

## **Northern Ireland Affairs Committee Call for Evidence Education Funding in Northern Ireland**

### **Response of the Association of School and College Leaders**

#### **A. Introduction**

ASCL is a leading professional body representing more than 19,000 members, including education system leaders, heads, principals, deputies, vice-principals, assistant heads and business managers of state-funded and independent schools and colleges throughout the UK. In Northern Ireland the association has approximately 200 members in more than 80 post-primary schools, across all sectors, the total enrolment of which equates to almost half of all pupils in secondary education and includes some of the largest schools in the Province. As a branch of the national association ASCL(NI) is able to contribute independently to the debate on education in the Province on behalf of its members and the children it serves. We work to shape education policy, provide advice and support to members and deliver high quality professional development across the sector.

#### **B. Executive Summary**

- 1 This submission identifies the predicament that education in Northern Ireland is currently facing. The financial crisis is the result of inadequate funding of DE by central government, insufficient funding of schools by DE and a financially and educationally unviable schools' estate. Unless the latter two are addressed, there will have to be a significant uplift in allocation of funds to DE to sustain the currently inefficient system.
- 2 This submission calls for:
  - a need to kick-start the recommendations (especially 1-11) of the 'Salisbury' Independent Review of the Common Funding Scheme (2013)
  - an urgent need for effective area-based planning to review the number of small schools and unviable Sixth Forms to achieve a sustainable schools' estate,
  - an increased allocation of resources to schools through the aggregated schools' budget,
  - the curtailing of educational initiatives, and
  - the funding of outstanding and future pay awards by central government

#### **C. Detailed submission by ASCL**

##### **Q1. Are the funds allocated to the Department of Education in the Northern Ireland Budget Act 2018 sufficient to improve educational outcomes in Northern Ireland?**

- 3 There are very limited funds at school level to meet the needs of all pupils. Many factors impact on funding at school level. These include
  - the block allocation to DE
  - the number of schools and different sectors
  - the proportion of DE funding allocated to the schools' budget (Aggregated Schools' Budget)
  - earmarked funding and other initiatives.
- 4 There has been no increase in school funding in real terms for the last 7-8 years and there is also the significant additional impact of beyond inflationary cost pressures in areas like heating and lighting, increased staff costs through incremental pay increases and additional employer National Insurance contributions. These inescapable costs have led to many schools returning deficit budgets, resulting in an unsustainable situation.

- 5 This situation has been extensively documented in the media during 2018. The Chief Executive of the Education Authority is quoted on 19 June 2018 by BBC as saying: *"It is very evident that there is not enough money to continue to run our education system as currently structured and schools are under severe pressure. It is very clear that for a significant number of schools, whilst they are doing all they can to reduce costs, there is little possibility of living within their budget without seriously impacting the quality of teaching and learning in the school. We need a new education model that is cost effective and sustainable for the future whilst also ensuring that our children and young people can be the best that they can be."* ASCL concurs.
- 6 ASCL contends that a careful approach, in the allocation of limited funds, is essential to ensure that targeted outcomes are achieved. This includes an urgent need for effective area-based planning to ensure that an educationally and financially viable school estate is arrived at. This includes implementing recommendation 10 of the 'Salisbury' Independent Review of the Common Funding Scheme (2013) in relation to post 16 provision: *In the long term, the panel is of the view that sites offering post-16 provision should be of sufficient size to be able to offer a broad range of opportunity to pupils within that site, with collaboration generally limited to more specialist provision.*
- 7 Fundamental to raising pupil outcomes is a committed and content teaching staff. ASCL would urge for comparability of pay across the United Kingdom. We note that no pay award was received for last year nor has one been agreed for 2018-2019. As an essential principle, all national pay awards should be fully funded by central government. The impact of not fully funding the pay award will bring schools to crisis point and place our members in an invidious position, making it necessary to set deficit budgets and leading to schools becoming insolvent. In order to maintain competitiveness in the labour market, ASCL believes that the annual pay uplift should apply to all teachers and leaders and that employers should ensure that their pay policies reflect this principle.

**Q2. How should the UK Government manage additional funding earmarked for education as part of the confidence and supply arrangement?**

- 8 To ensure the distribution is consistent and fair, it is imperative that any additional funding is allocated directly to schools within the current LMS funding formula so the money can be used directly for the benefit of pupils. It must not be used for the resolution of financial deficits, for artificially sustaining unsustainable schools or Sixth Forms or for unevaluated initiatives.
- 9 We note Recommendations 5-8 of the 'Salisbury' Independent Review of the Common Funding Scheme(2013):
- *The Department of Education should restrict the number of funded initiatives for schools both to minimise administrative costs and effort both at centre and within schools and to encourage greater focus and coherence of approach at school level.*
  - *The use of earmarked funding by schools should be effectively monitored, with appropriate interventions should expectations not be met.*
  - *An exit strategy for each funded initiative should be developed prior to its implementation, to alleviate the risk that progress achieved during the initiative will be surrendered upon cessation of the funding stream.*
  - *The Department of Education should review all current earmarked initiative funding to ensure that earmarked funding is the best approach and that funding would not be better used by being directly delegated to schools via the funding formula.*

**Q3. Are levels of capital funding sufficient to support investment in improvements to Northern Ireland's schools?**

- 10 No. ASCL notes and acknowledges the announcement made on 8 May 2018 by DE's Permanent Secretary, Derek Baker, of the first 25 schools which have been successful in the second call of the School Enhancement Programme. However, the association argues strongly that there is an urgent need for effective area-based strategic planning, which will address the duplication of provision of unsustainable schools and Sixth Forms. This would free up some resources to allow for essential capital spending within our education system to benefit all pupils.

#### **Q4. What are the areas of greatest need in the education sector in Northern Ireland?**

- 11 Schools do not have the financial resources at present to ensure that **all** pupils have access to a high-quality education. At the current time, all pupils are suffering due to the lack of funding at school level. Any reallocation of funding to specific groups within schools will have an even greater impact upon pupils in all schools.
- 12 An uplift in the DE allocation will only partially resolve the financial pressures on schools. Again, ASCL contends that area-based strategic planning is urgently required to address the duplication of provision of unsustainable schools and Sixth Forms thus freeing up resources to allow for essential capital spend within our education system to benefit all pupils.

#### **Q5. How can funding be best deployed to ensure value for money in education spending?**

- 13 This can best be achieved through a review of centrally held versus schools' delegated funding (approximately 62% for 2018-19). ASCL acknowledges that there are differences in the methodology for the distribution of education funding in England and NI. Moreover, the expectation of what educational provision an institution should provide from its delegated funding also differs. This makes direct comparisons across the UK difficult. Whilst both national systems hold central funds for services to schools and young people the patterns and classifications of expenditure are not directly comparable.
- 14 ASCL notes recommendations 1 and 3 of the 'Salisbury' Independent Review of the Common Funding Scheme (2013) with reference to a review of procurement procedures and financial management systems for controlled schools. In addition, ASCL again contends that there is an urgent and strong case for area-based strategic planning to address the duplication of provision of unsustainable schools and Sixth Forms, in order to free up resources to be allocated to sustainable schools for the benefit of all pupils.

#### **Q6. How can funding be used to support the different school sectors in Northern Ireland, including schools for children with special educational needs and disabilities?**

- 15 ASCL acknowledges the number of bodies, organisations and initiatives which currently are funded from within the DE allocation. The association notes recommendations 5-8 of the 'Salisbury' Independent Review of the Common Funding Scheme (2013) in relation to initiatives and earmarked funding and urges that these recommendations are revisited with urgency, together with a review of the functioning and effectiveness of all funded bodies. Any freed-up resources will always best be deployed at school level and would have the greatest impact within a revised schools' estate. ASCL argues that current financial arrangements are putting institutions and organisations first, rather than putting pupils first.
- 16 In summary:
  - More money needs to be made available at school level
  - There is an urgent need for effective area-based planning to review the number of small schools and unviable Sixth Forms to achieve a sustainable schools' estate. This should trigger appropriate capital spend.
  - Pay awards should be fully funded by central government
  - Funding of educational initiatives needs to be curtailed to allow focus on delivering for young people

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