

Expenditure Review

**Small and Rural Schools Initiative
and
Permanent Accommodation Initiative**

2006

**Department of Education and Science
Government Offices
Tullamore
Co. Offaly**

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Executive summary

The Comptroller and Auditor-General (Amendment) Act (1993) and the Public Service Management Act (1997) set the background for expenditure reviews in order to achieve economy, efficiency and effectiveness in the maintenance of systems, practices and procedures for the purpose of evaluating effectiveness and value for money.

In 2003 the Department of Education and Science (DES) introduced two pilot initiatives, the Small Schools Initiative (SSI) and the Permanent Accommodation Initiative (PAI), devolving funding and responsibility on school management authorities (SMAs) to enable them to manage and complete their own building projects.

It was decided to select these initiatives under the Expenditure Review Programme to determine their value to the building programme; and while this review is looking at the initial (relatively small) expenditure, an important point is that there is a significant number of schools where a building solution can be achieved in this manner. In other words, while the review is looking at the initiatives at a particular time, the value of the review is that it underpins the validity of significant prospective expenditure over the life of the capital envelope.

This expenditure review looked at each of the projects that were part of the 2003 initiatives.

The review established that

- SMAs taking part in the initiatives successfully managed the design and construction of high-quality renovation and extension projects
- SMAs typically addressed accommodation deficits in line with DES priorities
- the accommodation provided was compatible with educational requirements, and all health and safety issues were addressed in accordance with the schools' assessment of their requirements
- schools in the SSI had improved accommodation faster than had they progressed through the traditional school building programme
- schools in the PAI provided permanent accommodation rather than getting temporary prefabs, which traditionally would have been the DES response
- building projects completed provided value for money for the taxpayer
- 81% of SMAs would recommend the acceptance of future devolved initiatives if offered
- all SMAs were satisfied with the educational impact of the new accommodation.

The review also established that

- SMAs needed more advice and information on their duties and responsibilities as clients for building projects, for example in relation to public procurement, health and safety legislation, etc.
- funding was sufficient in relation to schools in the PAI
- schools in the SSI should have access to the Summer Works Scheme (SWS) to give them recourse to other sources of funding for planning projects that could be carried out over the summer holiday period
- funding control mechanisms have proved effective in both schemes.

The review recommends that the initiatives be expanded to form a permanent part of the school building programme in the future.

Terms of reference

The purpose of this review was to ascertain the effectiveness of the initiatives and to identify whether any efficiencies were achieved by the DES in devolving responsibility on SMAs to progress capital projects. In particular, the Department required to establish whether or not the initiatives should be expanded as a general scheme. It also sought to establish whether economies of internal resources, economies of outputs, improvements in speed of completion, effective provision of competitive tenders, for example state versus private sector, and value for money were achieved.

The terms of reference were as follows:

1. Analyse the development of thought for a devolved scheme.
2. Chronicle history of the Devolved Scheme: Purpose / objective.
3. Analyse the selection criteria.
4. Evaluate the effectiveness and efficiencies of the scheme.
5. Evaluate the control mechanisms.
6. Evaluate the key issues arising from the selection review process.
7. Evaluate the Value for Money: recommendations for future capital investment.
8. Recommendations for future policy issues within the Planning and Building Unit.

Research method

A questionnaire, drawn up by the staff of the DES, was completed during visits to the schools concerned and was supplemented by additional information obtained through a second questionnaire posted to the schools and by follow-up phone calls.

In the first questionnaire the following areas were addressed:

- the existing level of accommodation that the schools had before they were selected for building work and the assessment of the condition of the building
- the level of work achieved with the grant allocation
- the appointment by SMAs of a relevant consultant (or consultants), the consultant's fee, and their level of professional insurance
- clarification with the consultant and the SMA of their level of knowledge of the relevant Health and Safety Acts and compliance with the statutory regulations
- the brief for the project: what the school authorities were providing with their allocation, looking at how the school authorities gave priorities to their accommodation needs, and seeking information on how the project was advertised, how tenders were received, and how many were received
- information on contractors and their adherence to tax clearance and insurance requirements, the date the SMA and contractor signed the contract, and when construction began on the site
- comments of the consultant and the SMA in relation to the process as a whole, and the comments of the Department's reviewer.

Implementation of research and collection of data

Teams of reviewers, comprising one member of the DES's technical staff and one member of the administrative staff, visited all schools that were at the construction stage—a total of thirty-seven schools. Before each meeting the schools were contacted in relation to a suitable time for a meeting; they were also requested to have the chairperson of the SMA, the consultant (or consultants) and the principal in attendance. The availability of certain documents for the reviewers was requested, for example a copy of drawings, copies of local authority planning permission and fire certificate, copy of the advertisement placed in the local press seeking tenders for the project, etc.

In most instances all five people involved were active participants in these meetings, which were held in an informal atmosphere. DES officials queried the school authorities in a systematic way, using the survey form. It was emphasised at the outset that this process was to evaluate how the initiative was working. An important aspect of the survey was the ability of the SMA and the consultant to give their views on all aspects of the initiative. This was vital in seeking to establish how the pilot programme could be improved, extended, or altered.

The reviewers also visited the construction site and inspected the work completed so far. They met the consultant and discussed matters concerning the construction site. Supporting documents, for example photographs and copies of the drawings of the constructed building, were given to the reviewers for retention in DES files for future reference.

The preliminary inspection and evaluation of both initiatives was carried out in order to

- ascertain how the SMAs and their consultant (or consultants) were adapting to the

devolved mechanism

- collate preliminary results on the progress of the projects
- ascertain whether the SMAs, the consultants or the contractors were experiencing any difficulties in any particular area of the devolved process.

All data collected was reviewed to gauge whether the initiatives had achieved their objectives and whether they should be extended into full schemes in the future. (The findings are discussed in chapter 4.) The findings will contribute to the development of DES policy in relation to the need to balance the use of available funding to sustain small rural schools against the existing demand for new schools in developing urban areas where no school now exists.

Chapter 1

Introduction

Background

In 2003 the budget of the DES school building programme was €342.9 million. €5 million was allocated for drawing down in that year to a Small Schools Initiative for capital projects in small primary schools in rural areas. A further €2.6 million was allocated to providing additional mainstream classrooms. Two pilot initiatives were introduced, encompassing forty schools in all:

- the empowerment of small and rural schools (Small Schools Initiative)
- the Permanent Accommodation Initiative.

In both initiatives the funding would be provided to SMAs that would manage the building projects with minimal intervention by the DES Planning and Building Unit.

It was decided to select these initiatives under the Expenditure Review Programme to determine their value to the building programme; and while this review is looking at the initial (relatively small) expenditure, an important point is that there is a significant number of schools where a building solution can be achieved in this manner. In other words, while the review is looking at the initiatives at a particular time, the value of the review is that it underpins the validity of significant prospective expenditure over the life of the capital envelope.

The **SSI** was developed to assist schools that needed funding to improve their standard of accommodation by

- a. alleviating accommodation deficits through the construction of extensions,
- b. improving existing accommodation to ensure that it meets acceptable accommodation standards, or
- c. an element of both improvement to existing accommodation and providing additional permanent accommodation.

The difficulty for small schools was that their improvement projects had a lower band rating than other projects. This meant that small schools were waiting some time for the progression of their projects.

The **PAI** was aimed at devolving control over the planning and construction phases of small-scale additional permanent classroom accommodation work on SMAs. Up to 2003 the traditional approach was to provide funding for prefabricated classrooms. However, the DES had concerns over the rapidly increasing demand for, and associated costs of, providing temporary accommodation in primary schools throughout the country. This increased demand followed an increase in teaching resources in schools, improved teacher-pupil ratios, the allocation of resource and learning-support teachers, and increased numbers of special classes.

The DES considered that a better solution would be to fund the provision of permanent classroom accommodation. Specifically, this initiative applied to schools with an urgent need for additional classroom accommodation. The school could make use of system-build methods or traditional building methods to provide small-scale additional accommodation in a relatively short time, reducing the requirement for temporary prefabricated accommodation on the school grounds.

History of the School Building Section

To fully appreciate the rationale behind the evolution of the devolved funding mechanism, it is

important in the first instance to understand how the School Building Section operated in the past. Before the amalgamation of the Primary Building Unit and the Post-Primary Building Unit into the renamed School Building Section in January 2003 these two units functioned separately.

School building projects for either primary or post-primary schools were also divided into two principal categories:

Majors: this category comprised large-scale projects requiring significant capital investment (for example the construction of a new school, a large extension, or major renovation of an existing school)

Minors: these projects typically consisted of smaller extensions, roof repair work, window replacements, new boilers, mechanical and electrical work, etc.

The sole criterion used to distinguish a major from a minor project was the estimated cost of the completed project. In the case of primary schools, if a project was expected to exceed €317,500 (approximately £250,000) it was categorised as a “major” project; otherwise the project was considered a “minor” one. Similarly, for post-primary schools the monetary threshold was set at €635,000 (approximately £500,000).

Separating projects was necessary for a number of reasons, not least of which was that the rules and regulations governing the process of advancing a major project through the various design stages to construction are not practicable when it comes to the smaller projects. The DES’s guidelines dictated that large projects go through nine design stages, known as the “design team procedures.” (A brief synopsis of the nine stages is given in annex 1.)

In the case of minor (small and medium) projects, where planning permission may or may not be a requirement and the provision of detailed professional drawings may not be necessary, there was a need to develop separate guidelines and a suitable process for progressing such projects. A truncated version of the nine-stage system was devised whereby instead of requesting the submission of each stage in isolation, stages were submitted for approval to the DES in blocks. Stages 1, 2 and 3 were combined, as were stages 4 and 5. Instead of appraising five separate stages, therefore, the Department reviewed only two.

This accelerated method meant that a minor project could be fully appraised, designed and ready to go to construction in a shorter period, enabling greater certainty for both the DES and the SMA. The majority of small-scale building projects began on site during the summer recess.

These methods of processing major and minor applications served the Building Units well until 1997. However, from that point onwards circumstances dictated a radical reappraisal of the manner in which the unit operated.

1997 onwards: A changing environment

Notwithstanding the development, and relative success, of the truncated process for minor projects, three pressures combined to affect greatly the business of the Building Units:

- the availability of substantial additional capital funding for school building projects in annual budgets
- a dramatic increase in the number of applications for capital funding projects after 1997
- a Government decision in 1999 that the state would meet the cost of new sites and a significantly greater proportion of building costs in respect of education infrastructure at primary and post-primary level. The local contribution paid by schools towards the capital costs of new schools, renovations etc., both primary and post-primary, was to be capped at

10% or €31,500 (approximately £25,000) in respect of extensions and renovations, 5% or €63,000 (approximately £50,000) in respect of new schools, and 5% or €12,500 (approximately £10,000) in respect of work for special schools and disadvantaged schools.

The development of the economy saw increased funding voted to the Building Units in successive budgets from 1997 onwards. The total capital allocation for the Primary and Post-Primary Building Units for 1997 was €91.63 million; by the end of 2003 this figure had climbed to €326.96 million, an increase of 357%.

This dynamic was a “two-edged sword” for the Department and for SMAs seeking capital investment. The increased allocations made for real and significant improvements in the provision of the physical infrastructure of schools throughout the country. Before 1997, SMAs were facing a long wait for any meaningful investment, because of the level of funding available. Fewer SMAs had applications for building work with the DES, because traditionally they had to provide the school site and 10% of the total cost of the proposed work, including all associated fees. In 1999 these rules were relaxed as increased funding became available: the school now only had to contribute a maximum of €63,000 towards the cost of a project. However, at the same time the Government decided that the state would now find and purchase the sites required for new schools. This decision reduced the true level of funding available for building work, while at the same time there was an expectation in the minds of the public that because the level of funding allocated annually was increasing, the number of projects should also be increasing.

The demand from SMAs for a share of these scarce resources rose at a disproportionately high rate, to such an extent that there were 772 applications at different stages of architectural planning within the School Building Section at the end of 2003, excluding applications for temporary accommodation, improvement work under the proposed 2004 Summer Works Scheme, remediation programmes, and site acquisitions.

The result was an extraordinary increase in the level of operational work within the section. Additional administrative personnel were allocated to the section; however, staff members continued to be completely occupied with providing a reactive service, with little capacity to deal with the three main objectives of the section:

- the mission statement: to plan for and provide suitable cost-effective accommodation to underpin the provision of quality education
- the ability to formulate and evaluate policy options
- the critical task of monitoring the quality of service being provided.

The nine-stage architectural process can be both a lengthy and a complicated one. It requires a monitoring system of checks and balances that is essential to the integrity and concept of designing and constructing buildings to required construction standards and that also provides value for money for the taxpayer. It is also a highly centralised process.

In this context, “centralisation” defines the “hands-on” role played by the DES, whereby each stage is formally reviewed by the School Building Section before the project is allowed to proceed further.

Not surprisingly, this method had serious drawbacks for the smaller renovation and building projects. It was clear, therefore, that an alternative method of provision was required to meet the challenges now presenting themselves.

Strategic objective: Driving the policy change

The School Building Section had to consider the formulation and evaluation of alternative policy options to facilitate the speedy provision of quality education facilities consistent with the Department’s general objective of providing high-quality education that will (a) enable individuals to

achieve their full potential and to participate fully as members of society and (b) contribute to Ireland's social, cultural and economic development.

Three principal drivers supported the development of the method that would devolve funding and responsibility for the management of smaller capital projects on SMAs:

- the Pignatelli Report (1999)
- the Cromien Report (2000)
- the Programme for Government (2002).

The Pignatelli Report (1999)

The pressures placed on the School Building Section's staff resources as a result of the increased funding allocations after 1997 became clear during 1999 and created an urgent need to evaluate internal operational procedures. The School Building Section considered that a process must be established that would ensure that the schools most in need of capital investment were clearly identified and that a system of allocating priorities to projects under a number of headings or bands was necessary in order to achieve a structured approach to the provision and upkeep of the education infrastructure throughout the country.

It was believed that by the introduction of a priority banding system the school capital building programme would prove to be open and transparent in all regards, refuting publicly voiced concerns that the school authority that shouted loudest received priority. A further consideration was the perception that the rigid monitoring and "red tape" associated with all projects at the central level were a means for the DES to control the progression or non-progression of projects to construction, irrespective of any requirement to safeguard exchequer funds with regard to the quality, quantity and cost-effectiveness of education provision.

The School Building Section in late 1997 commissioned Prof. Frank Pignatelli, professor of management education at the University of Glasgow, to undertake the following tasks:

- to identify the criteria to be used in selecting school building projects for funding, taking into account the DES's policies and priorities in the area of school planning and the provision of school accommodation
- to undertake a process of consultation with the education partners to ascertain their views on the question of allocating priorities and, as far as possible, to take account of those views in any proposed new system
- to develop a system of allocating priorities to school building projects based on the criteria identified and the consultation undertaken
- to produce an action plan for the implementation, monitoring and review of the proposed system.

Prof. Pignatelli reported to the DES in July 1999. Based on his detailed consideration of extensive internal and external documents, discussion with DES officials, the examination of systems elsewhere, and detailed interviews with a wide range of organisations and bodies, the report concluded that

- it was unlikely that a points-based system would offer a sufficient level of objectivity or practicability
- a transparent system for allocating priorities to projects could be developed, based on the identification and application of explicit criteria and the development of a rigorous and transparent project-tracking system

and recommended

- a clear identification of categories of projects to be approved for funding
- the allocation of project proposals to a limited number of designated priority bands linked to publicly available and consistent criteria
- the arranging of projects by priority within bands, taking account of professional, technical, financial, administrative and policy considerations and the tracking of such factors
- the progress of individual project proposals by means of a succinct project control sheet, available for every project proposal.

Prof. Pignatelli's recommendations were adopted in 2000.

The Cromien Report

The "Review of the DES's Operations, Systems and Staff Needs, October 2000," compiled by Seán Cromien, former Secretary-General of the Department of Finance, is a watershed document in the history of the DES, as it was the first occasion when an independent evaluation was carried out into all the Department's operations. A major part of the report dealt with the scope available to the DES in devolving work on outside bodies. This would have the advantage of freeing the Department from much of the volume of individual case work and allow it to concentrate on more strategic issues. With regard to the School Building Section, the recommendations of the Cromien Report would reinforce the already-held belief that, "due to the extraordinary increase in the volume of work in the various sections," there was an urgent need to change to operational procedures.

Central to the lessening of the Department's control over projects is the need to make SMAs and their appointed design teams more accountable for the work they do. Instead of the Department overseeing every stage of a project, the responsibility for completing each stage within the terms of the original brief and budget would move to the SMAs.

In the formulation of the devolved programme, the following recommendations in the Cromien Report were closely observed and incorporated in the framework of the programme:

- any moving of work outside the DES should be undertaken only where there are adequate arrangements for proper accountability
- the policy function would remain the responsibility of the DES
- the programme structure must be responsive to proper evaluation methods
- the devolved funding mechanism should be implemented in a phased manner.

The Cromien Report was a central factor in the determination of the Department's Top Management Group (TMG) to introduce pilot devolved schemes.

Programme for Government

Central to any proposed change in policy within Government Departments is the will to embrace such change. The School Building Section's engagement of Prof. Pignatelli to report on an open and transparent form of identifying priority capital projects as part of its own internal review of processes, and the Cromien Report's identification of the need for alternative ways of providing a better and more efficient service to its customers, were clear indications of the willingness within the DES to effect change.

The banding of priorities for projects set out in the Pignatelli Report was introduced in 2000. The Post-Primary Building Unit's introduction of the "all-in grant" mechanism, also in 2000, went some way towards achieving the notion of real devolution. The all-in grant was inclusive of all building costs, professional fees, local authority development charges and VAT and was aimed at smaller improvement projects, such as the renovation of science rooms, replacement boilers or windows, the upgrading of hard-surface play areas, etc.

A speedier mechanism was achieved in individual instances. However, because the grants were

made only within bands, and not arranged according to priority within such bands or as a specialised sub-programme, this mitigated against the application of suitable evaluation techniques to fully appraising the impact of this method of funding. If an informed judgement was to be reached about the long-term viability of this radical method of funding, it was clear that a grouping of like projects into a pilot programme was of critical importance. It was in this context that the Primary Building Unit began the process of putting together a suitable framework for a devolved scheme in late 2001 or early 2002.

The combined evaluation of the Pignatelli Report, the Cromien Report and the decision to implement the policy change at ministerial and Government level cleared the way for a trial of the devolved mechanism. The Programme for Government (June 2002, p. 23) specifically noted that “changes will be introduced to the method of completing building projects in such a way as maximises the level of devolved activity at local level,” and the Government Progress Report on the Implementation of the Programme for Government (August 2004, p. 77) referred to progress on the initiative: “A devolved building initiative was introduced in the Capital Programme for 2003 for small rural primary schools. Fifty school communities will benefit from this pilot initiative in 2004.”

Chapter 2

Evolution and administration of the devolved initiatives

Relevance of the initiatives in supporting school requirements

The School Building Section of the Department of Education and Science has historically played a reactive role in the provision of education infrastructure at both the primary and the post-primary level. Educational accommodation in Ireland is predominantly privately owned but operates within the free education system, and therefore any requirements for capital resources must be sought by the school management authority in the first instance.

The development of the economy after 1997 made additional funding available in the voted capital allocations for school buildings in successive years, and these brought an increased volume of applications for building work from school management authorities. Because of the increased volume of applications for grants, and the acceptance that the applications were legitimate, projects were progressed into architectural planning and design. However, this process led to a bottleneck in the system of provision, and the School Building Section found that while the applications for capital work were warranted, the time limits for the completion of the work were excessive, for a number of reasons but mainly because of the inability to complete the process under the traditional methods with the existing available resources.

The approach of the Department of Education and Science to small primary schools is based on current Government policy: that one-teacher schools with twelve pupils should be allocated a second teacher. The clear import of this policy is that the existing network of small schools should be supported and maintained where possible.

The School Building Section looked at alternative ways of providing smaller building projects by means of a devolved initiative. Schools with four teachers or fewer accounted for the largest proportion of primary schools, and it was considered reasonable to carry out building projects in these schools by devolving funding and responsibility on the SMAs.

Evolution of the devolved initiatives

Since 1997 the DES had provided some devolved funding to all primary schools. The minor works grant provided limited funding to schools to enable them to carry out small-scale capital projects, such as replacing windows and doors, roof repairs, resurfacing the school yard, the upkeep of mechanical and electrical services, and the purchase of furniture, equipment, floor covering, and window blinds. If no outstanding improvement work was required, schools could buy items of equipment for use solely by the school, for example photocopiers, computers, lawnmowers, and overhead projectors.

Under the scheme, £2,000 (approximately €2,540) was allocated as a basic grant to each school, topped up by an amount of £8 (approximately €10) per pupil. In April 2000 the amount given as a basic grant was increased to £3,000 (approximately €3,810), and the pupil element of the grant was increased to £10 (approximately €12.70). This was the Primary School Building Unit's first attempt at devolving authority and responsibility on the SMAs for capital investment, and it was well received by the school authorities.

Following the Cromien Report and the Programme for Government, a working group was established, comprising senior members of the School Building Section's administrative and professional technical staff as well as members of the Inspectorate, to draft a programme for devolving building work on school authorities. The working group met on a number of occasions to establish the extent of the proposed schemes, the availability of funds for this initiative, and the introduction of the operational procedures required to ensure adequate arrangements for accountability, both internally and externally.

The deliberations of this group contributed to the eventual Small Schools Initiative (Empowering Small and Rural Schools). The second initiative introduced—the Permanent Accommodation Initiative—resulted from the Department’s concern at the amount of money being spent annually on prefabricated accommodation.

Objectives of the 2003 devolved initiatives

In introducing these initiatives, the DES wanted to achieve a number of objectives. Firstly, it sought to develop a method that would provide schools with devolved funding to enable SMAs to carry out high-quality building projects.

Secondly, the method would need to be administratively efficient and to reduce unnecessary interaction between the Department and SMAs, which logically would lead to a quicker turnaround for projects.

Thirdly, projects completed would need to provide value for money for taxpayers, as well as greater cost-certainty for SMAs and the Department. In this context the Department wished to see public funds used in a value-for-money fashion. In conjunction with this, a more concise and speedy approach was required in dealing with smaller-scale building projects. The Department also sought to establish whether locally procured buildings would have a lower basic building cost (BBC). Differences in cost between urban and rural projects in the past were noted by the School Building Section. A further requirement of the initiatives was to ensure the construction of robust and durable buildings. At the introduction of this initiative the Department’s BBC was €1,015 per square metre, including VAT, for new building, exclusive of abnormal work, external work allowance, consultants’ fees, and furniture and equipment.

Finally, the funding method to be used would be simple and would remove the local contribution interaction with the SMAs, which was time-consuming.

Small Schools Initiative (SSI)

The SSI was established to provide devolved funding for schools with four classrooms or fewer and to enable SMAs to improve their buildings, in the following order of priority:

1. serious health and safety concerns
2. special-needs provision, provision of additional accommodation
3. additional or replacement mainstream classrooms
4. ancillary accommodation, for example library, general-purpose room, storage, etc.
5. external work, for example hard-surface play areas.

By devolving on the SMA the funding and the responsibility for progressing and managing the building project without the necessity of obtaining Departmental approval for each and every stage of the design and building process it was hoped that the time scale for the production of the final product would be greatly reduced and that SMAs would get improved accommodation faster.

Application and award: Selection process for the SSI

Schools were selected on the grounds that

- the SMA had recently submitted an application to the Planning and Building Unit for improved accommodation
- the condition of the accommodation was considered to warrant inclusion of the school initiative
- the present and long-term enrolment, as assessed by the DES, would not warrant the provision in the foreseeable future of more than four standard mainstream classrooms (excluding all ancillary and specialist accommodation)

- architectural planning had not already been approved by the Department for a building project at the school
- no major capital funding had been approved for the school in recent years.

Number of recipients

Twenty schools were selected for inclusion in this initiative: six in Leinster, six in Connacht, and four each in Ulster and Munster.

Details of grants, rate of grant, and payment details

The size of grant for the SSI ranged from €100,000 to €350,000, depending on such factors as enrolment and the size and physical requirements of the school.

Rate of grant - Two-classroom school: €100,000 or €200,000*

Three-classroom school: €275,000

Four-classroom school: €350,000

*Schools in the two-classroom category were allocated either €100,000 or €200,000. The difference between the allocations is due to the varying numbers and relative levels of accommodation that there may be in a two-classroom school. Under the schedules of enrolment for the appointment and retention of primary teachers, an enrolment between twelve and fifty-five pupils is required. Schools with an enrolment in the region of twenty pupils received the lower allocation of €100,000.

€5 million was allocated for this initiative in 2003.

Permanent Accommodation Initiative (PAI)

The objective of the PAI was to provide schools with permanent classroom accommodation rather than to fund the provision of temporary prefabricated accommodation. The traditional response to a school's urgent requirement for classroom accommodation was the provision of a prefab. This form of temporary accommodation was expensive and required planning permission, and SMAs were increasingly requesting an all-in grant to provide a permanent solution in the first instance. The number of applications for temporary accommodation had risen dramatically as a result of the improved pupil-teacher ratio and extra teaching resources, as well as the continuous movement and changes in demographic trends in all areas.

Again, the DES considered that the funding and management of a small building project such as an additional classroom was suitable to be devolved on SMAs.

Application and award: Selection process for the PAI

Schools were selected on the grounds that

- the SMA had submitted an application to the Planning and Building Unit for additional temporary classroom accommodation
- the Department was satisfied that no suitable accommodation was available within the existing school
- architectural planning had not already been approved by the Department for a large-scale building project at the school.

Number of recipients

Twenty schools were selected for inclusion in this initiative. Ten schools were selected in Leinster, five in Munster, three in Ulster, and two in Connacht.

Details of grants, rate of grant, and payment details

The grant allocated to schools in the Permanent Accommodation Initiative ranged from €100,000 to €200,000.

Rate of grant One classroom: €100,000
 One resource or learning-support room: €50,000

Twelve schools received €100,000, four schools received €200,000, and four other schools were allocated €150,000 to allow for the addition of a classroom and a smaller room for resource or learning-support teaching.

€2.6 million was allocated for this initiative in 2003.

General issues relevant to both initiatives

The School Building Section wrote to selected SMAs, inviting them to participate in the initiatives, and a series of meetings was held to provide information. A guidance document was drafted and presented to the selected schools under each initiative. (See annex 2.)

In explaining the initiatives to SMAs, the DES stated that the actual amount payable to the SMAs could possibly be lower than the allocated amount. This could happen if the contract sum, plus professional fees, furniture, and equipment, including VAT, was below the allocated grant amount. It was emphasised that funding would not be increased.

Payment details

A new procedure for the payment of all devolved building projects was established. These payments were as follows:

- The first payment, of **70%** of the Department's liability, was to be made on receipt of confirmation through the SMA from their consultant that the work was in accordance with the Department's priorities, as listed in the letter of notification, and also that the work was in accordance with competitive tendering, that the lowest tender was accepted by the SMA, that the successful contractor fulfilled the proper criteria with regard to tax clearance and insurance, and, finally, that the SMA had placed a contract for the work with the successful contractor and that the contractor was on site and had begun building work.
- The second payment, of **15%** of the Department's liability, was to be paid on receipt from the consultant, through the SMA, of the certificate of practical completion.
- The third payment, of **10%** of the Department's liability, was to be paid only on receipt of
 - the consultant's opinion of the compliance of the relevant development with planning permission or exemption from planning control
 - the consultant's opinion of the compliance of the relevant development with the building regulations, including the fire safety certificate
 - confirmation from the consultant that a safety file had been prepared by the project supervisor for the construction stage (PSCS) and issued to the SMA
 - copies of all relevant drawings, if possible in an appropriate electronic format, and
 - the consultant's confirmation that the completed work is in accordance with these drawings.
- The fourth and final payment, of the remaining **5%** of the Department's liability, was to be paid in accordance with the following conditions. The contract must specify that 5% of the contract

sum will be retained, 2.5% to be released to the contractor on agreement of the final account, the remaining 2.5% to be retained for twelve months following the completion of the work and pending the necessary rectification of any building defects that might become apparent during that period. The timing of this payment by the SMA to the contractor would be determined by the need, if any, to make good any building defects during this post-contract period.

Chapter 3

Efficiency and effectiveness

To provide an understanding of the intended consequences and objectives to be achieved by introducing the devolved process, it is necessary to identify the changes implemented in the administration process of the school building programme.

Selection

The 2003 school building programme provided for the inclusion of twenty schools in the SSI. In May 2003 a further twenty schools were included in the PAI. All schools accepted participation in the two initiatives and by so doing agreed to progress their individual building projects through the architectural design stages, the tender process and commencement to site within a time limit of twelve months.

Had these forty schools not been included in the two new initiatives, the relevant schools would have been considered for advancement into the architectural planning process and would have remained in this system until the design and planning process had been completed and finance was available in the annual capital programme to progress these projects to construction and completion. It should be noted that all school projects in the early stages of architectural planning were not authorised in 2003 to progress beyond their current stage of architectural planning.

Given the level of funding available in 2003, it was certain that none of the small schools would have advanced into architectural planning before 2004, and in all probability not for some time, given the number of schools already in the design stage. The twenty schools in the PAI would have received funding for prefabs, which would only have been a temporary solution.

Administration

The day-to-day administration of the devolved initiatives is dealt with by the staff of a subsection of the School Building Section. One executive officer is assigned full-time to the administrative processes of recording data, financial processing, dealing with all correspondence, and assisting SMAs as necessary, with the appropriate level of assistance from one clerical officer.

Had the devolved initiatives not been introduced, and when the projects eventually progressed, the building files for the forty schools included in the two initiatives would have been allocated geographically among the full complement of staff. Therefore, a much larger number of staff members at the executive officer and higher executive officer levels would have been involved in progressing these projects through the architectural process, with the added involvement of architects, engineers, quantity surveyors, and internal and external design teams.

Payments for the devolved initiatives are made on receipt of the relevant complete and correct documents. Four payments in total are made, and it is a matter for the SMA to distribute payments to the building contractor and consultant when they are due. Once the correct documents have been received by the DES, an internal memo is prepared and submitted to the Primary Finance Unit, where the correct amount is paid by means of electronic fund transfer to the bank account of the SMA.

Had the devolved initiatives not been introduced, the number of payments would have been significantly higher. Payments in respect of projects progressed through the conventional method of architectural design and building are made on the basis of a payment certificate, certified by the consultant. These certificates are typically issued monthly. Similar building projects would generally be on site for between six and nine months, meaning a minimum of six to nine payments. Payments to consultants are made on receipt of an invoice after the completion of each stage of the design and post-contract process. This can mean up to an additional eight payments.

It is apparent from this information that the administration of the initiatives is more efficient in personnel and labour costs, in the number of projects progressed annually, and in the speed of completion of the final product.

Communication with schools

DES web site

The school building programme is published on the Department of Education and Science web site (www.education.gov.ie). The names of the twenty schools included in the SSI were published in January, and the twenty schools included in the PAI were included in the May 2003 update of the building programme. The information published on the web site included the county, roll number, and name of the school.

Written confirmation

All schools included in the SSI and the PAI received written confirmation that they were being invited to participate in the schemes in February 2003 and May 2003, respectively. The schools received the following information:

- notification of the size of grant being offered to their school
- details of how SMAs should approach their building projects
- the form of acceptance to be signed by the chairperson of the SMA, indicating the authority's acceptance of the terms and conditions of the scheme; this form described in detail what the SMA was being requested to accept
- a copy of the terms and conditions
- an invitation to an information meeting to be held in the Department's offices in Tullamore on Wednesday 26 February 2003 for schools included in the SSI and on Monday 26 May 2003 in the Tullamore Court Hotel for schools included in the PAI.

Table 1: Attendance at each of the information meetings

	Schools invited	Schools attending
SSI	20	20
PAI	20	18

The format of the meetings was as follows:

- an introduction to the initiative, presented by the principal officer of the School Building Section
- a detailed presentation by the assistant principal officer with responsibility for devolved initiatives
- a guide to the building process, presented by a member of the DES technical staff
- an open question-and-answer session.

The principal officer in her introduction described the background to and objectives of the devolved scheme and gave details of the grants being offered to the schools, the reason schools were selected, and how the amount was determined. She also described the format of the remainder of the information session.

The presentation by the assistant principal officer was in a predetermined question-and-answer format. Sixteen typical questions and answers were presented and discussed. The topics covered were issued to the schools before the information meetings, so allowing the school representatives an

opportunity to read the documents and to prepare questions. The first eight questions related to administration issues, while the second eight related to technical issues. A detailed answer was provided in respect of each question, and at the end of the information session all the schools were invited to ask supplementary questions that might be of interest to the group as a whole. Questions specific to individual schools were addressed individually with the SMAs by a member of the staff of the School Building Section.

The topics covered during the presentation were:

- How should the grant be used?
- What is the amount?
- Can the DES withdraw the offer of a grant?
- Will the SMA be required to make a local contribution towards the project?
- Who pays for consultants' fees and planning charges?
- Is a lease or declaration of trust required?
- Who is responsible for the proposed building project?
- What records must be kept?
- Is a consultant architect or engineer required?
- Who is responsible for ensuring compliance with statutory regulations?
- Who is responsible for ensuring compliance with health and safety regulations?
- What should be done if the school is known to contain asbestos?
- How are tenders to be sought for this proposed project?
- What criteria must the successful contractor meet?
- When will the grant be paid?
- What other guidance is available to the SMA?

The Department's technical staff provided details of the procedures to be followed to take a building project from deciding what is required (setting the brief) to completion of the contract and the payment of the final retention amounts (at the end of the defects liability period, twelve months from the date on which work is completed on the site).

The stages covered in the presentation were:

- setting the brief (deciding on the work to be carried out)
- design of the project
- applying for planning permission and fire safety certificate
- seeking tenders (obtaining quotations to have the proposed work carried out)
- tender analysis and awarding the contact to the successful contractor
- contract stage (supervising the work on site)
- post-contact control (twelve-month defects liability period) and final account
- time scale for the whole process outlined above.

On the completion of each of the presentations the information sessions were opened to the floor, and all the school representatives were given an opportunity to seek clarification on any issue they wished to raise.

Purpose of the initiatives: Goals to be achieved

The School Building Section, in setting up the devolved initiatives, was hopeful that certain goals and efficiencies would be achieved. These included the following:

- facilitating schools in addressing shortfalls in their accommodation needs by renovating or improving existing facilities and extending where necessary (SSI)

- providing permanent classrooms in schools, thereby reducing the level of temporary accommodation on school sites (PAI)
- providing more control to the SMAs in determining how best to use the available funding to address each school's immediate priorities, with due regard to the DES's guidelines (both initiatives)
- speedier completion time of the building projects, by speeding up and combining elements of the building process, leading in turn to less interaction between the consultant, the SMAs and the School Building Section and thereby ensuring a speedier completion on site of the final product (both initiatives)
- reducing the level of day-to-day interaction between the DES and SMAs (both initiatives)
- allowing the School Building Section to concentrate resources on larger building projects, on their completion and cost-effectiveness and on undertaking a greater evaluation of projects, initiatives, and research and development, making more time available to concentrate on policy.

Service provision

Responsibility for health and safety, compliance with statutory procedures etc. was always a matter for the SMA. However, until these devolved initiatives were introduced the DES considered that some SMAs were over-reliant on the Department to monitor these aspects of the projects. The initiatives spelt out clearly that the SMAs were completely responsible. The School Building Section provided as much information as possible to the SMAs to enable them to complete the projects in accordance with correct procedures.

To facilitate this, the Department issued a comprehensive document to all the SMAs, describing in detail how they should approach their building projects. (The information covered in this document is given in annex 2.)

Other information included in the document issued to schools

- Details of how schools were selected for the scheme
- The Department's right to withdraw the offer of a grant
- Confirmation that a local contribution was not required
- Confirmation that a lease or declaration of trust was a condition of a grant being made
- Details of records that must be kept by the SMAs
- Confirmation that projects must display an acknowledgement sign that they are being funded by the National Development Plan, 2002–06; SMAs were advised that guidance on this matter was available at the NDP web site (www.ndp.ie)
- Confirmation that the Department reserved the right to withhold payment of the grant to schools for non-compliance with any of the terms of the pilot initiatives
- Confirmation that guidance was also contained in the Department's Maintenance Matters manual, chapter 9, "Getting work done."

Control issues

A central tenet of the schemes is that SMAs are allowed to determine the scope of their own projects. To facilitate effective programme evaluation it was necessary that the DES should structure a control system. Furthermore, a simple, transparent funding mechanism was desirable, easy to operate and to understand while also being capable of serving as a vital component of the control system.

In the light of these facts, the DES devised a control system based on the following four components:

(1) Letter of notification

A letter of notification (see annex 3) was drawn up for both schemes and sent to all those invited to participate (on 7 March 2003 for the SSI and on 20 May 2003 for the PAI). This letter included information in relation to all the procedural requirements to permit the SMAs to successfully set up and carry out the projects to eventual completion.

(2) Form of acceptance

This form (see annex 3) accompanied the invitation letters and required the signature of the chairperson of all the SMAs before specified closing dates (7 March 2003 for the SSI and 6 June 2003 for the PAI). Only on receipt of the completed form of acceptance would the SMAs' participation in the relevant scheme be guaranteed. All forty SMAs returned a completed form of acceptance. Furthermore—and of crucial importance to the DES in relation to control procedures—each completed form of acceptance was a written acknowledgement of the SMAs' complete awareness and understanding of the terms, conditions and procedures of the schemes. In signing and returning the completed form of acceptance the SMA formally accepted "ownership" of its project.

Following the issuing of the circular and the return of the completed forms of acceptance, each SMA was invited to an information seminar in Tullamore, as described earlier in this chapter, the purpose of which was to answer any queries before the start of the projects.

(3) Funding mechanism

Following the information seminar, no further interaction between the DES and the individual SMAs was envisaged until the latter were in a position to accept a tender from a suitably qualified contractor.

Before accepting a tender for the work, the SMA had to inform the DES of the amount of the tender in question.

In all instances it was stated explicitly to the SMAs in writing that the DES reserved the right to withhold payment of the grant to any SMA for non-compliance with any of the terms of the initiatives.

(4) On-site progress meetings and audits

Under the terms and conditions of the initiative, the DES reserved the right to undertake random audit inspections at any time before, during or after construction. All SMAs were instructed to retain all paperwork, administrative and financial, pertaining to the operation of the project for not less than seven years.

Between April and June 2004 the DES carried out on-site reviews of progress on 37 of the 40 projects. (This is dealt with in greater detail in the next chapter.)

The functions of the circular, the form of acceptance, the funding mechanism, the review meetings and the audits were designed to develop a control system that was rigid enough to provide direction and support to the SMAs while simultaneously allowing the SMAs to take ownership and responsibility and to drive the projects forward with minimum interaction from the DES.

Chapter 4

Main findings arising from the review

Reviewers' findings and analysis of data

An analysis of the data collected from the information and drawings provided by the SMAs and their consultants was compiled and evaluated under a number of headings (detailed below), and the final account cost of the actual building process was recorded, exclusive of furniture and equipment and consultancy fees, together with associated VAT costs.

The findings are given below under each of these headings:

- cost
- standard of project
- final product priorities achieved
- compliance with design procedures and appointment of consultant
- contractor compliance
- health and safety compliance
- time scale.

For the purposes of a cost analysis, a comparison was based on the DES cost limit of €1,015 per square metre plus 12.5% external work allowance against the actual final account figure of the builders' work.

Small Schools Initiative: Cost examples

A two-classroom school in Co. Cavan included in the SSI, with grant provision of €200,000, provided additional accommodation as well as reorganising and renovating the existing school, at a final cost of €204,222.74. This project involved an extension of new building accommodation totalling 221 square metres. The work included a mix of new mainstream classrooms and smaller specialist rooms for resource teaching and learning support from within the existing accommodation. No major health and safety issues needed to be addressed.

A four-classroom school in Co. Waterford in the same initiative, with a grant allocation of €350,000, provided one additional classroom totalling 71.4 square metres and a substantial amount of renovation work within the existing school, including the complete upgrading of the mechanical and electrical services, internal alterations, and a replacement roof, for a total cost of €309,134.88.

It became immediately apparent to the reviewers that the cost comparisons would be difficult, as they would not be comparisons of like with like. All the SMAs were operating from somewhat different baselines. In the two examples described above, the baseline requirements of each school were quite different. The school in Co. Cavan had a higher requirement for additional accommodation, with a smaller element of renovation work, whereas the school in Co. Waterford had a requirement for additional accommodation but its higher priority was in fact major improvement work to secure the fabric of the existing structure.

Both SMAs achieved a good standard of quality in the final product, in a cost-effective manner, and both were considered to have achieved value for money. In evaluating the standards achieved by the SMAs in the initiative, the DES assessed the process applied by the SMAs in the manner in which they formulated their scope of work, how they administered the initiative, their compliance with statutory requirements, the suitability of the provision for its intended use, the consultants' design response, the quality of the construction achieved, and the professional opinion of the Department's

officials in relation to overall quality.

An assessment of the actual provision (scope of work) achieved by the SMAs compared costs with the actual final provision and actual costs achieved. This resulted in the following outcome:

- 67% of the schools achieved a cost per square metre lower than the Department's BBC
- 33% of the schools achieved a cost per square metre higher than the BBC; it should be noted, however, that the work undertaken by the SMAs in this category included additional work over and above the provision of additional accommodation, as for example with the Co. Waterford school referred to above.

Permanent Accommodation Initiative: Cost example

It is more straightforward to make a financial comparison in relation to the schools in the Permanent Accommodation Initiative. For example, an SMA in Co. Kerry provided 118 square metres of additional accommodation at a BBC of €836.03 per square metre, whereas an SMA in Co. Donegal provided 146 square metres of additional accommodation at a BBC of €928.29 per square metre.

An assessment of the actual provision (scope of work) achieved by the SMAs compared costs with the actual final provision and actual costs achieved. This resulted in the following outcome:

- 21% of the schools achieved a BBC lower than the DES cost limit
- 22% of the schools achieved a BBC within €100 of the DES cost limit
- 22% of the schools achieved a BBC within €250 of the DES cost limit
- 14% of the schools achieved a BBC within €350 of the DES cost limit
- 21% of the schools achieved a BBC more than €350 greater than the DES cost limit.

A further analysis of the data shows that a significant number of the SMAs carried out additional work, beyond what was approved in accordance with their application. Had they kept to the approved work and not included any additional work—for example reslating roofs, window replacement, and mechanical and electrical upgrades—their projects would have been completed within the BBC.

It should be noted that the Department's BBC limit is based on a medium-sized new school on a new site. Because of a lack of economies of scale, the DES would not typically expect to achieve tender amounts within the cost limits on small-scale projects such as these.

It is apparent from these findings that the funding provided by the DES is sufficient to provide the additional classrooms as approved under the PAI.

It should be noted that other sources of funding are available to SMAs, such as the minor capital works grant (already described), which enable them to carry out renovation work to their buildings and grounds without reference to the DES. The Department accepts that further work will arise, irrespective of the level of funding that has already been provided to schools; examples would include glass breakage and repainting.

As part of the devolved initiatives, SMAs are informed that they may use amounts allocated under the minor capital works grant to supplement the grant allocated under the devolved initiatives, provided that such funds are not required for more urgent and immediate work.

This review looks only at devolved projects in 2003. However, in 2004 the Summer Works Scheme (SWS) was launched. The DES noted that while schools had received funding under the minor capital works grant to carry out smaller work, more significant repair work, such as roof replacements, still needed to go through the normal project procedures, even though it could easily be carried out over the summer holidays. The level of funding provided under the SWS is based on the cost estimate provided by the SMA's consultant at the application stage. The responsibility for carrying out SWS

projects is entirely a matter for the SMAs and their consultants.

SSI: Standard of project

The standard of building project was analysed in relation to the formulation of the design brief, the administration of the initiative by the SMA, the DES's opinion of compliance with statutory regulations, the suitability of use of the final product for education purposes, the design response to the scope of work, and the quality of construction applied.

The Department's opinion on the overall quality provided was that 86% of provision was good or very good, with the remaining accommodation being fair to good.

- 15% was rated very good
- 71% was rated good
- 14% was rated fair to good.

PAI: Standard of product

The DES considered that 93% of SMAs achieved a good to very good standard of accommodation, with 7% achieving a fair to good standard. The overall quality and the findings were as follows:

- 31% was rated very good
- 62% was rated good
- 7% was rated fair to good.

This was a satisfactory result for both initiatives, as one concern was that SMAs would have been tempted to stretch the available budget, with a low standard of accommodation as the result.

SSI: Final product priorities achieved

The DES initially set the priorities to be achieved by each of the SMAs in relation to the design brief as (1) health and safety issues, (2) special needs, (3) classroom accommodation, (4) ancillary accommodation, and (5) external work. In reality, each SMA had different priorities, as follows:

- 20% stated that health and safety issues that required immediate attention were their first priority
- 10% stated that special needs were their first priority
- 60% stated that additional classrooms were their first priority
- 10% stated that ancillary accommodation was their first priority
- none stated that the external work was their first priority.

In general, the DES found that 87% of the SMAs addressed and achieved the actual priorities of the schools' requirements in relation to the condition of their schools; 6.5% felt that a general-purpose room was a priority and they were unable to provide it, while the remaining 6.5% did not state why their priorities were not addressed.

PAI: Final product priorities achieved

The priority of the SMAs in this initiative was to achieve the provision of additional classrooms. All SMAs achieved this objective—100% compliance with the objective of the initiative.

SMAs also took advantage of the opportunity to undertake additional work while they had a building contractor on site, with 79% supplementing the additional costs from their own resources and 21% achieving the additional work from within the initial allocation.

The following were the types of additional work undertaken by the SMAs:

- 64% dealt with health and safety issues in their schools
- 64% dealt with special-needs requirements in their schools
- 71% dealt with ancillary accommodation requirements
- 50% dealt with external work.

SSI: Compliance with design procedures and appointment of consultant

The data analysed under this heading included the response to the following question:
Was the consultant's appointment as a result of a competition?

Yes: 40%
No: 60%

While competition in the appointment of consultants was encouraged in both schemes, public procurement requirements did not require competition: that is to say, appointment by negotiation was permitted. While it was emphasised at the initial presentation forum for both schemes that SMAs should give care to matters such as probity and avoiding conflict of interest, on reflection it may be prudent in future to formalise this position in scheme documents.

When asked to produce appropriate documents in relation to consultancy appointments, 86% of the SMAs were in a position to provide these; 14% were unable to do so at the time of the visit.

It should be noted that 26% of the consultants appointed were architects, on an average fee of 9.7%; engineers accounted for 53%, with an average fee of 8.3%; and others accounted for 21%, with an average fee of 6.6%.

PAI: Compliance with design procedures and appointment of consultant

The data analysed under this heading included the response to the following question:
Was the consultant's appointment as a result of a competition?

Yes: 47%
No: 53%

When asked to produce appropriate documents in relation to consultancy appointments, all the SMAs were in a position to provide these.

It should be noted that 57% of the consultants appointed were architects, on an average fee of 9.2%; engineers accounted for 36%, with an average fee of 7.2%; and others accounted for 7%, with an average fee of 6%.

SSI: Contractors' compliance

The data analysed under this heading included the following:

Prequalification of contractors?
Yes: 100%

Tenders sought on fixed-price basis?
Yes: 100%

Lowest valid tender accepted?
Yes: 86%
No: 14% (negotiated reductions after lowest valid contractors withdrew)

Contractors' eligibility?

(Documents in relation to eligibility were not available to the reviewers at the time of the review, as the DES had not sought documentary evidence of compliance before the review.)

PAI: Contractors' compliance

The data analysed under this heading included the following:

Prequalification of contractors?

Yes: 64%

No: 36%

Tenders sought on fixed-price basis?

Yes: 100%

Lowest valid tender accepted?

Yes: 93%

No: 7% (one contractor; no details available at the time of review)

Contractors' eligibility?

Yes: 93%

Unknown at time of review: 7%

SSI: Health and safety compliance

The data analysed under this heading included the following:

Awareness of responsibilities of SMAs under legislation?

Yes: 79%

No: 21%

Role of project supervisor, design stage (PSDS), conducted by appointed consultant?

Yes: 100%

Separate fee identified for PSDS?

Yes: 100%

Preliminary health and safety plan in tender documents?

Yes: 93%

No: 7%

Contractors formed a project-specific safety plan?

Yes: 100%

DES's opinion of SMAs' awareness of their responsibilities as client under the relevant health and safety legislation

The data analysed under this heading included the following:

- 1.93% had a poor understanding
- 2.7% had a fair understanding but depended on the consultant for information.

The general perception was that the SMAs did not understand their role as client in respect of the legislation. They appeared to consider that they could notionally devolve this responsibility on the appointed consultant architect or engineer.

PAI: Health and safety compliance

The data analysed under this heading included the following:

School's awareness of responsibilities under legislation?

Yes: 86%

No: 14%

Role of PSDS conducted by appointed consultant?

Yes: 100%

Separate fee identified for PSDS?

Yes: 29%

No: 71%

Preliminary health and safety plan in tender documents?

Yes: 86%

No: 14%

Contractors formed a project-specific safety plan?

Yes: 100%

Reviewers' opinion of SMAs' awareness of their responsibilities as client under the relevant health and safety legislation

The data analysed under this heading included the following:

1.43% had a poor understanding

2.57% had a fair to reasonable understanding but depended on the consultant for information.

The general perception was that the SMAs involved in this initiative had a better knowledge, but it is questionable whether they fully understood their role as client in respect of the legislation. They again appeared to consider that they could notionally devolve this responsibility on the appointed consultant architect or engineer.

SSI: Time limits for completion of project

A condition of the initiative was the requirement that the SMAs proceed through the architectural design and tendering process, with a view to beginning work on site within twelve months. The data provided by the SMAs shows that 85% achieved this deadline and that the remaining 15% were delayed by planning permission requirements or the requirement to establish a bill of reductions to the proposed work. The latter SMAs subsequently sought approval from the DES to extend the time limit involved to deal with these issues, some of which were completely outside their control.

PAI: Time limits for completion of project

The same condition applied to the PAI as to the SSI in relation to the time limit required for progressing to construction on site. The information available to the DES shows that all the schools progressed to site within the twelve-month time limit.

General

In all projects, the DES wished to ensure that the construction of every building was robust and durable. There is little to be gained from SMAs obtaining the most economical building solutions if these cannot be warranted with regard to quality. The Department did not wish to fund projects where the cheapest and most unsuitable materials were used, leading to the allocation of further expenditure to remedy problems. With primary schools using their facilities up to 5¾ hours each day, there is considerable use of all facilities, and it is a duty of SMAs to ensure that proper structures are established. The analysis of the materials and standards applied in all schools, in both the SSI and the PAI, showed that some SMAs applied a domestic standard of mechanical and electrical installation. In the majority of these instances it is estimated that the area of accommodation serviced in this manner is similar in size to domestic dwellings. Only time will tell whether the installation of such services will result in value for money.

The SMAs were required to appoint a consultant to advise on project planning, cost control, health and safety issues, and contract administration. A mixture of architectural, engineering and other personnel was appointed. The total cost of consultants was lower in both schemes in comparison with the level of fees payable for the appointment of full design teams through the traditional method of design and building.

A common trend, found with nearly all the projects in both initiatives, was the provision of additional ancillary accommodation. These rooms, normally of a size between 20 and 30 square metres, were used by SMAs for resource and learning-support teaching. They may also be used as staff rooms or offices, either for the principal or for any secretary who may be employed in the school. This allowed the SMAs, in most instances for the first time in a number of years, to operate as the curriculum envisaged, that is, with all members of the staff having a comfortable place of work, with adequate

heating, lighting and ventilation and an adequate amount of space so as to be fully active in their various roles.

Furthermore, in some instances partitions had previously been erected between classrooms, resulting in the provision of a required but smaller space; with the addition of permanent accommodation this feature has been eliminated, leading to less disruption and more privacy for the pupils and teachers concerned. The new permanent classroom was an addition to the existing level of permanent accommodation in the school (as opposed to a separate prefab away from the main school building), allowing for greater control and management of the school.

The provision of additional storage space meant that the classroom could be free from clutter, allowing for ease of movement of both staff members and pupils. This in turn improved the running of the classroom and allowed the teachers to interact in a more positive way with the pupils.

SMAs may have a special interest in such areas as information technology, art, music, and drama. The initiative allowed the SMAs to address these issues, for example by the construction of a networked computer room or a specialised art or music room. This enabled the SMAs to undertake more areas of the revised curriculum.

It was found that having “ownership” of the building project and direct involvement in bringing the project through the various stages of architectural design and construction contributed to the positive attitude of teachers, parents and pupils alike in the appreciation of a quality building, with all that this entails, for example the use of natural light, good acoustics, ventilation, sound mechanical and electrical services, quality sanitary ware, and vibrant colour schemes.

Reviewers were informed by many SMAs that had built an extension or renovated existing buildings (or both) that this had led to a more positive attitude on the part of the children to their own education and enabled a wider variety of activities to be catered for in the schools. This will undoubtedly have a positive effect both on teachers and on pupils in maintaining the fabric of their school building into the future and will also, by bringing about a positive attitude to their facilities, have a similarly positive effect on the educational attainment of all those attending the school.

From the SMAs’ viewpoint the initiative also provided the SMAs and the staff with the ability to determine the “brief and scope of the project,” addressing the specific needs of each school.

In many instances more modern facilities have also allowed the SMA to assist the wider community, for example by holding school or family events, such as concerts and meetings of local organisations, within the school premises.

Clarity of purpose of the initiative and guidelines for SMAs

The detailed terms and conditions applied to the scheme are given in annex 2 of this report. As part of the review process, the reviewers also obtained and recorded the SMAs’ and consultants’ comments on their perception of the initiative and the devolved process at the local level. The main findings are as follows:

Comments by chairperson of SMAs

SMAs in general were very happy with the scheme. However, a common complaint was the level of funding. This point was strongly made by the SMAs of the two island schools included in the scheme, as they felt that because of their situation they deserved additional funding.

It was perceived that the devolved method was a much faster process than the traditional one of providing accommodation, and the SMAs were in charge of their own destiny. The comments of the chairpersons involved were as follows:

Advantages

- As they did not have to obtain approval from the DES at each stage, this speeded up the process greatly.
- They were very pleased with the process.
- Additional funding should have been provided for the renovation of existing accommodation.
- No consideration was given to the location of the school (island school).
- Works very well.
- Local control is a good idea.
- It is a good initiative and should be continued.
- They welcomed the freedom the scheme provided and the relatively quick time frame.
- It is good for the community to progress it.
- Initiatives and work ran smoothly.

Disadvantages

- The twelve-month time limit for beginning work on site was tight for them, as non-professional people, to deal with.
- More guidance from the DES in the early stages would be beneficial.
- A second briefing meeting with the DES when they were at least three months into their projects would have been of great benefit to the SMAs and their consultants.
- Principals stated that a lot of the work that needed to be carried out was left to them, as they were in the school every day. This created problems for them, as they were all teaching principals, and their classes could have suffered as a consequence.
- Principals had to stay late in the evening, and some of them spent some of the summer holidays on site to make sure the project was completed in time for the school's reopening.
- The requirement of the client was not fully understood regarding the health and safety legislation in relation to the building design and construction stages; they found they relied on the appointed consultant for the majority of this process.

Comments by architects and engineers

The feedback from consultants shows that the majority welcomed the scheme and the freedom it afforded them and were happy with the guidelines provided.

Consultants who had not worked for the DES previously experienced some difficulty with the Department's guidelines. The guidelines available on the DES web site were relevant to major building projects and not to devolved initiatives. Some consultants suggested that the DES consider providing a more comprehensive guide, which would include all the guidance documents in a manual that could be issued to all SMAs included in future devolved initiatives.

The following is a sample of comments from the consultants questioned:

- a straightforward scheme
- cuts out red tape
- speeds up the design and construction process
- we would be happy to get involved again
- a fixed figure is more amenable to design
- a very good idea
- gives the opportunity for a local consultant to get involved locally
- a quick process, as funding is approved in advance.

Expenditure out-turn

Both initiatives were included in the 2003 school building programme. The SSI was launched in mid-February and the PAI in mid-May, when the 2003 programme was updated. Fig. 1 shows the capital allocation in comparison with expenditure in 2003 for both schemes.

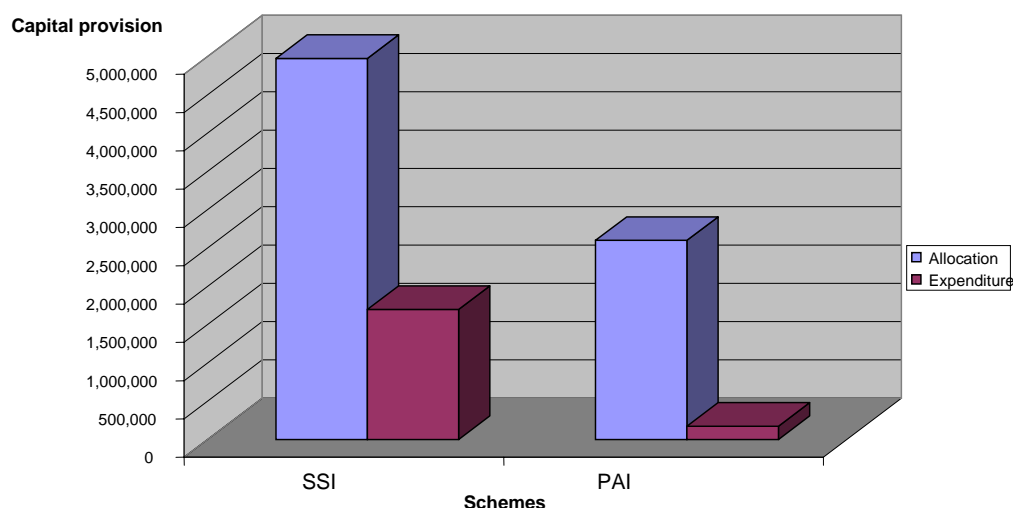


Fig. 1: Expenditure out-turn, 2003

As can be seen from the chart, capital projects have a long lead-in period (design, statutory compliance, and the tendering process), and the majority of spending will normally take place in the year after the allocation of capital. This was the case with both initiatives contained in the devolved initiatives of 2003.

At the end of 2003 the drawdown of grants for the SSI was €1,697,500, out of an allocation of €4,975,000, a drawdown of 34% of the total allocation. The PAI had a drawdown of grants to the amount of €175,000, out of an allocation of €2,600,000, a drawdown of 6¾% of the allocation. A lower drawdown was to be expected, as the initiative was launched in May 2003.

However, it would not be correct to assume that only 34% or 6¾% of SMAs (as the case may be) invited to participate in the initiatives succeeded only in progressing to site within the year, as the first instalment drawdown of capital funding relates only to 70% of the grants.

Half the projects included in the SSI progressed to site within ten months, i.e. February to December 2003. The first school to progress to site was Fairgreen National School, Belturbet, Co. Cavan, within six months. 10% of the schools included in the PAI progressed to site within seven months, i.e. May to December 2003. Scoil Bhríde agus Bhreandáin, Corrandulla, Co. Galway, was the first project in this initiative to progress to site within six months.

At the end of the financial year 2004 the following was the position in relation to the drawdown of capital grants:

SSI

€4,521,250, or 91% of the allocation, was paid out by the end of the financial year. The financial drawdown was as follows:

- 3 SMAs had drawn down the full grant (all four payments), with work completed and at the final account stage.
- 10 SMAs had drawn down 95% (first, second and third payments) of their grant, with work completed and awaiting final account.
- 3 SMAs had drawn down 85% (first and second payments) of their grant, with work at the practical completion stage.
- 4 SMAs had drawn down 70% (first payment).

It should be noted that no SMA withdrew from the initiative during the building process.

PAI

€2,412,000, or 91% of the allocation, was paid out by the end of the financial year 2004. The financial drawdown was as follows:

- 6 SMAs had drawn down the full grant (all four payments), with work completed and at the final account stage.
- 8 SMAs had drawn down 95% (first, second and third payments) of their grant, with work completed and awaiting final account.
- 4 SMAs had drawn down 85% (first and second payments) of their grant, with work at the practical completion stage.
- 2 SMAs had drawn down 70% (first payment).

It should be noted that no SMA withdrew from the initiative during the building process. The last school began work on site in October 2004, some seventeen months later. The reason for this was that the SMA already had building work on site for a residential building on behalf of the Health Board, and it was considered prudent not to have two building contractors on the site at the same time. The site restrictions also prevented progression to site. The twelve-months-to-site rule was waived for these reasons.

Effectiveness of SMAs in achieving objectives in management of provision and costs

A vital component of this review was gauging how this new form of funding was received by the target user group, the SMAs, and also how effective the SMAs were in achieving the objectives of the initiatives with regard to management of the provision and cost control.

A survey questionnaire was drawn up and sent out to the chairpersons of all forty SMAs in October 2004. Thirty-one SMAs completed and returned the questionnaire, and the following results were compiled from the replies.

Every SMA reported that they used their own resources to fund extra project costs. From a sample of twenty-six replies, the total additional amount funded by the SMAs came to approximately €1,188,726, or an average of €45,720 per school. This included one SMA allocated €350,000, which used €335,000 of its own resources to increase the scope of its project. The initiatives were not structured in such a way as would expose parents or SMAs to additional cost, and the extent of this one project's additional investment is a source of concern. This skewed the average somewhat; taking it out of the equation gives a truer average figure of €34,149. It should be noted that, had these projects progressed through the traditional school building programme, a local contribution of up to €31,500 would have been required.

One reason for increased project costs (apart from the increased level of provision) appears to be in externals: development contributions, planning conditions, variations or extras, etc. Furthermore, additional costs accrued from SMAs adding to the brief a "wish list" while they had a building project

and contractor on site.

SSI: Health and safety requirements addressed under the initiative

77% of those surveyed replied that the level of grant allocated was sufficient to address the SMA's immediate priorities. However, when asked whether the project addressed all their outstanding health and safety issues, only 71% replied that it had. This implies that the initiative was not completely successful in equating immediate priorities with health and safety issues, or—more to the point—that some SMAs did not follow the suggested priority template, as detailed in the circular. However, there have been no complaints from any source (parents, teachers, etc.) in any of these schools regarding health and safety since all these projects were completed.

SSI and PAI: Qualitative impact

74% of those asked were satisfied that the level of accommodation available at the school after the completion of the project would meet the SMA's medium-term needs over the next five years, while 26% replied that it would not.

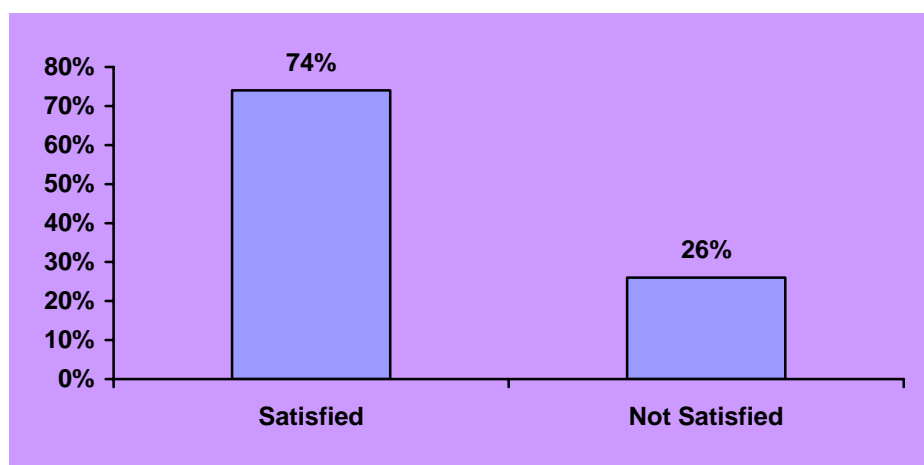


Fig. 2: Satisfaction with level of accommodation provided (medium-term)

Similarly, with regard to their long-term accommodation requirements, only 38% said that these would be met as a result of the completed work, while 33% said that they definitely would not. 29% either did not know or did not respond.

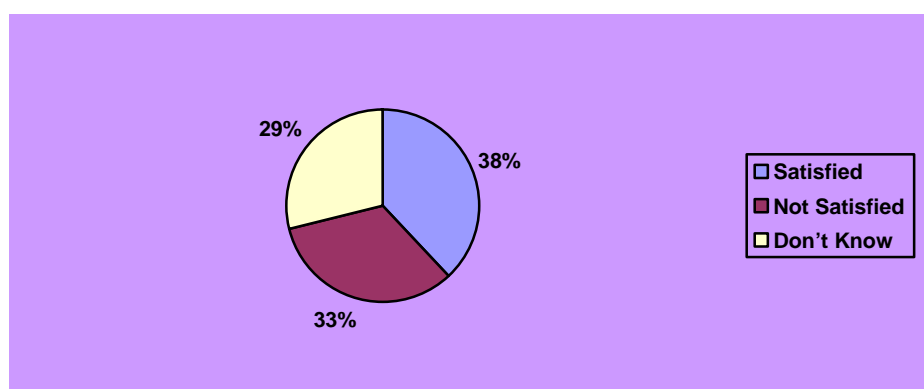


Fig. 3: Satisfaction with level of accommodation provided (long-term)

However, in all instances, in both initiatives, the SMAs reported that there was a classroom for every full-time teacher in the school. Therefore, the link between acceptance of the initiatives by the SMAs

and the fact that small schools must tailor their enrolment policy accordingly over the coming years must be brought more sharply into focus. In effect, what the SMAs were saying is that they have adequate room now but that in five to ten years (and in some instances in less than five years) they will not.

SMAs in the SSI were offered grants on the clear and unequivocal understanding that they would operate a sensible enrolment policy over the next ten years, to protect against accommodation deficits. It appears that some SMAs fear that this will not be possible, as a result of housing development in their area. However, it is difficult to gauge local long-term enrolment requirements. The PAI initiative was only to provide an immediately required classroom, rather than to address all long-term needs.

In both initiatives the SMAs were advised that they could come back to the DES in future years if new housing developments impinged on their enrolment policies and teaching capacity.

All the respondents were satisfied that the work undertaken provided for adequate natural lighting, proper ventilation, adequate building services (heating, lighting, etc.), and acceptable acoustic performance.

Consultants

When asked to rate their appointed consultant, 90% of the SMAs reported that they were satisfied.

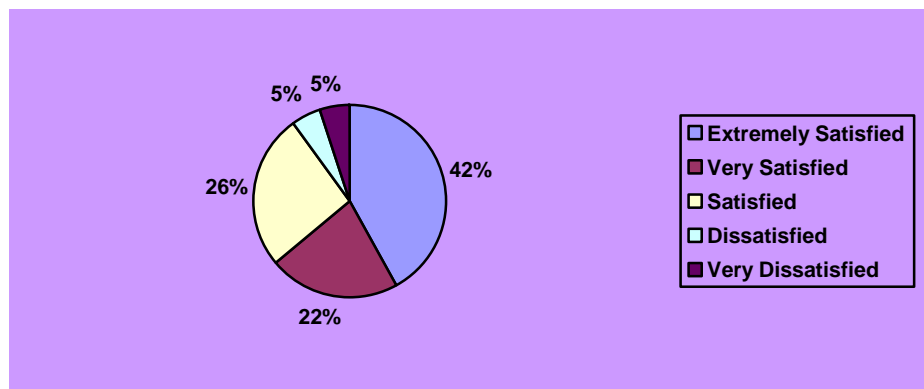


Fig. 4: Satisfaction with consultant

Recommending the devolved initiatives (both initiatives)

81% replied that they would recommend the acceptance of a similar devolved scheme again if the SMA were invited to participate; 14% would not recommend acceptance, or would have serious reservations about the practicality of the SMA providing a better product than a DES-driven project. In all except one instance the SMAs felt that they carried out the project in an efficient and effective manner.

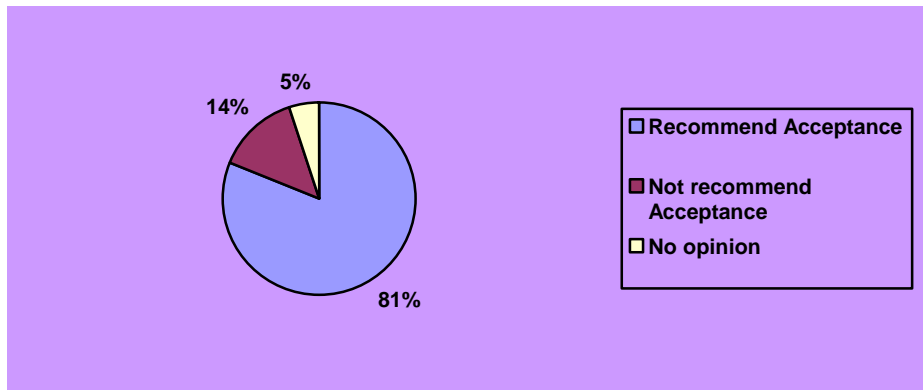


Fig. 5: Recommending the devolved scheme

All SMAs in both initiatives were asked to rate their satisfaction with the initiatives in which they participated. The result was as follows:

Educational impact

- 84% were extremely satisfied
- 13% were very satisfied
- 3% were satisfied.

All the SMAs were happy with the accommodation they achieved from the grant in respect of its educational impact. They now believe they are in a position to provide a better education to the pupils, as they no longer have to operate in cramped spaces, or deal with lack of storage space. This, in their opinion, has contributed in a positive way to the educational impact in the school.

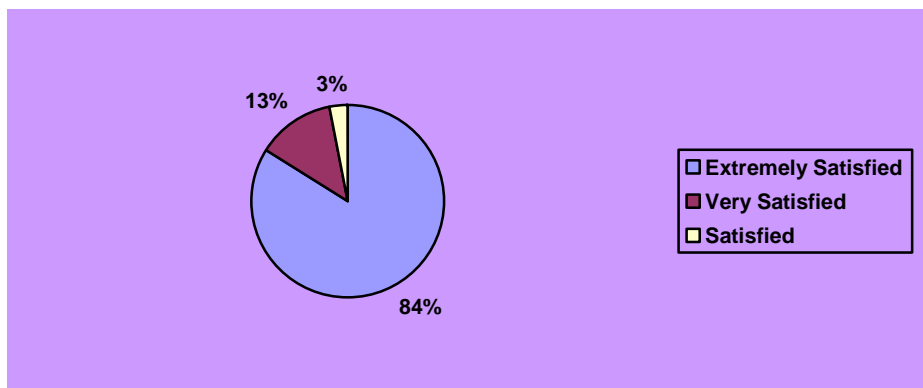


Fig. 6: Satisfaction with educational impact

Construction quality

- 71% were extremely satisfied
- 26% were very satisfied
- 3% were satisfied.

All the SMAs were extremely satisfied with the standard of construction they have achieved in heating, lighting, acoustics, space, and general final product.

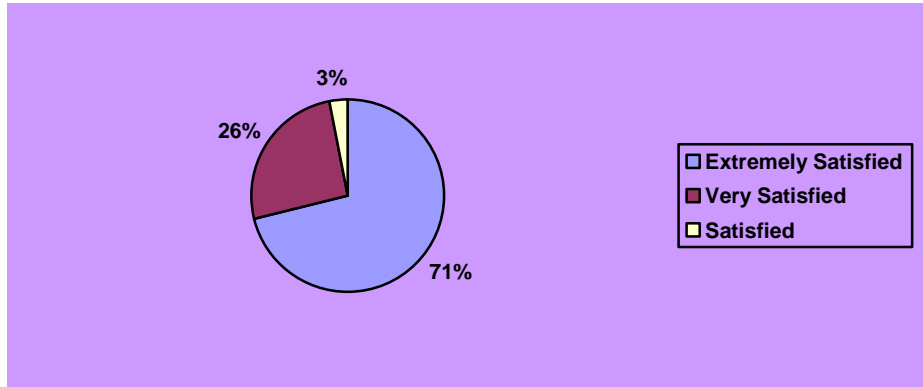


Fig. 7: Satisfaction with construction quality

Programme of delivery

- 52% were extremely satisfied
- 35% were very satisfied
- 10% were satisfied
- 3% were dissatisfied.

97% of the SMAs were satisfied with the scheme of provision for their building programme. They considered that they had achieved a speedier completion of their project by doing it themselves; it was their belief that if they had to wait for their project to proceed through the architectural process within the DES they would still be waiting, in the light of the hold that was placed on building projects at the early stages of architectural planning in the 2003 School Capital Programme.

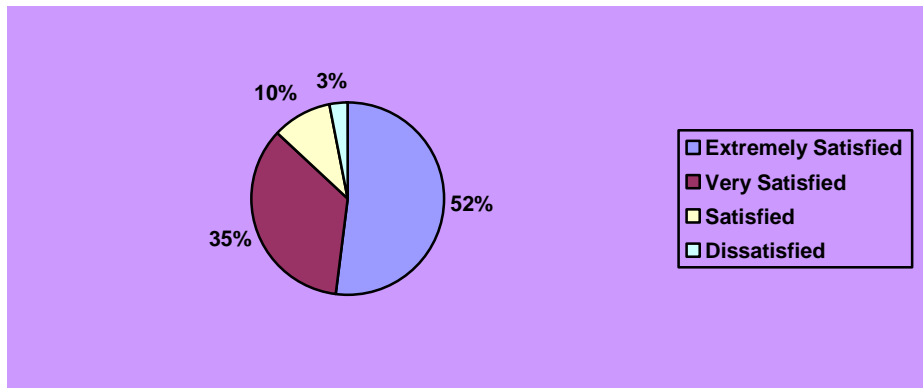


Fig. 8: Satisfaction with programme of delivery

Autonomous role of school management authority

- 48% were extremely satisfied
- 26% were very satisfied
- 13% were satisfied
- 7% were dissatisfied
- 6% were very dissatisfied.

A total of 87% of the SMAs were satisfied to have full autonomy in their building project. They considered that the ability to self-govern the brief gave them “ownership” of and pride in the final product. On the other hand, 13% were dissatisfied with the responsibility placed on principals, as they believed that the work load was excessive in the light of the fact that principals had to manage the

school and teach as normal.

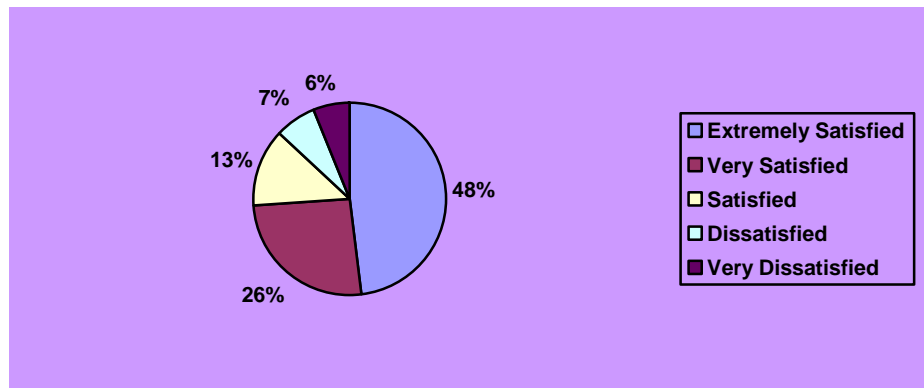


Fig. 9: Satisfaction with autonomous role of SMAs

Other comments from SMAs

The time limits for the completion of the project were felt by 86% of the SMAs to be significantly reduced as a result of devolving responsibility of the project. In two instances the SMAs felt that devolution made no impact on time limits, while in one instance the SMA thought that in fact the mechanism added to the completion period.

Several principals remarked that (a) they relished the challenge, (b) they were best placed to oversee the project from day to day, as they were in attendance on the site every day (every SMA has different priorities, best understood by those on the spot), and, (c) the extra work load notwithstanding, the final product made the experience all the more worth while.

Other comments were:

- The total grant must meet the full cost of the project (including furniture and equipment), and fund-raising should not be part of the deal.
- The cost of the renovation part of a project could increase out of control. The more one looks at what is to be done, the more there is to do. SMAs are not skilled in drawing up project briefs.
- Is it possible to speed up planning permission? Can the DES enter into an agreement with county councils to give schools priority? The time limits for completion are tight if the SMAs run into difficulties with planning permission, leases, sewerage work, the ESB, etc.
- The selection of “before and after” photographs on the web site would encourage 100% take-up of the scheme. Principals should be encouraged to visit completed projects in their area.
- Schools should be assessed before the allocation of the grant; not all four-classroom schools have the same needs.
- If direct labour could be used, it would give real value for money.

Chapter 5

Conclusions

The Department of Education and Science accepted the recommendations of the Pignatelli Report and the Cromien Report in 1999 and 2000, respectively. The findings of both reports suggested that the process used in the selection and provision of building projects was resulting in bottlenecks in the system and, if not addressed, would have a disastrous effect on such provisions in the long run.

In early 2000 the Department's Planning and Building Unit revised the manner in which the School Capital Programme was implemented and concluded that it was necessary to introduce a mechanism that would increase the deliverable infrastructures in a speedy, cost-effective and quality manner to ensure improved education facilities throughout the country. The SSI and PAI were introduced as a pilot scheme in the School Capital Programme for 2003. Both these initiatives have been reviewed in this report; chapter 4 provided details of the reviewers' findings, based on evidence collected and evaluated.

It can be concluded from the review that the objectives of the initiatives were satisfactorily achieved, but that some important issues need to be addressed.

Objectives achieved

- The schools involved have better facilities or additional accommodation.
- The introduction of these initiatives ensured that the DES was in a position to address the higher-priority projects through the traditional method of architectural design in the knowledge that forty additional schools were progressing to construction within a time limit of twelve months, without requiring direct involvement by DES officials.
- A higher output was achieved, as none of the schools in the SSI would have progressed to construction in 2003 if the initiatives had not been established.
- A higher level of quality was obtained (permanent build) in relation to the projects progressed through the introduction of the PAI, as the previous method of progressing these applications was to provide temporary prefabricated accommodation.
- The majority of the building projects proceeded to site and construction within the twelve-month time limit, as dictated in the guidelines for each initiative.
- The majority of the building work completed was of high quality and provided value for money.
- Grants were provided for the long-term accommodation requirements of the schools (taken as ten years for the purposes of the SSI). Therefore, in the preparation and decision on the final design briefs for their projects, enrolment policies were assessed by all the SMAs (as outlined in the guidelines for the initiatives), which then assessed their existing facilities with regard to health and safety, special needs, additional classroom requirements, ancillary accommodation, and external environs. This process considered the underutilisation of space in some schools and the overutilisation of space in others, which reduced the input from the School Planning Section.
- SMAs in general were happy with their ability to progress their own building projects. 81% would recommend acceptance of the devolved initiatives again (see p. 41), all were satisfied with the educational impact achieved (see p. 41), 97% were satisfied with the programme of delivery (see p. 42), and 87% were satisfied with the autonomous role of the SMA (see p. 43).

- An objective of both initiatives was to eliminate the local contribution element of building programmes by the provision of an all-in grant. However, it was open to all SMAs, if they so wished, to establish their own design brief and so supplement the grant so as to provide for additional localised or specialised requirements. Many SMAs availed of this opportunity and supplemented the cost of the building work to cover individual requirements in the area of the traditional local contribution level (see p. 39).
- Compliance with public procurement policy was achieved in relation to the tendering process for building contractors.

Issues raised

It was apparent that some local authority requirements were an imposition on SMAs, such as conditions attached to planning permission and issues of traffic management and environmental protection. Funding required to comply with these conditions had cost implications for some SMAs (as outlined on p. 39).

Some SMAs stated that the technical guidance documents were somewhat difficult to comprehend, as they were more relevant to the traditional method of procuring building projects.

79% and 86%, respectively, of the SMAs participating in the SSI and the PAI stated that they understood their role regarding health and safety legislation, yet 100% and 71%, respectively, did not identify a separate fee for the appointment of a project supervisor at the design stage.

Recommendations

It is recommended that both the SSI and the PAI be extended in future as long-term schemes rather than initiatives, subject to the following areas (outlined under the relevant heading below) being addressed in the first instance to eliminate risks for the DES and to support SMAs in achieving an educational and cost-effective solution to their building requirements:

- selection process
- level of funding
- notification and information
- appointment of consultants
- technical guidance documents
- health and safety
- management of building projects by the SMA
- future evaluations.

Selection process

- Selection for inclusion in the scheme should be based on an application form.
- All applications should be assessed against the published priority criteria.
- A circular should be drafted that outlines the objectives and conditions of the schemes and should be issued to all primary schools with four teachers or fewer, together with an application form.
- The circular and the application form should be placed on the DES web site to encourage electronic application.
- The application form should be sufficiently detailed to provide relevant details to the Department to enable the School Planning Section to establish the condition of the existing school and its eligibility for the schemes.
- Island schools should warrant separate investigation in relation to inclusion or costs, in order to compensate them for costs associated with the carriage and delivery of both goods and labour.

- Clear, specific objectives and priorities should be set that must be achieved within the schemes.
- Clear review and end dates for compliance with the schemes should be set.
- A sample audit should be conducted annually to ensure full compliance with the scheme, both internally and externally.
- Clear penalties should be set, on a sliding scale, for non-compliance with the scheme.

Level of funding

- The level of funding in relation to the SSI should be revisited to ensure compliance with set objectives and priorities of the DES.
- The identification of cost per square metre should be introduced, with new building and renovation work clearly separated, in tender documents and subsequent certificates in order to provide the DES with clear performance indicators for future evaluation of the BBC relevant to these schemes.
- SMAs should have access to the Summer Works Scheme each year.
- The PAI should be extended to all SMAs, both primary and post-primary, that are seeking temporary accommodation, other than those seeking rented temporary accommodation for a specific purpose; however, careful consideration should be given before including SMAs in rapidly developing areas: building small extensions to schools that in reality need larger extensions can have disastrous consequences and can result in the sterilisation of sites with regard to future development.
- Provision for a new school, with associated costs, should be introduced into the SSI where it is apparent that a new school would be a more cost-effective option than renovating or extending the existing facility.
- When external factors affect project costs, and where such additional costs may hinder the standard of the final product, an appeals process should be introduced.
- A research and development budget should be set aside to facilitate the future development of the schemes, as may be established in future national and international best practice.
- It is noted that the initiatives as now constituted do not explicitly provide scope for SMAs to seek to band building projects together in order to obtain more competitive tenders; consideration could be given to including this option in the future and also the feasibility of a panel of approved contractors or suppliers that SMAs could use for their building projects.

Notification and information

- A circular should be issued in relation to the new schemes.
- A loose-leaf binder comprising a comprehensive detailed information package (including all technical documents, public procurement procedures, health and safety regulations, and the role and responsibilities of SMAs) should be compiled and issued to all eligible SMAs, together with a special application form.
- The present induction and information sessions should continue.
- More information should be provided and an emphasis placed in relation to the role of clients and their responsibility under the Safety, Health and Welfare at Work (Construction) Regulations.
- A schedule of intermediate written communications with the SMAs throughout the design process should be devised that would focus and inform both the SMA and the DES in relation to the progression of the building project, with regular updates and sign-offs throughout the process.

Appointment of consultants

- Guidance documents should be made available to SMAs in relation to the correct

- procurement process for appointing consultants.
- Clarity on the role and the requirements for consultants should be provided.
- There should be a clear identification of consultancy fees, and the completion of an agreement between the SMA and the consultant in relation to the level of fees should be retained on file.

Technical guidance documents

- A condensed version of the design team procedures should be provided in respect of the design stages of an educational building process, specifically for devolved schemes.
- Guidance documents should be made available in respect of appointing consultants and contractors.
- Guidance documents, in a suitable format, should be provided in respect of the tendering process and public procurement procedures in order to ensure full compliance with and understanding of this process so that legitimate industry is fully supported.
- Consideration should be given to whether domestic-standard mechanical and electrical installations in schools is suitable and represents value for money; if not, minimum standards should be drawn up to be used in future.

Health and safety

- The project supervisor, design stage (PSDS), in consultation with the SMA, should identify all the health and safety issues of concern at the beginning of the project and ensure that these are addressed as priority items as part of the proposed project.
- An induction session should be considered that would provide sufficient information to SMAs in relation to their role under the relevant health and safety legislation.
- A check-list should be included in the information package in relation to the role of the client, PSDS and project supervisor, construction stage (PSCS), under relevant regulations. While an IT-based solution is preferable, given the work load of the Department's IT Unit it is not considered that such a solution will be provided in the short to medium term.

Management of building projects by school authorities

- SMAs should be advised to set up a building committee from within their board of management in order to share the work load.
- SMAs should be advised in writing of their responsibilities as client in relation to health and safety legislation.
- SMAs should be advised of their role as client in dictating the brief for the project.
- SMAs should retain all relevant documents for future auditing purposes and should not rely on the consultant to retain all documents.
- SMAs should ensure that a qualified consultant is appointed.
- SMAs should provide intermediate confirmation of the present position, as requested from time to time by the School Building Section.
- SMAs should be advised to retain all relevant documents on the school premises for record purposes.

Future evaluations

This review followed the original forty SMAs selected for inclusion in the two schemes. It is recommended that the initiatives be reviewed again in five years' time to establish

- • long-term performance indicators, trends, success factors, or otherwise

- • whether a smaller sample of participating SMAs should be considered for possible future review to allow for a more detailed review of all aspects of the schemes
- • whether post-occupancy evaluations should be carried out in the same way as projects that proceed in the traditional manner.

Review Committee: Miriam Kearney (APO), Frank Lewis Snr (architect), Eamonn Cusack (HEO),

Dermot Moylan (EO), and Kevin O'Brien (EO).

Annex 1

The architectural planning process: A synopsis

Stage 1: Site suitability, briefing, and site report

The objective of stage 1 is to establish the suitability, or otherwise, of the site for the proposed work and to establish and analyse all or any site factors that might affect such suitability, including the design and cost implications of linking new and existing buildings or constructing new buildings. Where the project is in part or in total the repair or replacement of a building element (or elements), or a renovation project, the objective is to determine the scope and extent of the work necessary.

Stage 2: Outline sketch scheme

The objective of stage 2 is to explore and evaluate (through sketch scheme design in the case of new building projects) the options available for meeting the project brief and to demonstrate, through a comparison of options, that the recommended option achieves an acceptable balance between the design (architectural and engineering), educational and economic requirements of the project.

Stage 3: Developed sketch scheme

The objective of stage 3 is to design and accurately cost the option for development that has been demonstrated at stage 2 to best meet the design (architectural and engineering), educational and economic requirements of the project.

Stage 4: Detail design

The design should fully come together at this stage, with all elements of the project, including mechanical and electrical and structural specifications, being fully detailed. Costings are more developed. Planning permission and fire authority approval need to be obtained, and details of any conditional approvals need to be furnished.

Stage 5: Bills of quantity

At this point in the design process, bills of quantity are prepared by the design team (quantity surveyor) in order to ensure that (a) contractors know precisely what they need to include in tenders and (b) each tendering contractor's price is based on exactly the same pricing document.

Stage 6: Tender action and report

Tenders for the project are sought from contractors. The design team evaluates the tenders received and recommends to the client which tenderer is to be awarded the contract.

Stage 7: Post-contract cost control

The successful contractor goes on site and starts building. It is the job of the design team, during the construction period, to ensure that the cost is controlled within the contract sum.

Stage 8: Practical completion and handing over of building

When the building is certified by the architect as being practically complete (i.e. fit for use) it is handed over to the client. During the following twelve months (the defects liability or guarantee period) any "snags" or building defects that arise are made good by the contractor.

Stage 9: Final account

During the defects liability period the final account is agreed, and at the end of the period, provided all parties are satisfied with the finished product, final payments are made.

Annex 2

Circular, form of acceptance and guidance documents for SSI

18 February 2003

Chairperson
Board of Management

Re: XXXXX National School (RN: XXXXXXXX)

Dear XXXXXXXX

I refer to your application for improved accommodation at the above named school.

The Department is launching a pilot initiative aimed at improving accommodation in small and rural primary schools. This initiative will allow your Board to address its accommodation and building priorities with a guaranteed amount of funding and gives the Board control over the pace at which building work proceed.

The Department proposes to include your school in this pilot initiative in order to meet the long-term accommodation requirements of the school.

The actual amount payable by the Department will be €XXXXX or the tender amount for the proposed work plus fees, whichever is the lower.

The offer of grant is based on the Department's assessment, based on enrolment data and projections, that the school will require a maximum of two standard classrooms for the future. It is essential that the school's enrolment policy does not, at any stage, permit total enrolment to increase to such a level that the available accommodation, including that provided under this initiative, is insufficient. Any variation on such an enrolment policy, put in place for the purpose of securing the adequacy of the accommodation in the future, may be deviated from only where the express permission of the Department's Planning and Building Unit has been obtained in advance.

The full administrative and technical conditions attaching to this offer are set out in the attached document. Also included is a basic guide to help explain the building process.

Please complete and return the attached Form of Acceptance as soon as possible but no later than **Friday 7th March, 2003** if your Board of Management is prepared to accept this grant under the pilot initiative.

To deal with any queries before participation in this pilot initiative, the Department will be holding an **information meeting at 10.30 a.m. on Wednesday 26 February, 2003 in the Department's offices, Portlaoise Road, Tullamore, Co. Offaly**. A maximum of two representatives from each school are invited to attend this information meeting. Please contact XXXXX in the Primary Building Unit to confirm your school's attendance at this information meeting.

Please note that following the information meeting, all advice in relation to proposed building projects under this pilot initiative should be sought from your architect or engineer.

Yours sincerely

XXXXXXXXXX

Primary Building Unit.

Form of acceptance

I confirm that the Board of Management of XXXXX National School accepts the Department of Education and Science's offer to be part of this pilot initiative. I confirm that the inclusion of XXXXXXXX National School in this initiative has the approval of the Trustees or Patron.

I confirm that the Board accepts that the grant payable by the Department to meet its long-term accommodation requirements is €XXXXXXX (including Value Added Tax and all fees) or the lowest valid tender amount for the proposed work plus fees, whichever is the lower.

The Board accepts the Department's assessment of its longer term accommodation needs based on a maximum of two standard classrooms and undertakes to operate an enrolment policy that does not, at any stage, permit total enrolment to increase to such a level that the available accommodation, including that provided under this initiative, is insufficient.

The Board agrees to use the grant to cater for the long-term accommodation requirements of the school on the grounds that no further grant-aid will be made available for capital building work unless the Department determines that there has been an unforeseen development warranting an increase in the school's accommodation either based on its own assessment or circumstances brought to its attention by the Board.

I wish to confirm that the Board of Management also agrees:

- To engage a suitably qualified architect or engineer to assist in undertaking the work
- To give priority to work in the following order:
 - 1) serious health and safety issues
 - 2) provision for pupils with special needs
 - 3) adequate mainstream classroom accommodation (including any necessary mechanical and electrical work)
 - 4) other ancillary accommodation
 - 5) works (other than those deemed to come under (a) above) required to improve external play areas.
- To comply with all statutory requirements, including building regulations, planning permission requirements and fire officer's requirements
- To ensure compliance with the Safety, Health and Welfare at Work (Construction) Regulations as outlined in Statutory Instrument 138 of 1995
- To obtain tenders on a fixed price basis using a competitive tendering process
- To ensure that the contractor for the construction work:
 1. holds a current C2 tax clearance certificate
 2. is a member of the CIF Pension and Sick Pay Scheme
 3. has current public and employers liability insurance
 4. complies with the Safety, Health and Welfare at Work (Construction) Regulations (Statutory Instrument 138 of 1995)
 5. obtains a contract guarantee bond if the proposed building project exceeds €250,000 in value.
 6. has the manpower and other resources necessary to undertake the work involved within a reasonable period

- To safeguard the grant received from the Department and ensure that it is only used in accordance with the terms and conditions of this pilot initiative
- To make payments to the contractor in accordance with the terms and conditions of the contract based on certificates submitted by its architect or engineer
- That work will begin within 12 months of the date of this approval. It is accepted that this grant sanction will automatically lapse if building work has not begun within this 12 month period
- To forward to the Department on completion of the work its consultant's Opinion of Compliance of the relevant development with planning permission and or exemption from planning control, and also with the building regulations and fire safety certificate requirements
- To keep all receipts, documents and any other records in connection with the work undertaken for a period of at least seven years
- Not to purchase land with the grant.

I confirm that XXXXXX National School is the subject of a Lease or Declaration of Trust that is valid for a minimum period of 35 years from a current date and that the proposed project is to be carried out within the confines of the vested school area.

In the event that the Lease or Declaration of Trust is not valid for a minimum period of 35 years, I confirm that arrangements will be made with the Patron to have the necessary legal arrangements put in place in order to extend the period to 35 years.

Signed: _____

Name

Chairperson (on behalf of the Board of Management)

Date: _____



**AN ROINN OIDEACHAIS
AGUS EOLAÍOCHTA** | **DEPARTMENT OF
EDUCATION
AND SCIENCE**

Planning and Building Unit, Tullamore, Co. Offaly

EMPOWERING SMALL AND RURAL PRIMARY SCHOOLS

Pilot initiative to allow small primary schools to undertake devolved building and modernisation work

General

The Department is putting in place a pilot initiative that is aimed at devolving control over the planning and construction phases of improvement work on school authorities.

Specifically, the initiative is focused on small and mostly rural primary schools where the enrolment profile is stable and where the accommodation needs of the school over the next decade are therefore certain.

Twenty primary schools have been invited to participate in the pilot phase of the initiative. The following guidelines were used in choosing the schools:

- The school had recently submitted a formal application to the Planning and Building Unit for improved accommodation
- The condition of the accommodation was considered to warrant inclusion of the school in the pilot
- The current and long-term enrolments, as assessed by the Department, indicate that the school will not warrant the provision in the foreseeable future of more than four standard mainstream class-rooms (excluding all ancillary and specialist accommodation)
- Architectural planning had not already been approved by the Department for a building project at the school
- No major capital funding has been approved for the school in recent years.

The Department's interaction with schools regarding building projects under this pilot initiative will be **minimal**. Boards of Management will be empowered and must secure professional architectural or engineering advice and project management for any proposed building projects.

The procedure is highly simplified and will be operated in a "hands-off" manner by the Department. Following the return of the completed Form of Agreement, the only other documents required to be submitted to the Department is that needed to pay the grant (see number 15 below). Boards and their agents will be required to retain all other documents so that it can remain available for random audit by the Department and to facilitate the formal evaluation of the pilot initiative that the Department will undertake at the end of 2003. The evaluation will include a detailed assessment of some of the building projects undertaken. The outcome of this evaluation will help determine the scope for expanding the pilot initiative to include other small and rural schools requiring improved accommodation. If the results of the evaluation support the introduction of a more general scheme, the Department will consult the relevant patron bodies in relation to the terms and conditions of any wider application of this approach.

General questions relating to the pilot initiative

1. How should the grant be used?

The grant must be used now for a building project that will cater for the long-term accommodation requirements of the school. "Long-term" for this purpose is considered to be a period of up to ten years. The Department of Education and Science will not process any further applications for grants for major capital work during this period unless, in the opinion of the Department, circumstances not foreseen when this grant was sanctioned have arisen that warrant an increase in the accommodation of the school.

The following is the order of priority that boards of management must follow in determining how the grant should be used:

1. Work required to address serious health and safety issues
2. Work required to make adequate provision for pupils with special needs
3. Work required to provide adequate mainstream classroom accommodation (including any necessary mechanical and electrical work)
4. Work required to provide other ancillary accommodation
5. Work (other than that considered to come under no. 1 above) required to improve external play areas. Under no circumstances whatsoever may the grant be used to purchase additional land.

If the grant is not sufficient to address all the issues from 1 to 5 above, the work of highest priority should be addressed within the limits of the grant. The level of the grant will not be increased.

The board of management should note that any costs for temporary accommodation that may be required to keep the school in operation while the proposed building project is under way must be paid for with the grant. No additional costs of any kind will be payable. The board should take every opportunity to minimise the use of temporary accommodation through the timing of work during school holidays.

2. What is the amount of the grant?

The amount of the grant will range between €100,000 and €350,000, depending on enrolment in the school, the size of the school, and the physical requirements of the school.

The grant payable by the Department (including value-added tax and fees) will be

- (a) the amount of grant approved by the Department in its letter of approval or
- (b) the lowest valid tender amount for the proposed work, plus fees, whichever is the lower.

If there is a shortfall in funding, the options open to the board of management are

- (a) to reduce the scale of the work so that it stays within the limit of the grant,
- (b) to use funds allocated by the Department under the terms of the Grant Scheme for Minor Works to supplement the grant, provided such funds are not required for more urgent and immediate work, or
- (c) to fund the balance of the work from its own resources.

Please note that under no circumstances will the Department increase the amount of the grant offered to a school. This provision is necessary because a central tenet of the devolved scheme is that a school authority, granted discretion and guaranteed funding to enable immediate progress on its

accommodation needs, must equally accept responsibility for priorities, the control of costs, and ensuring value for money.

3. Can the Department withdraw the offer of a grant?

Yes, sanction for the grant will automatically lapse if construction work does not begin within twelve months of the date of approval. This provision is necessary so that resources for the initiative can be reallocated to those better placed to make use of them. The Department retains the option of altering or withdrawing the offer of a grant if a change in the local circumstances, as detailed in a report from its Inspectorate, is sufficient to warrant this.

4. Will the board of management be required to make a local contribution towards the project?

No local contribution will be required. However, the board of management will be responsible for all costs in excess of the approved grant amount.

5. Who pays for consultants' fees and planning charges?

The grant is intended to cover the capital cost of the project, including associated planning charges and all consultants' fees incurred in the design and construction of the project, all fees for the project supervisor, design stage (PSDS), and all fees for the project supervisor, construction stage (PSCS).

6. Is a lease or declaration of trust required?

It is a condition of funding that your school site, including school building (or buildings), is the subject of a lease or declaration of trust that is valid for a minimum of thirty-five years from the current date. The lease simply guarantees that the school property is retained for educational use. The lease will need to be amended to reflect the additional capital investment at a later stage. You are advised to seek the advice of your legal adviser in this and all legal matters. A grant awarded under the provisions of this pilot project does not or should not of itself confer a particular tenure on a building whereby it would remain available for educational use. The Department retains the option of declaring the school to be surplus to requirements. The board should seek the approval of the trustees before any work is undertaken.

7. Who is responsible for the proposed building project?

This pilot initiative devolves authority and responsibility on boards of management for the execution of the work. Please note that the board of management is also responsible for all interactions with the consultant architect or engineer and for ensuring that the proposed work is in accordance with the conditions set out in this pilot initiative.

8. What records must be kept?

All expenditure in connection with the pilot initiative must be vouched, and all documents must be retained by the board for a minimum period of seven years in case of an audit inspection by the Department of Education and Science or the Comptroller and Auditor-General. Please note that the Department will be undertaking random audits and inspections at schools participating in this pilot scheme.

Technical conditions

9. Is a consultant architect or engineer required?

The board of management must employ a suitably qualified consultant architect or engineer who is a member of the Royal Institute of the Architects of Ireland (RIAI) or the Institution of Engineers of Ireland (IEI) or the equivalent. The board must satisfy itself that the consultant architect or engineer will be able to provide satisfactory evidence of tax clearance and adequate professional indemnity insurance cover before engagement. The board should ensure that the fee agreed with the architect or engineer covers all necessary professional and technical services.

10. Who is responsible for ensuring compliance with statutory regulations?

The board of management will be the client for the project and, in consultation with the architect or engineer, will be responsible for ensuring compliance with all statutory regulations, which with most projects will require obtaining planning permission and a fire safety certificate. The building project must comply in all respect with building regulations. The consultant architect or engineer will be able to advise the board on these matters.

11. Who is responsible for ensuring compliance with health and safety regulations?

The board of management, as client, will be responsible for implementing the Safety, Health and Welfare at Work (Construction) Regulations (1995) and for appointing a competent person to act as project supervisor for the design and construction phases of the project. Please note that the project supervisor, design stage, must prepare a health and safety report, which should be given to the board of management. The consultant architect or engineer will be able to advise the board on these matters.

12. What should be done if the school is known to contain asbestos?

If your school has not already been surveyed for the presence of asbestos, or if your board is not sure whether it has been surveyed, you or the architect or engineer should contact the Health and Safety Unit, Office of Public Works, 51 St Stephen's Green, Dublin 2; telephone (01) 6476198. In this regard please refer to circular 37/99, issued in December 1999.

13. How are tenders to be sought for this proposed building project?

Tenders must be sought on a fixed-price basis (that is, clause 36 of the GDLA form of contract should be deleted). The project must be advertised by way of public advertisement in local or national newspapers and on the Government's web site (www.etenders.ie). A sample advertisement and guidance for consultants on placing advertisements on the Government's e-tenders web site is available at the Department of Education and Science web site (www.education.ie). A more detailed guide to the tendering process is available at www.finance.ie.

In accordance with public procurement procedures, the contract must be awarded to the lowest tenderer who meets the criteria outlined below. The tendering process must be transparent and fair, and all tenderers must be treated equally.

14. What criteria must the successful contractor meet?

The successful contractor must

- hold a current C2 tax clearance certificate
- be a member of the CIF pension and sick pay scheme
- have current public and employer's liability insurance
- comply with the Safety, Health and Welfare at Work (Construction) Regulations (1995)
- obtain a contract guarantee bond if the value of the proposed building project exceeds €250,000

- have the labour and other resources necessary to undertake the work involved within a reasonable period.

The form of contract must be based on the latest version of the GDLA contract, with clause 36 deleted (i.e. must be a fixed-price contract). Your consultant architect or engineer will be able to advise you on all these matters.

If your board is satisfied that the contractor fulfils these requirements, and the project supervisor for the design stage has prepared a health and safety report, you may proceed to place the contract. The board should also notify its insurance brokers that building work is due to begin on the school site.

15. When will the grant be paid?

As stated earlier, the grant payable by the Department (including value-added tax and fees) will be

- (a) the amount of grant approved by the Department in its letter of approval or
- (b) the lowest valid tender amount for the proposed work plus fees, whichever is lower.

The Department will therefore have to be informed by the architect or engineer, through the board of management, of the tender amount for the proposed work plus fees before any payments can be made.

The first payment will be for 70% of the Department's liability, and this will be paid on receipt, through the board, of the following confirmation from your architect or engineer:

- that the work is in accordance with the priorities listed at question no. 1 above,
- that tenders were sought in accordance with a competitive tendering process as set out at question no. 13 above,
- that the lowest valid tender was accepted by the board and the successful contractor met the criteria set out at question no. 14 above, and
- that the board has placed a contract for the proposed work with the successful contractor, and the contractor is on site and has begun building work.

The second payment will be for 15% of the Department's liability, and this will be paid on receipt, through the board, of the certificate of practical completion from your architect or engineer.

The third payment will be for 10% of the Department's liability, and this will be withheld pending receipt of the following documents:

- your consultant's opinion of compliance of the relevant development with planning permission or of exemption from planning control,
- your consultant's opinion of compliance of the relevant development with the building regulations, including the fire safety certificate, and
- copies of all relevant drawings, if possible in an appropriate electronic format, and your consultant's confirmation that the completed work is in accordance with these drawings.

The final payment will be for the remaining 5% of the Department's liability. The contract must specify that 5% of the contract sum will be retained, 2.5% to be released to the contractor on agreement of the final account and the balance of 2.5% to be retained for twelve months following the completion of the work and pending the necessary rectification of any building defects that may become apparent during that period. Thereafter, the timing of when this will be paid by the board of management to the contractor will be determined by the need, if any, to make good any building defects during this post-contract period.

At the end of this period your architect or engineer must prepare the final account for the project to determine the exact final payment due to the contractor. The board is advised to retain the final portion of the architect or engineer's fee until the final account has been done. The board of management must satisfy itself of the correctness of the final account before making final payments to the contractor. The Department will pay the remaining 5% of its liability on receipt of a copy of the final account for the project.

Please note that the Department will be undertaking random audits and inspections of work proposed or being carried out under this pilot scheme. In accordance with standard practice, the payment of capital grants is conditional on the Department being satisfied that the school has a proper maintenance programme in accordance with the guidelines contained in the Maintenance Matters manual issued to all schools in 1998. An electronic version of Maintenance Matters can be obtained at www.education.ie.

Projects must display an acknowledgement sign that they are being funded by the National Development Plan, 2002–06. Guidance on this matter is available at www.ndp.ie.

The Department reserves the right to withhold payment of the grant to schools for non-compliance with any terms of the pilot initiative.

16. What other guidance is available to the board?

Guidance on these and other technical issues is also contained in the Department's Maintenance Matters manual, chapter 9, "Getting work done." (This is also available at www.education.ie.)

Guide to the building process

Introduction

This document is issued by the Department of Education and Science for general guidance purposes only. Boards of management should seek professional advice in relation to any proposed building projects from their architect or engineer.

Building projects

There are a number of stages in a building project, which are summarised below. The consultant employed by the board of management should be competent in all these areas, and the purpose of this document is to describe these processes in brief to those not normally involved in the building procurement process.

Setting of brief

The establishment of clear accommodation requirements, such as renovation requirements etc., coupled with the setting of outline costs and any other relevant job-specific objectives. The role of the client board of management, assisted by the architect or engineer, is to set the brief within the constraints of the amount of the grant and the priority areas outlined by the Department of Education and Science in this document.

Design

The preparation by the architect or engineer of initial sketch drawings that properly describe the proposed work for approval by the board of management and that are also consistent with the established brief and outline costs.

Planning permission

The statutory process required under the Planning and Development Act (2000) that involves preparing and submitting an application to the relevant local authority so as to obtain planning permission and other necessary statutory consents to carry out development work.

Fire safety certificate

The statutory process required under the Building Control Regulations (1991–94) that involves preparing and submitting an application for a fire safety certificate to the relevant building control authority (i.e. the county council, city council, or town council, as appropriate) for certification to carry out certain development work.

Tendering process

The process of obtaining competitive tenders (prices) from a selected number of building contractors (a minimum of five), usually through a public advertisement, based on a set of documents known as the tender documents. The tender documents must comprehensively describe the work, the materials to be used and all other relevant cost-generative items for the purpose of establishing the complete cost of the project. Clear accepted standards govern how this process must take place. Your architect or engineer will be able to advise you on this matter; guidance on the tendering process is also available at the Department of Finance web site (www.finance.ie).

Your project supervisor, design stage, will be able to advise on the preliminary health and safety plan, which is a statutory requirement in most instances and is prepared as part of the tender documents.

Tender analysis and start-up

The building contractor is selected following analysis of the tenders, and preparations are made for beginning work on site, including the following processes:

- Contracts are signed (GDLA 82 form of contract).
- Insurance is obtained as set out in the form of contract, plus performance bond, where required.
- The project supervisor, construction stage, is appointed.
- A commencement notice (two weeks' notice) is issued to the building control authority (i.e. county council, city council, or town council), informing them of the impending work.
- Notice is issued, where required, to the Health and Safety Authority, informing them of the impending work.

Contract stage

The period during which the work actually takes place on site.

Post-contract stage

A period (normally twelve months) following the completion of the work during which an amount of money owing to the building contractor (2.5%) is withheld pending the necessary rectification of any building defects that may become apparent during that period.

Explanation of job functions and other common terms

architect: the person responsible for the design of the building.

quantity surveyor: the person responsible for the cost control of the project and the bill of quantities.

structural engineer: the person responsible for the structural design of the building.

mechanical and electrical engineer: the person responsible for the design of the electrical and mechanical aspects of the project (lighting, heating, air extraction, etc.).

project supervisor, design stage (PSDS): the person appointed in accordance with the Safety, Health and Welfare at Work (Construction) Regulations (1995)—usually the architect or engineer—whose task it is to ensure that the building or other work to be undertaken can be done in a safe manner, without risk to the workers involved. The client has a statutory obligation to appoint a competent person to this position.

project supervisor, construction stage (PSCS): the person appointed in accordance with the Safety, Health and Welfare at Work (Construction) Regulations (1995)—usually the main building contractor—whose task it is to ensure that the work undertaken on site is carried out in a safe manner, without risk to the workers involved. The client has a statutory obligation to appoint a competent person to this position.

bill of quantities: a complete elemental breakdown of the scope of the work, including quantification for pricing purposes.

GDLA form of contract: the Government Department and Local Authorities contract document, the standard form of contract for construction work being paid for from public funds.

Time scale of work

Table 2 illustrates the approximate monthly time limits for all the processes described in the previous pages. The contract stage will vary from project to project; table 2 illustrates a typical three-month building programme.

Table 2: Time scale of work

Process	Average time of process (months)												
	1	2	3	4	5	6	7	8	9	10	11	12	13–25
Setting of brief													
Design	1	2											
Planning preparation			3										
Planning process				4	5	6							
Fire safety certification					5	6							
Tender preparation						6	7						
Tender process								8					
Tender analysis plus start-up									9				
Contract stage										10	11	12	
Post-contract stage													

Source: Planning and Building Unit, 26 February, 2003.

Annex 3

Circular, form of acceptance and guidance documents for PAI

The Chairperson
Board of Management,
XXXXXXXXXXXX

Re: XXXXXX National School RN: XXXXXXX

Dear Chairperson

I refer to your application for temporary accommodation at the above named school.

The Department is launching a new pilot initiative that is aimed at reducing the amount of temporary accommodation required in primary schools. Specifically the initiative will empower primary schools to undertake a permanent solution to their classroom accommodation needs. Twenty primary schools are being invited to participate in the pilot phase of this initiative including XXXXXXX National School.

This initiative devolves on school authorities the control over the planning and construction phases of small-scale additional permanent accommodation work. It will allow a board of management to proceed with a small-scale permanent building project using either conventional building methods or the new systems-build "quick build" permanent structures that are available on the market.

The actual amount payable by the Department will be €XXXXXX or the tender amount for the proposed work plus fees, whichever is the lower.

The full administrative and technical conditions attaching to this offer are set out in the attached document. Also included is a basic guide to help explain the building process.

Please complete and return the attached Form of Acceptance as soon as possible but no later than **Friday 6 June, 2003** if your Board of Management is prepared to accept this grant under the pilot initiative.

To deal with any queries before participation in this pilot initiative, the Department will be holding an **information meeting at 10.30 a.m. on Monday 26th May, 2003 in the Tullamore Court Hotel, Portlaoise Road, Tullamore, Co. Offaly.**

A maximum of two representatives from each school are invited to attend this information meeting. Please contact the undersigned in the Primary Building Unit to confirm your school's attendance at this information meeting.

Please note that following the information meeting, all advice in relation to proposed building projects under this pilot initiative should be sought from your architect or engineer.

Yours sincerely

XXXXXXXXXX
Primary Building Unit
21 May, 2003

Form of acceptance

I confirm that the Board of Management of XXXXXXXX National School accepts the Department of Education and Science's offer to be part of this pilot initiative. I confirm that the inclusion of XXXXXXXX National School in this pilot initiative has the approval of the Trustees or Patron and the support of the Board of Management.

I confirm that the Board accepts that the actual grant by the Department under this scheme is €XXXXXX (including Value Added Tax applicable) or the tender amount for the proposed work plus fees, whichever is the lower.

The Board agrees to use the grant to provide permanent classroom accommodation for the school.

I wish to confirm that the Board of Management also agrees:

- To engage a suitably qualified architect or engineer to assist in undertaking the work
- To comply with all statutory requirements, including building regulations, planning permission requirements and fire officer's requirements
- To ensure compliance with the Safety, Health and Welfare at Work (Construction) Regulations as outlined in Statutory Instrument 138 of 1995
- To obtain tenders on a fixed price basis using a competitive tendering process
- To ensure that the contractor for the construction work:
 1. holds a current C2 tax clearance certificate
 2. is a member of the CIF Pension and Sick Pay Scheme
 3. has current public and employers liability insurance
 4. Complies with the Safety, Health and Welfare at Work (Construction) Regulations (Statutory Instrument 138 of 1995)
 5. obtains a contract guarantee bond if the proposed building project exceeds €250,000 in value.
 6. has the manpower and other resources necessary to undertake the work involved within a reasonable period of time
- To begin work within 12 months of the date of this approval. It is accepted that this grant sanction will automatically lapse if building work has not begun within this 12 month period
- To forward to the Department on completion of the work your consultant's Opinion of Compliance of the relevant development with planning permission and or exemption from planning control, and also with the building regulations and fire safety certificate requirements
- To keep all receipts, documents and any other records in connection with the work undertaken for a period of at least seven years.

I confirm that XXXXXXXX National School is the subject of a Lease or Declaration of Trust that is valid for a minimum period of 35 years from a current date and that the proposed project is to be carried out within the confines of the vested school area.

In the event that the Lease or Declaration of Trust is not valid for a minimum period of 35 years, I confirm that arrangements will be made with the Patron to have the necessary legal arrangements put

in place in order to extend the period to 35 years.

Signed: _____

Name

Chairperson (on behalf of the Board of Management)

Date: _____



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EDUCATION
AND SCIENCE

Planning and Building Unit, Tullamore, Co. Offaly

Pilot initiative to allow primary schools undertake devolved building of additional small-scale permanent accommodation

General

The Department is putting in place a pilot initiative that is aimed at reducing the amount of temporary accommodation required in primary schools. Specifically the initiative will empower primary schools to undertake a permanent solution to their classroom accommodation needs. Twenty primary schools are being invited to participate in the pilot phase of the initiative. The initiative devolves control over the planning and construction phases of small-scale additional permanent accommodation work on school authorities.

The Department has been concerned at the cost of responding to requests for temporary accommodation in primary schools throughout the country. Initially temporary accommodation was intended as an interim solution to urgent accommodation needs pending a permanent solution. However, given the huge increase in demand for such accommodation arising as a result of improved pupil teacher ratios, allocation of resource and learning support teachers and special classes, it is prudent to consider alternative approaches to providing additional accommodation in short time frames.

Alternative quick-build methods, for example timber-frame, pre-cast concrete, are now available which may enable school authorities to provide permanent accommodation quickly.

This initiative is specifically focused on schools which are not in need of an immediate major extension or building project but which require additional classroom accommodation.

Schools will be selected on the grounds that

- The school has recently submitted a formal application to the Planning and Building Unit for additional temporary classroom accommodation
- The Department is satisfied that no suitable accommodation is available within the school
- Architectural planning had not already been approved by the Department for a large-scale

building project at the school

The Department's interaction with schools regarding building projects under this initiative will be **minimal**. Boards of Management will be empowered and funded to drive the design and construction of this project. Boards must retain the services of an architect or an engineer to provide professional advice on the proposed building project.

The Department will operate this grant in a "hands-off" manner. Following the return of the completed Form of Agreement, the only other documents required to be submitted to the Department is that needed to pay the grant (see number 15 below). Boards and their agents will be required to retain all other documents so that it can remain available for random audit by the Department and to facilitate the formal evaluation of this scheme that the Department will undertake before the end of 2004. The evaluation will include a detailed assessment of some of the building projects undertaken. If the results of the evaluation support the introduction of a more general scheme, the Department will consult the relevant patron bodies in relation to the terms and conditions of any wider application of this approach.

General questions relating to the pilot initiative

1. How should the grant be used?

The grant must be used now for a building project that will address the immediate additional accommodation requirements of the school.

The Boards may choose to address accommodation requirements as follows:

- (a) Commission the building of accommodation using conventional building methods e.g. bricks and mortar; or
- (b) Commission the building of accommodation using systems-build methodology e.g. timber frame, metal cladding, prefabricated concrete etc. approaches

The level of the grant will not be increased and is intended to cover the cost of all ancillary works – groundworks, provision of services, planning permission charges, furniture etc. However the Board of Management is free to supplement the grant from its own resources if it so wishes.

The Board of Management should note that any costs for temporary accommodation, that may be required to keep the school in operation while the proposed building project is underway, must be paid for with the grant. No additional costs of any kind will be payable. The Board should take every opportunity to minimise the use of temporary accommodation through the timing of works during school holiday periods.

2. What is the amount of the grant?

The amount of grant will be determined by the level of additional accommodation sanctioned by the Department under this initiative.

The grant payable by the Department (including value-added tax and fees) will be

- (a) the amount of grant approved by the Department in its letter of approval or
- (b) the lowest valid tender amount for the proposed work, plus fees, whichever is the lower.

It is open to the Board to extend the contract to include additional works such as Health and Safety Works, general refurbishment etc into the proposed scope of work if the funding permits.

If there is a shortfall in funding, the options open to the board of management are

- (a) to reduce the scale of the work so that it stays within the limit of the grant,
- (b) to use funds allocated by the Department under the terms of the Grant Scheme for Minor Works to supplement the grant, provided such funds are not required for more urgent and immediate work, or
- (c) to fund the balance of the work from its own resources.

Please note that under no circumstances will the Department increase the amount of the grant offered to a school. This provision is necessary because a central tenet of the devolved scheme is that a school authority, granted discretion and guaranteed funding to enable immediate progress on its accommodation needs, must equally accept responsibility for priorities, the control of costs, and ensuring value for money.

3. Can the Department withdraw the offer of a grant?

Yes, sanction for the grant will automatically lapse if construction work does not begin within twelve

months of the date of approval. This provision is necessary so that resources for the initiative can be reallocated to those better placed to make use of them. The Department retains the option of altering or withdrawing the offer of a grant if a change in the local circumstances, as detailed in a report from its Inspectorate, is sufficient to warrant this.

4. Will the board of management be required to make a local contribution towards the project?

No local contribution will be required. However, the board of management will be responsible for all costs in excess of the approved grant amount.

5. Who pays for consultants' fees and planning charges?

The grant is intended to cover the capital cost of the project, including associated planning charges and all consultants' fees incurred in the design and construction of the project, all fees for the project supervisor, design stage (PSDS), and all fees for the project supervisor, construction stage (PSCS).

6. Is a lease or declaration of trust required?

It is a condition of funding that your school site, including school building (or buildings), is the subject of a lease or declaration of trust that is valid for a minimum of thirty-five years from the current date. The lease simply guarantees that the school property is retained for educational use. The lease will need to be amended to reflect the additional capital investment at a later stage. You are advised to seek the advice of your legal adviser in this and all legal matters. A grant awarded under the provisions of this pilot project does not or should not of itself confer a particular tenure on a building whereby it would remain available for educational use. The Department retains the option of declaring the school to be surplus to requirements. The board should seek the approval of the trustees before any work is undertaken.

7. Who is responsible for the proposed building project?

This pilot initiative devolves authority and responsibility on boards of management for the execution of the work. Please note that the board of management is also responsible for all interactions with the consultant architect or engineer and for ensuring that the proposed work is in accordance with the conditions set out in this pilot initiative.

8. What records must be kept?

All expenditure in connection with the pilot initiative must be vouched, and all documents must be retained by the board for a minimum period of seven years in case of an audit inspection by the Department of Education and Science or the Comptroller and Auditor-General. Please note that the Department will be undertaking random audits and inspections at schools participating in this pilot scheme.

Technical conditions

9. Is a consultant architect or engineer required?

The board of management must employ a suitably qualified consultant architect or engineer who is a member of the Royal Institute of the Architects of Ireland (RIAI) or the Institution of Engineers of Ireland (IEI) or the equivalent. The board must satisfy itself that the consultant architect or engineer will be able to provide satisfactory evidence of tax clearance and adequate professional indemnity insurance cover before engagement. The board should ensure that the fee agreed with the architect or engineer covers all necessary professional and technical services.

10. Who is responsible for ensuring compliance with statutory regulations?

The board of management will be the client for the project and, in consultation with the architect or engineer, will be responsible for ensuring compliance with all statutory regulations, which with most projects will require obtaining planning permission and a fire safety certificate. The building project must comply in all respect with building regulations. The consultant architect or engineer will be able to advise the board on these matters.

11. Who is responsible for ensuring compliance with health and safety regulations?

The board of management, as client, will be responsible for implementing the Safety, Health and Welfare at Work (Construction) Regulations (1995) and for appointing a competent person to act as project supervisor for the design and construction phases of the project. Please note that the project supervisor, design stage, must prepare a health and safety report, which should be given to the board of management. The consultant architect or engineer will be able to advise the board on these matters.

12. What should be done if the school is known to contain asbestos?

If your school has not already been surveyed for the presence of asbestos, or if your board is not sure whether it has been surveyed, you or the architect or engineer should contact the Health and Safety Unit, Office of Public Works, 51 St Stephen's Green, Dublin 2; telephone (01) 6476198. In this regard please refer to circular 37/99, issued in December 1999.

13. How are tenders to be sought for this proposed building project?

Tenders must be sought on a fixed-price basis (that is, clause 36 of the GDLA form of contract should be deleted). The project must be advertised by way of public advertisement in local or national newspapers and on the Government's web site (www.etenders.ie). A sample advertisement and guidance for consultants on placing advertisements on the Government's e-tenders web site is available at the Department of Education and Science web site (www.education.ie). A more detailed guide to the tendering process is available at www.finance.ie.

In accordance with public procurement procedures, the contract must be awarded to the lowest tenderer who meets the criteria outlined below. The tendering process must be transparent and fair, and all tenderers must be treated equally.

14. What criteria must the successful contractor meet?

The successful contractor must

- hold a current C2 tax clearance certificate
- be a member of the CIF pension and sick pay scheme
- have current public and employer's liability insurance
- comply with the Safety, Health and Welfare at Work (Construction) Regulations (1995)
- obtain a contract guarantee bond if the value of the proposed building project exceeds

€250,000

- have the labour and other resources necessary to undertake the work involved within a reasonable period.

The form of contract must be based on the latest version of the GDLA contract, with clause 36 deleted (i.e. must be a fixed-price contract). Your consultant architect or engineer will be able to advise you on all these matters.

If your board is satisfied that the contractor fulfils these requirements, and the project supervisor for the design stage has prepared a health and safety report, you may proceed to place the contract. The board should also notify its insurance brokers that building work is due to begin on the school site.

15. When will the grant be paid?

As stated earlier, the grant payable by the Department (including value-added tax and fees) will be

(c) the amount of grant approved by the Department in its letter of approval or

(d) the lowest valid tender amount for the proposed work plus fees, whichever is lower.

The Department will therefore have to be informed by the architect or engineer, through the board of management, of the tender amount for the proposed work plus fees before any payments can be made.

The first payment will be for 70% of the Department's liability, and this will be paid on receipt, through the board, of the following confirmation from your architect or engineer:

- that the work is in accordance with the priorities listed at question no. 1 above,
- that tenders were sought in accordance with a competitive tendering process as set out at question no. 13 above,
- that the lowest valid tender was accepted by the board and the successful contractor met the criteria set out at question no. 14 above, and
- that the board has placed a contract for the proposed work with the successful contractor, and the contractor is on site and has begun building work.

The second payment will be for 15% of the Department's liability, and this will be paid on receipt, through the board, of the certificate of practical completion from your architect or engineer.

The third payment will be for 10% of the Department's liability, and this will be withheld pending receipt of the following documents:

- your consultant's opinion of compliance of the relevant development with planning permission or of exemption from planning control,
- your consultant's opinion of compliance of the relevant development with the building regulations, including the fire safety certificate, and
- copies of all relevant drawings, if possible in an appropriate electronic format, and your consultant's confirmation that the completed work is in accordance with these drawings.

The final payment will be for the remaining 5% of the Department's liability. The contract must specify that 5% of the contract sum will be retained, 2.5% to be released to the contractor on agreement of the final account and the balance of 2.5% to be retained for twelve months following the completion of the work and pending the necessary rectification of any building defects that may become apparent during that period. Thereafter, the timing of when this will be paid by the board of management to the contractor will be determined by the need, if any, to make good any building defects during this post-

contract period.

At the end of this period your architect or engineer must prepare the final account for the project to determine the exact final payment due to the contractor. The board is advised to retain the final portion of the architect or engineer's fee until the final account has been done. The board of management must satisfy itself of the correctness of the final account before making final payments to the contractor. The Department will pay the remaining 5% of its liability on receipt of a copy of the final account for the project.

Please note that the Department will be undertaking random audits and inspections of work proposed or being carried out under this pilot scheme. In accordance with standard practice, the payment of capital grants is conditional on the Department being satisfied that the school has a proper maintenance programme in accordance with the guidelines contained in the Maintenance Matters manual issued to all schools in 1998. An electronic version of Maintenance Matters can be obtained at www.education.ie.

Projects must display an acknowledgement sign that they are being funded by the National Development Plan, 2002–06. Guidance on this matter is available at www.ndp.ie.

The Department reserves the right to withhold payment of the grant to schools for non-compliance with any terms of the pilot initiative.

16. What other guidance is available to the board?

Guidance on these and other technical issues is also contained in the Department's Maintenance Matters manual, chapter 9, "Getting work done." (This is also available at www.education.ie.)

Guide to the building process

Introduction

This document is issued by the Department of Education and Science for general guidance purposes only. Boards of management should seek professional advice in relation to any proposed building projects from their architect or engineer.

Building projects

There are a number of stages in a building project, which are summarised below. The consultant employed by the board of management should be competent in all these areas, and the purpose of this document is to describe these processes in brief to those not normally involved in the building procurement process.

Setting of brief

The establishment of clear accommodation requirements, such as renovation requirements etc., coupled with the setting of outline costs and any other relevant job-specific objectives. The role of the client board of management, assisted by the architect or engineer, is to set the brief within the constraints of the amount of the grant and the priority areas outlined by the Department of Education and Science in this document.

Design

The preparation by the architect or engineer of initial sketch drawings that properly describe the proposed work for approval by the board of management and that are also consistent with the established brief and outline costs.

Planning permission

The statutory process required under the Planning and Development Act (2000) that involves preparing and submitting an application to the relevant local authority so as to obtain planning permission and other necessary statutory consents to carry out development work.

Fire safety certificate

The statutory process required under the Building Control Regulations (1991–94) that involves preparing and submitting an application for a fire safety certificate to the relevant building control authority (i.e. the county council, city council, or town council, as appropriate) for certification to carry out certain development work.

Tendering process

The process of obtaining competitive tenders (prices) from a selected number of building contractors (a minimum of five), usually through a public advertisement, based on a set of documents known as the tender documents. The tender documents must comprehensively describe the work, the materials to be used and all other relevant cost-generative items for the purpose of establishing the complete cost of the project. Clear accepted standards govern how this process must take place. Your architect or engineer will be able to advise you on this matter; guidance on the tendering process is also available at the Department of Finance web site (www.finance.ie).

Your project supervisor, design stage, will be able to advise on the preliminary health and safety plan, which is a statutory requirement in most instances and is prepared as part of the tender documents.

Tender analysis and start-up

The building contractor is selected following analysis of the tenders, and preparations are made for beginning work on site, including the following processes:

- Contracts are signed (GDLA 82 form of contract).
- Insurance is obtained as set out in the form of contract, plus performance bond, where required.
- The project supervisor, construction stage, is appointed.
- A commencement notice (two weeks' notice) is issued to the building control authority (i.e. county council, city council, or town council), informing them of the impending work.
- Notice is issued, where required, to the Health and Safety Authority, informing them of the impending work.

Contract stage

The period during which the work actually takes place on site.

Post-contract stage

A period (normally twelve months) following the completion of the work during which an amount of money owing to the building contractor (2.5%) is withheld pending the necessary rectification of any building defects that may become apparent during that period.

Explanation of job functions and other common terms

architect: the person responsible for the design of the building.

quantity surveyor: the person responsible for the cost control of the project and the bill of quantities.

structural engineer: the person responsible for the structural design of the building.

mechanical and electrical engineer: the person responsible for the design of the electrical and mechanical aspects of the project (lighting, heating, air extraction, etc.).

project supervisor, design stage (PSDS): the person appointed in accordance with the Safety, Health and Welfare at Work (Construction) Regulations (1995)—usually the architect or engineer—whose task it is to ensure that the building or other work to be undertaken can be done in a safe manner, without risk to the workers involved. The client has a statutory obligation to appoint a competent person to this position.

project supervisor, construction stage (PSCS): the person appointed in accordance with the Safety, Health and Welfare at Work (Construction) Regulations (1995)—usually the main building contractor—whose task it is to ensure that the work undertaken on site is carried out in a safe manner, without risk to the workers involved. The client has a statutory obligation to appoint a competent person to this position.

bill of quantities: a complete elemental breakdown of the scope of the work, including quantification for pricing purposes.

GDLA form of contract: the Government Department and Local Authorities contract document, the standard form of contract for construction work being paid for from public funds.

Planning and Building Unit
24 April 2003