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AQW 19579/11-15

Danny Kinahan has asked:

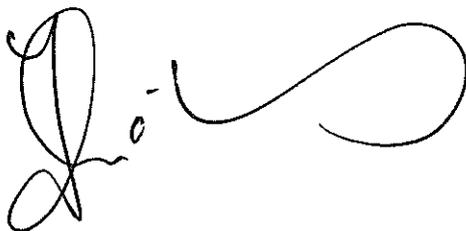
To ask the Minister of Education pursuant of AQW 19038/11-15, to detail the findings of the (i) Deloitte assignment on the Education and Skills Authority (ESA) delivery models and location options; and Price Waterhouse Coopers assignment into the provision of an assessment centre for ESA

ANSWER

The Deloitte assignment produced recommendations for an organisation structure for the Education and Skills Authority (ESA) to Head of Service level. Their recommendations were designed also to help inform the development of locations options for ESA, including ESA headquarters (HQ), sub-regional offices and other related accommodation. The document is detailed and so I have arranged for a copy of it to be placed in the Assembly Library.

Under the same assignment Deloitte also produced a paper on ESA location strategy. This was completed in April 2010 and suggested a decentralised model with the clustering of relevant services for purposes of efficiency.

The Price Waterhouse Coopers assignment in question was to design and manage a recruitment process for the appointment of seven Directors to ESA. The process was consistent with the four principles set out in the NICS Commissioner's Code, including the design and implementation of an assessment centre. The recruitment process commenced on 15 June 2009 with the advertisement of seven Director posts for ESA. The initial recruitment process saw the appointment of six of the seven Directors. In October 2009 a second competition was run to appoint the seventh Director which concluded at the end of December 2009 resulting in no successful appointments being made.

A handwritten signature in black ink, appearing to read 'John O'Dowd', with a large, sweeping flourish extending to the right.

John O'Dowd MLA

EDUCATION AND SKILLS AUTHORITY

**Organisational Development
Structure below Tier 2**

Version 1 0

19th February 2010

Deloitte.

Contents

1.	Introduction	1
1.1	Strategic Context.....	1
1.2	Scope and Objectives	1
1.3	Role of the Education and Skills Authority.....	2
1.4	Role of the Department.....	3
2.	Operating Model and High Level Structure	4
2.1	Introduction.....	4
2.2	Design Principles	4
2.3	Operating Model.....	6
2.4	Recommended High Level Structure	7
2.5	Directorate Drill-Down Structure and Overall Number of Staff	8
3.	Human Resources and Workforce Development	10
3.1	Introduction.....	10
3.2	Role of the Director	10
3.3	Roles and Functions of the Directorate.....	10
3.4	Structural Options Below Director	11
4.	Finance and ICT	17
4.1	Introduction.....	17
4.2	Role of the Director	17
4.3	Roles and Functions of the Directorate.....	17
4.4	Structural Options Below Director	18
5.	Operational Services	22
5.1	Introduction.....	22
5.2	Role of the Director	22
5.3	Roles and Functions of the Directorate.....	22
5.4	Structural Options Below Director	23
6.	Children and Young People’s Services	27

6.1	Introduction.....	27
6.2	Role of the Director	27
6.3	Roles and Functions of the Directorate.....	27
6.4	Structural Options Below Director	28
7.	Curriculum, Assessment and Examinations	32
7.1	Introduction.....	32
7.2	Role of the Director	32
7.3	Roles and Functions of the Directorate.....	32
7.4	Structural Options Below Director	33
8.	Education Quality and Standards	36
8.1	Introduction.....	36
8.2	Role of the Director	36
8.3	Roles and Functions of the Directorate.....	37
8.4	Structural Options Below Director	37
9.	Strategic Planning.....	43
9.1	Introduction.....	43
9.2	Role of the Director	43
9.3	Roles and Functions of the Directorate.....	43
9.4	Structural Options Below Director	44
10.	Internal Audit.....	47
10.1	Introduction.....	47
10.2	Roles and Functions of the Function	47
10.3	Structural Options Below Director	47
11.	Business Change and Performance Management.....	49
11.1	Introduction.....	49
11.2	Roles and Functions of the Service Delivery Area	49
11.3	Structural Options Below Director	50

1. INTRODUCTION

1.1 STRATEGIC CONTEXT

The Secretary of State announced in November 2005 that a new Education and Skills Authority (ESA) would be established on 1 April 2008. Following restoration of devolution, the Northern Ireland Executive has agreed that ESA should be established by 1 January 2010 with the overall strategic objective of:

“Ensuring that every learner fulfils his or her potential at each stage of development.”

The Outline Business Case (OBC) for the Review of Public Administration (RPA) in Education has been approved and indicates that, by the end of year 3 of ESA, an additional £20m per annum will be released to directly support improved education outcomes. This will be achieved through a reduction of administrative and headquarter posts, with the main impact at senior and middle management levels.

In essence, improving educational and personal development outcomes for children and young people is the core aim of education reform. This will be achieved through:

- improving equality of access for all children and young people to excellent educational experiences;
- enhancing the capability of schools, youth settings and other education providers to deliver high quality education and raise standards through support and challenge;
- improving social inclusion by providing high quality, consistent services to all those who need additional support;
- supporting the continued development of a highly skilled and motivated workforce that is efficiently and effectively organized and deployed to deliver high quality education services;
- establishing a clear and effective planning and accountability framework;
- creating a simpler, more efficient and effective administration system;
- releasing resources from administrative tasks to improve the quality of services at the frontline.

This will provide the key benefits of:

- improving the speed, consistency and coherence of decision making and policy implementation;
- delivering services in a more efficient way;
- streamlining education administration;
- realising economies of scale.

1.2 SCOPE AND OBJECTIVES

The scope of this project is to:

- develop the Service Delivery Models further, drawing on service metrics and benchmarking with similar organisations to ‘size’ the functions in terms of the number of people, skills and (non-financial) resources required in ESA;
- developing proposals for an organisation structure for ESA down to head of service level;
- identify the implications of the organisation structure for location decisions;
- undertaking of an options analysis, taking into account a variety of factors including the PSC Guiding Principles on Location and the Bain Recommendations on the Location of Public Sector Jobs

This paper must be considered in the context of the initial options, and the associated assumptions, developed for the top-level structures within ESA. These options were set out in the paper ‘Proposals for Director Structure’, and the process for recruiting these Directors is currently ongoing.

The **purpose** of this paper is to develop recommendations for an organisation structure to Head of Service level, with associated depth and breadth of information to inform the development of locations options for ESA, including ESA headquarters (HQ), sub-regional offices and other related accommodation. This paper also presents a high-level definition of the functional responsibilities of each proposed Head of Service post.

This review does not make any assessment of the Grade (or salary scale) of Head of Service posts, although it will differentiate between the sizing of the relative posts.

The process to develop these Head of Service level recommendations has drawn on the overarching design principles and assumptions set out in the initial paper on top-level structures, the work completed on future service delivery models, and best practice in the design of organisations.

1.3 ROLE OF THE EDUCATION AND SKILLS AUTHORITY

ESA will have responsibility for the functions performed currently by the five Education and Library Boards (ELBs), the Council for the Curriculum Examinations and Assessment (CCEA) and the Youth Council. It will also have responsibility for the frontline support and related functions currently undertaken by the Council for Catholic Maintained Schools (CCMS), the NI Council for Integrated Education (NICIE) and Comhairle na Gaelscolaíochta (CnaG). It will absorb some of the functions of the Staff Commission, while others will no longer be required. Some functions from within the Department of Education (DE) will also transfer to ESA.

In addition ESA will also be responsible for the successful implementation of new education policies and practices including completing the roll-out of the revised curriculum and assessment arrangements; the new School Improvement Policy, 'Every School a Good School'; a new literacy and numeracy strategy; new post-primary arrangements including the Entitlement Framework and new transfer arrangements; new SEN policies and practices following the SEN Review; new early years policies following the Early Years Review; a Sustainable Schools Policy; Area based planning, new Priorities for Youth; and new Framework agreements for procuring capital and minor works.

The following criteria for the role and function of ESA have been defined by DE:

- the champion of raising educational standards;
- robust in financial management, maximising the amount of resources devoted to frontline services;
- the custodian of coordinated planning of the schools' estate, on an area basis;
- the provider of high quality and well coordinated services for children and young people;
- the provider of efficient ancillary services to/for school;
- the provider of advice to DE on curriculum and pupil assessment issues; and operating robust and effective systems of public examinations that reflect local needs whilst maintaining national and international currency;
- an internal organisational structure which balances the need for strong central coordination and control, in the interests of consistency and equity of provision across all geographical areas, with a local presence that enables responsiveness to local needs;
- a 'strong' employer of the education workforce;
- an organisation that maintains good working relationships with the other educational stakeholders;
- a tightly managed organisation, with strong internal performance management and corporate governance

DE also provided input, guidance and advice to the Director structure in ESA, which in turn has an impact on the Deputy Director structure. In this regard, ESA will have responsibility for:

- **Educational Outcomes:** While responsibility for the delivery of improved educational outcomes will remain within the school, ESA will support DE policy by monitoring school

performance including taking cognisance of ETI reports and acting to raise standards and improve outcomes through providing information, advice and support; developing leadership skills across the education sector; securing training for teaching and non-teaching staff; and intervening as necessary where progress is unsatisfactory. In all of this, ESA will work closely with the ETI;

- **Children and Young People's Services:** ESA will implement DE policies through the provision of an integrated and comprehensive range of high quality children's services to meet the needs of children and young people. This will include services which are delivered in a school based setting and those which are delivered away from the school, including, in early years and youth work settings;
- **Curriculum, Examinations and Assessment:** ESA will be responsible for the development, roll out and monitoring of the school curriculum from early years to post-16; the development and roll-out of assessment tools and methodologies to support teaching and learning in the classroom including the enhanced use of ICT; and the setting, moderating and marking of public examinations and awarding of qualifications;
- **Strategic Planning:** ESA will be responsible for strategic planning of schools and youth provision, in line with DE's School Improvement policies, the Sustainable Schools Policy, the Bain recommendations, the Entitlement Framework and new post-primary arrangements. ESA will also develop a new education estates service to streamline and improve the efficiency and effectiveness of the procurement, delivery and maintenance of the education estate, in line with new approaches being developed by DE;
- **Financial Planning, Operational Planning and Delivery of Operational Services:** ESA will be responsible for the delivery of a range of operational services to schools including transport, meals, cleaning, caretaking and a range of services to support pupils/students such as awards, grants and benefits. ESA will build in arrangements to ensure continuous improvement in the delivery of these and other services for which it is responsible. In addition, ESA will be responsible for the financial planning and budgetary control of the sector.

1.4 ROLE OF THE DEPARTMENT

The RPA has significant implications for all bodies in the education sector, including DE. Under the new arrangements, it is intended that the Department will have responsibility for:

- **Strategy and Policy Development:** The Department will set the education agenda for the longer term and determine the policies to be developed in order to deliver its strategic intent;
- **Accountability and Resources:** The Department will continue to play the lead role in accounting for the performance of the education sector and retain its responsibility for securing the resources required to improve educational outcomes; and
- **Performance Management:** The Department will ensure performance primarily by setting strategic targets, tracking outcomes and applying strategic levers to ensure that ESA maintains a focus on delivering those outcomes. The Department will apply incentives and sanctions to drive performance improvements.

The ETI will continue to report on the quality of education, youth provision and training. Its reports will continue to be based on centrally programmed inspections and surveys, follow-up inspections and visits. The work of the ETI will be a very important component of the DE Raising Standards agenda and will be a central component in setting ESA's improvement strategy and in the identification and dissemination of good practice. The ETI will also continue to advise DE on matters of educational policy.

2. OPERATING MODEL AND HIGH LEVEL STRUCTURE

2.1 INTRODUCTION

In this section we outline the key principles underpinning the design of ESA, and examine how the functions of ESA can be demonstrated in an initial operating model that matches areas of similar capability in the new organisation.

2.2 DESIGN PRINCIPLES

The Education and Skills Authority Implementation Team (ESAIT) has adopted a structured approach to the design of the new organisation, including:

- **considering the vision, primary goals and objectives of the new organisation** - this reflects the criteria set out by the Department, including the increased focus on raising educational standards, improving children's services and strategic and area planning, to support the Minister's emphasis on equality and inclusion;
- **developing an understanding of the business operations** of the new organisation and the key activities required to deliver the organisation's operational plan, in particular what the new organisation must do to meet the needs of its key customers/stakeholders;
- **clustering service areas in light of a new approach to the design of education administration** – reflecting the model of regional framework, local delivery.

A number of design goals have been used throughout the organisational design process to determine future service delivery models. These include:

- giving priority to the learning needs of children and young people;
- meeting the learning needs of communities;
- emphasising equality and inclusion;
- delivering services in a consistent, equitable and inclusive manner which are:
 - high quality;
 - responsive at a local and regional level;
 - innovative;
 - providing value for money;
 - benchmarked against best practice;
- releasing resources from back office functions to the frontline.

In addition, there is an overarching design goal of 'regional framework, local delivery'. The feature of the regional framework is to ensure that education policy is delivered consistently through:

- centralised activity;
- setting of common aims, objectives and standards;
- agreed targets and performance indicators identified for each local area;
- allocation of resources across local teams on basis of need;
- consolidated services, including transactional services.

The feature of local delivery is to be responsive to the needs of pupils, parents, teachers and schools through:

- decentralised activity;
- strong local presence;

- real focus on the local delivery of services;
- responsibility for monitoring the performance of schools and other providers across a range of quality indicators;
- working with leaders in schools and other settings to address any concerns about any aspect of performance.

From a structural perspective, the key design principles adopted for the development of the organisation are:

1. **Similar capabilities should be grouped** – related activities are effectively grouped with the emphasis on process not hierarchy; different activities (for example transactions and advice and guidance), are separated but there are mechanisms for their co-ordination and integration, with a focus on common organisational goals.
2. **Clear roles and reporting lines** – everyone should understand who is responsible for what, with clear lines of accountability throughout the organisation.
3. **Unity of command** – an employee should have only one boss at any one time.
4. **Not one over one** – a supervisor or manager should have more than one direct subordinate.
5. **Design for business need** – a job should be designed around activities that need to be performed, and not tailored to the qualifications of individuals. This will ensure the organisation has the necessary capacity and capability to achieve its objectives, priorities and responsibilities.
6. **Clear interface with customers and suppliers** – points of contact are clearly identified and communicated internally and externally, with an appropriate decision-making framework underpinning interface roles.
7. **No single points of failure** – roles should not be designed so that the whole operation will fail if one individual is absent.
8. **Size and balance** - management spans of control should not be too large and should ensure a positive impact on operational efficiency and performance management.

These design principles have been derived from examples of recognised 'good practice' both national and internationally – while there are no exact corresponding arrangements elsewhere to those proposed for ESA, these underlying 'good practice' guidelines present a robust basis for moving forward.

ESAIT has developed 23 service delivery models to set out how services will be delivered under ESA. During May and June 2008, 20 workshops were held with some 350 service managers from each of the affected organisations as part of the change management process designed to develop thinking on how services will be delivered within ESA. The workshops provided the basis for development of future service delivery models which were discussed with some 450 staff in the current organisations and Trade Union Side (TUS) at further workshops in November and December 2008.

In order to ensure that the pace and type of change is directed and managed to maximise existing service delivery models as well as improving education outcomes for children, ESAIT has developed the 'Transfer – Transform – Innovate' (TTI) model to set priorities on the degree of change for each service delivery model:

- the **Transfer** service delivery models are services whose predominant feature is that they will come into ESA largely in line with current arrangements, but with streamlined management to create a regional structure;
- the **Transform** service delivery models are existing functions whose predominant feature is that they can or must be radically changed to produce enhanced services, many of which will generate significant savings;
- the **Innovate** service delivery models are new services or areas of responsibility, the redesign of which will yield significant benefits in service enhancement and may also yield substantial savings.

The TTI model is shown in Table 2.1 below.

Table 2.1
Transfer – Transform – Innovate Model

Transfer	Transform	Innovate
<ul style="list-style-type: none"> ➤ Catering ➤ Cleaning ➤ Transport/Vehicle Maintenance ➤ Examinations Assessment and ➤ Internal Audit ➤ Transfer and Open Enrolment ➤ Awards/Grants/Benefits ➤ Emergency Response ➤ Grounds Maintenance 	<ul style="list-style-type: none"> ➤ Accounts Payable and Receivable ➤ Financial Reporting and Budgeting ➤ LMS ➤ Teachers' Pay and Pensions/Payroll ➤ HR ➤ ICT ➤ Corporate Development ➤ Music ➤ School Library Services ➤ Youth 	<ul style="list-style-type: none"> ➤ Children's Services ➤ Education Quality ➤ Education Estates

2.3 OPERATING MODEL

An operating model is a pictorial representation of the key groups that make up the new organisation and how they can interact with each other to best deliver the organisational strategy. It enables us to look at the organisation as a series of operating blocks, and to assess different options for how these blocks should be arranged. The operating model makes no reference to reporting lines within the future organisation, nor does it illustrate the finer detail of roles and responsibilities.

The operating model is devised on the basis of:

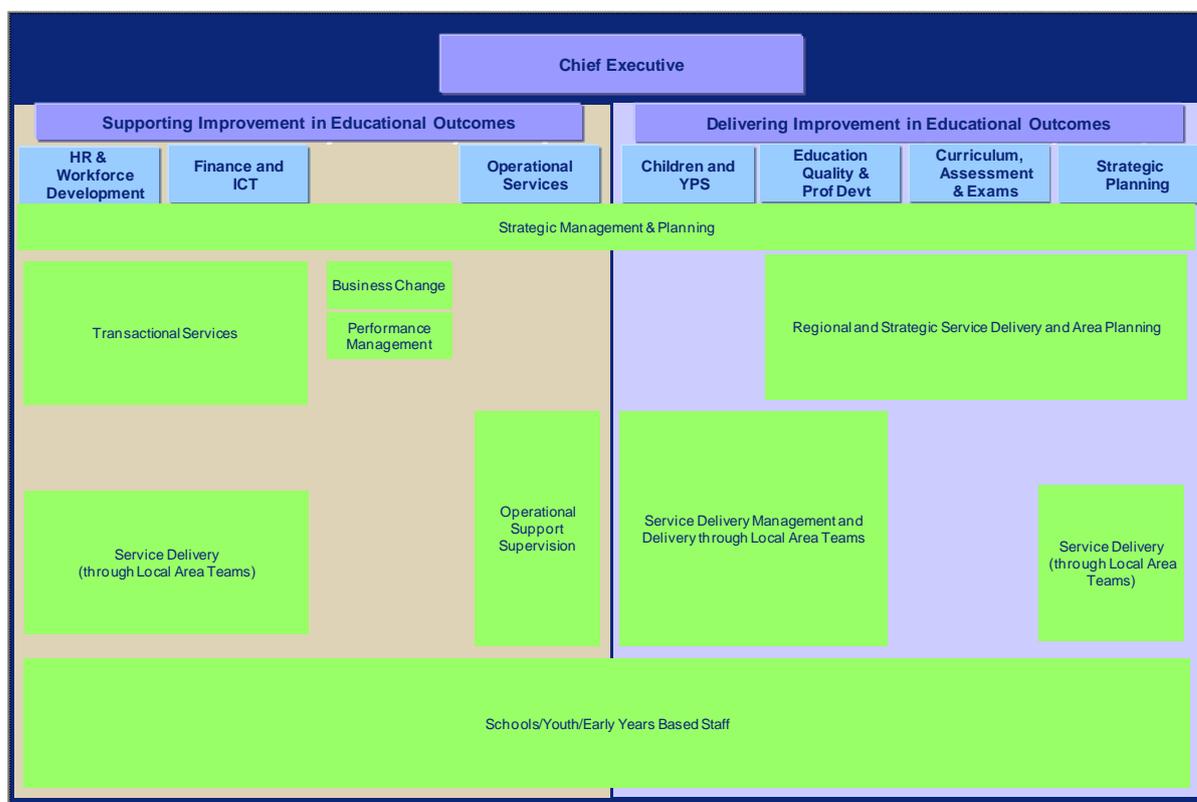
- the strategic imperatives of the organisation;
- an analysis of current service delivery models;
- an assessment of what the organisation needs to be capable of doing in the future;
- the design principles.

On completion of the analysis, we devised an operating model that had a number of characteristics:

- in broad terms, there are two main operating blocks – supporting improvement in educational outcomes, and delivering improving in educational outcomes; this provides a focus for the key aims of the new organisation;
- strategic management and planning is a key block across all Directorates, and reflects the regional strategy, local delivery ethos;
- there are a variety of service delivery blocks, regional and local, across Directorates;
- these blocks are either as part of local area teams or supervised separately.

The pictorial representation is outlined in Figure 2.1 below.

Figure 2.1
Proposed Operating Model for ESA



2.4 RECOMMENDED HIGH LEVEL STRUCTURE

On the basis of the design principles and the operating structure, and building on the Directorate structure already developed, it is possible to provide a high level organisation structure for ESA. This structure represents a 'blueprint', steady-state structure for the organisation to enable it to meet its objectives and the savings and efficiencies outlined in Option 4 of the OBC. This structure is outlined in Figure 2.2 below, with indicative staffing numbers per function included.

This option assumes that regional structures will be created for all services, with the middle management structures for all functions being further streamlined to allow for the delivery of a single unified service as opposed to the current model.

This option also assumes that corporate services will be restructured to deliver improved services at lower cost, with key changes being:

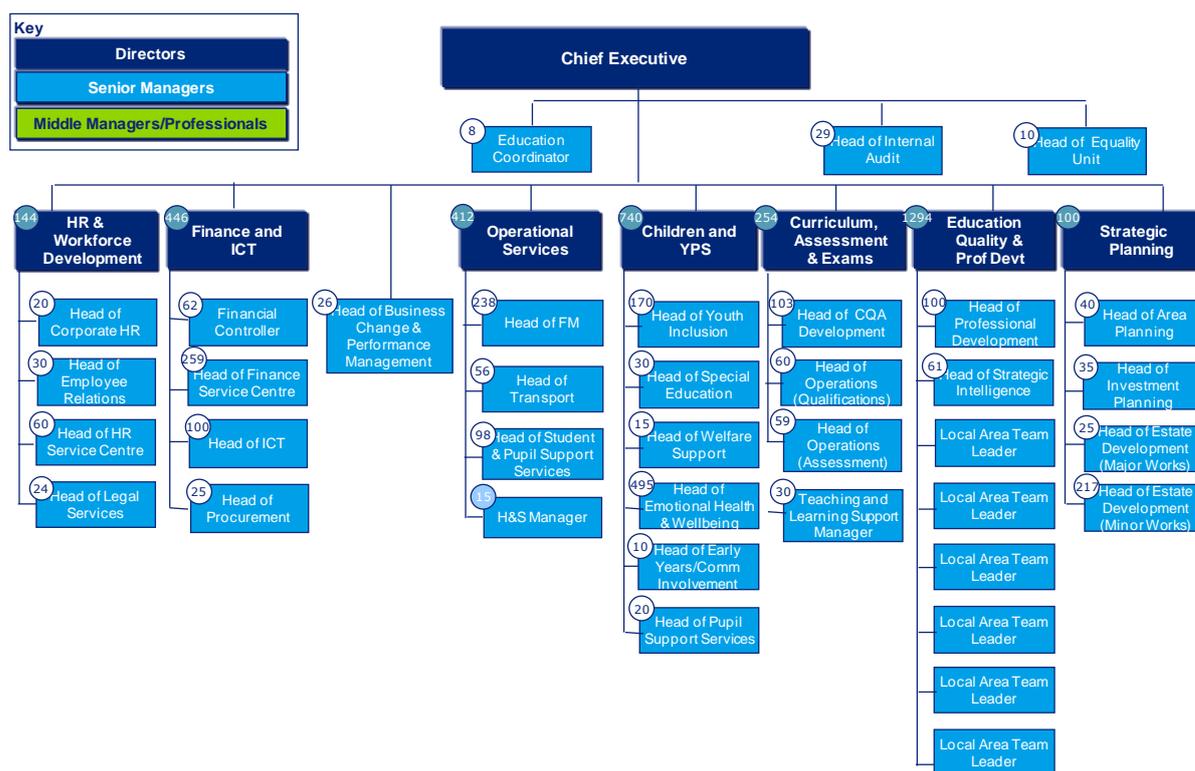
- the completion of the relevant systems upgrades and transfer of non-ELB organisations onto these;
- the design and introduction of standard processes and policies for each function;
- segregation of transactional processing activities for each functional area;
- bringing together of the elements of each major support function as part of the relevant ESA Directorate, incorporating both transactional processing and strategic/business partnering activities.

In the high level structure, we have included three levels of staff:

- Directors – those in charge of a Directorate;
- Senior Managers – those in charge of a function;
- Middle Managers/Professionals – those in charge of a sub-function, or senior professional staff.

We have not undertaken an evaluation of the posts in relation to the existing grading structures, and are using these grade terms for illustrative purposes.

Figure 2.2
Recommended High Level Structure for ESA



2.5 DIRECTORATE DRILL-DOWN STRUCTURE AND OVERALL NUMBER OF STAFF

Over the next nine sections, the structure and sizing of each Directorate is set out in more detail. In each section we will outline:

- operating context within which the Directorate is operating;
- defined role of the Director;
- role and function of the Directorate; and
- structural options below Director level.

An initial analysis of the anticipated size of functions and teams below middle management level supports the savings identified in the OBC. This analysis is based on comparison against industry benchmarks, the existing service delivery models and the future service delivery models. However, each Directorate will need to undertake a series of comprehensive service reviews during transition and beyond to finalise structure and function/team sizes at the lower tiers.

The total staff complement across all Directorates to middle management level on the basis of this organisation design project is outlined in Table 2.2 below, and compared to the original OBC figures (based on indicative gradings).

Table 2.2
Comparison of Organisation Design Staffing Estimates and OBC Estimates

Indicative Grading	OD Staffing	OBC Staffing
Chief Executive and Directors	8	8
Senior Managers	38	37.4
Middle Managers/Professionals	578	579

3. HUMAN RESOURCES AND WORKFORCE DEVELOPMENT

3.1 INTRODUCTION

The successful development and implementation of a Human Resources strategy for ESA will be a critical factor in the successful establishment of a fit for purpose organisation capable of delivering high quality services for children and young people.

ESA, when established, will have over 50,000 employees, working in multiple locations, in a wide variety of service areas. This includes approximately 20,000 teaching staff across 1,250 schools, other school based staff, staff in front line operational services, early years and youth services staff, administrators and management. Staff will be drawn from 12 different organisations, each with their own culture, work practices, terms and conditions and HR policies and procedures. This is a large and diverse workforce which must be brought together into a single organisation, harmonised and streamlined to ensure ESA has sufficient, appropriately skilled staff to meet future demand and changing needs.

3.2 ROLE OF THE DIRECTOR

In the *'Proposals for Director Structure'* paper, the overall purpose of the post of Director of Human Resources and Workforce Development is defined as *"establishing and maintaining a highly skilled and motivated workforce with a harmonious industrial relations culture to enable the organisation to meet its objectives and support the Minister's vision of equality and inclusion"*. In the short term the Director will be responsible for *"the successful transfer of staff from legacy organisations into ESA"*.

3.3 ROLES AND FUNCTIONS OF THE DIRECTORATE

The **overall role** of the HR and Workforce Development Directorate will be to:

- a) Develop and implement workforce strategies including recruitment, re-deployment and voluntary severance arrangements, to align the current staffing complement with future service delivery models and new organisational structures;
- b) Strategic and operational development of high quality HR services;
- c) Implementation of an HR Management Information System that meets business needs;
- d) Establishment of first class employment practices, including a training and development strategy, a performance management scheme, and an equality scheme that will attract and retain a high quality workforce that has the skills and capabilities to meet current and future demands;
- e) Development and establishment of new, modern, employee relations and negotiating machinery for ESA, as well as ensuring effective staff welfare provision;
- f) Putting in place arrangements for the effective operation of ESA's Employing Authority role for all teachers and other school based staff.

The following **design assumptions** have been used in developing the Tier 3 structures for HR and Workforce Planning.

1. As a 'Transform' function, it is likely to change significantly, with a move to common systems and arrangements, removal of duplication, and grouping of functions.
2. In accordance with Option 4 of the OBC, there will a segregation of transactional processing activities.
3. A significant quantity of all legal matters dealt with by the Legal Services function is of the employment law variety.

4. Over time there will be appropriate, enabling HR technology.
5. All managers within ESA will be expected to deal with people management matters in their team, supported by HR Business Partners.
6. Training administration for all Directorates will be undertaken in the HR & Workforce Directorate.

3.4 STRUCTURAL OPTIONS BELOW DIRECTOR

The concept of business partnering emerged in the mid 1990s. It was one of a number of key HR roles proposed by Dave Ulrich necessary for HR to transform itself into a 'value adding' function. Ulrich referred to the role as that of 'Strategic Partner'. In essence the role involves working closely with senior business leaders on strategy execution, in particular designing HR systems and processes that address strategic business issues: a big departure then for HR from the responsive approach adopted in the past. Most commentators agree that today's HR function needs to be much more business-focused. In practice this means being more customer-focused; cost efficient; innovative, and structured in such a way that it can quickly respond to changing priorities.

Not surprisingly HR structures and HR roles are not static, They need to evolve to reflect changing business priorities. Despite the popularity of Ulrich's model, not all organisations have implemented it in its 'purest' form. Research by CIPD into the changing HR function indicates that although Ulrich's model appears to be a popular structure adopted for the HR function in the UK, in practice less than 30% of survey respondents had introduced the model in full. A further 30% indicated that they had partially introduced the Ulrich model.

The research identified that a variation of Ulrich's model, referred to as the 'three-legged stool' model has been adopted by several larger organisations when re-structuring their HR function. Broadly these three functional areas include:

- **Shared services** – a single, often relatively large, unit that handles all the routine 'transactional' services across the business. Shared services typically provide resourcing, payroll, absence monitoring, and advice on the simpler employee relations issues. Shared services' remit is to provide low-cost, effective HR administration.
- **Centres of excellence** – usually small teams of HR experts with specialist knowledge of leading-edge HR solutions. The role of centres of excellence is to deliver competitive business advantages through HR innovations in areas such as reward, learning, engagement and talent management. Some major multinationals have 'centres of expertise' focused purely on developing the HR talent pipeline.
- **Strategic business partners** – senior HR professionals working closely with business leaders influencing and steering strategy and strategy implementation. The role can vary enormously depending on organisational size and business priorities. Some activities that strategic partners are likely to be involved in include:
 - organisational and people capability building
 - longer term resource and talent management planning
 - using business insights to drive change in people management practices
 - intelligence gathering of good people management practices internally and externally, so they can raise issues that executives may not be aware of.

Few organisations create clear boundaries between these different functional areas and here is often a degree of overlap. For example, although complex employee relations issues might be handled by a centre of excellence, strategic partners can find themselves entangled in local employee relations issues, particularly if they do not have the relevant skills or support from other functional areas. For business partnering to work successfully there needs to be good working relationships between HR practitioners in different functional teams. If not, the reputation of the whole HR function will be in jeopardy. As business partners work more closely with seniors they are the ones that will have to deal with negative feedback about the HR function overall.

Business partners (or Strategic Partners) have been introduced as part of a broader HR transformation agenda. The key drivers are:

- **cost efficiency** - whilst the introduction of shared services is seen as being particularly important to achieving savings, these cannot be realised without other roles operating effectively. In the US, partnering appears driven not by cost pressures but by the need for HR to support a smarter, stronger organisation. HR services that are distributed across a number of businesses or geographical locations may be likely candidates for restructuring. Relatively large HR functions are also probable targets, where 'large' is often interpreted as more than one HR professional per 100 employees. HR functions that can't show bottom-line business benefits will sooner or later be cut back;
- **accelerating competition** - HR has become central to business competitiveness. Organisations need HR functions that can deliver skilled, creative, motivated, flexible and committed employees. Innovative world-class HR has become a commercial necessity; hence the growth of centres of excellence, especially in knowledge-based sectors where the expertise and energy of employees is critical;
- **rising expectations of HR** - organisations are beginning to expect more from HR. Business leaders see HR in other organisations contributing to strategy, enabling the execution of business plans, and delivering tangible commercial benefits. Inevitably they go on to ask how their own HR functions need to change to make real differences to their businesses. The popular answer is the appointment of strategic HR partners who become engaged with and accountable to the business, yet are the eyes and ears of HR. Strategic partners shape both what the business does and what HR does; they exist to ensure HR meets the new expectations of business leaders.

As the OBC envisages a transactional processing centre, then the 'three-legged' variant of the Ulrich model would appear an ideal structural basis for delivering HR and workforce development in ESA. In this regard, in our recommended model, the **key functional areas** in the HR & Workforce Development Directorate will be:

- **Corporate HR** - this will be a series of 'centres of excellence', providing specialist advice and guidance across the organisation as well as defining and driving key HR initiatives, through the Business Partners, in the areas of:
 - HR policy and strategy;
 - Workforce development, including performance management;
- **Employee Relations and Staff Welfare** - this will be primarily project and initiative-based, concentrating on the significant volume of work that is expected during and beyond transition in relation to:
 - Employee relations;
 - Staff welfare;
 - Reward and remuneration.

If the volume of projects and initiatives diminishes over time, the possibility remains to merge the two professional functions above into a single, corporate HR sub-function;

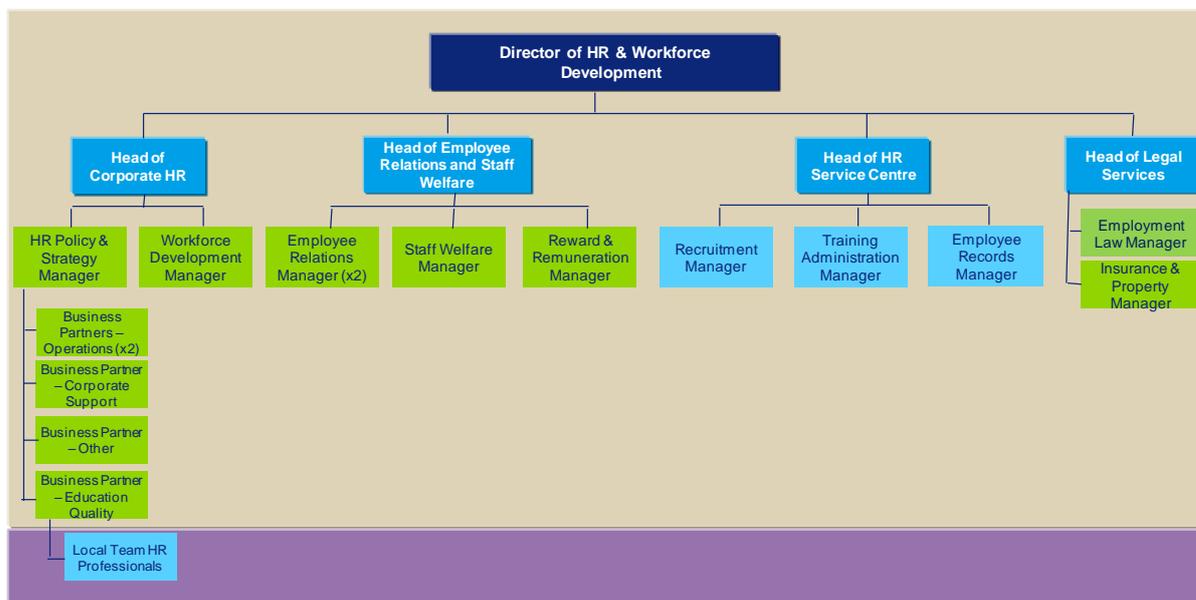
- **HR Service Centre** - this will be a transactional service centre, with primarily administrative level staff, dealing with the high volume transactional elements of HR including:
 - recruitment;
 - training administration;
 - employee records.
- **Business Partners** – these are a series of strategic HR professionals with specific alignment to Directorates. The number of Business Partners required will be dictated by the different and specific needs of each Directorate. For instance, the HR issues faced by managers in Finance are likely to be different than the HR issues faced by supervisors in Operational Services. It will be important in both of these scenarios however, that the managers and supervisors are taking the lead in relation to the management of people, with the HR Business Partner providing strategic advice and guidance to the Directorate (for instance, in relation to an issue such as absence management). In addition there will be HR professionals aligned to each of the six

local area teams, to provide advice to schools and Boards of Governors, as well as issues in relation to teachers such as welfare and professional development. Their role will be similar to that of the Business Partner, with an emphasis on knowledge transfer to school principals in particular.

In addition, due to the high level of employment-related legal issues that are likely to be dealt with in Legal Services, there would appear to be a synergy in placed the **Legal Services** function in this Directorate, although the brief for the function will be broader than simply employment law, covering also issues such as contract law and intellectual property.

The recommended high level structure for the HR and Workforce Development Directorate is illustrated in Figure 3.1 below.

Figure 3.1
HR and Workforce Development Directorate – Recommended Option



In Table 3.1 we outline the estimated staffing requirements in this Directorate across the various levels in the organisation, aligned to Option 4 of the OBC.

Table 3.1
HR and Workforce Development Directorate – Staff Breakdown

Directors	1
Senior Managers	4
Middle Managers/Professionals	13

The Head of Service roles within HR and Workforce Development are summarised in the following table:

Tier 3 Role	Overview of Role
<p>Head of Corporate HR</p>	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Support the Director of Human Resources in the development, implementation and delivery of the Human Resources Strategy for ESA, ensuring integration with corporate strategy and service delivery priorities. ➤ Development of all HR policies for ESA with the exception of employee relations, pay and remuneration and recruitment and selection and employment equality policies. ➤ Development and implementation a range of workforce modernisation initiatives that secures a highly relevant, flexible and productive workforce, realising the benefits of a single employer. ➤ Support to the Director in the development and implementation of workforce strategies to align the current staffing complement with future service delivery models and new organisational structures. ➤ Oversight of HR specialists in a HR Centre of Excellence providing a range of HR Services including workforce strategy and development, training and development strategy for ESA staff and school support staff, performance management, competency framework. ➤ Provide specialist advice to managers on the redesign of work roles, and the development of new roles to support the business needs of ESA. ➤ Liaison with Directors on the delegation of HR matters. ➤ Ensuring effective discharge of the Employing Authority role to the school workforce. ➤ Overseeing the relationship between locally-based HR staff and school Board of Governors.
<p>Head of Employee Relations and Staff Welfare</p>	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Support the Director of Human Resources in the development, implementation and delivery of the Human Resources Strategy for the ESA, ensuring integration with corporate strategy and service delivery priorities. ➤ Effective development and delivery of ESA consultation and negotiation systems. ➤ Development of a reward and remuneration framework for teaching/non teaching staff in conjunction with the Director and in partnership with DE. ➤ Work with the Director to develop the reward strategy for ESA in line with national and local pay strategies, Government pay policy and best practice. ➤ Lead on the effective negotiation and implementation of terms and conditions of employment to ensure improved services are realised through changing working practices and roles in the workforce. ➤ Contribute to decision-making processes for general service

Tier 3 Role	Overview of Role
	<p>developments by providing advice on the pay and industrial relations aspects of service plans and business cases.</p> <ul style="list-style-type: none"> ➤ Develop, implement and maintain an effective job evaluation process In line with PAC recommendations. ➤ Advanced employee relations casework – pay and grading, reward and remuneration, 3rd party disputes, tribunal casework. ➤ Develop, implement and monitor a suite of employee relations policies, ensuring these are developed and implemented fairly and consistently, providing specialist advice and appropriate support and training for senior managers.
<p>Head of HR Service Centre</p>	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Support the Director of Human Resources in the development, implementation and delivery of the Human Resources Strategy for ESA, ensuring integration with the corporate strategy and service delivery priorities. ➤ Development and implementation of a recruitment strategy and recruitment procedures for ESA. ➤ Development and implementation of employment equality policies to ensure they reflect best practice and legislative requirements. ➤ Manage transition recruitment processes and consolidate arrangements for the new organisation. ➤ Development and implementation of recruitment and selection and equality training in respect of anti discrimination legislative provisions and best practice in recruitment and selection and employment equality. ➤ Development and implementation of the processes for equal opportunity monitoring and the provision of workforce information to complete all necessary monitoring reports and returns for the Equality Commission, and Industrial and Fair Employment Tribunals. ➤ Ensuring that ESA has safe employment policies and practices by ensuring effective processes compliant with legislation for vetting and criminal record checking, qualification checks and legislative requirements relating to the employment of overseas staff. ➤ Developing and leading a HR Services Centre in accordance with the HR service delivery model. ➤ Effective and efficient management and operation of the Centre which will provide the following services to schools and ESA: <ul style="list-style-type: none"> • Recruitment and selection, support and administration • Equal opportunity monitoring • Management of processes for vetting and criminal record checking • Provision of human resource management information • Maintenance of employee records • Attendance management, support and

Tier 3 Role	Overview of Role
	<p>administration</p> <ul style="list-style-type: none"> • Administration of the implementation of terms and conditions, HR policies and related collective agreements such as maternity leave, paternity leave etc. • HR payroll service administration • Training administration <p>➤ Routine HR advice to schools, ESA managers and employees.</p>
<p>Head of Legal Services</p>	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Leading the provision of consistent and high quality advice on all legal matters to ESA and Boards of Governors on employment law, education law, public and administrative law, litigation, conveyancing, corporate governance, PPP and insurance. ➤ High quality provision of a functional legal service (legal advice and representation in Courts and Tribunals). ➤ Provision of strategic advice, policy development formulation in all areas of ESA's work (including, by way of example, human resources, special educational needs and procurement). ➤ Proactively working with clients to prevent legal problems arising and also providing training and disseminating legal information on all legal aspects relevant to ESA's work. ➤ Assisting and empowering ESA by contributing to processes for relationship management with contracting parties and third parties e.g. in the procurement of works, supplies and services. ➤ Identification, management and mitigation of all legal risk faced by the organisation including legal, contractual and intellectual property issues and obligations. ➤ All elements of legal and insurance advice, guidance and administration for ESA.

Potential Variants

1. It would be possible to structure the Directorate along traditional functional lines, with strategic HR and transactional HR in the same functions. However, this would be contrary to the principles of the Transform model and the OBC, and is therefore not a recommended option.
2. The area of Legal Services was originally in Operations, and indeed as a discrete function, it is relatively flexible in relation to its position in the structure. However, the predominance of employment-related cases undertaken by the Section, which may be exacerbated by the transition to ESA, would appear to suggest potential synergies with HR specialists.

4. FINANCE AND ICT

4.1 INTRODUCTION

ESA will be responsible for the financial management of a budget in the region of £1.9 billion. A key objective for the establishment of ESA is to release resources from within the education budget for re-direction to the classroom and other front line support services, in order to improve the educational experiences and outcomes for children and young people. In line with the agreed recommendations of the Public Accounts Committee (PAC) report on 'Job Evaluations within the Education and Library Boards', ESA will have robust processes for financial approvals and subsequent monitoring of expenditure to secure effective financial management, within a rigorous financial framework.

New budgetary, financial monitoring and reporting systems will be required to facilitate and support prudent financial and performance management and to develop strong budgetary controls across the organisation. In addition, budget holders must have the skills and knowledge necessary to manage their budgets in an efficient and effective way to realise benefits, achieve positive outcomes, and remain within budget. A significant proportion of the ESA budget will be allocated to schools through the Common Funding Formula. Schools will also require a significant degree of support to ensure they manage their finances appropriately, stay within budget and achieve value for money.

There are currently 27 payrolls across the affected organisations, paying approximately 50,000 staff transferring into ESA. These will have to be streamlined to reduce the administrative burden, whilst ensuring that all staff continue to be paid, on time and accurately.

4.2 ROLE OF THE DIRECTOR

In the 'Proposals for Director Structure' paper, the overall purpose of the post of Director of Finance and ICT is defined as *"ensuring the sound financial management of the ESA Budget, securing the expected efficiencies within the agreed timeframe, and implementing robust and effective financial planning, monitoring and reporting systems"*.

4.3 ROLES AND FUNCTIONS OF THE DIRECTORATE

The **overall role** of the Finance and ICT Directorate will be:

- a) Financial planning and management of the ESA budget;
- b) Development and implementation of sound financial and management accounting systems and processes, providing the necessary assurances to the Chief Executive, the Board and the Department;
- c) Effective alignment of resources to priorities and achievement of VFM in the delivery of ESA services;
- d) strategic management of the ESA payrolls to ensure all staff are paid accurately and on time;
- e) timely and accurate allocation of resources to schools;
- f) monitoring and advising schools on financial planning to ensure that they use resources effectively and remain within budget;
- g) establishment and maintenance of appropriate mechanisms for the procurement of Goods and Services, ensuring that ESA is established as a Centre of Procurement Expertise (COPE);
- h) plan and provide high quality, effective, and robust ICT infrastructure and support for schools and ESA;

The following **design assumptions** have been used in developing the Tier 3 structures for Finance and ICT.

1. As a 'Transform' function, it is likely to change significantly, with a move to common systems and arrangements, removal of duplication, and grouping of functions.
2. In accordance with Option 4 of the OBC, there will be a segregation of transactional processing activities.
3. Over time there will be appropriate, enabling finance technology.
4. There will be local finance specialists dealing with schools and Boards of Governors.
5. ICT will be primarily a regional function.

4.4 STRUCTURAL OPTIONS BELOW DIRECTOR

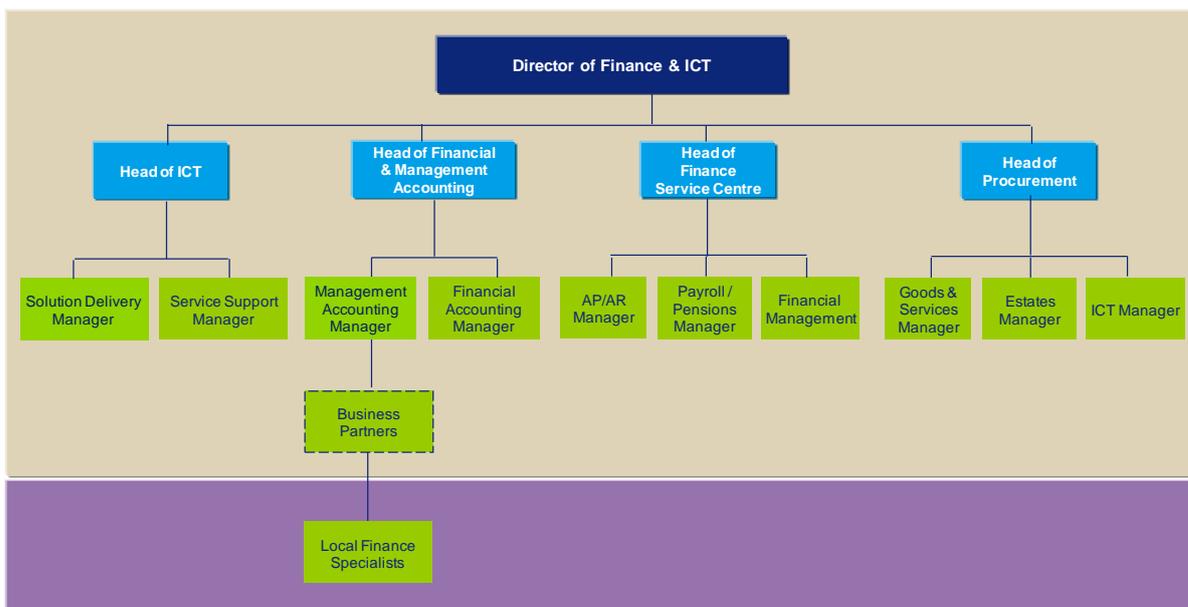
The principles applied to the Finance model are similar to those applied to the HR model. As the OBC envisages a transactional processing centre, with the potential for Finance, HR and other transactional activities being merged over time, this points to the need for a dedicated Finance Service Centre, as in HR, and indeed as in Student Support Services in the Operational Directorate. There is also the requirement for strategic and operational financial advice and guidance across ESA and to schools and Boards of Governors. In this regard, in our recommended model, the **key functional areas** in the Finance and ICT Directorate will be:

- **Financial and Management Accounting** - this will be a series of 'centres of excellence', providing specialist advice and guidance across the organisation as well as defining and driving key finance initiatives, through the Business Partners, in the areas of:
 - management accounting;
 - capital accounting;
 - preparation of annual accounts and whole of government accounts;
 - financial planning.
- **Finance Service Centre** - this will be a transactional service centre, with primarily administrative level staff, dealing with the high volume transactional elements of Finance including:
 - accounts payable;
 - accounts receivable;
 - payroll;
 - financial and budgetary control.
- **Business Partners** – these are a series of strategic Finance professionals with specific alignment to Directorates. The number of Business Partners required will be dictated by the different and specific needs of each Directorate. The primary role of the Business Partners is to support, as required, budget-holders in financial processes and procedures, interpretation of reports, profiling of budgets, developing financial models, preparing economic appraisals and business cases, and investigation of errors. In addition there will be Finance professionals aligned to each of the six local area teams, to provide advice to schools and Boards of Governors, as well as issues in relation to training in financial procedures and managing finances. Their role will be similar to that of the Business Partner, with an emphasis on knowledge transfer to school principals in particular.
- **ICT** – this function will include all ICT Services ranging from strategy to support which will deliver a comprehensive, consistent and equitable service across the region and will support a focus on continual improvement, customer focus and VFM. It will include:
 - strategy development and implementation;
 - research;
 - information and data management;
 - solution delivery.

- **Procurement** – ESA will be a designated Centre of Procurement Excellence (COPE). In this regard, the decision has been made to centralise procurement in the Finance Directorate, with input from professionals in Strategic Planning in relation to major and minor works, and maintenance. This will ensure a consistent, efficient, effective and value for money procurement service for ESA and the schools estate.

The recommended high level structure for the Finance and ICT Directorate is illustrated in Figure 3.1 below.

Figure 4.1
Finance and ICT Directorate – Recommended Option



In Table 4.1 we outline the estimated staffing requirements in this Directorate across the various levels in the organisation, aligned to Option 4 of the OBC.

Table 4.1
Finance Directorate – Staff Breakdown

Directors	1
Senior Managers	4
Middle Managers/Professionals	32

The Head of Service roles within Finance and ICT are summarised in the following table:

Tier 3 Role	Overview of Role
Head of Financial and Management Accounting	Role Responsibilities <ul style="list-style-type: none"> ➤ Setting recurrent and capital service budgets (in collaboration with the ESA directors and Chief Executive). ➤ Ensuring and facilitating effective organisational financial planning. ➤ Preparation of annual accounts and whole of government accounts. ➤ Monitoring the overall performance of ESA against budget (in collaboration with the ESA directors and Chief Executive). ➤ Supporting non-school and school budget holders in managing their budgets, preparing financial forecasts, and developing financial models. ➤ Developing and delivering appropriate training programmes, including financial processes and procedures, budget management and the use of the financial system. ➤ Developing, disseminating and monitoring financial policies, processes and procedures.
Head of Finance Service Centre	Role Responsibilities <ul style="list-style-type: none"> ➤ Management of all finance transactional processes. ➤ Managing and dealing with queries internally and externally on financial transaction matters. ➤ Establishing and documenting common processes and procedures. ➤ Managing systems development to ensure fit-for-purpose financial systems. ➤ Generating data and reports both proactively and on an ad-hoc basis for schools and other budget-holders, DE and others as appropriate. ➤ Overseeing preparation of statutory returns.
Head of Procurement	Role Responsibilities <ul style="list-style-type: none"> ➤ Ensuring that ESA operates as a Centre of Procurement Excellence. ➤ Ensuring effective procurement policies, procedures and practices for goods and services, ICT, and major works, minor works and maintenance. ➤ Undertaking and overseeing contract negotiations to ensure value for money. ➤ Ensuring effective systems and procedures are in place for the processing of purchase orders, and for monitoring and managing the performance of suppliers and contractors. ➤ Providing strategic advice on procurement. ➤ Overseeing the operation of stores.

Tier 3 Role	Overview of Role
<p>Head of ICT</p>	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Developing and implementing a business driven ICT Services strategy to enable ESA achieve corporate objectives. ➤ Ensuring that the full potential of technology and how it is applied in all areas, particularly specialist areas, informs and shapes ICT strategy. ➤ Ensuring the development of standard business processes that will be a basis for continual improvement in service delivery, both from an ICT and wider perspective. ➤ Developing information as a strategic decision making tool. ➤ Driving process and product quality standards within ICT using recognised external standards and benchmarks. ➤ Delivering solutions either by in-house development or by procurement.

Potential Variants

1. It would be possible to design the Financial Accounting role with a broader base, drawing on the information and processing that takes place in the service centre, to feed directly into accounts and planning. This would then mean a distinct function for management accounts, with business partners undertaking the same role as before. However, this option may inhibit the vision of establishing the transaction processing centre for all of ESA as it merges transaction processes with the financial accounting specialism, which in turn may limit the ability to deliver efficiencies.

5. OPERATIONAL SERVICES

5.1 INTRODUCTION

This Directorate has a budget in excess of £150m and responsibility for over 12,000 staff, dispersed across multiple locations. Core operational services such as transport, cleaning and catering are critical to the smooth day to day running of schools and the wider education service. These are high profile, high risk areas with significant operational issues. These services also deal directly with customers/users on an individual basis i.e. pupils, parents, and school leaders and command a high public profile. The school admissions service, located within this Directorate, can also attract a significant amount of media attention and public scrutiny.

5.2 ROLE OF THE DIRECTOR

In the *'Proposals for Director Structure'* paper, the overall purpose of the post of Director of Operational Services is defined as *"leading the strategic planning and operational delivery of high quality, modern, efficient and customer/user-focused services to support the smooth running of the education service"*.

5.3 ROLES AND FUNCTIONS OF THE DIRECTORATE

The **overall role** of the Operational Services Directorate will be:

- a) strategic and operational planning and performance management of services including transport and vehicle maintenance, cleaning and caretaking, catering, grounds maintenance, and emergency response building maintenance in line with safety standards, statutory obligations and Value for Money considerations;
- b) effective and timely administration of school admissions and transfer processes, student finance, awards and grants;
- c) establish and maintain a range of corporate services in support of the new organisation in respect of record management, registry, security and reprographics;
- d) establishing a customer/user-facing, service delivery approach to business across the responsibilities of the Directorate, seeking and responding to customer/user feedback to ensure services are responsive to local need and modernising processes to realise efficiencies and improve the quality of service;
- e) establishing, maintaining and operating the integrated emergency management procedures for ESA.

The following **design assumptions** have been used in developing the structure below Tier 2 level for Operational Services.

1. As a predominantly Transfer service, the likely differences to the as-is model are in relation to streamlining management to create a regional structure.
2. It will be primarily a locally delivered service, with significant numbers of staff based in schools, with strategic support provided regionally.
3. Local delivery will be divided into six local areas, to map across to the six local area teams.
4. Due to the size and scale of the Directorate, locally delivered services will be managed up through the Directorate, but Area Leaders will liaise directly and frequently with the corresponding Team Leader to ensure a coordinated approach to issues arising that impact on educational outcomes.

5. Administrative and process driven work in relation to student support is grouped under a similar capability to maximise the use of the workforce, particularly given the seasonal nature of the majority of the processes.

5.4 STRUCTURAL OPTIONS BELOW DIRECTOR

It is common industry practice for service contracts to be consolidated. The grouping of soft services, including cleaning and catering together, is very common as it can deliver the following benefits:

- simplified management structure in the client organisation as the number of contracts to manage is reduced;
- alignment with what the supplier market wants to deliver. Total FM service providers are often keen to bid for soft services only packages;
- the potential for scale economies as service providers can both leverage their purchasing power and minimise their internal contract management structures;
- enables contracts of sufficient scale to be formed to allow meaningful capital investment to be made by the service providers (subject to suitable contract length); and
- allows service integration to take place so that delivery resources can be shared and used to deliver value and quality.

This approach can also be seen to have disadvantages, all of which can be managed:

- the payment of 'margin on margin' where the service provider contracted with sub-contract elements of the service; and
- a loss of client control as services are managed on a 'group' basis.

There are many examples where the soft services have been consolidated into single multi-service contracts including:

- Cabinet Office – contracts consolidated into TFM contract. Ecovert provide all services including cleaning and catering;
- Building Schools for the Future (BSF) – contracts typically include bundled cleaning and catering elements;
- Communities and Local Government and the Government office for London – MITIE plc have delivered £0.5m savings and met sustainability objectives; and
- Corus – Interserve provide bundled soft services to a range of facilities. This approach has resulted in significant efficiency led savings.

School and community bus transport is commonly outsourced to specialist service providers so that:

- typically high capital costs, for vehicles and facilities, are efficiently managed;
- maintenance and operation costs are managed optimally; and
- fleet use is maximised.

A current trend within transportation is for clients to specify purely by service output and allow the operator to use its knowledge and experience to take full responsibility for determining the volume of both the fleet and labour.

Examples of service providers involved in this are:

- Transdev, a French company operating in many areas of the UK, which has a dedicated school / college services in many areas;
- Go Ahead Group, one of the largest transport companies in the UK, has a dedicated contract service brand; and

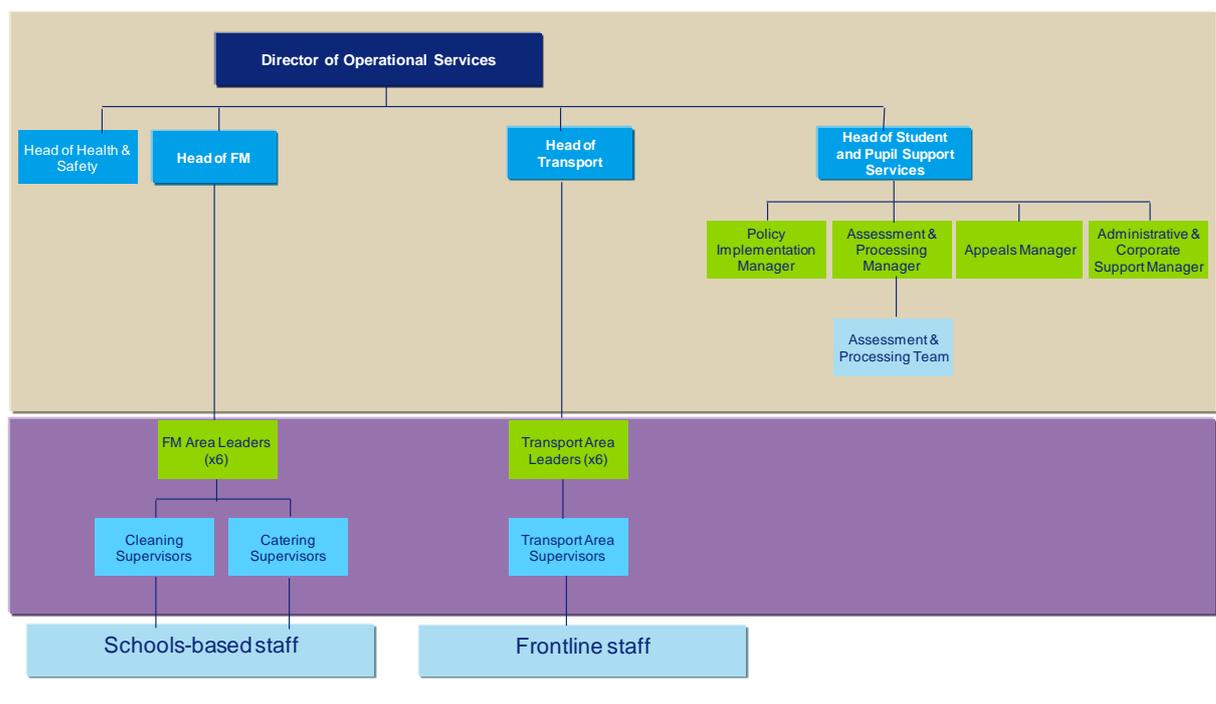
- First Group, a UK based international transport company, is the largest school bus operator in the US and has been investigating implementing a similar type of service into the UK in addition to existing contract services.

Therefore building on best practice, and in order to maximise the efficiencies that can be made at the middle management level while improving performance, we are recommending that the **key functional areas** in the Operational Services Directorate will be:

- **Facilities Management** – this will combine cleaning, catering, and caretaking at the regional level, and also at area management level, with a split into the separate service delivery levels at supervisory level and below;
- **Health and Safety** – the regional health and safety function for all the organisation, and mechanical and electrical support centrally;
- **Transport** – due to the size of the transport budget (£74m), and the different business processes applying to this service delivery, in particular a mobile workforce vs a static workforce, this has been structured as a discrete function within the Directorate. This function will also oversee vehicle maintenance;
- **Student and Pupil Support Services** – this combines a number of service delivery models in relation to school enrolment and transfer, and student grants, awards and benefits, into a primarily transactional function, with the ability to deal with appeals against decisions.

The high level structure for the Directorate is illustrated in Figure 5.1 below

Figure 5.1
Operational Services Directorate – Recommended Option



In Table 5.1 we outline the estimated staffing requirements in this Directorate across the various levels in the organisation, aligned to Option 4 of the OBC.

Table 5.1
Operational Services Directorate – Staff Breakdown

Directors	1
Senior Managers	4
Middle Managers/Professionals	17

The Head of Service roles within the Operational Directorate are summarised in the following table:

Tier 3 Role	Overview of Role
Head of Facilities Management	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Strategic and operational management of catering, cleaning, and caretaking. ➤ Developing strategies and operational plans for the delivery of FM services, including compliance with appropriate standards. ➤ Managing contracts as appropriate and liaison with suppliers. ➤ Ensuring an effective and efficient service. ➤ Ensuring effective health and safety procedures are followed throughout the organisation and by sub-contractors, and offering a comprehensive health and safety service for the organisation.
Head of Transport	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Strategic and operational management of transport services, regionally and locally. ➤ Developing strategies and operational plans for the delivery of transport services, including GIS mapping and area planning. ➤ Overseeing the administration and payment of travel grants. ➤ Ensuring an effective and efficient service.
Head of Student and Pupil Support Services	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Effective assessment of eligibility for transfer, enrolment, free meals, clothing, and student awards and grants. ➤ Effective processing of transfer, enrolment, free meals, clothing, and student awards and grants. ➤ Implementing Departmental policy to transfer, enrolment, benefits and awards. ➤ Corporate service for ESA offices such as registry, reprographics, etc. ➤ Ensuring social inclusion. ➤ Effective records management and disposal.

Tier 3 Role	Overview of Role
<p>Head of Health and Safety</p>	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Developing and implementing a comprehensive Health and Safety Strategy for the whole organisation, including schools. ➤ Promotion of health and safety across the organisation and in schools, youth centres and other related facilities. ➤ Premises Officer role, including security. ➤ Integrated Emergency Management.

Potential Variants

1. The split for catering and cleaning could come at the Head of Service level. However, best practice suggests that the similarities in processes between the areas of cleaning and catering, and potential for effectiveness and efficiency, is better served by a strategic management focus across both areas, with the split at the supervisory/service delivery level.
2. One Head of Service could oversee soft FM and transport, with the split either at area manager level or at supervisory/service delivery level. This may well be a viable option when the steady state structure has settled down, and advances in technology reduce the level and type of decision making required in transport services at present. However, at this stage, the size of the budget, workforce, and difference in processes and issues, would indicate the strategic split should be at Head of Service level.

6. CHILDREN AND YOUNG PEOPLE'S SERVICES

6.1 INTRODUCTION

The responsibilities of the Children and Young People's Services Directorate range from early years and pre-school provision through to post-primary and youth services, and include Special Educational Needs, Educational Psychology, Behaviour Support Teams, Education Welfare Service, Alternative Education Provision and related areas. The establishment of ESA provides the opportunity to develop an integrated and comprehensive approach to Children and Young People's Services which will be critical to improving outcomes for all children and young people.

Responsibility for a range of pre-school and early years services previously administered through DHSSPS was transferred to DE in 2007 in order to provide a more coherent approach to child development. The Department is developing an Early Years Strategy designed to ensure that every child gets a good start in their development through the provision of Sure Start and pre-school places, parental support services and strengthening the link through to primary school.

DE is currently conducting a Review of Special Education Needs and Inclusion. This envisages very significant changes to the way services are assessed, managed and delivered and ESA will be responsible for implementing the changes emerging from the review.

The establishment of ESA will also bring together all of the different strands of statutory and voluntary youth service provision and policy advice and guidance, and provide a more coherent approach to the implementation of DE's new Priorities for Youth Policy.

6.2 ROLE OF THE DIRECTOR

In the *'Proposals for Director Structure'* paper, the overall purpose of the post of Director of Children and Young People's Services is defined as *"supporting the Minister's vision for equality and inclusion by providing strategic leadership to the sector to ensure that high quality, accessible services are provided in an integrated manner to children and young people, targeted particularly on those in need and those with barriers to learning, in order to enhance their development and enable them to reach their full potential"*.

6.3 ROLES AND FUNCTIONS OF THE DIRECTORATE

The **overall role** of the Children and Young People's Services Directorate will be:

- a) Provision of strategic advice to DE on policy issues related to children and young people's services;
- b) Strategic development of high quality, modern, regional services encompassing early years, special schools, special education needs, behaviour support, learning support, autistic spectrum disorder support, child and adolescent mental health support, education welfare, alternative education provision, youth services and child protection;
- c) Development and implementation of effective programmes to enhance social inclusion and support diversity, including support to ethnic minorities, travellers and newcomer children;
- d) Development of community planning and linkages with local government and development of strong and effective relationships at a strategic and operational level with colleagues in Health and Social Care Trusts and other relevant statutory and voluntary agencies to ensure a child-centred and integrated approach to service delivery;
- e) Ensuring a coordinated, integrated and effective approach to ensuring every child reaches their full potential, through management of advisory support services for schools, controlled and

voluntary youth groups, families, individual children and young people, and acting in an advisory capacity to DE and other bodies on service development.

- f) Proactive marketing and engagement including schools, youth centres, and the community in promoting activities and services and improving accessibility for all.

The following **design assumptions** have been used in developing the Tier 3 structures for Children and Young People's Services.

1. Children's Services is an Innovate service. Therefore it is envisaged that there will be radical change should be redesign that will yield significant benefits in service enhancement and may also yield substantial savings.
2. Youth and Music are Transform services, which means it is envisaged that they will change significantly, moving to common systems and arrangements.
3. The majority of services directed at Children and Young People take place at a local level.
4. There are a series of key initiatives that will be introduced over the next number of years that will impact on how services to children and young people are delivered.

6.4 STRUCTURAL OPTIONS BELOW DIRECTOR

In order to radically change how Children's services is delivered, we have designed the service as a small, regional, professional base that will interpret and implement key strategies and initiatives, as well as providing professional oversight to the activities of aligned staff operating in the local area teams.

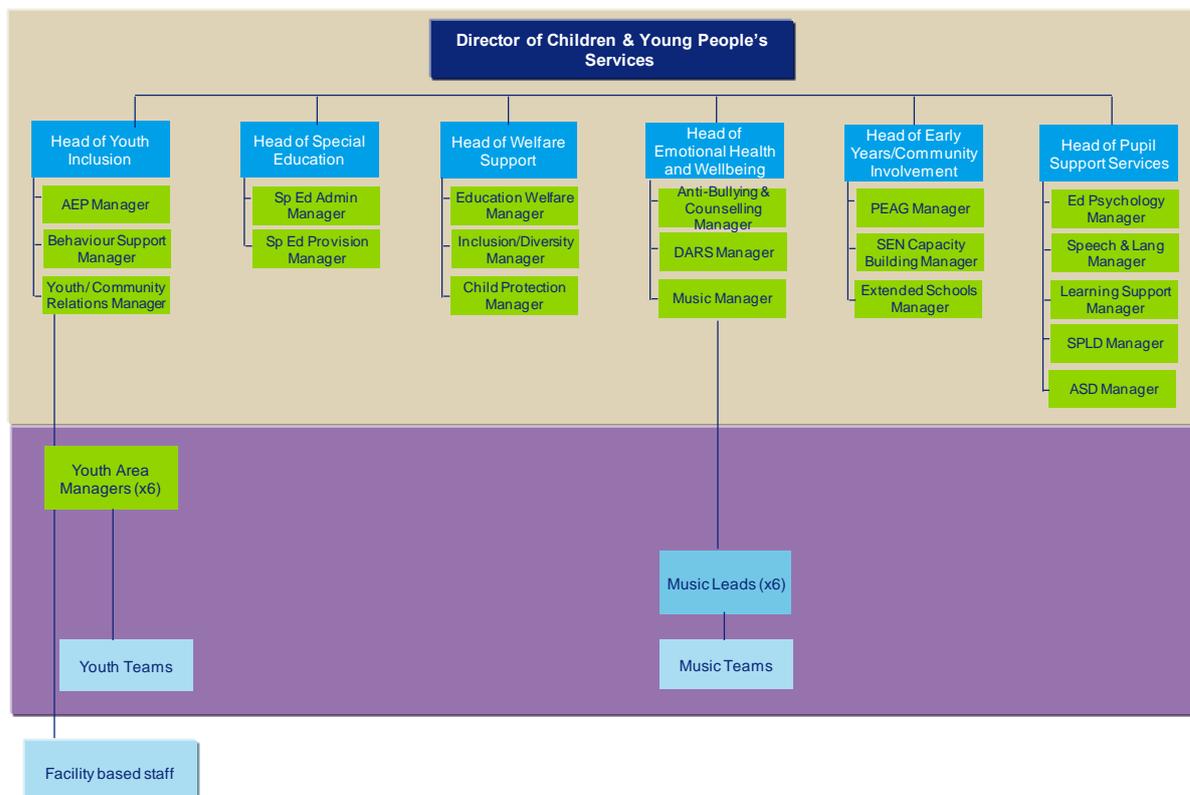
However, those delivering youth and music services at a local level will report through this Directorate, to ensure consistency of service and to avoid overloading the Local Team Leader with undue management and supervisory responsibilities.

They are a wide range of children's and young people's services to be coordinated and managed regionally, and it will be important that each area is given the appropriate focus and attention. Therefore the structure has been designed to reflect the areas of synergy and professional alignment, internally and externally, to ensure that the quality and nature of service delivery is significantly enhanced.

It is also important to recognise that a key aspect of the Directorate will be in developing community planning and linkages with local government and development of strong and effective relationships at a strategic and operational level with colleagues in Health and Social Care Trusts and other relevant statutory and voluntary agencies to ensure a child-centred and integrated approach to service delivery.

The high level structure for the Directorate is illustrated in Figure 6.1 below

Figure 6.1
Children and Young People’s Directorate – Recommended Option



In Table 6.1 we outline the estimated staffing requirements in this Directorate across the various levels in the organisation, aligned to Option 4 of the OBC.

Table 6.1
Children and Young People’s Services Directorate – Staff Breakdown

Directors	1
Senior Managers	6
Middle Managers/Professionals	35

The Head of Service roles within this Directorate are summarised in the following table:

Tier 3 Role	Overview of Role
Head of Youth Inclusion	Role Responsibilities <ul style="list-style-type: none"> ➤ Planning and delivery of services in relation to youth, community relations, behaviour support and alternative education provision. ➤ Developing regional strategies for local delivery in relation to youth and community relations activities, behaviour support and alternative education provision. ➤ Overseeing the management of all youth facilities. ➤ Overseeing the administration of youth grants and awards.
Head of Special Education	Role Responsibilities <ul style="list-style-type: none"> ➤ Planning and delivery of services in relation to special education. ➤ Developing regional strategies for local delivery in relation to special education provision. ➤ Overseeing the administrative support in relation to special education provision. ➤ Overseeing the management of classroom assistants.
Head of Welfare Support	Role Responsibilities <ul style="list-style-type: none"> ➤ Planning and delivery of services in relation to education welfare, child protection, looked after children, traveller education, inclusion and diversity, and suspensions and expulsions. ➤ Developing regional strategies for local delivery in relation to education welfare, child protection, looked after children, traveller education, inclusion and diversity, and suspensions and expulsions.
Head of Emotional Health and Wellbeing	Role Responsibilities <ul style="list-style-type: none"> ➤ Planning and delivery of services in relation to music, emotional health and wellbeing, anti-bullying, counselling, universal programmes, ill and at home, and DARS. ➤ Developing regional strategies for local delivery in relation to music, emotional health and wellbeing, anti-bullying, counselling, universal programmes, ill and at home, and DARS. ➤ Overseeing the management of all music facilities and tutor groups. ➤ Overseeing the administration of music grants and awards.
Head of Early Years/Community Involvement	Role Responsibilities <ul style="list-style-type: none"> ➤ Planning and delivery of services in relation to extended schools, PEAG and SEN-capacity building. ➤ Developing regional strategies for local delivery in relation to extended schools, PEAG and SEN-capacity building.

Tier 3 Role	Overview of Role
<p>Head of Pupil Support Services</p>	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Planning and delivery of services in relation to educational psychology, learning support, SPLD, ASD, speech and language, sensory impairment, and outreach. ➤ Developing regional strategies for local delivery in relation to educational psychology, learning support, SPLD, ASD, speech and language services, sensory impairment, and outreach services.

Potential Variants

1. The main alternative structure for CYPS is for professional staff working with children to report up the Directorate line rather than through the Local Team Leader, with a dotted line to the Professional Lead in the Directorate. There is however a danger in this variant that it is simply replicating the current structure and focus existing in ELBs, which in turn may have an impact on the ability of the Education Quality Directorate to be truly innovative and sitting at the centre of improving educational outcomes.

7. CURRICULUM, ASSESSMENT AND EXAMINATIONS

7.1 INTRODUCTION

The curriculum is the cornerstone of the education system. What children are taught and how they are taught is a major factor in determining whether they reach their full potential and are able to contribute positively to their community, society and the economy. The revised curriculum has been developed to respond to the changing nature of the world of work and society in general and is being rolled out across all schools. The successful implementation of the revised curriculum will depend on the development and dissemination of high quality training and support materials, including ICT curriculum support, for teachers.

The curriculum is complemented by arrangements for assessment. Accurate, relevant and reliable assessment tools are also being developed and made available to schools to complement the revised curriculum and support teaching and learning in the classroom. The curriculum is therefore an essential element of ESA's work to raise standards and improve education outcomes for children and young people.

ESA will also be responsible for the preparation, setting and marking of examinations, and awarding qualifications. The highest possible standards must be maintained to protect and enhance the reputation of the exams body. This is underpinned by the current arrangements whereby public examinations are subject to regulation and are provided under a Code of Practice agreed by the administrations in London, Cardiff and Belfast. It is important, for reasons of objectivity and transparency, that this area of work is kept separate and distinct from ESA's role in performance monitoring and raising standards in schools.

This is a high risk service delivery area which demands a significant degree of strategic and operational management to ensure the curriculum is developed to meet the needs of our society and economy, and that examinations and assessments are developed and conducted to the highest possible standards. This Directorate will encompass functions currently carried out by CCEA, the curriculum support elements of C2k and elements of the ELBs including ICT learning platforms for schools.

DE has indicated that it will devolve much of its regulatory responsibilities in respect of examinations and qualifications to ESA. To reduce the potential for conflict of interest, this regulatory function will report directly to the Chief Executive of ESA.

7.2 ROLE OF THE DIRECTOR

In the *'Proposals for Director Structure'* paper, the overall purpose of the post of Director of Curriculum, Assessment and Examinations is defined as *"delivering a curriculum and assessment system that will ensure pupils are equipped with the knowledge, understanding, skills and qualifications that will enable them to make a positive contribution to the economy and society"*.

7.3 ROLES AND FUNCTIONS OF THE DIRECTORATE

The **overall role** of the Curriculum, Assessment and Examinations Directorate will be:

- a) Advising DE on the development and review of the revised curriculum and supporting DE and DEL in the development of 14-19 policy;
- b) Developing and implementing an integrated approach to the provision of the revised curriculum and curriculum support to schools and teachers;
- c) Effective conduct of examinations and assessments and for the development of new qualifications and assessment tools and materials, making best use of modern technology;

- d) Ensuring a coordinated, integrated and effective approach to ensuring every child reaches their full potential

The following **design assumptions** have been used in developing the Tier 3 structures for Curriculum, Assessment and Examinations.

1. This is a Transfer function. As such, it will come into ESA largely in line with current arrangements, but with streamlined management to create a regional structure

7.4 STRUCTURAL OPTIONS BELOW DIRECTOR

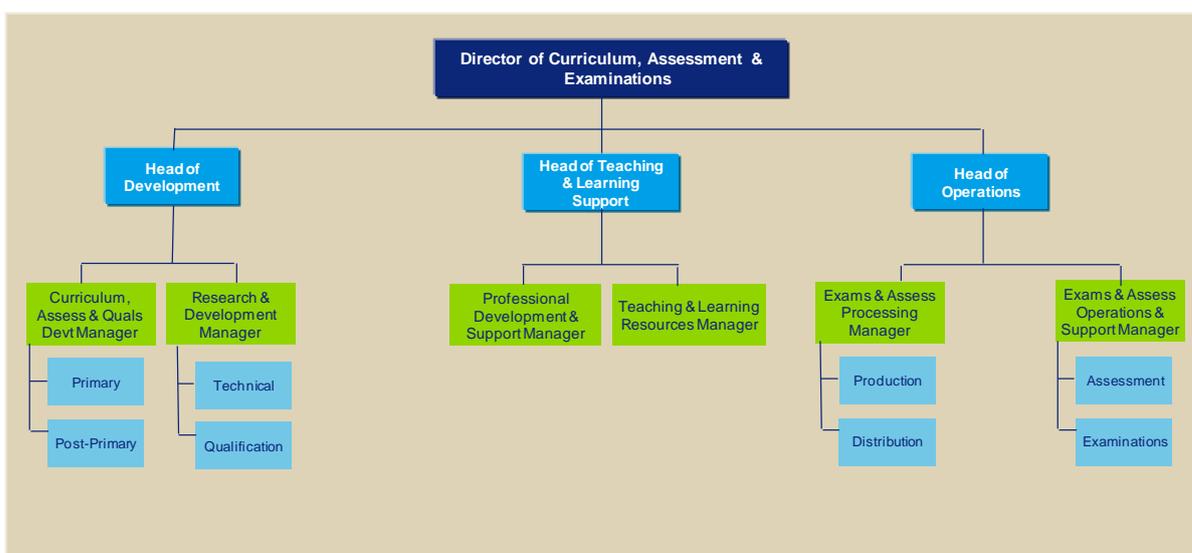
There are two distinct elements of work within this Directorate, namely the design of the curriculum, methods of assessment and examinations, and the physical and logistical production of a vast amount of paperwork and media associated with each of these elements. The capabilities differ significantly from design to delivery, and therefore we have structured the Directorate to reflect this difference in capabilities.

In this regard the **key functional areas** in the Curriculum, Assessment and Examinations Directorate will be:

- **Development** – the professional skills base to develop and design the curriculum, methods of assessment, and examinations;
- **Teaching and Learning Support** – overseeing the production and distribution of training and learning materials to schools;
- **Qualifications Operations** – the production and distribution of all documentation and media in relation to examinations, the administration of all such documents and media, and the security of same;
- **Assessment Operations** - the production and distribution of all documentation and media in relation to assessment, the administration of all such documents and media, and the security of same.

The high level structure for the Directorate is illustrated in Figure 7.1 below

Figure 7.1
Curriculum, Assessment and Examinations Directorate – Recommended Option



In Table 7.1 we outline the estimated staffing requirements in this Directorate across the various levels in the organisation, aligned to Option 4 of the OBC.

Table 7.1
Curriculum, Assessment and Examinations Directorate – Staff Breakdown

Directors	1
Senior Managers	4
Middle Managers/Professionals	77

The Head of Service roles within Curriculum, Assessment and Examinations are summarised in the following table:

Tier 3 Role	Overview of Role
Head of Development	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Development of curriculum, qualifications and assessment including specification review, qualifications development, curriculum and assessment review. ➤ Academic research and development including examinations development, curriculum and assessment development and review, and education research and evaluation services. ➤ Policy advice to DE.
Head of Teaching and Learning Support	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Overseeing the development of online learning, including the development of learning platforms. ➤ Irish medium support including translation of materials. ➤ Training and support relating to DE curriculum including in-service training, curriculum, assessment and examinations support. ➤ Quality assurance.
Head of Qualifications Operations	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Qualifications processing including centres and examiners support, entries results and certification, and examinations processing. ➤ Examinations operations and support including specifications management, qualifications and technical support, moderation and schools support, question paper production, and logistics.
Head of Assessment Operations	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Assessment processing including support for schools in computer based and teacher assessment, processing of teacher assessments and schools accreditation. ➤ Assessment operation and support including moderation of teacher assessments, assessment unit production, computer-based assessment quality assurance and monitoring, and operational assessment development.

Potential Variants

1. There is the potential to structure by specialisation (i.e. Curriculum, Assessment, and Examinations) rather than business activity. However, this does not necessarily group capabilities, which is a key design principle, and would also be a retrograde step as the CCEA have recently introduced a similar structure to that being proposed.

8. EDUCATION QUALITY AND STANDARDS

8.1 INTRODUCTION

Every year, some 12,000 young people leave school after 12 years of compulsory education, without achieving five good GCSEs including English and Maths, the recognised minimum standard for education success. This is unacceptable and significant change is required if this situation is to be improved quickly. The Minister has made clear that the establishment of ESA will be a key element in the drive to raise standards, as it provides the opportunity to clearly define roles and responsibilities and to ensure that raising standards is given priority at the most senior level within the new organisation.

DE has published a new policy 'Every School a Good School' and is currently consulting on a new Literacy and Numeracy Strategy. ESA will be responsible for implementing both policies, working closely with school leaders and Boards of Governors to review performance across a range of indicators, identify areas for improvement and take the necessary action. This will require a new approach to working with schools, including new relationships and re-definition of roles and responsibilities.

A key focus for the Directorate will be the development of a regionally consistent approach to raising standards, setting performance indicators and targets at a regional and local level. Staff based in Local Teams will work directly with schools to ensure standards are raised. These teams will be established and managed by the Director of Education Quality and Standards, and are likely to be based on local government boundaries. The DE consultation document *'The Way Forward for Special Educational Needs and Inclusion'* identifies the capacity of each school's workforce to meet the challenge of assuming responsibility for all their learners and providing the relevant support necessary to achieve improved outcomes for the child without having to wait for external assessment or support, as being key to the successful implementation of the new policy proposals. This will require the delivery of a training programme firmly aimed at equipping the school workforce with the necessary skills and knowledge.

Research consistently demonstrates that high quality teaching and school leadership are key to achieving successful outcomes for children and young people. Whilst it is envisaged that there will be an increasing role for the initial teacher educators (ITEs), it is likely that, in line with best practice, the learning community of the school will become the major focus for the professional development of the teacher. There will, however, remain a strategic regional role for ESA in providing a framework for coordinated and coherent career development for teachers, bringing together the diverse elements of continuing professional development, curricular training, pedagogical training, ICT and other support training. This will also include leadership training and management training for Principals, VPs and senior teachers.

In addition, the relatively new provision in Irish Medium and Integrated Education needs to be fully supported.

8.2 ROLE OF THE DIRECTOR

In the *'Proposals for Director Structure'* paper, the overall purpose of the post of Director of Education Quality and Standards is defined as *"supporting the Minister's vision of equality and inclusion, being responsible for providing strategic leadership to the education sector to ensure that standards are raised and education outcomes are improved for young people in every school, youth work and early years setting"*.

8.3 ROLES AND FUNCTIONS OF THE DIRECTORATE

The **overall role** of the Education Quality and Standards Directorate will be:

- a) Provision of strategic advice to DE on policy issues related to education quality and standards;
- b) Provision of direct support, advice and guidance to schools, youth work and early years settings;
- c) Effective monitoring of performance at regional, local and school level, the identification and dissemination of best practice and the establishment of effective arrangements for identifying and addressing areas for improvement in schools and other settings;
- d) Development and implementation of a regional framework for the professional development of teachers and school leaders, taking account of new policies, procedures and best practice;
- e) Development and implementation of a regional approach to the recruitment and training of Boards of Governors, to ensure that every school has in place a Board of Governors with the appropriate skills, knowledge and training required to perform their duties effectively. The Director will be sensitive to the needs of small or newly opened schools, particularly in emerging sectors;
- f) Ensuring that practice in schools and in professional development reflect international best practice;
- g) Development of a network of relationships nationally and internationally to support the pursuit of best practice;
- h) Ensuring a coordinated, integrated and effective approach to enable every child to reach their full potential.

The following **design assumptions** have been used in developing the Tier 3 structures for Education Quality and Standards.

1. The focus of the Directorate will be on educational outcomes.
2. There will be a strong area dimension, built on the concept of local area teams.
3. There will be six local area teams.
4. Professional development is a key part of this Directorate.

8.4 STRUCTURAL OPTIONS BELOW DIRECTOR

Education Quality is an **Innovate** service delivery model. Central to the innovation is the concept of the Local Area Team. In considering the role and nature of the local area teams, ESAIT has engaged with school principals and service practitioners to find out from the end users what they would want from local teams. Principals have indicated that they want support which is locally and easily available and which places schools at the centre of professional development. The Working Groups which were established to consider the key areas of Children and Young People's Services and Education Quality considered local teams as being critical to the successful delivery of services and requiring the following characteristics:

- staff who can provide a full range of support and advice to improve educational outcomes;
- a named, single point of contact;
- the ability to deal with day to day queries quickly and effectively;
- sufficient skills and expertise in Finance/HR/management issues;
- a coordinated/integrated response to problems;
- the authority to make decisions;
- solutions based on local circumstances.

Building on this feedback, it was anticipated that Local Area Teams would have the following features:

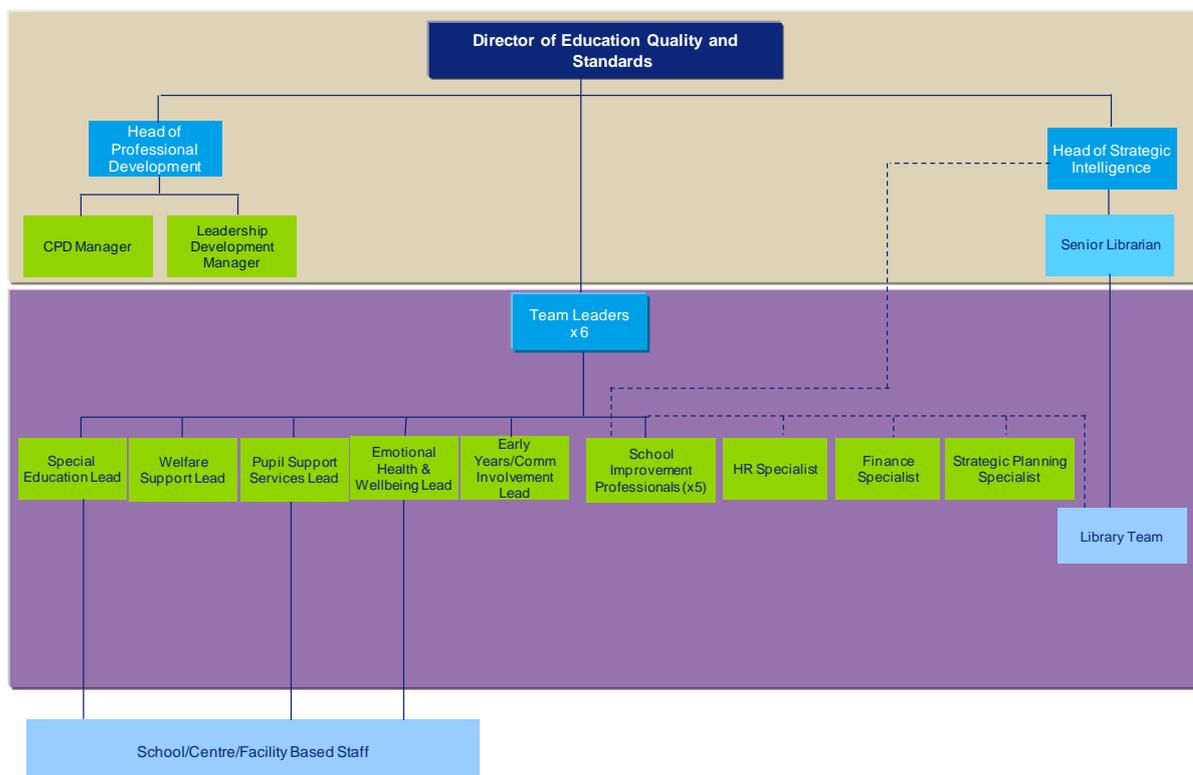
- multi-disciplinary;
- strong local knowledge;
- in regular contact with schools and youth providers;
- provide a named, single point of contact for schools and youth providers;
- closely linked to local government areas;
- be a champion for the needs of the learner;
- ensure adherence to DE/ESA policies and standards;
- provide assessments of need in their areas within an agreed framework;
- provide support, advice, and facilitation for collaboration among schools and other providers;
- provide liaison with local councils on issues such as community planning.

The **key functional areas** in the Education Quality and Standards Directorate will be:

- **Professional Development** – overseeing the professional development of teachers from a CPD and a leadership development perspective, and working with individuals and individual schools to identify areas of improvement; this will include oversight of the schools library service;
- **Local Area Teams** – these will be multi-disciplinary teams that will focus on improving the educational outcomes of schools in the area. The actual size of each local area team will be dependent on the specific needs in each area. Consideration needs to be given to the number of schools which would be supported by the teams, the geographical area the teams would be required to cover and the implications for the number of staff which would be needed in the LATs to support schools effectively;
- **Strategic Intelligence** – a regional sub-function coordinating and overseeing the setting of standards for schools and early years, the setting of targets for schools, and the monitoring of standards and targets, highlighting where appropriate where challenge and intervention may be necessary. It will also assist in inputting to area plans, and inputting into DE policy development and review.

The high level structure for the Directorate is illustrated in Figure 8.1 below

Figure 8.1
Education Quality and Standards Directorate – Recommended Option



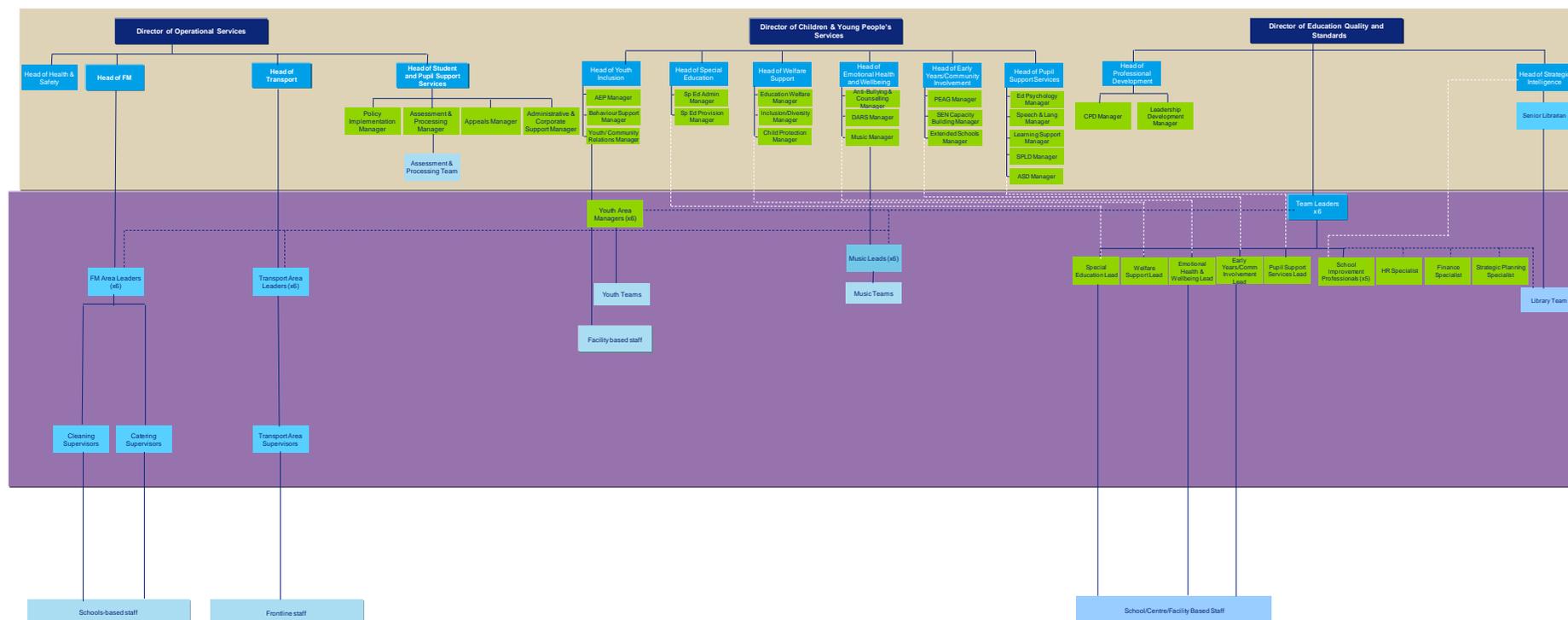
As well as those directly reporting to the Team Leader, there will be a number of area managers and supervisors in different Directorates who will have responsibilities for the schools in the area, for instance in Transport and FM. In addition there will be professional support delivered to schools locally in relation to HR and finance. It will be vitally important that the reporting lines and protocols are tightly defined to ensure that the overall objectives of ESA are met, and that the needs of the customer are met in the most efficient means possible. In Figure 9.2 overleaf, we illustrate at a high level the recommended reporting lines for all those who are working locally, aligned to the six area teams.

In Table 8.1 we outline the estimated staffing requirements in this Directorate across the various levels in the organisation, aligned to Option 4 of the OBC.

Table 8.1
Education Quality and Standards Directorate – Staff Breakdown

Directors	1
Senior Managers/Senior Professionals	8
Middle Managers/Professionals	352

Figure 8.2
Local Area Teams Reporting Lines – Recommended Option



The Head of Service roles within Education Quality and Services are summarised in the following table:

Tier 3 Role	Overview of Role
<p>Head of Professional Development</p>	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Setting out strategies for in-school professional development of teachers, vice-principals and principals. ➤ Coordinating provision of in-service training as required. ➤ Management and delivery of CPD for teachers. ➤ Management and delivery of leadership development for teachers. ➤ Development of beginning teachers. ➤ Providing support for Boards of Governors.
<p>Team Leaders</p>	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Managing a multi-disciplinary team working directly with schools to improve educational outcomes. ➤ Communicating performance targets and measuring performance against targets, taking remedial action where necessary. ➤ Identifying areas of greatest need and allocating and managing resources as necessary. ➤ Providing ongoing advice and guidance to schools and Boards of Governors.
<p>Head of Strategic Intelligence</p>	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Providing input to DE policies on school improvement. ➤ Designing quality reporting mechanisms. ➤ Providing a strategic intelligence service for school performance monitoring and evaluation. ➤ Developing performance indicators at school, sub-regional and regional level. ➤ Providing regional school support services. ➤ Overseeing and monitoring e-schools information, and the school library service.

Potential Variants

1. There are a number of ways in which the Local Area Teams could be structured, in terms of reporting lines, size of teams and spans of control. To a certain degree, the structure of the teams will need to be evaluated over time to ensure that the innovation expected from the teams is being delivered.
2. In particular, it will be important that the Team Leader is able to play a strategic role, ensuring targets are met and achieved, and identifying remedial actions where they are not being met. If the Team Leader is drawn into the daily operational management of team members, this may inhibit the strategic role, and the innovation as a result may suffer.
3. The School Library Service, like Music, as a relatively discrete function that can sit in a number of locations. However, it was perceived as a service that would lead to school improvement and as such is placed in School Performance.

Design Consideration

The DE consultation paper 'The Way Forward for Special Education Needs and Inclusion' proposes the establishment of a network of multi-disciplinary groups which are aligned to learning communities and the local structures ESA and the Health and Social Care Board. Therefore, in structuring local teams, this will need to be taken into account when deciding the work allocation and geographic spread for professional staff in local teams.

9. STRATEGIC PLANNING

9.1 INTRODUCTION

The education sector faces major issues of poor quality infrastructure, over -provision in many areas, and some significant areas of underperformance. It now requires very high quality strategic planning to re-shape provision with a primary objective of improving outcomes.

The Investment Strategy for Northern Ireland identifies around £3 billion in capital expenditure for the development of the education estate over the next 10 years. There have also been significant changes in education over the last few years which will have major implications for the education estate. The roll-out of the revised curriculum and the Entitlement Framework, greater collaboration among schools, and the move to new post-primary arrangements will impact on the design, location, size and number of schools required for the future. The schools' estate will be shaped by these changes through implementation of a new sustainable schools policy, Area Based Planning and Strategic Investment Plans which will impact directly on the way in which we plan and build new schools.

ESA will also operate within new arrangements for the procurement of services for capital works, minor works, maintenance and professional services. These changes will represent a new and radical approach to education estates planning and management and will require strong leadership from the outset to secure the involvement of all the different stakeholders in the process and to deliver successful outcomes.

There are currently over 1,250 schools, with a pupil population of approximately 330,000 pupils. In 2006, the Bain Review of the education estate identified approximately 53,000 surplus places (15%) across the school estate and estimated that, on current demographic trends, this could rise to 80,000 within the next 10 years (around 23%). The report recommended a target of 10% for spare capacity within the estate, which points to the need for a radical rationalisation programme if a fit for purpose education estate is to be provided.

9.2 ROLE OF THE DIRECTOR

In the *'Proposals for Director Structure'* paper, the overall purpose of the post of Director of Strategic Planning is defined as *"providing strategic leadership in the development, review and update of Area Based Plans to meet the educational needs of each area, in conjunction with relevant stakeholders, within guidelines set by DE and for approval by DE"*.

9.3 ROLES AND FUNCTIONS OF THE DIRECTORATE

The **overall role** of the Strategic Planning Directorate will be:

- a) Planning and providing a fit for purpose education estate that meets the educational needs of pupils, taking account of existing and new education policies and developments in collaborative working among schools;
- b) Development of Education Plans for each Local Area, setting out the arrangements for the delivery of education services and the supporting education infrastructure to ensure the effective delivery of the Department's policies and the improvement of education outcomes;
- c) Development of Strategic Investment Plans that will identify and prioritise development proposals emanating from area based plans and establish and maintain new procurement arrangements for capital works, minor works, maintenance and professional services;

- d) Development and implementation of systems for Asset Management, including management information systems, and ensure energy efficiency targets etc are implemented across the education estate.
- e) Establishment of clear roles and responsibilities for the approval, design and delivery of capital projects.
- f) Maintenance of the infrastructure and other ancillary services that will ensure the estate is a safe, clean, comfortable and an attractive environment for staff, pupils and visitors including emergency responses and planning maintenance.

The following **design assumptions** have been used in developing the Tier 3 structures for Strategic Planning.

1. Strategic Planning is an Innovate service. Therefore it is envisaged that there will be radical change should be redesign that will yield significant benefits in service enhancement and may also yield substantial savings.

9.4 STRUCTURAL OPTIONS BELOW DIRECTOR

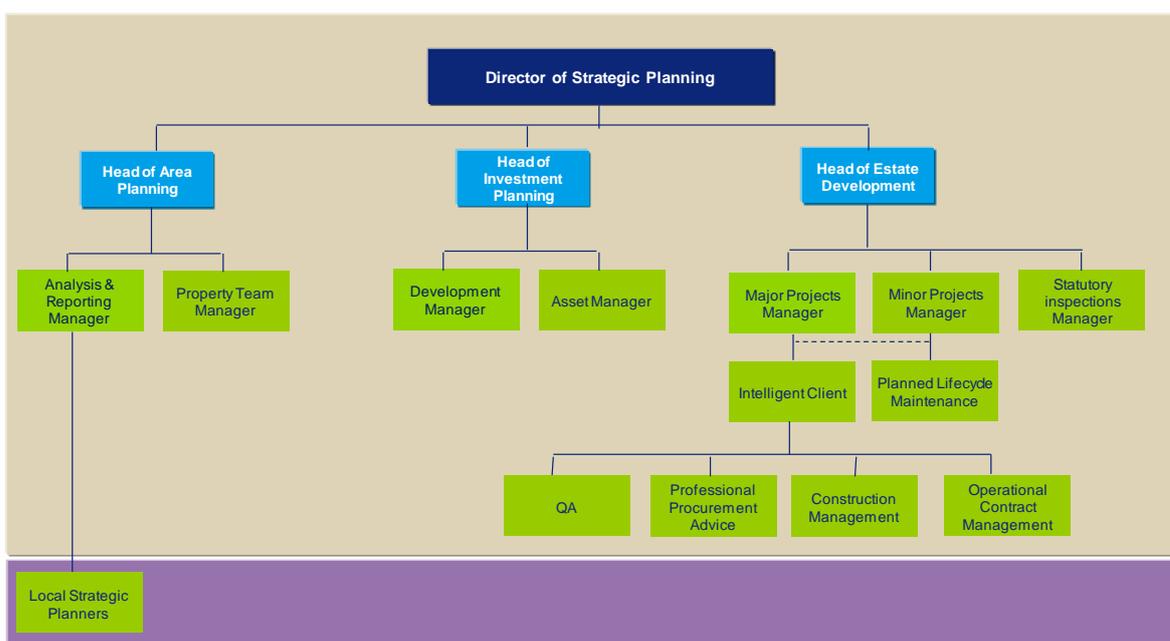
The focus on this Directorate is a regional, strategic service that will feed in local to area-based planning.

Therefore the **key functional areas** in the Strategic Planning Directorate will be:

- **Area Planning** – oversight of area-based planning and all analysis and reporting that feeds into production of area-based planning and informs decision making;
- **Investment Planning** – managing the assessment of current assets against the strategic investment plans, putting together development proposals and economic appraisals;
- **Estate Delivery** – the management of major projects using the intelligent client model, as well as planned maintenance and emergency response under minor works, and oversight and delivery of all necessary statutory inspections to a planned timetable, and undertaking of ad-hoc inspections.

The high level structure for the Directorate is illustrated in Figure 9.1 below

Figure 9.1
Strategic Planning Directorate – Recommended Option



In Table 9.1 we outline the estimated staffing requirements in this Directorate across the various levels in the organisation, aligned to Option 4 of the OBC.

Table 9.1
Strategic Planning Directorate – Staff Breakdown

Directors	1
Senior Managers	4
Middle Managers/Professionals	33

The Head of Service roles within Strategic Planning are summarised in the following table:

Tier 3 Role	Overview of Role
Head of Area Planning	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Developing and implementing area based planning procedures and mechanisms within ESA. ➤ Managing the analysis and reporting of data in relation to demand forecasting, GIS mapping and the demographics database, as well as asset management information, including use of the Manhattan database. ➤ Interpretation and analysis of education policy and the implications for area planning. ➤ Production of draft Area Based Plans for each area in line with outcomes of stakeholder engagement. ➤ Consultation on individual Area Based Plans. ➤ Liaison with DE regarding approvals for Area Based Plans ➤ Review and revision of Area Based Plans. ➤ Publication of Area Based Plans.
Head of Investment Planning	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Development of Strategic Investment Plans, incorporating outcomes from approved Area Based Plans, asset management information, vesting, land disposal, legal issues etc. ➤ Development of Asset Management processes including condition and suitability surveys etc. ➤ Consultation and stakeholder engagement. ➤ Liaison with DE regarding approvals, revisions etc ➤ Preparation of economic appraisals/business cases for DE approval.
Head of Estate Delivery – Major Works	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Design, construction management and operational contract management of major capital works. ➤ Client Advisory role re development of specifications in line

Tier 3 Role	Overview of Role
	<p>with approved Strategic Investment Plans.</p> <ul style="list-style-type: none"> ➤ Technical expertise and specifications for the tendering process to appoint design/ design and build consultants. ➤ Project and contract management of consultants and existing PFI projects. ➤ Budget management, forecasting and contingency planning
<p>Head of Estate Delivery – Minor Works</p>	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Design, construction management and operational contract management of minor capital works. ➤ Technical expertise and specifications for the tendering process to appoint consultants/contractors. ➤ Development and delivery of a planned lifecycle maintenance programme and emergency response service (grounds, mechanical and electrical). ➤ Fraud prevention unit. ➤ Ensuring environmental sustainability; statutory inspections management.

Potential Variants

1. Grounds maintenance and emergency response maintenance could be moved to sit with other operational services. However, it is felt that there is a greater need for a link with the professional structure in this Directorate to provide strategic advice and guidance.

10. INTERNAL AUDIT

10.1 INTRODUCTION

Internal Audit is a function within the Chief Executive's Office. It will provide an independent review of the systems of internal control, risk management, governance, processes and procedures and comment upon the overall effectiveness of ESA's financial and other management controls to provide assurance to the Chief Executive, as Accounting Officer, the ESA Board and other stakeholders.

10.2 ROLES AND FUNCTIONS OF THE FUNCTION

The **overall role** of the Internal Audit function will be:

- a) Providing an independent and impartial opinion to the Chief Executive on the financial management and accountability arrangements within ESA including risk management, control, governance and information security issues;
- b) Aiding management in reviewing service delivery arrangements, in pursuit of specific outcomes, while promoting the pursuit of value for money in service delivery;
- c) Establishing a standard approach to conducting and managing the audit process;
- d) Formally signing-off on all audit work;
- e) Providing annual assurance to the Chief Executive in support of corporate governance reporting arrangements, including the draft Statement of Internal Control;
- f) Undertaking where necessary fraud and other special investigations;
- g) Undertaking reviews to seek to establish the extent to which services are compliant with relevant legislation;
- h) Providing advice and guidance on security of information and physical assets.

The following **design assumptions** have been used in developing the Tier 3 structures for Internal Audit.

1. Internal Audit is a Transfer service. Therefore it is envisaged that it will transfer into ESA largely as is, with the potential of savings at the middle management level.

10.3 STRUCTURAL OPTIONS BELOW DIRECTOR

Services will be planned and managed at a regional level to ensure consistency in approach and equity in terms of access and quality of services.

There will be two key sub-functions in Internal Audit, namely:

- **Internal audit programme** – this will be the planned programme of annual internal audits to be undertaken throughout the organisation, and liaison with external audit in relation to identified weaknesses and an assessment of the responses of management to addressing these issues;
- **Risk management and investigation** – this will developing a risk management approach, ensuring sound corporate governance arrangements, and undertaking fraud investigation and reporting in accordance with Memorandum of Understanding established between the PSNI and the public sector.

In Table 10.1 we outline the estimated staffing requirements in this function across the various levels in the organisation, aligned to Option 4 of the OBC.

Table 10.1
Internal Audit Function – Staff Breakdown

Directors	0
Senior Managers	1
Middle Managers/Professionals	5

Tier 3 Role	Overview of Role
Head of Internal Audit	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Strategic planning and management of the internal audit service. ➤ Developing a risk management approach and drafting of strategic and annual operating plan. ➤ Establishing standard approach to conducting and managing the audit process. ➤ Formally signing-off on all audit work. ➤ Providing assurance on the systems of internal control, risk management, governance, process and procedures to the Chief Executive, Board and other stakeholders.

11. BUSINESS CHANGE AND PERFORMANCE MANAGEMENT

11.1 INTRODUCTION

The education service is in the process of the most radical change to structures and business processes in over 35 years. The creation of a new organisation, drawing in functions and staff from 12 different organisations, will present significant transition and transformation challenges for the ESA Board and Chief Executive. These challenges include bringing together successfully the existing organisations while maintaining service delivery and taking on new responsibilities; ensuring the smooth transition to new service delivery models and new organisational structures, including new locations; ensuring that the expected efficiencies are realised within the timescales set; and developing and sustaining ESA as a world leading education organisation, benchmarked against best practice.

This will require strong programme and project management skills, the ability to work across Directorates and a focus on ensuring benefits are identified and realised. Strong central coordination will be required to implement this change programme effectively and ensure that ESA can meet its objectives from the outset.

Performance management is a key feature of modern organisations and has been recognised in the senior management structures of other organisations created as a result of the RPA and in other public sector organisations. These include NI Water and the five Health and Social Care Trusts established in 2007. The new Regional Health and Social Care Board will also focus on performance management within the health sector, working closely with the Health Trusts and Local Commissioning Groups to ensure the delivery of efficient and effective services.

11.2 ROLES AND FUNCTIONS OF THE SERVICE DELIVERY AREA

The **overall role** of the Business Change and Performance Management Function will be:

- a) Supporting the ESA Board and Chief Executive in establishing a highly efficient, modern and responsive organisation that will deliver planned efficiencies, improvements to service delivery and benefits to pupils and parents;
- b) Development of a change management strategy for ESA;
- c) Establishing effective programme and project management arrangements to ensure the successful and timely transition to new service delivery models and organisational structures that will deliver the full benefits identified for the establishment of ESA;
- d) Development and implementation of an initial and long term location strategy for ESA, in line with Public Service Commission (PSC) guidelines and recommendations from the Bain Review accepted by the Executive;
- e) Development and implementation of a structured programme for achieving business excellence, best value, and quality accreditation to ensure the development of ESA as a world leading education organisation, focused on continuous improvement and benchmarked against best practice;
- f) Provision of a high quality and proactive corporate communications, marketing, and media handling service that will establish and maintain goodwill and mutual understanding between ESA and its publics;
- g) Development of a corporate and cultural identity for ESA to ensure that ESA as an organisation promotes and embeds social inclusion, the protection of human rights and equality at a strategic, operational planning and local level;
- h) Development and implementation of new strategic and business planning arrangements within ESA to ensure public service and corporate targets are met, including the development and

implementation of a management information system and analytical function to support performance monitoring;

- i) Establishing and managing a Business Efficiency Unit within ESA, in line with the PAC recommendations following the Northern Ireland Audit Office (NIAO) Report on Job Evaluations in the Education and Library Boards;
- j) Ensuring the Board and Committees of ESA are provided with the appropriate level of support and guidance in discharging its non-executive duties and commitments.

The following **design assumptions** have been used in developing the structure below Tier 2 level for Business Change and Performance Management:

- this is a function that reports directly to the Chief Executive;
- as a **Transform** function, it is likely to change significantly from current corporate development arrangements, with a move to common systems and arrangements, removal of duplication, and grouping of functions;
- the nature of the work of the Directorate is tied into the degree and pace of change in ESA, as well as the performance of the organisation. In the steady state we have assumed a continuing requirement for each.

11.3 STRUCTURAL OPTIONS BELOW DIRECTOR

There are a number of activities that have been identified as being the responsibility of this function, in relation to managing change through transition and beyond, managing the performance of the organisation and driving efficiency, and being the custodian of corporate and strategic planning activities for ESA. In this regard, we have identified three specific sub-functions to take forward each of these areas of work:

- **Business efficiency unit** – this Unit is specifically geared to identify ongoing efficiencies to be realised within ESA, as well as being the custodian for organisational performance management systems and processes.
- **Corporate planning** – this will take the lead on corporate and strategic planning development and implementation for ESA, as well as ongoing planning and remedial action in relation to corporate plans across the organisation. In addition during transition, there will be a dedicated **Programme and Change Management** unit acting as a programme management office for all change and transition programmes in ESA, as well as providing change management support for people, technology and processes, ensuring identified benefits are realised.

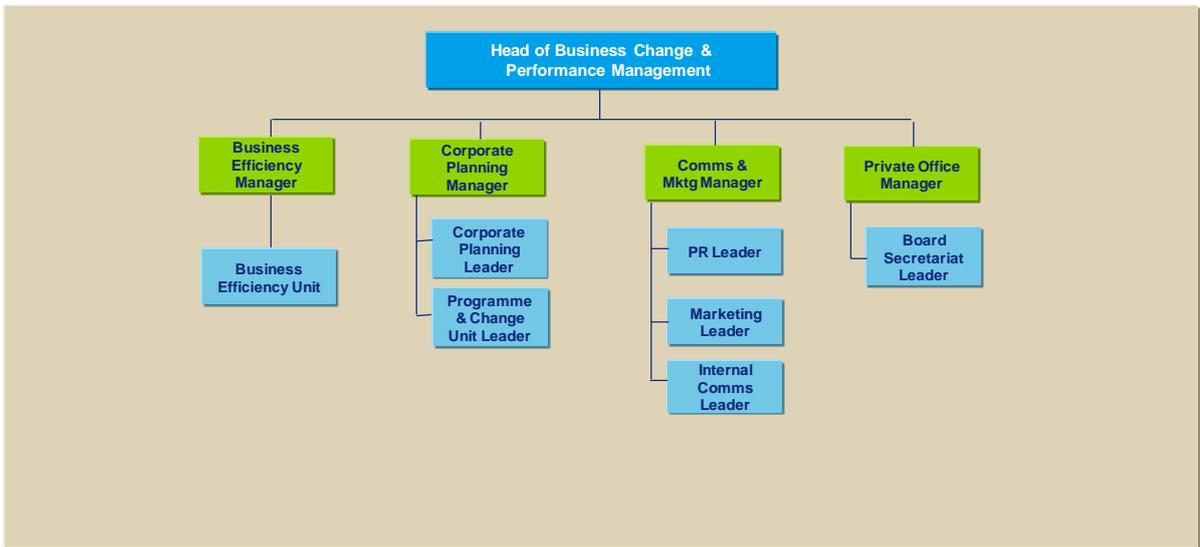
In addition, we have identified a number of sub-functions that were originally envisaged as being part of the Chief Executive's Office, but which we believe are better placed within this organisational development function, to provide synergy, as well as enabling the Chief Executive's Office to have a sharper focus in supporting the Chief Executive and the Board:

- **Communications and marketing** – this will deal with all aspects of internal and external communications, including public relations and marketing, as well as working closely with change management to ensure programme communications are timely and effective;
- **Private office** – primarily dealing with information requests coming into the organisation such as correspondence, ministerial queries, parliamentary questions, assembly questions, as well as taking forward specific organisation-wide initiatives in conjunction with communications. The **Board secretariat** is a unit dedicated to support of the ESA Chair, Board and Committees, ensuring all duties and commitments are undertaken in an effective and timely manner, with fully administrative and professional support and guidance.

The recommended high level structure for Business Change and Performance Management is illustrated in Figure 11.1 below.

Figure 11.1

Business Change and Performance Management – Recommended Option



In Table 11.1 we outline the estimated staffing requirements in this Directorate across the various levels in the organisation, aligned to Option 4 of the OBC.

Table 11.1

Business Change and Performance Management – Staff Breakdown

Directors	0
Senior Managers	1
Middle Managers/Professionals	4

The Head of Service roles within Business Change and Performance Management are summarised in the following table:

Tier 3 Role	Overview of Role
<p>Head of Business Change and Performance Management</p>	<p>Role Responsibilities</p> <ul style="list-style-type: none"> ➤ Establishing a highly efficient, modern and responsive organisation that will deliver planned efficiencies, improvements to service delivery and benefits to pupils and parents. ➤ Leading the development of a change management strategy for ESA and establish effective programme and project management arrangements to ensure the successful and timely transition to new service delivery models and organisational structures and locations that will deliver the full benefits identified for the establishment of ESA. ➤ Providing strategic leadership in the development and implementation of a structured programme for achieving business excellence, to ensure the development of ESA as a world leading education organisation, focused on continuous improvement and benchmarked against best practice. ➤ Providing strategic leadership in the development and implementation of new strategic and business planning arrangements within ESA to ensure PSA and corporate targets are met.

Potential Variants

1. The key question will be the longevity of sub-functions such as programme and change management after the initial transition phase has been completed. It may be possible to combine this sub-function with communications or business efficiency, to deal with ongoing change in a steady-state environment.