



Northern Ireland
Assembly

Committee for Education

OFFICIAL REPORT (Hansard)

June Monitoring Round: DE Briefing

5 June 2013

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Danny Kinahan (Deputy Chairperson)
Ms Michaela Boyle
Mr Jonathan Craig
Mrs Jo-Anne Dobson
Mrs Brenda Hale
Mr Trevor Lunn
Miss Michelle McIlveen
Mr Pat Sheehan

Witnesses:

Mr Trevor Connolly	Department of Education
Mr Stephen Creagh	Department of Education

The Deputy Chairperson: I welcome Trevor and Stephen. It is very good to have you here this morning. As you know, you have 10 minutes in which to give us a quick briefing.

Mr Trevor Connolly (Department of Education): Thank you. As always, we are very grateful to have the opportunity to discuss June monitoring with the Committee. As the Committee knows, this is the first monitoring round of the year. In-year monitoring rounds provide an opportunity to review departmental spending plans and priorities in light of more up-to-date information. The Department of Finance and Personnel (DFP) asked us to put in any details of reduced requirements and bids. You have the information in front of you. We are not declaring any reduced requirements in the monitoring round. No resource bids are being submitted. We are making a bid for capital, specifically in relation to minor works. The information is there, and I am very happy to take any questions from the Committee.

The Deputy Chairperson: Thank you. I am just getting myself gathered. We have a single bid of £5 million and the budget for 2013-14 was £52 million. Does that now make it £57 million?

Mr Connolly: It is only a bid at this stage. Obviously, it depends on whether the Executive agree to allocate and how much they allocate, but if we got the £5 million, yes.

The Deputy Chairperson: So, it would be an extra £5 million. Minor works include refurbishment of schools, health and safety work, replacement of temporary accommodation and disabled access works. The revised budget for 2013-14 is less than the £64 million budget for minor works. Was this budget completely spent in 2011-12?

Mr Stephen Creagh (Department of Education): In 2011-12, the overall capital budget was just over 99% spent. The Department of Education (DE) monitors all allocations for minor works on a quarterly basis, so I can assure the Committee that the money allocated was spent in the period.

Mr Connolly: I am sorry, Chair. I know you were asking specifically, but yes. You said you will come on to provisional out-turn, but our out-turn figures for resource and capital were both less than 1% in 2012-13. Stephen is quite right. I am sorry; I thought you were just asking specifically.

The Deputy Chairperson: The June monitoring rounds do not usually involve much redistribution of funds, but the delay of the A5 project has allowed for the surrender of capital funds. Has the Department put in bids for any of those funds?

Mr Connolly: No, except for the £5 million. The issue we have is that if you are looking at a schools capital programme, the timeline on that means that anything we bid for now, we effectively have got nine months in which to spend it. That is why, on the minor works, it is totally appropriate that we will be able to procure and implement that within the timescale, but realistically, if you were going to go and build a brand-new school now, you are looking at 18 to 24 months. That is the difficulty with capital bids on an in-year basis, which is why we normally concentrate on minor works — because that is a timescale that you can work to within the year. We only have until March 2014 to spend this money.

The Deputy Chairperson: Is it like with roads, where you have to have things what they might term "shovel-ready"?

Mr Connolly: Effectively, yes. Our "shovel-ready" is the minor works. Even if we have programmes ready to go for schools, it is just not feasible to have it all spent, but the minor works are effectively our "shovel-ready" capital expenditure.

The Deputy Chairperson: What was the Department's budget out-turn for 2012-13? Did it spend 100% of its capital?

Mr Connolly: I will quote the actual figures. We gave the figures to DFP on 14 May. We had a resource underspend of £13.4 million from a budget of £1,900 million, which is 0.7%. We had a capital underspend of £0.5 million from a budget of £108 million, which is 0.5%.

The Deputy Chairperson: We have had lots of announcements in the Chamber on various things. In June 2012, the Minister announced 18 new school builds with a total cost of £133 million. He then advised through written answers that just over half of that money would be spent by the end of 2014-15. In January 2013, he also announced 22 other major works with a total cost of £220 million. Will that planned total capital spend of £353 million be spent in this mandate, or will a whole lot of it move into the next?

Mr Connolly: Realistically, I think that we will, probably, try to spend as much of that June 2012 money as possible before 2014-15. As always, it comes back to the individual project. It depends on whether it is shovel-ready, as you said. We are actually finding that now. When you start to dig on site, you find that there are issues with the site and decontamination, with the best-laid plans. Certainly, with the earlier June 2012 announcement, we hope to try to have many of those complete and ready before March 2015. Clearly, each individual project has its own life. You have to look at what is actually there. For things like planning and stuff, we are progressing very hard and strongly to get those things on site as quickly as possible having gone through all of the procurement and planning stages. Even when you are at that stage, you still have the individual circumstances of the site. Sometimes, you just do not know what will happen until you start to dig and find that there are issues there.

The Deputy Chairperson: I am just intrigued. You have area planning going on at the same time, and a whole mass of schools all looking at new ideas and new things. That will all presumably be announced within this Assembly term. However, we have not got any money for them, so they should be done in the next. Is that a fair comment?

Mr Creagh: I can give you a brief update on the June 2012 and January 2013 announcements. In June, the Minister announced 18 major works projects that were to move on site as early as possible — in the last quarter of the last financial year or as early as possible in the current financial year. We

work closely with the relevant school authorities on managing those projects. As Trevor has said, issues can arise with statutory approvals, land and listed buildings. With regard to the June announcement, 11 of the 18 projects are planned to be on site in the current financial year, with seven of them being on site before the end of this calendar year. So, we are working hard to progress those projects on site. Of the remaining projects, a number were the special schools, which were at a much earlier stage of development. We are working closely with the relevant school authorities on them. There are some development proposals involved there.

With regard to the January announcement, many of those projects were at a very early stage of development — at technical feasibility or economic appraisal stage. Again, we are working with the school authorities to ensure that we have the appropriate professional teams in place to advance them as quickly as possible. Up to six of those projects could advance in a faster time frame. Our records indicate that they are slightly further advanced in the Royal Institute of British Architects' design stages, certainly, than economic appraisal and technical feasibility. Obviously, it will be the Minister's decision as to whether they can move forward faster than previously planned.

Mr Connolly: With regard to your specific point on area-based planning, certainly, all the projects that were selected in June 2012 and January 2013 are sustainable schools. We have looked at the viability audit and they are fully sustainable. So, to that extent, yes, they match in completely with area-based planning. Obviously, it is an evolving process. As you quite rightly say, there will be a timescale for each individual project when it is agreed. The timescale on that, obviously, has yet to be determined. Certainly, everything that has been announced to date is completely compliant with area-based planning. Those are viable, sustainable schools. That is why we are building them.

The Deputy Chairperson: From what you just said, Stephen, I am sure that each of us has individual schools. Is it possible to get a written update on where we are on them so that we can tell each of them?

Mr Creagh: Surely. I am happy to provide that, Deputy Chair.

The Deputy Chairperson: I have a question here from a colleague on Devenish College and the Tempo Road site, and I am sure that others have similar. We should not deal with them individually here. Can we have that for next week?

Mr Creagh: I will happily provide that.

Miss M McIlveen: Trevor, can you refresh my memory on what constitutes minor work and how such work is prioritised?

Mr Connolly: I could, but I will turn to my colleague.

Miss M McIlveen: You need Stephen to take the pressure off you.

Mr Connolly: He will be able to give you something that is probably a lot more informed.

Mr Creagh: Minor work, in financial terms, is £500,000 or less. It is minor capital work, and is delivered within the Minister's express priorities for minor works: inescapable statutory requirements such as health and safety and fire risk, and statutory obligations under the Disability Discrimination Act (DDA). There are essential minor works out to ensure the integrity and suitability of the estate. We are looking to address the condition in a deteriorating estate of circa 1,200 schools.

There are also curriculum-based minor works where a particular school has insufficient accommodation to deliver certain areas of the curriculum. We regularly get applications from school managing authorities in that regard.

In the past financial year, the Minister has introduced a final criterion whereby a school authority has some other source of funding, whether it is through applications to, say, the Big Lottery Fund or whatever, and is only applying to the Department for part contribution. We find that that is the case, particularly for sports provision in schools. It is like a joined-up approach to the delivery of minor works.

Those are the basic priorities for minor works moving forward, and that is broadly the definition of minor work.

Miss M McIlveen: As regards the process for allocating that funding, does a school make a bid to the relevant board and the board then bids to the central fund at the Department, or are funds allocated directly to each of the boards?

Mr Creagh: For the controlled sector, minor works are dealt with by the education and library boards, and for the non-controlled sector — voluntary grammars, Catholic maintained schools, and so on — they are dealt with directly by the school managing authorities.

At the start of the year, the Department approaches the various school managing authorities and asks them for their priorities in the coming year within the Minister's expressed priorities, which I have just run through. With the available money, allocations are made on that basis. Those allocations are subsequently monitored and reviewed against delivery and any associated issues with the relevant authorities on a quarterly basis.

In this financial year, the initial allocation between the controlled and non-controlled sectors was equal, with each board being allocated £5 million and an additional £200,000 to deal with fire risk assessments. So, effectively, each got an initial £5.2 million. The voluntary sector programme, which is basically managed within the Department, also got an initial allocation of £26 million to cover the sectors that I just referred to — voluntary grammars, Catholic maintained schools, Irish-medium schools and integrated schools.

Miss M McIlveen: This is my final question. How is the £200,000 allocated to each board for fire risk prioritised?

Mr Creagh: Fire risk assessments are led by the education and library boards for the entire education sector. The £200,000 is for an ongoing and cyclical programme of fire risk assessments whereby they look to see what the issues are within the various regulations. From that, project applications will be prioritised by work required. An example would be work required to a fire alarm system or additional fire doors in a particular accommodation. So, that £200,000 is to facilitate risk assessment, and that leads to a programme of work.

Miss M McIlveen: If a risk assessment has identified a particular issue, and it has then been highlighted in an inspector's report and by a board of governors over a period of time, at what stage does that become a priority?

Mr Creagh: We would ask the education and library board, as part of its risk assessment, to assess the level of priority that would be afforded to the level of risk that is identified. Some are absolutely inescapable and must be dealt with immediately. That is why the Minister's first priority is the statutory obligations under health and safety that I set out earlier.

There are other risks that are identified that can maybe be managed locally in the school, for example, where there is the capacity of a dining hall that is managed through staging of mealtimes in the school. There is a range of measures that the boards lead on, and from that, the priorities are passed through to the Department for approval.

Miss M McIlveen: Where assessments were to be carried out and budgets were to be looked at in relation to the fire risk in a board area and it was to be in excess of £200,000 for the year, could those additional moneys be bid for through the other minor works budget?

Mr Creagh: To be clear, the £200,000 is to facilitate the actual fire risk assessments.

Miss M McIlveen: It is for the assessments?

Mr Creagh: Yes. The works will be carried out within the mainstream minor works allocation and will be prioritised accordingly.

Miss M McIlveen: Thank you for that clarification.

The Deputy Chairperson: I will just come back in, before I go to Trevor. When we were talking about just the £5 million, was there any more going back to schools for information once we knew that the A5 was not happening? I get the feeling that there is a mass of schools crying out for minor works and that we have tied ourselves to a question that they were asked at the beginning of the year but have not been asked again. We could have had more things that were shovel-ready and we could have put in for more and maybe helped more schools.

Mr Creagh: As part of the June monitoring exercise, a thorough analysis of capital pressures and easements across the estate and the sectors was carried out. Of course, many priorities were identified, and they will be managed within the existing resources that are available to the Department. As a result of that, and on the information that was provided, the Department recommended to the Minister that a bid of £5 million should be submitted to DFP. That is basically the position.

The Deputy Chairperson: It just seems that there must be masses of things out there that people need done quickly.

Mr Connolly: There is a reverse position, which is the actual capacity of the boards. Obviously, they are also responsible for maintenance, for minor works and for the schools capital. There is always a constraint factor in that regard; you do not want to be bidding for money if there is not the capacity to spend it. Clearly, there has been a thorough process.

From our perspective, we do not constrain our bid with an expectation, if you like, of what the pot is. Our bids are based on the needs and priorities of the Department. You could bid for £5 million or £50 million, but the actual allocation is in the realm of the Executive. In my experience in the Department of Education and the Department for Employment and Learning, our bids are never constrained by our expectations. You bid for what you require because that is what you get. You might get 100% of it or you might get 10%, but you bid for what is actually required.

The Deputy Chairperson: I will take that on board.

Mr Lunn: Stephen, you gave us a definition of minor works, which was useful. Is it fair to say that that definition means that all that work is essential, rather than non-essential but desirable?

Mr Creagh: That is all part of the prioritisation process. Any school would see any application that it puts in for minor capital works or maintenance of the school premises as being absolutely essential. However, we have to make a judgement because there is only a finite amount of resource available to invest in any given year, and things have to be prioritised.

One of the issues that Trevor Connolly mentioned was the capacity and the ability to deliver. These are capital works, and they take time to plan up. Some will require planning applications and other statutory approvals such as building control. In recent years, with the Minister's approval, the Department has earmarked further funding in the next financial year to allow the relevant school authority to plan and, to use the Deputy Chair's expression, to have "spade-ready" minor works projects. That is not only to accommodate issues that arise within the approved programme where a project is unable to advance in the time frame, but to permit schools to be ready so that if the Minister bids for additional resource, schemes can be delivered against that resource.

Mr Lunn: I know that there is not enough money and that you have to prioritise, but I wonder to what extent you may be spending money on schools that are going to close under the area plans.

Mr Connolly: Before capital investment of any kind is made, one of the primary criteria is that a school is viable and sustainable in line with the emerging area plans.

Mr Lunn: Does that mean that, in effect, even though final decisions have not been taken about school closures, you might have to take a pragmatic decision that, in your opinion, they will close?

Mr Connolly: There is a balance. You are quite right to say that, in an ideal world, if you knew that something was happening and that a decision was going to be made, you would defer. That does not stop the fact that there are children in that school right now, and we have a statutory provision for health and safety. God forbid something were to happen right now to a child, but you are going, oh well, the school may or may not close at some future time. I take on board your point, but there is a pragmatic balance. As Stephen said, a lot of this is statutory health and safety and emergency work,

and, in that case, we have to do it. Clearly, however, there is a balance between that and the future plans. By the nature of this work, there is little discretion for us to say that we can ignore this. There may be some mitigation about the type of work that is done rather than doing it full-blown. When you come to health and safety, it is relatively straightforward in that you need to do it.

Mr Lunn: You make the point that you may have to do it, but the extent to which you have to spend the money on it may vary from case to case. It worries me that there are two categories of schools that may close. There are the ones where it is perfectly obvious that they will close, and there are others where there is a doubt about it. There are also schools where the parents, governors and staff are putting up a lot of resistance and trying to make the case for the school to remain open. So, it would worry me if you were to take a decision not to spend money or to spend a very limited amount of money on a school in that third category where no decision had been taken and where they are fighting like mad to stay open, and quite desirably so. I can think of quite a few of those without naming them.

Mr Connolly: I will come to Stephen on that. From my perspective, this is in-year spend and is a prioritisation. As Stephen said, this is all about health and safety, so, even if a school were to close and that closure were, hypothetically, in December, there would still be four or five months where children would be attending that school, and we have a health and safety issue that has to be addressed for that.

Mr Creagh: The safety and security of pupils, teachers and the wider school community using the school is paramount, and any works that are required to be done will be undertaken as a priority, particularly where the relevant education and library board has identified a significant serious risk.

Mr Lunn: It is not all health and safety, surely?

Mr Creagh: No. As I set out, there are other minor works criteria.

Mr Lunn: The ones that are not specifically health and safety considerations are the ones that concern me a bit, where a school wants some relatively minor work done but you take the view that, despite the opposition to its closure, you think that it will close so you will not do it. That is another indication to the beleaguered parents and governors that, as they suspect, the school is already on the hit list, as we describe it these days. You do not particularly need to answer that, but that is why I am driving at that.

On another point, is the provision of an extra mobile deemed to be minor works?

Mr Creagh: Yes, and that would be a means of addressing an urgent need. Referring to the other minor works criteria, if there were a curriculum-based need, the provision of modular accommodation can be an interim and very swift measure that addresses that need, short of a newbuild.

Mr Lunn: Again, I know that you do not want to talk about specific cases, so I will not name the school, but there is an integrated school in my constituency that has an agreed intake of 30 pupils into P1 in September on the promise of agreed minor works that were to provide another mobile and some very minor adjustment to the shape of the school as it stands. It is all mobile, and the school has now been told that there probably is not time. I would not like to blame any specific Department, because the Department for Regional Development (DRD) is involved as well, through Roads Service. The fact is that the school has 30 pupils and nowhere to put them in September. This has been going on since well before Christmas. It is one mobile, and I know that can cost quite a lot of money — it could be six figures — but this is the kind of thing that is so frustrating. Those parents want to send their children to a particular sector, and the school had been promised that the accommodation would be there for them, but it is not going to be there. There is nowhere else to put them.

The Deputy Chairperson: That is a good point. I have another example. It is not integrated, but it is a school where two others have got newbuilds coming beside them, and yet this one just needed a mobile and it is not getting one. There needs to be more depth in searching for what other spend is there when something like the A5 comes on board. We are slightly stuck in how we have always done it, but I think it is a very good point.

Mr Lunn: Basically, what has happened is that the school had planning permission from two or three years ago. As it moved forward, it became obvious that the footprint of the school needed to be

changed very slightly; I am talking about a metre. The Department has told it that it has to go back and make another planning application. It is beyond belief. If that school was not increasing its intake by agreement with the Department, it probably would not matter very much, they could hang it out for a while, but that is how it stands. I am sure there are others in this situation.

Miss M McIlveen: We are very much aware of our obligation in respect of Disability Discrimination Act 1995 requirements. I want to know whether the work that is being carried out under DDA is as a result of an assessment that has been taken on behalf of the boards, or whether it is as a result of legal challenge.

Mr Creagh: The requirements for DDA minor works to be carried out can come from a variety of sources, particularly at this time of the year when schools start to firm up on their enrolments. A school authority will approach the Department to advise that a pupil with a disability will be attending from September, and, with the expertise in the relevant education and library board, the Department will make an assessment of what works are required at the school. Again, the education and library boards, in their overarching view of the estate, could also make recommendations in that regard. Various measures may have to be taken as a result of changing regulations and emerging guidance.

Miss M McIlveen: Obviously, the schools estate is quite old and obviously there is an additional cost to that. Were you starting from scratch, it would be entirely different, and I appreciate that. The term "reasonable adjustment" has been used on occasion. If something is not regarded as a reasonable adjustment by the person whom it impacts on, can it then become a greater priority if it is challenged?

Mr Creagh: The term "reasonable adjustment" is part of the assessment process as to the works that would need to be done. You do not necessarily have to invest substantially in capital works to meet the needs of an individual child. It may be a case of programming classes in the school to accommodate those needs. You referred to the age and size of the estate: there are some school premises where we may not be capable of delivering the requirements of DDA given, for example, the width of corridors and the ability to put in an appropriate chairlift. We have to work with professional colleagues to assess how best the needs can be dealt with in that regard.

Miss M McIlveen: Are you aware of any legal challenges?

Mr Creagh: I am not aware of any legal challenges currently.

Ms Boyle: Thank you for your information. I just want to ask about safer routes to school. The requirement is for funding. Is that from the Department of Education and the Department for Regional Development or both, or one or the other? Do you know?

Mr Connolly: Sorry, Chair?

The Deputy Chairperson: Safer routes to school.

Mr Connolly: I am sorry; I am thrown on that one. I will have to come back on that.

Ms Boyle: I will tell you why I ask. We talked a lot about urgent health and safety issues within the school boundary. I know of a school in my area that has an urgent health and safety issue immediately outside of the school because of traffic. I know that this school is working with DRD. There is an issue about funding for that. Does the £5 million for minor works for urgent health and safety issues impose a requirement on DE to cover health and safety issues immediately outside the school gate, such as traffic calming?

Mr Creagh: Where an issue has arisen — often when we are putting in a complete newbuild or substantial minor works — we will engage with the relevant authorities and Roads Service to see how those needs can be addressed. Road and footpath alignment is firmly the responsibility of Roads Service rather than that of the Department of Education, but we would continue to work closely with it where need arises.

Ms Boyle: So it is DRD that funds it?

The Deputy Chairperson: It is something that we need to explore. I know of a school where the traffic is like a car park because of health and safety, and the whole town clogs up.

Ms Boyle: This is a school on a small road, and the traffic at morning time and evening time is chaotic.

Mr Connolly: With no knowledge, I presume that anything concerning pavements and roads outside the boundary of the school would be DRD's responsibility. If you want to write, we can explore it further, but, from my knowledge, I assume that that is the case.

Ms Boyle: The point I am making is that there is a particular aspect, and rightly so, of urgent health and safety issues within the school boundaries, but DE should also have some responsibility immediately outside schools.

The Deputy Chairperson: That is a very good point. We will write and do that.

Mrs Dobson: Apologies for missing your briefing; there was an accident on the Hillhall Road. This might have already been asked, so I apologise if it has. I want to raise the issue of the Northern Ireland numeracy assessment (NINA) and Northern Ireland literacy assessment (NILA), and ask whether those tests have added pressure to your budgets. Surely the Minister has admitted that the Department is tied into a software contract, which will now not be used in all our schools, so the cost per pupil will now be considerably higher. Will it be higher than you originally expected? Will that affect the budget?

Mr Connolly: I have not seen the detail, but I am not aware of any pressure from that. It is a very specific issue, so by all means write to us. However, I am not aware of any internal pressure coming from that. If you want to write, we will provide the detail. We are definitely not making any bid, but I am not aware of any pressure arising from that internally.

Mrs Dobson: Chair, perhaps we could ask how long the contracts for the software are set to last and whether they are likely to put budget pressures on the Department for each year that they exist. Is the contract being paid out while the software is not being used?

Mr Connolly: If we have entered into a contract, we will have already put budget provision in place. When we approve a business case and enter into a contract, I stipulate that there must be funding in place for the contract so that there will be funding there. If we have entered into an ongoing contract, there will definitely be funding. If we withdraw from a contract and the contract is coming to an end, in theory it would not be a pressure — and potentially an easement — because the funding should be in place for the two or three years that the contract is in place. Then, if in year 3, for example — I do not know the detail — we do not have the contract, the funding would be freed up. I would say that if we are ending a contract, first, the contract, when it was set up, would have funding in place, allocated and ring-fenced. If a contract is terminated during that period, it would create an easement, not a pressure. However, write to us and we will come back to you.

Mrs Dobson: Do you agree that it would be a pressure where money is paid out for a contract that, ultimately, is not being used?

Mr Connolly: No, it would not be a pressure; it would be an easement. When we set the contract up —

Mrs Dobson: It may be a waste of resources, then.

Mr Connolly: We would reallocate the funding. If there is a three-year contract in place that is worth, say, £100,000 a year and, at the end of year 2, we agree to terminate that contract, the £100,000 would come back to the centre and the Minister would proactively reallocate it. To my mind, there would be no waste; it would simply be that we have allocated the money, and if it is not required, we would use it.

As you know, the Minister proactively manages the budget constantly, so, in effect, it would be an easement.

Mrs Dobson: So we would be able to reallocate money?

Mr Connolly: Yes, and this is my scenario, if we terminated a contract at the end of year 2, we would not pay out any money in year 3, and we would reallocate it for the Minister's other priorities.

Mrs Dobson: Perhaps, Trevor, the Committee will be provided with some clarity on this issue?

Mr Connolly: By all means write to us, as I do not know the details of that specific contract. Generally, however, any time we enter into a contract, we always make sure that we have the funding in place for it. It is a contractual legal obligation, and we do not want someone to say that we have entered into a contract without the funding.

As soon as we do that, irrespective of what the contract is for, I always require the director to set up the funding in the budget.

Mr Sheehan: I have just a couple of short questions. Can schools use surpluses in their budgets to carry out their own minor works?

Mr Connolly: Normally, surpluses would be used for resources for educational outcomes, but not for capital.

Mr Creagh: One of the additional capital priorities that the Minister introduced was that a school can carry out minor works where it has access to additional funding from another source. If a school is vested in the schools estate, the Department's endorsement of the use of those funds is required before the works can be undertaken.

Mr Sheehan: Let me give you an example. I know of a school that needs extra accommodation; it has been allocated a teacher under the new literacy and numeracy scheme, and it will be given a teacher for a nurture unit. However, the school does not have enough classrooms, so it wants to put a temporary classroom — a mobile or modular classroom, or whatever they are called — on the school site.

The school has enough surplus money to pay for that and all the arrangements have been made to put a mobile classroom on the site, but it has been told — by the Department or the board, I am not sure — that it cannot have a mobile classroom on site because the school is a relatively newbuild. Do you have any information about that?

Mr Connolly: Not on the specifics —

Mr Sheehan: No, but in general terms, could you comment on it? Is it policy that a newbuild school cannot have that? The school is a two year-old newbuild.

Mr Creagh: We have no specific policy in that regard. However, you would expect that where a newbuild is in place, it should, largely, meet the requirements of a school. The only surplus I can imagine a school having would be resource, and I do not think that a school would have the authority to invest it in capital.

Mr Connolly: The simple answer is that if a school wants to increase its physical infrastructure, that is a capital bid, whether it is for minor works costing less than £500,000 or for major works.

We can write to you to comment specifically on the newbuild that you mentioned. I honestly do not know what the policy is. The surpluses and the local management of schools (LMS) funding are for the running of the school, 80% to 90% of which is spent on staff costs.

The Minister is on record as saying that schools have large surpluses and should be using them. However, the funding is principally for the operation of the school. LMS funding is not for the infrastructure of a school; that is what the capital allocation is for. That is why we have school capital builds.

In principle, you would not be looking to that for funding for minor or major works. That is why we have either the £5 million bid for minor works or a newbuild that comes through a separate capital

fund. It does not come through the aggregated schools budget, which is completely separate and is used to run the school and pay the staff and the operational costs of the school.

Mr Creagh: Where a school has an issue of that nature, the school authority should make contact with the Department and make an application for the additional accommodation. That would be assessed within the priorities across the full estate.

Mr Sheehan: Finally, if a school were to make a bid for a mobile classroom on site, would there be an average lead-in time from the application to the mobile going on site?

Mr Creagh: I do not have the specifics before me for the lead-in time, although I will happily come back to you with it. However, if you were to put a mobile in, you would have planning issues. You would have to make a planning application, do preliminary works to lay appropriate foundations, and determine whether you are looking for long-term modular accommodation or a very short-term measure. The school authority would need to consider whether renting modular accommodation is more appropriate than outright purchase of something permanent. Many factors need to be built in. There are also procurement time frames. We are working with the education and library boards to look at that across the sector and looking with the Central Procurement Directorate to see what we can do to fast-stream our procurement. Unfortunately, however, the procurement timescales are set down in European regulations and the procurement board.

Mr Sheehan: I do not want to tie you down on this issue, but is there an average time? Can you give me the shortest possible time, or is it more difficult to give the longest?

Mr Creagh: It depends on the issues, whether they are statutory or otherwise, or the ground conditions around a school or the capability to locate additional accommodation without eating into their other entitlement to provision. I cannot give you a timescale off the top of my head. To be honest, I would be misleading you if I did.

Mr Sheehan: Fair enough.

The Deputy Chairperson: We want to see things happen as quickly as possible.

Mr Lunn: I am interested in Pat's question about whether a school could self-finance increased accommodation. I heard Stephen say that you would expect that newbuilds would be planned to provide the capacity required. I would expect that, too, but that is not always the case. I will not refer to a particular school, but there is one in my constituency that has a very nice newbuild now, and Jonathan and I were at the opening of it just the other day, but it has been built short of the capacity that it needs by about two classrooms. All attempts to rectify that while the contract was on-site failed. It is a successful school, and under the Minister's edict, successful schools will be allowed to grow, but that one is not being allowed to grow. That is why they would not give them the extra classrooms. The upshot is that the library will be turned into a classroom.

Mr Craig: They are about to repeat that in Dromore Primary School.

Mr Lunn: It is very frustrating. You have policies that indicate that the thing should flow naturally, and newbuilds should be at least the right size. I would have thought that they would have some capacity built in to allow for a bit of expansion, or, at least, to allow for the agreed intake. This one is up against a brick wall. I will give you clue: it is a CCMS-governed one. There is a basic principle that schools will be allowed to grow if they are successful. CCMS is apparently saying that, in this case, for this school to grow, the children who would like to go to a school like that will have to pass other schools to get to it, and it is in a growing, developing area. There is a lot of nonsense around this, and I wish to goodness that somebody would take these things by the scruff of the neck and make a sensible decision. If you can find a question in that, feel free to answer. *[Laughter.]*

Mr Creagh: Such a scenario is principally what area planning hopes to address — an area's needs. It will be drilled down to individual schools, but you are looking at existing provision and approved enrolments. The Department cannot and is not permitted to put in provision in advance of need. We work closely with the school authorities through the outworkings of area planning to deal with the very issue that you have set out.

The Deputy Chairperson: I think that he has voiced something that we all very much feel concerned about, particularly with parental choice wanting to see certain schools expanded.

Mr Lunn: I do not mean to criticise, Stephen, but, effectively, you just said that the Department is not allowed to plan ahead. That is frustrating. If a school planned three years ago for a newbuild, that will not have been based on the anticipated intake three years hence. It seems to be based on what it has currently and what is being agreed to it. It makes no allowance for a change in circumstances. Area plans could involve the closure of another school. I accept that, but the notion you cannot build in a wee bit of fat would not be accepted in any other business.

Mr Connolly: You are back to first principles. We have 85,000 surplus places. If we were to build in some fat in every existing build, we could have 100,000 surplus places. The principle behind area-based planning is to address surplus places. Because I approved the business cases, I know that we look very closely at the numbers, but, as you know, with parental choice, there is a great difficulty in forecasting exactly how many children there will be at any particular school one, two, or three years hence. The key aspect is, as Stephen said, that area-based planning does not look at just one particular school. You must look at it on a regional basis: there is no point in having a new school that has — this is my figure — a 15% headroom when there is a school three miles down the road with a 50% surplus. That does not make an efficient and sustainable infrastructure, and that is exactly what area-based planning is doing. We are looking at it in the round; we are not looking at each individual site.

Earlier, you asked about the January and June announcements. In approving a business case, we look at whether those are sustainable: is there sufficient footfall to sustain a newbuild? It is a 25- to 30-year investment, so the downside for us is that, having built a brand-new school, you find that, three years down the line, it is half-empty. There is a balance to be struck. The key element is that if we put headroom in each school, we will never address the 85,000 surplus places. We will have schools throughout the country, all of which have, to a certain extent, spare places. It is a pragmatic balance, but we have to look at it on an area-based situation rather than drilling to one individual school.

Mr Lunn: I know that it is not easy; I am not saying that it is.

Mr Connolly: I appreciate that. That is the key element: you must look at this in the round on an area-based assessment.

The Deputy Chairperson: You will find that our concern is that perhaps you are being too careful and that there are times when we would like to see more happening. It is a slower process, although I do realise that it is one big area-planning process. Many of us do not feel that there is a big plan that we can all see and all fit into; therefore, we feel that it is all being held up. I understand where you are coming from, but I feel that we want to see more happening. If you have £5 million, it seems that we could have asked for more.

Mr Craig: I apologise for being late and not hearing your original comments. Following on from what Trevor said, one of the difficulties, which seems to almost be inherent in the system, is that, in the case of the school that Trevor mentioned, it was 10 years in the planning from the original proposal to the delivery of the school. In the controlled sector, a replication of what happened there occurred in Dromore, where the planned size does not meet the demands of the school. It has been 10 years in the process as well. Is there nothing we can do to speed up the process of delivering a newbuild? More important, if it does take such a time, why can the system not look at the logic behind it and readdress the build to suit the present needs of the school? To be honest, that can go up or down. In these two cases, it has risen, and we will be sitting with two newbuilds that, from day one, will not meet the needs of the school. That is incredible.

Mr Connolly: The Minister is clear that he wants to have the June 2012 and the January 2013 programmes on site as quickly as possible, and we are doing everything we can to deliver those. I take on board the historical context of where we are, but we are driving very hard to do things in parallel in order to get them done as quickly as possible with the approval of business cases and going straight through to procurement and being on site.

Going back to the business case where I am directly involved, we use the most up-to-date information when we are approving those, but, once again, at the risk of repeating myself, we cannot look at each individual school in isolation. To put it simply: if the school numbers and parental choices are going

up, in theory, some other school is reducing. We need to look at that in the round; otherwise you could build a big school in one place, but the question remains of how we address the other schools. That is exactly what area-based planning is doing. I appreciate that there will always be a fluctuation in the overall population. However, unless an area is increasing by X% year on year and the graph is going up, you will, at some point, say, "Yes, here is a successful school, but somewhere in the vicinity there is an unsuccessful school", although I do not like using that term. Nevertheless, there is movement between schools. The point of area-based planning is not to look at one school in isolation but at schools in the round; we look at the requirement of a region and address it. Otherwise, we would end up back with 85,000 surplus places. We have many schools, but we have not addressed whether we have an efficient and sustainable estate. It is a difficult mix, but when we are approving business cases we use the most up-to-date information that we have.

The Deputy Chairperson: Before we go on, I want to welcome Knocknagoney Primary School to the Committee. We are in the middle of a briefing, and this is our chance to question how money is spent in the Education Department. At the moment, we are talking about moneys going to schools.

Mr Lunn: I am sorry to butt in again, Chair, but the Committee heavily queried the figure of 85,000 a few months ago. One of the figures that we got at that time stated that there is a huge over-capacity in the primary sector while there is an over-provision of about 15,000 in the post-primary sector. You reckon that that over-provision will disappear by the year 2025 and there will be a deficit in provision. That is the thing about forward planning. That is not too far away.

Mr Connolly: No, and I suppose that if you have a population spurt, it goes through the cycle of primary and then post-primary. Those are the pluses and minuses that you have to plan for. When we look at an individual school's business case, we use the most up-to-date information. However, the difficulty is always in forecasting how the population will change either directly for the school or in the area over the next 10, 15 or 20 years.

When I look at a primary-school business case, I look at overall births. We have the most up-to-date information to try and plan, but that is where you are back to looking into the future to try to determine how this flows through on an area-based plan. As I said earlier, the important thing is that, irrespective of the amount, investment in a newbuild is a 25- or 30-year investment. We need to be looking at that within that timescale. If we could forecast accurately what will happen in allocation over the next 25 or 30 years, we could start with some lottery numbers. That is where we are in trying to plan this.

Mr Lunn: I am told there will be a population spurt as a result of the heavy snow. You could build that in for five years' time. *[Laughter.]*

The Deputy Chairperson: If I could move on to a macro-point, our brief states that Her Majesty's Treasury requirements are that we should have monthly reports. However, the Committee does not get particularly good regular reports on where our budget is. What do we have to do to get more regular reports and better sight of things?

Mr Connolly: My apologies, Chair; I will make sure that that happens. We give those reports to DFP, and I presumed that they were sent to you. That is fine; we will definitely address that.

The Deputy Chairperson: Good. Thank you. Stephen, you are staying with us for the next briefing. Stephen, you are going to give us a briefing on the newbuilds — not this time, but next week.

Mr Creagh: Yes.

The Deputy Chairperson: Before you go, Trevor, the review that we are looking for was the road safety side — I cannot read my writing.

The Committee Clerk: I think that we have just lost our quorum. When members come back, we will take it through. If I understood correctly, Chair, some members wanted to write to DE and DRD regarding the safer routes to schools, and they wanted to write to the Department to know whether schools can use their services for capital and the new infrastructure —

Mr Connolly: I can give an answer: the surpluses that are built up or come through the local management of schools is the aggregated schools budget; it is for the resource of the school — staff

costs and materials. It is not for capital build. That is why we have a capital budget: we have minor and major works.

The Committee Clerk: Members also wanted write to the education and library boards about the minor works review and how they worked out what to ask for in the monitoring rounds. There was also a question about NILAs and NINAs and the recouping of costs.

Mr Connolly: Yes, the contract.

The Deputy Chairperson: And the letter to DRD.

The Committee Clerk: Yes.

The Deputy Chairperson: Thank you very much indeed.