



Northern Ireland  
Assembly

Public Accounts Committee

## Report on Department of Education: Sustainability of Schools

Together with the Minutes of Proceedings of the Committee relating  
to the Report and the Minutes of Evidence

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00:01AM ON 2 MARCH 2016**

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## PUBLIC ACCOUNTS COMMITTEE MEMBERSHIP AND POWERS

**The Public Accounts Committee is a Standing Committee established in accordance with** Standing Orders under Section 60(3) of the Northern Ireland Act 1998. It is the statutory function of the Public Accounts Committee to consider the accounts, and reports on accounts laid before the Assembly.

The Public Accounts Committee is appointed **under Assembly Standing Order** No. 56 of the Standing Orders for the Northern Ireland Assembly. It has the power to send for persons, papers and records and to report from time to time. Neither the Chairperson nor Deputy Chairperson of the Committee shall be a member of the same political party as the Minister of Finance and Personnel or of any junior minister appointed to the Department of Finance and Personnel.

The Committee has 11 members including a Chairperson and Deputy Chairperson and a quorum of 5.

The membership of the Committee since 23 May 2011 has been as follows:

Ms Michaela Boyle<sup>3</sup> (Chairperson)

Mr John Dallat<sup>5</sup> (Deputy Chairperson)

Mr Roy Beggs<sup>14</sup>

Mr Trevor Clarke<sup>8</sup>

Mr Phil Flanagan<sup>13</sup>

Mr Paul Girvan

Ms Claire Hanna<sup>16</sup>

Mr Ross Hussey

Mr Conor Murphy<sup>17</sup>

Mr Edwin Poots<sup>18</sup>

Mr Jim Wells<sup>15</sup>

<sup>1</sup> With effect from 24 October 2011 Mr Adrian McQuillan replaced Mr Paul Frew

<sup>2</sup> With effect from 23 January 2012 Mr Conor Murphy replaced Ms Jennifer McCann

<sup>3</sup> With effect from 02 July 2012 Ms Michaela Boyle replaced Mr Paul Maskey as Chairperson

<sup>4</sup> With effect from 02 July 2012 Mr Conor Murphy is no longer a Member and his replacement on this committee has not yet been announced

<sup>5</sup> With effect from 07 September 2012 Mr John Dallat replaced Mr Joe Byrne as Deputy Chairperson.

<sup>6</sup> With effect from 10 September 2012 Mr Sean Rogers was appointed as a Member

<sup>7</sup> With effect from 10 September 2012 Mr Daithi McKay was appointed as a Member

<sup>8</sup> With effect from 01 October 2012 Mr Trevor Clarke replaced Mr Alex Easton

<sup>9</sup> With effect from 11 February 2013 Mr Sammy Douglas replaced Mr Sydney Anderson

<sup>10</sup> With effect from 15 April 2013 Mr Chris Hazzard replaced Mr Mitchel McLaughlin

<sup>11</sup> With effect from 07 May 2013 Mr David McIlveen replaced Mr Sammy Douglas

<sup>12</sup> With effect from 16 September 2013 Mr Alex Easton replaced Mr David McIlveen

<sup>13</sup> With effect from 06 October 2014 Mr Phil Flanagan replaced Mr Chris Hazzard

<sup>14</sup> With effect from 06 October 2014 Mr Roy Beggs replaced Mr Michael Copeland

<sup>15</sup> With effect from 18 May 2015 Mr Jim Wells replaced Mr Alex Easton

<sup>16</sup> With effect from 7 September 2015 Ms Claire Hanna replaced Mr Sean Rodgers

<sup>17</sup> With effect from 14 September 2015 Mr Conor Murphy replaced Mr Daithi McKay

<sup>18</sup> With effect from 5 October 2015 Mr Edwin Poots replaced Mr Adrian McQuillan

## List of Abbreviations Used in the Report

the Committee	Public Accounts Committee (PAC)
C&AG	Comptroller and Auditor General
the Department	Department of Education
NIAO	Northern Ireland Audit Office

## Executive Summary

1. In December 2006, an independent Strategic Review of Education (the Bain Review) indicated that, because of falling pupil numbers and Northern Ireland's many school sectors, there were too many schools in Northern Ireland. In response to the findings of the Bain Review, the Department of Education (the Department) introduced its Policy for Sustainable Schools in January 2009.

### Main Findings

2. The Policy for Sustainable Schools identifies six criteria for assessing sustainability (three quantitative criteria and three qualitative criteria). In practice, in producing area plans, the Department focused its efforts on assessing schools against the three quantitative criteria with less of an emphasis on the qualitative criteria. The criteria within the Policy for Sustainable Schools were aimed at ensuring transparency, consistency and equity in decision making. This has not happened and needs to be addressed.
3. Since the introduction of the Policy, the Department has reported a 14 per cent reduction in the number of surplus school places (from 83,376 in 2008-09 to 71,540 in 2014-15). Approximately half of the reduction is as a result of demographic changes with only half being attributable to the work of the Department. Progress in reducing surplus places has been frustratingly slow and there is considerable scope for further improvement.
4. The Committee is, however, concerned about the reliability of the Department's data and remains unconvinced that it has calculated surplus places accurately. The Department's calculation of surplus school places is based on approved enrolments less actual enrolments. However, the approved enrolment figure is, in many cases, based on historic data and not on current standards. Further, the calculation does not take into account those pupils admitted to a school over and above the approved enrolment level. The figure of approved enrolments also excludes pupils with special educational needs who have a statement. As a result, the Committee is of the view that the figure for total surplus school places is likely to be overstated.
5. It is unacceptable that the Department is not able to provide statistically accurate data on the number of surplus school places. As a result, the evidence base supporting the sustainable schools policy falls far short of acceptable standards and the Department is basing decisions about the future of schools on inaccurate information.
6. Although the Department has reported a steady but modest improvement in educational achievement over the last two years it is concerning that there is a long tail of underachievement, which applies particularly to disadvantaged pupils.
7. In 2012-13, 38 per cent of all school leavers failed to achieve five GCSEs including English and Maths and 372 school leavers did not achieve any

GCSEs. This level of underperformance is unacceptable - our education system is failing too many of our young people.

8. A lack of community support for a local school provides a strong indication that parents are concerned about the leadership of the school and the quality of education offered. In the Committee's view, the Department and the Education Authority have not done enough to identify and address poor performance to ensure that local communities are properly served. Such poor performance cannot be tolerated and schools should be supported to help themselves, or through collaboration with others.
9. Good schools have strong leaders and it is concerning, therefore, that the Education and Training Inspectorate reported that leadership at all levels in post-primaries requires further improvement. In June 2013 this Committee published a report on Literacy and Numeracy stating that 'the Department must develop a more strategic approach to succession planning and the development of future leaders and leadership roles at all levels in schools'. It is disappointing that greater progress has not been made in this area.
10. The Education and Library Boards published area plans for both the post-primary and the primary sectors in 2013 and 2014 respectively. Engagement with key stakeholders around the area planning process was poor and the Department failed to develop a communication strategy. The lack of engagement represents a missed opportunity to, for example, pursue ways of offering shared educational provision.
11. Almost 3 per cent of the total school budget (£36 million) is allocated to supporting small schools and the cost per pupil varies significantly across schools. Although there are no plans to revisit the small schools support factor at this time, the Committee is nevertheless concerned that the Department cannot demonstrate that the £36 million investment in small schools always represents value for money.

### **Conclusion**

12. Progress to date in delivering the Sustainable Schools Policy has been modest, as evidenced by a number of indicators. There remain too many surplus places; there is a clear need for improved leadership in post-primary schools; there still remains a long tail of underachievement, which applies particularly to disadvantaged pupils; and lack of community support for some local schools indicates that parents are concerned about the quality of education offered.
13. It is also disappointing that the Department has failed to recognise the fundamental flaws in its own management information. Policies should, as a minimum, be evidence-based and underpinned by accurate information. It is concerning that the Department's calculation of surplus school places is inaccurate and that the number of surplus places may be substantially lower than the figure reported. This is no basis upon which to implement such an important policy.

## Summary of Recommendations

### Recommendation 1

Quantitative and qualitative factors are equally important in ensuring that schools are equipped to provide children with a quality education. The Committee recommends that, in future, the area planning process is based upon a robust review of all of the relevant criteria both quantitative and qualitative.

### Recommendation 2

The Development Proposal process can be lengthy, and leave pupils and their parents to suffer from poor educational provision until it is completed. Where a school is clearly no longer sustainable, the Department and the Education Authority must take action quickly to avoid a protracted period of decline.

### Recommendation 3

The Committee recommends that the Education Authority supports schools identified for closure and underperforming schools to ensure that those schools are equipped to provide a high standard of education. This should involve assisting schools in developing a process of internal self-assessment and peer support.

### Recommendation 4

The Committee recommends that, as a matter of urgency, the Department commissions a review of the approved enrolment figure recorded for every school to ensure that the figures are accurate and based on up-to-date design standards. It should provide a timescale for completing the review and should report back to this Committee on its findings.

### Recommendation 5

Area planning decisions must be based on robust evidence and accurate data which takes account of all school enrolments. The Committee recommends that the Department reviews the rationale for excluding certain types of enrolment from the calculation.

### Recommendation 6

The Committee recommends that, once the Department has undertaken a review of approved enrolments it gives consideration to quantifying how much surplus places cost. This would provide a constructive driver for change as it would identify how much resource could be invested more effectively in the education system.

### **Recommendation 7**

**The Committee recommends that the Department revisits an earlier recommendation to develop a more strategic approach to succession planning and the development of future leaders and leadership roles at all levels in schools.**

### **Recommendation 8**

**The success of area based planning is dependent upon stakeholders 'buying in' to the process. The Committee recommends that the Department develops an engagement strategy which reflects the importance of consulting widely and achieving the buy in of all key stakeholders.**

### **Recommendation 9**

**The current system for dealing with suspensions is fundamentally flawed. The Committee recommends that the Department provides clear strategic leadership on this issue to the Education Authority which must deal with suspensions expeditiously and cost effectively.**

### **Recommendation 10**

**The Policy for Sustainable Schools is based on flawed and inaccurate data which undermines the policy. The Committee recommends that the Department undertakes a root and branch review of the policy to ensure that it is evidence based.**

## Introduction

1. The Public Accounts Committee met on 11 November 2015 to consider the Comptroller and Auditor General's (C&AG's) report: 'Department of Education: Sustainability of Schools'. The witnesses were:
  - **Mr Paul Sweeney**, Accounting Officer, Department of Education;
  - **Ms Jacqui Durkin**, Director of Area Planning, Department of Education;
  - **Mr Gregory Butler**, Regional Managing Director, Education Authority;
  - **Mrs Lorraine Finlay**, Head of Area Planning Team, Department of Education;
  - **Mr Kieran Donnelly**, Comptroller and Auditor General (C&AG), Northern Ireland Audit Office (NIAO);
  - **Ms Alison Caldwell**, Treasury Officer of Accounts, Department of Finance and Personnel.
2. In December 2006, an independent Strategic Review of Education (the Bain Review) indicated that because of falling pupil numbers and Northern Ireland's many school sectors, there were too many schools in Northern Ireland.
3. In response to the findings of the Bain Review, the Department of Education (the Department) introduced its Policy for Sustainable Schools in January 2009. The Education and Library Boards subsequently published area plans for both the post-primary and the primary sectors in 2013 and 2014 respectively.
4. During the evidence session, the Department acknowledged that progress had been frustratingly slow and that there is considerable scope for further improvement, but reported that since 2008-09 the total number of surplus school places had fallen by 11,836 from 83,376 to 71,540. The Committee is however concerned about the reliability of the Department's data and remains unconvinced that it has calculated surplus places accurately.

### *Measuring Progress*

5. The Department published its Policy for Sustainable Schools in January 2009. The policy identifies six criteria to be considered in assessing the sustainability of a school, they are:
  - a. educational experience of children including attainment levels
  - b. enrolment trends;
  - c. financial position;
  - d. school leadership and management;
  - e. accessibility; and
  - f. strengths of links to the community.

6. The first three criteria are, to a large extent, quantitative measures. The other three criteria are more qualitative but, in the Committee's view, are just as important as the quantitative measures in determining the sustainability of a school. It was disappointing, therefore, that the Department confirmed that when it prepares area plans it 'majors' on the first three criteria.
7. The application of the criteria outlined in the Policy for Sustainable Schools was aimed at ensuring transparency, consistency and clarity in decision making. This has not happened. The Policy for Sustainable Schools has no clear measurable objectives therefore it is not possible to evaluate the success of the policy. This needs to be addressed.

### **Recommendation 1**

**Quantitative and qualitative factors are equally important in ensuring that schools are equipped to provide children with a quality education. The Committee recommends that, in future, the area planning process is based upon a robust review of all of the relevant criteria both quantitative and qualitative.**

8. Where a school has been identified for closure, or a number of schools have been identified for amalgamation the Department publishes a 'development proposal' which is subject to a minimum of two months' consultation. The Department told the Committee that prior to 2011 there were, on average, 10 or 11 proposals each year. However over the last four years this has increased to 40, and in the current year the number of development proposals stands at around 50.
9. It is important that these development proposals are translated into action, and that this is done quickly. The Committee is concerned about the delays in reaching a decision once a development proposal has been prepared and a school has been identified for closure. The process can result in lack of support for the school and a further downward trend in enrolments as the school is effectively left to 'wither on the vine'.

### **Recommendation 2**

**The Development Proposal process can be lengthy, and leave pupils and their parents to suffer from poor educational provision until it is completed. Where a school is clearly no longer sustainable, the Department and the Education Authority must take action quickly to avoid a protracted period of decline.**

10. Under current arrangements parents have a choice to send their child to a school outside of their local community. A lack of community support for a local school provides a strong indication that parents are concerned about the leadership of the school and the quality of education offered. In the Committee's view, the Department and the Education Authority have not done enough to identify and address poor performance to ensure that local communities are properly served.

11. Poor performance cannot be tolerated, every school must provide its pupils with a good education. Schools should not be solely reliant on formal school inspections undertaken by Education and Training Inspectorate to identify areas for improvement and must be supported to help themselves, or through collaboration with others.

### Recommendation 3

**The Committee recommends that the Education Authority supports schools identified for closure and underperforming schools to ensure that those schools are equipped to provide a high standard of education. This should involve assisting schools in developing a process of internal self-assessment and peer support.**

#### *Management Information and Associated Costs*

12. According to the Department, the total number of surplus school places stands at 71,540. This is a reduction of 11,836 since 2008-09 when the total number of surplus places reported was 85,376. By the Department's own admission, approximately half of the reduction is as a result of demographic changes with only half being attributable to the work of the Department.
13. The Department calculates surplus places on the basis of *approved enrolments less actual enrolments*. It is concerning, therefore, that the figure for approved enrolments is based on historic data and has not been appraised using the current standards.
14. The Committee is aware of an example where the approved enrolment figure for one school is over-inflated by almost 25 per cent. The Department was unable to quantify how many other schools might be in a similar position but acknowledged that the surplus could in fact be considerably less than the reported 71,540.
15. The Department advised the Committee that it commissioned the Education and Library Boards and subsequently the Education Authority to visit every school and bring it up to date by recording and measuring school capacity. The Education Authority is now in year four of a five year rolling programme. However, the witnesses did not confirm whether enrolment numbers would be adjusted as a result of this exercise.
16. It is unacceptable that the Department is unable to provide statistically accurate data on the number of surplus school places. As a result, the evidence base supporting the sustainable schools policy falls far short of acceptable standards and the Department is basing decisions about the future of schools on inaccurate information. This undermines the whole area planning process.

#### **Recommendation 4**

**The Committee recommends that, as a matter of urgency, the Department commissions a review of the approved enrolment figure recorded for every school to ensure that the figures are accurate and based on up-to-date design standards. It should provide a timescale for completing the review and should report back to this Committee on its findings.**

17. In exceptional circumstances, actual enrolment may exceed a school's approved enrolment. This applies in cases where a child has a statement of special educational needs and also where a pupil is admitted to a school on appeal. In 2014-15 there were 2,222 pupils admitted to schools above the approved enrolment number and there were 10,971 children with special educational needs statements in mainstream schools.
18. The Department told the Committee that it regards enrolments in excess of the approved enrolment to be 'supernumerary' and such enrolments are excluded from the calculation of surplus school places. The Committee fails to understand why this is the case and would, once again, conclude that this is likely to result in the number of surplus school places being over-inflated.

#### **Recommendation 5**

**Area planning decisions must be based on robust evidence and accurate data which takes account of all school enrolments. The Committee recommends that the Department reviews the rationale for excluding certain types of enrolment from the calculation.**

19. The Department has not attempted to quantify how much a surplus place costs however it did acknowledge that there is a very significant opportunity cost associated with the current level of surplus places. While the Committee recognises that calculating the cost of a surplus place is not straightforward and that there are wider costs implications such as additional transportation costs associated with school closures and amalgamations, it is most important that the education budget is invested in such a way so as to maximise the educational experience for all pupils.

#### **Recommendation 6**

**The Committee recommends that, once the Department has undertaken a review of approved enrolments, it gives consideration to quantifying how much surplus places cost. This would provide a constructive driver for change as it would identify how much resource could be invested more effectively in the education system.**

### ***School performance and leadership and management***

20. The Department of Education has two overarching goals:
- raising standards for all; and
  - closing the performance gap, increasing access and equity.
21. It is disappointing, therefore, that in 2012-13, 38 per cent of all school leavers failed to achieve five GCSEs including English and Maths and that 372 school leavers did not achieve any GCSEs. This level of underperformance is unacceptable - our education system is failing too many of our young people.
22. There has been a steady but modest improvement in educational achievement over the last two years but there is a long way to go to meet targets. A significant tail of underachievement remains and applies particularly to the most disadvantaged pupils.
23. Good schools have strong leaders both in terms of the school Principal and its Governors. It is concerning, therefore, that the Education and Training Inspectorate reported that leadership at all levels in post-primaries requires further improvement. During the evidence session the Department expressed concern about a shortage of people putting themselves forward for school leadership roles.
24. In June 2013 this Committee published a report on Literacy and Numeracy and one of our recommendations stated that 'the Department must develop a more strategic approach to succession planning and the development of future leaders and leadership roles at all levels in schools'. It is disappointing that greater progress has not been made in this area.

#### **Recommendation 7**

**The Committee recommends that the Department revisits an earlier recommendation to develop a more strategic approach to succession planning and the development of future leaders and leadership roles at all levels in schools.**

#### ***Area Planning***

25. The Education and Library Boards published area plans for both the post-primary and the primary sectors in 2013 and 2014 respectively. The area planning process has been widely criticised. In January 2013, the Area Planning Working Group undertook a review of the process and found that oversight and governance arrangements were poor. Queen's University and the University of Ulster also reviewed the area based planning process and were highly critical of it.

26. The lack of engagement, inclusion and consultation is of particular concern to the Committee. The Department failed to produce a communication strategy to support the area planning process and the Audit Office report reflected that, “*the Integrated and Irish-medium schools feel excluded from the process and the Voluntary Grammar sector does not fully engage with the process*”. In the Committee’s view the lack of engagement represents a missed opportunity to pursue ways of offering shared educational provision.

### Recommendation 8

**The success of area based planning is dependent upon stakeholders ‘buying in’ to the process. The Committee recommends that the Department develops an engagement strategy which reflects the importance of consulting widely and achieving the buy in of all key stakeholders.**

#### *Small schools: subsidies*

27. The Department uses a common funding formula to calculate the level of funding provided to each individual school. However, the cost per pupil varies significantly across schools. In the Southern Education and Library Board area the cost per pupil ranges from £3,183 to £6,957.

28. In 2014-15 school budgets included small schools support funding of £27.5 million and a further £8.3 million of funding was distributed to schools via the primary Principal’s release time factor. This equates to almost £36 million and accounts for approximately 3 per cent of the total school budgets. The Department advised the Committee that it had undertaken a review of the common funding formula and confirmed that there are no plans to revisit the small schools support factor at this time. The Committee is however concerned that the Department cannot demonstrate that the £36 million investment in small schools represents value for money.

#### *Other issues*

29. Principals and Governors are granted a great deal of autonomy in determining school holidays. However, this has cost implications for the provision of school transport. Harmonising school holidays would result in potential cost savings in the provision of school transport.

30. Over the last five years a total of 106 teachers have been suspended from their duties however only 6 of the teachers were subsequently dismissed from their posts. Teachers on suspension cost the Department £4.2 million during this period.

## Recommendation 9

**The current system for dealing with suspensions is fundamentally flawed. The Committee recommends that the Department provides clear strategic leadership on this issue to the Education Authority which must deal with suspensions expeditiously and cost effectively.**

### *Conclusion*

31. It is disappointing that the Department failed to recognise the fundamental flaws in its own management information. The Committee expects that, as a minimum, policies should be evidence based and underpinned by accurate information. It is concerning that the Department's calculation of surplus school places is inaccurate and that the number of surplus places may be substantially lower than the figure reported. This is no basis upon which to implement such an important policy.

## Recommendation 10

**The Policy for Sustainable Schools is based on flawed and inaccurate data which undermines the policy. The Committee recommends that the Department undertakes a root and branch review of the policy to ensure that it is evidence based.**

## Links to Appendices

Minutes of Proceedings can be viewed [here](#)

Minutes of Evidence can be viewed [here](#)

Correspondence can be viewed [here](#)

Other Documents relating to the report can be viewed [here](#)

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