



Northern Ireland Department of Finance and Personnel Memorandum on the 2nd and 3rd Reports from the Committee of Public Accounts Session 2006-2007

Presented to The House of Commons by the Secretary of State
for Northern Ireland by Command of Her Majesty

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Glossary of Abbreviations

BELB	Belfast Education and Library Board
C&AG	Comptroller and Auditor General
CCEA	Council for the Curriculum Examinations & Assessment
CPD	Central Procurement Directorate
DCAL	Department of Culture, Arts and Leisure
DCMS	Department for Culture, Media and Sport
DE	Department of Education
DfES	Department for Education and Skills
DFP	Department of Finance and Personnel
ELB	Education & Library Board
ESA	Education & Skills Authority
KPI	Key Performance Indicator
MAGNI	Museums and Galleries of Northern Ireland
NDPB	Non-Departmental Public Body
NIAO	Northern Ireland Audit Office
NI	Northern Ireland
OCPANI	Office of the Commissioner for Public Appointments for Northern Ireland
PAC	Committee of Public Accounts
UK	United Kingdom
VEP	Vocational Enhancement Programme

Second Report

Department of Education

Improving Literacy and Numeracy in Schools (Northern Ireland)

PAC Conclusion 1

The importance of developing competency and confidence in the key skills of literacy and numeracy at an early age is reflected in the worrying statistics which show that the skills deficit among pupils in Northern Ireland schools increases as they progress through primary education and into the secondary sector. The Committee expects the Department of Education to take urgent steps to improve the teaching of literacy and numeracy within schools. This is essential if we are to ensure that deficiencies in literacy and numeracy do not continue to be a major handicap for future generations of young adults after they leave school.

The Department of Education (DE) recognises and accepts the need to take urgent action to improve the teaching of literacy and numeracy within schools in Northern Ireland (NI), and for this to take place within a strategic framework that will ensure that the current skills deficit among pupils is addressed satisfactorily in the shortest possible timeframe.

In order to achieve this DE has revisited a number of important current initiatives and will bring forward a significant number of new focused initiatives, all within a coherent framework. Specifically:

- a full review of the current Strategy for the promotion of Literacy and Numeracy in primary and post-primary schools (the Strategy), led by DE and involving the Education and Library Boards (ELBs), is nearing completion. This will allow for implementation from September 2007. The revised Strategy will emphasise the central importance of literacy and numeracy within the curriculum, reinforce the need to improve outcomes significantly, set appropriate targets and bring together the key points of guidance for schools and teachers;
- guidance on the teaching of literacy and numeracy will also be included within the implementation of all Key Stages of the revised NI curriculum; and
- a Partnership Management Board, created to ensure coherence of effort from the bodies supporting schools in implementing the revised curriculum, has drawn up a full programme of in-service training for teachers in order to support the introduction of the revised curriculum. This training will emphasise the importance of literacy and numeracy and the approach will be further reinforced following the completion of the review of the Strategy.

DE will also:

- write to all schools in February 2007 summarising the main issues arising from the Northern Ireland Audit Office report and the subsequent report by the Committee, stressing the central importance of literacy and numeracy across the curriculum and

emphasising the need for all schools to reflect this within their school policies and priorities, especially within the context of school development planning and target setting;

- set up a Literacy and Numeracy Task Force by April 2007, with an independent chair and senior Departmental representative to promote literacy and numeracy in the school curriculum, to ensure appropriate implementation of DE's response to the Committee's report and to ensure that there is appropriate co-ordination of all the necessary actions; and
- publish a revised policy for school improvement in Spring 2007, central to which will be the importance of and standards achieved in literacy and numeracy in primary and post-primary schools.

The creation of a new, single Education and Skills Authority (ESA) to support the school system from April 2008 will also have a positive impact on literacy and numeracy. The primary task of the ESA will be to work with schools to improve quality and raise standards across the system and to place literacy and numeracy at the centre of this responsibility.

DE is confident that these measures will have a significant, positive impact on literacy and numeracy. It will monitor progress closely to ensure that the problems are adequately addressed; otherwise it will intervene to secure the necessary improvements.

PAC Conclusion 2

In our view, schools which are well managed and have proactive leadership are much better placed than others to enable all children, even those most at risk of failing, to succeed. Unless the teaching of literacy and numeracy is well-led, schools will not provide the best educational experience nor the highest standards for their pupils. In order to raise standards we look to the Department to ensure that support is focused on schools where the leadership and management of literacy and numeracy efforts is weak.

DE agrees with the Committee on the importance of effective and proactive leadership and management in addressing literacy and numeracy. As a result, it intends to build on the good work currently being undertaken and to bring forward new initiatives. The development of school leadership will continue to be an important element of DE's strategy to effect real improvement in literacy and numeracy. On an international level, Northern Ireland is participating in an Organisation of Economic Co-operation and Development study of school leadership and will draw on it and on work undertaken by the Department for Education and Skills (DfES) in order to revise current training and development programmes and qualifications in headship, leadership and management.

The Raising Achievement Programme (Literacy) and the Raising Achievement in Numeracy Programme were initiated in 2004-05 and 2005-06 respectively and are focused on helping schools to improve standards of leadership and management and to support improved teaching approaches in literacy and numeracy. The programmes also assist schools in the effective use of data to identify priorities, to set targets and to plan interventions where performance is weak.

The revised school improvement policy will introduce new statutory arrangements and interventions for those schools where performance is below the standard expected. These will focus on the involvement of support bodies and/or partner schools in improving pedagogy, on improving whole school approaches to the raising of standards, and on raising the quality of school leadership. If a school's performance is judged by the Education and Training Inspectorate (the Inspectorate), over time, to be below an acceptable standard, options open to DE may include merging or closing the school.

During the 2007-08 academic year, the Inspectorate will survey leadership and management in schools to include, inter alia, an assessment of the extent to which those involved in

school leadership give an appropriate emphasis to literacy and numeracy. Where, in the Inspectorate's view, this has not taken place, the issue will be raised with the school leadership including the governors.

PAC Conclusion 3

Under-achievement among boys constitutes a cultural challenge. We expect the Department to help meet that challenge by seeking to draw together research on best practice so that it can develop both preventative and remedial programmes to help boys who are struggling with literacy and numeracy from falling further behind each year. The Committee urges the Department to give particular attention to the very worrying position of boys in the Belfast Board area.

DE accepts fully the importance of taking action to address the underperformance of boys, especially in the Belfast area.

The revised DE strategy will emphasise improving quality and raising standards in all schools in NI but DE recognises that improving the performance of boys, in particular, is a necessity if overall levels of literacy and numeracy are to be enhanced. The specific advice on the relevant school and classroom approaches for boys will be drawn from the research set out below. This will be embedded in the revised Literacy and Numeracy Strategy and will be disseminated through the teacher training element of the implementation of the revised NI Curriculum. A specific target for raising the performance of boys will be included in the Strategy.

The Vocational Enhancement Programme (VEP), introduced in 2004, although not targeted at boys specifically, has provided alternative curriculum provision for them. Evidence gathered through evaluation indicates that boys are engaging positively and successfully in the programme. As a further step in the process of addressing this important issue, DE has initiated a comprehensive review of current research on the issues related to boys' under-achievement in literacy and numeracy. When the outcomes of the research are available in June 2007, DE will consult closely with schools, partner bodies (especially the ELBs and Council for Curriculum Examination & Assessment (CCEA)), initial teacher education providers, and the Inspectorate, in order to identify the appropriate preventative and remedial strategies and to set priorities for the future.

DE is working closely with the Belfast Education and Library Board (BELB) and others in the city to devise a long-term plan to raise standards in literacy and numeracy in the primary and post-primary schools serving areas of disadvantage across the city. The plan, to be implemented from September 2007, will draw upon the various aspects of research set out in this response and the revised Strategy.

PAC Conclusion 4

It is clear from the evidence presented to the Committee that, among socially deprived communities in Belfast, significant differences between Protestant and Roman Catholic children exist in GCSE English and Mathematics. This raises a concern that children in Protestant working-class areas may not be enjoying equal educational opportunities. There is a noticeable difference between Belfast and Glasgow. The data provided by the Department shows that, whereas there is a reasonable degree of consistency between the performance of Catholic and nondenominational schools in Glasgow in English and Mathematics at GCSE/Scottish National Qualification level, this is certainly not the case in Belfast. Here, schools with 40% or more pupils entitled to free school meals do disturbingly less well than their Catholic counterparts, as well as much less well than their counterparts in Glasgow. Differences in performance by pupils from different religious backgrounds is a sensitive topic but we suggest that if real improvements are to be made the issues involved must be addressed. This requires thorough

research and rigorous analysis so that evidenced-based actions can be put in place to overcome the difficulties. In its response to our Report, we would like the Department to explain in detail how it is tackling this issue which must be one of the major challenges Northern Ireland faces.

DE notes the Committee's comments and shares its concerns regarding the gap in performance between Protestant pupils in socially deprived areas of Belfast and their Roman Catholic counterparts. Whilst DE has undertaken a number of initiatives in the past in an attempt to improve the situation, it recognises that the problem calls for a new and sustained approach.

As a significant response to this issue, DE participated in 2006, in the Renewing Communities Programme. It provides support to Controlled schools in North Belfast and the Greater Shankill. The main elements of the programme are designed to assist in raising standards of literacy and numeracy among disadvantaged Protestant children.

DE also participated in 2006, in an Extended Schools Initiative as part of a wider Children and Young People Funding Package and this is being targeted at both Controlled and Maintained schools which serve areas with high levels of disadvantage. This enables the schools to use the time before and after school to provide activities which can support teaching and improve learning. The Extended Schools Initiative is being monitored carefully in order to inform future strategies and policies.

DE accepts that further action is required, specifically to target literacy and numeracy. It has initiated research into the religious differentials and into approaches elsewhere in the United Kingdom to ensure that subsequent actions are evidence-informed. As outlined in response to Conclusion 3 above, it is working with the BELB and others to devise a long-term plan to raise standards in literacy and numeracy in the primary and post-primary schools serving areas of disadvantage across Belfast.

PAC Conclusion 5

The Department has a pressing responsibility to take the lead in identifying and championing best practice in literacy and numeracy teaching in schools. It needs to provide a clear direction and impetus to the promotion of literacy and numeracy performance. The Committee will be interested to learn what steps the Department takes to address the issue.

DE accepts the need to take the lead in identifying and championing best practice in literacy and numeracy and to provide clearer direction and impetus to the promotion of literacy and numeracy performance in schools.

A senior official from DE is chairing the Project Board with oversight of the review of the Strategy. Once the revised Strategy is in place, a Literacy and Numeracy Task Force will be established, chaired by an independent person and including senior Departmental representatives, to ensure appropriate and timely implementation of the revised Strategy, and of DE's response to the Committee's Report.

DE will hold the ESA to account for progress on standards of literacy and numeracy and ensure that the ESA sets appropriate targets and includes discussion of them as a standing item in the regular monitoring and accountability meetings with DE. In turn, the ESA will hold schools to account via an annual meeting with each school to consider their target setting and performance. DE will require schools to carry out computer-adaptive assessments in literacy and in numeracy for all pupils in Years 4-7 during the Autumn term of each academic year, beginning in September of the 2007-08 academic year. The computer adaptive assessments will help teachers to devise strategies to address individual difficulties and to set appropriate targets for improvement.

PAC Conclusion 6

We are extremely disappointed that literacy and numeracy targets have been frequently adjusted since the introduction of the *Strategy*. We recognise that it is sometimes necessary to adjust targets. However, the Department's record on literacy and numeracy suggests to us that it has lacked commitment to and confidence in its target setting. If targets are to serve as useful and meaningful tools of accountability and retain credibility, they have to become a consistent element in the process of setting literacy and numeracy objectives for schools and for assessing and reporting on attainment levels. We expect the Department's current review of the *Strategy* to establish an approach to target setting which will communicate a clear message around which schools can mobilize resources in tackling under-achievement in literacy and numeracy. We also expect the Department to maintain a consistent approach to targets rather than adjust them when results are falling short.

DE notes the Committee's disappointment and acknowledges that changes to targets can be perceived as a lack of commitment. However, it can assure the Committee that whilst targets have been adjusted in the recent past, DE now has the necessary data and mechanisms in place to set, monitor and challenge a range of literacy and numeracy targets throughout the education sector.

Data will be provided annually to all schools for the purposes of benchmarking and target setting. The new school improvement policy will include a requirement for representatives of the ESA to meet annually with each school to discuss school performance, the school's development plan and, in particular, its success in achieving the performance targets set. As a result, principals and boards of governors will be held to account for the performance of their schools.

DE is committed fully to establishing, at the earliest opportunity, appropriate targets on a consistent basis. This will be facilitated by the revised assessment arrangements which will be introduced progressively from September 2007.

DE is confident that the actions proposed above, together with an effective communication strategy, will ensure that schools are aware that the setting, monitoring and achievement of targets is central to securing improvement in the teaching of literacy and numeracy. Together with improvement in the provision and analysis of data, schools with appropriate support from partner bodies will be able to match resources effectively to areas of most need.

PAC Conclusion 7

Central to the accountability for literacy and numeracy improvement programmes is the establishment of processes to ensure that data collected on attainment levels is analysed and used for planning and continuous improvement. We recommend that the Department ensures that this data is used to identify any aspects of the design and delivery of literacy and numeracy programmes that can be enhanced and to inform effective targeting of improvement programmes to groups of pupils whose performance is not satisfactory.

DE recognises the importance of data collection and the use of data at a number of levels to evaluate and amend the delivery of programmes and to influence subsequent teaching methodology. DE will ensure that data is used at all levels to inform target-setting and the delivery of programmes. This will be emphasised strongly in the new school improvement policy, and in the revised *Strategy*. Benchmarked data will be available to the schools to enable them to adjust their programmes to classes, groups and individuals and to improve performance. The data, at school level, will enable the new ESA to challenge schools about performance against targets and to discuss how best to amend their strategies. Particular attention will be given to data relating to boys' wider-performance, the levels achieved in areas of disadvantage and the differentials between high and low performing

schools. This overall data will enable DE to challenge the new ESA on the same basis. This will ensure that the importance of performance in literacy and numeracy is understood and acted upon at all levels.

PAC Conclusion 8

The lack of benchmarking by the Department against comparable cities in the United Kingdom has been a missed opportunity to identify good practice in literacy and numeracy teaching, to learn from others and improve performance. Benchmarking provides a means of testing achievements and processes in literacy and numeracy against those of other organisations. The Department should make greater use of its liaison arrangements with its equivalent organisations in England, Wales and Scotland to examine whether the approaches adopted in similar cities are proving to be more effective in delivering better literacy and numeracy outcomes. In particular, the results from Glasgow and Liverpool need to be followed up promptly to see what lessons can be learned.

DE agrees fully with the Committee on the importance of benchmarking, and especially in relation to the opportunity to identify good practice and improve performance. DE is committed to undertake significant benchmarking exercises both in the near future and on an ongoing basis. Contact is being made with local authorities in Glasgow and Liverpool and meetings have been arranged to discuss the various strategies in operation in those cities. Further, a research project has been initiated to inform DE about what is working successfully in delivering better literacy and numeracy outcomes in comparator cities elsewhere in the United Kingdom; this project is due to be completed in June 2007. This approach will provide a basis for benchmarking and target setting and will allow for regular liaison with schools, education authorities and Departments in England, Wales and Scotland.

PAC Conclusion 9

Teacher quality is an important catalyst for improvement in literacy and numeracy attainment levels. We consider it important, therefore that the Department's review of the *Strategy* satisfies itself that the training provided to teachers ensures that they develop a thorough understanding of the relevant literacy and numeracy initiatives and are committed to them as a way of achieving improvement.

DE agrees fully with the Committee's view on the importance of teacher quality and training and of teachers' understanding and commitment to the revised Strategy. Serving teachers and initial teacher education providers have been closely involved in the revision of the current strategy and their views, as well as those of ELBs and academics, have been taken on board. When the revised Strategy is available, in the Summer term of 2007, it will be disseminated to principals and teachers at a series of briefing conferences and seminars for implementation from September 2007. DE believes that the close involvement of, and, consultation with, schools in the development and dissemination of the revised Strategy will secure the positive engagement of schools and teachers.

In relation to teacher quality and training, DE has developed strong links with initial teacher education providers through the Partnership Management Board which has been established to support the implementation of the revised curriculum and the associated training of teachers. This has helped initial teacher education providers to understand the key message about literacy and numeracy at first hand. Alongside this, the Inspectorate will report annually to DE, and will continue to pay particular attention to implementation issues and to standards in respect of the revised Strategy.

Parental involvement can have an important impact on the educational attainment of children. Huge gains can be made in literacy and numeracy attainment levels if parents received more encouragement to work with schools in support of their children's education and opportunities were taken to engage parents to provide educational development in the home. However, the greater involvement of parents must not lose sight of the fact that children from deprived backgrounds are likely to have limited access to educational resources compared to their more affluent peers.

DE agrees that parents exercise an important influence on the educational outcomes of their children and believes that it is essential that parental involvement in their children's education is encouraged and developed wherever possible.

The importance of engaging parents and the wider community is a key theme in the Department's Strategic Plan for 2006-2008. Under current arrangements, liaison between parents and the school is developed through a range of initiatives, strategies and interventions, including support from the ELBs and the voluntary and community sector. An Inter-Disciplinary Group on positive parenting, which is made up of representatives of government departments (including DE), statutory agencies and the voluntary and community sector, has initiated an audit of all parent support programmes and services in place, including programmes for "looked after children" and those most at risk.

DE accepts that it needs to develop further its efforts in this area, especially in poorly performing schools. It will work with the Inter-Disciplinary Group on measures to support parents: with story telling and with other means to cultivate a love of reading in their children, for example through close working between the library service and Surestart and through programmes such as Bookstart, which introduces very young children to books and story telling. Surestart has a particular focus in disadvantaged areas - the Children and Young People's package has enabled expansion of current services to cover the top twenty per cent disadvantaged wards in Northern Ireland. It is hoped that this will allow DE to provide equality of access to service provision.

PAC Conclusion 11

To date, the *Strategy* has failed to narrow the long standing gap between the best and lowest literacy and numeracy performers in Northern Ireland schools. The wide variation in achievement levels between pupils suggests to us that problems exist, either in the implementation of the current *Strategy* or inherently in the methodologies it promotes. The Department cannot continue with an approach to literacy and numeracy that, despite good intentions, appears to set up a significant number of children for failure. It has to be a priority of the utmost importance for the Department's current review of its *Strategy* to ensure that this gap is closed. It will be vitally important, therefore, to determine whether current prescriptions and approaches are the best available methodologies for teaching literacy and numeracy in schools. In our view, further comparative research on the best ways of teaching will be necessary to establish which interventions can lead to the most effective use of taxpayers' money. As part of this process, we also expect the Department to have regard to whatever wider research is available in Great Britain or elsewhere.

DE accepts fully that whilst its strategy has provided a number of positive benefits, it has not succeeded in narrowing the gap between the best and lowest performing schools in literacy and numeracy. Consequently, DE initiated and is nearing the completion of a comprehensive review of both the Strategy and the methodologies currently used in the teaching of literacy and numeracy.

DE also agrees on the necessity to undertake further comparative research and has already initiated a wide range of research on this issue. It will also consider wider research

currently available in Great Britain and elsewhere. When the outcomes are available in April 2007, these will be shared with our partner bodies and schools.

DE is confident that the outcome of its review of the Strategy, the establishment of the ESA, the introduction of the revised curriculum with its emphasis on skills, the research on the issues identified by the Committee, the long-term plan for literacy and numeracy in Belfast, and the oversight of the new Taskforce, will enable it to work with its partners to effect real change and deal urgently and effectively with this important problem. DE is determined to develop and implement whatever interventions are necessary to ensure that the gap between the highest and lowest performers is addressed satisfactorily.

Third Report

Department of Culture, Arts and Leisure

Collections Management in the National Museums and Galleries of Northern Ireland

PAC Conclusion 1

The proper management and security of Northern Ireland's national collection requires the maintenance of complete, accurate and up to date records that comply with accepted standards. We were therefore disappointed to learn that MAGNI was only able to confirm that those artefacts acquired since 1994 have been documented to the nationally and internationally recognised standard (SPECTRUM). Its failure to have any documentation for 87,000 artefacts, or 6% of its collection is of particular concern. We expect MAGNI to give priority to improving this position.

The Department of Culture, Arts and Leisure (DCAL) fully agrees with the Committee's views on the requirements necessary to secure proper management and security of Northern Ireland's national collection. DCAL accepts that further progress is needed in the documentation of artefacts and both it and Museums and Galleries of Northern Ireland (MAGNI) are determined that this position is rectified as a matter of urgency.

A programme of work has been initiated to produce a documentation plan by March 2007, which will review documentation practices and standards with particular reference to Spectrum, set out how compliance will be achieved within an acceptable timeframe, agreed by MAGNI and DCAL, and inform work programmes from April 2007 onwards. All backlogs including the six per cent identified by the Committee, will be addressed within the Documentation Plan. DCAL will agree challenging documentation targets with MAGNI to be included in the MAGNI 2007-08 Business Plan. MAGNI will also agree targets with the Museums, Libraries and Archives Council and the UK museums accreditation body, which will assess MAGNI's performance in this area in 2009.

PAC Conclusion 2

The response to the previous recommendations arising from Audit Office Reports has been totally inadequate. In the Ulster Folk and Transport Museums, despite previous NIAO recommendations (1989 and 1998) to computerise its records, and commitments by the museum to comply, only 10% of its collections records have been computerised. Northern Ireland departments and the bodies they are responsible for, need to know that issues raised by the Comptroller and Auditor must be taken with the utmost seriousness. Failure to comply with recommendations arising from an audit report, or reneging on commitments given, without a clear and unambiguous reason, could lead to the Accounting Officer being called before this Committee to explain their inaction. We look to the Department of Finance and Personnel to make this particular message clear to all Northern Ireland Departments and their NDPBs.

DCAL regrets that its, and its predecessor departments', responses to the previous recommendations in the 1989 and 1998 Audit Office reports have been inadequate. In relation to those previous reports, DCAL's Accounting Officer has initiated a review of all outstanding recommendations to ensure that they are considered and addressed appropriately and urgently. In relation to recommendations in future Audit Office reports, DCAL will ensure that, following the publication of each report, an Action Plan will be

drawn up which will be monitored by both the Department's Accounting Officer and the departmental Audit Committee to ensure that all recommendations are considered and followed up appropriately.

The Department of Finance and Personnel (DFP) agrees that commitments given to the Northern Ireland Audit Office (NIAO) should be complied with. It has made its and the Committee's views known to all NI Departmental Accounting Officers and through them to NDPB Accounting Officers. DFP has also recommended to them the action proposed by DCAL in relation to the handling of future Audit Office reports.

PAC Conclusion 3

We were surprised that there is no reference to the risk of damage or loss of the national collection in MAGNI's Statement of Internal Control. We consider the loss or damage of artefacts in the national collection to be one of the main risks to the achievement of MAGNI's objectives and to its reputation. The Statement of Internal Control is an important facet of Corporate Governance providing an opportunity for an organisation to explain the scope of its responsibilities, the risk and control issues facing it, the framework of internal controls in place to address these and how its management board has reviewed the effectiveness of that framework.

DCAL accepts that a loss or damage of artefacts in the national collection could represent a risk to the achievement of MAGNI's objectives and to its reputation. The issues raised by NIAO have been acknowledged in the MAGNI Chief Executive's Statement of Internal Control for the 2005-06 financial year. MAGNI's Corporate Risk Register has also been reviewed and collections-related risks have been elevated to the highest level reflecting their importance and continuing prominence in the work of the organisation. These risks will be monitored on a regular basis by MAGNI's Audit and Risk Management Committee.

PAC Conclusion 4

We are not convinced by the assurances given to us that no artefacts had been lost or stolen over the last 14 years. It is not clear to us, particularly given the deficiencies in documentation and in the absence of annual "audit" checks, that MAGNI knows with any degree of certainty what assets it has, where they are, what their condition is or their value is. Until it can demonstrate its collection is documented to SPECTRUM standards; that the condition of some of the stores (such as the Banbury Store at the Ulster Folk and Transport Museum) is significantly improved; it conducts annual audit checks at each museum; and the collection records are fully computerised we do not believe it is in a position to make such statements with any degree of confidence.

DCAL accepts that, in light of the deficiencies in documentation and the absence of annual audit checks, it is not possible for MAGNI to provide adequate assurances that no artefacts have been lost or stolen. However, both organisations are confident that, as a result of the range of actions that have been initiated as described below and in other responses, a framework of controls will be in place that will provide management with an appropriate level of assurance from 2007-08 onwards.

The Documentation Plan and actions arising from it (see response to Conclusion 1) will produce up-to-date and accessible collections databases which will provide appropriate levels of assurance, while audit checks will be completed at three of MAGNI's sites (Armagh County Museum, Ulster American Folk Park and Ulster Folk and Transport Museum) by March 2007. The decant of collections from the Ulster Museum during the period November 2006-March 2007 is already facilitating a comprehensive audit of artefacts. In addition, annual audits will be undertaken on all sites from 2007 onwards and the results reported in MAGNI's Annual Reports. Significant storage improvements, including improvements to the Banbury Store, which will support these activities are already underway and are due to be completed by July 2007 (see response to Conclusion 6 below).

PAC Conclusion 5

We expect all public bodies to have appropriate performance measures in place. We are therefore concerned that the Department has not introduced, as a condition of funding, measures to assess and encourage improvement in MAGNI's performance in areas such as documentation, storage and accessibility. The introduction of measures would facilitate both internal performance review (from one period to another) and external performance review (between similar organisations in the United Kingdom, Republic of Ireland and indeed world-wide) and encourage regular monitoring of progress and a programme of continuous improvement.

DCAL accepts the need for and benefit of appropriate performance measures for all its sponsored bodies and is currently undertaking a review to ensure that they are in place. In relation to MAGNI, Key Performance Indicators (KPIs) are already included in its annual business plan; the plan sets out the basis for funding in each year. DCAL and MAGNI are developing new KPIs relating to the management of MAGNI's collections, and will ensure that the KPIs are meaningful and challenging in terms of both internal performance review and benchmarking against similar organisations. A storage KPI has already been included in MAGNI's 2006-07 Business Plan and, in line with the development of the Documentation Plan, KPIs for documentation and internet accessibility of collections will be developed and included in the 2007-08 Business Plan.

PAC Conclusion 6

It is deplorable that up to 60% of the storage area available to MAGNI is in either a "poor" or "unacceptable" condition. While MAGNI claims that around 90% of the national collection is held in appropriate conditions, both the Department and MAGNI need to recognise that storage is crucial to its long-term management and preservation. To persist with this standard of facilities in a museum collection is folly: in the long-term this may lead to more being spent on conservation and restoration of the collection and replacement of artefacts; in many cases, this may not be a feasible option. Therefore the issues of both security and environmental conditions need to be tackled to prevent loss, theft or damage to the collection. In this respect, we were encouraged to hear MAGNI is bringing forward a storage development plan and that the Department has made £13.5million available over the next 3 years of which £2.5 million could be used to improve some of the buildings requiring attention and also to improve storage. However, as part of this exercise, MAGNI needs to carefully consider whether it will continue to retain such an extensive collection, as this is crucial to assessing future storage provision.

DCAL fully accepts that appropriate storage is crucial to the long term management and preservation of its collection and that the percentage of storage in a "poor" or "unacceptable" condition needs to be addressed. To that end, MAGNI is taking a number of steps, as outlined below which by July 2007 will reduce the number of stores across its sites and significantly increase the proportion of collections held in acceptable or better storage conditions.

The collections held within the Ulster Museum building are currently being decanted as part of a major redevelopment project and moved into new customised storage facilities of high standard. The Ulster Museum collections, presently held at Newtownards, will be moved by July 2007 to improved storage. This will mean that by July 2007, all Ulster Museum collections, numerically the largest within MAGNI, will be housed in conditions which are acceptable or better. Similarly, a new storage facility to be completed at the Ulster American Folk Park by March 2007 will allow for the rationalisation and relocation of collections and result in all collections at this site being stored in acceptable or better conditions. Particular attention is being paid to roofing improvements to the Banbury Store at the Ulster Folk and Transport Museum, which will be completed by March 2007. Finally, a security review of all stores is nearing completion and its recommendations will be implemented during 2007-08.

MAGNI is also bringing forward, in conjunction with DCAL, a storage development plan in 2007-08. The plan will be informed by a comprehensive review of MAGNI's current collections, its acquisitions and disposal policies and their implementation, and consideration of how access to collections could be improved and broadened. As part of this exercise, MAGNI will carefully consider the size of its collection.

PAC Conclusion 7

Disposal and acquisition of artefacts should be an integral part of collections management. With limited acquisition budgets opportunities to acquire new artefacts for the national collection are undoubtedly being missed. However, it does not make sense for MAGNI to keep spending public money on works which will never be seen or utilised, such as the rows of grandfather clocks highlighted in the C&AGs Report. Making decisions about acquisitions and disposals is part of a museum's professional and ethical responsibility. Disposals also offer the opportunity to generate income which can be reinvested for the benefit of the collection and future generations. We welcome the assurance from MAGNI that it will consider a more proactive disposals policy but recommend that it subjects its policy to public consultation. Indeed we would extend this recommendation to all such bodies throughout the UK.

DCAL accepts that the disposal and acquisition of artefacts should be an integral part of collections management and as a result, is working closely with MAGNI to establish a more proactive implementation of the existing disposals policy. Following the outcome of the consultation on the Ethics of Disposal currently being undertaken by the Museums Association, which will lead to the production of revised guidance on disposals, MAGNI will subject its disposals policy to public consultation. MAGNI has alerted the Museums Association to the views of the Committee to ensure that they are taken into account in its consultation. MAGNI will consider its disposals policy in light of the response to its own consultation, the outcome of Museums Association consultation and, as required by the UK Museum Registration Scheme, will liaise with the Museums Libraries and Archives Council about the implications of the Committee's recommendations for their existing policy. DCAL has also drawn this recommendation to the attention of the Department for Culture, Media and Sport (DCMS), the Scottish Executive and the Welsh Assembly.

PAC Conclusion 8

All museums should seek to develop exhibitions which appeal to the widest cross section of the community. The ability of MAGNI to attract visitors from wide socio-economic backgrounds is laudable. This coupled with visitor satisfaction rates reflects positively on MAGNI's performance. MAGNI's visitor figures, as a percentage of population, compare favourably with those of the National Museums of Scotland. However, there is clearly scope to enhance visitor numbers to the four MAGNI museums as they fall significantly short of those visiting the National Museums of Wales.

DCAL agrees with the Committee's view on the need to appeal to the widest cross section of the community and is grateful for its positive comments on MAGNI's performance in attracting visitors. Key Performance Indicators on total visitor numbers and visitors from different socio-economic backgrounds are already included in MAGNI's Corporate and Business Plan. While there are some differences between Northern Ireland and Wales (for example on charging policy) which will affect visitor numbers, MAGNI accepts that there is scope to enhance numbers and will continue to strive to attract as many visitors as possible from all sections of the community.

PAC Conclusion 9

With regard to *The Result* we were astonished by the admission that, while a number of options had been explored for its future use, "*the business case never stacked up.*" The case study presented in the Comptroller and Auditor General's report clearly

demonstrates the importance of subjecting investment decisions to the well established principles of economic appraisal. Appraisal is not an option; it is always an essential part of good financial management and it is vital to decision-making and accountability. In the case of *The Result*, despite it being purchased 36 years ago and being one of 46 vessels compiling the UK's core collection of historic vessels, it has never been fully restored. Instead it remains under awning on dry land, albeit refurbished to a state that ensures that its long-term preservation remains as an option. Preserving our heritage is important but not at any cost.

DCAL fully accepts that all investment decisions should be taken on the back of sound appraisals. Since the procurement of *The Result*, various plans for the refurbishment of the vessel have been considered, but have not been implemented due to higher priority calls on available funding. However, MAGNI will, during 2007, undertake a further appraisal of options for the future preservation and display of *The Result*, recognising its position as one of the UK's core collection of historic ships. A decision will be taken on the future use of the vessel on the basis of that appraisal.

PAC Conclusion 10

The Department and MAGNI should carry out a comprehensive review of its estate to determine the potential for disposal of property which is not essential for its core functions. Given the challenges posed by MAGNI's budget, particularly on capital spend, the conditions of its storage, and the aspirations of a National Gallery, we believe that it should consider the viability of disposing of part of, what is, a very valuable estate, with a view to reinvestment. In keeping with guidelines the level of income retention from any sale will be subject of negotiation with the Department of Finance and Personnel. In addition, any proposal for reinvestment must be supported by a robust business case which will be subject to review and approval, where necessary, by both the Department of Culture, Arts and Leisure and the Department of Finance and Personnel.

DCAL accepts the need for MAGNI to carry out a comprehensive review of its estate in order to determine the potential for disposal, in the context of the Museums' requirements for meeting its statutory obligations and the achievement of its agreed strategic objectives. The Board of Trustees of MAGNI has undertaken to conduct such a review in the 2007-08 financial year. The review will consider the viability of disposing of its estate identified as surplus to requirements with a view to reinvestment. DCAL can assure the Committee that any proposal for the reinvestment of such income thus generated will be supported by a robust business case, which will be subject to review and approval, where necessary, by DCAL, the Department of Finance and Personnel and Ministers.



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