



An Roinn Oideachais
Department of Education

Mr Martin Hughes
Clerk to the Committee
Committee of Public Accounts
Leinster House
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18 February 2022

Dear Mr Hughes,

I am writing further to my correspondence of 12th February 2021, which followed from the Department's PAC hearing on 21st October 2020 and subsequent queries in respect of temporary accommodation at schools.

In that letter of 12th February 2021, I provided a list of 396 schools which had rented prefabricated accommodation as of that date, and indicated that this Department would undertake a case by case assessment of the long-term accommodation requirements for each of these schools, to be completed by the end of 2021 and notified to the Committee subsequently.

This comprehensive assessment has been undertaken, informed by the Department's most recent demographic analysis. The assessment necessitated a detailed examination of the specific circumstances of each individual school and the forecast school place requirements in each of their areas. Given the breadth of the exercise, its completion took slightly longer than had been anticipated and the finalisation of the assessment continued into 2022. However, given my personal engagement with the Committee on this matter, I was committed to ensuring its conclusion prior to completion of my term of office as Secretary General and Accounting Officer, and in that context, the outcome of the assessment is now provided to the Committee.

Finally, I would like to take this opportunity to acknowledge the Committee's extensive engagement with me over the ten years of my tenure as the Secretary General and Accounting Officer, and our shared objective of public service to the State, its citizens and communities across the country. I wish the Committee well as it continues its important work.

Yours sincerely,

Seán Ó Foghlú
Secretary General



Review of Temporary Accommodation Rental Agreements across 396 Schools

Submission to the Oireachtas Select Committee of
Public Accounts

February 2022

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Executive Summary

The Department of Education has completed a review of the temporary prefabricated accommodation rental agreements across 396 schools previously notified to the Public Accounts Committee on 21st January 2021. Data provided to the Committee included information on the duration of these rental agreements.

These temporary accommodation agreements are largely a legacy of the period of rapid demographic growth over the last decade. This is reflected in the fact that nearly two thirds of the temporary accommodation arrangements are based at primary school level. Other drivers of temporary accommodation agreements include the reduction in the pupil teacher ratio and improved provision for pupils with special needs which have resulted in over 15,100 additional teachers across the school system in the last nine years.

The review across the 396 schools has found that:

1. 12% of the schools have since ceased the temporary accommodation rental agreement which was in place;
2. 80% of the schools have a capital project in place under the National Development Plan which will involve the provision of permanent accommodation in place of the temporary accommodation; and
3. Virtually all of the remaining 8% of schools have already submitted or been requested to submit an application for a building project to replace the existing temporary accommodation agreement.

The Department's capital programme has a pipeline of over 1,200 school building projects, most of which will be at construction or completed in the period 2021 to 2025 as part of the National Development Plan's €4.4 billion funding for this period. Projects that facilitate the cessation of rental agreements will be a strong element of NDP rollout.

Amongst other things, the strong planning and delivery of school building projects under the NDP is facilitating the integrated replacement of temporary accommodation with permanent school buildings as part of the project. The level of temporary accommodation across the school system evolves all the time and can be influenced by factors such as Covid etc. However, while temporary accommodation will always be a feature of a capital programme on the scale of the National Development Plan, it will play an increasingly small part.

While the Department is confident that the roll-out of the capital programme under the NDP will see this trend continuing downward, it is as an area the Department will continue to monitor very closely.

Introduction and Methodology

Introduction

The Oireachtas Select Committee of Public Accounts examination of the 2018 and 2019 Appropriation Accounts for Education and Skills (February 2021) recommended that the Department of Education:

- Undertake a review of all temporary accommodation agreements for schools that have been in operation for more than five years to identify and prioritise areas to commence construction of school premises. This is to ensure value-for-money is achieved in the long term; and
- Complete the review by the end of 2021 and provide the Committee with a copy of the findings.

This report sets out the findings of the review of the temporary prefabrication accommodation rental agreements across the 396 schools previously notified to the Committee on 12th February 2021.

Review Methodology

The Department undertook a comprehensive review of all temporary accommodation agreements, irrespective of duration, relating to the rental of prefabricated and modular structures¹. The review involved a case by case assessment of almost 800 rental contracts for the 396 schools previously provided to the Committee on 12th February 2021. Data on duration of rental agreements was also provided to the Committee.

The Department's most recent national demographic analysis, completed in 2021, informed the long-term accommodation requirements of each school in this review.

Structure of Report

The report sets out:

- An **Overview of the Planning & Delivery of School Building Projects under the National Development Plan**;
- The **Context to Temporary Accommodation Agreements** in place;
- The **Outcome of the Review** of all Temporary Accommodation Agreements; and

¹ The Department also incurs rental costs in respect of sites and local buildings for some schools as part of its rental budget which is not included in the review.

- The **Findings and Next Steps** following the review.

Planning and Delivery of the School Building Projects under the National Development Plan

The Department's approach to the strategic and coordinated delivery of school accommodation under the National Development Plan involves (i) an ongoing and iterative process of in-depth planning exercises; and (ii) the subsequent follow through of individual project delivery.

Both of these areas are discussed in turn below.

Strategic Planning Process

Assessing school place demographic requirements involves using a wide range of data sets and local information to determine what needs to be built where, when and how. In recent years, the Department has significantly strengthened its planning function with the use of a wider range of data sets within its interactive Geographic Information System (GIS).

The GIS is based on the consolidation of Ordnance Survey Ireland (OSI) data, demographic trends, existing school capacity and real-time programme delivery information in an integrated way at an individual school level and wider school planning area (SPA). This better enables projections to be made on demographic requirements for individual SPAs both for the short, medium and longer term. The GIS system enables all this information to be displayed on maps and importantly includes data on zonings, planned residential developments and residential completions.²

In order to plan for school provision and help analyse the impact of the relevant demographic data on enrolment trends, the Department divides the country into 314 SPAs which are mapped on the GIS, using data from a range of sources, including Child Benefit and school enrolment data, to identify where the pressure for school places across the country will arise and where additional school accommodation is needed at primary and post-primary level.

The key factors that are considered in determining additional permanent school accommodation requirements include:

- Overall demographics in the area – most areas are on a downward trend at primary level with national demographics projected to reduce by over 100,000 over the next decade or so;
- Level of school accommodation availability in schools in the area;
- Requirements for special classes so that this can be integrated into planned projects; and
- Alignment with rollout of planned residential developments – while this is significant in terms of ramping of housing delivery the continued downward trend in demographics at primary level reduces this impact to some extent.

² Appendix 1 provides an example of the type of demographic information captured on the School Planning and Building Unit's interactive GIS.

These factors help determine whether additional accommodation is required, and whether identified requirements are short-term, medium term or long-term. This in turn feeds into the decision making on the most appropriate delivery mechanism to meet the accommodation requirement. If additional accommodation is required, the aim is to try and facilitate this, as much as possible, by way of expansion of existing schools rather than establishing new schools.

A critical tool in this analysis is the national inventory of school capacity, developed within the Department's Planning and Building Unit to support the optimization of existing school accommodation capacity, and which is based on annual returns from schools. The Annual Schools Returns survey includes questions on school capacity such as mainstream and Special Education Teacher classroom provision, PE Hall/GP Room availability, and energy related matters within schools.

The GIS is enabling an even more strategic and coordinated approach to planning and delivering of schools accommodation under the NDP. It allows the Department to better identify the extent of existing permanent and temporary capacity at individual school level in addition to overall capacity at SPA level. The Department is committed to ongoing development and deployment of such leading-edge information systems to deliver on the ambitions of the NDP.

Delivery of School Accommodation

The NDP sets out the national priorities and funding levels for the school's capital programme. Key priorities under the National Development Plan 2021 to 2030 include:

- Continuing to cater for additional capacity requirements;
- Provision of accommodation for special classes with a particular emphasis on ramping up provision at post-primary level to facilitate a smooth transition from primary level;
- Delivering on Climate Action agenda and integrating, where possible, on modernisation of existing school infrastructure; and
- Strengthening asset management and the maintenance regime across schools.

The Department's Planning & Building Unit supports the delivery of an approved project from project brief stage through the various stages of architectural planning and ultimately to tender, construction and completion. The key issues that impact on project timelines are (a) site availability (which is relevant in the context of new schools) and (b) timelines for obtaining planning permission.

Recent strategic initiatives undertaken by the Department to assist with project delivery include:

- Recommencement of the Department's Design & Build Programme in 2021 with enhanced quality assurance arrangements. This has facilitated 8 new schools to commence construction in 2021, with a further 10 new schools projects at tender and due to commence construction in the first half of 2022;
- Ramping up of project delivery through National Development Finance Agency (NDFA) with 20 large scale projects (mainly new school buildings) targeted to commence construction over the course of the latter part of 2022 and 2023;
- Strengthening of project management supports across various delivery mechanisms including ETB sector and various other delivery partners;
- Renewing, updating and broadening the range of procurement frameworks in place to support the delivery of the school projects as part of overall procurement strategy. This included a new procurement framework for Modular Accommodation. This framework

supports the expedited delivery of high-quality, modern, energy-efficient school accommodation which is an approach which aligns with the Climate Action Plan;

- Expansion of existing provisions in the Planning and Development Regulations 2001 to exempt specified works for school buildings from planning permission requirements, thereby assisting the streamlining of delivery of projects (particularly for smaller projects)³;
- Strong research and use of the Pathfinder Programme as part of planning and gearing up for Deep Energy Retrofit Programme to meet Climate Action targets; and

During the NDP period 2018 to 2021, 691 school building projects were completed under the Large Scale Capital Programme (LSCP) and the Additional School Accommodation Scheme (ASA). These projects have delivered in excess of 64,000 permanent school places. It is envisaged that 150 – 200 projects will be completed annually under the NDP over the period 2022 to 2025 to provide necessary additional capacity and support the modernisation of existing school facilities including as much as possible future proofing from a climate action perspective.

There are currently over 1,250 school building projects in the pipeline, including over 900 school building projects approved under the Additional Accommodation Scheme, which are currently in progress across the various stages of planning, design, tender and construction. The Department envisages that most of these projects will be at construction or completed in the period 2021 to 2025 as part of the National Development Plan, which involves €4.4 billion of funding for this period. Over 250 of these projects are currently at construction, while almost another 250 are at an advanced stage of planning and design and almost 90 are at tender stage.

This investment will build on the good progress being made on adding capacity to cater for demographic and pupil teacher ratio changes and provision for children with special educational needs. This investment will also facilitate an increased focus on the modernisation of existing school stock and help transition the school system for an era of net zero carbon by 2050. A list of all Major and Additional Accommodation Scheme projects is published on the Gov.ie website⁴. This website is updated on a monthly basis to track progress on projects as they progress through the various project stages. These stages of architectural planning for projects involve Project Brief, Preliminary Design, Design Development, detailed Design and Statutory Planning Permission, Tender Evaluation and Award, Construction, and Completion.

³ This enables schools to construct a small extension up to 210m² (an increase from the previous limit of 160m²)

⁴ For ASA projects, see www.gov.ie/en/service/563cae-additional-accommodation-scheme/. For Major projects, see www.gov.ie/en/service/c5b56b-major-projects/#

Context to Temporary Accommodation Agreements

The key contextual matters underpinning the need for temporary accommodation agreements are:

- Changes in demographics and pupil teacher ratios; and
- The relative short term duration such temporary accommodation may be required

These are discussed in turn below.

Changing Demographics and Pupil-Teacher Ratios

Ensuring every child has a school place is the key determinate in the selection and delivery of school infrastructure projects. The main driver of demand for additional capacity is increasing student numbers which is driven by housing and migration. An additional factor is the consistent reduction in the pupil teacher ratio as outlined under the Programme for Government. Having had the youngest population in Europe, the Irish education system has been responding to thousands of extra pupils every year over the last decade.

The drivers of demand for additional school capacity are best understood over the short to longer term and at national, regional and local level. The Department's forward planning approach involves coherent projections and analysis across each of these drivers. This ranges from the Department's longer term statistical report, *Projections of Full-time Enrolment Primary and Second Level (2021–2040)* to short- and medium-term demographic analysis at a more local level.

Overall primary enrolments, which have risen substantially in recent years, are projected to have peaked in 2018, when total enrolments stood at 567,772. This high point in 2018 came at the end of a sustained period of growth in primary school enrolments, rising from 439,560 back in 2000 and increasing every year until 2018. Enrolments in primary schools in Ireland in 2020 stood at 561,411 down by almost 6,000 on 2019 (567,716). Enrolments are now projected to fall over the coming years under all scenarios, and under the most likely scenario, will reach a low point of 440,551 by 2033. This is 120,860 lower than the 2020 figure. Enrolments will rise again thereafter and are projected to stand at 474,888 by 2040, a rise of some 34,300 over the seven years 2033 to 2040. This is illustrated in the Figure 1

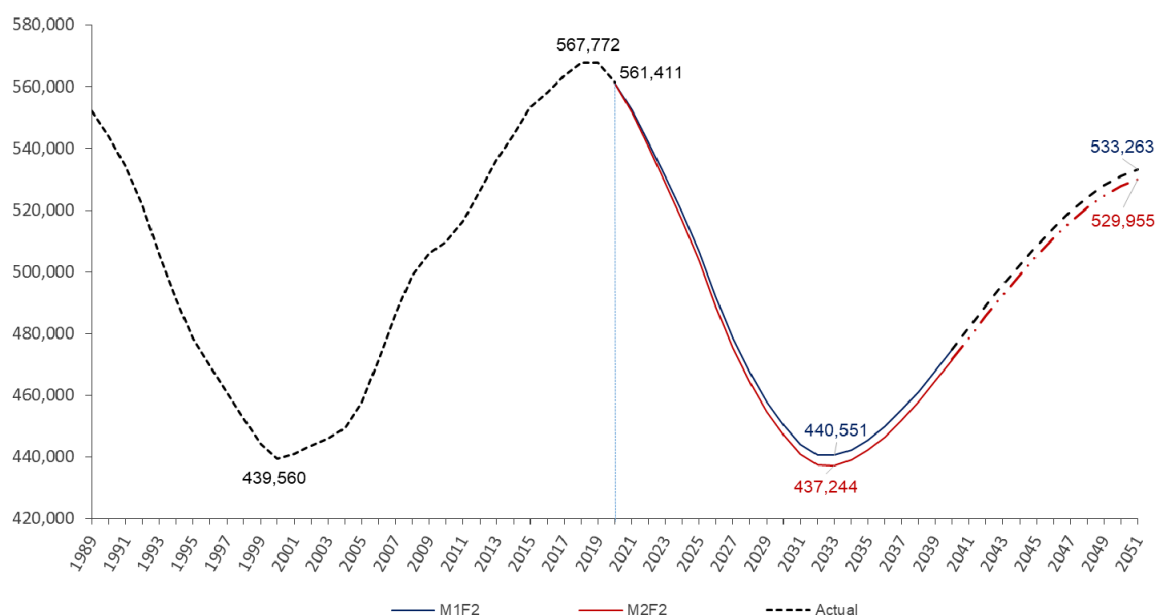


Figure 1: National Enrolment Projections - Primary Level

Enrolments in post-primary schools have risen by 26,923 (8%) over the past five years and are projected to continue rising over the short term. While heavily influenced by uncertain migration trends, post primary enrolments are projected to peak in 2024 with 408,794 pupils, some 29,610 higher than in 2020 (though local pressures may be sustained in some instances beyond that point).

The table below shows projected enrolments in post-primary schools under two scenarios (M1F2, M2F2), 2021-2040. Under M1F2 they are projected to peak in 2024 with 408,794 pupils, some 29,610 higher than in 2020. Under the M2F2 scenario (whereby inflows are set at a current rate) enrolments will peak with in 2024 with 401,584 pupils, 7,210 less pupils than under the high migration scenario. This difference between the high and medium migration scenarios in post-primary illustrates the importance of migration in the model.

	M1F2	M2F2
2020	379,184	379,184
2021	390,317	388,037
2022	397,837	393,286
2023	405,156	398,973
2024	408,794	401,584
2025	408,208	400,035
2026	405,297	396,324
2027	401,003	391,404
2028	394,329	384,104
2029	386,621	375,881
2030	379,192	368,051
2031	371,287	359,858
2032	361,856	350,246
2033	351,438	339,753
2034	342,109	330,423
2035	334,043	322,357
2036	327,240	315,554
2037	321,817	310,131
2038	318,625	306,939
2039	317,696	306,010
2040	318,169	306,484

The current number and extent of temporary accommodation agreements evolves over time and is largely a legacy of this period of rapid demographic growth and is reflected in the fact that nearly two thirds of all temporary accommodation is based at primary school level.⁵

As part of the Department's commitment to special education provision, the response to the upward primary demographic trend included the roll out of new special education units in many schools which hitherto did not offer such provision.

In addition to enrolment increases, the ongoing reduction in pupil teacher ratios have resulted in the allocation of an additional 15,121 teachers (primary and post-primary) in schools since September 2012 as is illustrated in Figure 2 below. This has further increased the demand for additional accommodation in schools.

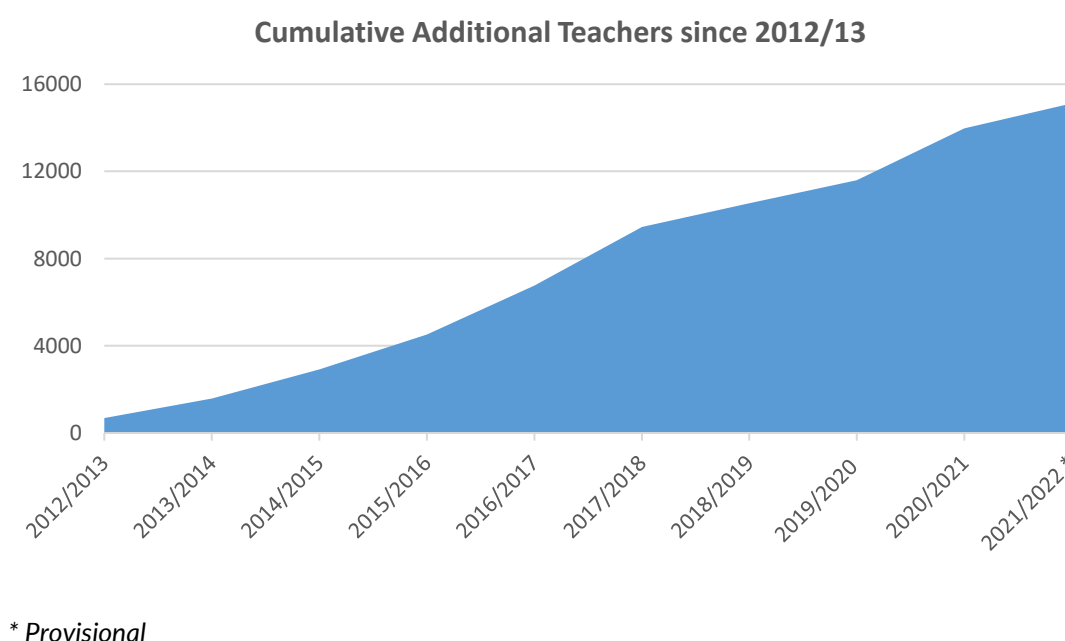


Figure 2: Additional Teachers across the School System since 2012

The focus over the last decade has primarily been on adding capacity to cater for increased enrolments to ensure that there is a school place for every child every September despite the challenges posed by the unprecedented enrolments at primary level, improved special education provision and reductions in the pupil teacher ratio during this period.

⁵ 61% of the temporary accommodation space is located in primary schools and this is reflected in the proportion of spending on this accommodation also.

Short-Term Accommodation Requirements

As set out earlier, the Department's capital programme under the NDP is focused on providing the additional school places to ensure that every child, including children with special needs, has a school place. While this includes opening new schools, a particular focus is placed on extending existing schools in areas where more school places are needed to meet the growing number of children living in these areas. For instance funding is available to schools to establish mainstream and special classes within existing accommodation (i.e. to re-configure existing spaces in their building to accommodate the class) or to construct additional accommodation.

That being said, in the context of a rapidly increasing school population in certain school planning areas and competing pressures on the available capital budget, it is sometimes necessary to make use of temporary accommodation to meet the accommodation needs of schools for a period. The approval of temporary accommodation is considered by the Department on an individual case-by-case basis and is dependent on a number of factors including the likely duration of the accommodation need and the immediacy of the requirement.

The reasons for which temporary accommodation is in place includes the following:

- Pending the provision of a permanent building, where a major project has been approved for a school and the project is progressing through the architectural planning processes;
- Where a school requires temporary accommodation while it is awaiting the completion of construction of a permanent building on its permanent site;
- Where a school may need accommodation at very short notice for example when an additional mainstream or special education teacher has been appointed and where it is not possible to provide permanent accommodation immediately due to the design, statutory processes and procurement stages involved or where the additional teacher is for a fixed period; and
- Where a new school is established, with such schools generally starting in temporary accommodation with smaller enrolments pending the completion of the permanent school building.

Where the need for additional classroom accommodation is likely to be for a period of more than three years, the school is normally given the option of grant aid to construct a permanent structure under the Department's Additional School Accommodation (ASA) scheme but may still require interim temporary accommodation while the permanent structure is being built.

The Department's analysis of the 396 schools which had temporary accommodation agreements in place confirms that the vast majority of the current temporary accommodation in place is for the provision of essential and well targeted additional classrooms in respect of mainstream and special education needs teachers as opposed to a range of ancillary accommodation associated with permanent facilities.

It is important to note that the provision of temporary accommodation for schools in certain circumstances is likely to be both appropriate and necessary on an ongoing basis. For instance, in the future the rollout of the retrofit of existing permanent school accommodation under the Climate Action Plan may, in some instances, necessitate temporary accommodation as a decant solution whilst the retrofit work is being carried out. Additionally, given the ongoing Covid-19 pandemic,

schools were enabled to make use of temporary accommodation where required to facilitate physical distancing and this is also relevant in the consideration of schools' current needs.

Review Outcome

The key findings from the review of the Temporary Accommodation Agreements across the 396 schools in the line with methodology of the review are:

1. Over 90% of the schools with Temporary Accommodation Agreements have either a capital project in place to replace the need for temporary accommodation or have now ceased the rental agreement;
2. The requirement of 'new' temporary accommodation by area amongst the cohort of schools analysed has decreased since 2016 to the end of 2020.
3. The number of 'new' temporary accommodation agreements amongst the cohort analysed has reduced on average .

Each of this areas are discussed in turn below.

Over 90% of Schools have a solution in place or implemented

Through the case by case analysis of over 760 rental contracts for all 396 schools with temporary accommodation during the final quarter of 2021:

- 47 schools or almost 12% no longer require the rented temporary accommodation with the rental contract now ceased;
- 319 or 80% of the 396 schools are part of the pipeline of projects for delivery under the National Development Plan.
- Only 30 or 8% of the 396 schools had temporary accommodation which was not yet set to be replaced by a capital project. Of these final 30 schools, 11 are already being assessed following an application for capital funding under the Additional School Accommodation scheme while applications are awaited on a further 11. Typically, such applications will result in the termination of rental contracts. Only 8 schools were set to continue renting until such time as the school's final location was decided. In such cases, a permanent building solution is typically not feasible or desirable due to factors such as site ownership issues or the short-term nature of the school's accommodation requirements due to pending amalgamation for example. Figure 3 below illustrates the key findings of the review.

Breakdown of 396 Schools with Temporary Accommodation Agreements

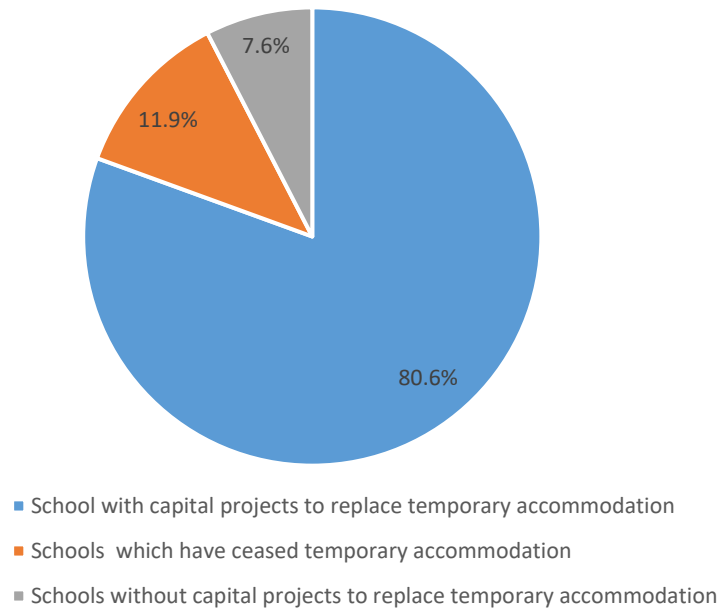
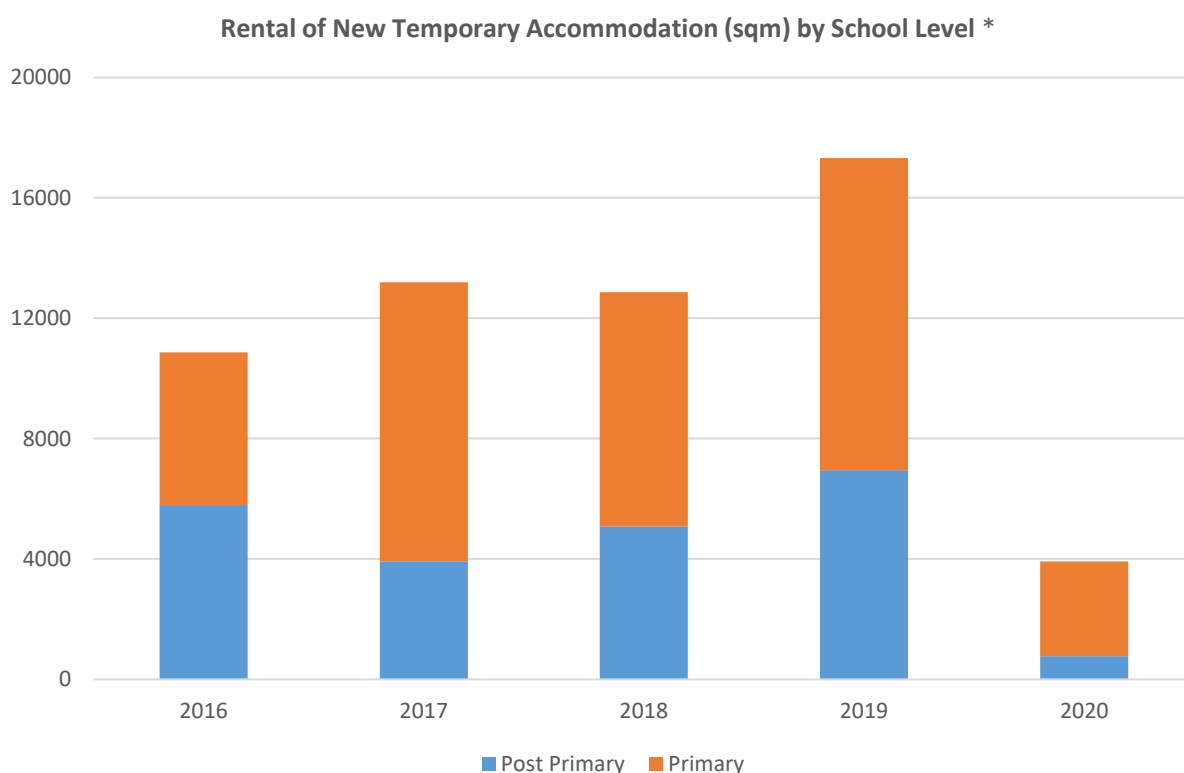


Figure 3: Breakdown of Schools with Temporary Accommodation Agreements in place Feb 2021

A Reducing Requirement for Temporary Accommodation by Floor Area (sqm)

While it is acknowledged as appropriate that a capital programme on the scale delivered by the Department under the National Development Plan will always necessitate some temporary accommodation, Figure 4 illustrates that the size by square meterage area of 'new' temporary accommodation agreements put in place for the 396 schools analysed has reduced since 2016



* In a very small minority of cases, average rental sizes per contract are used where this data is not readily available

Figure 4: Annual breakdown of 'New' Temporary Accommodation by Area and by Level

The progression and completion of all the projects under the National Development Plan outlined earlier is and will continue to make substantial inroads on the replacement of temporary accommodation.

This was achieved despite the increased demand for additional accommodation due to demographics and enhanced pupil teacher ratios. The fall-off in demand for new rental units is reflective of the impact of the ongoing delivery of projects at both primary and post primary level.

The number of 'new' temporary accommodation agreements reduced significantly in 2020

The number of new rental contracts for temporary accommodation amongst the cohort analysed has reduced since 2016 with 36 approved in 2020 compared to an average of 99 per annum over the previous four years as is illustrated in Figure 5 below.

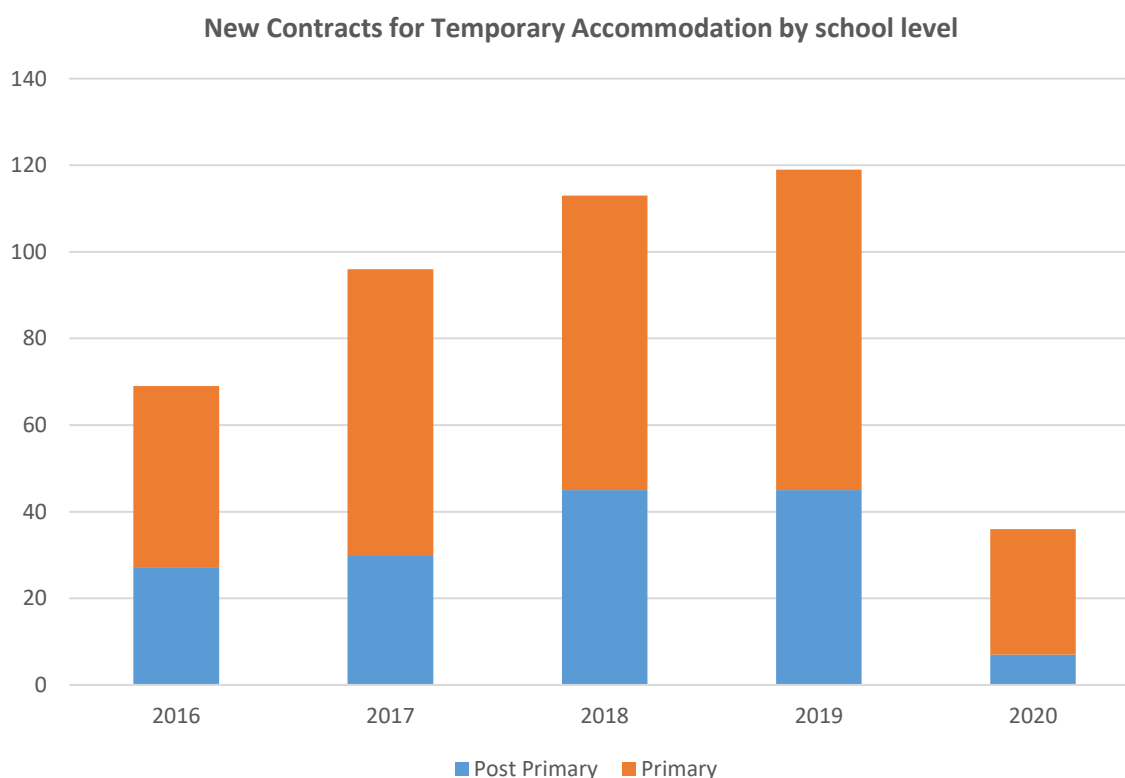


Figure 5: Number of New Contracts for Temporary Accommodation Agreements by Year

The reduction of the number of new contracts amongst the cohort analysed is reflective of the Department policy to take a more integrated approach in replacing temporary accommodation as part of all large-scale projects. Since mid-2018, the ambition has been that all schools approved for additional accommodation under the Department's Additional Accommodation Scheme are also having necessary temporary accommodation replaced in so far as possible as part of their additional accommodation project.

The combination of the integrated replacement of temporary accommodation with an increasing number of capital projects and the rental of fewer new temporary units is successfully addressing the legacy of temporary accommodation due to the unprecedented demographic growth at primary level which has now peaked. This is further reflected in the percentage of the total Planning and Building Unit's budget spent on the rental of temporary accommodation which has fallen from 2.8% in 2018 and 2019 to 2.5% in 2020.

Findings & Next Steps

The increased use of temporary accommodation coincided with a period of rapid demographic growth at primary level coupled with a sustained policy of reductions in the pupil teacher ratio and enhanced special education provision.

Enrolment has now peaked at primary level and the strong planning and delivery of the school building projects under the National Development Plan is facilitating an increasing pace of targeted replacement of temporary accommodation.

While temporary accommodation requirements evolve all the time and will always be a feature of the national school accommodation landscape, particularly within the context of rolling out a capital programme of the scale of the National Development Plan, it is expected to continue to reduce over the period of the NDP. That being said, management of the Covid-19 pandemic since March 2020 may have a short term impact on temporary accommodation rental requirements.

Amongst other things, the strong planning and delivery of school building projects under the NDP is facilitating the integrated replacement of temporary accommodation with permanent school buildings as part of the project. While temporary accommodation will always be a feature of a capital programme on the scale of the National Development Plan, it will play an increasingly small part.

While the Department is confident that the roll-out of the capital programme under the NDP will see this trend continuing downward, it is as an area the Department will continue to monitor very closely.

Appendix 1: Sample of School Planning and Building Unit's Geographical Information System (GIS)

GIS dashboards are available nationally and for each of the 314 school planning areas at primary and post-primary level. The information encompasses all aspects of School Planning and Building Unit's remit from planning and applications through to site analysis and delivery for both permanent and temporary accommodation. This helps to facilitate planning and delivery in a strategic and coordinated manner.

