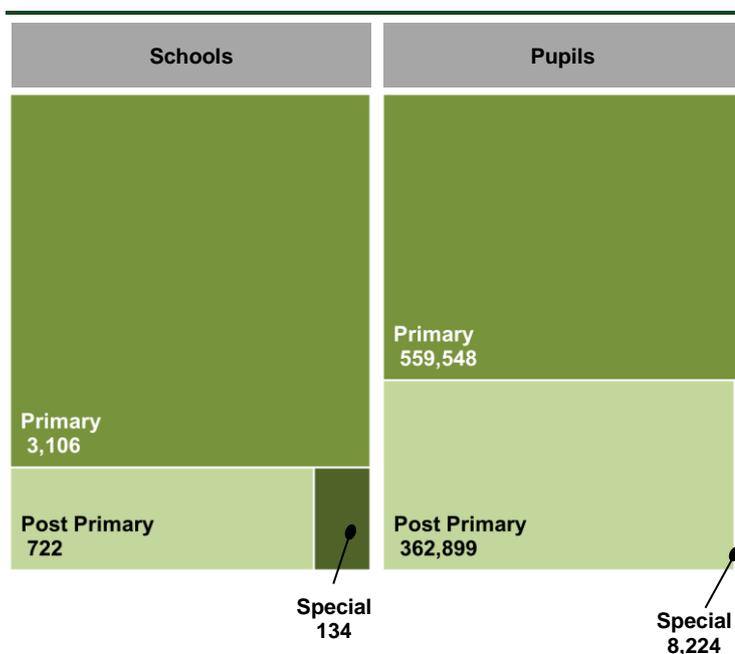


8 Management of the schools estate

- 8.1** The Department of Education and Skills (the Department) has overall responsibility and oversight for the management of the nation's school estates. This accommodates just under 4,000 schools catering for around 931,000 pupils (see Figure 8.1).
- 8.2** The Department provides capital funding under the free education scheme to non-fee paying schools for site acquisition, major and minor capital works and maintenance.¹ All schools are eligible to apply for funding under the Emergency Works Scheme (EWS) for urgent works, as a result of an emergency situation or on receipt of an enrolment application from a special needs pupil.
- 8.3** During the period 2012 to 2019, the school sector has benefitted from substantial investment in the estate, with a significant number of new schools and major extensions completed. In this period, the Department incurred capital expenditure of just over €4 billion for the sector (see Figure 8.2). Expenditure of €3.1 billion was incurred on the acquisition of sites and the completion of capital works projects such as the construction of new schools and extension and refurbishment of existing schools. The balance of €1 billion related mainly to summer, minor and emergency works and other capital related expenditure.
- 8.4** In 2019, €665 million was spent on capital works projects, of which €69 million related to site acquisitions.

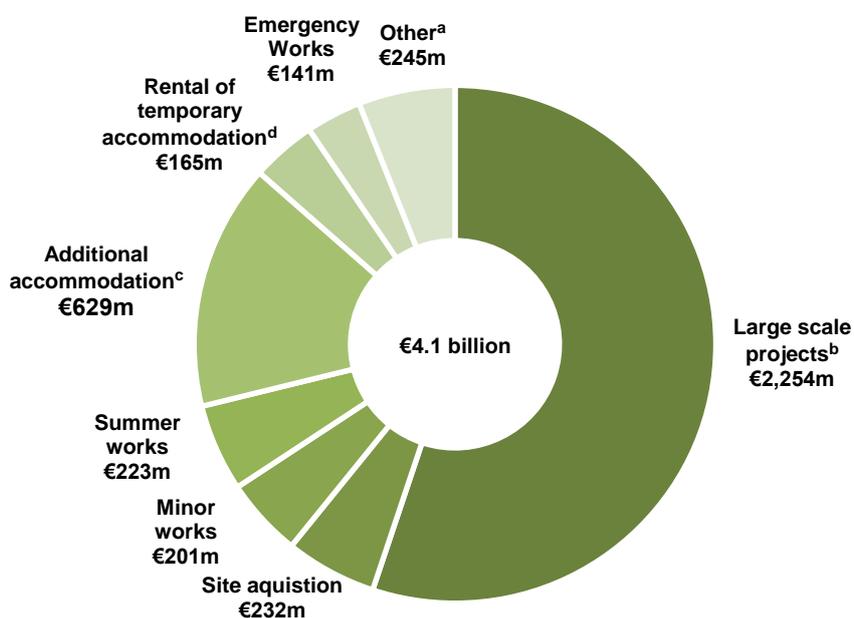
Figure 8.1 Overview of the school system, 2018/2019



¹ In general, fee paying schools do not receive capital grants or capitation payments. However, in 2018, ICT capital grants to the value of €689,500 were paid to fee paying schools and a further €268,500 was paid for other capital-related expenditure.

Source: Department of Education and Skills

Note: a Post-primary schools include 51 post-primary fee-paying schools with approximately 26,000 students.

Figure 8.2 Capital expenditure on the schools estate, 2012 to 2019

Source: Office of the Comptroller and Auditor General

- Notes:
- a Other includes expenditure on the replacement of prefabs, furniture and equipment, remediation of schools and other miscellaneous expenditure.
 - b Large scale projects are projects with expenditure in excess of €1 million for the construction of new schools or the extensions or refurbishment of existing schools.
 - c Under the additional accommodation scheme, schools can apply to the Department for approval to add a small number of classrooms or a special needs unit to their existing building.
 - d Total expenditure of €4.1 billion includes some current expenditure related to the rental of temporary accommodation.

8.5 Because the estate is valuable both financially and in terms of the function it serves in accommodating the school population, it needs to be well managed and maintained. The primary objectives are to

- make the best use of the existing resources, and
- ensure that any future investment is based on evidence that identifies needs in accommodating the school population and prioritises available resources in addressing those needs.

8.6 This report looks at the Department's arrangements for

- monitoring the condition of properties within the school estate
- funding of maintenance and refurbishment of the school estate
- governance of ownership and control of properties within the school estate.

Monitoring the condition of the schools estate

- 8.7** A good estate management system should facilitate assessment of the condition of school property assets based on appropriate standards and their functionality by reference to factors impacting education outcomes. Information about the estate should be stored on a controlled and up-to-date asset management system, which should be the primary source for all school infrastructure data. The types of information that should, at minimum, be recorded on an estate management system are described in Figure 8.3.

Figure 8.3 Estate management system basic data requirements

An estate management system should hold key data about each school campus/site such as

- site size and ownership
- the area of the buildings including details of the building type, use and any temporary accommodation on site
- details about the condition and age of the buildings
- facilities available, including the nature of each space/room
- details about programmes of capital and maintenance works completed, underway and/or scheduled
- facilities management data.

Source: *Planning for School Infrastructure*, Audit Office of New South Wales, May 2017

- 8.8** The estate management system should allow assets to be viewed at a local area level to ensure that the buildings in a catchment area are fit for purpose and are used efficiently at a strategic/planning level, taking account of other relevant factors such as school transport networks, demographic data and housing development. In order to provide support for the planning, funding and prioritisation of decisions across the school estate, the estate management system should be regularly updated, and enhanced as required with up to date information on the condition of existing school buildings.
- 8.9** The Department does not currently have a centralised database/asset management system which collates in an integrated and systematic way information relating to the condition or age of school buildings or other details in relation to the type of building, for example, school buildings that may have heritage status and require special attention.
- 8.10** The absence of an adequate asset management system prevents the Department assessing reliably
- how the condition of the school estate is changing over time
 - the requirements for repairs, upgrades and, in extreme cases, replacement of schools.

Initiatives to develop a database

8.11 The 2011 – 2016 Programme for Government included a commitment that the Department's "central database of school accommodation will be overhauled to ensure a complete inventory of school buildings and associated structures is maintained so deficiencies are easily identifiable" with a view to developing a national inventory of school infrastructure. At that time the Minister stated "While we have significant information on facilities in individual schools, we currently have no structured system for gathering and storing this data nationally in a horizontal manner that facilitates decision making on a spatial planning level."

8.12 Since 2001 the Department has undertaken three pilot projects in relation to developing a national inventory database of school buildings. These are described below.

Co. Kildare inventory pilot — (2001 – 2002)

8.13 In 2001, the Department conducted a pilot project in Co. Kildare that collected comprehensive information about school accommodation in approximately 125 primary and post-primary schools. The information gathered included site survey drawings and building condition reports. The purpose of the project was to aid the long-term planning of capital provision through a detailed identification of accommodation needs via measured surveys and general building condition reports for each school. The project was completed in 2002. The resulting information was placed on a geographic information system (GIS) database. When completed and assessed, it was decided not to extend the survey to all schools nationwide based on cost, availability of staffing resources and the necessity to continually update reports.

Accommodation inventory (2010)

8.14 In 2010, an inventory of temporary and permanent accommodation, went live on an ICT portal (Esinet) used by schools.¹ Schools were invited to provide information about their buildings and it was intended that data gathered would be integrated into the GIS system. The Department has stated that while many schools submitted information, the inventory data has not been updated by schools in recent years. Given the pace of expansion of many schools, the current accommodation position on the inventory system is therefore unlikely to be correct.

Five areas pilot study — (2012)

8.15 A third pilot project in 2012 involved five areas — Tuam, Navan, Clonmel, Portlaoise and part of Limerick city. This project was intended to allow the Department to identify the best and most cost-efficient way to gather the information and to identify the data that would be most valuable and applicable for future planning purposes. It involved a detailed survey of existing school facilities in the target areas. The intention was to integrate more detailed school inventory information with data separately available from the GIS. The Department has stated that the outcome of this pilot project was assessed and an internal project team was appointed to progress the development of the inventory database on a prioritised basis for the rest of the country. The data gathered from these areas was integrated into the GIS system.

¹ Esinet is a platform for interactive communication between the Department and its partners, including schools.

- 8.16** With the completion of these pilot projects, the Department concluded that the approach adopted in the pilots was not appropriate for a nationwide rollout on the basis of
- usability and deployment of the approach
 - inability to maintain accuracy of the accommodation and condition report data on a sustainable basis
 - cost and
 - duration to implement.

As such the Department determined a different approach was required to develop and to roll out a centralised database/asset management system.

- 8.17** Except for the pilot areas, the inventory database has not been further developed and the condition of existing school properties at a catchment level is not, therefore, a factor taken into account when developing future schools or allocating funding for upgrades or repairs.

Department's information system

- 8.18** Since 2008, the Department maintains a national GIS database. Currently, the primary purpose of this database is to assist in planning for school places. The Department divides the country into 314 planning areas and uses information from a range of sources¹ to estimate demand for school places.

- 8.19** In October 2019, the Department sought to progress the development of a national inventory of school capacity. As part of the annual enrolment returns, schools were requested to provide information on the demand for school places, the school's capacity and the number of classrooms, including the number accommodated in temporary accommodation such as prefabs. This information was uploaded to the Department's GIS during 2020.

- 8.20** The Department has stated that it intends, as part of the October 2020 school returns process, to request schools to provide additional accommodation information, in relation to
- the number of rooms being used for special education teaching
 - whether there is a general purpose room or whether one is available locally
 - availability of hot water for hand washing for staff and pupils
 - the source of school heating (oil, natural or LPG gas, heat pumps, electricity, biomass pumps).

- 8.21** A fully integrated asset management system should include information on the condition of available existing infrastructure and maintenance requirements on a systemic basis. The Department still lacks such a system, which means that the allocation of funds for repair, maintenance and replacement continue to be based primarily on applications from individual schools.

- 8.22** The Department intends to develop the national inventory of school accommodation on GIS to support its energy retrofit programme. It is planned that this inventory will provide details on school building types, the gross floor area, building fabric and condition as well as the energy performance and energy consumption characteristics of each building.

¹ Sources from Ordnance Survey maps, child benefit data, and recent and planned housing developments.

School maintenance and refurbishment funding

- 8.23** Funding for maintenance, refurbishments and addressing emergency issues at a school can be obtained under one or more of three schemes, referred to as: summer works; minor works; and emergency works. An overview of each scheme is provided in Figure 8.4. The combined expenditure under the three schemes in 2019 was €86 million.

Figure 8.4 Schemes for maintenance and improvements of the schools estate

Scheme	Summer works	Minor works	Emergency works
Expenditure 2019	€31 million	€29 million	€26 million
Purpose of scheme	Funding to schools for small-scale works for completion normally during summer months.	Funding to primary schools only to allow small scale works and improvements to be carried out to their school buildings. The Department may advise school authorities to use the grant to prioritise some specific works.	This scheme ensures that funding is available to all schools in an emergency situation, or on receipt of an enrolment application from a pupil with special needs that will require equipment or special accommodation.
What type of work is covered	Mainly gas works, electrical works, mechanical works, roof and windows works.	Includes <ul style="list-style-type: none"> ▪ improvements to buildings and grounds such as re-surfacing of school yards, repainting and redecorating ▪ purchase of physical education equipment and furniture including ICT equipment. 	Addresses situations which <ul style="list-style-type: none"> ▪ pose an immediate risk to health, life, property or the environment, which was sudden and unforeseen and would prevent the school or part thereof from opening ▪ would prevent a special needs pupil attending the school.
How are grants allocated	Boards are required to submit, along with the application, evidence of the condition of the current facilities, technical reports and cost estimates to the Department. Grant approvals are issued after reviewing these items. Schools may apply for one small scale project only per year.	Funding is distributed under this scheme using fixed sums per pupil and per school. Funding is made available to all primary schools for the school year, made up of €5,500 basic grant plus €18.50 per mainstream pupil and €74 per special needs pupil attending the school.	Applicants have to provide evidence of the emergency situation and a cost estimate to the Department.

Source: Department of Education and Skills

- 8.24** In addition to these three schemes, part of the annual capitation grants paid to schools¹ may be spent on general maintenance at the discretion of the school's principal or the board of management. In 2019, capitation grants totalling €204.1 million were paid to primary and post-primary schools in the free education scheme. It is not possible to estimate the amount spent on maintenance as this is not reported to the Department.

- 8.25** Because second level schools are not eligible to apply for minor works grants, they therefore must rely largely on capitation grant payments and their non-pay grant income for the general upkeep of the schools.

¹ Capitation grants are paid to primary and voluntary secondary schools based on the number of recognised pupils enrolled in the schools.

Estate management by individual schools

8.26 Good estate management at an individual school level requires effective planning and management and access to good information. At a school level, the following elements would normally be required

- information on land and buildings, including the condition of each element of the schools estate
- details of energy and water usage
- information on health and safety and statutory compliance requirements
- a maintenance plan including a priority list of estate maintenance projects to be completed in the next year, two years and five years.

Guidance for schools

8.27 The Department has stated that it is the responsibility of school boards of management to ensure that their schools are properly maintained. In 1998, the Department issued a manual in relation to maintenance for primary schools. Since then, it has not issued any further guidance in relation to estate management.

8.28 The UK Department for Education has issued recent guidance to assist individual schools to manage their own school estates.¹ This identifies the most important issues for those responsible for management of school property and premises. The guidance also includes checklists for school managers to aid them in ensuring

- that their premises are safe and suitable and that the risks associated with their buildings are identified and managed
- the land and buildings are managed effectively and efficiently.

8.29 The checklist aims to focus timely attention on critical areas which could lessen the need for significant capital expenditure and disruption in the future. The guide also describes the fundamentals of good estate management for schools and provides an overview of the important policies, processes and documents schools should aim to have in place. These include

- an estate vision, strategy and plan
- documented processes and procedures
- details of health and safety and statutory compliance requirements
- logs of estate maintenance
- details about the land and buildings
- procedures in relation to management of energy and water usage.

8.30 A key element required for effective estate management at school level is the development of a school maintenance plan including short and long term objectives, priorities for works, budgets and timelines. Understanding the condition of the estate potentially helps school boards to make informed decisions about the estate and to develop good maintenance plans. However, there is no evidence that schools generally have a coordinated planned approach to school maintenance.

¹ See *Good estate management for schools: tools, UK Department of Education, April 2018 (updated March 2019)*.

Governance of the schools estate

- 8.31** Traditionally, the Department relied heavily on educational partners (typically patron bodies such as church authorities) to provide sites for school buildings, the construction of which were subsequently funded from the Vote. Since 1999, the Department has directly acquired sites on which schools have been constructed and subsequently transferred to the control of school patrons and boards of management.

Schools on Minister-owned sites

- 8.32** The Department has stated that currently 13% of schools are built on Minister and Education and Training Boards (ETB) owned sites and that the remaining sites are owned by the school patrons. The Department maintains ownership records of schools built on Minister-owned sites.
- 8.33** There are currently no lease agreements in place with patron bodies to govern the use and upkeep of schools built on Minister-owned sites. The Department commenced a process of preparing a new 'template' lease agreement for this purpose in 2011. The Department has stated that, following protracted engagement with the patron bodies over a number of years, the terms of the new school lease for schools on Minister-owned sites were finalised in August 2019. The Department has published a lease template and further information on its website. The Department is currently working with school patrons and the Chief State Solicitors Office (CSSO) on the implementation of these leases.
- 8.34** Under the Education and Training Act 2013 the disposal or leasing of ETB property is a reserved function of their boards. However, the Code of Practice for ETBs also requires them to obtain sanction from the Minister in respect of the disposal or leasing of property.

Schools on patron-owned sites

- 8.35** Traditionally, the Department has used legal instruments including charging leases and declarations of trust to secure the State's interest in schools built on patron-owned sites. They remain in place for a number of schools. However, these instruments proved to be cumbersome to maintain over time. Where these are in place, the Department has stated that it holds records for these schools. The Department have also stated that it does not track changes of ownership for patron-owned sites, and relies on the State registries maintained by the Property Registration Authority for this information.
- 8.36** In 2004, the Department received advice from the CSSO recommending that a 'deed of charge and covenant' would be a more efficient and effective mechanism to secure the State's interest in relation to schools built on patron-owned land.¹ This would set out a number of terms and conditions pertaining to the use of the school facilities and ensuring usage is in accordance with the Education Act 1998 and any rules, regulations and directives issued by the Minister.

¹ The year 2009 was incorrectly recorded in the original published report.

- 8.37** The Department has stated that it is engaging with the school patrons and the CSSO to finalise the form of the deed of charge and covenant and also to establish if an aggregated application process could be used to implement the deed. This aggregated application process would allow the deed to be registered against a group of schools for a patron as one application rather than registering deeds for individual schools in separate applications. Further engagement with the patrons, CSSO and the Property Registration Authority will be required to agree an effective aggregated application process.
- 8.38** The legal agreements relating to the protection of the State's interest were requested from the Department for a sample of 12 school projects funded under the *School Building Plan 2012 – 2016*. Of these, two were ETB schools where the Department relies on the statutory and governance relationship between the Minister and ETBs to secure the Minister's interest. Of the other ten schools, only one had an existing legal agreement in place. The Department also stated having regard to the community based nature of schools and the collaborative and mutually beneficial relationship which exists between the Department and school patrons and the very low rate of annual school closures, the risk of loss to the State is considered to be very low. In the unlikely event that it should arise, the Department states it would seek to enforce its equitable interest in the patron-owned schools to which it had provided capital grant funding. For the sample of 12 schools, new school leases are due to be implemented for eight Minister-owned schools, and deeds of charge and covenant are also due to be implemented for two patron-owned schools. The remaining two schools are operated by the ETBs.
- 8.39** The Department has stated, since 2011, that patron bodies of schools built on land owned by the Minister, have agreed to sign the appropriate lease agreements when they are rolled out.
- 8.40** 162 projects have been completed since 2012 on patron-owned sites (including ten Public Private Partnership (PPP) projects). The total investment is €847 million.¹ The absence of legal agreements between the Department and the relevant school authorities relating to these and earlier projects creates a risk that the Minister's investment is not currently safeguarded should circumstances change for the patron body. A further 32 projects have been completed on ETB owned sites with a total investment of €271 million. The absence of a legal agreement in these cases is not a concern because disposal of ETB assets requires the Minister's sanction.

¹ This figure includes capital costs incurred by the Department associated with ten PPP schools, such as site costs and development levies but excludes construction costs which are paid by way of monthly unitary charge, together with maintenance and lifecycle costs.

Recognition of assets

- 8.41** While the Department provides almost all of the funding for capital expenditure for schools, the related assets are not recorded in the Department's financial statements. There are differences depending on whether the site is owned by the Minister or not.
- Schools built on sites owned by the Minister are recorded in the Department's financial statements until such time as the project has been completed. On completion, the asset is transferred to the school's patron and removed from the Department's financial statements on the basis that control and management of the school has moved to the patron and the board of management. This is in accordance with accounting requirements for appropriation accounts. The Department treats the transfer of the control of the asset as a disposal for accounting purposes in its financial statements. However, ownership is not transferred. The Department's Planning and Building Unit maintains a portfolio of Minister-owned sites including properties which have been handed over to school authorities and sites under development.
 - For sites not owned by the Minister, capital funding is provided directly to the schools, ETBs and other patron bodies for the construction of new schools on these sites. The resulting assets are not recorded in the Department's financial statements.
- 8.42** Irrespective of site ownership, the property asset values are not recorded in the financial statements of the patrons/boards of management or of the ETBs. As a result, there is no effective mechanism to allow compilation of a valuation of the school estate.

Conclusions and recommendations

- 8.43** The 2011 – 2016 Programme for Government included a commitment to overhaul the Department's central database of school accommodation to ensure a complete inventory of school buildings and associated structures was established. Having this in place would support a more efficient approach to the management and decision making for the entire school estate and help identify deficiencies in the schools.
- 8.44** The Department conducted a number of pilot programmes in this regard but these have not been developed or rolled out for the system as a whole. The absence of information in a consolidated database in relation to the condition of individual schools within the school estate impacts on the efficiency of the processes the Department uses to
- plan and direct investment resources in an efficient manner
 - evaluate how the condition of the school estate is responding to investment and therefore to assess whether it is achieving its aims
 - make well-informed strategic decisions, including about the levels and distribution of funding.

- 8.45** The primary aim of the database currently in use by the Department is to identify the demand for and capacity to deliver school places in catchment areas. The Department accepts that the extent of information currently available on the condition, characteristics and features of school buildings is at a low level and that this will need to be addressed over a number of years to be of real value in order to identify and to prioritise schools where works are most needed. The Department noted that the development of a national inventory of school accommodation will support its planned energy retrofit programme and will assist in planning for future needs and for the reopening of schools following events such as a pandemic.
- 8.46** *The National Development Plan 2018 – 2027* includes a planned allocation of funds totalling €2.5 billion for school accommodation over the period. The Department plans to put more emphasis on maximising the use of existing stock through refurbishment rather than the construction of new schools. A comprehensive centralised database/asset management system to collate information relating to the condition of schools in an integrated and systemic way would enhance the efficiency and effectiveness of this approach.
- 8.47** The methods used by the Department to allocate funding for maintenance and renovations of school property is primarily based on providing capitation grants or applications for specific grants. The Department is unable to estimate future maintenance costs on a 'whole of school estate' basis due to the absence of a centralised database/asset management system that provides details of the condition of schools. Without a method to allow assessment of need, based on the condition of each school, the Department cannot reliably target those schools most in need of funding.

Recommendation 8.1

The Department should conduct a survey of all school property (including sites/buildings acquired but not in use) in a consistent way using appropriate building and estate-management standards to assess their condition and their functionality by reference to factors impacting education outcomes.

Accounting Officer response

Agreed.

The Department's focus over the last decade has necessarily been on the delivery of additional capacity driven by demographic demands which reflects priorities set out in the National Development Plan. The development of the Department's GIS and databases, which now include a national inventory of school capacity, have necessarily reflected this priority and greatly assist the forward planning process.

Further development of the database to include details in relation to the fabric and condition of school buildings together with data on their energy consumption is planned. This information will be important to support the planned rollout of a national deep energy retrofit programme from 2023 onwards for schools built prior to 2008.

- 8.48** Boards of management or school principals have direct responsibility for maintaining schools. In 1998, the Department issued guidance to primary schools in relation to maintenance but has not issued any further guidance since then. There is little evidence that comprehensive preventative maintenance plans are in place generally at school level. The availability of such plans and their review by the Department would help to ensure that the available funding is allocated based on identified and prioritised needs.

Recommendation 8.2

The Department should issue guidance and good practice information to assist schools with their maintenance responsibilities, and in particular, to assist schools in the preparation of effective estate management policies and preventative maintenance plans. After a sufficient notice period, the submission of such plans should become a requirement where an application is made to the Department for maintenance or project funding.

Accounting Officer response

Agreed.

As a first step, the Department will formulate a programme plan to develop updated estate management guidance for schools and will work with education partners on the appropriate processes and timescales for their implementation. This will also reflect the planned rollout of an energy retrofit programme envisaged as part of the National Development Plan.

- 8.49** An estimated 87% of the school estate is on land that is not owned by the Minister or ETBs. Despite advice from the Chief State Solicitor's Office (CSSO) in 2004, and the expenditure of over €3 billion in major capital works in schools since 2012, the Department has not implemented legal agreements to provide for the continued use of funded buildings as educational facilities.¹ As a result, there is a risk that the State's investment may not be safeguarded should the circumstances of the patron change or the site is sold to a third party.

Recommendation 8.3

The Department should ensure that legal agreements are put in place between it and school authorities to ensure the Minister's interests are protected. This should be done as a matter of urgency.

Accounting Officer response

Agreed.

In respect of Minister-owned sites the Department is working with school patrons and the CSSO to implement the school leases.

In respect of patron-owned sites, a deed of charge and covenant is currently being prepared by the CSSO. To ensure the effective and efficient implementation, the Department, together with the CSSO, are investigating whether an aggregate application process can be devised to implement the deed by school patron for a group of schools rather than by individual schools.

¹ The year 2009 was incorrectly recorded in the original published report.

- 8.50** The Department provides funding for almost all of the expenditure incurred in relation to construction of the State's primary and post primary schools. Thereafter, the Department provides grants for additional works and for maintenance. The value of the related assets is not recognised in the Department's or the educational authorities' financial statements.

Recommendation 8.4

The Department should consider the appropriateness of the current accounting arrangements in which the value of taxpayer-funded assets are not recognised in the Department's or the educational authorities' financial statements.

Accounting Officer response

Agreed.

The Department will consider this issue and will also seek guidance, as appropriate, from the Department of Public Expenditure and Reform.

