

DATA LABEL: INTERNAL – COUNCIL WIDE



Devolved School Management Finance Summary Manual

Secondary Sector

**Finance & Property Services
Education Services**

Revised June 2023

INTRODUCTION TO DEVOLVED SCHOOL MANAGEMENT

The underlying objective of Devolved School Management is to enable decisions, relevant to the day to day management and provision of school education, to be made at local level. The Scheme of Devolved School Management provides the method of calculating how financial resources are allocated to schools on the basis of clearly defined allocation criteria.

Responsibility for determining how this budget will be allocated within the school however, rests with each Head Teacher, and the Scheme does not provide a prescriptive guide to how resources will be used within each school.

This approach will ensure that schools are resourced in a fair and consistent manner, whilst ensuring that Head Teachers are empowered to deploy resources in the manner best suited to meet the needs of the learners in their school.

The Principles of Devolved School Management are:

- Subsidiarity and Empowerment
- Collaboration
- Accountability and Responsibility
- Clarity and Equity

West Lothian Council is committed to the principles of Devolved School Management, the Headteachers' Charter, and the aims of empowerment of funding.

In an empowered system, headteachers, schools and the Local Authority are partners, each contributing and supporting each other and respecting the different role each plays. The council recognises that value is added by enabling key decisions to be made by those who are closest to the educational experience of children and young people. Decision making about funding that affects the school should sit, therefore, at school level unless there is a compelling reason for this not to be the case. The headteacher is accountable and responsible for decisions that should be made in consultation with pupils, parents, staff and the wider community.

The council recognises that in relation to DSM the functions and roles undertaken within an empowered school system are not restricted to headteachers. Although the role of headteacher is identified throughout, shared and distributed leadership means that other staff members or groups may undertake an area or aspect of DSM. An empowered school system means that all teachers are empowered and have meaningful input to decisions about school funding. This manual supports distributed leadership, collaboration and consultation whilst recognising that ultimately the accountability and responsibility will reside with the headteacher as the leader of their school, supported by the Local Authority.

BUDGETS AND ACCOUNTING OVERVIEW

Financial Year and Issue of Budget Statements

The council's financial year runs from 1st April to 31st March and spans two academic years. At the beginning of the financial year each school is issued with a budget statement which details their budget allocation for the financial year ahead. This is updated at specific intervals to take account of changes within the academic year. In line with the council's Financial Regulations, schools are required to submit financial forecasts throughout the year for reporting. In addition, records of expenditure must be maintained in each school for all delegated budgets through use of the council's financial systems.

Budget Allocations

Within the secondary sector, the majority of budget allocations are based on pupil numbers. Pupil numbers used are taken from annual Scottish Government census figures. Schools have flexibility within their available resources to determine their basic staffing complement, including their management structure.

- Other budget allocations not based solely on pupil rolls include:
 - SQA Examination Fees allocation.
 - Ad hoc adjustments which are one off adjustments made to an individual school's budget to take account of a unique circumstance.
 - An allocation to support pupils with additional support for learning needs.

Whilst headteachers are given maximum flexibility over their budgets, there are areas of expenditure that are generally not considered suitable for devolution. Examples include property maintenance, sickness absence cover, parental leave supply cover and trade waste uplift. The reasons for this may include, but are not limited to: areas outside the influence of a headteacher, areas that are too bureaucratic, have unacceptable levels of risk, benefit from economies of scale, require professional expertise, are complex by their nature.

Carry Forward of Year-End Balances

Under the DSM scheme, schools may carry forward over or under spends at the end of each financial year. The maximum under-spend that may be carried forward is set at 1% of all fully devolved budget headings. Any balance greater than the 1% threshold is not available to the school in the following year. In special circumstances, Head of Service Approval can be sought to carry forward more than the 1% threshold. Any overspend is carried forward in full and no maximum threshold is applied.

Schools may wish to use this carry forward not only for ongoing revenue expenditure but may also wish to save towards a longer term planned objective such as school refurbishment etc.

GENERAL INFORMATION ON DEVOLVED SCHOOL MANAGEMENT

The following matters should be given full consideration by Head Teachers. These help guide and support Head Teachers to ensure they are empowered to deploy resources in the manner best suited to meet the needs of the learners in their school.

- West Lothian Council's Financial Regulations
 - The council's financial regulations provide the framework for managing the council's financial affairs. They apply to every member and officer of the council and everyone acting on its behalf.
- West Lothian Council's Best Value Framework
 - The Framework demonstrates how Best Value is achieved for services, works, goods and materials delivered in-house and how Best Value is achieved via the procurement process for services, works, goods and materials which are put out to tender.
- School Expenditure Within Wider Strategic Planning
 - A 'golden thread' links school planning to the wider strategic planning of the Council. School priorities are linked to the Council's Raising Attainment Strategy and the National Improvement Framework Plan, which, in turn, reflect the priorities of the Council's Corporate Plan and the Community Planning Partnership's Local Outcome Improvement Plan, as well as the Education Services' Management Plan.
- Scottish Negotiating Committee for Teachers (SNCT) and Local Negotiating Committees for Teachers Agreements
 - Head Teachers are required to operate within the agreed SNCT terms and conditions for all staff who come under this scheme.
- Local Priorities
 - The Local Priorities to be supported and addressed by schools through their application of the Devolved School Management Scheme are set out in:
 - School Improvement Plans
 - The Raising Attainment Strategy
 - The National Improvement Framework Plan
 - Education Services' Management Plan
 - West Lothian Corporate Plan
 - West Lothian Community Planning Partnership Local Outcome Improvement Plan

Local Authority decisions about education spending are expected to be made in a collegiate and transparent way, paying due regard to their wider responsibilities, including Getting it Right for Every Child (GIRFEC) and the role of Local Authorities as Corporate Parents.

- Professional Support
 - Professional Support and training will be provided to each school to assist the Head Teacher including a designated Business Support Manager or Resource Officer and support from other services within West Lothian Council including Finance and Property Services, Operational Services and Corporate Services.

TRANSPARENCY, PUBLICATION AVAILABILITY AND REVIEW OF THE SCHEME

The Devolved School Management Scheme, and the principles which underpin it, have been subject to a process of consultation and engagement.

Headteachers will consult with staff, parent councils, pupils and the wider community, including the application of the Devolved School Management Scheme where appropriate, through the established mechanisms for consultation and engagement. The Scheme has been scrutinised by the council's Education Policy Development and Scrutiny Panel, and agreed by the council's Education Executive.

The operation of the Devolved School Management Scheme is subject to regular review, informed by the ongoing dialogue between West Lothian Council schools, central education services and Finance and Property Services on the operation of the Scheme. The operation of the Scheme is scrutinised by the Local Negotiating Committee for Teachers.

The DSM scheme will be subject to 3-yearly review involving stakeholders and a peer Local Authority if appropriate and will be published following Committee approval of the scheme.

The DSM scheme and this summary document will be published on the West Lothian Council website. In addition, a link to both these documents will be provided on all school websites along with information on individual schools and the policies and procedures they follow.