

STANDING COMMITTEE ON
PUBLIC ACCOUNTS

**PERFORMANCE AUDIT REPORT OF THE
EFFECTIVENESS OF INSTITUTIONAL
FRAMEWORK FOR PREVENTING
CORRUPTION (PARLIAMENTARY PAPER NO.
152 OF 2019)**

Verbatim Report

**Ministry of Education, Heritage and Arts
Fiji Independent Commission Against Corruption (FICAC)**

MONDAY, 3RD FEBRUARY, 2020

VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS HELD AT THE BIG COMMITTEE ROOM (WEST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS ON THURSDAY, 6TH FEBRUARY, 2020 AT 12.58 P.M.

**Interviewee/Submittee: Ministry of Education, Heritage and Arts
FICAC**

In Attendance:

Fiji Independent Commission Against Corruption (FICAC)

1. Ms. Arti Naidu – Principal Corruption Prevention Officer
2. Mr. Ami Sami – Principal Corruption Prevention Officer

Ministry of Education, Heritage and Arts

1. Mr. Timoce Bure – Head National Education Service Delivery
2. Mr. Donice Lal – Director Finance

Office of the Auditor-General

1. Mr. Kuruwara Tunisalevu – Director
2. Ms. Unaisi Namositava – Manager
3. Ms. Maratina Cerekisuva – Auditor

MR. CHAIRMAN.- I welcome all Honourable Members, submittees, media personnel, secretariat staff and members of the public who are watching today's Committee inquiry on the Performance Audit Report of the Effectiveness of Institutional Framework for Preventing Corruption (Parliamentary Paper No. 152 of 2019).

I also take this opportunity to welcome the officials and witness from the Fiji Independent Commission Against Corruption, Ministry of Education, Heritage and Arts and the Office of the Auditor-General who have agreed to appear before today's Committee hearing on the Audit Report that is before us.

This special committee inquiry on the Performance Audit Report of the Effectiveness of Institutional Framework for Preventing Corruption was established by resolution of Parliament when it was referred to the Public Accounts Committee on Wednesday, 4th September, 2019. It is part of the Committee's responsibility to gather information from all the relevant stakeholders regarding the findings in the Audit Report.

The purpose of this inquiry is:

1. To allow witness to present and produce relevant documents, information in line with findings in the Audit Report;

2. To allow the Committee to ask specific related questions to each department function as far as Audit Report is concerned;
3. To allow the witness to respond to the Committee's question;
4. To provide important information that will assist the Committee in the formulation of its Report to Parliament particularly in our finding with its recommendation that will be debated on.

It is expected that at the end of the inquiry, the Committee will be:

1. Better informed on the current status and functions of each relevant stakeholders towards the effectiveness of institutional framework for preventing corruption;
2. Knowledgeable of the legislative and institutional framework that are established to address corruption in Fiji;
3. Able to understand the process on how the framework has been implemented;
4. Able to understand the effectiveness of the system that are in place by the Ministry of Education to prevent corruption in disbursement of Free Education Grant (FEG).

Please be advised that this meeting is open to the public, media, and is being aired live on television in the Parliament Channel on the *Walesi* platform and Parliament social media platform and website. So, for any sensitive information concerning this inquiry that cannot be disclosed in public, this can be provided to the Committee either in private or in writing.

At the outset I wish to remind the Honourable Members and our witnesses that all questions asked is to be addressed through the Chairman. This is a Parliamentary inquiry and all information gathered is covered under the Parliamentary Powers and Privileges Act. With those words let me introduce the Members of the Committee.

(Introduction of Members and Secretariat by the Chairman)

Without further delay I will take everyone through the Report itself so that the public knows what the Report is all about before we get the submittee to introduce themselves.

Performance Audit on Effectiveness of Institutional Framework for Preventing Corruption (Parliamentary Paper No. 152 of 2019). Corruption is a critical obstacle in achieving Sustainable Development Goal (SDGs). Corruption is the main barrier to development and diverts from poverty eradication efforts and sustainable development.

Goal 16 of the 2030 Sustainable Development Agenda recognises access to justice and building effective, accountable and inclusive institution are essential to attaining sustainable development outcomes. This cooperative performance audit on the effectiveness of institutional framework for fighting corruption focuses on the preventative side of anti-corruption. The Office of the Auditor-General of the Republic of Fiji is a member of INTOSAI working group on fight against corruption and money laundering which has identified that for an effective fight against corruption the national overarching framework including appropriate legislation group developed a guideline for auditing corruption prevention numbered entitled ISSAI5700 guideline for audit of corruption prevention.

The co-operative performance audit on the institution framework for fighting corruption is undertaken as an INTOSAI development initiative, capacity building programme for supreme audit institutes following from the adoption of the 2030 Agenda for Sustainable Development.

Corruption affects all SDGs related sectors undermining developments, outcomes and simply compromising efforts to achieve health, education, gender equality, climate change, water and sanitation and other goals. Thus enhancing transparency, accountability and capacity of the institution responsible for preventing corruption is a fundamental starting point for developing good governors and fighting corruption.

At a national level this audit looked at the legal and institutional framework that provides for the Fiji Independent Commission Against Corruption as a National Anti-Corruption agency and the extent in providing good governance and preventing corruption in the public sector.

The education sector is considered as a priority area by government and is provided with the significant portion of the National Budget annually. In making education accessible, the Ministry of Education provides free education initiative to students from early childhood education right up to secondary education. The objective of the audits were:

- (i) To assess the legal institutional framework for fighting corruption and access the extent to which FICAC has implemented strategies towards corruption, prevention in the education sector
- (ii) To assess the effectiveness of system to prevent corruption in disbursement of free education grant.

That is basically the brief of the report that will be audited today, so now I invite the submittees if they can introduce themselves to the Committee Members, followed by Office of the Auditor General. After which, we will go into the formal presentation. Thank you.

(Introduction of officials from FICAC, Ministry of Education and OAG)

MR. CHAIRMAN.- Thank you for that wonderful introduction. Now going into submission proper, we have a set of questions over here that will be asked by the Honourable Members. We will first direct all the questions to FICAC and then we will go on to Ministry of Education, Heritage and Arts. If there are overlapping in responses, then the two agencies can interrupt in between and provide responses accordingly.

We will request Honourable Prakash to take us through question number one on Legal and Institutional Framework for National Anti-Corruption Agency.

HON. V. PRAKASH.- Thank you, Mr. Chairman, through you Sir, the FICAC provides the education sector with education and awareness on corruption, promoting standard and enhancing integrity as well as partnering with the Ministry on the Development on Curriculum. Has any assessment being carried out by the Commission on the effectiveness of activities undertaken with the education sector and what are the outcomes for those assessment that had been carried out?

MS. A. NAIDU.- Thank you for your question Honourable Member. Mr. Chairman, if we may proceed to actually answer that question. Before I can talk about assessment it is very important that we relay to the Committee today what are some of the work that we have done with Ministry of Education.

When we look at the areas of grants and management of funds. The 2018 – 2019 fiscal year alone, we have done close to 73 awareness sessions which is concentrating only in the area of education. Out of these which includes the schools, school management as well, school committees, teachers and students as well. We have covered every aspect of the education system from primary to secondary level, including the tertiary level as well. If we breakdown that figure further, then we are looking at close to five various sessions with different managements that we have done, this is Fiji wide. We have got more than 25 sessions with teachers and 11 sessions with tertiary level students. We have 23 sessions with school students and 9 good Kiddo sessions. When we speak about Good Kiddo, this is a specifically designed programme just for primary school students so that they understand the concept and it is more of values based education in terms of anti-corruption.

Moving on to answering the concept about, have we done any assessment? Yes, we do have internal systems in place for internal monitoring. We do monitor our work and evaluate the work that is done in terms of corruption prevention alone, which is in terms of the programmes that are run on a daily basis. If we look at a holistic assessment, then I believe that we are yet to do it because this requires a third party involvement to do a national level of survey in this particular area.

MR. CHAIRMAN.- Any supplementary question?

HON. V. PRAKASH.- Thank you Mr. Chairman. Thank you very much for the response and the awareness programme that has taken place. I would just like to ask, you have mentioned various training at various levels, have you also included school bursars who look after the accounts and funds that is given by the Ministry?

MS. A. NAIDU.- Thank you for your question, Honourable Member. Mr. Chairman, yes, we have. When we do trainings with managements, teachers or committees, we do include schools bursars in it. We also do advice the heads of schools on what are the areas that they need to look at. Apart from this, we also attended a training for head teachers and principals that was organised by the Ministry of Education; FICAC was part of that and in that as well, we included specific subject matter which was on the management of funds, how to manage it, how to provide acquittals and what is the best corruption prevention mechanism that they can input.

MR. CHAIRMAN.- Honourable Leawere?

HON. M.R. LEAWARE.- Thank you, through you Mr. Chairman. I would like to thank you and FICAC for the awareness that have been conducted. Just a few clarifications that I need, especially for this forum in terms of these awareness, are they conducted Fiji wide? Do they touch base, especially the grassroots, especially the management in remote and outer islands, are they also part of this package so that they understand more about what is required in terms of their roles in combating corruption.

MS. A. NAIDU.- Thank you Honourable Member for your question. Mr. Chairman, yes, we do. This training is provided Fiji wide. We have teams that are available which cover all divisions and also the maritime zones. Apart from the training that we provide in the school, when we are out in the communities we also touch on the same topic, because we understand that some of the rural communities are part of the management or they are part of the committees that look after these rural based schools. Therefore, every time we have a community based education and awareness training, we are actually providing the same training to these community members so that they are well aware of fund management and how to actually handle acquittals and every other matter when it comes to handling grants as well.

MR. CHAIRMAN.- Honourable Kepa?

HON. RO T.V. KEPA.- Thank you, Mr. Chairman. Thank you for your response to that. My question is in terms of consultations which you have mentioned goes right down to the student level. Most of the schools do not belong to Government, they belong to either faith-based organisations or committees or other groups who own the schools. Do you also look at consultations with them in terms of some of the difficulties that you are having that is noted in your response to the Auditor-General? What type of consultations are you having with them since they are the owners of these schools and also with the teacher unions?

MS. A. NAIDU.- Thank you Honourable Member for your question. Mr. Chairman, in terms of consultation, yes, we do take into account that a lot of schools are not owned by the Government. They are owned by faith-based organisations and it is very important for us to address these organisations.

One of the examples that I can give you, or one of our work that was done last year was it was done with Adventist Development and Relief Agency (ADRA) - this is the NGO arm of the Adventist Church. What we did was, we worked in collaboration with them to cover all schools in the Cakaudrove area that they would like to cover and we worked in collaboration with them on this particular area. In terms of what type of collaborations we have, we mostly run meetings and we also include school teachers, heads of schools in these consultations. We consult them before we actually go to the children because it is important that everyone is in agreement before we do corruption prevention. We believe that it is better to take on board prevention when the mind is willing, so that is our approach to this. Thank you.

MR. CHAIRMAN.- Thank you. Supplementary question, during this assessment if you find that one of the managements or one of the school has fraud taking place, how do you deal with such a scenario?

MS. A. NAIDU.- Thank you Mr. Chairman for your question. If we do have an awareness session and then during this programme we do find out that there are some issues, these issues are then brought back and it is actually supplied to the office of the Deputy Commissioner. It is on his discretion and upon his approval that further actions will be taken. Thank you.

MR. CHAIRMAN.- And how often do you get complaints from the Ministry of Education of corrupt practice with regards to this grant?

MS. A. NAIDU.- In 2018 and 2019 there was quite a lot of cases that were referred by the Ministry to us. I am sorry that I cannot give you an exact number on that, however, yes, we do have an open line of communication with the Ministry of Education and therefore they are able to supply us with any issues that they feel that they wish to address.

MR. CHAIRMAN.- So all the complaints referred by the Ministry of Education is actually addressed by FICAC or do you do your own assessment on all the information that is provided?

MS. A. NAIDU.- Thank you, Sir. No, Sir, not all of these queries will be answered by FICAC, it is dependent on our own analysis. Each case is analysed on its own merit and each case will then be further advised whether it is to be handled by FICAC or it has to go back to the Ministry of Education for their further enquires. Thank you.

MR. CHAIRMAN.- Ministry of Education once a case is referred back to the Ministry, what are the processes in place and how do you handle such cases?

MR. D. LAL.- Thank you Mr. Chairman for the question. In terms of the Ministry, we have got an audit process in place that determines the nature of issues that come up to the Ministry and then internally we go up to the Permanent Secretary in terms of approvals.

There are certain cases that may have an element of fraud, et cetera, that gets referred to FICAC and then there are certain issues that requires training or gets referred to our District Education Office to conduct training or awareness with the school management or heads of school. So there are various mechanisms depending on the nature of the issue that we come up with and that is how it is dealt with. Thank you.

MR. CHAIRMAN.- Has there been a scenario where a case was not investigated by FICAC, referred back to the Ministry of Education and the Ministry of Education is still of the view that the corruption practice is taking place? What is the policy or what is the procedure taken by the Ministry of Education?

MR. D. LAL.- Thank you, Sir. We have not had any case referred back to us after we had referred it to FICAC.

MR. CHAIRMAN.- Okay. Honourable Nand, if you can take us through the second question, please?

HON. J.N. NAND.- Thank you Mr. Chairman, through you, before I begin, Sir, I wish to declare my interest as I am the current Assistant Minister for Education.

My question to FICAC is, is there any current policy in place or standards in place in conjunction with the Ministry of Education as far as fight against corruption is concerned? Is there any intention to develop a new policy or what are the existing ones?

MR. A. SAMI.- Thank you Honourable Member for that question. Sir, if I may proceed to answer that question. According to the 2013 Constitution of Fiji in exercising the powers and performing the functions and duties of the Commission, we shall be guided by the standards established under the United Nations Convention Against Corruption. So that acts as FICAC's overall standard policy document that we try to adhere to. There are 18 chapters in the document and 71 articles so it is quite a broad document which challenges us to find ways in which FICAC can address the requirements. We are in a preparatory phase at the moment to compile a national anti-corruption strategy document and this is going to actually contextualise whatever is there in the UNCAC document to Fiji's context and how specifically we can address each of these areas.

As far as standards within FICAC is concerned, we have our standard standing orders in place and our manuals as well. Each department in FICAC is guided by these standards and as far as benchmarking to other agencies, our counterparts is concerned, we are consistent with sending officers abroad to attend conferences, symposiums and trainings so that they bring back ideas and we can then benchmark not only the UNCAC document and other institutions around the world in terms of best practices. Thank you.

MR. CHAIRMAN.- Thank you for that response. Any follow-up question?

HON. V. PRAKASH.- Mr. Chairman, thank you very much for the response. We have a management handbook and also there is a handbook for school administrators and teachers. The thing that you are mentioning here, is it included in those handbooks, some of your findings or some of the ways of operating accounts? Is it adequately covered in those handbooks? Thank you, Chair.

MR. A. SAMI.- Thank you for that question, Honourable Member. Honourable Chair, in terms of our awareness programmes, we closely utilise the handbook that has been compiled by the Ministry of Education.

In terms of further complementing the work or the strategies that have been outlined. What we are trying to do is, whatever is being laid forward in the document, we are trying to complement it with other anti-corruption advice that we can provide to the management. So, yes, it is one of the documents that we closely utilise in terms of our awareness work. Thank you.

MR. CHAIRMAN.- Thank you. We will go on to the third question. Question 3 has three parts to it. I will ask all three at once and then you can give collective answers to that.

What is FICAC's policy on engagement with other anti-corruption bodies in Fiji? Are there any working arrangements in place? On what circumstances does FICAC meet with the other stakeholders identified in the report as pillars of integrity? Thank you.

MS. A. NAIDU.- Thank you for your questions. Honourable Chair. In terms of engagement with FICAC and other anti-corruption bodies within Fiji, we do have a Memorandum of Understanding (MOU) with five organisations already as we speak. These organisations are the Fiji Police Force, Fiji Revenue and Customs Service (FRCS), Ministry of Justice under the Director of Public Prosecutions, Land Transport Authority (LTA), Financial Intelligence Unit (FIU) and the Ministry of Education, Heritage and Arts in terms of development of the curriculum.

In terms of what sort of work do we do in the international arena, we are currently looking at all other anti-corruption bodies that are available in the international arena and we do work very closely with them. We have our officers that are seconded for training purposes to these organisations and we are constantly in liaison in terms of best practices with these organisations. Some of these organisations include the Hong Kong Independent Commission Against Corruption (ICAC), Singapore Investigation Bureau, Malaysian Anti-Corruption Commission and the Anti-Corruption Academy as well, in South Korea too and we have got INTERPOL and the International Association of Prosecutors (IAP) as well. So these are our engagements with various anti-corruption bodies locally and internationally as well.

In terms of the work that we do, as I have already mentioned, we do work closely with NGOs and Civil Society as well and one of these examples is Adventist Development & Relief Agency (ADRA) whereby we partnered in order that we could provide a massive teacher training programme in the Cakaudrove province. This was one of our partnerships that we had with ADRA and apart from that we also engage the private sector and the reason why we engage private sector because we believe that they are part and parcel of prevention and therefore we have a programme called Corporate Integrity Pledge and this programme is available to all private sector organisations. So, far we have already signed five companies that work closely with government tenders in order that they can up their ethical standards as well.

MR. CHAIRMAN.- Thank you. Honourable Kepa if you can take us through Question No. 4, please.

HON. RO T.V. KEPA.- Thank you, Mr. Chairman. Question No. 4 - Is the current system or framework to combat corruption sufficient to combat corruption in Fiji?

MR. A. SAMI.- Thank you Honourable Member for that question. Mr. Chairman, the straight forward answer to that question would be no. The current vision that FICAC's has is ensuring the people of Fiji live a life free of corruption. It is a comprehensive vision and for such a vision in place, I think there is a lot of room for improvement and expansion.

So, we are continuously searching for new ideas, innovations and principles that we can always adopt and make our services better on a daily basis. There are certain areas that we earmark to improve and with your permission I would like to highlight. This expansion that

we are thinking of, in terms of proceeds of crime and assets recovery, unexplained wealth, proactive investigations because currently we indulge more in overt collection.

We would like to pursue into covert collection of data, forensic accounting and IT. So, this is the reactive arm of the Commission but looking at the proactive arm as of interest today, we are looking at improving the nec-education which is the curriculum education and ensuring that it is properly implemented. The Good Kido Programme is a customised value education programme and we are trying to get in more ideas and more merchandise for example to be pumped in into this programme. What the Ministry of Education is currently doing in schools is complemented by the programme that FICAC is going to deliver.

We know that Fiji is in a development phase and there is a need for digital awareness because it is the in thing at the moment. So, we are looking at prospect of developing that. We are looking at project monitoring, currently what we are relying on is as soon as there is any sign of corruption that is when we do the investigations and prosecution. However, we are looking at prospects of monitoring the whole project throughout so that there is no chances of corruption, preventing revenue leakage. That is the intention that we would like to pursue.

Since we have already been doing a lot of work with secondary and primary curriculum, we are looking at university curriculum as well and how we can best address certain issues in the university curriculum in order to address moral decay problems. We have been quite aggressive with youth programmes but we are looking at more youth programmes in the future so that we keep our youth more focused with anti-corruption work, good leadership and governance so that in the future we have good leaders in the country. Thank you.

MR. CHAIRMAN.- Thank you. Any follow-up questions? If not, we will move forward. Honourable Leawere, can you ask Question No. 5, please.

HON. M.R. LEAWERE.- Thank you, Mr. Chairman. Question No. 5 - How do you assess or have you assessed the progress in combating corruption in Fiji? Your views please.

MS. A. NAIDU.- Thank you Honourable Member for your question. Honourable Chairman, if we may answer the question. In terms of assessment just merely saying that we do assess our work is pretty hard to say, however, there are certain areas that we do look into. One of them is Key Performance Indicators (KPIs) benchmarking and audit. This is done on a regular basis, we do check our KPIs within and we also benchmark this through our Annual Corporate Plans and these are audited by relevant organisations on a regular basis.

We also have a complaint analysis. Now when we look at our complaints, there is an overall reduction in complaints of non-corruption related matters. When FICAC initially was established, we used to get various levels of complaints and most of these fell in the category of non-corruption related. We have now been able to decrease that and we have come out now to having more complaints that are corruption related.

Also we are looking at our Quarterly and Annual Reports and this is another form of assessment that we do have and these are given to relevant authorities as well to monitor our progress as we proceed. From our stakeholders, this is an area that we are working on and we work on every day because in terms of our stakeholders, we are looking at how well we are

invited for trainings where before, FICAC had to call up more stakeholders and ask for trainings, now we are given more invitations. We are called annually and told, “can you be part of our annual induction programmes.” So these are the programmes that are happening now in terms of assessing how we have progressed in combating corruption or how we have progressed in trying to put out the message of anti-corruption out there. Thank you.

MR. CHAIRMAN.- Thank you. Yes, Honourable Leawere.

HON. M.R. LEAWERE.- Mr. Chairman, further clarification. I thank you for your response and I know that FICAC is doing quite a lot in terms of having this awareness and assessment conducted around the country. The issue that I would like to ask is, you mentioned something about these assessments being conducted on a regular basis. How regular is this regular?

MS. A. NAIDU.- Thank you, Honourable Member, for your question. Honourable Chairman, when we say regular, with our KPI audits these are done on an annual basis and I believe that all our ACPs have been released and they are online and available as well. In terms of quarterly and annual reporting, these are done in every three months and annually as well. All of these are put into our Annual Report which is published and sent for tabling in Parliament as well.

MR. CHAIRMAN.- Honourable Nand then Honourable Ro Teimumu Kepa.

HON. J. NAND.- Honourable Chairman, supplementary question to the answers provided by our colleague. Do you have any internal control mechanism within your organisation?

MS. A. NAIDU.- Thank you for your question, Honourable Member. Honourable Chairman, yes, we do. We regularly evaluate all our training programmes and this is done through an evaluation conducted on a regular basis and this become part of our KPI benchmarking as well. And in terms of how corruption prevention works, it is based on regular consultation with investigation and legal as well and what matters need to be addressed next, is how we are go about it.

MR. CHAIRMAN.- Thank you, Honourable Nand, and thank you for the response. Honourable Ro Teimumu Kepa, the floor is yours.

HON. RO T.V.VKEPA.- Thank you, Mr. Chairman. My question is on their progressive assessment that you do. What is your database like? And how good are you at sharing your information with other stakeholders? Because yesterday we had some ministries here and they were talking about, not so much sharing their information, so that is just my question. Are you sharing with other stakeholders the information that you have from your database?

MR. CHAIRMAN.- Thank you, Ma'am.

MS. A. NAIDU.- Thank you, Honourable Member, for your question. Honourable Chairman, if I may answer that question. In terms of data sharing our Annual Report is for the

public consumption and therefore it is in our website and available to anyone and everyone that wants it. In terms of other data that we have internally, our investigation data is usually for internal consumption, out of which what is for public consumption actually is incorporated into our training programmes and then it is done to the organisation relevant. For example, if we are addressing the Ministry of Education then we will take data that is relevant to them and share with them what are some of our findings and what are some of the weak areas. So, in that way we do share data on that particular area especially when it concerns loop-holes in the policy or in terms of process and procedures and where we feel that we can tighten up the gaps.

MR. CHAIRMAN.- Thank you. Are there any international reports on the progress of fight against corruptions available?

MR. A. SAMI.- Thank you, Mr. Chairman for that question. There are various reports available and if I may name a few of them:

- 2005 - Corruption Perception Index issued by Transparency International.

However, we have moved out of their ratings right now but there are other reports like:

- 2009 - Report on the Pilot Review conducted by France and Serbia to review Fiji's implementation of the United Nations Convention Against Corruption (UNCAC);
- 2012 – Report on Fiji as one of the first 28 State Parties to be reviewed on the implementation of the UNCAC. Bangladesh and the United States of America in a peer review (first full review) carried out the second review.

So, these are some of the reports that are widely available on the nation's progress towards corruption specifically in terms of how we are doing in achieving the UNCAC Articles.

MR. CHAIRMAN.- Thank you very much for that response. Any supplementary question to that? If there are none than we will move forward onto Sectorial Approach to Prevent Corruption in the Free Education Grant. The first component that we are going to look at is the Lack of Review of Legislation to Incorporate Changes. Can the Ministry of Education give an update on what is the status on the review of the Education Act?

MR. T. BURE.- Thank you, Mr. Chairman and Honourable Members. The draft Education Act is currently under review in consultation with the Solicitor-General's Office and it is work in progress.

MR. CHAIRMAN.- How old is the current Act? When was that established?

MR. D. LAL.- The Education Act was established in 1968 and reviewed in the 1970s.

MR. CHAIRMAN.- Thank you. The second component to this is the Lack of Awareness on Guidelines for the Ministry of Education, Heritage and Arts 2017 Handbook. Commitments, MOUs, Code of Ethics, Clarity on Roles and Requirements, School Management Committee, Monitoring over the administration of the Free Grant and Deviation from the required processes. We will request the Honourable Vijendra Prakash to take us through Question No. 1, please?

HON. V. PRAKASH.- Thank you, Mr. Chairman. How does the Ministry intend to address the weaknesses identified pertaining to the management of organizational resource, that is, the grant from challenges of misappropriation by administrators of grant? Will the Ministry ensure that the code of conduct are in place for all educational personnel in the administration of the Free Education Grant (FEG)?

MR. D. LAL.- Thank you Honourable Member for the question. Mr. Chairman, the school management committee which comprises basically of mostly the treasures or the school management, the school president and the committee members and the head of schools. They are both responsible and accountable for the Free Education Grant. So in terms of the code of conduct in place for those particular parties, for the heads of school which are in fact, civil servants, they follow the Public Service Code of Conduct.

In terms of the school management committee, the 2020 school management handbook that was recently being implemented provides for the code of conduct for the school management committees. In fact Article 3.4 of the School Governance Arrangement for 2020 School Management Handbook, the school management committee members will be required to sign the Code of Ethics upon their appointment.

MR. CHAIRMAN.- Thank you. Supplementary questions?

HON. V. PRAKASH.- Thank you, Mr. Chairman. On all the expenditures that is incurred in the school system, I think one of the signatories are, the head of the school who approves those before the management will prepare the cheque. This means that the management and the head of school are aware that the right payment needs to be done, because in some cases the heads of school have signed, management does not agree or management wants something to be paid, head of school signs. Have you come across any of those types of situations because I think there is a party, the heads of schools are representing the Ministry of Education and there is another party which is the management.

MR. D. LAL.- Thank you, Sir. Mr. Chairman, yes, we do come across certain issues where there are conflicting views of the school management or the heads of school. What we have tried to do in the revised school management handbook is try to clearly demarcate the roles. What is the role of the Head of School and what is the role of the school management committee to ensure that we do not come across such conflicting situations.

HON. M.R. LEAWERE.- Thank you, through you Mr. Chairman, thank you for that response. It is a very important issue here that we are talking about in terms of the handbook because this is like our gospel for all the schools in terms of what we should be doing. The question that I would like to pose here, Mr. Chairman, are these handbooks also tailor-made to suit those in the rural and outer islands especially in the vernacular so that they know well what has to be done in terms of managing of funds that comes from the Ministry?

MR. D. LAL.- Thank you, Mr. Chairman. The Ministry is currently work in progress in developing the school management handbooks in iTaukei and Hindi languages. Those are the two common ones currently being used and it is work in progress, thank you.

HON. RO T.V. KEPA.- Through you, Mr. Chairman, this school handbook which was issued last month - 2020 and it is effective right away, so how are the school managements especially in the rural areas, did you have any training or what sort of training did you go through so that they are able to fulfil the requirements that Ministry of Education is asking for?

MR. D. LAL.- Thank you, Madam. Mr. Chairman, currently the Ministry is in the implementation phase of the school management handbook and we have developed training programmes that will focus on the staff of the Ministry at headquarters, districts and divisional education officers and then heads of schools, school management and bursars. So there are tailor-made training programmes for individual stakeholders that is currently being involved.

As we speak, this week we are focusing training on the headquarters. Of course, the school management handbook is revised in terms of the key requirements which has remained the same from the previous one particularly focusing on the changes that is being implemented. We are taking a faced approach to implement the changes that are there and within the next couple of months, we will have training for all stakeholders.

HON. V. PRAKASH.- Through you, Mr. Chairman, the management consists of various stakeholders and also the signatories are also not a single person, there are two or three people signing the cheque.

In the case if something is not appropriate and again it has been conducted by the school management, suppose if there is going to be a legal action taken, out of all those groups of management, who would be the person responsible who you will be targetted? The person whom legal action or any kind of investigations will be taking place should be aware of every transaction that goes through.

MR. CHAIRMAN.- Ministry of Education, please.

MR. D. LAL.- Thank you Honourable Member for the question. Mr. Chairman, of course, in the handbook we have defined the accountability level for each individual stakeholder in the school management committee as well as the Head of school. So as part of the Code of Ethics, the school management must be aware in terms of what decisions they would be taking whilst being signatories to specific transactions to ensure that proper processes are adhered to prior to signing off as well.

HON. V. PRAKASH.- It needs to be clarified because I think the Ministry has taken action with few of the institutions. What I am asking is, who in the management team is answerable for all these? It may not be all those people who are sitting in the management committee, but there must be someone who should be responsible. I think you have been taking few actions against institutions?

MR. D. LAL.- Mr. Chairman, through you, I think it depends on the individual case itself against whom the Ministry does take action, it is usually through the audit that the Ministry conducts is when we look at that individual nature of the case, that is when the Ministry does take action. It may vary from case to cases as well.

HON. V. PRAKASH.- I think someone should be responsible within the management team, that is what I really want to know, because the duties are different and someone should be responsible.

MR. D. LAL.- Mr. Chairman, in terms of the school operations, it is usually the school manager who is responsible for that. Trustees come in place at a different time altogether, depending if there is a conflict between the head of school or the school manager, which is when the trustees do come into place. I think that would clarify.

MR. CHAIRMAN.- Honourable Leawere.

HON. M.R. LEAWERE.- Mr. Chairman, thank you through you. I thank Mr. Lal for his response, I know that the Ministry is doing quite a lot in terms of trying to tell the management what to do as far as finance is concerned. You mentioned something about work in progress in terms of the school management, would you just tell us whether this school management handbook is also part of the collaborative effort or work with other stakeholders, like, the school managements, the unions, district office staff (probably you are doing that), but for the benefit of this forum?

MR. D. LAL.- Thank you, Honourable Member. Mr. Chairman, through you, yes we are working in collaboration with the school management association, the respective individual school managements and all stakeholders including the heads of schools, the Fiji Teachers Association, the Fiji Principals Association and in fact, in reviewing the School Management Handbook, the key parties that were involved in reviewing the handbook involved the key stakeholders including the faith-based organisations as well. So their input was also incorporated in reviewing the handbook. Obviously moving forward in training and implementation of the handbook, we will also involve and collaborate with those stakeholders as part of the Ministry's strategic plan and priority for 2019 to 2023, the tenth strategic priority area is partnership and collaboration with all stakeholders.

HON. M.R. LEAWERE.- Mr. Chairman, I did not hear the unions, are they also part of the package or not?

MR. T. BURE.- Mr. Chairman the faith-based organisations and the heads of schools, school management, some executives of the union are in those organisations but, it is not complete. So if you want us to talk to the unions about it, we will be able to do that. But we saw them coming in between their groups of faith-based organisations, heads of schools and school management, we thought they were already in the work that we are doing on handbook.

MR. CHAIRMAN.- Thank you. Honourable Leawere on that note, if you can ask Question No. 2, please.

HON. M.R. LEAWERE.- Thank you Mr. Chairman. We were so carried out with the questioning, we got lost track on what is on the paper. Through you Mr. Chairman on the question that is there, what efforts have been made to provide legal framework and administrative practice to promote transparency and accountability in the administration of the grant?

MR. D. LAL.- Thank you, Honourable Member for the question. Mr. Chairman, in terms of promoting transparency and accountability, the Ministry currently has revised the Free Education Grant Policy to name it as Financial Management Arrangement in Schools that was approved in late 2019 and following that came the School Management Handbook 2020 as well.

So as part of the progress towards further strengthening accountability and transparency, we have incorporated processes such as restrictions on the use of grant for capital projects and defining grant payment conditions that must be met before grant is released, so that the grants is mostly released on a termly basis. So we try to ensure that schools actually adhere to the conditions of the grant such as:

- Audited Financials are provided;
- Annual General Meeting is conducted yearly before grant is released; and
- Strengthening the procurement process in the new handbook.

We have incorporated evaluation forms in terms of how schools could evaluate suppliers to choose the best supplier for value for money as well as the purchase orders. In moving forward, we will also incorporate in the Fiji Education Management Information System monthly reporting for schools, so that they are able to report online on a monthly basis their expenditure.

Additional requirements on fixed assets and inventories for purchases made by schools being incorporated as well in their reporting, so that they report their inventory as well as the assets that the school has.

Finally on restrictions on carried forward balances for grants towards the end of the year, so that we want to ensure that schools actually utilise the funds for teaching and learning purposes during the year and significant amount of funds are not accumulated.

MR. CHAIRMAN.- Yes, Honourable Kepa.

HON. RO T.V. KEP A.- Thank you Mr. Chairman. I think the Ministry of Education has to bear with us because we have four former teachers here and are very interested in your Ministry.

My question on that particular question is, FEG has since its inception has regularly been in the Auditor-General's Report in terms of the processes that are used in the utilisation of this grant. My question is, what plans have you got to review it because it seems to be quite complicated for the various schools that are trying to manage this? You have mentioned some of the different areas that you are looking at, so my question is, what plans have you got to review it and the processes that you go through in terms of that grant?

MR. D. LAL.- Honourable Member, Mr. Chairman through you, to my understanding review would mean the different allocations that Madam, you would be talking about or is it the utilisation of?

HON. RO T.V. KEPA.- How the schools are able to understand what it is that you are trying to get them to do with the grant in terms of the various allocations because I see that it is regularly in the Auditor-General's Reports so there must be some things that you might need to improve. Maybe training or better understanding of how it is properly managed so that it does not go to FICAC.

MR. S. LAL.- Thank you, Honourable Member. In terms of training like I earlier mentioned, we have incorporated training programmes for the individual stakeholders. The other element of that is particularly focusing on the training for the heads of schools. There is a particular module that has been developed solely on financial management in terms of how heads of schools could address financial management issues because they being the people on the ground, it puts them in a better position to assist the school management and other stakeholders in schools in creating awareness in terms of the requirements of FEG. So one of the key ones that we are focussing on is training of heads of schools and school management as well as awareness on the key requirements of those areas.

MR. CHAIRMAN.- Yes, Honourable Prakash.

HON. V. PRAKASH.- Thank you very much, Chair, through you. I think FEG is something which is very important for the development of education and I think it has played a very important role especially in all schools all over Fiji; the utilisation, the five sectors that you have identified where each a different type of allocation needs to be done and indeed all schools all over Fiji have really come out from the struggle that school managements used to have, before the FEG was given.

I have two questions here. Do you have any internal audit system in the Ministry would be going to visit schools, guide the management and sort of assisting them. There are some schools, very good. They are doing very well. We know that most of the schools are doing very well with all the rules but there are some who are still struggling. We know that. Do you have any internal audit system in the Ministry where officers go out and visit those schools and try and assist them?

You must have certain criteria for purchase of things. Things are purchased in different amounts. You must have a criteria for buying something which may value for a certain amount where you might need more than one quotation. Can you clarify that so that people are able to know that in some cases more quotations are needed? It is not that you go and buy with a single quotation. Those are my two questions, Chair.

MR. S. LAL.- Thank you, Honourable Member. Chair, the first question also relates to a part of the second question, the follow-up after that which is on control, oversight and sanctioning of that. Do you wish for me to respond to that later on; the second question? I will touch on the second question which is on the procurement process in schools.

The previous handbooks from 2014 to 2017 also had the procurement process clearly outlined including the recent one and this is similar to or guided by the procurement policy for the whole of Government as well. So if goods or services are procured above \$1,000, this requires three competitive quotes. Below \$1,000 requires one written and two verbal quotations and anything above \$50,000 goes through the tender process. By tender process, I mean the

schools would have its own tender boards. It does not necessarily need to come to the Government Tender Board. In the revised handbook, we have also guided schools in terms of how they could evaluate the required items that they are buying in terms of the quality of the goods, service after delivery and value for money that it drives. So the evaluation form that I was earlier talking about also guides schools in terms of how they can evaluate between suppliers to choose the best product.

HON. M.R. LEWAWERE.- Mr. Chairman, just a clarification from Mr. Lal in terms of, you talked about Honourable Member purchasing of goods. I note on page 41 of the Report which says and I quote, “competitive quotation for the purchase of goods and services need to be adhered to” and there is a recommendation where the Ministry should ensure that competitive quotations are obtained for the purchase of goods and services and necessary action should be taken for non-compliance. Just enlighten the Committee as to what the Ministry does in terms of those schools who are non-compliant with the financial regulations or whatever it is that they are supposed to be doing or is it also part of the school management handbook as awareness for school managements.

MR. S.D. LAL.- Thank you, Honourable Member. Mr. Chairman, when the audit team does conduct audits and if they do come across issues such as procurement process not been adhered to than appropriate actions are suggested or recommended to the PS for approval and if it does consist elements that it requires to go to FICAC then obviously we refer it to FICAC. If it simply requires awareness or training then we conduct training and awareness. In most audit cases what we do is, we get the District Education Office to go back to the school management and the Head of School and do conduct training for them. In certain cases grants also get centralised before the training happens to ensure that in future they are able to understand the processes better.

MR. CHAIRMAN.- Thank you. I will request the Honourable Ro Teimumu Kepa to ask Question No. 3, please.

HON. RO T.V. KEPa.- Question No. 3 – How does the Ministry intend to strengthen its control, oversight and sanctioning role over the schools and educational institutions?

MR. S.D. LAL.- Thank you Honourable Member for the question. Mr. Chairman, in terms of the controls and oversight functions, the Ministry firstly has when previously mentioned conflicting situations have clarified the responsibility for the control and oversight of the various stakeholders. In addition to that, internally we have the audit, the grant management team that conducts audit as well as training for schools to ensure that the focus and move towards conducting more audits.

As part of the Ministry’s’ ongoing resource development, in future we will be having Finance Officers in the district level as well. Currently we have got audit officers at the divisional level as well as at headquarters, but moving forward we would have finance officers at district level focusing on training and development for heads of schools and school management as well as conducting audits.

To add on to that, all schools currently update their expenditure details on the Fiji Education Management Information System which is a live system. So, as we speak, we could

randomly pick any school and know what their spending is and what are they spending on. On a daily basis what the auditors do, they pick schools and then they verify the expenditure and then they just ask schools to provide; did you take quotations for this purchase just as an enquiry to ensure that the process is ongoing.

MR. CHAIRMAN.- Thank you. I request Honourable Nand to ask question No. 4, please.

HON. J.N. NAND.- Mr. Chairman, as I have declared my interest and certainly there is a conflict of interest in my part as being the Assistant Minister and with your permission Sir, may I flick this question to the Honourable Member.

HON. V. PRAKASH.- Thank you very much Mr. Chairman. Question No. 4 - What actions are being undertaken by the Ministry to improve effectiveness of education services in maintaining data, for example, data on enrolment. This data can be used not only as a basis for distributing grants but can also be used to provide statistics on minorities and disadvantaged groups.

MR. T. BURE.- Thank you, Mr. Chairman and Honourable Members, through the Fiji Education Management Information System, we are able to track the information regarding financial matters in schools and we are also able to access individual schools class rolls, form rolls and also background on individual students financial home background. All these information has been used in the past to determine the kind of assistance that we give to schools including c-Centres and Special Inclusive Education Schools.

And depending on the class roll the number is shown in the information system that was also used to determine the amount of Free Education Grant that is given to a particular school. Small schools are given a special grant just to assist them in coping with their financial commitments in a particular term and also throughout the year.

Yes, there is data also on minorities and disadvantaged groups as I have stated. So we use that data to make decisions on the amount of grant and the type of assistance that we offer to an individual student or the schools. I hope I have answered all your questions.

HON. V. PRAKASH.- Mr. Chairman, thank you for the response. The movement of students, why we are saying the data is so important because sometimes students get enrolled into an institution and after sometime they move. They may be moving into the education sector or other schools or they may be moving out to other areas of their development. How are you able to monitor those movements that is quite normal and that is taking place in the system?

MR. T. BURE.- The Director Finance will answer that but once the student has enrolled in another school, if there is a double enrolment, it will show up in the Fiji Education Management Information System and we will be able to tell the two schools that the student has enrolled in both schools. That is when we start shifting the grant around.

MR. D. LAL.- Thank you, Honourable Member. Honourable Chairman, in terms of students' movement, I think it is important that we are able to track students from EC right to tertiary level. Last year the Fiji Higher Education Commission, Ministry of Education and the

universities signed an MOU. Currently what we have is student gets enrol in EC so we are able to trace student's performance from EC right up to secondary education. But we want to see beyond that in terms of outcomes, in terms of their employment because that is ultimately what we are targeting. So universities would also be feeding information in FEMIS so that we are able to track after Year 12 or Year 13 as to where do the students end up. Do they end up in tertiary institutions or into the workforce or they join technical colleges. Also there is a module on FEMIS that the Ministry of Youth and Sports manages. So ultimately the aim is to ensure that all boys and girls have access to education from primary to tertiary and how they are involved in the workforce and productivity of the economy.

MR. CHAIRMAN.- Yes, Honourable Ro Teimumu Kepa?

HON. RO T.V. KEPA.- Mr. Chairman, just a question. I thank you for your responses. You are talking about a very important information system and you have a lot of data on your database. Now, my question is who can access that, can we access it from Parliament because that is a very important information, very wide and the movements that you are trying to capture from the question on various students we know, who move around. So my question is, can we access that from Parliament?

MR. D. LAL.- Thank you, Honourable Member. There are certain levels of information that is generally available in FEMIS as well as that is duplicated in the Ministry of Education website. In terms of specific, like for instance the Ministry of Youth and Sports data, that access level is currently with the Ministry of Youth and Sports. Obviously, we need to be mindful also of the security and privacy of information as well. So depending on what is the nature of the information that is required, that could be officially requested from the Ministry for that level of information. Generally, whatever that the Ministry feels is for public purpose, it does get published through our website as well.

MR. CHAIRMAN.- Thank you. Honourable Leawere.

HON. M.R. LEAWARE.- Thank you Mr. Chairman, through you. I thank you Mr. Lal for your response. On this data that you have just mentioned in terms of enrolment. Do you use that as a determinant for teacher/pupil ratio in the schools?

MR. T. BURE.- Mr. Chairman, yes we do use that.

HON. M.R. LEAWARE.- Maybe I will talk to the Honourable Minister later on because there are some schools that are without teachers.

HON. V. PRAKASH.- Mr. Chairman, why it is important to have that data revised is, I believe taxpayers money are involved here. I think the grant that should be going to schools should be the correct and right amount. I feel that very rare you will find the data at the beginning of the year matches throughout the year because there is movement in both ways, the number may increase and may decrease. What I would like to clarify from the Ministry, that updating of data, you might have your system but to ensure that the right amount of grant goes to the school compared to the students who are present, that is what I was trying to get because it is very important to see that the grant that goes to schools should be reflected with the number of students that are studying there.

MR. D. LAL.- Thank you, Honourable Member. In terms of the data integrity. The Ministry currently maintains a very high level of data integrity. There are many control mechanisms in place. Firstly, any school would not be able to create or enter any additional student apart from entering EC or Year 1. So, if there is any student that comes on board out of the Fiji education system in Year 3, Year 4 or Year 5, then they would need to go through the District Education Office to enrol. If it is a student within the Fiji education system then they would only be able to enrol the student from the previous school. So the school would have to furnish clearance before the other school would be able to enrol that particular student.

To add on to that, the same system is used to verify students for examination purposes where the actual physical verification also happens in issuing, so the FEMIS ID is also used as the student ID for exam purposes. So, that gives us an additional verification on student's data integrity as well. Those schools who have students doubled enrolled, that gets picked as "red" and grant is not issued for that particular child until it gets sorted, whether that student is in school A or school B. So that level of control currently does exist.

HON. J.N. NAND.- Just for the information of the Honourable Leawere we are free to answer your questions any time. Feel free to visit our office and we are ready to provide all the answers should you have any queries.

HON. M.R. LEAWERE.- Mr. Chairman, just a further clarification on that. In terms of private schools, what about the data? Are they also collated by the Ministry? If not, are they also part of the FEG or not?

MR. D. LAL.- Sir, my understanding, private schools are the ones that do not get the grant or does follow the curriculum. They do not use FEMIS for data storage at the moment.

MR. CHAIRMAN.- Thank you very much. To wind-up, I would like to ask the last question and this is directed to both agencies sitting here. How does FICAC and the Ministry of Education align their strategic plans towards the SDGs goal. How do you align it to achieving the SDG goals and to the NDP?

MR. D. LAL.- Thank you Mr. Chairman. Actually, we have got the SDG indicators in-built within our system. In fact, we are into a new strategic plan year from 2019 – 2023 so in terms of the development of the strategic plan, guidance was taken from the NDP and the SDG, so as part of meeting the Ministry's strategic priorities, we also look towards implementing or managing these SDGs and NDP. We have got a monitoring, evaluation and learning tool that on a quarterly basis, we measure the Ministry's performance against these strategic priorities of the Ministry, the SDG as well as the NDP.

MR. A. SAMI.- Mr. Chairman, one of the very important instruments of achieving the SDG is the United Nations Convention against Corruption (UNCAC) document and the FICAC closely uses the UNCAC document to do its development plans because this is the document we are answerable when it comes to international forums. So, UNCAC is one of the documents that actually is the benchmark that we use when are developing plans and through these plans, we are achieving whatever is being prescribed in UNCAC and UNCAC directly addresses the SDGs laid out by United Nations.

MR. CHAIRMAN.- Thank you. One final one.

HON. V. PRAKASH.- Mr. Chairman, I think it is very important, the suggestion that has been given by the Ministry of Education where they have suggested for the calling of tenders. Anything above \$50,000.00, a tender needs to be called. It could be done by the Ministry and also by the different institutions. I think it is very important that when you will be revising the handbook, there needs to be a certain criteria on which this tender may be called by different institutions, but definitely they should always have a space to see that ministries are aware of those tenders.

Mr. Chairman, through you, housing of teachers is very important especially in the rural areas. The third grant that the school receives is for teaching and learning facilities and the development of these sports facilities, et cetera. There are no facilities for quarters and other things and in the rural areas, quarters are very important for the teachers who would be able to function properly because I think, if the teacher is well kept in the right type of environment, they will be able to deliver.

We request through you Mr. Chairman, that the teachers' quarters, especially an audit needs to be done for the schools in the rural and other maritime areas and then after the audit, if there can be a way to see that proper facilities for these teachers in the rural areas is provided. Because in some cases, it is very difficult for the school management to try and fork funds from somewhere else to build the teachers quarters, Mr. Chairman. I think it is very important and thank you very much for allowing that.

MR. D. LAL.- Thank you Honourable Member for the question. Mr. Chairman, through you, firstly, in terms of the tender for above \$50,000.00 for non-government schools, as part of the handbook, it is mandatory that as the composition of the Tender Board does involve the Education Office. One of the Education Officers needs to be part of the tender process throughout.

The Free Education Grant obviously is for teaching and learning resources. The budget as well as in the 2018 - 2019 and 2019 - 2020 budgets, there is a separate allocation for teachers quarters for government schools and teachers quarters for non-government schools. Schools usually do apply for that assistance through the Asset Management Unit for teachers quarters upgrade as well as new quarters. There is separate allocation apart from free education grant for teachers' quarters.

MR. CHAIRMAN.- Thank you. At this juncture, I would like to actually thank all the Members and staff from the two relevant agencies who are present here this afternoon for availing your time to present before the Committee on the inquiry that the Committee is trying to conduct.

Meanwhile, I would like to request if there is any more session that is supposed to be held in future, please do avail yourselves, if more scrutiny needs to be done with regards to this particular report before we present a report back to the Parliament.

Thank you very much for availing yourselves, and I shall now take recess for 15 minutes and after that we will resume with the Committee meeting.

The Committee adjourned at 2.20 p.m.