



**Northern Ireland
Assembly**

**COMMITTEE
FOR EDUCATION**

**OFFICIAL REPORT
(Hansard)**

Departmental Spending Budget

3 February 2010

NORTHERN IRELAND ASSEMBLY

COMMITTEE FOR EDUCATION

Departmental Spending Briefing

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Members present for all or part of the proceedings:

Mr Mervyn Storey (Chairperson)
Mr Dominic Bradley (Deputy Chairperson)
Mrs Mary Bradley
Mr Jonathan Craig
Mr Trevor Lunn
Mr John McCallister
Miss Michelle McIlveen
Mr John O'Dowd
Mrs Michelle O'Neill
Mr Alistair Ross

Witnesses:

Ms Cairíona Ruane) Minister of Education

Ms Catherine Daly) Department of Education
Mr John McGrath)

The Chairperson (Mr Storey):

You are welcome, Minister; I apologise for keeping you waiting. Before you arrived we received a very interesting presentation on nurturing in schools. No doubt we will write to you about it soon. I ask you to make your presentation. I appreciate the fact that you have come to the Committee today at very short notice. We trust that this will be a useful opportunity, following

your letter to the Committee of 14 January 2010.

The Minister of Education (Ms Ruane):

OK. I hope that the Committee will nurture me in our discussions today.

Go raibh maith agat, a Chathaoirligh. Thank you, Chairperson. Tá mé an-bhuíoch díbh as an áiméar a fháil labhairt libh. Tá a fhios agam go bhfuil sibh an-ghnóthach. I appreciate the time that the Committee has given me, because I realise how busy everyone is at the moment in the ongoing discussions and negotiations. I am grateful that the Committee wishes to work with the Department on the budget proposals. I have sought the Committee's views because education faces difficult issues. Other areas face difficulties too, but I am here to deal with education, and I welcome the views of the Committee as I determine the way ahead for next year.

As members know, the Executive's draft Budget proposals for 2010-11 mean that we have to find savings of £51.7 million from current expenditure and £22 million from capital investment. In addition, there are pressures on the education budget that must be addressed. The starting point — before we even begin to identify savings — is the budget from which we already have to deliver efficiencies of £184 million next year. Those efficiencies, which are already out of the budget, include some £13 million that we had planned to deliver through reduced bureaucracy and streamlining of services under the new education and skills authority (ESA). I will say more about that in a minute.

Is suntasach iad na coigiltí breise atá riachtanach, ach táimid i dtréimhse dhian airgeadais agus tá sé de fhreagracht orm a chinntiú go soláthrófar na coigiltí riachtanacha ar bhealach a chosnaítear a oiread agus is féidir de na seirbhísí túslíne ar mhaithe le gach páiste agus duine óg. Tá mé cinnte go n-aontaíonn sibh.

The additional savings required here are significant, but we are in a period of severe financial constraint, and I have a responsibility to ensure that the savings required are delivered in a way that protects, as far as possible, the front line services for the benefit of all our children and young people. I am sure that the Committee will agree with that. It will not be easy; about 70% of the education budget goes on teaching and non-teaching salary costs. We all want to avoid redundancies as far as possible.

My overall aim has to be to continue to deliver quality education for all our young people, putting equality at the core, and to make the best possible use of all available resources. That means reducing bureaucracy, streamlining services and getting money into the front line.

Ba mhaith liom a dhearbhu daoibh go gcuirfeadh na roghanna go léir a mbreathnóidh mé orthu faoi phróiseas measúnaithe comhionannais agus go gcaithfidh, ar ndóigh, díriú ar bhonn riachtanais chuspóirigh

I want to assure members that all options that I look at will be subject to an equality assessment or screening process. Obviously, we need to take targeting into account on the basis of objective need, which is part of our statutory equality duties and is one of the issues that our Executive have taken on board. As I said, the education budget for 2010-11 was reduced by some £13 million in the previous Budget process for savings that were to be delivered under the ESA. With the ESA, the number of senior management posts in the education sector could be halved, leaving more money for front line services.

As the Committee knows, despite the Executive setting January 2010 as the date by which to establish the education and skills authority, that has been blocked. That has clear implications for the delivery of planned savings.

On 1 December, in my statement to the Assembly, I explained why we must press on with the reform of education administration under existing legislation. The status quo is simply unsustainable. We cannot bury our heads and ignore the financial realities that are facing the Administration.

There are savings to be achieved in establishing common services in financial management, personnel, catering, transport, managing the school estate, and many other areas. Changes in those areas will produce savings that can be redirected to support pupils in the classroom, the front line, where they need it most.

We must continue to work on the convergence processes in preparation for a single authority, and that is why I asked Seán Hogan and Gavin Boyd to produce a convergence delivery plan to help bring a stronger focus to convergence activities. I have received that plan, and it provides a

good basis from which to move forward. It should remove duplication, streamline management and administration, and create greater efficiencies. My officials are currently holding an initial round of briefings with board members and the other bodies involved to discuss implementation. Progress can and will be made on streamlining services and improving standards. However, we will not be able to make the improvements to services that we would like to, and that we would have been able to, had the ESA been in place.

Capital investment savings of £22 million mean that we will be constrained in taking projects forward. I have commissioned a review of capital projects, and, as we move ahead, the priority afforded to individual projects will take account of the outcome of that review. I will set out clear criteria for determining priority.

As the Committee will appreciate, this is a complex process, and it is vital that it is done in a way that delivers the best possible outcome for children and young people. For that reason, I welcome and look forward to hearing the views of all Committee members. We are here to listen to what the Committee has to say, and we will do our best to answer any questions. As members understand, many of the issues are still under discussion; however, I am happy to take any comments, questions or suggestions.

The Chairperson:

Thank you, Minister.

In your letter to the Committee, dated 14 January, you said:

“It will simply not be possible to do without pain, as 70% of the education budget is salary costs. There may inevitably have to be staff reductions to deliver reductions of this scale.”

Minister, where are you when it comes to the teachers and staff who are going to lose their jobs?

The Minister of Education:

There may or may not be job losses. That is the challenge for us all. I do not want to see redundancies and I hope that that does not happen. Currently, we are looking at how to ensure that that money goes to the front line and is not spent on administration and bureaucracy as it was in the past. My aim is that we do not have redundancies, and, at present, that is what the

Department is looking at.

The Chairperson:

If, as originally envisaged, you move to a new structure with the ESA, is it correct that a £50 million budget will have to be spent to make those savings and to pay for redundancies, and that the return on that spend would be £20 million? In light of the fact that we have passed the deadline, and that there is no education and skills authority, how would you move toward redundancies in the sector, and would you use the £50 million that was set aside for that purpose?

The Minister of Education:

I do not want to get into details. I have said that I want to avoid redundancies, and that is one of the reasons that we are moving towards the ESA. I am still very hopeful that that will go through the appropriate stages in the Executive and Assembly, so that we can move on that as quickly as possible.

We do not have time to waste on this. We are spending far too much money on bureaucracy. We, collectively, face a choice: do we need managers or do we need teachers? I know what we need, and I believe that we have enough managers. In fact, there are too many managers in many cases, and services are being duplicated. We need money for the front line, and the sooner that we move towards the ESA the better. John, do you wish to come in on that point?

The Chairperson:

Before John comes in, I wish to pick on your point about the need for teachers as opposed to managers. Surely, that is at total variance with the structures that were proposed, given that the chief executive designate describes himself as a manager, and that he is not content with having three or four managers around him. My understanding is that there are currently nine other managers. The Department wants to move to a system that has as much bureaucracy as the current system. From looking at the overall budget for those nine managers and the chief executive, it is clear that they are not on £25,000 each a year.

The Minister of Education:

First, some of the information that you are presenting ignores the fact that duplication of services has resulted in a lack of cohesiveness among the five education and library boards. Different services are offered depending on where one lives in the North of Ireland. There has also been

duplication in respect of finance managers, personnel, human resources, and a range of different issues. John has been working closely with the range of organisations. We must ensure that we do not continue to spend money on bureaucracy in the way that we have in the past. We also must ensure that we raise standards, because this debate is not just about money but standards. We are not going to rehearse the statistics that I have already given to the Committee; it is worrying when those statistics come forward. The ESA is about raising standards for all young people, putting equality at the core of the education system, and streamlining and removing bureaucracy. It might be useful if John gives you an update at this point.

Mr John McGrath (Department of Education):

I wish to make a couple of points. Funding of £50 million was made available to set up the ESA and to streamline senior management. £23 million of that has been handed back to the centre, because of the slippage in the timetable for the establishment of the ESA. There is some funding left for this year, and there is still funding for next year. The Minister is lodging a bid against the Invest to Save fund to get some of that £23 million back.

The game plan for the ESA envisaged using those funds to realise savings of £21 million per annum from management and administration by removing almost half of the senior management cohort. That will be the net amount of savings once the revised structure has been put in place to run the ESA. The revised structure will take out huge swathes of senior management. The business case outlined a proposal to cut 430-odd posts. The agenda was to significantly reduce the number of managers. The issue of teacher redundancies is a different issue, but the thrust is still the same. It is about the ESA severely constraining management to achieve what is needed — £21 million of savings for starters — and no more and then looking, as the ESA develops, for further savings in bureaucracy through the application of modern technology. There is no contradiction in that.

The Chairperson:

Minister, can the savings that John outlined be delivered through the convergence plan that, as we have been told, you have now received. I wish to clarify this comment that you made in the House on Monday:

“I have received a plan that provides the basis for moving forward and it has been sent to the Committee.” — *[Official Report, Vol 47, No 7, p313, col 2].*

Is that the case? Has that been sent to the Committee? To date, we have not received a copy of the convergence plan. I want to know whether you are backing the ESA or a convergence plan. You

repeatedly say: “the ESA, the ESA”, but we repeatedly hear: “convergence”. Will you clarify whether you are backing a convergence plan? At the minute, the legislation is not going anywhere. We need clarity on that issue. If you are backing a convergence plan, when we are going to see that?

The Minister of Education:

The Executive agreed that the ESA would come into effect on 1 January 2010. It is worrying that the Executive failed to bring forward the ESA, as the parties in the Executive had agreed to do. I do not think that it is a secret that some parties, which are represented in this room, have blocked the bringing forward of the ESA. ESA is my preferred option. The establishment of the ESA will mean that we can raise standards, put equality at the core of our education system and get money into the front line. I am still hopeful that we can move forward at the Executive and the Assembly. It is in everyone’s interest that that is the way that we go.

If, however, it does not go to the Executive, as it should, and it does not go to the Floor of the Assembly, I will have to continue with the convergence plan, because I am not prepared to stand still. We have significantly reduced the number of people on boards. I have asked Seán Hogan to chair a group of the chairpersons of all the organisations, because it is in the interest of everyone that convergence is as seamless as possible. Our officials are working very closely in respect of the convergence plan. However, my preferred option is to move forward with the ESA as soon as possible. Every time that we delay, we are creating difficulties for children in the front line, because, ultimately, that is where we need to get the money.

The Chairperson:

Can you confirm that the convergence plan is within the legal remit of the Education and Libraries (Northern Ireland) Order 1986?

The Minister of Education:

I have confirmed in the House that I operate within legal frameworks at all times.

The Chairperson:

I want to move to members’ questions soon, because I appreciate that the Minister has to leave at 4.00 pm. However, this is a serious issue. It is not about the parties that have blocked the

development of the ESA; it is about you being unable to deliver equality on the ESA. However, we will not get into that debate. In the House, you gave figures about the reconstitution of the education and library boards. Those figures were wrong. Your officials came to the Committee the following week and told us that there had to be more detail. Subsequently, in an answer to me in the House, you confirmed that you had to change those figure, on the basis of information that you had. I cannot remember the exact phrase that you used, but the figures were wrong, because you could not have a teachers' appointment committee. You have now compounded the problem because, in the interim arrangements, you have not appointed councillors and we still cannot have teachers' appointment committees because of the absence of councillors. When will you begin to treat the controlled sector with a degree of equity and fairness? When will we see the amendments that have been brought to CCMS, which were promised on the same date that you brought your proposals to the House on 1 December? We are awaiting that, and we still have not seen what they are.

The Minister of Education:

First, I always treat all sectors with equality and respect and work in partnership with them. Secondly, the Executive approved the ESA. This is an Executive policy, and it is disappointing that it has not been brought forward. I am not going to get into a row with you. It is no secret that your party is one of the parties that is blocking the ESA.

The Chairperson:

We will continue to do so, because you cannot deliver equality.

The Minister of Education:

I am not going to get into a debate with you here today about it, because we want to find ways and get advice from the Committee today. I am reducing numbers on boards. We are reducing numbers on all the various organisations. I am not going to get into — *[Interruption.]*

The Chairperson:

What numbers are being reduced in CCMS?

The Minister of Education:

I did not interrupt you.

The Chairperson:

Give us an answer, please.

The Minister of Education:

I am giving you an answer, and I will give an answer in the way that I want to give an answer. I will continue streamlining; I will continue moving forward on convergence.

The longer we delay establishing the ESA, the more difficult it is going to be for children on the front line.

The Chairperson:

So that I am not accused of discrimination or inequitable treatment, I will take questions in the following order: John McCallister, Jonathan Craig, Dominic Bradley, Trevor Lunn, Michelle O'Neill and then John O'Dowd.

Mr McCallister:

Thank you, Minister and officials. John McGrath clarified one of the points I was going to raise in response to the Chairperson's question. I gathered from your response, Minister, that there would be no redundancies, and I was wondering how a Department that spent 70% of its budget on wages would save £50 million without making someone redundant. However, you envisage that 430 admin posts will be abolished.

Mr McGrath:

That was the original intention as part of the plans for the ESA. That information was given in response to the Chairperson's question, which suggested that the purpose of the ESA was to build up bureaucracy as opposed to trimming it down. The ESA has not been established yet, but the convergence plan aims to take abolish a significant number of senior management posts. However, that is in the incoming year; 430 was the planned total, once the ESA was fully implemented.

Mr McCallister:

Do you have a figure for what the convergence plan would do, as that seems to be the direction of travel now?

Mr McGrath:

We do not have a detailed figure, but as the convergence plan is worked through and delivered the numbers will become clear.

Mr McCallister:

What about overall savings? The original plan allowed for £50 million to establish the ESA, with a payback of £20 million or £21 million in savings per annum — roughly a payback period of two and a half years. What do you think the savings are likely to be under the convergence plan?

Mr McGrath:

We hope to achieve the same level of savings, but, as the Minister has made clear, the convergence plan is a sub-optimal solution, given the current circumstances. As I said before, the Department has a requirement to reduce management costs by £13 million next year. To a certain extent the amount of savings will be driven by the ability to identify enough posts through which savings could be made amounting to £13 million next year, and then a further £8 million in the second year.

Mr McCallister:

I have some issues with the Minister laying the blame with the Executive. This is not the first legislature not to accept business from the Executive branch of government. It is up to the Executive and the Department to get buy-in so that it can get its business through the elected Assembly. I suggest that, if we want to move forward on the ESA, we should try to establish a proper dialogue about what is a suitable way forward. I agree that the convergence plan is not a particularly satisfactory way forward for the Committee, as it bypasses the normal process of bringing business to the Floor of the Assembly.

Mr Craig:

Minister, I am an engineer, and, having looked at your figures, I wonder how you will arrive at a saving of £51.7 million, given that 70% of the budget is spent on salaries. How many jobs in bureaucracy and management will need to be abolished to arrive at that figure? The obvious question is; how much will have to be spent on redundancies in those cases? Have allowances been made for that in the current year? If you want to make £51.7 million in savings, cuts amounting to much more will need to be made in order to achieve that level of saving.

The Minister of Education:

I came here today to get some ideas from the Committee, which I would welcome. I have made it clear where I want to go in relation to the ESA, so I will not repeat myself. John McGrath has already answered the question about redundancy figures. He has explained the impact that the failure to establish the ESA is having on our education system. I think that the best thing to do is to move forward with the ESA, and do what we are supposed to be doing — providing a world-class education system, and making money available to the front line.

I would very much welcome the Committee's ideas about where we should go from here. I came here today to listen to members' ideas, yet I —

The Chairperson:

Minister, the purpose of a Statutory Committee of the Assembly is to scrutinise proposals from a Minister, not to give a Minister a list of proposals on what she should or should not do. Over the past few weeks, through your officials, you have given an idea of proposed reductions to the 2010-11 budget. It is for the Committee to decide whether members agree on the areas that you have identified.

If you thought that you would come before the Committee today, and that somehow we would tell you where the axe should fall, you have come under a false pretence. As you have said repeatedly to Members in the House, me included, you are the Minister of Education and, ultimately, you will have to make the decisions.

The Minister of Education:

Far be it for me to explain the role of Statutory Committees to the Cathaoirleach, or Chairperson, but Statutory Committees were established under section 29 of the Northern Ireland Act 1998 and Standing Order 40 of the Northern Ireland Assembly. There are 10 Statutory Committees, which have the power to consider and advise on departmental budgets and annual plans; approve relevant secondary legislation; call for persons and papers; and consider and advise on matters that are brought to them by their Minister.

You are taking a very narrow view of your remit, and I have a different viewpoint. I repeat that I came here today to ask for the Committee's advice. I have come to the Committee on many occasions to ask for members' advice, and I look forward to receiving it.

Mr Craig:

The difficulty lies with our consideration role, because we are not really being given much information about what we are supposed to consider. If we were given more information, we could certainly advise you on what we conclude.

I will ask John McGrath a question, because I am not getting an answer from you: has money been put aside for the redundancy packages? Frankly, to save that amount will cost an awful lot more.

The Minister of Education:

You have been given the most important piece of information, which is the amount of money that we will not have to put into our education system because of decisions that were made at Executive level. With respect, I beg to differ. There is important information, and my officials provided you with information.

On your question to John —

Mr McGrath:

We have to take £13 million out of senior management costs before we get to the £52 million. That is the issue that triggers the convergence plan, because £52 million is a lot of money to find in reductions. The options that the Minister will want to consider could cover a number of different scenarios. If the money were all taken out of existing services, it could be translated very quickly into x number of jobs at y salary. One could forego future investment, and we have given the Committee details about where there is planned expansion of some services. Funding would be saved if those services were not expanded, but nobody would be laid off, because they would not yet be employed. It will be a mix in that regard.

The Minister is dealing with the settlement on which the Executive decided. There was no scope to build up a kitty. You are right when you say that, normally, in circumstances in which people are laid off, there is an up-front cost. That cost would be difficult to meet, but one of the advantages of the ESA's coming into being is that it would be much more flexible, as the single employer, to redeploy to other schools people who would be redundant, rather than have to pay them off. That is one of the hidden losses of where we are at currently, if we were to reach the

point at which front line staff were being made redundant. The Minister has indicated that that is the last thing that we would want to do. Reductions come out of the Executive's collective decision-making process. Another kitty was not provided. The only kitty provided is Invest to Save, for which Departments have lodged bids in the past week or two. We have lodged a bid for some of the ESA money that was returned and a linked bid to cover possible issues around teacher redundancy.

Mr Craig:

To take you up on that, John, you really seem to be saying that you do not have enough money to meet the cost of redundancies and that you would like to utilise natural wastage to the greatest possible extent. That is understandable. However, if natural wastage does not make up the difference, will we then have a scenario in which you would have to cut deeper to achieve the savings?

Mr McGrath:

Reducing workforces is part of the standard scenario. However, we really do not wish to reach that point, because we would have to make swingeing cuts in year one in order to achieve a balance in year two.

Mr Craig:

Do you have other ways of doing it?

Mr Craig:

That is the hand that the Minister has been dealt. There was no contingency plan, or kitty, to pay for redundancies. Otherwise, the Executive would have asked us to find more money, and the cuts would have been deeper anyway.

Mr Craig:

I hope that you appreciate, Minister, that although that option may not be advisable, I am considering it.

The Minister of Education:

I get your point, but, to come back at you, I remind you that various parties support the ESA. If Members decide to delay legislation that would enable us to streamline bureaucracy and to bring

about necessary changes, and on which departmental officials and I, and all the education partners, have worked from the minute that I took up my position, they need to take responsibility for their actions. You cannot have your cake and eat it.

The Chairperson:

Nor Minister —

The Minister of Education:

It is very easy to criticise and to block proposals, so it is really important that all parties take responsible decisions.

The Chairperson:

Minister, your Department —

The Minister of Education:

At the end of the day, delays in establishing the ESA will affect children in the classroom, teachers at the front line and special needs children. Therefore, I hope that common sense will prevail.

The Chairperson:

You are attempting to shift the issues. Three years ago, your Department received from the chief executives of the education and library boards a plan, which it binned. You then went down the road of trying to introduce an ESA. You are now back at a convergence plan, when you could have reached that point three years ago. Therefore, do not try to blame other parties. Speaking not as the Chairperson of the Committee but as an MLA, the ESA will not be back on the table until you address the equality issue.

The Minister of Education:

On the subject of establishing the ESA, I very much look forward to receiving the support of every party around this table.

The Chairperson:

On behalf of my party, I can tell you that you will not have it. That is the reality, so do not chase it. You have been told.

The Minister of Education:

That is very disappointing, but, in the debate about standards, let us remember who suffered in the past. A great number of children were failed by the current system, and many more would be failed by the current boards' plans. I am not going to stand by and watch 11,000 children leave school every year without an English and maths GCSE. If the Cathaoirleach is willing for that to happen, that is up to him and his party, but, as far as I am concerned, the ESA is the way forward. One unitary authority, with equality and standards at its core, would cut bureaucracy and administration and get more money to the front line.

The Chairperson:

Among the many questions that you have not answered, you did not tell us when we will get the convergence plan. Have you sent it to us or not? Yes or no?

The Minister of Education:

The Committee is in discussions with the education and library boards, and I am in discussions with Sean Hogan and Gavin Boyd, after which we will forward the plan to the Committee.

The Chairperson:

In the House, you said that you had sent it. Did you send it or not?

The Minister of Education:

I made a mistake.

The Chairperson:

I just want a yes or a no answer.

The Minister of Education:

In the House on Monday, I made a mistake, and I will write to the House to explain. We will forward the plan to the Committee at the appropriate time. We have to do some work on it.

Mr Craig:

I do not want to hog the Minister's time, but I will not be caught on the hook that she keeps throwing out. She knows that there are equality issues that need to be dealt with.

Roughly £7 million was put aside for voluntary severance payments in the coming year. Is that money supposed to deal with the inevitable consequences of the Minister's proposals?

Mr McGrath:

What figure did you say?

Mr Craig:

I said £7 million.

Mr McGrath:

In the current year, £7 million is available to service voluntary redundancies into convergence planning.

Mr Craig:

At least there are funds to try to help the situation.

Mr McGrath:

There is also funding next year. We are bidding to the Invest to Save fund, which the Executive set up to supplement that next year, to fuel the convergence plan, and to take out senior management for precisely the reasons that you have stated.

Mr D Bradley:

Tá fáilte romhat, a Aire, agus go raibh maith agat as teacht inár láthair inniu.

You are welcome, Minister. Thank you for your attendance. There has been a great deal of talk in the Committee meeting —

The Chairperson:

Deputy Chairman, will you interpret what you said in case it was something untoward? We do not know what you said. Normally, we get an interpretation. *[Laughter.]*

Mr D Bradley:

I did interpret it.

The Chairperson:

Thank you. That is all right. I just want to be sure.

Mr D Bradley:

I did so for no extra charge. *[Laughter.]*

There has been a great deal of talk about the ESA during this Committee meeting. Many of the savings that the Department proposed were predicated on the establishment of the ESA. You said, Minister, that the ESA is being blocked at Executive level. Have you engaged with those who still have issues with the ESA Bill in order to unblock it and to ensure that progress is made and that those savings are realised and go to the front line services that they were designed to go to in the beginning?

The Minister of Education:

I have engaged with them.

Mr D Bradley:

Can those issues be resolved?

The Minister of Education:

I hope and expect that they can be resolved. I look forward to the support of all parties around the table.

Mr D Bradley:

Is work ongoing to resolve those issues at present?

The Minister of Education:

Absolutely.

Mr D Bradley:

Therefore, you are engaged with other parties who have disagreements, with a view to resolving those difficulties?

The Minister of Education:

I am engaged with all the different organisations that are affected, such as the Transferor Representatives' Council. My officials and I are engaged in that regard. However, at the end of the day —

Mr D Bradley:

Are you engaged with the political parties that have issues with the ESA?

The Minister of Education:

I have engaged with political parties with regard to the ESA.

Mr D Bradley:

Surely it would be sensible to continue that engagement. The bigger picture is that talks are ongoing about difficulties that need to be resolved. The talks process continues. Surely you should take example from that and continue to engage with parties that have issues with the ESA until those issues are resolved.

The Minister of Education:

As you know, one area that is under discussion in the negotiations is equality, partnership and respect for different Ministers in their roles. My party has completed its discussions. We very much want political agreement. I hope that that can be achieved. We are all aware of the current political situation. I look forward to discussions continuing in a much better way, with equality and partnership at the core. Hopefully, one outcome of that will be that there will not be blockages in the Executive such as those that some of my proposals have met.

Mr D Bradley:

Are you saying that the ESA difficulties will be resolved as part of the current talks process?

The Minister of Education:

If we have equality and partnership, and political agreement, I hope that many different issues with which we have difficulties will be resolved. I am working towards my first option and priority, which is the establishment of the ESA. The convergence plan and transitional arrangements is my second option. I never wanted to take that option. However, faced with the fact that the Executive could not deal with my proposals, I was not prepared to stand still. I was

not prepared to continue with arrangements as they were. One reason that we are having discussions is that the institutions, as they were running, were unsustainable. I hope that we see a change in the way in which that happened.

Mr D Bradley:

I hope that there is a positive outcome on the ESA, because you properly got many messages from the House on Monday of this week about the anxiety that there is in Northern Ireland's educational world around the delay in establishing the ESA and the need to expedite its formation.

The Minister and her officials have told the Committee that there will be a decrease of £22 million in the Department's capital budget. In previous meetings, Department of Education officials have told the Committee that there will be no newbuilds during the coming year. Can you confirm that view?

The Minister of Education:

It is very worrying to have £22 million less than we were supposed to. The Committee is aware that I have commissioned a review of all capital projects, with the Department to validate that they are consistent with, and supportive of, our policy framework and that they remain viable in the long term. The outcome of that review will be assessed against availability of resources to ensure that the capital budget is being used to deliver an improved education estate and is in line with our equality duties in targeting social need.

At the moment, I cannot give the Committee any more information than that. I am looking at all the capital programmes for this year and next, all of which form part of the review.

Mr D Bradley:

Departmental officials have already told the Committee on two occasions that there will be no newbuilds in the coming year.

The Minister of Education:

I am the person who makes the decisions on newbuilds. Officials may have said that, but I did not. I have said that we are reviewing all capital programmes, and they are all —

Mr D Bradley:

Were the officials wrong to say that?

The Minister of Education:

I am not going to speak for officials. What I am saying —

Mr D Bradley:

Officials are supposed to speak for their Minister.

The Minister of Education:

I am telling the Committee that all our capital projects are under review to ensure that they are consistent with our policy framework and that we take into account how best to use our resources. We are considering all aspects of that.

Mr D Bradley:

That is a very confusing message for schools that have been told that their projects will be on site, for example, in spring this year. The message that is coming from the Minister's officials is that those projects definitely will not be on site, but you are contradicting them by saying that they may or may not be.

Many schools have been waiting for six, seven or even eight years for these projects to begin. In many cases, teachers and pupils are working in substandard, overcrowded accommodation, and it is extremely frustrating for them to hear mixed messages from the Department about their school's future.

The Minister of Education:

First, we spent a huge amount of money on capital projects last year. It would be remiss of us not to acknowledge the number of newbuilds that have started in the past couple of years. Secondly, at this time, no capital projects have been removed as a result of the reduction in the capital spend programme. Therefore, as I said, I have commissioned a review, and I am looking at every single capital project and how we will manage it. That is the situation.

The Chairperson:

Minister, you mentioned the setting-out of clear outcome criteria. Will the Committee be allowed to see what criteria will be used? We have asked for that information before, but we have not yet received it. The Department's investment delivery plan places proposals for 82 schools in danger of being axed — they may never be built.

Your problem is even bigger, because sometimes you have a selective memory. The issue does not involve only the £22 million that the Minister of Finance and Personnel withdrew. The capital schools programme, which departmental officials gave to the Committee by weeks ago, stated that £77 million worth of capital projects would not go ahead. There is a problem with £40-odd million in resource funding. Therefore, the Finance Minister's announcement added to a pre-existing financial crisis.

Will the Minister tell the Committee what criteria will be used? Will they include whether a school follows your policies? Or whether money is available? A news release from the Department on 16 November 2009 states clearly that a decision was taken. It states:

“a review of all capital projects is currently undertaken to validate that they are all consistent”.

Not with the availability of money, I might add, but with the Department's own “policy framework”. Is that because the projects do not fit the policy, or is it because the money is not in the bank? Which is it?

The Minister of Education:

If there is less money than the Department had originally hoped for, it is not my problem but our problem.

In answer to your final question: it is a mixture of both. The Department has brought in a range of measures, including area-based planning and entitlement frameworks. Moreover, new projects, which were not previously included, have been brought in where they were needed.

Dominic Bradley spoke about substandard accommodation, and that is obviously present in our schools. It worries me that the two sectors that have entire schools in prefabs are the integrated sector and the Irish-medium sector, and the Department must examine that situation.

Owing to demographic decline, when some of the projects were announced, they had very

different numbers than at present, and that is one reason that I commissioned the review. In fact, I commissioned the review before the £22 million was withdrawn by the Minister of Finance and Personnel, but the withdrawal of those funds obviously places more urgency on the Department for its capital projects. However, the Department will be producing very clear criteria for capital projects, and, at the appropriate time, I will provide those criteria to the Committee.

The Chairperson:

Will that be after the decision has been made or before?

The Minister of Education:

I will provide those criteria to the Committee.

The Chairperson:

Obviously, the Committee can make decisions only on the basis of the information that you provide.

I want to try to get through the next set of questions as quickly as possible. Trevor will be next Trevor, followed by Michelle and John.

Mr Lunn:

You always tell members to hurry up just before you call me. *[Laughter.]*

The Chairperson:

I do not know why.

Mr Lunn:

You must think that I am a soft touch. *[Laughter.]*

Has any allowance been made in the figures for sales of redundant properties and old schools?

The Minister of Education:

Yes. However, as you will know, there is a difficulty in that the capital receipts were much lower than the Department expected, and it has had to re-evaluate many of the properties. In the past, those properties would have brought in greater capital receipts, but owing to fact that a low

property market is impacting on every Department with property to sell, the reverse is now true. The Department must ensure that it is not paying too much for those properties.

Mr Lunn:

I was thinking about the year ahead. As a result of the low property market, will the Department hold off on selling those properties or will it sell them anyway?

The Minister of Education:

The Department is re-evaluating all surplus properties.

Mr McGrath:

When a property is declared as being surplus to requirements, it is first circulated within government circles to establish whether any other Department or public body wants it, and if not, it is put on the market. However, when several different Departments are trying to realise capital receipts by putting all their surplus properties on the market at once, there is a danger that those properties could be sold at quite a low value.

On the other hand, when the Department of Finance and Personnel sets a Department's capital budget, it makes assumptions about capital receipts. If they are not included, there will be a shortfall. Capital figures assume a level of receipts. As a result of a lower market or no market at all in the past number of years, the Department has had to predicate a lower receipt.

Mr Lunn:

Do the figures include what the Department's anticipated capital receipts might be?

Mr McGrath:

The figures make a realistic projection of what the Department will receive. The Government are carrying out some general work in that area, but if there is a flat market, it is difficult if a great number of public sector sites come on to the market at once, and issues will arise over whether Departments are selling off those sites too cheaply. However, Departments also need to generate cash to sustain their investment programmes.

Mr Lunn:

I apologise for returning to the ESA, but if the Department proceeds with its convergence plan

and ESA does not materialise, will the work that is being carried out under the convergence plan be useful? I will put it the other way around. If the ESA eventually gets the go ahead, will the work that is being conducted through the convergence plan dovetail fairly easily with what has been anticipated under the ESA?

The Minister of Education:

Yes, but the ESA is the preferred option and the best way to go. Given the delay with the establishment of the ESA, the Department must maximise convergence and ensure that the aspects that I talked about, such as equality, standards and the duplication of finance, personnel, catering and transport, are considered.

We must also consider issues such as the provision of special educational needs (SEN). It is very different in each board area, and we have to have a much more cohesive approach. Therefore, the opportunities exist for us to ensure that we have a more cohesive approach, and we will do everything that we can to ensure that. However, the convergence plan should not become “ESA mark II”, because we need the ESA. That is very important for what we want to do in our education system.

Mr Lunn:

I have a couple of quick questions. Is it true, because we do not have a Minister to leak secrets to us, that —

The Chairperson:

Just read ‘The Irish News’, if that is the case.

Mr Lunn:

Is it true that the Executive have not discussed education matters for two years?

The Minister of Education:

No. The Executive have discussed a range of educational matters over the past two years. Sometimes, people use headlines in radio interviews. I have brought all my proposals to the Executive for discussion. There are papers that I want to be discussed, but I am still waiting.

Mr Lunn:

Sorry, Minister, but that is my point. Your bringing papers to the Executive does not constitute discussion. I am asking whether the Executive have agreed to discuss any education issues in the past two years.

The Minister of Education:

Yes. Issues have been discussed, and decisions have been made. For example, the SEN and inclusion proposals have gone out to consultation; I presented the proposals on the ESA, on which I am still awaiting discussion; and I presented my proposals on transfer 2010, which some parties on the Executive refused even to discuss. I circulated that information to every other party. I offered Ministers and every one of my colleagues meetings, but they did not take up that offer, so that is not a correct thing to say. Executive business is obviously confidential, but I can send the Committee a list of issues that were discussed without breaking that confidentiality.

Mr Lunn:

Finally, the transitional arrangements have been mentioned, particularly teacher appointment committees. There will not be enough councillors to form those committees. How has the South Eastern Education and Library Board managed to maintain a teacher appointment committee when it has been stood down for two years?

The Minister of Education:

I was asked that question earlier and I did not answer, because it was one of five or six asked at once. Pending the appointment of board members for teacher appointment committees for the transitional period through the processes that are now well under way, the terms of office of a number of existing members have been extended. That provides sufficient members for the constitution and operation of the teacher appointment committees. The existing legislation provides that any vacancy or defect in the appointment of board members does not affect the validity of the boards' decisions. That also applies to the teacher appointment committees.

The Chairperson:

There are no councillors. I ask you, Minister, in English, to read the 1986 Order. That makes it clear. One of your officials came to this Committee some time ago and explained that, technically, even after the South Eastern Education and Library Board was stood down and commissioners were brought in, the teacher appointment committee was still able to meet. You

have refused to reconstitute the South Eastern Education and Library Board for no real reason. If you have not appointed councillors to the interim arrangements, we cannot have teacher appointments. That is the reality. You had to rejig the figures to make it right. Please try to work within the legislation. There is a serious risk that this issue is going to run aground.

The Minister of Education:

We can debate the issue all day. We are running out of time, and one party here has not had a chance to ask questions.

The Chairperson:

I am the Chairperson, Minister.

The Minister of Education:

In the interests of democracy, I would like —

The Chairperson:

I am the Chairperson, Minister. I will decide who speaks. The Deputy Chairperson is not in the Chair on this occasion. I will determine who speaks.

The Minister of Education:

I look forward to questions from the party that has not yet had a chance to speak.

Mr McGrath:

What the Minister said represents the legal view. Therefore, teacher appointment committees can function under the interim arrangements.

The Chairperson:

We will see how that works.

Miss McIlveen:

You mentioned the SEN review in your answer to Trevor Lunn's question. There is £24.3 million available for SEN review training and capacity building for 2010-11. Can that be delivered in 2010-11? Even if it can, given the amount of opposition that you obviously received during the consultation process, are you still of a mind to continue in that manner?

The Minister of Education:

We are considering the comments that people made in the consultation. The way you said that suggests that everyone who commented was against the proposals. There is a significant body of opinion that supports and understands the need for changes in special education provision and inclusion. I and my officials will study carefully everything that has been submitted to us, and we will take account of that in any decisions that we make. As you know, we extended the consultation because there is great interest in the issue, and it is very important.

Miss McIlveen:

If that money is unlikely to be spent, is there a possibility that it will be directed to the current front line services in special educational needs and additional educational needs (AEN)?

The Minister of Education:

That money is being spent on special educational needs.

Mr McGrath:

No; there is additional money. If there is some delay, subject to the Minister's decisions in general, we would still want to ensure that just because there was a delay in-year it would not mean that the full amount would not be available in the next year. It could be a one-off slippage.

Miss McIlveen:

Will that money still be allocated for special educational needs one way or another?

Mr McGrath:

The money is available, subject to the Minister's overall decisions about how to manage the pressures that she has explained.

Mr O'Dowd:

Would redirecting that money away from SEN require the agreement of the Department of Finance and Personnel?

Mr McGrath:

To my knowledge, that is not so. The Minister was allocated a block amount in the 2007 Budget.

She determined the distribution of that money; it had not come earmarked. Therefore, the Minister has the scope to revisit her priorities in light of that. Any decisions that are taken will involve some degree of re-prioritisation, but they do not require DFP approval.

Mr O’Dowd:

I want to make a comment, because most of the questions have been answered. It is clear from the discussion thus far that — apart from a couple of notable exceptions around the table this afternoon — if we have political agreement and we move forward in a working institution, which we all hope for, broad-based bland statements will not cut the mustard any more. We have £112 million-odd savings to find. We can wait for the Department to come back and tell us where the savings are to be found and we can all go out and issue press releases for or against, or we can come up with workable alternatives. As politics progresses in this society, the bland press releases will not cut the mustard with the public or education practitioners. They will expect people who are opposed to a policy or a budgetary statement to come up with alternatives. That is how politics is developed in this neck of the woods.

Mrs M Bradley:

Amidst all the confusion in education, what consideration has been given to the principals and staff in schools who are teaching the children? They are under pressure every day of the week. Are you content that they are happy at their jobs, or are they under pressure?

The Minister of Education:

First, the word “confusion” is your word. I was out and about this morning in two schools — I went to Lisburn to visit Holy Trinity Nursery School and Friends’ School, where I took part in a politics debate. Last week I was out at other schools, and I do not see confusion in schools. People are very clear about what is happening; they understand the need for change across a range of issues. They understand where there are blockages to change, and, as John O’Dowd said, we are moving into a new era. We cannot continue with the failed policies of the past. We have some very good policies, and I know that we do not agree on all of them. However, we are all agreed that we want to put the child at the centre. We are agreed that we want to make sure that we provide early intervention for our children and young people.

That is the main message that I received this morning from the speech therapist and the other various workers at the Holy Trinity.

We are all agreed that we want our children and young people taught in nice buildings that are fit for purpose, showing respect for diversity but mixing with each other, rather than segregated by class or religion as happened in the past.

I see very good practice, rather than confusion. I have been holding meetings with school principals, and they have told me that no previous Minister has been out and about as much, meeting them as often as I have done over the last three years. I met all the primary principals in the North of Ireland to talk about the issues that face them. I travelled all over the North to meet post-primary principals and get their ideas on how we should move forward. We carried out a huge amount of consultation on special educational needs and inclusion. It was wider than any other public consultation and we extended the deadline for it because we want people involved in the debate and to become empowered. However, we need to make decisions; we face difficult times; and we must use our money in the best possible way.

Mrs M Bradley:

Are you content with that teachers and the parents are not under stress?

The Minister of Education:

I am content that we are changing the system; I am not content with the inequality in it. I am not content that some schools are trying to operate a breakaway system and others are left to pick up the pieces. I read a copy of the 'Newsletter' from 1964, and in it I found a comment about changes to the education system. It said that the Ulster Government of the time was moving fast to bring about necessary changes. In the rest of Ireland, we made those changes many decades ago, and they were made in England, Scotland and Wales. Why should our children be left behind? By the changes, I mean those in the administration of education, equality, special educational needs and area-based planning.

Let us work together, rather than let everyone take a different viewpoint. As John O'Dowd said, members should not run off to issue press statements. Let us work together for the betterment of all our children.

The Chairperson:

With respect to primary principals, Minister, you must talk to primary principals who are

different to the ones I visit. Today, I received a petition from hundreds of primary principals in the Coleraine area on the disparity of funding between primary schools and post-primary schools. I did not bring it to the meeting because it is not relevant to our business. They also sent a letter to the Committee and it will be passed on to your Department. You currently have a consultation exercise running on that. You have come to the Committee for its advice. The consultation asks whether the disparity should be covered by a direct input to the weighted-pupil ratio, or by an additional £3 million. Those options will produce outcomes of either £12 or £20 per pupil. Clearly, from the correspondence that we have received, a huge number of principals in Northern Ireland are unhappy with the disparity, and that is why the Committee is considering the launch of an inquiry into the disparity between primary school and secondary school funding.

I appreciate that you have remained present, Minister. You said that you wanted the Committee's advice. We can only give that on the basis of information provided. The convergence plan is a key element because it may generate savings and we have not seen it. Because of this issue, the Committee will have to assess its impact.

We have estimated that the other savings that your officials have identified amount to almost £30 million. They are in the areas of: reduction of bureaucracy, Classroom 2000; CCEA; and the entitlement framework. I am surprised, given that it is a piece of the jigsaw you referred to, that you want to take £5.5 million out of something that will become a statutory requirement in 2013. From the school improvement programme, the Department plans to save £7 million. We do not know what the impact of those savings will be.

We have no detail of the impact of the reduction in the school improvement programme, the entitlement framework, CCEA, classroom 2000 (C2k) and various details in the reduction of bureaucracy. However, if that information were provided to the Committee, we could perhaps pass some comment.

The Minister of Education:

I absolutely agree that the disparity in funding between primary and post-primary schools is not acceptable. However, members will know that I have commissioned a fundamental review of the common funding formula, with a view to looking at the disparity. If we are to deal with the issue and make the significant changes that need to be made to deal with early years and primary provision, we need to find ways of shifting resources, and I want to do that. Therefore, I have

encouraged the principals to write to me and to the Committee. I believe in people power, I believe in primary principals' power, and I am delighted that they are taking up the suggestion that I made. They are very proactive, they are good people who are doing very good work right across the system in the North, and they care passionately about their young people.

I have answered the questions in relation to the convergence plan. The best option is the ESA. Let us move towards it quickly, because it is the best way for us to deal with it. Then there will be no need for a convergence plan, because we will simply move straight into it.

With regard to your final point, we provided the Committee with areas of potential reductions to budgets, and reduction in bureaucracy and streamlining of services is the single-biggest amount. We are only considering those things, and we may decide to make reductions to them.

The entitlement framework is very important. I would prefer that we do not have to do anything with it, but I look forward to your comments in relation to how we move forward.

The Chairperson:

Can you confirm that we will receive a copy of the convergence plan?

The Minister of Education:

You will receive it at the appropriate time.

The Chairperson:

If we do not receive it, we cannot make a judgement on the potential impact, because we will not have had time to do so. We have to provide our report to the Finance Committee by next week, and, obviously, the ESA is not going to be in place by next week, despite whatever other talks are taking place in any other building or in any other part of the country. That is the reality. We have a convergence plan, and we would like to see it. Furthermore, will the Executive see the plan? Does it need Executive approval?

The Minister of Education:

We could establish the ESA very quickly if the will is there to support it.

The Chairperson:

You are flogging a dead horse.

The Minister of Education:

As people know, a date was set in the Assembly. In relation to the convergence plan, we will provide it to the Committee at the appropriate moment.

I would like to thank you. I know that we went over our time, but I appreciate us taking time to deal with these very important issues. Go raibh maith agat.