



Girls' Education South Sudan: Improving Public Financial Management (PFM) in South Sudan's education sector

Endline subnational survey findings and recommendations

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Knowledge, Evidence and Research

The Knowledge, Evidence and Research (KER) component of the Girls' Education South Sudan (GESS) programme aims to generate increased knowledge and evidence for policymakers of what works to promote girls' education in South Sudan, about programmatic causality and impact, and to provide evidence, lessons learned to inform future programmes and other contexts. The KER programme develops an evidence base for the project interventions, linking inputs to outcomes and impacts, and gathers broader information about what works in girls' education. The Programme gathers data continuously through the South Sudan Schools' Attendance Monitoring System (SSSAMS), twice yearly through Longitudinal Qualitative Survey (LQS), yearly through the School Sample Survey, and then has set piece Baseline (2014), Midline (2016), and Endline (2018) survey waves.

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List of Abbreviations

BoG	Board of Governors
CED	County Education Department
CES	(former) Central Equatoria State
CG	Capitation Grant
CT	Cash Transfer
DFID	UK Department for International Development
EES	(former) Eastern Equatoria State
FY	Fiscal Year
GESS	Girl's Education South Sudan programme
GRSS	Government of the Republic of South Sudan
HT	Head Teacher
JGL	(former) Jonglei State
KER	Knowledge, Evidence and Research
LKS	(former) Lakes State
MoFEP	Ministry of Finance and Economic Planning
MoGEI	Ministry of General Education and Instruction
NBG	(former) Northern Bahr el Ghazal State
PEO	Payam Education Office
PES	Payam Education Supervisor
PFM	Public Financial Management
PLE	Primary Leaving Examination
PTA	Parent Teacher Association
SCE	Secondary Certificate Examination
SDP	School Development Plan
SMC	School Management Committee
SMoGEI	State Ministry of General Education and Instruction
SSP	South Sudanese Pound
UNS	(former) Upper Nile State
UTY	(former) Unity State
WBG	(former) Western Bahr el Ghazal State
WES	(former) Western Equatoria State
WRP	(former) Warrap State

Executive Summary

The Girls' Education South Sudan (GESS) programme is a six-year programme aiming to transform the lives of a generation of South Sudanese children – especially girls – through education. GESS is an initiative of the Ministry of General Education and Instruction (MoGEI) of South Sudan, and is funded by the UK Government. One of the strategic objectives of the Ministry of General Education and Instruction (MoGEI) is to eliminate barriers to girls' education and promote gender equality throughout the education system.

Knowledge, Evidence and Research component

The Knowledge, Evidence and Research (KER) component of the Girls' Education South Sudan (GESS) programme aims to generate increased knowledge and evidence for policymakers of what works to promote girls' education in South Sudan, about programmatic causality and impact, and to provide evidence about what may be applicable, scalable and transferable to other contexts. KER seeks to develop an evidence base for the project interventions, linking inputs to outcomes and impacts, as well as gathering broader information about what works in girls' education.

KER research is based on the following two overarching questions, which have been developed from the outcome of the programme:

1. Has there been a change in enrolment and retention for girls and boys P5-P8 and S1-S4, and which aspects of the programme contributed towards this?
2. Has there been a change in quality of education, as demonstrated by improved learning for P5-P8 and S1-S4? What changes in the learning and teaching environment have contributed to this?

The programme gathers data continuously through SSSAMS, twice yearly through LQS, yearly through school sample survey, and then has set piece Baseline (2014), Midline (2016), and Endline (2018) survey waves.

Public Financial Management

This survey aims to understand Public Finance Management (PFM) practices and challenges at decentralised levels of the education sector in South Sudan. The original purpose of the study was to produce an overview of PFM standards in education at State, County and Payam levels and in selected schools, and to measure changes since the Baseline in 2014. Since the Baseline, GRSS resources have reached subnational levels less reliably, and have come to be worth much less. As a result, by 2016 GESS had become the principal funder of the South Sudan education sector in terms of value. During the Midline, the State boundaries were in flux, following the move from ten to 28 States in 2015. By the time of the Endline, the administrative boundaries in South Sudan had again moved from 28 States to 32+1 in early 2017. The logical result of this has been lower capacity in staff and a loss

of institutional knowledge at State and County levels, which have made it difficult for these offices to follow the basic procedures of accountable governance that were, to a certain level, applied during the Baseline.

As a result of this, the scope of questioning of the PFM survey was expanded and refocused at Midline and Endline to cover specific analysis of the quality of the operation of Capitation Grant and Cash Transfer systems at SMOE, CED, PES and school levels, including:

- The general quality of planning and budgeting;
- The functioning of Capitation Grants (regularity of payments, reaching of beneficiaries, frequency, timeliness, use of bank accounts, etc.)
- The impact of Cash Transfers on household contributions to education expenditure;
- The quality of planning and budgeting practices at the different levels of the system, including schools, with particular attention to priority action plans, roles, decision-making processes, etc., as well as knowledge and understanding of these, and documentation.
- The quality of the spending (i.e. whether it is in line with pre-set priorities), which may include progress (or lack thereof) on transparent/accountable management; and
- The quality of the reporting (bookkeeping, minutes, and feedback to different stakeholders and different levels of authority).

Methodology

The PFM survey consists of mixed qualitative and quantitative questionnaires administered to State Ministries of Education (SMoEs), County Education Departments (CEDs), Payam Education Offices (PEOs), and primary and secondary schools. When available, supporting documentary evidence of PFM policies and practices was collected and scanned. All data was triangulated where possible. The data collection process was carried out as part of the broader GESS Endline data collection between March and July 2018. It included site visits to 26 primary and ten secondary schools. 14 PEOs, 13 CEDs, and eight SMOEs.

Key Findings

- Overall, there has been little improvement since the 2016 Midline Survey, and in some areas, such as the flow of operating grants between County and Payam, have demonstrated a step backwards compared to Midline findings.
- Particularly at school level, PFM accountability practices in some areas have been relatively good and have remained so throughout the project period.
- An improvement in operation grant flows was recorded at Midline for FY 15/16 compared to FY 14/15; however, operational grant flows now seem to have significantly worsened since Midline.
- Capitation Grants (CGs) are reaching schools nationally and driving accountability improvements; however, to ensure quality consistent and free education they need to flow more quickly and more reliably.

- The weaknesses in the CG submission/approval/payment process highlighted at Midline prevail.
- There is a continuing trend of upwards flows of school fee income to Payam and County officials in some States, despite dedicated transfers funding. This means that Payams and Counties are extracting money from schools, partly due to the fact that their own funds are not flowing or have been less indexed.
- The cost of education for families and pupils remains high and is a major barrier to education for girls and boys.

1 Background

1.1 The GESS programme in South Sudan

The Girls' Education South Sudan (GESS) programme seeks to transform the lives of a generation of children in South Sudan – especially girls – through education.

GESS is an initiative of the Ministry of General Education and Instruction of South Sudan and funded by UK aid. The Ministry of General Education and Instruction (MoGEI) leads the GESS programme, supported by implementing partners who provide technical advice. At State and County level the State Ministries of General Education and Instruction (SMoGEI) take the lead in programme implementation, supported by partner NGOs, or 'GESS State Anchors'. Implementing partners include BMB Mott MacDonald (lead), BBC Media Action, Charlie Goldsmith Associates and Winrock International.

GESS is a practical programme that implements activities that tackle financial, cultural and quality barriers to education for the girl child, while boys will also benefit from an improved learning environment.

The activities are structured along three main outputs:

1. Enhanced household and community awareness and empowerment for supporting girls' education through radio programmes and community outreach.
2. Effective partnerships between GRSS and local organisations to deliver a community-based school improvement programme which includes:
 - a. Cash Transfers to girls and their families;
 - b. Capitation Grants to schools;
 - c. provision of practical support to schools, teachers and education managers to improve the quality of education.
3. Increased knowledge and evidence of what works to promote girls' education in South Sudan.

The GESS programme was designed in 2012, shortly after South Sudan gained independence, and was officially launched in April 2013. The programme has been monitored and evaluated on the basis of several tools, including the Endline suite of surveys.

An update on the South Sudanese context since the Midline Report

The security and economic situation in South Sudan has deteriorated significantly since the Baseline. Despite this, enrolment has increased by 800,000 over the last five years; however, this still means approximately 2 million South Sudanese children are not in school.

The context in which GESS operates has deteriorated since 2014, as the dynamics of the conflict that broke out in December 2013 have shifted, and the economy has collapsed. Fighting was initially concentrated in the Greater Upper Nile region, but later spread to areas that had previously been relatively stable, in particular the Equatorias and Western Bahr el Ghazal. This resulted in mass displacement both within South Sudan and into bordering countries, making it increasingly difficult for schools to function. The implementation of the Agreement on the Resolution of the Conflict in South Sudan (ARCSS), signed by both parties to the conflict in August 2015, has faced numerous

obstacles, the most significant being the fighting that erupted in Juba in July 2016, and which led to the expulsion by GRSS forces of the SPLA-IO from Juba, and the intensification of the conflict elsewhere. In July 2018, the number of South Sudanese seeking refuge in neighbouring countries stood at 2.47 million, with an additional 1.74 million Internally Displaced People (IDPs).ⁱ

This deterioration in the security and humanitarian situation has taken place against a backdrop of economic collapse. The fall in oil production has severely eroded the Government of South Sudan's chief source of revenue. Following discussion with DFID, in 2016 GESS took over funding all CGs, including an inflation correction in order to maintain the system. Meanwhile, inflation has accelerated, with the effective SSP:USD exchange rate increasing from 4.61:1 in September 2014 to 76:1 in September 2016, and beyond 300:1 in early 2018. This has had a strongly negative impact on education delivery as a whole, eroding the value of teachers' salaries and affecting the ability of schools to execute their budgets.

While the education sector has continued to operate, its ability to do so effectively has been hampered by the challenging security and economic context. As at August 2018, there were over 4,000 schools open in South Sudan, with 1,705,433 pupils enrolled, taught by around 40,000 full-time teachers, according to data on www.sssams.org (the real-time management information system developed as part of GESS). Given the current estimated population of >10m, the cohort of school-age children is of the order of 4 million, meaning that South Sudan has one of the highest rates of school-age children out of school in the world.

A new peace agreement was signed in August 2018 and oil production is set to start again with the support of Sudan. It remains to be seen how the context of the country will change as the GESS programme comes to an end and preparations are made for GESS2.

2 Purpose of Survey & Methodology

2.1 Overall GESS Research Objectives

The Knowledge, Evidence and Research (KER) sub-output of the GESS programme seeks to generate knowledge and evidence about education in South Sudan, and what works to get girls in school, staying in school, and learning in school.

The research is focused on:

- Whether the programme is achieving expected outcomes
- How outcomes are being achieved

ⁱ

- Wider areas of interest about what’s happening in schools

The overall GESS research is based on the following two overarching questions, which have been developed from the outcome of the programme:

- Has there been a change in enrolment and retention for girls and boys P5-P8 and S1-S4, and which aspects of the programme contributed towards this?
- Has there been a change in quality of education, as demonstrated by improved learning for P5-P8 and S1-S4? What changes in the learning and teaching environment have contributed to this?

The overall objectives of the GESS project surveys are:

- To monitor changes currently occurring in schools, particularly changes related to the GESS project;
- To identify aspects of the GESS programme contributing towards changes in the enrolment rate among girls and boys P5-P8 and S1-S4;
- To identify aspects of the GESS programme that will contribute toward the future measurement of girls’ and boys’ retention rates between P5-P8 and S1-S4.

The overall KER component of GESS seeks to:

- Develop national and State capacity for research and use of evidence;
- Develop knowledge about the impact of project interventions;
- Develop broader information about what works in girls’ education;
- Incorporate process monitoring into learning about successes and failures in design and implementation, protect against doing harm and monitor value for money;
- Inform policymaking, budget priorities and targeted support.

The programme outcomes are directly concerned with improvements in enrolment, retention, and learning. Alongside the school survey, three other areas of research were developed to enquire in more depth about relationships, activities, and processes linking programme interventions to the outcomes were proposed. These are school and classroom practice, educational choices by households and girls, and management capacity and structures.

2.2 Public Financial Management

This survey aims to understand Public Finance Management (PFM) practices and challenges at decentralised levels of the education sector in South Sudan. The main original purpose of the study was to produce an overview of PFM standards in education at State, County and Payam levels and in selected schools, and to measure changes since in the Baseline in 2014. The findings of this study are based on the administration of questionnaires to State Ministries of Education (SMoEs), County Education Departments (CEDs), Payam Education Offices (PEOs), and primary and secondary schools. Where available, supporting

documentary evidence of PFM policies and practices were collected and scanned. The findings were derived from an in-depth analysis of triangulated data gathered from research rolled out in March-July 2018 across South Sudan.

The data collection process was carried out as part of the broader GESS Endline data collection between March and July 2018. It included site visits to 26 primary and ten secondary schools, 14 PEOs, 13 CEDs, and eight SMOEs. To enable comparison with the Baseline and Midline, the State and County names that existed in 2014 (i.e. the ten State model, as opposed to the 32+1 State model) have been used in this report.

The results of the PFM survey were presented and discussed at a dissemination event at MoGEI in September 2018.

2.3 Key Challenges

Besides the generally worsening humanitarian context in South Sudan since the Midline (as highlighted above in section 1.2) there are additional challenges which pertain to PFM. In particular, the restructuring of administrative boundaries in South Sudan, from ten States to 28 in 2015, and from 28 to 32+1 in early 2017, has caused significantly lower PFM capacity at State, County and Payam levels. This has made it difficult for these offices to follow the basic procedures of accountable governance that were, to a certain level, applied during the Baseline. In addition, the economic crisis and associated falling and fluctuating value of the SSP has reduced the value of operational grants, as well as causing a tenfold drop in the real average value of Capitation Grants from \$5000 to \$500 between 2014 and 2018. Alongside this, there has been a country-wide collapse of the nascent banking system, making it more difficult for funds to be transferred using any other method than cash, and forcing the use of intermediary institutions, predominantly SMOFs. Ongoing conflict continues to affect the productivity and efficacy of sub-national Government, and in particular the opening up of the conflict into new areas post-2016 has severely impacted States where PFM had typically functioned better, notably in the Equatorias.

3 Findings

3.1 Subnational government findings

At subnational level, findings on the whole constitute a step back from the Midline; at every level there is an irregular flow of funds in combination with confusion by subnational staff about how funds flow, and in what value amounts. In addition, there is a lack of shared guidelines at different levels, or, where there are guidelines, these are stuck in no longer functional communication channels. Whilst at Midline an improvement in operation grant flows was recorded compared to the FY2014/15, at every level this seems to have significantly worsened since Midline.

3.1.1 State level findings

At State level, there remains confusion over financial resourcing, in terms of amounts that should be transferred and amounts that are actually transferred. Operational grants seem to have flowed more regularly in FY2016-17 than in FY2017-18; according to the available data roughly the same number of 'monthly' transfers were made from the national level; however, in FY 2017-18 money was shared with more States, and more funds became 'stuck' along the chain. Overall, flows have been inconsistent and the amounts received do not always match with what budgets show. Further, monthly allocations appear to be correct for only two of the States surveyed in 2018, and the others have received significantly less (reportedly up to 60%-75% less). Again, this could be due to the changes in administrative boundaries, meaning that new States have considerable numbers of new and untrained staff. These issues are further compounded by a lack of documentation available to inform best practice, with half of all States surveyed in 2018 reporting that they had not received a copy of the Guidelines on Educational Conditional Transfers to States and Counties (2016-17 and 2017-18).

3.1.2 County level findings

Findings from 13 counties show that at County level, the Guidelines on Educational Conditional transfers to States were also largely unavailable in County Education Department offices. Operational grants have been flowing irregularly: in FY2017-18, 80% of Counties did not receive their operational grants, and even when the funds are flowing, the frequency varies from every one to 12 months. The proliferation of States (from ten to 28 to 32) and Counties (from 79 to 180+) since 2015 plus the absence of clear amounts in the guidelines on the level of operational grants for Counties (due to a variable allocation principle) makes it virtually impossible to verify the conformity of the allocations when they reach Counties (as opposed to previous years).

Generally, the CEDs are not passing the correct share onto Payam offices, and there is a lack of understanding amongst a minority of the CEDs as to how much they should pay. For example, 30% of the surveyed CEDs say they make cash payments to PEOs, but are unable

to explain how they do this and how much they send. This constitutes a step backwards compared to Midline findings.

This general confusion in County and Payam offices is reflected in the Endline County and Payam survey. Here, CEDs were presented with a list of CED responsibilities; some officials identified just one to three of these responsibilities as something their CED had to carry out, whilst others identified all 18 listed responsibilities as falling under the purview of their CED. This indicates a large discrepancy in each CED's understanding of their role and what duties they are tasked with.

3.1.3 Payam level findings

Findings from 14 Payam visits reveal that most Payam offices did not receive their operating grants in FY2016-17 and FY 2017-18. Half of the Payams did not receive their share from the CED (FY2016-17 and FY2017-18), while some received one month only. Regular flows (i.e. 12 months) only happened in three Payams (two during FY 2016-17 and two during FY 2017-18). In one case the amounts were correct. In another case Payams seem to have received less than what they are entitled to.

Most Payam offices also reported that they did not receive their operating grants in FY2016-17 and FY 2017-18. It is estimated only 10% received grants on a regular basis and, compared to Midline findings, this is a major step backwards. Most Payams do not know the level of the CED operation grant and only one in five Payams are aware of the allocation principle (60% Payam and 40% CED). The majority (80%) of PEOs say they do not have a bank account. As a result, there is a continuing trend of upwards flows of school fee income to Payam and County officials in some States, despite dedicated transfers funding, with officials putting pressure on schools to cover 'operational costs' from school budgets. The regular flow of operational funds to Payams is needed in order to prevent this.

Absence of support to Payams is not consistent with the policy of CGs and SDPs; because of their proximity to schools, PEOs should be able to play a frontline role in the SDP monitoring and approval process. There is also a decline in the number of school visits by Payam Education Supervisors and County Education officials, corroborated by findings from the County and Payam Survey, which found that the number of visits to schools per year has dropped from the 2014 Baseline.

3.2 School level findings

Findings from school level indicate that there is strong progress in the area of Capitation Grants (GGs), but there are still significant improvements to be made. A primary rationale behind the process for allocating CGs is to allow schools, rather than remote administrations, to decide on local education policies. This is consistent with the principle of subsidiarity, and supports the idea that the lowest levels of financial execution are best placed to make decisions about spending because they know their needs. This should reasonably lead to more efficient use of available resources. In schools, the CGs model seeks to institutionalise routine mechanisms of strategic planning, budgeting and reporting

to improve local teaching and learning conditions. The role of Government is limited to defining a framework of standards, ensuring predictable resource flows and exercising a control via proximity monitoring.

However, a competence shift to local structures does not happen overnight. The switch to a decentralised model not only requires behaviour change but also considerable efforts to put in place the technical conditions for the model to operate efficiently. Additionally, in South Sudan this needs to happen in a particularly unfavourable context. One critical precondition is effective PFM. This is a composite concept, often underestimated or misunderstood. However, without strong PFM rules, CGs will remain a simple transfer of resources. Capitation Grant focused findings from the PFM Baseline, Midline and Endline reports show strong progress but also room for improvement.

3.2.1 Systemic achievements

The arrival of CGs in 2014 introduced the basics of PFM in schools.

The introduction of CGs in 2014 has made the process of resource planning and budget allocation more common in schools across South Sudan. This should be seen as a major achievement in itself, as it has oriented schools to develop more structured ideas on how to improve teaching and learning conditions. The practice of planning seems to have been less common before CGs, when schools relied primarily on erratic income from school fees.

Schools have now also started designing more formal School Development Plans (SDPs) with some basic guidance (School Development Planning & Budgeting Pack templates). This includes the principle of prioritised (earmarked) budget allocation, more clarity about the provenance and use of resources and the introduction of minimum accountability standards (such as bookkeeping and mandatory financial reporting). The practice of drafting SDPs is widely documented, however, whilst the development of SDPs by schools has become more common, there is evidence to suggest that they do not always fully address the needs of schools year-on-year and are often built around GESS CGs, ignoring other sources of income.

Local governance bodies (PTAs/SMCs) participate in developing SDPs. PTAs have been involved in the past (to manage school development funds), but the mandate of parents has since been reinforced and may now be better articulated.ⁱⁱ This is in line with the principle that seeks to build local autonomy. School fees, both formal and informal, are still widespread, and co-finance public education delivery (the Midline findings – confirmed at Endline – indicate that at least 60% of the schools still collect school fees). Households

ⁱⁱ Most primary schools have a PTA and SMC in place. Endline data show that both are involved in the design of SDPs (e.g. Cueibet Girls Primary School: “We have a PTA and SMC and the HT sits with the two committees to identify what the school is lacking and to build the plan - the PTA takes the final decision”). A return to a single structure (with reviewed and relevant responsibilities) is likely to improve overall institutional efficiency.

therefore have the right to know how schools are spending their resources and to decide collectively on resource allocation criteria.

Schools have started using bank accounts.

Buy-in from GRSS (MoFEP) to transfer CGs directly into school bank accounts appears to have been a major step towards establishing PFM mechanisms in schools. This decision should not be underestimated. This could indicate the start of growing awareness that decentralisation equals delegation of authority and loosening the grip of the centre. Before opening bank accounts, not all schools received their CGs (with some blaming the MoFEP for keeping the money, for example). Today, bank accounts are a precondition for receiving CGs.ⁱⁱⁱ Direct wire transfers to end-beneficiaries are the safest and fastest way of ensuring payment; they significantly reduce the risk of financial leakage, can be easily tracked and shift accountability onto the end-user. The driving force that made this happen in schools should build on this achievement and generalise the systematic use of bank accounts at CED and Payam levels.

3.2.2 Areas for improvement

Recommendation 1: Ensure a predictable flow of resources

Predictable and timely financial flows are a precondition for schools to efficiently implement their SDPs.

Delays or unpredictable payments produce substantial risks for efficient policy implementation. In the absence of CGs, schools will continue relying on alternative income to maintain a minimum level of operationality. This is likely to slow down any systemic change (due to insufficient resources, less pressure to ensure minimum standards of accountability, etc.). Timely payment of Capitation Grants means that they must arrive at the start of the academic year.

Weaknesses in the CG submission/approval/payment process continue to prevail.

Midline and Endline data show similar findings: about half of schools report issues with CGs;^{iv} some do not understand why a second tranche was not paid, others question why CGs never came, and still others ask why the process started and then abruptly stopped. Schools generally complain about a complete absence of feedback. Only one in five schools say they have been informed about their CG status (including issues around late submission, first tranche not accounted for, closure of banks, etc.). Again, a major cause of this lack of communication is likely due to the fact that many States and Counties now have less qualified staff, receiving low and inconsistent salaries. In addition, whilst the existence

ⁱⁱⁱ Endline results indicate that in more than half of the schools, CGs were paid out in cash because of the deteriorated security situation (e.g. bank closures). However, this does not change the vision that bank transfers are the best option and should be the rule.

^{iv} 55% at Midline, 50% at Endline.

of State Anchor teams has often resulted positively by allowing capacity building at County and State level, their presence also means that some officials have reduced their own workload, and have allowed SA teams to take on responsibilities which should be covered by subnational staff.

Late payments of CGs during the school year destabilise schools.

At the school level, late payment of CGs during the school year is a destabilising factor. Schools need resources at the beginning of the school year in order to implement SDPs fully. When CGs come late, owing to delays in execution by GRSS or by GESS, schools have to seek alternative income sources such as school fees and contributions for their basic operating costs, which places an increased financial burden on households and communities. This is corroborated by findings from the Household survey, where 94% of surveyed guardians reported paying primary school fees, despite clear MoGEI directives to the contrary. This undermines the principle of subsidiarity (because one party is not meeting its commitments) and affects the accountability relationship. Additionally, late payments may increase the risk of misuse of funds and double-accounting practices.

Recommendation 2: Enhance the quality of SDPs

SDPs need to better address priority needs.

The design of SDPs requires capacity to self-identify what should be in place to ensure minimum education quality. Endline data and analysis of SDPs (2015-18) seem to indicate this may not always be the case. The majority of the schools surveyed in 2018 see their basic teaching and learning conditions as inadequate (70% do not have enough desks, 60% need desk repair, 50% need major building or classroom repair, 60% need toilet repair, 50% have issues with water facilities, 30% have unfurnished staff rooms, etc.). Under GESS, earmarked budget lines may have reduced schools' financial capacity to meet other needs (e.g. by focusing on activities that only benefit girls). Quality interventions generally serve all students; SDPs may therefore focus on improving teaching and learning conditions for all, instead of targeting specific subgroups (although it is also worth highlighting that vastly increased enrolment means the numbers of students requiring materials has almost doubled from 2014 to 2018).

The design of SDPs needs to become a routine activity that takes place every school year.

The Midline findings revealed a strong project-focused process. Most SDPs were built around CGs, ignoring other sources of income. This is still the case in 2018, although headteachers seem to have started defining SDPs as routine work plans instead of as projects. Endline definitions of SDPs may indicate a shift towards a more systemic vision (e.g. "a plan carried out by the school according to priorities related to learning"; "a work plan that will show how to improve education in the school and how to be accountable for the work to be done").

Transparent and coherent use of all resources is an essential aspect of the subsidiarity principle.

From a PFM perspective, this includes relevant resource allocation and rigorous financial reporting. Endline data confirm the majority of the schools (65%) rely on multiple sources of income (e.g. CGs, school fees, donor or faith-based support); it is therefore critical that they understand *all* resources should contribute to financing the SDP. School budgets need clear budget lines that show how income is allocated and spent. It is crucial – in a context of limited public financing – to build a model that uses the same accountability standards for all sources of income, regardless of their provenance. Subnational government officials have a significant role to play in relation to improving the quality of accounting and processes, and need to take progressive responsibility for this.

Recommendation 3: Ensure more efficient (onsite) monitoring

The relevance and reliability of SDPs need to be better monitored.

Analysis of SDPs (2015-18) shows matters of concern and the need to strengthen the CG approval process. Some schools seem to plan identical activities every year (e.g. former Jonglei State: in 2015: latrine repair, sewage removal; in 2016: painting of latrines and construction of kitchen; in 2017: painting of latrines and construction of kitchen; in 2018: girls' toilet renovation and emptying, construction of school storage and kitchen); other activities are imprecise (e.g. purchase of tables, table repair, chairs for staff, etc. without indicating the number) or irrelevant (e.g. paying rent). The scale of physical inputs based on SDPs 2015-18 contrasts with Endline findings on the overall poor physical conditions of schools. This may indicate SDPs are not adequately reviewed and activities not compared or crosschecked with other years. Do spot checks take place to verify if activities (renovation, repair, furniture purchases, etc.) actually took place? A more formal active involvement of Payam inspectors for onsite monitoring of SDPs could be explored.

Recommendation 4: Put in place a coherent teacher remuneration policy

The primary/secondary teacher incentive schemes (paid on an irregular basis in inconsistent amounts) have increased the multiple top-up payment models that exist in schools.

Lack of donor coordination (and risk for overlap) has been indicated in both the Baseline and Midline. These methods include payments (salaries/incentives) from Government, school fees, CGs, donors, churches, etc. The result is an opaque picture of what teachers actually earn. Lack of coordination and upstream analysis is likely to show unfair and inequitable remuneration levels between teachers across South Sudan.

4 Conclusion and Recommendations

This report has highlighted the areas where good improvements have been made. Particularly at school level, it should be noted that PFM accountability practices in some areas have been relatively good and have remained so throughout the period. In addition, Capitation Grants are reaching schools nationally, and driving accountability

improvements. However, overall, there is little improvement in PFM practices since the Midline, and in some areas – such as flow of operation grants between county and Payam – there has been a major step backwards compared to Midline findings. Whilst at Midline (2016) an improvement in operation grant flows was recorded compared to the FY2014/15, this seems to have got significantly worse.

Particularly concerning is the continued trend of upwards flows of school fee income to Payam and County officials in some States, despite dedicated transfers funding. Unstable or irregular or insufficient flows of funds, such as delays or unpredictable disbursements challenges efficient policy implementation. This may become an obstacle for building institutional capacity at different levels of the system. Problems with the flow of funds to schools means that much of the cost of education continues to be transferred onto families, and costs remain high and a major barrier to education for girls and boys. This is corroborated by findings from both the school sample and the household endline, as well as the 2018 suite of LQS surveys. Capitation Grants need to flow quicker, and more reliably, and weaknesses in the CG submission/approval/payment process highlighted at Midline prevail.

Recommendations

The following strategic choices may have the potential to significantly improve PFM practices from national to subnational levels:

- **Ensure the regular flows of operational grants to CEDs and PEOs**

The lack of operational grants to County and Payam offices means there is often no financial capacity to carry out many of the tasks they are assigned. At Payam level, Payam officials put pressure on schools to cover ‘operational costs’ from school budgets. Regular flows of operational funds to Payam are needed in order to prevent this.

- **Increase institutional capacity at every level**

In line with the findings from the County and Payam survey, there is an decreasing capacity at the lower ends of subnational governments, with many staff unaware of the basic requirements of their job. The County and Payam survey reveals that qualifications held by County officials have decreased further since the Midline, after already falling from Baseline, likely due to the restructuring of State boundaries, leaving a gap in staffing at the newly formed Counties. This can be addressed by providing capacity-building to staff as well as financial incentives to recruit and retain qualified staff, and ensuring institutional capacity related to PFM is engrained and then transferred.

- **Clarify roles and responsibilities of CEDs and PEOs**

There is a decline in the number of school visits and a lack of clarity regarding their role in authorising or confirming SDP or school expenditure beyond ‘stamp and sign’. Improved guidelines and training on PES roles and responsibilities should be considered to improve their capacity to help in these areas. Similarly, improved

guidelines and training on CED responsibilities towards Payam Education offices to improve oversight. MoGEI have clearly stated that roles have been clarified in documents; however active dissemination of these booklets has been slow, and at the same time there is no oversight of whether officials who receive the guidelines actually understand them.

Priorities expressed in School Development Plans aren't being addressed year-on-year with money prioritised for operational necessities rather than development. More PFM-focused education staff within Payam and County level structures, reflected in training and job description.

At all levels, there is often limited or late information on the status of Capitation Grants at the individual school level – whether they have been requested, approved, and sent. These processes should be improved to prevent delays to schools receiving funds and increase institutional trust.

The following strategic choices may have the potential to significantly improve PFM practices in schools

- Review (and rethink) the CG approval and payment process to make it more efficient.

This could include considering a single payment at the start of the school year into the school's bank account, and accountability at the end of the school year as a precondition of eligibility for future funding. One payment would considerably reduce workloads and paperwork, and provide more time for quality review and monitoring. It is perhaps also worth considering a rewards system, whereby well-performing, needy schools, who are compliant, could receive additional funds for capital investment and other projects.

- Actively involve Payam inspectors in proximity monitoring of SDP implementation as part of their supervisory role.

This would include onsite verification of SDP implementation (construction, renovation, repair, furniture purchase, etc.).

In addition, involve the community in school level decisions. At school level the actual participation of the community is at times limited by lack of information and capacity. Schools should be supported to provide regular financial information to communities. Similarly, Payams and Counties should be supported to provide this information back into the system

- Review the SDP philosophy (principle of prioritisation, relevance of spending, allocation and use of all available resources, minimum standards of accountability, etc.).

Endline data show that 67% of schools reportedly received a copy of the School Governance Toolkit (2014). The tool may need to be reviewed to make it a more

pragmatic, simple and practical standardised SDP guide, in line with the basics of PFM.

- Put in place a more coherent teacher remuneration policy across South Sudan, in which equity is of pivotal concern.

This presupposes better knowledge and analysis of payroll, school-based practices, and the range of incentive payment models already in place (NGOs, churches, etc.).