Integrated Education Fund

Developing the case for shared education

Scoping paper (Final version)

September 2010

Oxford Economics
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**Acronyms**

- ASB: Aggregated Schools Budget
- AWPU: Average Weighted Pupil Unit
- CCMS: Council for Catholic Maintained Schools
- CFS: Common Funding Scheme
- CEF: Curriculum Entitlement Framework
- CRC: Community Relations Council
- CSR: Comprehensive Spending Review
- DE: Department of Education
- EC: Equality Commission
- ELB: Education & Library Board
- ESA: Education & Skills Authority
- GMI: Grant Maintained Integrated
- IEF: Integrated Education Fund
- IFS: Institute of Fiscal Studies
- IMS: Irish Medium Sector
- KS: Key Stage
- LMS: Local Management of Schools
- NHS: National Health Service
- NI: Northern Ireland
- NISRA: NI Statistics & Research Agency
- OECD: Organisation for Economic Cooperation and Development
- PIG: Programme for Government
- PISA: Programme for International Student Assessment
- SSC: Sustainable Schools Criteria
Objective of scoping research

This ‘scoping’ exercise, commissioned by the Integrated Education Fund, has involved a number of distinct but complimentary phases. These have included:

- A review of existing relevant literature and research related to shared education
- Developing an understanding of the existing education delivery and funding model in Northern Ireland
- Gaining an appreciation of fiscal pressures on the education budget and the operational impacts of potential cutbacks
- Undertaking a comparison of education performance across school management types in NI
- Looking at school age cohort population trends and projections, and specifically the implications for education demand
- Assessing the availability of information required to properly understand the fiscal implications (costs and savings) of alternative budget scenarios and a move towards a more shared education delivery system

These phases have then formed the backdrop for the final chapter of the scoping paper which considers:

- The shared education opportunity
- Why shared education should be designated as a priority public service delivery and saving option for consideration by the NI Executive
- A road map for a post-scoping phase full research exercise
Definition of shared education

Given that the focus of this scoping exercise is on shared education, it is useful to establish upfront our understanding and definition of shared education, on which the discussion set out in this scoping paper, is based.

Definition of shared education

Shared education, which can include integrated education, is an approach to education where schools and teachers deliver education services to local communities in a collaborative and joined-up manner to ensure inclusion and efficient service delivery. Shared education practices can involve:

- Shared common core-lessons and teaching staff
- Collaborative governance arrangements
- Achieving economies of scale through the amalgamation of schools
- Shared community or village schools/integrated schools.

Co-ordinating the delivery of education in local areas between schools has the potential to not only use public resources in a more effective and efficient manner, but also to ensure a truly inclusive approach to education which could benefit all pupils. It can also strengthen local communities through retaining the delivery of education within local areas, for example, one sustainable school as opposed to a number of unsustainable schools located further from homes.

The configuration and out-workings of a shared education solution would vary across different areas in Northern Ireland and be shaped, amongst other factors, by demography, including religious breakdown, school catchment areas, transport costs and willingness of local people and educational institutions to be creative and radical in their thinking. Overriding all these decisions and key for consideration is the severe reduction in the schools capital budget over the next 5 years with the consequences that any shared solutions may have to work with the existing schools estate as opposed to building new schools.
Developing the case for shared education

‘Road map’ for follow-up research

This scoping study, in the authors’ views, presents compelling arguments, summarised in the diagram below, for why adopting shared education as a more widely used delivery option, should be carefully considered by the NI Executive as soon as possible.

Arguments in favour of shared education

Supply and demand for NI education

- Excess provision capacity
- Provision for yesterday, not tomorrow
- Falling birth rate
- But need to address the temporary demand boost
- Future education demand projections sensitive to demographic assumptions, a short term ‘blip’ in demand
- Before a return to the long term trend of falling education demand

Access to outstanding education for all

- Inequalities in the current education delivery system
- Is the current education system really delivering the best education outcomes for all pupils?
- NI education performance lagging internationally behind where it should want to be
- A modern education system for the 21st century
- Under-exploited current levels of collaboration

Responding to fiscal changes and inefficiencies

- Financial inefficiencies in the current education delivery system
- Risk of ‘death by a thousand cuts’
- Comprehensive Spending Review (CSR) opportunity

The issues and challenges shared education could therefore address, which are spelt out in more depth in the main report, include:

- **Deliver ‘more for less’ and help to avoid ‘death by a thousand cuts’**. Shared education could, potentially, help to deliver fiscal savings by sharing resources and assets, amalgamating schools and creating new merged schools (either a shared cross-community school or an amalgamated school within a sector), which will help the sector to better absorb 25% real spending cuts with less of a detrimental effect on pupils and parents, and address criticisms of financial inefficiencies inherent in the current delivery system.

- **Serve as a proactive ‘local’ solution and offer valuable input to the Comprehensive Spending Review** and thereby demonstrate clearly, to the coalition government and the NI public, the Executive’s preparedness for dealing with cuts (addressing what has often been a criticism of the Executive, especially when compared to more proactive responses in ROI to its fiscal crisis).
• **Deliver long-term savings** through lower maintenance costs if new schools are built to replace some of the more expensive to maintain existing schools (given medium-term capital constraints, this is clearly more of a long-term ambition).

• **Correct excess capacity in the long run.** Shared education decisions, where they result in closures or amalgamation of ‘unviable’ schools (in pupil terms at least), would help to reduce the current excess provision capacity (supply of school places greater than demand from pupil numbers in certain localities) and align supply with future demand (when birth rates correct back to ‘normal’ levels).

• Help **move towards a more modern model of delivery and provision** based on current and projected demographic patterns, needs of the economy and best practice elsewhere.

• Address **inequality issues** in terms of access to curricular and non-curricular offerings and support efforts to meet requirements of the ‘Entitlement Framework’.

• Help to promote a **cohesive, shared and integrated** approach to education contributing to the Programme for Government’s goal of a ‘peaceful, fair and prosperous society’.

As this scoping paper has only been an exercise to ‘scope’ whether sufficient arguments exist to develop a strong case for shared education and ‘what next’ for research, it has not undertaken the comprehensive analysis and consultations that would be needed to make a ‘full proof’ case (though it has ‘scoped’ whether information exists that would allow such comprehensive analysis to be done, which we have concluded does exist).

A ‘road map’ for a next, more comprehensive research phase has been developed however, which could, if undertaken, be used to present this more ‘full proof’ case for increasing all appropriate forms of shared education in NI. The title of the research might be **‘Study into the viability and impact of alternative primary and post-primary education delivery options’**.

The terms of reference for what this research could cover are suggested below, with greater detail in the main scoping paper. Note: it is acknowledged that it is quite possible that the Department of Education, or other organisations, may have already undertaken elements of this work programme, in which case emphasis would be on reviewing and using existing relevant material rather than duplicating existing work by primary research methods, and undertaking further research where there are gaps or where value can be added.

• **Part 1 – Viability of existing primary and post-primary provision**
  - A detailed examination of individual school enrolment numbers (today and projected) and their spatial spread (looking also at travel distances), identification of unviable schools (based on the Sustainable Schools Criteria optimal minimum threshold), quantification of the need for new amalgamated schools (assuming unviable schools are closed) and their optimal location (including mapping of optimal locations)
  - Benchmarking excess capacity provision with other GB regions and ROI, and internationally with leading education countries (e.g. Finland) with attempts to control for rurality
  - Comparison of the above analysis with DE new school build plans and DE assessments of individual school sustainability according to the Sustainable Schools Criteria (and what plans are for schools not classified as sustainable)
- Assessment of the practical appropriateness of aspects of the Sustainable Schools Criteria in the current fiscal environment and best practice elsewhere

**Part 2 – Development of alternative education delivery options**
- Research into alternate education delivery models (though not necessarily limited to shared education models), particularly in countries with a similar urban-rural population structure and GVA per head as NI, where shared education practices are more common, where fiscal constraints have led to major changes in education delivery (including case studies of both successful and less successful change), but critically where end education outcomes are highly ranked by international standards. Sweden and Canada, which successfully reduced fiscal deficits and have strong education records, may be examples of suitable case studies.

**Part 3 – Financial costing of alternative education delivery options**
- Estimation of the full financial costs (recurrent and capital) and savings generated from alternative education delivery options. Note we would propose a long timeframe for this analysis of 25 years minimum
- Options should include the ‘status quo’ and alternative forms of shared education, ranging from greater collaboration between schools to school closures and new build, including new build of integrated schools, and any other delivery options suggested by part 2 of the proposed research
- Note for the ‘status quo’ scenario it will be necessary to understand current and future maintenance and capital spend requirements
- Financial costs and savings would need to capture, among others, teacher recruitment / redundancy costs; rebuild, refurbishment and maintenance costs; and any income generated by sharing facilities with paying external customers
- Comparison of net financial costs of each delivery option against the most likely projected budgetary resources available to the primary and post-primary sector, factoring in the potential 25% real cuts in spending over the next 4 years (and projecting beyond this 4-year period), new policies in the CSR and greater detail on the nature of education cuts, and likely decisions the Executive will make with respect to education and budget allocations from the block grant.

**Part 4 – Wider impact of alternative education delivery options**
Financial cost implications, while important, should only be seen as one important outcome to consider in assessing the impact of alternative education delivery options. In order to arrive at an optimal delivery solution for the NI education sector, within the constraints of expected long-term budgetary resources, wider impacts should be assessed and quantified where possible for the following (for each option):
- Impact on the Schools Sustainability Criteria, particularly accessibility and local community impacts
- Impact on the utilisation of and quality of the school estate
- Impact on levels of education attainment
- Impact on meeting the ‘Entitlement Framework’
- Economic impact in terms of education jobs and construction jobs (related to maintenance, refurbishment and new builds) gained / lost, as well as multiplier effects (and future recruitment needs for the education sector which could inform intake levels to teacher training colleges)
- Sub-regional economic impacts (including TSN-type impacts) and knock-on effects for the economic sustainability of local communities
- Environmental / carbon footprint impacts from shifts in travel- to- school patterns and implications for transport infrastructure demand
- Net land requirement impact from closing / building schools (which may be important for planning purposes)
- Impact on the PfG ‘shared future’ priority of developing a ‘tolerant, inclusive and stable society’

• Part 5 – Optimal delivery solution for NI primary and post-primary education
  - Based on all of the above, develop a recommendation for the optimal solution for NI primary and post-primary education provision, which takes into account fiscal affordability and a much wider set of parameters and factors, including DE’s own policies for provision (e.g. Sustainable Schools Criteria)
1 Introduction and background

1.1 Background to research

The background context for the scoping paper is based around:

- The current weak state of UK public finances, the outlook for future UK government spending following the 22nd June emergency budget announced by the new coalition government, and the implications of this for public spending and the education budget in NI.

- The perceived financially-inefficient delivery model of education in NI, which is partly based on factors such as high central government administrative spend relative to other regions, high management costs given the number of education & library boards, the segregated nature of provision and the spatial distribution of provision (given NI's school age population is more thinly distributed in urban and rural areas than other regions).

- Linked to the latter point above, the scope for greater 'rationalisation' in the primary and post-primary sectors than has been undertaken to date, with many schools still running at below sustainable enrolment thresholds (although it is recognised that pupil numbers are not the only criteria for a school's sustainability).

- Important aggregate and spatial school-age cohort demographic changes which impact upon demand for education and consequently sustainability of existing schools.

Taking the above together, a desire has been expressed by some commentators to:

- Shift the education debate away from 'fighting' inevitable cuts and persisting with the 'status quo' delivery model
- Towards proactively preparing for spending cuts that are likely to be unavoidable by the Executive, and before the next Comprehensive Spending Review (which is scheduled for the 20th October 2010)
- Develop more innovative and radical delivery solutions to get 'more for less' from public spending
- Whilst at the same time improving or at least maintaining educational outcomes and advancing other priority education areas such as the Curriculum Entitlement Framework

Note: looking at some of these areas will be / is the responsibility of the Education and Skills Authority (ESA), although for various reasons, ESA is not yet fully up and running and in a position to undertake its full mandate.

1.2 Existing research related to shared education

To inform this scoping exercise, the following existing work has been drawn upon, which looked at the issue of shared education and funding education on a more cost effective basis.

- Strategic Review of Education Sir George Bain, 2006

1 However despite a much tighter budgetary environment, the new Conservative / Liberal Democrat coalition government has made a commitment, so far at least, that capital budgets will not be cut. Although in England this protection of capital spending will not necessarily apply to education given the recent announcement that hundreds of school building projects are being scrapped as England's national school redevelopment scheme (Labour's Building Schools for the Future) is axed by the coalition government
• *Towards a Culture of Tolerance: Integrating Education* Department of Education, 1998
• *Research into the financial cost of the Northern Ireland divide* Deloitte, 2007

An overview of the objectives and key findings from these studies is presented in Annex B.

### 1.3 Public finances backdrop

- In recent months, especially around the time of the UK national elections and ever since the coalition government came to power, the key economic and public policy issue on the agenda has been the state of public finances and how, and how quickly, to rein in the record UK deficit.

- It must be said however that this is by no means a unique issue to the UK with many economies across the Eurozone (and worldwide) facing similar fiscal problems, including the Republic of Ireland and perhaps most publicised, Greece.

**Recent public spending trends**

- When elected in 1997, the Labour Government initially adopted a prudent strategy towards public expenditure, maintaining aggregate spending plans from the previous Conservative government.

- Growth in public spending however gradually increased towards the end of the first Labour term, and remained high throughout most of Labour’s entire second term (7-8% growth in nominal terms). In Labour’s third term from 2005-2010, spending growth was lower relative to the previous term. However, in the final year of Labour’s third term, expenditure growth increased substantially (though this was partly as a result of ‘automatic stabiliser’ spend in response to the recession, e.g. increased unemployment benefits etc, as well as bank bail-outs).

- The patterns in UK public spending naturally fed through to higher public spending in Northern Ireland. While in the long run the Barnett formula for allocations to the devolved regions is intended to equalise per capita public spending, it only does so over the very long term and in some cases, ‘special’ funding or concessions to the NI Executive can have a greater impact.

**Fig 1.1: UK total managed expenditure**
As a result of Labour’s public spending decisions, the state’s share of UK GDP increased from 37% in 2000 to 48% in 2008, and 52% today. It is noteworthy that in some parts of the north of the UK, including in NI, the state now accounts for a larger share of the economy than it did in communist countries in the old eastern bloc.

Even when the UK economy had been enjoying long periods of economic expansion, the Labour Government did not always run a budget surplus (Fig 1.2). The financial market crisis then had further serious implications for UK public finances, as banks needed to be ‘bailed out’ by the government, which has significantly increased net borrowing (alongside existing ‘automatic stabiliser’ pressures to fund an increase in unemployment and related benefits).

Current fiscal crisis

The UK’s public borrowing rose to unprecedented levels, and is currently at £155bn this year (11% of GDP). The UK’s total debt, which currently stands at more than 62% of GDP, is forecast to peak at 70% of GDP in 2013/14. The deficit has risen to nearly twice the size of the shortfalls seen during previous economic downturns in the 1970s and early 1990s.
The scale of the deficit highlights the extent of the challenge the new UK coalition government is facing. The coalition has pledged that the budget deficit will fall to 1.1% per cent, or £20bn, by 2015/16. 

With spending cuts, as opposed to tax rises, widely seen as the more effective and less damaging way to reduce deficits, this stance has clear implications for future public spending growth. Note: while spending cuts will be the primary mechanism used by Government to reduce the deficit, some tax rises are also likely to be required and have been announced, such as the rise in VAT.

Ring-fencing health spending

The spending policies outlined in the UK coalition government emergency budget imply the longest and deepest sustained period of cuts to public service spending since (at least) World War 2.

This is partly as health spending, a sizeable share of the budget, has been ring-fenced so far (As has international development). As a result, spending on the NHS will take up an increasing proportion of the budget over the coming years and will account for over 30% of total public service spending by 2015 (if ring-fenced).

The UK government faces similar pressures to other EU countries, from the European Commission, which has vowed to ‘police’ national budgets at an early stage and introduce a wider range of sanctions on excessive deficits to prevent a repeat of the Greece-fuelled debt crisis that has undermined the Euro. Finance ministers agreed to impose fines on countries that fail to deliver on deficit-cutting pledges even before deficits surpass the limit of -3% GDP. Under the EU Stability and Growth Pact agreement, countries with deficits below the -3% GDP limit face fines of as much as 0.5 percent of GDP unless they get their budget back into compliance.
Analysis by the Institute of Fiscal Studies (IFS) identified that if the planned squeeze in public spending was spread evenly across all departments, including health, it would require an average cut of 14% in real terms by 2015/16. The implication of ‘ring fencing’ health spending is that cuts of about 25% are now necessary for most departments to protect the NHS from expenditure cuts and to reduce the overall deficit as planned. The scale of such cuts is larger than had been previously envisaged.

NI’s generous public spending allocation

- Historically Northern Ireland, as is well known, has received a generous public expenditure allocation from HM Treasury (when measured in terms of per capita allocations). Levels of identifiable public spend per capita in NI are well above the UK average and in fact any other UK region.

- The Northern Ireland economy has been heavily subsidised over an extended period of time and has the largest shortfall of spending over and above tax receipts of all the UK regions.

Fig 1.3: Total identifiable Government expenditure per head (2008/09)

Source: HM Treasury

- The recent coalition emergency budget in June 2010 will clearly affect NI’s public expenditure-driven and -dependent economy. In proportion to the rest of the UK, NI has a greater percentage (29%) of employees in the public sector than Scotland (23%), Wales (24%) and the UK average (20%). Public spending accounts for over two-thirds of GVA in Northern Ireland.

• It is important however to remember that the Executive has powers over how the block grant that NI receives is allocated, so sector cuts at UK level need not necessarily read directly across to NI. The Executive will have some very important decisions to make on how the cuts across the public sector will be distributed, and / or seek some method of raising finance / revenue from within NI such as selling public assets, increasing the regional rate, introducing water charges etc.

• With health (and international development) budgets being ring-fenced, and health such a large part of overall government spending, as well as the pledge to reduce the fiscal deficit quicker than earlier envisaged, it is expected, as said above, that the UK education budget, along with many of the other unprotected sectors, will face cuts of 25% in real terms over the next 4 years (although front line spending on schools is to be protected for one year).

• Cuts in the region of 25% are much sharper than many had expected and if implemented without any major change in how education is delivered in NI, there are understandable fears of the long-term damage this would have in terms of quality of teaching, the state of the school estate, capital spending needs etc, e.g. the so-called ‘death by a thousand cuts’.

October 2010 Comprehensive Spending Review

• The coalition announced in the emergency budget that the next UK Comprehensive Spending Review (CSR) will be held on 20th October 2010. The Spending Review will set spending plans for the whole of the next Parliament. As this is less than 4 months away, it is important that the Executive is aware of what alternative delivery and cost options are available for education in NI (and other sectors), such as shared education, and the possibilities to do ‘more for less’, as opposed to maintaining ‘status quo’ delivery methods and doing ‘less with less’.

• It is our understanding that government departments in NI are developing savings delivery plans between July and October prior to the CSR and will undertake public consultations in November and December prior to producing revised budget estimates.

1.4 Scoping paper structure

The remainder of the scoping paper is structured as follows:

• Chapter 2 - The shared education concept
• Chapter 3 - NI education funding model and sustainable schools criteria
• Chapter 4 - Education provision in NI
• Chapter 5 - Future demand for education in NI
• Chapter 6 - Summary and ‘road map’ for next research phase

Annexes

• Annex A - References
• Annex B - Overview of existing relevant research
• Annex C - NI education funding model (supplementary detail)
• Annex D - NI sustainable schools criteria (supplementary detail)
• Annex E - NI education performance
2 The shared education concept

2.1 Concept of shared education

Shared education, which can include integrated education, is an approach to education where schools and teachers deliver education services to local communities in a collaborative and joined-up manner to ensure inclusion and efficient service delivery. Shared education practices can involve:

- Shared common core-lessons and teaching staff;
- Collaborative governance arrangements;
- Achieving economies of scale through the amalgamation of schools; and
- Shared community or village schools/integrated schools.

Co-ordinating the delivery of education in local areas between schools has the potential to not only use public resources in a more effective and efficient manner, but also to ensure a truly inclusive approach to education which could benefit all pupils. It can also strengthen local communities through retaining the delivery of education within local areas, for example, one sustainable school as opposed to a number of unsustainable schools located further from homes.

The configuration and out-working of a shared education solution will vary across different areas in Northern Ireland and be shaped, amongst other factors, by demography, including religious breakdown, school catchment areas, transport costs and willingness of local people and educational institutions to be creative and radical in their thinking. Overriding all these decisions and key for consideration is the severe reduction in the schools capital budget over the next 5 years with the consequences that any shared solutions must work, in the medium-term at least, with the existing school estate as opposed to building new schools.

History of shared education in Ireland

Educational conflict has played a large part in the division between Nationalism and Unionism over the last 200 years. At the core of each community (of Catholic and Protestant), there have been deep fears of the threat to “our” schools. The national system of education in Ireland, founded in 1831, was nominally integrated but was gradually challenged by all the leading churches. In 1923 Lord Londonderry attempted to set up a primary education system where Catholic and Protestant children would be educated together, but again faced strong opposition from the churches. More recently, at the beginning of the Troubles, Basil McIvor, Minister of Education in the 1974 power-sharing executive, received the approval of the Assembly for his shared-schools plan. However, the Executive collapsed soon after.

The current integrated education movement emerged in the early 1970s as an attempt by parents, as opposed to the state, to grow shared and integrated schools in response to the increasing violence of the Troubles and increasing levels of segregation. What was new about the integrated schools of today compared to previous attempts was that they have involved parents coming together and meeting and working together. For the last thirty years, integration has been a choice exercised by local people from different traditions, backgrounds and interests, leading to 61 integrated schools today. These schools have developed models and a range of practices, which can help to inform collaborative models of delivering education. Public support has remained consistently high for shared and integrated education, but putting it into practice more extensively has been exceedingly difficult.
Integrated schools in Northern Ireland are often considered as schools which have embraced a ‘shared education’ culture through their multi-cultural pupil intake. Grant Maintained Integrated Schools came into existence through the 1989 Education Reform Order (NI) which not only saw the establishment of new school estates but also the transformation of existing schools.

**Collaboration**

- Inter-school collaboration can be achieved through various activities and schemes which have been documented in a report *School Collaboration in Northern Ireland: Opportunities for Reconciliation*, compiled by the School of Education at Queen’s University Belfast.

- Delivery of the curriculum was noted to be one of the most frequent activities for inter-school collaboration. This can be linked to the Entitlement Curriculum Framework which stems from the Education Order 2006 (NI). This stated that all KS4 and post-16 pupils should have the opportunity to avail of either 24 or 27 subjects. However, due to the fact that Northern Ireland has a higher percentage of small schools (for both primary and post-primary) than the rest of the UK, this poses a problem as small schools are unable to provide such an extensive range of subjects. Therefore inter-school collaboration plays / could play a key role in overcoming this problem.

- There is clearly still however huge potential for increased school collaboration in areas such as curriculum delivery and also sports and cultural activities.
Table 2.1: Collaboration in shared education activities

<table>
<thead>
<tr>
<th>Collaborative activity</th>
<th>% schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shared staff development activities</td>
<td>48</td>
</tr>
<tr>
<td>Collaboration as part of a learning partnership</td>
<td>61</td>
</tr>
<tr>
<td>Pupils from your school taking GCSE or GCE ‘A’ level subjects in another school, or vice versa</td>
<td>55</td>
</tr>
<tr>
<td>Delivery of the curriculum</td>
<td>59</td>
</tr>
<tr>
<td>Sports activities</td>
<td>36</td>
</tr>
<tr>
<td>Cultural activities</td>
<td>44</td>
</tr>
<tr>
<td>Work related to education for mutual understanding</td>
<td>43</td>
</tr>
</tbody>
</table>

Source: School Collaboration in Northern Ireland: Opportunities for Reconciliation School of Education Queen’s University Belfast, 2008

Economies of scale

- According to the 2007 report by Deloitte into the financial cost of the divide in NI, the divide has “led to the development of a multi-sector school system that essentially involves providing a choice of schools on a denominational basis. This necessarily makes matching supply and demand more difficult compared, with, for example, a spatially organised school system where all pupils in a certain locality attend the same primary or secondary school. The situation is compounded by academic selection and the existence of single sex schools which further expand the diversity of school types; and by NI’s relatively rural population distribution which is linked to the provision of a large number of small schools. The careful and coherent strategic planning approach that would be required to minimise surplus places across a multi-sector system like this has not existed.”

- The key feature above is the large number of schools and the large percentage of small schools across Northern Ireland. In the past many of these schools have had to amalgamate due to falling pupil numbers, funding shortfalls or the desire to provide a more extensive curriculum which is aided by a larger school.

- It has also been noted that smaller schools are more inefficient than larger schools with regard to running costs.

- Larger schools can also offer a more comprehensive curriculum and specialised training and at a lower cost per head per pupil. In NI, as said before, there are a higher percentage of smaller schools than anywhere else in the UK.

2.2 Policy towards shared education

In 2006 the then Secretary of State for Northern Ireland requested a study to look into education in NI focusing on funding of the education system, in particular the strategic planning and organisation of the school estate, taking account of curriculum changes, including the wider provision for 14-19 year olds, and also demographic trends. The Strategic Review of Education investigated declining pupil numbers in schools across Northern Ireland. It was recommended in the report that the surplus capacity in schools should be an indicator for the need for shared education.
While a level of surplus capacity is essential for the effective and efficient running of a school system [as some spare capacity is needed to meet parental choice, some will be required for planning purposes and to allow for demographic change (including hard to predict changes), and some will always be deemed an inevitable and acceptable by-product of providing education services in certain areas], the scale of NI’s surplus education provision capacity is considered excessive.

In 2009 the Department of Education then published a strategic document Together Towards Entitlement: Delivering the Entitlement Framework Through Area Based Learning.

The overarching policy objective of the Entitlement Framework is to guarantee all young people registered in schools, aged 14 and above, greater choice and flexibility by providing them with access to a wide range of learning opportunities suited to their needs, aptitudes and interests, irrespective of where they live or the school they attend.

The document noted a number of important points on schools’ views towards collaboration. The main points to emerge are as follows:

- The concept of collaboration in learning communities and the idea of area-based planning are new, unfamiliar and challenging for schools
- Schools however do see the potential value and importance of collaboration with other schools and non-school providers in their areas as a means of providing access to a broad range of curriculum pathways available to their pupils
- Schools recognise that there are other benefits to be realised from collaboration such as the potential to make an impact on social cohesion
- All the evidence indicates that, as long as competition between schools for pupils and resources continues to be the predominant policy, it will remain very difficult for them to develop a strong, agreed vision for all the young people in their areas, and for others to persuade them to collaborate so that the interests of all these young people can be fully and effectively served
- Some steps have been taken to develop more collaborative provision of courses, but it is still limited and remains largely confined to partnership arrangements with further education colleges and to the post-16 phase

In a speech to the Assembly in November 2009 after receiving this report, the Education Minister Catriona Ruane made a number of remarks that endorsed the concept of shared education. Some selected quotes from the Minister’s speech are highlighted in Box 2.2 below.
2.3 Benefits of shared education

With the above issues in mind, a shift towards greater shared education provision in NI could potentially bring the following benefits.

Fiscal savings

- Currently there are almost 1,150 schools in Northern Ireland. Over the next ten years it is estimated that around £3.6 billion is needed to be invested in the school estate, including major and minor works and refurbishments.

- As stated earlier there are, in certain locations, too many schools in proportion to the number of children in Northern Ireland (pupil numbers have also been falling – see later).

- The concept of shared education has the potential therefore to reduce the number of school estates across Northern Ireland (but more aligned with actual demographic patterns and demand), while focusing capital investment into fewer schools with greater outcomes.

- A recent investigation by McClure Watters has identified that over £21 million has been made available since 2006 to projects delivering collaborative working among schools with over half of this amount being provided from non-governmental sources. This is funding being used to manage a segregated education system and highlights the potential for additional funding opportunities which are outside the main and constrained central government budget.

Education inclusion and equality of opportunity

Box 2.2: Selected quotations from the Speech by Catriona Ruane on the Entitlement Framework

“The report suggests that DE and ESA should encourage further the development of a shared responsibility through this approach. I would concur with this view and want to see highly effective collaborative arrangements developed. I want schools to be seen as gateways to quality and choice and not as destinations where choice is poor or restricted”

“It is evident that we cannot continue to plan on an uncoordinated bottom-up basis, with individual institutions essentially competing with one another. We need to put in place a pattern of provision that delivers quality learning that guarantees wider more coherent curriculum choice and delivers equality”

“As you read through the report you will realise, as I did, that they have also made clear that the pace of change needs to be quickened. We need to step up a gear if we are to achieve our vision which is that all young people should have access to quality educational provision that meets their needs and allows them to reach their full potential”
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- Shared education enables collaboration between schools in a specific locality to share expertise amongst teaching staff to improve particular weaknesses in the curriculum. A recent paper by the Community Relations Council and the Equality Commission noted that not enough had been done to date to ensure collaboration between schools and that “a systematic approach is required to support the embedding and mainstreaming of good relations throughout schools’ policies, practices, procedures and ethos. To achieve this key strategic objective, the various delivery structures that encourage greater sharing and collaboration across and between communities should be supported and promoted better”.

- Improving access to education can also bring about long-term benefits as students have access to a wider choice of subjects. This will enable pupils to study the subjects that most interest them which will increase the chance of pupils attending further or higher education and eventually enter into employment. This is vital in areas where deprivation is more prevalent and is an important driver in breaking the cycle.

Societal benefits

- The education system in Northern Ireland is unique in itself due to the multi-sector schools system. Educational conflict has played a part in the divisions between Nationalism and Unionism resulting in Protestant and Catholic children learning separately. It is important during this period of fiscal constraints to develop clarity with regards to the financial and societal implications of the educational system in Northern Ireland if it were to move from a system characterised by duplication and triplication (Protestant/Catholic, Girls/Boys, Grammar/Secondary) to a unified system where all children were educated together.

To frame this in the wider context, within Northern Ireland the costs of a divided society have typically focused on:

- Direct costs arising from civil unrest, e.g. cost of policing and damage to property
- Indirect costs arising from the need to provide services separately to meet the needs of segregated communities (clearly education fits here)
- Other costs due to additional expenditure of a variety of activities, including community relations work, promoting Northern Ireland as a tourist destination or as an inward investment location

There is a potential opportunity therefore for shared education to contribute to the wider goal of lowering the costs of a divided society, both directly and indirectly in future.

- Certain delivery modes of shared education (e.g. integrated) not only promote Protestant and Catholic children coming together to learn but also children from other countries. Schools across Northern Ireland are welcoming more and more migrant children, which enable children to learn that differences should be encouraged and are not something to fear. A more shared, cohesive and integrated approach to education could contribute to a more sustainable Northern Ireland.

- A World Bank Study noted that “education has a crucial role to play in the wider reconstruction of society, from building peace and social cohesion to facilitating economic recovery and getting the country onto an accelerated development track.” (World Bank 2005 ‘Reshaping the future: education and post conflict reconstruction’)

Area-based approach to education
• By following their own agenda, schools can sometimes be run in a manner that is not aligned to the needs of the local community, and can compete with other nearby schools. For example, there can be duplication of service offering between schools, and often unnecessary competition.

• This can result in unnecessary service gaps in education delivery. Adopting a shared approach to education designed to fully meet the needs of the local community can be more effective, and contribute to meeting the needs of local communities by delivering ‘more with less’ through inter-school collaboration. Citizen informed and led educational planning will also both test local demand for shared and integrated education and challenge the state to meet the needs expressed.

Ensuring the sustainability of schools

• Sustainability issues may be addressed through increased co-operation and working with other schools particularly where the main issue affecting a small school is declining enrolment numbers. The Bain Report identified various forms of association that can provide the opportunities for schools to agree collaborative arrangements on a range of curricular and other issues to achieve efficiencies and to secure improvements in the quality of education provided (e.g. sharing expertise to support pupils with Special Educational Needs).

• Collaboration and sharing may help sustain provision in an area without a diminution of a school’s ethos. Indeed, such sharing could provide an enhanced learning experience.
3  NI education funding model and Sustainable Schools Criteria

3.1  NI education funding model

- The Northern Ireland education sector receives funding via the Aggregated Schools Budget under the Local Management Scheme. Due to the multi-sector schools system that prevails in Northern Ireland, there previously had been seven different formulae to divide the budget to the various sectors.

- In 2005 the seven formulae were condensed into one formula, the Common Funding Scheme (CFS). Under the CFS, schools receive funding either directly from the Department of Education or from the relevant Education & Library Board.

- The Common Funding Scheme has been developed in accordance with the following key principles outlined in Fig 3.1 below.

![Fig 3.1: Principles of the Common Funding Scheme](image)

- There are in total fifteen factors that affect the proportion of the overall Aggregated Schools Budget (ASB) each school receives. Further detail on these factors is provided in Annex D.
3.2 NI Sustainable Schools Criteria

“My aim is to have strong viable schools which provide our children with a high quality education for their benefit, and for the benefit of society as a whole. School sustainability should first and foremost be about the quality of the educational experience of our children. The Policy for Sustainable Schools will form an important aspect of the area-based planning approach being developed for the new Education and Skills Authority.”

Catriona Ruane MLA, Minister for Education

The strategic review of education in Northern Ireland led by Sir George Bain addressed the use of resources in education, the need for better strategic planning of the school estate, and the need for improved sharing and collaboration. It raised the importance of having schools that are viable in both educational and financial terms. The Bain Report recommended that in the planning of the school estate, the new Education & Skills Authority should be required to maximise opportunities for combining education within a system of sustainable schools. The report recommended that “the policy for sustainable schools should ensure that all schools are sustainable in terms of the quality of the educational experience of children, enrolment trends, financial position, school leadership and management, accessibility, and the strength of their links to the community”.

Sustainability is a key consideration when planning education provision within an area on a shared basis aimed to meet the needs of the local community. Area-based planning is about anticipating the educational needs in an area and planning to meet those needs in an effective and efficient way through an estate of sustainable facilities.

The Sustainable Schools Criteria in Northern Ireland sets out six factors and associated indicators that should provide a framework for helping to consider issues of school sustainability. Collaboration, by its nature, will be most successful when entered into voluntarily and with a commitment to genuine and meaningful sharing on the part of the schools concerned. The converse is that, without such commitment, schools will not benefit fully from collaboration. Given the difficulty in assessing genuine commitment to collaboration and sharing, the criteria set out below do not include an explicit indicator.

Nevertheless, schools are expected to collaborate and, for schools under review, the opportunities offered through sharing may enable them to provide the quality of education to which children are entitled and without which viability may be jeopardised. The Sustainable Schools Criteria are summarised in Fig 3.2 overleaf. Further detail is provided in Annex E.
Each of these criteria is discussed next:

- **Quality educational experience** - are there indications that the school will not be able to provide a broad and balanced educational experience for the pupils and sustain and realise high standards of educational attainment? Pupils should be able to have a full set of option choices and pursue their chosen subjects to the highest level.

- **Stable enrolment trends** - is the enrolment pattern stable or decreasing year on year, increasing surplus capacity and financial difficulties? In a situation of declining enrolments across many areas, it is a challenge for schools to sustain their intake levels. Sustainability considers whether the annual changes should raise concerns for the longer-term. Under this criterion, it is stated that ideally a primary school should have at least seven classrooms (one for each year group) and the minimum (not optimal) enrolment for newly established schools or existing schools should be 140 in urban areas and 105 in rural areas. Similar quantitative thresholds are set out for the post-primary sector.

- **Sound financial position** - is the school expected to sustain financial viability or will it have an ongoing budget deficit?

- **Strong leadership and effective management** - absence of effective leadership and management can affect morale and motivation, and contribute to inconsistent standards of attainment and lead to a lack of direction and accountability. Ineffective teaching can reduce learning opportunities and lead to poor academic achievement. It can lead to pupils’ disaffection and pupils’ poor attendance and behaviour which can in turn disrupt teaching and divert teaching resources, add to the administration burden, and reduce staff motivation.

- **Accessibility** - is the distance to school and the travel time for pupils reasonable? In the absence of a suitable alternative school in the local area should the school be retained? Are there suitable transport arrangements between local schools? The Bain Report recommended that maximum
travel distances and times for all pupils should be established to inform the location of new schools. This would need to take account of both the ages of pupils (as younger pupils would not be expected to travel as far) and the needs of the area.

- **Strong links with the community** - are the links and relationships with parents and the local community strong? Where poor relationships exist, the standing of the school within the community can be affected adversely and subsequently generate negative attitudes towards the school and the value that the community places on education. This must also be viewed in the context of overall provision of places in the local area.

These form the set of quantitative and qualitative criteria which provide a framework for assessing the range of factors which may affect a school’s sustainability. It is important to stress that the intention is not to have a mechanistic application of the criteria and indicators, but to provide a view of how effectively a school is functioning and of the range of factors affecting its performance.

It is clear that the criteria are inter-related and there is expected to be a significant correlation across sustainability factors, e.g. poor educational performance may lead to reduced school intake numbers, causing financial pressures, which may lead to staff de-motivation leading to a spiral of increasing problems. Similarly, poor leadership may lead to local parents’ reluctance to send their children to the school, again leading to reduced intakes. In such circumstances, unless the schools recover their positions and become sustainable, the quality of education will suffer and they will face further decline and eventual rationalisation.
4 Education provision in NI

4.1 Structure of the NI schools system

The structure of the school system in Northern Ireland is uniquely complex, with a range of school management types and vested interests. The main types of school management are described below:

- **Controlled** - controlled schools are managed by the education & library boards (ELBs) through Boards of Governors. Primary and secondary school Boards of Governors consist of representatives of transferors (mainly the Protestant Churches) along with representatives of parents, teachers and the ELBs. Nursery, grammar and special school Boards of Governors consist of representatives of the latter three categories. Within the controlled sector there is also a small number of controlled integrated and Irish-Medium schools. The ELBs’ recurrent and capital expenditure for schools and other Department of Education related services is 100% funded by DE.

- **Voluntary (maintained)** - these are schools owned by the Catholic Church through a system of trustees and managed by Boards of Governors on which the trustees are represented. Their recurrent expenditure is funded through the ELBs which also employ the non-teaching staff. Teaching staff are employed by the Council for Catholic Maintained Schools (CCMS) and capital funding comes direct from the Department of Education. There is also one Catholic maintained Irish-Medium school. Voluntary schools vary in the rates of capital grant to which they are entitled, depending on the management structures they have adopted. A majority are entitled to capital grants at 100%.

- **Voluntary (non-maintained)** - mainly voluntary grammar schools managed by Boards of Governors which consist of persons appointed as provided in each school’s scheme of management along with representatives of parents and teachers and, in most cases, members appointed by the Department or the ELBs.

- **Grant maintained integrated schools** - in recent years a number of grant-maintained integrated schools (GMI) schools have been established at primary and post-primary levels and are under the management of a Board of Governors.

4.2 NI school estate

- The present school estate (nursery, primary and secondary) comprises close to 1,150 schools. The cost of the maintenance backlog in Northern Ireland's schools estate has grown to almost £300m. Up to £100m of this is needed for essential maintenance work which involves cases where there are health and safety concerns about school buildings. There is currently a backlog of applications for both maintenance and capital works across the different types of management in the Northern Ireland schools system.

- The majority of schools in Northern Ireland are within the Controlled and Catholic Maintained school management type, which account for 508 and 503 school establishments respectively. These two management types make up over four-fifths of the entire school estate (Fig 4.1).
Integrated schools account for a relatively small proportion of the overall school estate (although this share has risen significantly). There are 61 integrated schools across all levels of education provision in Northern Ireland, representing just less than five per cent of the school estate.

There are some considerable differences in average school sizes across management types, most notably with grammar schools on average having a much larger number of pupils than other types of school (Fig 4.2). The larger sizes of secondary schools are clearly evident from Fig 4.2.

The average size of schools is broadly similar for post-primary education for controlled, Catholic maintained, Irish Medium/other and integrated schools. For primary schools average school size was broadly similar across school management types, although Irish medium/other and Grammar school prep departments had a slightly smaller number of pupils on average.

Source: Department of Education
4.3 Primary provision

- The total number of primary schools, including grammar preparatory schools, has fallen by 13% between 1991/92 and 2009/10. Over the same period the number of primary school pupils fell by 16% (Fig 4.3), i.e. by more than the number of schools.

- This has resulted in the average size of primary schools declining, particularly over the past 15 years. Average school sizes peaked at 201 pupils per school in 1995/96, but have fallen to 189 today indicating potential over-provision and excess capacity. Interestingly the rise in average school sizes up to 1997 represented the post-recession slower public spending phase by the Conservative government, while the decline in average school sizes coincided with the period of the Labour government.

Figs 4.3 & 4.4: Primary school provision in NI

Source: Department of Education

- The decline in the number of primary schools has not been uniform across different types of schools (Fig 4.5). Some elements of the primary sector have shown growth, such as the Irish Medium sector and the integrated sector. There were 11 integrated primary schools in 1991/92, rising to 41 in 2009/10, an increase in ‘market’ share from 1% to 5% of the total.
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Fig 4.5: Primary school provision in NI by management type

Source: Department of Education

4.4 Post-primary provision

- The total number of post-primary schools has fallen by 7% between 1991/92 and 2009/10. Post-primary pupil numbers only started to fall in 2004/05 (the early rise / stability may be explained by more pupils staying on for longer in post-primary education offsetting school age cohort demographic trends). Unlike the primary sector, average pupil numbers per post-primary school have risen from 607 to 675 (again possibly due to more pupils staying on for longer than as a result of strategic planning).

Figs 4.6 & 4.7: Primary school provision in Northern Ireland

Source: Department of Education

- There have been some changes in the provision of post-primary education over the recent past. The number of controlled secondary schools has fallen, while the number of Catholic maintained schools has remained more stable (Fig 4.8). There were 2 integrated post-primary schools in 1991/92, rising to 20 in 2009/10, an increase in share from 1% to 9%. In pupil terms, enrolments at integrated post-primary schools have risen from just over 1,000 to 12,000 (8% of total).
4.5 Rural and urban provision

- There are some considerable differences between schools in urban and rural areas. 57% of primary schools are in rural areas but only account for 36% of primary pupils in 2009/10. This means that the average number of pupils per primary school is much lower in rural areas (121) than urban areas (279). Almost 4 in 5 post-primary schools are in urban areas, accounting for 85% of post-primary primary pupils in 2009/10. This means that the average number of pupils per post-primary school is lower in rural areas (467) than urban areas (731). Of the 20 integrated post-primary schools, 6 are in rural areas (3,700 pupils) and 14 in urban areas (8,300 pupils). The average number of pupils per post-primary integrated schools in urban and rural areas is actually much more similar than for the rest of the sector, and in fact rural integrated schools are on average a little larger than their urban counterparts.

- The difference in size between urban and rural schools is also highlighted through an analysis of average school size by district council. More urbanised areas such as Belfast and Derry have larger average school sizes than more rural councils such as Fermanagh and Strabane (Figs 4.9 and 4.10).

Figs 4.9 and 4.10: Average school size for primary and post primary schools by District council (2009/10)
5  

Future demand for education in NI

Looking at future demand drivers for the education system in NI, we focus next on three specific factors: demographics, the Curriculum Entitlement Framework and benchmarking NI to international education standards.

5.1  

Demographic drivers

There have been a number of important demographic developments which affect the demand for education provision and consequently the sustainability and financial pressures facing schools in NI.

- Perhaps the most marked development is the fall in the number of children enrolling in schools (as described in the previous chapter). This is a result of the almost unbroken downward trend in births from the mid-1970s to 2002, falling from around 32,000 pa to just over 21,000 pa. Over the same period the total fertility rate\(^4\) fell by a third. The primary (5-11) and secondary (12-16) school age cohort trends, which show a lagged effect of birth trends, fell by 22% (1972-2002) and 15% (1978-2002) respectively.

- This has been coupled with changes in the spatial distribution of the NI population. For example Belfast’s share of total NI births has fallen from 1 in 5 in the mid-1970s to 15% today. In absolute terms the number of births in Belfast has fallen by over a quarter. In contrast the number of births in Banbridge doubled over the same period.

\(^4\) The average number of children that would be born to a woman over her lifetime if (1) she were to experience the exact current age-specific fertility rates through her lifetime, and (2) she were to survive from birth through the end of her reproductive life.
While the above trends have been relatively long established, it would be wrong to ignore the quite striking recent reversal in these trends with births and the total fertility rate rising by 20% between 2002 and 2008, back to levels last seen in the early 1990s. This rise has occurred across all council areas, except Larne, although relative growth in births has been fastest in Craigavon, North Down, Lisburn, Antrim, Banbridge and Dungannon. Eastern European migration has been one of the important factors in this with the share of births to non-UK-born mothers doubling (from roughly 1 in 20 to 1 in 10), although births to UK-born mothers also jumped by 10% between 2005 and 2008 (coinciding with the ‘housing boom’ period).

This has important implications for demand for school provision, although due to lagged effects and possible out-migration of migrant families, has not yet been ‘felt’ (as the school age cohort fell by a further 7-8% between 2002 and 2009, and was still falling in the 2008/09 school year).

However going forward, DE’s school age projections predict growth in demand for primary places (+7% by 2015/16). The DE projection timeframe only extends to 2015/16 - demand for secondary education is likely to rise from around 2017 though often planning does not stretch towards this longer-term horizon.

Key to official demographic projections is the assumption for births and fertility rates. NISRA assume births and the total fertility rate will fall back gradually, although neither is assumed to return to recent lows in the next 20 years. As a result, school age cohort projections are expected to be above recent low levels for about 20 years for primary and 30 years for secondary compulsory, peaking in 2018 and 2013 respectively. Clearly given demand and funding pressures, innovative and more efficient ways of education delivery will need to be considered in the next 10-20 years to manage this projected ‘temporary’ growth.

5 The projections are guided by birth and population projections produced by NISRA.
• Part of the expected future growth in demand for primary and post-primary education provision will materialise with a high degree of certainty given that recent births data is based on actual observed trends. However the NISRA future projection assumptions, for births and the total fertility rate to only fall back gradually, may underestimate the pace of correction which could come about from a range of factors including the recession, housing market adjustment and a reversal in migration trends (depending on the actual importance of these factors in explaining the recent rise in birth rates).

• If birth rates fall sharply and more quickly, as for example has been the case with the housing market correction and with migration flows, then the recent upturn in births and the total fertility rate could turn out to be no more than a short-term 'blip' as opposed to a fundamental change driving increased education demand in the next 10-20 years (i.e. there may just be a few school years of larger intakes, although admittedly this rolls forward with implications for the primary and secondary sector in years to come). The limited longevity of the boost to demand may require a change in the approach to short-term strategic planning to accommodate it.

5.2 Delivering the Curriculum Entitlement Framework

• The Curriculum Entitlement Framework is a new development which will, in theory and funding permitting, guarantee all pupils greater choice and flexibility by providing them with access to a wide range of learning opportunities suited to their needs, aptitudes and interests, irrespective of where they live or the school they attend.

• Schools will have to offer pupils access to a minimum of 24 courses at Key Stage 4 and 27 at post-16, and at least one third of these courses should be general and at least one third applied.

• The Department has published Circular 2006/24 Approval of Qualifications and Guidance on the Classification of Courses, to help schools assess whether courses currently on offer to pupils, or planned, are approved by the Department, and whether they may be classified as general or applied.

• As described earlier, delivering on the Curriculum Entitlement Framework will create an opportunity for shared education as this will be one of the most cost-effective means of meeting the framework requirements.

5.3 Benchmarking NI’s education system and performance

• As economies become more globalised and NI becomes part of the global economy (as opposed to simply trading only with GB and ROI), it is increasingly important that NI benchmarks its performance and delivery of education with leading countries. The UK government doubled spending on education between fiscal years 1999 and 2007, but this coincided with a dramatic decline in Britain’s position in the OECD ranking of educational performance (PISA results).

• PISA results show how in many ways other countries have quickly caught up with NI (and the UK) and are now surpassing them. In particular, it is striking how many developing countries from Asia

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6 The Programme for International Student Assessment (PISA) is a survey of the educational achievement of 15-year-olds organised by the Organisation for Economic Cooperation and Development (OECD).
and Eastern Europe are now outperforming Northern Ireland. For example Finland and Estonia significantly out-perform NI in science; Finland, Chinese Taipei, South Korea, Estonia, Czech Republic, Iceland and Slovenia in maths; and South Korea, Finland and ROI in reading (Box 6.1).

Box 5.1: Summary of PISA results 2006

- Finland, with an average of 563 score points, is the highest performing country on the PISA 2006 science assessment.
- Six other high-scoring countries have mean scores of 530 to 542 points: Canada, Japan and New Zealand and the non-OECD countries/economies Hong Kong-China, Chinese Taipei and Estonia.
- Northern Ireland’s students achieved a mean score of 508 in science, above the OECD mean of 500.

- Four countries/economies outperform all other countries: Finland and Korea and the non-OECD economies Chinese Taipei and Hong Kong-China.
- Other countries with mean mathematics performances significantly above the OECD average are the Netherlands, Switzerland, Canada, Japan, New Zealand, Belgium, Australia, Denmark, the Czech Republic, Iceland and Austria.
- Northern Ireland’s students achieved a mean score of 494 for mathematics, which was not significantly different from the OECD average of 498.

- Korea has significantly higher performance in reading literacy than any other country, including Finland, the top performer in previous PISA reading surveys.
- Canada, New Zealand and Hong Kong have mean reading scores between 520 and 540
- Northern Ireland’s students achieved a mean score of 495 for reading. The OECD average was 492, and this difference was not statistically significant.
Developing the case for shared education

- Emerging economies such as China, India, Singapore, South Korea etc, and Eastern Europeans emerging from communism, such as Estonia, have undergone radical education reform to catch up with standards elsewhere. South Korea is one of the favourite examples of development economists who wish to make the case for increased spending on education. But there are plenty of examples which run counter to their mantra. The Hong Kong education system did not have the central direction and planning of either South Korea or Singapore.

- Other developed nations have also undergone major education reform such as Finland (which interestingly like NI has to contend with rurality issues), again with very positive attainment results as evidenced by Finland’s standing towards the top of PISA ranks. Some observers have argued that Finland’s success is due to cultural factors, rather than public policy. But while such factors have played a part, government reforms during the past 20 years have been important in transforming the education system into what it is today. Indeed, as recently as the 1980s, Finnish secondary school students performed little better than the European average. The Finnish philosophy with education is that everyone has something to contribute and those who struggle in certain subjects should not be left behind. Primary and secondary schooling is combined, so the pupils do not have to change schools at age 13. They avoid a potentially disruptive transition from one school to another. Teaching is also a prestigious career in Finland. Teachers are highly valued and teaching standards are high. The system’s success is built on the idea of less can be more. There is an emphasis on relaxed schools, free from political prescriptions. This combination, they believe, means that no child is left behind.

This is a potentially important lesson for NI. While the NI education system has for some time been recognised as an exemplar throughout the UK in terms of attainment levels at GCSE and A-Level, looking more closely at attainment data, NI’s performance is in truth a ‘tale of two sides’, with only the grammar system and parts of the Catholic maintained sector performing well above the UK average.

**Overall 2 in 5 school leavers in 2008/09 (which covers leavers in year 12-14) did not achieve 5+ A*-C GCSEs (including in Maths and English), with 4 in 5 not achieving this standard who left in year 12 (equivalent to over 7,000 young persons, and almost 10,000 in total across years 12-14). This ‘two-sided’ story of NI’s education performance is further backed up by international comparator evidence from the 2006 PISA results (2009 results are not yet available), for Estonia and Finland.

The distribution of performance across English, Maths and Science in both countries versus NI highlights some interesting findings: Estonia has been quite successful in preventing test scores below a level which includes just over a tenth of NI pupils. Many school leavers in this ability range become the unemployed and inactive in NI. Therefore there are fewer Estonian school leavers to be considered difficult to employ than is the case for low-achieving leavers in GB and NI. Some 70% of 15 year olds in NI had average scores below the Finnish average of 553 points. Importantly, 20% of NI pupils had scores lower than 413 which was the lower 5% threshold for Finland. Further, according to the NI PISA report, “NI had a wider spread of attainment than all other countries participating in PISA (this applied to science and reading though less so mathematics). As well as high achievers, NI had a substantial ‘tail’ of low-scoring students. In the Republic of Ireland, the spread of attainment was much narrower and was close to the average for OECD countries”.
Developing the case for shared education

Northern Ireland versus Estonia and Finland PISA performance (2006)
6 Summary and ‘road map’ for next research phase

6.1 Summary of findings

To recap, the primary aims of this scoping exercise have been to look at the ‘why’, ‘how’ and ‘what next’ in terms of the case for shared education.

Why shared education should be considered by the Executive now

As presented in this scoping study, the arguments for why shared education should be carefully considered by the NI Executive as soon as possible are, in our view and based on the evidence gathered, compelling. These are summarised in Figure 5.1 below:

Figure 6.1: Arguments in favour of shared education

- Excess provision capacity
- Provision for yesterday, not tomorrow
- Falling birth rate
- But need to address the temporary demand boost
- Future education demand projections sensitive to demographic assumptions, a short term ‘blip’ in demand
- Before a return to the long term trend of falling education demand

- Inequalities in the current education delivery system
- Is the current education system really delivering the best education outcomes for all pupils?
- NI education performance lagging internationally behind where it should want to be
- A modern education system for the 21st century
- Under-exploited current levels of collaboration

- Financial inefficiencies in the current education delivery system
- Risk of ‘death by a thousand cuts’
- Comprehensive Spending Review (CSR) opportunity
Taking each of these arguments in turn, and starting with undoubtedly the most pressing issue facing the education sector in NI:

**Responding to fiscal changes and inefficiencies**

- **Fiscal risk of ‘death by a thousand cuts’** – while the education system in NI may be able to absorb some of the cuts needed to deliver already planned for efficiency savings, as well as some additional planned budget resources being for programmes that did not previously exist, it is acknowledged that the budget cuts announced in the 22\textsuperscript{nd} June UK coalition government emergency budget will be extremely difficult to absorb for the sector. With health (and international development) budgets being ring-fenced, and health such a large part of government spending (if health was not ring-fenced, departmental cuts would be much lower), as well as the pledge to reduce the fiscal deficit quicker than earlier envisaged, it is expected that the UK education budget, along with many of the other unprotected sectors, will face cuts of 25% in real terms over the next 4 years (although front-line spending on schools is to be protected for one year). **While the NI and UK budgets are not directly comparable, the cuts required in the UK can be taken to be indicative of the scale of the expenditure cuts required in NI.** Cuts in the region of 25% are much sharper than many had expected and if implemented without any major change in how education is delivered in NI, there are understandable fears of the long-term damage this would have in terms of quality of teaching, the state of the school estate, capital spending needs etc, e.g. so-called ‘deaths by a thousand cuts’ (although the implications of what 25% cuts would mean are not publicly available from DE if they have been assessed). It is noteworthy that the Minister for Education in NI, in her statement to the Assembly on her review of capital projects (29\textsuperscript{th} June 2010), talked of the serious accommodation issues in a large number of schools with around 70 projects for major capital works funding and a further 100 potential projects at various stages of Feasibility Study and Economic Appraisal (as part of the 10 year Investment Strategy). However shortfalls in DE’s net capital budget are already ‘biting’ and preventing full delivery of these projects.

- **Financial inefficiencies in the current education delivery system** – clearly funding an education system in which there is excess capacity, and small average school sizes, is not the most optimal use of the scarce Executive block grant, especially when the education sector itself has large capital investment needs. The smaller average size of schools in NI means that unit costs of education delivery are higher and schools are less able to take advantage of economies of scale. In addition the older parts of the school estate are known to have much higher maintenance costs than more recently built and modern parts of the school estate. Of course as the Sustainable Schools Criteria demonstrate, provision is not all about financial efficiency. **However at the same time in a more austere fiscal environment, there needs to be a mature debate and trade-off between issues of accessibility and local community impacts on the one hand, and affordability on the other, especially given the backlog of capital and maintenance pressures facing the education sector.**

- **Comprehensive Spending Review (CSR) opportunity** - as announced in the emergency budget, the next UK CSR will be held on 20\textsuperscript{th} October 2010. The Spending Review will set spending plans for the whole of the next Parliament. As this date is approaching, it is important that the Executive is aware of what alternatives are available for education in NI, such as shared education, and the possibilities to do ‘more for less’ as opposed to maintaining ‘status quo’ delivery methods and doing ‘less with less’. 
Note: an important point related to the fiscal challenge facing education is how appropriate the Sustainable Schools Criteria are in a more austere fiscal environment. While in theory and in times of less constrained funding, such as the recent past, the criteria are entirely valid, they could be seen to be unrealistic in the current fiscal environment and thereby may not result in the best decisions on school provision needs and viability. For example maximum journey times to schools may need to be reassessed or optimal pupil thresholds should be revisited in this drastically changed funding environment.

Supply and demand drivers

- **Excess provision capacity** - the crucial, but widely-acknowledged finding from the Strategic Review of Education of significant excess capacity of school provision / places relative to demand in NI, which is more pronounced than in other parts of the UK, is another important reason for considering shared education. While some rationalisation has occurred in the school system in NI, it is our understanding that this has been limited relative to the extent of over-capacity (indeed average primary school sizes have fallen since the mid-1990s) and many schools still exist that do not meet viable pupil number threshold criteria (in urban and rural areas, as well as in primary and post-primary). Although we recognise that the Sustainable Schools Criteria go beyond pupil number criteria (but within this there are still explicit optimal thresholds for minimum pupil numbers).

- **Provision for yesterday, not tomorrow** – a significant element of the current excess education provision capacity stems from the legacy of historic demographic patterns and the spatial distribution of the school age cohort (for which NI’s greater relative ‘rurality’ has and continues to be an important factor – one third of primary pupils attend rural schools). The religious divide is also a factor which has resulted in Protestant and Catholic schools in the same small communities where one would be sufficient to satisfy demographic demand. This legacy system of provision is as opposed to provision being directly planned around current and future school age demographic projections (although efforts are being made to address this partly with the creation of the Sustainable Schools Criteria). An example of the change in legacy demographics is how Belfast’s share of total NI births (which is the ‘supply’ of the school age population) has fallen from 1 in 5 in the mid-1970s to 15% today. In absolute terms the number of births in Belfast has fallen by over a quarter. In contrast the number of births in Banbridge doubled over the same period.

- **Falling birth rate trend** – coupled with changes in the spatial distribution of the NI population in explaining the excess capacity of education provision has been a marked fall in the number of children enrolling in schools. The number of annual births in NI had been on an almost unbroken downward trend from the mid-1970s to 2002, falling from around 32,000 pa to just over 21,000 pa. The primary (5-11) and secondary (12-16) school age cohort trends, which show a lagged effect of birth trends, fell by 22% (1972-2002) and 15% (1978-2002) respectively.
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- **... but a need to address the temporary demand-boost** – there has however been a quite striking recent reversal in these trends with births and the total fertility rate. This has important implications for demand for school provision, although due to lagged effects and possible out-migration of migrant families, has not yet been ‘felt’. However going forward, DE’s school age projections predict growth in demand for primary places from 2011/12 (+7% by 2015/16). The DE projection timeframe only extents to 2015/16 - demand for secondary education is likely to rise from around 2017. As said previously, key to these projections is the assumption for births and fertility rates - NISRA assume births and the total fertility rate will fall back gradually, although neither is assumed to return to recent lows in the next 20 years. As a result, school age cohort projections are expected to be above recent low levels for about 20 years for primary and 30 years for secondary compulsory, peaking in 2018 and 2013 respectively. **Clearly given demand and funding (see later) pressures, innovative and more efficient ways of education delivery will need to be considered in the next 10-20 years to manage this projected ‘temporary’ growth.**

- **Future education demand projections sensitive to demographic assumptions, a short-term ‘blip’ in demand?** Part of the expected future growth in demand for primary and post-primary education provision will materialise with a high degree of certainty given recent births data is based on actual observed trends. However the NISRA future projection assumptions, for births and the total fertility rate to only fall back gradually, may under-estimate the pace of correction which could come about from a range of factors described earlier. If birth rates fall sharply and more quickly, as for example has been the case with the housing market correction and with migration flows, then the recent upturn in births and the total fertility rate could turn out to be no more than a short-term ‘blip’ as opposed to a fundamental change driving increased education demand in the next 10-20 years (i.e. there may just be a few school years of larger intakes, although admittedly this rolls forward with implications for the primary and secondary sector in years to come). This does not make the issue of a short-term boost in demand disappear, but its brevity should change the approach to strategic planning to accommodate it (i.e. possibly absorbed as larger class sizes rather than either constructing new schools or postponing decisions to amalgamate schools). In any case funding availability alone may dictate what response is taken.

- **... before a return to the long-term trend of falling education demand** – it is important, in our view, that strategic education estate and provision planning is not preoccupied by the short-term boost in demand because NISRA’s longer-term projection is that the school age cohort will return to its recent historic low (and Oxford Economics’ view is that this correction could come about sooner). Recall it is at this current school age population level at which there is significant excess capacity in provision, so without any major rationalisation over the medium-term, the extent of excess capacity could easily be reached again after the short period of a ‘blip’ in demand. Given the long-term appraisal / payback period of public investment decisions, it is key therefore that decisions on school estate management pay close heed to long-term demand as well as short and medium-term demand.

Up to this point in making the case for ‘why shared education should be considered by the Executive now’, arguments have focused on financial and demand-supply factors. There are however many other good reasons to make a strong case for shared education (or issues shared education could help to address), as described next.

**Access to outstanding education for all**
• **Inequalities in the current education delivery system** – a further downside feature of the existing delivery system and implication of smaller school sizes relates to equality of opportunities for students in terms of curricula and non-curricula offerings, e.g. the choice of GCSE subjects, after-school activities etc. The ‘Entitlement Framework’ which stems from the Education Order 2006 (NI) states that all Key Stage 4 and post-16 pupils should have the opportunity to avail of 24-27 subjects. Clearly this is much more difficult for smaller schools to deliver, particularly in rural locations.

• **Is the current education system really delivering the best educational outcomes for all pupils?** The NI education system has for some time been recognised as an exemplar throughout the UK in terms of attainment levels at GCSE and A-Level. However looking more closely at attainment, NI’s performance is in truth a ‘tale of two sides’. Overall 2 in 5 school leavers in 2008/09 (which covers leavers in year 12-14) did not achieve 5+ A*-C GCSEs (including in Maths and English), with 4 in 5 not achieving this standard who left in year 12 (equivalent to over 7,000 young persons, and almost 10,000 in total across years 12-14). This ‘two-sided’ story is further backed up by international comparator evidence from the 2006 PISA results. According to the NI PISA report, “NI had a wider spread of attainment than all other countries participating in PISA (this applied to science and reading though less so mathematics). As well as high achievers, NI had a substantial ‘tail’ of low-scoring students.

• **NI education performance lagging internationally behind where it should want to be** – as NI PLC becomes part of the global economy and competes internationally, it is increasingly important that NI benchmarks its performance and delivery of education with leading countries. PISA results show how in many ways other countries have quickly caught up with NI (and the UK) and are now surpassing them. While admittedly NI is still ahead of many other countries, including OECD countries, the extent of improvement and progress in other countries serves as a reminder as to ‘what could be achieved’, and motivate local policymakers to draw on lessons from elsewhere and implications for how, perhaps, education could be delivered differently in NI. **There are many aspects of international economic competitiveness in which NI will struggle to be a world leader but its school system need not be one of these, especially as the Executive has strong powers over education policy and budgeting.**
• **A modern education system for the 21st century** – emerging economies such as China, India, Singapore, South Korea etc, and Eastern Europeans emerging from communism, such as Estonia, have undergone radical education reform to catch up with standards elsewhere. This has often been motivated by the inadequacies of previous delivery models but also by the opportunities presented by technology and the changing needs of domestic economies, both today and predicted for the future. Many of the results of these reforms have been spectacular, which are of benefit to economies as a whole, and individuals being produced by the system. Other developed nations have also undergone major education reform, such as Finland (which interestingly like NI has to contend with rurality issues), again with very positive attainment results as evidenced by Finland’s standing towards the top of PISA ranks. **For this reason alone, it is worth looking at shared education and any other change in education delivery, simply to assess whether a new system is better suited to modernising schools, keeping up with best practice in other countries, providing the skills for a 21st century NI economy and delivering the best education possible (at a reasonable cost) to pupils.** It is also worth noting that new flagship education reforms proposed by the UK coalition government, such as “parents, teachers and charities being encouraged to set up their own schools under a Swedish-style system”, would appear to present opportunities for shared education.

• **Under-exploited current levels of collaboration** – research by the School of Education at Queen’s University, ‘School collaboration in NI: Opportunities for reconciliation’, has shown that while there is evidence of collaboration across schools, there is potential for greater collaboration in areas such as pupils taking subjects in other schools, curriculum delivery, sports, staff development etc. There is also potential for schools to collaborate more with further education colleges. For example the South Eastern Regional College (SERC) offers schools access to a wide range of vocational courses and teaching staff to support their Entitlement Framework programme, and through this works with over 36 schools in Belfast, Bangor, Downpatrick, Lisburn, Newcastle and Newtownards.

• **Shared future** – the Programme for Government sets out building a ‘tolerant, inclusive and stable society’ as one of its five key strategic priorities. Clearly various forms of shared education, included integrated education, offers one way to help deliver this priority. Education is also referred to as a key priority within the Executive’s Programme for Cohesion, Sharing and Integration, currently out for consultation.
What current education provision looks like?

As explained above, one of the features of education provision in NI is over-capacity in some but not all locations, and in both primary and post-primary sectors.

Of course it must be remembered that this brings with it some benefits that would be lost if over-capacity was reduced (in other words if schools were closed or amalgamated), and is justified on the basis of some of the Sustainable Schools Criteria. It means, for example, that pupils have less far to travel (which has environmental benefits in terms of carbon footprint) and schools are more accessible. There are also important benefits as well in terms of the role schools play in sustaining local communities. This has been recognized, for example in rural communities, where there have been a number of initiatives in England, Wales and Scotland which recognise the important role that rural schools play in sustaining community life. To the best of our knowledge these tend not be quantified (and understandably so given the benefits are difficult to quantify in monetary terms).

This scoping paper has looked at education provision in NI in terms of trends and the split between management types, urban versus rural provision and the distribution of provision across district councils. Highlights from this analysis are summarised below.

- **Primary provision** – the total number of primary schools, including grammar preparatory schools, has fallen by 13% between 1991/92 and 2009/10 (over the same period the number of primary school pupils fell by 16% so an average school sizes have become a little smaller). Some elements of the primary sector have however shown growth – the Irish Medium sector and the integrated sector. There were 11 integrated primary schools in 1991/92, rising to 41 in 2009/10, an increase in ‘market’ share from 1% to 5% of the total.

- **Post-primary provision** - the total number of post-primary schools has fallen by 7% between 1991/92 and 2009/10, but with greater stability in the grammar sector and growth in the integrated sector. Post-primary pupil numbers only started to fall in 2004/05 (the early rise / stability may be explained by more pupils staying on for longer offsetting demographic trends). Average pupil numbers per post-primary school has risen from 607 to 675 (in contrast to the primary sector). There were 2 integrated post-primary schools in 1991/92, rising to 20 in 2009/10, an increase in share from 1% to 9%. In pupil terms, enrolments at integrated post-primary schools have risen from just over 1,000 to 12,000 (8% of total).

- **Rural versus urban provision** – 57% of primary schools are in rural areas but only account for 36% of primary pupils in 2009/10. This means that the average number of pupils per primary school is much lower in rural areas (121) than urban areas (279). Almost 4 in 5 post-primary schools are in urban areas, accounting for 85% of post-primary primary pupils in 2009/10. This means that the average number of pupils per post-primary school is lower in rural areas (467) than urban areas (731). Of the 20 integrated post-primary schools, 6 are in rural areas (3,700 pupils) and 14 in urban areas (8,300 pupils). The average number of pupils per post-primary integrated schools in urban and rural areas is actually much more similar than for the rest of the sector, and in fact rural integrated schools are on average a little larger than their urban counterparts.
6.2 The shared education opportunity

As described above, there are a number of challenges facing the education sector in the coming years, particularly fiscal cuts of up to 25% potentially, but also addressing excess provision capacity, reducing the share of leavers with no or low levels of attainment, meeting accommodation capital and maintenance needs of the school estate, delivering on the ‘Entitlement Framework’ and ensuring schools meet the Sustainable Schools Criteria etc.

The medium term will clearly be a difficult period for primary and post-primary education, as it will for higher education and many other areas of public services. However development and implementation of the shared education concept, in whatever form that may be, offers an opportunity to come through this difficult period and emerge stronger at the end of the period of fiscal austerity, and in doing so address some of the legacy and more recent emerging education problems (and societal problems).

While it would be tempting and easier to delay difficult decisions in the hope of a return to previous funding levels at the end of the next UK Parliament (or if a new government came to power), this would be a dangerous risk if funding levels remained permanently lower (a genuine risk if the state plays a smaller role in the economy in future). It would mean NI would have wasted four years in tackling the problem. It could also be a missed opportunity as the fragmented set of education stakeholders from NI’s multi-sector school system may be more willing to accept reform during a period in which all public services are making sacrifices and cutbacks and rethinking delivery systems in a more radical manner than in the past.

The issues and challenges shared education could address are as follows:

- **Deliver ‘more for less’ and help to avoid ‘death by a thousand cuts’**. Shared education could help to deliver fiscal savings by sharing resources and assets, amalgamating schools and creating new merged schools, which will help the sector to better absorb 25% real spending cuts with less of a detrimental effect on pupils and parents, and address criticisms of financial inefficiencies inherent in the current delivery system.

- **Serve as a proactive ‘local’ solution and valuable input to the Comprehensive Spending Review** and thereby demonstrate clearly, to the coalition government and the NI public, the Executive’s preparedness for dealing with cuts (which to date has been an oft quoted criticism of the Executive, especially when compared to more proactive responses in ROI to its fiscal crisis). For example in ROI the Bord Snip / McCarthy report has already identified how mergers of 659 primary schools with less than 50 pupils and 851 primary schools with 50-100 pupils could save annually €25m. It has also identified how teacher remuneration is amongst the highest in the world and has come to consume an extremely high share of the schools’ budget, and how nearly half a billion euro a year could be saved from the school budget without significantly disrupting the core service.
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- **Deliver long-term savings** through lower maintenance costs if new schools are built to replace some of the more expensive to maintain existing schools. Positively the coalition government has said that it will maintain capital spending which otherwise could have been a major risk to prospects for new capital builds in education [although it is clear that DE is still facing pressures on its capital budget and hundreds of school building projects are being scrapped as England's national school redevelopment scheme (Labour's Building Schools for the Future) is axed by the coalition government].

- **Correct excess capacity in the long run.** Shared education decisions, where they result in closures or amalgamation of 'unviable' schools (in pupil terms at least), would help to reduce the current excess provision capacity and align supply with future demand (when birth rates correct back to 'normal' levels).

- Help move towards a more modern model of delivery and provision based on current and projected demographic patterns, needs of the economy and best practice elsewhere

- Address inequality issues in terms of access to curricular and non-curricular offerings and support efforts to meet requirements of the ‘Entitlement Framework’

- Help to promote a ‘cohesive, shared and integrated’ approach to education

Note: we have deliberately not stated that shared education will improve education attainment levels. This is a complex topic with various schools of thought and empirical studies pointing to the role of teacher quality and motivation as the main driver, but other factors also such as household socio-economic characteristics, new capital build and quality of school facilities (although the latter is often considered more of an indirect rather than direct influence). However impacts on education attainment levels from alternative education delivery models are one area (see next) which we identify that further research should cover.

### 6.3 ‘Road map’ for next research phase

As articulated above, there are strong arguments why the Executive should consider the case for shared education now. There is also a major opportunity offered by shared education to address some of the challenges confronting the primary and post-primary sectors currently (and which have persisted for many years in fact) and in the years ahead.

However, this scoping paper has simply been an exercise to ‘scope’ whether sufficient arguments exist to develop a strong case for shared education and ‘what next’ for research. It has not undertaken the comprehensive analysis and consultations that would be needed to make a ‘full proof’ case, though it has ‘scoped’ whether information exists that would allow such comprehensive analysis to be done.
To conclude the scoping paper, we briefly set out below a ‘road map’ for the next, more comprehensive research phase, which we feel would be necessary to develop this ‘full proof’ case for increasing all appropriate forms of shared education in NI. The title of the research might be ‘Study into the viability and impact of alternate primary and post-primary education delivery options’. Ideally this research phase would be led by a steering group of key stakeholders, involving DE, DFP, DEL possibly (or at least further education colleges), education & library boards, representatives from the various school management types, the Education & Skills Authority, IEF, SIB and union representatives for teachers etc. (Note this is a rather long list so it may be necessary to have two levels of steering groups with a smaller group that would meet and manage the research on a more regular basis)

The terms of reference for what this research might cover are as follows. (Note: it is quite possible that DE or other organisations may have already undertaken elements of this work programme, in which case emphasis would be on reviewing and using existing relevant material rather than duplicating already existing work by primary research methods, and undertaking additional research to fill gaps and add value.)

- **Part 1 – Viability of existing primary and post-primary provision**
  - A detailed examination of individual school enrolment numbers (today and projected) and their spatial spread (looking also at travel distances), identification of unviable schools (based on the Sustainable Schools Criteria minimum threshold\(^7\)), quantification of the need for new amalgamated schools (assuming unviable schools are closed) and their optimal location (including mapping of optimal locations)
  - Benchmarking excess capacity provision with other GB regions and ROI, and internationally with leading education countries (e.g. Finland) with attempts to control for rurality
  - Comparison of the above analysis with DE new school build plans and DE assessments of individual school sustainability according to the Sustainable Schools Criteria (and what plans are for schools not classified as sustainable)
  - Assessment of the practical appropriateness of the Sustainable Schools Criteria in the current fiscal environment and best practice elsewhere

- **Part 2 – Development of alternative education delivery options**
  - Research into alternative education delivery models (though not necessarily limited to shared education models), particularly in countries with a similar urban-rural population structure and GVA per head as NI, where shared education practices are more common, education performance ranks high internationally and where fiscal constraints have led to major changes in education delivery (including case studies of both successful and less successful change). Sweden and Canada, which successfully reduced fiscal deficits and have strong education records, may be examples of suitable case studies.

- **Part 3 – Financial costing of alternative education delivery options**

\(^7\) And adjusting these thresholds to test for sensitivity
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- Estimation of the full financial costs (recurrent and capital) and savings generated from alternative education delivery options. Note: we would propose a long time-frame for this analysis of 25 years minimum

- Options should include the ‘status quo’ and alternative forms of shared education, ranging from greater collaboration between schools to school closures and new build, including new build of integrated schools, and any other delivery options suggested by part 2

- Note: for the ‘status quo’ scenario it will be necessary to understand current and future maintenance and capital spend requirements

- Financial costs and savings would need to capture, among others, teacher recruitment / redundancy costs; rebuild, refurbishment and maintenance costs; and any income generated by sharing facilities with paying external customers

Note: as part of the work for this scoping paper, we have developed an understanding of the schools’ funding model / single formula - the Common Funding Scheme. Given monetary values are set for each factor in the formula which determines the size of the Aggregated School Budget, we believe it will be possible to apply the Common Fund Scheme formula to project ahead financial costs for alternative education delivery models.

- Comparison of net financial costs of each delivery option against the most likely projected budgetary resources available to the primary and post-primary sector, factoring in the potential 25% real cuts in spending over the next 4 years (and projecting beyond this 4-year period), new policies in the CSR and greater detail on the nature of education cuts, and likely decisions the Executive will make with respect to education and budget allocations from the block grant.

- Part 4 – Wider impact of alternate education delivery options

Financial cost implications, while important, should only be seen as one important outcome to consider in assessing the impact of alternative education delivery options. In order to arrive at an optimal delivery solution for the NI education sector, within the constraints of expected long-term budgetary resources, wider impacts should be assessed and quantified where possible for the following (for each option):

- Impact on the Schools Sustainability Criteria, particularly accessibility and local community impacts

- Impact on the utilisation of and quality of the school estate

- Impact on levels of education attainment

- Impact on meeting the ‘Entitlement Framework’

- Economic impact in terms of education jobs and construction jobs (related to maintenance, refurbishment and new builds) gained / lost, as well as multiplier effects (and future recruitment needs for the education sector which could inform intake levels to teacher training colleges)
- Sub-regional economic impacts (including TSN-type impacts) and knock-on effects for the economic sustainability of local communities

- Environmental / carbon footprint impacts from shifts in travel to school patterns and implications for transport infrastructure demand

- Net land requirement impact from closing / building schools (which may be important for planning purposes)

- Impact on the PfG ‘shared future’ priority of developing a ‘tolerant, inclusive and stable society’

- **Part 5 – Optimal delivery solution for NI primary and post-primary education**

  Based on all of the above, develop a recommendation for the optimal solution for NI primary and post-primary education provision, which takes into account fiscal affordability and a much wider set of parameters and factors, including DE’s own policies for provision (e.g. Sustainable Schools Criteria).

  Note to engender ‘buy in’ and gather important inputs from key stakeholders, it is implicitly assumed that each of the four research parts above would be guided by an extensive consultation phase, with presentation of research findings being made at key junctures in the research.
Annex A: References

New Procurement and Delivery Arrangements for the Schools’ Estate, PricewaterhouseCoopers, 2005

A Shared Future: Office of the First and Deputy First Minister, 2005


Towards a Culture of Tolerance: Integrating Education, Department of Education, 1998


Research into the financial cost of the Northern Ireland divide: Deloitte, 2007

Inter-school collaboration: a literature review: nfer at Queens, 2007

Integrating Education: case studies of good practice in response to cultural diversity: School of Education at Queens University Belfast

Integrating education in Northern Ireland- Integration in Practice; Participation, profile and performance, 2003

Post primary review: Core Principles Commission for Catholic Education, 2007

School Collaboration in Northern Ireland, Opportunities for Reconciliation, School of Education at Queen University Belfast, 2008

Education and a Shared Future, Queens University Belfast, Community Relations Council

Strategic Review of Education, Sir George Bain, 2006

Ensuring the Good Relations Work in our School Counts, Community Relations Council and Equality Commission, April 2010
Annex B: Overview of existing relevant research


Purpose of the report

“To examine funding of the education system, in particular the strategic planning and organisation of the schools’ estate, taking account of the curriculum changes, including the wider provision for 14-19 year olds, and also demographic trends.”

The full terms of reference of the report are set out under three headings: Financial Issues; Strategic Planning of the School Estate and Integrating Education & Improving Collaboration.

Key findings

Financial issues

- The report looks at the distribution of resources in the multi-sector education system and the efficiency in the delivery of the education system,
- The report compares the funding in the education system in Northern Ireland to that of the other regions in the UK.
- Pupil teacher ratios are compared across Northern Ireland
- The report looks at the size of schools as well as at the locality (urban or rural).

Strategic planning of the school estate

- The report investigates the best way to utilise investment in order to make sure that the money is used in the most cost-effective way.

Integrating education & improving collaboration

- Investigates how the planning of the school estate can improve and support inter school collaboration.
- Highlights the role of the Department of Education with regards to encouraging the establishment of integrated schools in Northern Ireland
- Considers how best to use investment in the development of integrated and shared education.
Research into the financial cost of the divide Deloitte (2007)

Purpose of the report

The overall aim of the research was to conduct a thorough investigation of the financial costs of the NI divide and identify the financial costs of division to NI as they relate to service provision.

The report investigated various sectors including education, health and policing, looking more specifically at the policy overview, service delivery and what costs are directly caused by the divide.

Key findings

The report focuses upon the complex multi-sector and costly schools system in Northern Ireland stemming from the religious divide.

Furthermore the report also identified the potential savings that could be created if schools consolidated.

Declining pupil numbers in Northern Ireland due to demographic change is directly creating a surplus in the education system; therefore there is a strong case for collaboration and consolidation.
Schools for the Future: A Policy for Sustainable Schools Department of Education

Purpose of the report

The report examines the issues relevant to achieving sustainability of schools which should be central to the planning of future school provision. The objective is to improve the quality of education offered to pupils of all ages and backgrounds.

Key findings

Annex A in *Schools for the Future* lists the six criteria and recommendations stemming from the report.

- A P.S should have a least 7 classrooms
- Minimum enrolment 140 in rural areas and 105 in urban areas

- Special needs facility
- Minimum of four teachers in primary schools
- Availability of extracurricular activities
- A high quality of physical environment
- Availability of pastoral care

- Degree of involvement from parents.
- Presence of other provision i.e. nursery
- Multi use of the school building outside formal hours

- Home to school; less than 30 minutes each way for a primary school pupil and 45 minutes each way for a secondary school pupil.

- The school should be able to survive without its delegated budget.
- If there is a deficit the school should be able to recover or reduce it.

- School development plan
- Issues discussed: pupil behaviour; staff morale; wages and turnover as well as absenteeism
- Management of curriculum
Annex C: NI education funding model (supplementary detail)

The role of the Local Management of Schools LMS Unit in education & library boards is to aid school principals and Boards of Governors in financial planning and management. The administration of the LMS Financial Scheme is the responsibility of the LMS Unit in each of the five Board areas.

- The Local Management of Schools formula is a model to allocate resources to schools which the Area Board has responsibility for funding.
- The Area Board establishes a General Schools Budget (GSB), i.e. the total funding to be provided for the direct and indirect costs of all controlled/maintained nursery, primary and post-primary schools for the forthcoming financial year.
- The Area Board identifies Mandatory and Discretionary Exceptions and reduces the GSB by the amount to be spent on those exceptions to calculate the Aggregated Schools Budget (ASB).
- Mandatory Exceptions are those items which the Department of Education has decided must be held centrally by the Area Board, for example, redundancy payments.
- Discretionary Exceptions are those items which the Department of Education has decided may be held centrally by the Area Board, for example, the cost of teachers in Special Units.

The ASB is the money available to be delegated to schools by the application of a formula. The main elements of the LMS formula are:

**Age weighted pupil units (AWPUs)**
DENI Circular 1990/10 decrees in order to ensure that need is met and that schools have a clear incentive to attract and retain pupils, the total resources allocated on the basis of the numbers of pupils weighted by age should account for at least 75% of each Area Board's Aggregated Schools Budget. Circular 1990/10 interprets age as the year group in which a pupil is enrolled. Each year group is assigned weighting.

The pupil numbers for age-weighting purposes are derived on the basis of 5/12th actual numbers at the given census date in October plus 7/12th of the projected numbers for the following October. This 5/12th and 7/12th split reflect the portions of two school years which fall within a financial year.

Over/under estimates in the projected figure will be identified and budgets adjusted accordingly in the next year at the cash value of the AWPU in the new year.

**Small schools protection**
This factor allocates additional resources to enable smaller schools to meet the curricular needs of pupils.

**Special needs**
This factor allocates resources to provide support for pupils who have special needs but are not statemented - for example, remedial pupils.

**Social deprivation**

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8SEELB [http://www.seelb.org.uk/school_man_new/lms.cfm](http://www.seelb.org.uk/school_man_new/lms.cfm)
This factor allocates resources to schools to enable them to counteract the effects of social deprivation among pupils.

**Premises costs**  
This factor allocates resources for premises costs. Money is allocated on the basis of pupil numbers and the area of school buildings.

**Teachers’ salary protection for small schools**  
This factor allocates additional funds to take account of the difference between actual and average salary costs in schools which have fewer than 12 full-time equivalent teachers in the given assessment period. Funding is allocated on a sliding scale.

- The total allocation for those factors which are not to be directly related to pupil numbers is set aside. This sum must not exceed 25% of the aggregated schools budget.

- The balance of the ASB is distributed according to each school's (AWPU) total

- Each school's budget is made up of the sum determined by its AWPU total plus any allocations for those factors which are deemed not to be directly related to pupil numbers

- The Area Board has to consult on changes to its LMS Scheme, and it is in the interest of all schools to respond to the consultation.

- The Area Board needs the approval of the Department of Education for changes to its LMS Scheme.

- The Minister of Education has decided to move towards greater commonality of LMS Schemes in Northern Ireland, to ensure that all schools receive an equitable level of funding, regardless of whether they are funded by one of the five Area Boards or DE. Further information about the changes that will occur as a result of this process will be sent to schools as it becomes available.
# Annex D: NI Sustainable Schools Criteria (supplementary detail)

<table>
<thead>
<tr>
<th>Criterion</th>
<th>Indicator</th>
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<tbody>
<tr>
<td><strong>A: Quality educational experience</strong></td>
<td>1.1 Attainment levels of pupils. Key Stage tests pending development of new indicators for Primary Schools, GCSE results for Post-Primary Schools. &lt;br&gt;1.2 No more than two composite year groups in a single classroom at primary school level. &lt;br&gt;1.3 A minimum of four teachers at a primary school. This recognises both the needs of pupils and the demands on teachers. &lt;br&gt;1.4 The ability of the school to cater for children with Special Educational Needs. &lt;br&gt;1.5 The ability at post-primary level to be able to provide suitable access to the entitlement framework including, where appropriate, linkages with other schools, the FE sector or other providers. &lt;br&gt;1.6 The standards and the quality of learning and teaching at the school. &lt;br&gt;1.7 The range of curricular and extra-curricular activities available for children including career guidance, physical education, music, art, drama and science. &lt;br&gt;1.8 The quality of the physical environment for learning and teaching i.e. the condition, energy- and water- efficiency and suitability of the buildings. &lt;br&gt;1.9 The quality of, and arrangements for, pastoral care including the active promotion of the principles of social justice in all areas of the formal and informal curriculum.</td>
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<td><strong>B: Stable enrolment trends</strong></td>
<td>2.1 The enrolment trends in the school in the past three years and projected demand in the area. &lt;br&gt;<strong>Primary:</strong> &lt;br&gt;2.2 Ideally a primary school should have at least seven classrooms (one for each year group). The minimum (not optimal) enrolment for newly-established schools or existing schools should be 140 in urban areas and 105 in rural areas. &lt;br&gt;<strong>Post-Primary:</strong> &lt;br&gt;2.3 The minimum (not optimal) enrolment for newly-established schools or existing schools should be 500 pupils for an 11-16 school, i.e. an annual average intake of 100 per year. &lt;br&gt;2.4 The sixth form should be self-sufficient financially and have a minimum of 100 pupils. &lt;br&gt;2.5 Key Stage 4 and sixth form enrolments should enable pupils to spend 80% or more of their time in their home school.</td>
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<td><strong>C: Sound financial position</strong></td>
<td>3.1 The school's annual finances indicate that it can live within its delegated budget. &lt;br&gt;3.2 The school's financial trends indicate that it will continue to be</td>
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<td>Criterion</td>
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<td>able to live within its annually delegated budget.</td>
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<td>3.3 The school’s three-year financial plans, based upon realistic assumptions, indicate that where there is a deficit this can be substantially reduced or recovered.</td>
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<td>D: Strong Leadership and Management by Boards of Governors and Principals</td>
<td>4.1 Governors’ views on the school based on quantitative and qualitative evidence.</td>
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<td>4.2 Composition of Board of Governors – skills and experience of Board members and number of vacancies.</td>
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<td>4.3 Management of staff attendance and absenteeism.</td>
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<td>4.4 Levels and nature of staff turnover and unfilled staff vacancies.</td>
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<td>4.5 Teacher morale.</td>
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<td>4.6 Management of curricular and organisational demands on the principal and staff.</td>
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<td>4.7 Ensuring that the resource allocated is available so that the principal has at least 1 day per week to attend to leadership and management duties.</td>
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<td>4.8 There is a school development plan in place and progress is being made to achieve the plan’s aims and objectives.</td>
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<td>4.9 Pupil behaviour, expulsions, suspensions and non-attendance as well as positive behaviours such as involvement in school management (e.g. ‘buddying’ and mentoring schemes).</td>
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<td>E: Accessibility</td>
<td>5.1 Home to school transport travel times of less than 30 minutes for primary pupils (i.e. 1 hour per day in total) and 45 minutes for post primary pupils (i.e. 1.5 hours per day in total).</td>
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<td>5.2 Distance to another suitable primary school.</td>
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<td>5.3 Existing co-operative arrangements with other schools and further education colleges/training organisations - max travel time 30 minutes for a single journey and total of 2 hours per week.</td>
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<td>5.4 Capacity in nearest schools.</td>
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<td>F: Strong links with the community</td>
<td>6.1 Degree and quality of parental involvement (schools will be asked to provide evidence on this).</td>
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<td>6.2 Number of children in the vicinity attending (and not attending) the school.</td>
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<td>6.3 Contribution of the school to the community (schools will be asked to provide evidence on this).</td>
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<td>6.4 Presence of other features of provision, e.g. nursery or specialist unit.</td>
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<td>6.5 Multi-functional use of buildings outside formal education, for example, for sport, voluntary and community use.</td>
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Annex E: NI education attainment performance

Key Stage 2 and Key Stage 3

- KS2 and KS3 results show a wide variation in performance across different management types. The highest percentage of students gaining Level 4 or above and level 5 or above in English and maths is the voluntary sector. Performance across controlled, Catholic maintained and integrated schools is relatively uniform.

KS 2 and KS 3 performance in English and Maths by school management type

GCSE and A-Level

- GCSE attainment in controlled schools is marginally lower than in Catholic maintained and integrated schools. However, GCSE attainment is well below attainment in Northern Ireland’s grammar schools.

- Performance at A-level across different management types is relatively similar when analysed using pupils achieving more than 2 A-level passes as the attainment metric. However, when
performance is analysed using pupils achieving more than 3 A-level passes as the performance metric. Grammar school performance is well above that of other types of schools.

**GCSE and A-level performance by school management type**

![GCSE pupil attainment (\%)](image1)

![A Level pupil attainment (\%)](image2)