. Identify research needs.

**Current situation:** Currently, these functions are not well articulated and there is no single responsible department. There are two committees in the Ministry to identify policy issues: one made up of MoEC staff and another of academics. There is a fragmented and not fully coordinated, input and activity approach to annual planning. Elements of the policy interpretation into programs and activity are scattered across the Primary, Secondary and Higher Education Departments, in the cabinets of the Minister and the PS, with the Inspectorate, the European and International Affairs Office (EIAO) and others.

There is no culture of medium term goal oriented program identification and preparation linked to neither resource needs nor a strong monitoring process. The collection of data needed for effective planning and monitoring is scattered among different departments including CPI; there appear to be no specified collection periods. The European and International Affairs Office (EIAO) was established to coordinate the Cyprus Presidency of the EU and has been maintained as the link organization for EU affairs. The office has an important coordinating role across the Ministry in informing on European affairs and identifying opportunities. The Office has partly a policy role and partly information an information function.

#### Policy options:

1. Establish a Department of Policy and Strategic Planning (PSPD) reporting to the PS.
2. Incorporate EIAO function, quality assurance, education financing MTEF and the Education Monitoring and Information System (EMIS).
3. The Department, working across and with all departments, would support the preparation of sub-sectoral programs, agree and make operational a performance assessment framework to monitor progress and to support further planning, identify success and adjust programs as needed. A calendar of sub-sectoral interaction and reporting would be agreed.

As this is likely to be a cross-ministerial proposal there is a little risk. It may be challenging to find staff with the right profile.

**Timeframe:** Immediate.

Below key functions to be performed by the Department are discussed in more detail.

<b>Quality Assurance Framework (includes Assessment and Evaluation)</b>	<b>Current situation:</b> <ul style="list-style-type: none"> <li>• Preschool learning is monitored with learning achievement standards specified.</li> </ul>
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<p><u>Relevance:</u> The quality assurance framework (which includes assessment, evaluation and evidence based policy making) is a core function of a Ministry. The overall purpose of assessment is to understand how well (effectively and efficiently) the education system is working in order to deliver on the government's policies. The results of assessment provide decision makers with the information and evidence to prepare new policy, adjust current policy, and take corrective action and to inform the electorate of progress. Agreed, transparent procedures are needed to ensure that this is happening. External assessment (e.g. PISA, OECD) are useful, however they need to be coupled with internal assessment mechanisms.</p>	<p>Each child has a file which covers learning achievements but this file system does not follow the child through the rest of their education.</p> <ul style="list-style-type: none"> <li>• Primary and secondary student learning outcome is assessed objectively only once at the end of the school cycle with the Pan Cypriot Examination. Other assessment is school and class based with no external objective quality control mechanism (apart from the inspectorate);</li> <li>• Student literacy is assessed at grades 3 and 6 to identify those children in need of remedial support</li> <li>• There is no complete or whole school assessment procedure which covers administration, learning, ethos etc. (although there are elements of this in place during the Principal's evaluation procedure)</li> <li>• There is no MoEC program based performance assessment framework to monitor the long term goals and effectiveness of the programs and interventions;</li> <li>• There is no formal departmental/unit performance assessment of achievement of annual goals against annual plans</li> <li>• Seconded staff assessment is annual but not necessarily against a specific seconded activity plan or annual work plan and does not provide a professional development plan</li> <li>• Teacher assessment is covered in the separate study</li> </ul> <p>The inspectorate plays a role in monitoring but does not work against objective criteria and does not have the authority of corrective action</p> <p><u>Policy options:</u></p> <p>Develop a culture of quality assurance assessment against objective benchmarks and standards to support improved learning for students, to evaluate and streamline service delivery, to ensure that there are conduits for learning from what is being done and to be able to make timely adjustment. Agree on the reporting procedures and the reporting lines and the degree of cross agency and external sharing of reports.</p>
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	<ol style="list-style-type: none"> <li>1. <i>Immediately</i> undertake a whole of sector review of assessment which would define the assessment needs of each pedagogical function area (kinder, primary, secondary, vocational, LLL etc.) and propose options for what should be assessed and how this might be done. Consultancy support and review of other country systems (e.g. Sweden) are options.</li> <li>2. Agree the home of quality assurance for all/different assessment processes. Ideally, most of this would be considered as a part of the policy/planning function (this is assessment not inspection). There has to be a strong link between the outcome of assessment and planning process.</li> <li>3. Prepare a quality assurance mandate and agree staffing.</li> <li>4. Design and develop whole school assessment tools to be used with agreed standards (curriculum, management, financial, etc.). Institute the structures to be able to respond to evaluation so as to improve whole school operation as needed/to learn lessons from outstanding schools (over time the assessments should become independent, and reports available to the whole school and the MoEC).</li> <li>5. Clarify role of inspectorate in school assessment.</li> <li>6. Prepare a multiyear performance framework to monitor the sector progress (Policy/ planning department)</li> <li>7. Based on Departmental program plans prepare monitoring and reporting guidelines the results of which can be used for management purposes (program change and development, allocation of resources, seconding staff, changes in structure).</li> </ol> <p><u>Timeframe</u>: 2014.</p> <p><u>Note</u>: Following the major 2011 OECD Report on education in Greece where similar challenges to assessment were noted, including the reluctance of the unions to formal assessment, a number of actions have been taken to develop a phased approach starting with head teacher appraisals supported by the Ministry</p>
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<p><b>Data Collection and Management</b></p> <p><i>Relevance:</i> Reliable and timely data is critical for monitoring the quality of education. The lack of a dedicated center inhibits good planning and makes it harder for policy makers to make evidence based judgments.</p>	<p><i>Current situation:</i> Reasonably good quality data is available. However, there is no single education management information function or system within MoEC where all data is collected and analyzed. There is cross sub-sectoral level collection by the Statistical Services and some data is collated in CPI/CERE. Importantly, there are no established mechanisms to feed back information to departments or to schools.</p> <p><i>Policy options:</i> Establish a dedicated EMIS unit staffed by educational planners with data collection and system management, statistical, analytical and evaluation expertise. The first step will be to prepare a 3-5 years EMIS strategic development plan.</p> <p><i>Timeframe:</i> Immediate. Establish a small task force to prepare an EMIS master plan within 3 months.</p>
<p><b>Public Finance Management</b></p> <p><i>Relevance:</i> Program budgeting is a powerful lever for MoEC to demonstrate the impact of education spending and provides arguments for budget allocation (better planning and accountability).</p>	<p><i>Current situation:</i> A Ministry budget ceiling is provided by the Ministry of Finance. Budgeting is carried out by the Departments and Units against ceilings provided by the Accounts/Administration. The budgets prepared are detailed at the line item level, input based, and they are not linked to educational outcomes. Once drafted they are negotiated through the Permanent Secretary and the Accounts Administration Department prior to being sent to the Ministry of Finance. Further negotiation takes place in order to bring the education budget to a final form.</p> <p>Under the Public Finance Management reform MoEC will be required to prepare 3-year program based on Medium Term Expenditure Frameworks which identify the education programs, outputs and outcomes. There will be a gradual move away from detailed input incremental budgets to program budgets.</p> <p><i>Policy options:</i> Establish a Public Finance Management Unit, which would work with the sub-sectors and other entities to prepare program budgets and then monitor them. It would also prepare the guidelines for schools as greater financial control is devolved to the local levels.</p> <p><i>Timeframe:</i> Prepare the budget unit mandate in conjunction with the MoF and PFM reform teams (September 2014).</p> <p><i>Note:</i> There is wide experience in Europe and Australasia of MTEF and program</p>

		budgeting and support could be provided.
	<p><b>Information and Communication Technologies for Core Education Services and Administration</b></p> <p><u>Relevance:</u> ICT is a crucial pedagogical and administrative efficiency function which will support the smooth the flow of information as well as being at the forefront of innovative learning practices for teachers and for children in schools.</p>	<p><u>Current situation:</u> A comprehensive system has been prepared by the MoEC ICT Unit and the request for implementation has been sent through Ministry of Planning for EU funding.</p> <p><u>Policy options:</u> Review the existing proposals in the light of:</p> <ul style="list-style-type: none"> <li>- Changes that might be needed as a response to any structural and procedural changes in the MoEC.</li> <li>- The ICT arrangements being rolled out by MoF;</li> <li>- Changes in ICT practice.</li> </ul> <p>If deemed necessary prepare a cost-benefit analysis for the system and a detailed 3-5 year operating budget (including staff needs, maintenance licensing etc.).</p> <p><u>Timeframe:</u> 2014.</p>
<p style="text-align: center;"><b>Proposal for a New Department of General Education</b></p> <p><u>Function:</u> Manage the education of school-age children.</p> <p><u>Current situation:</u> There is little coordination between Primary, Secondary and Technical and Vocational Education Departments and thus coherence issues with the education provided to children as they go from primary to secondary.</p> <p><u>Policy options:</u> Prepare the Department functions, guidelines, principles of operation and identify the staffing needs of the Department/units in the light of the proposals for them to have strategic planning and assessment roles.</p> <ol style="list-style-type: none"> <li>1. Prepare, monitor and adjust the medium term strategic plans for general education with the support of the planning department.</li> <li>2. Ensure coherence of pre-primary, primary and secondary academic/technical programs.</li> <li>3. Oversee professional development and advise on curriculum and pre-service teacher training;</li> <li>4. Manage regular meetings between the department heads, coordinates the annual work planning and reporting.</li> </ol>		



The new Department would include the following existing Departments/units: Primary Education Department, Secondary Education Department, Technical and Vocational Education Department and Education Services (includes Education Psychology Services, Special Needs, Health Education and Disaster Risk Reduction units).

Timeframe: 2014.

## Annex 4: Subnational Structure

### Subnational Level

At the subnational level there are three key actors.

#### Schools

Function: The school must provide all children with the opportunity to receive a relevant and quality learning in a safe environment. The principal leads the school. The functions are laid out in detail in the Education Law under sections 152 and 154 and are a long list of administrative, coordination and inspection duties. These would need to be reviewed in the light of greater autonomy for the schools.

#### Current situation:

Historically there has been little teaching/learning and administrative autonomy at the level of the school. With the introduction of the new curriculum considerably more space has been provided for the school to make decisions about pedagogical management, for teachers to develop additional learning materials and to use a variety of teaching methodology (with the support of the inspectors). For the full day schools there is autonomy on the management of the additional hours.

Schools manage very small amounts of money. Funds that they raise are remitted to the School Board and held on account for the school. The School Boards recruit and employ school cleaners/guards. All materials and the smallest repairs have to be requested through the local School Board.

At the school level, the institutional structure also includes a school committee made up of teachers and the principal (functions detailed in the law). There is a parents association who is concerned mainly with the social aspects of the school.

Policy options: In the proposed structure, the school principal's responsibilities go beyond the management of academic activities and administrative matters. The principal should develop and monitor school development plans, liaise with DEOs/DAOs and the MoEC and work with parents and other stakeholders.

1. For selected schools that already have a good school development plan, carry out a monitored financial and administrative school level management pilot (with agreed assessment criteria). This would include agreement on the scope of school level autonomy (e.g. whether equipment and materials would be ordered and purchased at school level or planned and then requested from central services) preparation/adaptation of a financial and an administrative manual and the necessary capacity development and the transfer of a relatively open block grant.

	<p>To initiate this, a small task force or reference group would be nominated to lead and then monitor the pilot.</p> <ol style="list-style-type: none"> <li>2. Review the role of the school management team, simplify and reallocate some of the principal's functions to support staff (brought in from the School Boards).</li> <li>3. Prepare a new mandate for the School Governing Councils (to be created).</li> </ol> <p><i>Timeframe:</i> Immediate (pilot in 2014 with a view to roll out to all schools in 2015).</p>
<p><b>School Boards (SBs)</b></p> <p><i>Function:</i> School Boards are the owners or custodians of the land on which schools are constructed.</p>	<p><i>Current situation:</i> School Boards act as an intermediary administrative and supply station between the MoEC and the schools. They take the administrative burden of recruiting and managing teacher assistants to help with special needs children, school support staff (cleaners, guards, etc.), purchasing and delivering stationery, distributing learning materials from the school stores, contracting for minor repairs to schools, liaising with Technical Services for larger repairs and school maintenance.</p> <p><i>Policy options:</i> The SBs have allowed schools to concentrate on their key function of helping children to learn well. However, they are an additional layer in the bureaucracy and many of the activities can be carried out by a school with minimal effort and a saving in time and correspondence. SBs may well play a role for small schools with but for the bigger schools administrative costs may be high.</p> <p>There should be a School Board for each municipality and its role would be to manage the supply of items for which there are economies of scale. In addition, each school (or small group of schools, in rural areas) will have a School Governing Council with elected members (including parents and other community members) and representatives of the local administration. These Councils would advise the school administration and develop and monitor development plans.</p> <p><i>Timeframe:</i> 2014.</p>
<p><b>District Education Office (DEO – Primary) and District Administration Office (DAO – Secondary)</b></p> <p><i>Function:</i> District Offices are responsible for the administration of all</p>	<p><i>Current situation:</i> DEOs and DAOs provide administrative support, being the “home” of the inspectors with their many roles, acting as liaison with CPI and other services. They are staffed by both the inspectors and by seconded teachers.</p> <p><i>Policy options:</i> The District offices should become the school support units without the inspector function. Strengthened with additional staff, they would support the</p>

schools in the District.	<p>decentralization process (offering schools support on administrative matters, management and planning). Moreover, they would act as the links between schools and can help develop inter school learning communities, become the EPS and special needs 'nodes' and have reporting responsibility for the District.</p> <p>The DEO and DAO would become a single entity to reduce the administrative duplication but with advisers specific to primary and secondary education.</p> <ol style="list-style-type: none"> <li>1. Review the roles and functions of staff in the new General Education Department and the roles of the District Offices and propose those functions to be transferred to the District offices. Agree on the appropriate staffing levels and the staff profiles.</li> <li>2. Prepare guidelines, reporting and budgets for the functioning of the District offices;</li> <li>3. Make any regulatory changes necessary.</li> </ol> <p><u>Timeframe</u>: Over the next 2 years.</p>
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### Annex 5 Action Plan

It is important to underscore that the policy options were designed under the constraint of not increasing the overall cost of the education system. Overall, while some proposals may entail initial “one off” costs, recurrent expenditures are expected to fall as processes become more efficient and there is less duplication. Moreover, as discussed above, some units and services will be contracted out of the MoEC and this will ensure savings.

	<b>Recommendation</b>	<b>Time frame</b>	<b>Immediate actions needed and responsible agent(s)</b>	<b>Cost implications</b>
1	<p>Prepare, through a broad consultative process, a new or revised medium term education whole of sector strategy – identify the legal and regulatory requirements, specify the accountability framework, identify the core programs and detail operations plans.</p> <p>Following the strategic review prepare any new legislation that might be required (for example a new rather than revised Education Law).</p> <p>Adjust the overall management structure of the MoEC to accommodate the most efficient service delivery.</p> <p>Overall restructuring of MoEC with new/ revised or moved functions; changed reporting and accountability; allocation of right qualified and experienced staff.</p>	<p>2014 – end 2015</p> <p>2014 – 2015</p> <p>2014 - 2015</p>	<p>Task force under the leadership of the Minister and PS – including educators, academics, civil society (building on the reports already available and any short commissioned research).</p> <p>Approval of recommendations – President and Council of Ministers.</p> <p>Preparation of laws/ regulations.</p> <p>MoEC and Legal Affairs, public consultation, parliament.</p> <p>MoEC leadership with any official approvals from Council of Ministers.</p>	<p>Staff time for consultation and preparation for any regulation or legal changes.</p> <p>If a change management consultancy is considered worthwhile then consultancy costs.</p>
2	<p>Reorganize offices of Minister and PS:</p> <p>a) Minister office to have own contracted advisers.</p> <p>b) PS office to have professional civil servants.</p>	<p>2014</p> <p>2014</p>	<p>A general way of working agreed for political advisory appointees and agreement on how they will be funded. These will be contract personnel.</p> <p>ToR and schemes of work agreed; recruitment process agreed with MoF and</p>	<p>No cost as this would be a gradual replacement of seconded staff with civil servants.</p>

			Public Service; Civil Servants appointed.	
3	<p>Formalize management arrangements (all meetings with a formal agenda, background papers and minutes approved by Chair – as far as possible all documents made public).</p> <p>At least 2 senior level teams meeting separately under the chair of the Minister and PS - all Directors are members of these teams.</p> <ul style="list-style-type: none"> <li>a) Chaired by the Minister – a quarterly review of the policy and strategic process, adjustments as necessary.</li> <li>b) Chaired by the PS on a monthly basis to provide for coordination and coherence across the Departments, review of progress on strategic and operational plans, integration of new policy, review of research outcomes and preparation of policy notes.</li> </ul> <p>Identifies ad hoc cross Department working task teams constituted for specific topics.</p>	Immediate	Minister and PS directs a small team of senior staff to formalize the management procedures, prepare the terms of reference and agree on the calendars.	No cost
4	<p>Establish the Policy and Strategic Planning Department.</p> <p>Agreement and authorization of the roles and functions.</p> <p>Recruitments of staff.</p>	2014	<p>Council of Ministers/ parliament.</p> <p>Internal MoEC taskforce led by PS and advisers (internal staff and University/ others).</p>	<p>The action requires one senior post at position level below DG. If this is not transferrable from one of the restructured areas then it will have to be created.</p> <p>No other personnel costs as staff will be transferred.</p> <p>Skills upgrading and re-tooling.</p>

5	Establish a General Education Department.	End 2014	Small Senior Management team including the heads of the sub sectors, policy expert and inspectorate agree on the functions, structure, accountability and reporting arrangements and staff numbers needed in the GED (professional and support staff). This will include the allocation of staff to the District offices.	The action requires one senior post at position level below DG. If this is not transferrable from one of the restructured areas then it will have to be created.  No other personnel costs as staff will be transferred.  Skills upgrading and re-tooling.
6	Establish a Department of Administration and Finance (Finance, Accounts, Human Resources Management and General Administration including Technical Services).  Note: this will be organized as a part of the horizontal reform process.	End 2014	Task force of current heads of units, MEF management experts from the University review the current functions (in the light of the other functional changes and greater autonomy of Departments and sub national levels) – agree the functional framework, departmental accountability.	The action requires one senior post at position level below DG. If this is not transferrable from one of the restructured areas then it will have to be created.  No other personnel costs as staff will be transferred.  Skills upgrading and re-tooling.
7	Transfer Technical Services to Department of Works in Ministry of Communication and Works.	2014	Formal discussion between PS MoEC and with Department of Public Works in Ministry of Communications and Works and agreement on any specific education expertise needed and where this needs to be enshrined in the DPW.  Agreement on modalities for Schools and DEO to contract Municipal level DPW staff for a) minor repairs/ advice and b) for larger works requiring tendering.  Preparation of relevant sections of school operating manuals to include operational actions for minor works and instruction on when to contact DEO.	No cost.  Cost saving in terms of physical space and administration costs.
8	Affirm Cyprus Pedagogical Institute (CPI) as the core agency for strategic planning, coordination and monitoring of education	2014	Transfer the educational research functions to the PPD.	No cost.

	<p>professional development (but not service provision as a core function) and for curriculum development, curriculum review and adjustment and for monitoring and supporting the development and use of learning materials.</p> <p>Consider whether lifelong learning should be part of CPI portfolio.</p>		<p>Consolidate the CPD core function with any changes to the legal and regulatory framework needed.</p> <p>Consolidate the curriculum functions by preparation of a medium term activity plan and establishing the necessary curriculum committees.</p>	
9	<p>Work with the The Foundation for the Management of European (EU) Lifelong Learning Programs (LLP) to clarify/ agree the national policy and strategy on LLL.</p> <p>Establish a single unit/ department for managing lifelong learning and agree the 'home' for this (CPI, within TVET, Cyprus Youth Board).</p>	<p>First half of 2014</p> <p>End of 2014</p>	<p>MoEC/ CPI initiate a study on the present providers and programs – identifying the nature (vocational, professional, career etc.), qualifications, provider, cost and cost recovery, discuss the options for qualification and formal professional development with the National Qualifications Agency.</p> <p>Make recommendations (possibly options) as to the most efficient and effective way of operating, managing and monitoring the programs.</p> <p>(Provision will likely include a mix of public providers, private providers; the role of labor market - industry and other employers will need to be considered).</p> <p>Decision and preparation of guidelines for the agreed solution.</p>	<p>Reorganization costs (possibly to bring all current staff under one roof) but overall cost savings as renationalization and focusing of programs will require fewer staff (by attrition over time and reabsorption of seconded teachers into teaching profession).</p>
10	<p>Establish a separate Inspectorate for school level inspection.</p>	<p>End of 2015</p>	<p>Establish a task force chaired by PS and including the present Chief Inspectors, academics, school principals and teachers who will draw up the inspection guidelines covering what will be inspected (teaching, management, administration), assessment criteria, assessment scoring, report formats,</p>	<p>No new staffing costs apart from skills upgrading and retooling.</p> <p>Staff costs for design and establishment of the Inspectorate.</p>



			<p>reporting procedures and follow up remedial actions (what has to be done and other recommendations).</p> <p>Identification of the regularity of school inspection and the numbers of inspectors required.</p>	
11	<p>Sub national deconcentration and increased local level accountability.</p> <p><i>Strengthen DEOs</i></p> <p>Increase staff for secondary</p> <p><b>Establish School Governance Councils</b></p> <p><b>School level autonomy</b></p>	<p>Completed by end of 2016</p> <p>Mid 2014</p> <p>End 2014</p> <p>Beginning 2015 or possibly to coincide with the new local admin restructuring.</p> <p>End 2014 to be prepared for the next school year</p>	<p>PS leads team of senior MoEC staff and the current chief inspectors to agree the specific functions and roles and degree of authority/ decision making for the DEO.</p> <p>Prepare the necessary regulations and rules.</p> <p>Prepare the terms of reference for the staff and recruitment/ appointment.</p> <p>First annual plan operational.</p> <p>PS leads team of senior MoEC staff and representatives of primary and secondary principals, local government and parents to finalize the structure, membership and the functions, reporting lines and accountability.</p> <p>For small schools, agree with the local authorities how best to cluster schools under one of more Governance Councils.</p> <p>– prepares a report with the necessary regulations/ legal changes needed;</p> <p>Elections for School Councils (note: co-opted Municipal/ local government staff).</p>	<p>One off costs for establishing the frameworks for governance; Training and support for the establishment of the governance system. Transfer of clerks to schools will have no cost.</p> <p>Initial establishment and startup costs for new offices. No staff costs as all posts would be from the current establishment.</p> <p>Costs for management and leadership skills training (schools, Districts, new governance structures).</p>

		<p>Second half of 2014 through 2015</p>	<p>PS leads team to prepare the documentation for the degrees of deconcentration and the timeframes.</p> <p>Any new structures/ staff approved.</p> <p>Discussions/ decisions with MoF for financial decentralization e.g. per capita funding formula, manuals and formats, reporting etc. for financial matters, expenditure items, among others.</p> <p>Training and capacity development.</p>	
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**Annex 6: Analysis of the State-Owned Enterprises – Cyprus Sports Organization and Cyprus Youth Board**

**Action Plan – Cyprus Sports Organization (CSO) and Youth Board (YB) of Cyprus**

<b>Agency</b>	<b>Recommendation</b>	<b>Responsible/ cost</b>	<b>Time</b>
MoEC	<b>Maintain the 2 SOE</b> but help provide a strong policy framework and insist on strong goal oriented strategic plans and regular formal reporting/ accountability from the organizations. Restructure YB to focus more on core youth functions.		
MoEC	<b>Establish a formal calendar of accountability</b> with both CSO and YB (reports, meetings and minutes).	Minister. <i>No cost.</i>	Immediate
MoEC & sports	<b>Take a proactive role in developing a National Sports Policy</b> – establish a mechanism to prepare the policy and strategic frame that includes roles and responsibility of different agencies and the role of the state in subsidizing citizens. Prepare ToR for the body to establish policy and ensure objectivity of members.	Minister and PS – establish a Commission or body to prepare policy. <i>Commission costs but potential down line savings.</i>	As soon as possible
MoEC	<b>Facilitate changes in the YB restructuring and strategic planning</b> to have focus on core functions of youth support – a strategic, advisory and monitoring role, funding but not implementing. Help divest: Toy Libraries, Life Long Learning etc.	Minister, PS, Departments. <i>Transfer costs but efficiency gains for YB.</i>	Immediate
CSO	<b>Continue process of strategic planning, setting core indicators</b> , developing accountability arrangements and then adjusting the functional structure with right qualified staff.	CSO Board support of MoEC. <i>No cost.</i>	On going
CSO	In the light of an emerging sports policy <b>review the role of CSO as the service provider</b> for Sports for All and the role of the state / CSO as the manager of sports centers.	CoM/ MoEC. <i>Restructuring but long term savings to Government.</i>	During policy preparation
YB	<b>Prepare a Youth policy</b>	MoEC/ YB. <i>Consultant cost.</i>	2014
YB	<b>Continue process of strategic planning but move towards a different philosophy with the focus on Youth Engagement</b> (already there), strategic action identification, innovation and research, monitoring/ evaluation/ assessment and support for non YB owned/ managed agencies to deliver services Restructure around 2 Departments.	Admin. Board and senior management. <i>Transfer and restructure costs with potential major savings.</i>	2014
YB	<b>Merge and restructure sectors</b> to maximum 3: EU Youth in Action, Research and Innovation; Strategic support with M&E.	Admin. Board and senior management	Through 2014

YB	<b>Divest non-core activity and service management</b> (reduce administration and focus on core youth activity): <ul style="list-style-type: none"> <li>- Toy libraries.</li> <li>- Centre facilities,</li> <li>- Venues.</li> <li>- Youth Hostel.</li> </ul>	Admin. Board and senior management. <i>Contracting and outsource costs with potential saving.</i>	Through 2014/ 15
YB	<b>Improve budget performance</b> – medium term program budget – contract staff numbers should reduce markedly with outsourcing and divestments.	Admin. Board and senior management. <i>No cost.</i>	Through 2014/15

## *Cyprus Sports Organization*

### **1. The policy and strategic framework**

#### **Introduction**

CSO is established as a legal entity and a SOE under the law of 1969 (and amended several times since then), reporting to the Council of Ministers through the Minister of Education Youth and Sports.

CSO is primarily responsible for developing a culture of sports as an integrated part of social development - specifically sporting infrastructure, grant support to sports federations, sport in the community as well as the provision of specialist sport development programs. It provides support for non-professional sporting clubs and offers grants to Municipalities for infrastructure.

A 9 member Governing Board governs the CSO. In January 2014 changes were made to the governance of CSO and the Chair of the Board and five of the Board members were replaced. They have been given a 30-month mandate, which can be renewed for a further 30 months.

#### **Policy, strategic planning and accountability**

Previously, CSO has prepared a comprehensive strategic plan to 2020 with clear vision, objective, ethos, strategies and goals. CSO has ISO approval in part based on this plan. However, as a result of the crisis, it became clear that much of the ambition could not be realized. Thus, the new Board has embarked on a major review of the strategy. Changes will be made to the goals, programs and organization, focusing on a short-term plan 2014 - 2016.

CSO struggles to identify the high level accountability and manage the operational control as there is no overall national sports policy setting the national vision, and in which the roles and functions (along with the authority) of the different agencies are specified. This has resulted in some grey areas of accountability, in particular with the Municipalities and less than optimal planning for infrastructure development and its use.

The new chair of the Board outlined the focus of the next three years as:

- Providing leadership and expertise for all sports;
- The effective and efficient use of all resources, more coordinated volunteerism and ways to obtain more inward investment;
- Accountability to all stakeholders measurable against a small number of key performance indicators; and
- Support to the development of a National Policy reflecting the directions of the new government.

It is the intention to identify a small number of key performance indicators, gather the baseline data and to set measurable and realistic targets. As part of strengthened accountability, these will be the basis for an improved communication strategy with all stakeholders.

It was noted that, in the past, monitoring, evaluation and responding to evaluation had not been rigorous, but that the Board was determined to improve this. That CSO is already ISO compliant in a number of areas provides an ideal basis for strengthening the whole strategic process – maintaining the ISO requires that there is robust planning and monitoring with external objective oversight. And while there is some lack of congruence between the ISO goals and the strategic ambition it should be possible to resolve this and for the ISO processes to become a strong mechanism for overall improvement.

As noted, the CSO is accountable to the Minister of Education and to the Council of Ministers. Clarity for exactly what CSO is accountable for would come from a National Policy on Sports. In the meantime, a more formal and rigorous system of reporting should be established. An agreed report format and contents should be agreed and a calendar prepared for dates of presentation of reports, response from MoEC (and any other stakeholders), and action by the Board.

Financially the accounts are audited by both independent auditors and by the Auditor General. In the case of the latter all points from the 2012 audit report had been acted on (see section below).

CSO acknowledged that further work is required to improve communication and accountability with all stakeholders, and that this is a critical part of encouraging more people to be involved in sports.<sup>41</sup>

Accountability of agencies to CSO is also an issue. For example, the Municipality can request funding for a facility from the CSO, CSO can check the quality of the building, the appropriateness of the plans and so on, but there is no authority to check if this is a rational request as part of a master plan to avoid duplication of resources with other Municipalities, nor to check how the facility is being managed after it is constructed. There is a potential for wasted funds and effort. The information, authority and decision making chain that ought to exist between the school, Municipality, School Board and the CSO is not in place and as eloquently noted by the Local Government Study:

Broad criteria:

- There is no cohesive strategy for joined-up provision of sporting infrastructure and provision.
- There is over-provision and duplication.
- Associated levels of debt are unsustainable.

As with cultural infrastructure, more centralized control needs to be established a) for better overview of projects and facilities, b) in order to benefit from economies of scale, c) improve the quality and quantity of sporting facilities provided over wider geographical areas, and d) tighter budget control.

***Recommendations:***

- Prepare and authorize a national sports policy, which includes the roles and responsibilities of the various players (MoEC/ CoM lead).
- Institute a formal reporting process for both the CSO to stakeholders and for those who might report to CSO (MoEC and CSO Board).

## **2. Organizational structure, HR management**

CSO has the following staff (256 in all):

- 31 permanent – mainly in the head office – these staff are civil servants.
- 34 temporary contract staff – mainly at head office.
- 57 workers mainly in sports centers.
- 18 part time staff.
- 116 working in the ‘sport for all’ program.

Until very recently there has not been an organization chart and there has not been a process of linking the resources needed against the operational needs to achieve the strategic goals. CSO has known what it needs to do and has established units and sections in order to deliver, this has been ad hoc. While such an approach has some benefit in being responsive to demands, it also has the potential to lead to overlap of functions and to the escalation of units and departments in a purely ad hoc manner and without a formally defined functional role. The lack of formal processes to attach staff to particular sections had, on occasion, led to erratic staff transfers and ad hoc mechanisms to deal with issues as they arose. This is not to say that CSO is chaotic, indeed the opposite is true with the various departments delivering on important programs, but rather that at the higher levels the planning is not joined up, which leads to silos of activity and possible sub optimal results.

It was only last year that the need for a dedicated human resources function was recognized and a department of one person and secretarial support established. Since then, progress has been made in having a more logical and rational structure and an interim organization structure has been developed (see chart at the end of the report). The process of restructuring will be top down rather than bottom up – strategy leading to multi-year programming with well-identified outcomes, the functions needed and

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<sup>41</sup> During this discussion the representative from the MoEC mentioned that she would participate more if there were a crèche for her young children – a point noted. This sort of accountability/ feedback needs to be formalized.

the ideal organization structures, the departmental goals and the profiles of the staff needed to deliver. It is most likely that the qualified staff is already in the establishment, but that perhaps further training/skills upgrading might be required – this will only become clear once the strategy is agreed. It should be noted that this structure has not been agreed with the unions and, as is the case in other sectors in Cyprus, the unions are very powerful. As a new organogram emerges from the strategic review it will be essential for the unions to be engaged – however this is a no staff loss exercise.

The HR department intends to develop a HR management information system that will allow for staff performance appraisal, identification of staff training needs, and forward succession planning.

An overall policy on sports would lead to a review of the way the Government wants to develop sports and whether, for example, Sports For All and the staff needed to offer this and public state ownership and management of Sports Centers is the most efficient modality.

### ***Recommendations:***

- To continue the current organization review as the process in train should provide a logical and functionally coherent arrangement.
- Consider getting PWC<sup>42</sup> to look further down the organization to have objective options for structural organization.
- MoEC to afford the support needed once the Board has made recommendations for the changes.
- Review the operation of the Sports for All program, the state ownership and management of sports centers in the light of the overall sports policy as it develops with a view to privatization or outsourcing the service delivery.

## **3. Financing**

State funding has decreased considerably in the past 5 years down from c. €43.6m in 2009 to €28.1m in 2014, with sports subsidies to federations and facility development falling markedly (see table below). Administration has seen a small rise and this is due largely to an increase in pension fund contributions. Revenue generation has increased slightly from €2.6m in 2009 to estimated €2.9m in 2014. As the aim is to provide sports for all there is little opportunity for increased revenue generation in the current economic climate. Of course, the role of the state in the provision of subsidized sports facilities is a policy choice, but with a good national 40% participation rate, and the acknowledged benefits to health and wellbeing this should continue.

### **State funding in €m**

	2009	2010	2011	2012	2013
Administration and maintenance	8.6	9.1	9.0	9.7	10.0
Sports subsidies	23.5	23.1	20.8	17.4	14.3
Sports facilities development	9.7	6.5	6.4	4.0	2.8
Loan repayments	1.1	1.1	0.8	2.5	2.5
Policing	0.7	0.7	0.6	0.5	0.6

As CSO is a state organization they are subject to the emerging PFM reform process of MEF and have begun the process of moving to a 3-year medium term budget framework. This is recognized as a positive step and one which will both respond to the strategic process and help setting the parameters for efficiency and objective goal monitoring.

<sup>42</sup> The previous Board had commissioned a review of the high-level management structure but not of the overall agency. The new Board is considering this report.

The departments managing the transfers of grants to federations and clubs have prepared a range of manuals, guidelines, checklists and reports to ensure transparency and objectivity in grant allocation. Nevertheless, and as reported in the Cyprus press (19<sup>th</sup> February), a number of issues had been highlighted in the 2012 Audit Report as needing attention. These were discussed and information provided to suggest that they were being addressed. There had been accusations of collusion between the Board and Federations over purchases – be that as it may, there is a new Board and, as recommended, MoEC should play a more active role in the accountability of the Organization. From what we were led to believe, the federations each have their own constitution and are independent of the CSO; CSO has developed an internal controls and operations manual, but as the federations are independent, this can only be proposed on a voluntary basis. Finally, we were told that the 2015 budget would be submitted along with the most recent audit check list and how issues had been resolved (as required under the PFM reforms).

#### **Other**

CSO does not have any dealings with schools or the school sports curriculum (although federations and clubs may well use the school facilities). There is a contact point for sports in the MoEC but this is solely for administrative purposes.



## *Youth Board of Cyprus (YB)*

### **A. The policy and strategic framework**

#### **Introduction**

YB is a legal entity established in 1994 (The Youth Board law of 1994 Number 33(1) and amended in 2001 and 2007), reporting to the Council of Ministers (CoM) through the Minister of Education Youth and Sports, who has the authority to direct general changes to the functions and to receive and demand reports and accounts.

YB is governed by a seven member Administrative Board which serves for 3 years and who is appointed by the CoM. Five of the Board members are representatives of youth organizations of the parties in the House of Representatives.

The aim of the YB Administrative Board is to advise the CoM on a specialized policy on youth matters that should provide for:

- a) The progress and welfare of young people;
- b) Prepare young people to assume responsibility for social, cultural and economic development of their community and the country;
- c) Recreation; and
- d) Resolving the problems young people might face.

The functions of the Administrative Board are to:

- a) Propose to the CoM a unified policy on youth matters;
- b) Implement programs as approved by CoM;
- c) Liaise with all Ministries who have a role to play with youth
- d) Participate with international youth organizations and agree to protocols, carry out research on youth needs
- d) Forward to the government the decisions of the political committee
- e) Set the criteria for grants to youth organizations
- f) Organize events

There are four advisory bodies (nonpaid) whose functions are laid out in the Law:

- *Political Committee* (representative of youth of parties in parliament)
- *Students Committee*
- *Trade Union Committee* (TU and agricultural organizations)
- *General Advisory Board* – 43 youth from youth NGOs

The advisory bodies meet regularly and provide a forum for youth to have a voice in the way that the YB operates and the programs that are developed. They provide a mechanism for the flow of information to the Board and from the Board to civil society as a whole. This function was mentioned by the YB staff as being critical in order to have youth focus.

#### **Discussion:**

While the Law makes it clear that there should be an overall policy and so strategic framework these have not been elaborated. We were told that the main driver of action is EU directives on youth.

The four sectors (described below) operate rather independently of each other, although, being a small organization, there is plenty of opportunity for ad hoc communication and liaison - more formal arrangements should be established.

The lack of an overall policy for youth and a well-articulated strategic plan makes it difficult to ‘measure’ if the YB is organized functionally on the best way to deliver the mandate.

We were informed that a new Chair of the Board has recently been appointed and one of the priority activities is to prepare an overall policy and strategic plan that will tie together the various functions and activities that are managed by the four sectors.

### **Recommendation:**

The Board considers, as a part of the development of a long term policy and strategic plan, to focus less on the delivery of services and more on the strategic use and support to external agencies, innovation, research and monitoring functions. The EU Erasmus+ program is a good example of where the agency provides facilitation, grant provision and oversight, information and monitoring role, rather than delivering services, resulting in a leaner, smarter and more genuinely youth focused program (and incidentally requiring smaller premises when the change comes in August).

If the focus is on strategy, innovation and monitoring and less on service delivery, then consideration should be given to having only 2 or 3 sectors (Erasmus +, Research and innovation, youth support or Erasmus + and Research and Innovation).

The Board and MoEC might divest the delivery functions (and in particular those that do not have a focus on youth<sup>43</sup> (for example toy libraries). Options are proposed below.

## **B. Organizational structure and sector functions**

YB is organized into 4 sectors

- a) The EU Youth in Action Program
- b) Youth Infrastructure Sector
- c) Prevention and Counseling Service Sector
- d) Youth Initiatives and International Affairs

Power Point presentations were made by each of the sectors and these are available in the documents held by the FR Secretariat in MoEC. These presentations outline the aim and the vision of each sector, the functions of the sector, activities undertaken, the way of working with other agencies and the outputs that have been achieved.

- a) **The EU Youth in Action Program** (which from 2014 is part of the Erasmus+ 2014 – 2020 program). This program is fully in line with the goals of the YB Act and functionally provides for a substantial participation of youth in the social, financial and cultural development of Cyprus and provides national and international linkages.

The start of the new Erasmus+ program cycle has been slightly delayed as the team finalizes the strategic plan. However, once up and running, the program should develop smoothly as the team has already considerable experience of managing EU funded programs.

**Recommendation option:** to take on the additional role of Youth Initiative.

- b) **Youth Infrastructure Sector** – The programs cover i) Youth multicenters ii) Youth information centers iii) toy libraries iv) Youth Hostel v) Youth Festival Venue vi) Eurodesk. Its function is to maintain and manage infrastructure and support center programs.

The operation of this sector may need to be reconsidered as from a functional perspective many responsibilities could be better placed in more relevant agencies or be contracted out.

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<sup>43</sup> The UN, for statistical consistency across regions, defines ‘youth’, as those persons between the ages of 15 and 24 years, without prejudice to other definitions by Member States.

The EU also uses 15 – 24 as the definition of youth in all its Eurostat publications

YB includes activities for ages between 4 and 35. It is questionable whether activity at the very early ages is really within the realm of ‘youth’. This is in no way to say that they are not important and that they should not continue but they do distract from the YB core business.

*Youth multicenters* are owned by the Municipalities, but have become YB maintained facilities that provide a free venue for a range of activities from primary level summer schools, venues for vocational courses to be used by NGOs. The centers are used by a wide variety of organizations beyond just youth and would better be used by the YB than managed by them.

*Toy libraries* – these are special (physical) facilities where children with special needs or from disadvantaged environments can spend their time under the supervision of expert teachers and psychologists.

Functionally, these facilities are more strongly associated with the MoEC EPS or special needs departments and with early childhood education. In the proposed structure of the MoEC, the toy libraries would be managed from the District Education Office – making a clear link between the school and the additional services needed (particularly if schools have the capacity to identify children at risk, as is proposed), strengthening the opportunity for integration into the schools and with accountability to education services as opposed to youth infrastructure. The individual child records should be school based and not through YB. In addition, if managed by MoEC there could be a maximization of potential use of both the centers and possible outreach to schools.

The youth hostel is a general public facility managed by the YB.

The YB manages the youth festival

The Eurodesk is a contact point for information about a range of activities. The function would sit well within the EU Youth in Action Sector

#### **Recommendation options:**

- The functions are not focused on youth action and opportunity. All the functions of this sector can be either contracted out or transferred to more appropriate areas within the YB or MoEC. Plans for this restructuring should be a part of the ongoing review by the Board.
- The multicenter could be run and managed by the Municipality or contracted out to the private sector with a policy for some cost recovery (guidelines to be prepared by MoEC). YB already provides grants for organizations that cannot pay for the use of facilities.
- The Toy Libraries service can be transferred to MoEC, to be managed from the DEO with the support of the EPS and special needs departments.
- A contracted party could manage the Youth Hostel and youth festival venue on full cost recovery basis. If and when the YB needed the facility then they could book and pay from their own funds.
- The Eurodesk could move to a new Strategic Support and M&E sector.

There might be no cost to civil service staff although some may have to move from the YB. Contract staff may or may not be recruited by the agencies running facilities. There would be potential budget savings (but note that the YB might need to purchase from the divested facilities on an ‘as needed’ basis.

#### **c) Prevention and Counseling Service Sector**

The Sector covers a number of important youth areas, however, it goes beyond what is often considered youth concerns (e.g. function of providing support group for divorced mothers, psychological and counseling services for a range of people other than youth).

The research, ideas and innovation function is well developed and should continue.

MoEC and the YB Administration should consider whether the YB role should include service delivery or whether these functions are better taken by NGOs, health services and a LLL function either in MoEC or independent agency (under Erasmus+ Foundation for the management of European Lifelong Learning programs whose mandate is being renewed).

#### **Recommendation:**

To become a Research and Innovation Sector with a functional focus on the research (linked to ideas from the advisory units), innovation and testing, while looking to offload the service delivery to more appropriate agencies.

#### **d) Youth Initiatives and International Affairs**

The sector covers a range of functions/ activities, a number of which might be more appropriately delivered by other agencies.

#### **Recommendations:**

- Either change the sector to Strategic Support and Monitoring and Evaluation or absorb the functions in Research and Innovation sector where they would sit.
- Grant awards and follow up including the Youth Initiatives grant allocation (retain function – merged with the Youth in Action program).
- European Youth Card (this is an administration function – move under management level with an administrative assistant).
- International Relations (a function better suited for the management and executive leadership and close to the advisory units).
- Youth entrepreneurship – to become an advisory function linking youth to service delivery through LLL initiatives.

Sector options:

- a) Keep as is – inefficient, non-core youth functions.
- b) Two 2 sectors: Youth in Action and Research Innovation, Support and M&E
- c) Three sectors: Youth in Action, Research and Innovation and Strategic Support and M&E

Option b is the preferred one.

#### **Financing and staffing**

There are 31 permanent staff; 19 professionals who are Civil Servants, 4 non-permanent secretarial staff on 2-year contracts and 71 other contract staff (for example 31 in youth multi centers, 3 in the youth hostel, 3 for the hotline and 3 for legal services). For the permanent staff there is a formal recruitment and appointment process with an examination and interview, evaluation procedures are set by the Public Service. There is a formal training program for staff from CAPA, as well as seminars and conference attendance.

The table below suggests that expenditure has been and remains a problem, however recent years show some improvement. The table also highlights the increasing importance of EU funding, the decline in government grants and the very small input of other revenues.

We have not undertaken a detailed budget analysis but the budget officer indicated that the present budget process is very rigid and does not allow movement across programs or reallocation without requests to MEF. It was agreed that the 3-year program budget process, introduced as part of the PFM reform program, would make financial budget management simpler and more efficient. Nevertheless, there are clearly bottlenecks and MoEC/ the Board should analyze and take measures to address these during the overall policy/ strategy review and the introduction of the medium term budget process. We were informed that the EU funding source is close to 100% expensed, and so the inefficiencies lie within the other programs most of which we propose to divest or outsource.

	2010	2011	2012	2013	2014
<b>Budget</b>					
Salary as % of budget	18.14	17.54	19.83	19.02	19.57
Salary as % actual spend	13.65	17.76	18.35	17.46	
<b>Actual</b>					
Non salary as % of budget	81.86	82.46	80.17	80.98	80.43
Non salary as % actual spend	45.17	58.42	73.31	67.39	
<b>Source of funds</b>					
Government grant	74.67	72.97	68.49	59.51	58.31
EU grant	23.88	25.55	29.98	37.85	39.26
Other	1.44	1.48	1.52	2.62	2.43

### Summary Proposal:

*Option 1* – Leave things as they are

This prevents a clear focus on youth because a number of activities are not aimed at youth, professional staff are engaged in non-core functions (facility management, administrative activity), financing is inefficient and covering non-core activity.

*Option 2* – Refocus around core youth activity by divesting non-youth focus functions and service delivery.

A more efficient YB might include the following:

	Function/ areas	Number of staff	Action
Management & Admin	Liaison with Advisory groups Advocacy. Overall policy and strategic development and monitoring; reporting arrangements. International Relations. European Youth Cards (admin).	5/6	Prepare Sector strategic plan + functional needs, staff profiles and absorb additional staff.
Youth in action Sector	Erasmus. Youth Initiative.	Current 4seconded Proposed: 6/7	Prepare Sector strategic plan and functional needs, staff profiles and absorb additional staff.
Research and Innovation sector	Prevention and counseling research. Youth ideas.	2/3	Could be merged to one sector.
Strategic support and M&E sector	Entrepreneurship advice. Referral for counseling. Eurodesk. YB M&E.	2/6	May need to maintain District office.
<b>Divestment/ change</b>			
Toy libraries	ECE, special needs.		Move to MoEC DEO.
European Youth Cards	Administration.		Move to Management section.
Counseling	Support for a range of people needing counseling – refer to ESP		Move advisory role to Strategic support and

	or health services.		M&E sector.
Help line etc.	Ongoing information and confidential support.		NGO.
Youth Hostel	Accommodation.		Private sector.
Multi centers	Physical space for a range of youth and non-youth activity.		Private sector.

In the short term, there will be costs incurred as a result of transfer of functions and engaging other organizations and the private sector. In the longer term, there would be financial savings from staff and administrative budgets. The biggest saving would be in time that can be more focused on youth activity.

**Annex 7: Unit functions, Staffing profiles and indicative numbers for key departments**

<b>Unit</b>	<b>Functions</b>	<b>Profiles</b>	<b>Staff numbers range and other issues</b>  <b>Unless otherwise stated all posts can be either FT Civil Servants or contracted in Posts</b>
<b>NATIONAL LEVEL</b>			
<b>Minister's office</b>	Advise on policy and strategy within the political context	Education policy and planning Education economics/ financing Public and private sector experience Administrative and organizational skills	1 – 4 non Civil Servant posts
<b>PS Office</b>	Advise on policy, strategic planning, quality assurance, M&E, budgets and expenditures Public private partnerships Administration and organization Support to the other departments	Experienced educationists with qualifications in education policy/ planning, education economics, education financing, Administrative experience Private sector partnership experience	1 – 4 non Civil Servant posts
<b>Policy and Planning Department</b>	Research for education policy, goals setting and monitoring, education information management, strategic budgeting and efficiency and effectiveness		14 - 24

Director of Planning	Leads the Department – Member of Senior management Teams: with the PS sets the policy and strategic agenda	Highly experienced (practical and academic) education policy and planning expertise	1
Education Research	Prepare/ manage policy briefs for PS and Minister based on operational research;  Manage (identify and contract) and quality assure education research	Education research and research management experience	2 – 4
Education strategic and program planning	Prepare and monitor the overall education strategic planning processes, plan development and review, reporting and updating; working with the sub sector departments to have coherent and coordinated strategic and operational plans	Education policy and planning, economists/ PFM experience and expertise  Education planning and monitoring, and cross sectoral experience	6 – 8
Education information management	Manage develop and annually review the Education management Information Systems – data collection, data storage, data analysis and reports	Education planners with statistical and M&E qualifications and experience	3 – 6 (plus data staff)



Education public finance management	Budget and financing – all aspects of multiyear output based budget preparation, budget expenditures, operational efficiency and effectiveness and value for money analysis (for all programs including school level)	Education economists Education finance and budget expertise	2 – 5
<b>General Education Department</b>	Manages the strategic planning, goals (including setting standards/ benchmarks) monitoring and quality control of sub sector programs, works closely with PPD, Inspectorate and Curriculum;		

Director of GED	<p>Leads the Department – member of Senior management Teams –</p> <p>Prepares the annual operational plan and budget (program based) in liaison with the PPD</p> <p>Directs work of sub sector teams to ensure complementarity and manages formal links to other Departments for task team management.</p> <p>Identifies the need for and appoints staff to short term task teams</p> <p>Is accountable for education quality</p> <p>Formal GED management meetings with Sub Sector Heads</p>	<p>Highly experienced educator with experience of managing and leading sub sector programs.</p> <p>Experienced educator with specific sub sector experience and expertise in management and service delivery</p>	1
Sub Sector Heads (with a deputy)	<p>With the Department of Policy and Strategic Planning prepares and monitors medium term sub sector strategic plans and operational programs. Prepares budgets with Director and Department of Policy and Strategic Planning's budget team</p> <p>Manages relevant sub sector District advisory teams</p>	Senior staff with a variety of sub sector operational and managerial experience	Early Childhood Education (ECE), Primary, Secondary, Technical and Vocational Education – 8

Sub sector teams (including District advisory staff)	<p>Support schools to prepare and implement school level development and operational plans</p> <p>Carry out administrative functions as agreed in the annual work plan (e.g. student and staff cases not resolved by school)</p> <p>Accountable to the Sub Sector heads (at District level through the Head of Office)</p>	Staff with a variety of sub sector operational and managerial experience	to agree ratio of advisory staff for schools
<b>Inspectorate</b>	<p>Whole school inspection as independent evaluators working as teams</p> <p>ECE</p> <p>Primary general and subject (to be decided if this is appropriate)</p> <p>Secondary general and subject</p>		
Chief Inspectors for ECE, General Education, TVET and Secondary Education	<p>Prepare and budget the annual/ multiyear sub-sector inspection plan;</p> <p>Quality control inspection process;</p> <p>Manage and resolve complaints;</p> <p>Prepare annual reports;</p> <p>Liaises with inspected schools on reports</p>	Senior staff with leadership and management experience in the specific sub sector;	4

School inspector team members	Carry out whole school inspections; Prepare reports and recommendations.	School Inspector Teams will have the following skills:  Administrative and school leadership and management experience and expertise;  Specific subject expertise both as practitioners and academically	To be agreed depending on the final school assessment criteria: frequency of school inspection, length of time of inspection
<b>General Department for Administration, Personnel and ICT</b>	Brings under one department all the MoEC administrative, personnel, financial and ICT		
Director General	Leads the Department  Prepares and monitors the multiyear development and annual operational plans  Supports the departments prepare operational plans and budgets  Liaises with the other central and line agencies as required  Member of the Senior Management Team	Extensive leadership and management experience in senior Civil Service position and expertise in one of the core areas	1 senior civil servant

Department Heads	<p>Leads Department</p> <p>Prepare and monitors annual and multi annual (if relevant) development work plans for the Department.</p> <p>Attend Department meetings and manages department meetings</p> <p>Manage staff</p> <p>Accountable to the Director (except for those seconded from other ministries who will account through the Director)</p>	Senior Civil Servants with specific subject area expertise	1 in each Department
Department staff	Accountable to the Department Head for work against the annual work plan		To be agreed
<b>SUB NATIONAL</b>			
Sub national deconcentration and increased local level accountability	School governance from school governance councils (large schools their own council smaller schools clustered). Councils elected from parents, local representatives and 2 from municipality.		
<b>School Governing Council (SGC)</b>	<p>With the school principal and administration, prepare and approve the School Development Plan</p> <p>Prepare and approve and monitor</p>	The Governing Councils will be elected from the school parents and so there is no specific profile – it will be necessary to try and	There are no staff costs other than for expenses (per diems, cups of tea)

	<p>the annual action plan</p> <p>Provide support to the school administration and if agreed to the quality of learning, Monitor school progress to agreed goals and take necessary remedial actions to support the school administration</p> <p>Act as the key link between the school and parents for information, problem solving etc.</p> <p>Liaise with other local partners to support the school in a variety of ways</p> <p>Manage and account for an agreed amount of school financial resources (funds generated locally, some/ all of a future block grant)</p> <p>Contract and appoint school support staff (cleaners, guards ...)</p> <p>Manage small works and liaise with MoW on larger works needing tendering;</p>	<p>ensure that there is a right mix of skills.</p>	
<p><b>School Administration – led by the Principal</b></p> <p>Principal</p>	<p>Manage the day to day running of the school;</p> <p>Liaise with the SGC and with the teachers</p> <p>Leads the preparation of the school development plan and the annual operational plan;</p> <p>Is the accounting officer for all</p>	<p>Current Principals: immediate access to CDP for new responsibility</p> <p>New staff: appointed through the normal procedures but in the future all Principals have</p>	




	<p>school level funds</p> <p>Manages the budget, and expenditure</p> <p>Prepares regular reports for the SGC</p> <p>Calls, chairs and makes sure meetings are recorded</p>	undertaken a formal training program	
<b>District Education Offices</b>	<p>District Offices play an advisory and quality support role to the schools (both the academic and the administrative and management);</p> <p>District level EMIS + evaluation against goals</p>		
Head of Office	<p>Accountable to the Director of GED;</p> <p>Prepares the multi annual plan and annual operational plan for support to schools</p> <p>Leads the DEO team including regular and formal meetings</p> <p>Provides reports as agreed</p> <p>Has agreed administrative and professional authority</p> <p>Liaises with other DEO</p>	Experience education leader and manager	

Advisory staff	<p>For ECE and Primary: support the whole school development (academic and administrative);</p> <p>Secondary: subject specific and school management experts;</p> <p>Undertake some administrative work (as per guidelines);</p>	<p>All staff have some specific subject/ administrative leadership and management experience and training.</p>	
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## Annex 8: Timeline

Actions Proposed		2014	2015	2016	2017	Key actors	Activity
Numbers on left refer to Annex 5							
1	Review, revise and negotiate new education strategy					Minister and Permanent Secretary	Consultation
	Prepare changes to legislation/regulations						Legal preparation
2	Reorganize offices of Minister and Permanent Secretary					Minister and Permanent Secretary	Prepare schemes of service and recruit
3	Formalize MoEC management and reporting					Minister and Permanent Secretary	Prepare ToR
4	Establish Department of Policy and Strategic Planning					Permanent Secretary and executive team	Prepare functional details and schemes of service
5	Establish Department of General Education					Permanent Secretary and executive team	Prepare functional details and schemes of service
6	Establish Department of Administration and Finance					Permanent Secretary and executive team	Prepare functional details and schemes of service
7	Transfer Technical Services to Ministry of Communications and Works					Permanent Secretary and Ministry of Communications and Works	
8	Clarify/affirm role of CPI and provide adequate staffing					Permanent Secretary and executive team	
9	Establish lifelong learning (LLL) unit					Permanent Secretary and executive team	
10	Establish independent Inspectorate					Permanent Secretary and executive team	
11	Prepare national policy for Cultural services					Permanent Secretary, Cultural Services, Ministry of Communications and Works and Ministry of Energy, Commerce, Industry and Tourism	Create commission to prepare a national policy

12	Strengthen District Offices		Permanent Secretary and executive team	Modalities, legal and regulatory framework, and capacity building
	Establish School Governance Councils (SGCs)		Permanent Secretary and executive team	
	Increased school autonomy		Permanent Secretary and executive team	Modalities, legal and regulatory framework, and capacity building

### Annex 9: Reform Indicators

The indicators below are closely linked to the activities proposed in the action plan (Annex 5). They serve the purpose of monitoring whether the proposed reform is being carried out.

Sequence	Key Reform Indicators	Responsibility for taking action
1	Strategic review undertaken ( with broad stakeholder consultation)	MoEC's task force, President and Council of Ministers
2	Preparation and promulgation of appropriate new legislation in support of the Strategic review	MoEC's task force, President and Council of Ministers
3	Reorganization and Professionalization of the Minister's and Permanent Secretary's Offices	MoEC's task force
4	Formalization of management arrangements (all meetings with a formal agenda, background papers and minutes)	MoEC's task force
5	Establishment of the Policy and Strategic Planning Department	MoEC's task force
6	Establishment of the General Education Department	MoEC's task force
7	Establishment of Department of Administration and Finance (Finance, Accounts, Human Resources Management and General Administration)	MoEC's task force, Ministry of Finance
8	Transfer Technical Services to Department of Works in the Ministry of Communication and Works	MoEC's task force, Ministry of Communication and Works
9	Cyprus Pedagogical Institute as the core agency for strategic planning, coordination and monitoring of education professional development and curriculum development (but not service provision)	MoEC's task force
10	Agreement on a national policy and strategy of Lifelong Learning (LLL)	MoEC's task force

11	Establishment of a separate Inspectorate for school level inspection	MoEC's task force
12	Sub national deconcentration and increased local level accountability	MoEC's task force, local governments, President and Council of Ministers (necessary legislation)