

REPORT TO: Education Committee

MEETING DATE: 21 June 2022

BY: Executive Director for Education and Children's Service

SUBJECT: Update to the Scheme of Devolved School Management – April 2022

1 PURPOSE

- 1.1 To note the updated guidelines for the Scheme of Devolved School Management (Appendix 1) in line with new national guidance, effective from 1 April 2022.

2 RECOMMENDATIONS

2.1 The Committee is asked to note:-

- i. The Scottish Government directed local authorities to review their Scheme of Devolved School Management (DSM) for compliance with new national guidance issued in 2019. The local authority is required to report back to the Scottish Government the review is complete and implemented by August 2022.
- ii. Short life working groups for each sector, primary and secondary, reviewed and updated our DSM scheme between June and December 2021.
- iii. No substantial changes to the methodology of the DSM scheme were adopted from April 2022.
- iv. Two strands of the new DSM scheme were identified as requiring a “deeper dive” by two newly formed and focussed short life working groups to look at the impact of alternative methodology and make recommendations in relation to management time allocations and Additional Support Needs funding allocations. This work will take place between June and December 2022.
- v. The DSM scheme and associated documents should reflect current policy and practice and will be reviewed annually by Education & Children's Services. A three year local authority peer review of the DSM scheme, as detailed in the national guidance, will be required.

- vi. Local authorities are required to publish their full schemes and a user-friendly summary version on their public facing websites by August 2022.

3 BACKGROUND

- 3.1 DSM was introduced in 1993 to enhance and improve the management of resources at school level. The DSM guidance was reviewed nationally in 2006 and 2012, taking account of the changing economic and financial climate for both Local Authorities and the Scottish Government. In June 2017 the Scottish Government consulted on changes to DSM as part of the wider "Fair Funding to Achieve Excellence and Equity in Education" consultation.
- 3.2 As part of this consultation, it was agreed to consult on changes to the scheme to support the empowerment of Head Teachers and the closing of the attainment gap. This consultation work was concluded in 2019 but implementation was extended due to the COVID pandemic.
- 3.3 The updated DSM guidelines, published in 2019, sought to build and improve on the DSM Guidelines of 2012.
- 3.4 Over 90% of the devolved budget in all schools is to meet in place staffing costs, leaving less than 10% of the devolved budget available (and any external funding i.e., Pupil Equity Funding) for schools to make local decisions on how it is used for resources and other devolved costs.
- 3.5 One of the main changes in the new guidelines is that it encourages greater transparency in the financial decisions both at local authority level (what is devolved and what is not) and at school level by regular and meaningful consultation by Head Teachers with their staff and other stakeholders on the funding priorities; use of additional targeted funding; and decisions impacting the whole school community and ensuring these decisions are communicated to all stakeholders.
- 3.6 Separate short life working groups for the primary and secondary sectors were established and met between June and December 2021 to review and update our DSM in line with new national guidance. The group consisted of representatives from Head Teachers and Business Managers, Professional Associations (EIS and Unison), and central officers from Education, Finance and Human Resources.
- 3.7 The majority of the existing DSM scheme was agreed as still fit for purpose and required little updating. There was no change to areas to be devolved to schools from April 2022.
- 3.8 Benchmarking with other similar demographic or neighbouring local authority schemes was undertaken to seek any new approaches or thinking that may better enhance our DSM scheme. Items of interest were modelled and the implications costed for the working groups to consider and it was agreed this work should continue early in 2022 to seek any improvements for delivery of best value and equity from our existing Scheme for all schools. Newly formed and focussed working groups will meet from June and December 2022 to take a 'deep dive' into Management Structures in primary schools; and the

measures and methodology of Additional Support Needs funding in primary and secondary schools.

- 3.9 The focus of this review, was to reformat the scheme into the new national framework document; align the guidance for primary and secondary schools into one document; make minor adjustments with the agreement of the working groups; publish the local authority guidelines and methodology on public facing websites for transparency; and improve the consultation and communication of financial decision making with all stakeholders.

4 POLICY IMPLICATIONS

- 4.1 None.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – none.
6.2 Personnel - none.
6.3 Other – none.

7 BACKGROUND PAPERS

- 7.1 Scheme of Devolved School Management – April 2022 (Appendix 1)
7.2 Scottish Government revised guidelines 2019
<https://www.gov.scot/publications/devolved-school-management-guidelines/>
7.3 Scottish Government consultation "Fair Funding to Achieve Excellence and Equity in Education" 2017
[Fair funding to achieve excellence and equity in education: consultation - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/fair-funding-to-achieve-excellence-and-equity-in-education-consultation-2017/)

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DEVOLVED SCHOOL MANAGEMENT SCHEME

Enabling our schools to deliver the very best for
East Lothian's children and young people, and their families.



East Lothian Council

Devolved School Management Scheme

Formal Review date: August 2024 for April 2025

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1. Introduction

East Lothian Council Devolved School Management (DSM) Scheme is designed to support all schools equitably and transparently to deliver the very best for East Lothian's children and young people and their families through our 34 primary schools and 6 secondary schools.

The Education and Children's Services Progress and Improvement Plan sets out annually the local context and priorities for the service and all schools [link here](#). This report is one of a number of council strategic reports and locality plans available on the East Lothian Council website [link here](#).

The legislative context of the East Lothian DSM Scheme forms part of the wider framework of documentation which relates to local government and schools e.g. Financial Regulation, Standing Orders, employment legislation and policies and procedures including teaching and support staff negotiating committee agreements.

The role of Parent Councils in all of our schools is considered pivotal in school improvement planning and responding to the local needs of our communities in line with the Scottish Schools (Parental Involvement) Act 2006 and the East Lothian Parental Engagement Strategy.

General legislative framework information:

- Education (Scotland) Act 2016 [link here](#)
- Council Improvement Plan – Best Value Assurance Report [link here](#)
- General Services Budget 2022-25 [link here](#)

Devolved School Management (DSM) Overview

DSM was introduced in 1993 to enhance and improve the management of resources at school level. The DSM guidance was reviewed in 2006, and again in 2012, taking account of the changing economic and financial climate for both Local Authorities and the Scottish Government. In June 2017 the Scottish Government consulted on changes to DSM as part of the wider "*Fair Funding to Achieve Excellence and Equity in Education*" consultation [link here](#).

The updated DSM guidelines, published in summer 2019, sought to build and improve on the DSM Guidelines of 2012 and, critically, reflect and integrate with the Education Reform Programme and priorities emerging from the Scottish Government and COSLA Education Reform Joint Agreement of June 2018 [link here](#).

The new DSM guidelines aim to encourage participation from Local Authority wider teams, schools and parents and have been prepared through collaboration and consultation with a wide range of stakeholders. Collaboration is key to a successful local DSM scheme and this is captured within the Joint Agreement and Head Teachers' Charter to which these guidelines align and support [link here](#).

Principles of devolved school management

1.1 DSM is built upon the foundations and principles of:

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

These principles reflect the National Improvement Framework aims of excellence through raising attainment and achieving equity. The principles also fully endorse those proposed in the Fair Funding consultation:

- **support excellence and equity** - ensuring every child and young person has the same opportunity to succeed
- **be fair** - placing the needs of all children and young people at the centre
- **be simple**, transparent and predictable – ensuring the costs of delivering education can be easily understood and explained and that schools are able to manage and plan ahead with certainty
- **deliver value for money** – ensuring that every penny spent is used effectively

1.2 Education Context within East Lothian

East Lothian Council is responsible for the delivery of education provision across the county. This is delivered through 6 secondary schools, 34 primary schools, and integrated specialist facilities for children and young people with additional support needs. Early Learning and Childcare provision is delivered through Early Years Provisions and is continuing to expand with the roll out of 1140 hours early learning & childcare for 3 and 4 year olds.

The Council's vision document 'Council Plan 2017-2022' [link here](#) confirms the commitment of the Council to provide a positive learning environment that motivates children and young people. An Outline Council Plan 2022-2027 was agreed in March 2022, with the final Council Plan to be presented for approval by the Council following the local government elections in May 2022.

The quality of learning and teaching in most schools in East Lothian is evaluated as good or very good. This information comes from schools' own evaluations in their Standards and Quality School Improvement Plans. Across the Broad General Education (S1-3) most children achieve the expected levels of progress. Attainment in the senior phase has improved across the SCQF Levels since 2014/15 with more young people leaving school with 3 or more Higher qualifications. Annual participation rates for 16-19 year olds are high in East Lothian with almost all participating in education, training or employment each year. Post school participation rates are also high with almost all young people in a positive destination on leaving school.

1.3 Parent Councils

Parents and carers are the most important influence throughout a child's education and parental involvement in learning makes a real difference to children's attainment and achievements.

Parent Councils help parents and carers to become more actively and effectively involved in their children's learning. They were established under the Scottish Schools (Parental Involvement) Act 2006 [link here](#) in recognition of the important role that parents and carers can play, both in their own children's learning, and in the life of a school. Parent Forum is the collective name for every parent, carer or guardian at a school. The Act gives each school's Parent Forum the right to set up a Parent Council. More information can be found on the Parents' page of the Scottish Government website [link here](#); the East Lothian Council website [link here](#); and within the East Lothian Parental Engagement Strategy [link here](#).

The role of the Parent Council is to:

- Support the school in its work with children and young people
- Represent the views of parents and carers
- Encourage links between the school, parents and carers, children and young people, pre-school groups and the wider community

Under the Council's DSM Scheme Head Teachers are required to engage with parents and carers on budget planning and informative reporting on a regular basis throughout the school year.

2. Budget overview

East Lothian Council's spending plans for this financial year (2022/23) are included in Appendix 1.

Within the Education & Children's Services Directorate budget, Educational Services are allocated an overall budget from which funding is devolved to schools under the DSM scheme guidelines. See Appendix 2 for details of each budget heading.

The DSM Scheme ensures that there is transparency throughout the process and that budgets are allocated on a fair and consistent basis. The specific responsibilities of Head Teachers in relation to the administration and management of school budgets are clearly identified within the DSM Scheme.

The Scheme in general provides funding based on school pupil roll (and in primary schools the number of classes) to cover the following operating costs:

1. Employee costs
2. Energy costs (Primary only)
3. Supplies & Services

Each budget heading is identified by a six digit numeric code (for example, 2-25-225 Supplies and Services – Printing and Stationery – see Appendix 2), which is common to the financial accounting system of the Council. A brief title or description for each delegated budget heading follows in the next column of the document.

The actual amount allocated to each budget heading in cash terms is not detailed in Appendix 2, as it will change each year to take into account factors such as changes in pupil numbers or Council policy. Information on detailed amounts is made available from the Finance department to each school at the start of a new financial year in April in the form of a detailed budget statement.

The ability for Head Teachers to move monies from one budget heading to another is known as virement and is permitted on most budget headings subject to the provisions in the Financial Regulations.

At the start of each financial year Head Teachers will be provided with their total school budget and a separate budget report detailing the devolved elements. To assist Head Teachers in managing their school budget, monthly budget monitoring reports will be issued to schools for the devolved elements only.

3. Areas of expenditure

3.1 Areas of expenditure to be devolved:

The areas that will be devolved to schools under this scheme and subject to its conditions are detailed separately in:

- Appendix 3A for Primary Schools DSM Entitlement
- Appendix 4A for Secondary Schools DSM Entitlement

3.2 Areas identified as not generally suitable for devolving:

Whilst Head Teachers are given maximum flexibility over their budgets, there are areas of expenditure that are generally not considered suitable for devolution. The reasons for this may include, but are not limited to: areas outside the influence of a Head Teacher; areas that are too bureaucratic; have unacceptable levels of risk; benefit from economies of scale; require professional expertise e.g. corporate support functions. Non-devolved school expenditure is met from central Education budgets and currently include:

- Rent in relation to school premises
- Capital expenditure, including Public-Private Partnership scheme costs that are within the scope of the existing contract
- Property Insurance
- Non-Domestic Rates
- Statutory Local Authority contracted work on managing the school estate
- Corporate support function costs for example Finance, HR, and Legal functions
- School clothing grants
- Education Maintenance Allowances
- Home to school pupil transport
- Premature retirement costs
- Local Authority Information Management Systems (currently SEEMIS)
- School meals
- Instrumental Music Instructors
- Examination fees
- Waste Collection
- Energy costs
- Carbon charges
- Janitorial and Cleaning staff costs
- Central support services for example Educational Psychology, Quality Improvement Teams, Learning Support and Behavioural Support Teams, Speech and Language Teams, hearing and visually impaired support, dyslexia or significant and enhanced provision for additional support.
- Long Term Sickness Absence – Primary Only

4. Key areas to be covered by DSM schemes

General information on devolved school management

4.1 Financial Regulations

The DSM Scheme forms part of the Council's approved Financial Regulations.

4.2 Best Value Principles

The Council's DSM Scheme demonstrates Best Value by following the characteristics of:

- commitment and leadership;
- sound governance at a strategic and operational level;
- accountability;
- sound management of resources;
- responsiveness and consultation;
- use of review and options appraisal;
- a contribution to sustainable development;
- equal opportunities arrangements and joint working.

Head Teachers are expected to deploy the school's budget in accordance with Best Value principles.

Value for money is a key aspect of Best Value and all decisions regarding resource used at school level should provide this. This should be managed within the Council's procurement strategy [link here](#)

4.3 Local Authority Commitment to Devolved School Management

The DSM scheme operates within East Lothian Council's overarching Scheme of Administration, Scheme of Delegation, Financial Regulations and Standing Orders. Through this process decision-making powers and budgetary responsibilities are devolved to Head Teachers to allow them to respond to local needs more effectively.

4.4 School Expenditure Within Wider Strategic Planning

Head Teachers should ensure that school expenditure is in line with their School Improvement Plan which reflects both local plans for raising education attainment and the Council's strategic plans, priorities and the National Improvement Framework.

4.5 Scottish Negotiating Committee for Teachers (SNCT), Joint Consultative Committee for Local Government Employees (JCC) and Local Negotiating Committees for Teachers (LNCT) Agreements

The DSM Scheme has been developed in consultation with East Lothian Council's LNCT for Teachers and JCC for Local Government employees and is consistent with the Council's HR policies and procedures and national SNCT, JCC and local LNCT agreements.

Publication

4.6 Publication Availability

The Council's DSM Scheme will be published on the Council's website, updated annually. Head Teachers should also arrange for their school DSM budget to be published on the school website and inform parents and other interested parties of its availability.

Training

4.7 Available Training

Training on the devolved arrangements contained in the DSM scheme is essential to Head Teachers, school staff and other stakeholders. This is to ensure that individuals have a clear understanding of the context of the scheme, its aims and objectives and how DSM can be used to meet the needs of staff and learners at a local level.

Training will take various forms such as induction training for new staff on financial regulations and the Council's policies and procedures relating to financial good practice, contracts and procurement; DSM training sessions including monitoring budgets and monthly reconciliation; job shadowing; online modules and one to one meetings with relevant staff where appropriate.

Ongoing refresher training will be available for existing staff organised annually jointly by Education and Finance Officers.

Consultation, engagement and transparency

4.8 Consultation and Engagement

In exercising their delegated powers Head Teachers should ensure that a collegiate approach is taken to planning and managing the school devolved budget.

Head Teachers are required to establish formal consultative procedures with all school staff. This will include, in all but very small schools, the establishment of a consultative committee, with representatives from both teaching and support staff. The consultative committee is a mechanism that ensures close staff involvement in more detailed DSM decision making, which would be impractical on a whole school basis. Meetings of the consultative committee should be recorded and made available to staff, who must be subsequently advised of the decisions finally taken by the Head Teacher.

It is expected that Head Teachers should consult with staff, parent councils and children and young people on appropriate DSM scheme matters. This may include the school's DSM budget and the Head Teacher's spending proposals.

All staff must be given transparent access to the full details of any spending proposals including the allocation of departmental resources and the methodology used to allocate internal budgets in an accessible format. Any revisions to weightings or methodology should be highlighted annually.

4.9 Transparency

Full details of the East Lothian Council budget are published on the Council web site [link here](#). This includes details of the budget allocated to the Education & Children’s Services Directorate and subsequently to education and schools. This information will also be published on each school website for parents and other interested parties to access.

In the spirit of genuine collaboration and consultation Head Teachers should also discuss the school budget and their spending proposals with their Parent Council and encourage meaningful discussion.

Head Teachers should ensure that any costs that require parental contribution related to the curriculum are minimised to ensure equality of access and with due regard to the “Cost of the School Day” guidance [link here](#). It is recommended that where charges exist for children and young people, including both curricular and extra-curricular activities (e.g. for class materials, school trips, school uniform, etc) they should be clearly detailed in school information published at the start of the academic session.

Collaboration

4.10 Local Priorities

East Lothian Plan 2017-2027 is our Local Outcomes Improvement Plan under the Community Empowerment (Scotland) Act 2015. This strategic plan will take us along the path to achieving our Statement of Intent for East Lothian; East Lothian Council Plan 2017-2022; Council Improvement Plan; Education Service Progress Report and Improvement Plan 2021/22 [link here](#).

The DSM Scheme is developed within the context of safeguarding, promoting and supporting the needs of our children and young people. It takes into account the key policy drivers pertaining to Getting it Right for Every Child (GIRFEC), meeting the needs of learners with additional support needs (ASN), our role as a corporate parents and the UN Convention on the rights of the child (UNCRC).

Through the use of attainment data across our Associated School Groups (ASGs), Head Teachers identify common gaps to plan collaborative interventions which may include the use of pooling school funding to be solution focussed embracing joint working with the learning community, parents, children and young people, teachers and support staff, partners, other schools and the Local Authority. It is recommended that Head Teachers work together to share and maximise resources to influence outcomes across their ASG.

Staffing

4.11 Staffing Structures

All staffing budgets are devolved under the scheme. The budgets for staff have been broken down into teaching and school support staff most of which are allocated on a formula basis. Head Teachers will continue to appoint and manage employees in accordance with the Council’s policies and procedures, and in line with SNCT, JCC and LNCT agreements.

Although the scheme gives greater flexibility for the management of employee budgets, Head Teachers should always consider the wider implications of any proposals, for example, staffing standards, employment rights etc; and therefore Head Teachers should contact appropriate staff within central Council service departments,

who can assist them with any such decisions.

4.12 Legislative and Contractual Requirements

The legislative context of the scheme forms part of the wider framework of documentation which relates to local government and schools e.g. Financial Regulation, Standing Orders, employment legislation, policies and procedures including SNCT and LNCT and JCC agreements. It is important that Head Teachers adhere to the legislation and agreements.

4.13 Staff Resource

Head Teachers will be given opportunities to participate in the development and review of recruitment and staffing approaches, both for their own school/s and for the Council.

Professional support

4.14 Professional Support teams, functions and transparency

In carrying out their functions schools are supported by a wide range of professional support teams. These include

- Quality Improvement Team
- Education Support Officers
- Educational Psychologists
- Finance Services
- Human Resource Services
- Customer Services
- Procurement Services
- Legal Services
- Property and Risk Officers
- Facilities Management Team

Accounting

4.15 Budget underspend / overspend

The Head Teacher may carry-forward any surplus funds from one financial year to the next, subject to this surplus being equal to or less than 1.5% of the budget received that year.

Head Teachers should identify the purpose of any surplus carry forward requests and reflect this in their School Improvement Plans or budget spending plans.

Any budget deficit incurred by the school will be carried forward in full to the next financial year and a recovery plan agreed with the Local Authority to clear the deficit by the end of the next financial year.

4.16 Virement

The scheme gives Head Teachers the flexibility to manage and determine the best use of the resources

devolved to their school. To facilitate this, Head Teachers are permitted to move funding from one budget line within their own devolved school budget to another i.e. from Educational Materials budget heading to Staff Development budget heading by a budget transfer request known as a virement, subject to the Council's accounting principles, schemes of delegation and financial regulations.

Scheme review

4.17 Review, methodology and Stakeholders

The scheme will be reviewed by the DSM working group every 3 years. The group will consist of representation from schools, central education, finance, human resources, trade unions and other stakeholders where appropriate. Elements of the scheme may be reviewed separately on occasions such as the annual budget process.

It may be necessary to update the scheme if required following formal agreement of the Council's budget, or to recognise any Council policy decisions which may have an impact on the scheme.

5 Appendices

Appendix 1 East Lothian Council Spending Plans 2022/23

Appendix 2 Core school budgets – cost allocation codes

Appendix 3A Primary School DSM Entitlement

Appendix 3B Primary School Methodology for Calculating Pupil Numbers

Appendix 3C Primary School Methodology for Calculating Management Time and Teaching Time

Appendix 4A Secondary School DSM Entitlement

Appendix 4B Secondary School Methodology

Appendix 5 Definitions

6 Useful links

The Education and Children's Services Progress and Improvement Plan

https://www.eastlothian.gov.uk/downloads/download/13569/elc_education_and_childrens_service_progress_report_and_improvement_plan_2021_-_22

East Lothian Council website

<https://www.eastlothian.gov.uk/>

Education (Scotland) Act 2016

[Education \(Scotland\) Act 2016 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2016/12)

Council Improvement Plan – Best Value Assurance Report

https://www.eastlothian.gov.uk/downloads/file/28011/council_improvement_plan

General Services Budget 2019-22

https://www.eastlothian.gov.uk/downloads/file/29121/general_services_budget_2019-22

Budget Information 2020-21

https://www.eastlothian.gov.uk/downloads/file/29120/budget_information_2020-21

Fair Funding to Achieve Excellence and Equity in Education

<https://www.gov.scot/publications/fair-funding-achieve-excellence-equity-education/>

Scottish Government and COSLA Education Reform Joint Agreement of June 2018

<https://www.gov.scot/policies/schools/devolved-school-management/>

Joint Agreement and Head Teachers' Charter

<https://www.gov.scot/publications/empowering-schools-education-reform-progress-update/pages/3/>

Council Plan 2017-2022

https://www.eastlothian.gov.uk/info/210603/performance_and_spending/12283/the_east_lothian_council_plan_2017-2022

Scottish Schools (Parental Involvement) Act 2006

<https://www.legislation.gov.uk/asp/2006/8/contents>

Parental Involvement – Scottish Government

<http://www.scotland.gov.uk/parents>

East Lothian Parental Engagement link

https://www.eastlothian.gov.uk/info/210557/schools_and_learning/12100/parental_involvement/5

The East Lothian Parental Engagement Strategy

https://www.eastlothian.gov.uk/downloads/file/23219/parental_engagement_strategy_-_full_document

East Lothian Council Procurement Strategy

https://www.eastlothian.gov.uk/downloads/file/27544/procurement_strategy

East Lothian Council DSM Scheme

Link when available

East Lothian Council Budget 2021/22

https://www.eastlothian.gov.uk/downloads/download/13275/east_lothian_council_budget_information_2020-21 update when available

Cost of the School Day (Child Poverty Action Group)

[The Cost of the School Day Toolkit, updated 2021 | CPAG](#)

Council Budget

The table below sets out the East Lothian Council's spending plans for the financial year 2022/23. Of the overall budget of £274.5M, £147.6M is allocated to the Education and Children's Services directorate to support the services that they deliver.

Directorate	2022/23 Total Net Expenditure £'000
Children's Services	17,849
Education	129,819
Finance	4,437
Corporate Services	9,385
Health & Social Care	62,993
Development	2,917
Housing	1,797
Infrastructure	31,481
Communities & Partnerships	13,912
Total spending	274,590

Within the Education and Children's Services directorate budget, Educational Services have been allocated an overall budget of £129.8M, of which £81.2M is devolved to schools under the DSM scheme guidelines.

The Scheme ensures that there is transparency throughout the process and that budgets are allocated on a fair and consistent basis. The specific responsibilities of Head Teachers in relation to the administration and management of school budgets are clearly identified within the scheme.

The Scheme in general provides funding based on school roll (and in primary schools the number of classes) to cover the following operating costs:

1. Employee costs
2. Energy costs (Primary only)
3. Supplies & Services

Core School Budgets – Cost Allocation Codes

All schools have a cost centre code that will prefix all cost centre classifications below in the general ledger and are used when requesting internal budget virements from one cost centre to another. The last 3 digits are unique to each school:

Primary	5-57-XXX
Secondary	5-59-XXX

Common cost centre classifications are:

1-11-005	Teachers-Pay
1-11-010	Teachers-National Insurance
1-11-015	Teachers-Pension
1-11-025	Teachers-Expenses
1-12-005	Chief Officers-Pay
1-12-010	Chief Officers-National Insurance
1-12-015	Chief Officers-Pension
1-12-025	Chief Officers-Expenses
1-13-005	Local Government Workers-Pay
1-13-006	Local Government Workers-Overtime
1-13-010	Local Government Workers-National Insurance
1-13-015	Local Government Workers-Pension
1-13-025	Local Government Workers-Expenses
1-16-040	Indirect Costs-Early Retirement
1-16-045	Indirect Costs-Severance Payments
1-16-045	Indirect Costs - Relocation
1-16-060	Indirect Costs-Recruitment
1-16-065	Indirect Costs-Training
1-16-080	Indirect Costs-Other
2-21-105	Premises Costs-Energy
2-21-107	Premises Costs-Gas
2-21-110	Premises Costs-Water Services
2-21-115	Rent of non-ELC premises
2-21-120	Premises Costs-Rates
2-21-140	Premises Costs-Cleaning
2-21-145	Premises Costs-Grounds maintenance
2-23-170	Transport Costs - External Hire
2-23-180	Transport Costs-Public Transport
2-23-195	Transport Costs-Car allowances
2-25-200	Supplies & Services-Equipment & furniture
2-25-205	Supplies & Services-Materials
2-25-210	Supplies & Services-Catering
2-25-225	Supplies & Services-Printing & stationery
2-25-230	Supplies & Services-Services
2-25-240	Supplies & Services-Communications
2-27-275	Third Party Payments-Central Government
4-41-410	Capital Charges-Depreciation

5-56-560 Other C Govt Grants-Scottish Executive Grants
5-57-574 Other Contributions-Other Organisations
6-61-620 Internal recharges-Education
6-61-640 Internal recharges-Roads & transport
6-61-641 Internal recharges-Contract Transport
6-61-670 Internal recharges-Corporate Services
6-61-680 Internal Recharges-Insurance Fund Allocs

Primary School DSM Entitlement

Employee Costs

All employee budgets are devolved under the scheme. The budgets for staff have been broken down into teaching and school support staff, most of which are allocated on a formula basis. Head Teachers will continue to appoint and manage employees in accordance with the Council's policies and procedures.

Although the scheme gives greater flexibility for the management of employee budgets, Head Teachers should always consider the wider implications of any proposals, for example staffing standards, employment rights etc; and therefore Head Teachers should contact appropriate staff within the central office who can assist/advise them with any such decisions.

Funding will be allocated on the basis of the school roll/pupil numbers and will be allocated on the basis of three year rolling averages. The methodology for this is outlined at Appendix 3B. This produces an indicative entitlement figure. Head Teachers can then work out their staffing structure.

Budget allocations to schools for the 'core' allocation i.e. excluding Support for Learning, for salaries will be based on the average of the actual costs incurred by the school. This will include national insurance and any superannuation contributions

Promoted Posts: The promoted post structure and Management Time are broadly in line with the Management Structures in Primary School within Appendix 3C. The divisors used for identifying the class organisation have been developed to ensure that the scheme is affordable. The nursery class FTE is a factor in the allocation of management time. Head Teachers can create their management structure within their indicative allocation.

Class Teachers: The number of class teachers has been identified from the number of classes each school will operate. To estimate the number of classes organised within each school the following rules have been applied:

Roll 1-47	2 class minimum
Roll 48-145	Classes = Roll/23
Roll 145 – 360	Classes = Roll/27
Roll over 360	Classes = Roll/29

Final class structures will be negotiated between the Education Service and the school, taking into account age and stage profiles in each establishment. The figures in the columns headed "Class Organisation" and "Classroom Teachers" are therefore estimates. The number of classroom teachers, as estimated in the right-hand column of Appendix 3C, needs to be reduced by **0.12 FTE** for each Primary 1 or Primary 2 class in the establishment.

Management Structures & Time: Appendix 3C details the Management Structures and the amount of Management Time in terms of full time equivalent staff. These will be based on the school roll using the 3 year rolling average as outlined in Appendix 3B. Nursery is based on 0.5FTE of the roll capacity of the Nursery rather than actual number of children attending since there is more than one intake in the year so it changes each term.

Chartered Teachers: Chartered Teachers will be included within the allocation for Classroom Teachers. However, in the event that there are vacancies within the school Chartered Teachers will not be included in calculating the average class teacher's salary. In this way we can ensure that the average cost for teachers is not skewed by the presence of Chartered Teachers. The Chartered Teacher promoted post reward scheme was designed to offer talented teachers the opportunity to stay in the classroom as an alternative to promotion through the management route. The scheme is a legacy scheme, no longer open to new entrants.

Probationers

The allocation of probationers to primary schools will be discussed each year between the Education Service and the individual schools. Once the cost to the school has been agreed, in FTE terms, the total cost of the probationer salaries will be credited to the school and the cost to the school will be deducted from the budget.

Visiting Specialists

School staffing is complemented by specialist teachers known as Visiting Specialists. These teachers may support the teaching and learning of Physical Education, Music and other practical subject areas. Staff may be charged directly to the school budget or be recharged internally.

Predictable Need

Allocations to primary schools for Predictable Support for Learning, will be made based upon the size of the Predictable 'pot' for primary schools and will be determined by Free School Meal Entitlement and School Roll (excluding Nursery), both based on a three-year rolling average.

Funds will be allocated on a 70:30 basis with 70% being based on the school's proportionate share of pupils on their roll entitled to FME compared to the authority total, with the remaining 30% based solely on roll. However, each school will be guaranteed a minimum entitlement of one classroom assistant. In addition, in order to ensure consistency between years, the Education Service may amend the formula to ensure a minimum entitlement or increase for each school.

We will continue to monitor the way in which deprivation factors are recognised within the formula, our long-term aims being to give our primary schools maximum flexibility while including deprivation factors within the overall budget.

The amounts involved will be liable to increase in line with inflation and will be updated annually to take account of the resources available to the local authority.

Exceptional Need

Budget allocations for Exceptional Need will be made based upon the number of hours/full time equivalent (FTE) staff for specific children agreed by the Moderation Panel.

These allocations will be reviewed each term throughout the school year and will only be available while the child attends school. If the child moves school then these allocations will move with them.

Allocations to schools will be based upon the hourly rates/costs for an ASN Auxiliary post at Grade 5.

Credits will be given to schools that have been allocated 'Exceptional Needs' funding at the start of the academic year and will be reviewed as directed by the Education Service.

Specialist Provisions

Local authority specialist provisions for children and young people with severe and complex needs are funded on the basis of the staff and resources required to meet the needs of the learners placed there. Funding is reviewed and agreed with schools annually via a collaborative approach to decision making that includes senior leaders from the school and members of the central Education Service.

Nursery Class Staffing

Nursery classes are allocated staffing based on hours required to meet a ratio of 1:8 and deliver 1140hrs of early learning and childcare.

Administrative and Support Staffing

Schools will be funded for the costs of employing support staff on the following basis.

		INCLUDES NURSERY AND SPECIAL CLASS FTE				
	Clerical		Admin	Auxiliary	Dining Room Supervisor/ Playground Supervisor	
Roll	Hours		Hours	Hours	Hours	TOTAL
0	0		0	0	0	0
1	0		25	10	10	45
72	0		25	15	15	55
121	0		25	20	15	60
201	5		30	20	25	80
301	15		30	25	30	100
401	25		30	30	35	120
501	40		30	35	40	145
601	50		30	40	50	170
701	60		30	45	60	195
801	70		30	50	70	220
901	80		40	55	80	255
1001	90		40	60	90	280
1101	100		40	65	100	305

The roll includes nursery numbers at 0.5 per pupil. Schools will receive the budget for these staff proportionate to the pay grade these staff are on and the number of weeks actually paid over the academic year.

Pupil Equity Funding

The amount of Pupil Equity Funding allocated per school is identified by the Scottish Government and this amount is included in the Primary DSM budget statement to schools as a specific budget line.

Ad-hoc Funding/Staffing

Schools may be awarded 'ad-hoc' funding for specific staff or projects. This funding will be agreed between the school and the Education Service.

Absence Cover

Short-term absence: A budget for short-term absence cover will be allocated to schools on the following basis. Each school will receive a basic allocation of 10 days' cover. The daily rate for this cover will be reviewed annually. In addition, there will be an allocation of £11.10 per full time equivalent registered pupil (including nursery pupils).

Maternity Leave: This will be covered by a central budget with no cost to the school. Credits will be issued to schools based upon receipt of correctly approved forms.

Long term Teacher absence: After the first 10 days this absence will also be covered by a central budget.

Early Years Practitioners: Early Years Practitioner absences will be covered by a central budget for Nursery staff. Absences by Early Years Practitioners who work in a primary class will be treated the same as local government workers (see below).

Long term absence of Local Government Workers: This is classed as absence greater than 4 weeks and will be covered 50% by a central budget.

Staff Development

Staff Development budgets will be devolved on the following basis:

- Each school will receive a basic allocation of £400 for each academic year, plus:
 - £55 for each FTE teacher
 - £25 for each FTE support staff member

Supplies – Educational & Core

The allocation for Educational & Other supplies will be made as follows;

- A basic allocation of **£1,385** to every school with a roll of less than 220. Schools in excess of this roll will receive a basic allocation of **£1,026**.
- An amount per full time registered pupil of **£56.77** each year.

This means that a school with a full time registered roll of 300 (including, where relevant, any nursery places) will receive a budget allocation of **£18,057**.

This allocation is intended to cover the following;

- Educational Supplies
- Cleaning Materials
- Furniture & Fittings (where not part of any PPP contract arrangement)
- Photocopying
- Postage

- Phones
- Excursion Allowances
- Exchange Visits
- Curricular Travel
- Other Supplies & Services
- Expenses
- Licences

Energy Costs

Schools will be given energy budgets based upon estimates prepared by the Energy Officer.

The budget will be based on consumption and will take account of current market conditions.

Surpluses & Deficits

The Head Teacher may carry-forward any surplus funds from one year to the next, subject to this surplus being equal to or less than 1.5% of the Budget received that year.

Head Teachers should identify the purpose of any surplus carry forward requests and reflect this in their School Improvement Plans or budget spending plans.

Any budget deficit incurred by the School will be carried forward in full to the next financial year and a recovery plan agreed with the Local Authority to clear the deficit by the end of the next financial year.

Monitoring

Head Teachers will be required to demonstrate that they are operating under the Council's Framework for Service Improvement and the Integrated Service Plan, and that their use of funding fully supports the School Development Plan.

Financial arrangements

The Revenue Budget

- The Council meeting to agree budgets is held in February/March each year.
- Within the total available resources for the Education and Children's Services, allocations are made to individual schools on the basis of any formulae and other allocation methods determined by the Council;
- The sums allocated to schools will include an uplift for pay and price increases subject to the budget process for that year.
- The budget for an individual school may be varied during the year, either upwards or downwards, by the Council but the Council will give reasons for any such action.
- The financial year for all council services runs from 1 April to 31 March each year.

Financial Control

- All payments and receipts must be made in accordance with systems and regulations specified by the Council.
- The Head Teacher will be required to:
 - a) account to the Council for the management of all funds provided by the Council and the operation of all bank accounts maintained in connection with these funds.
 - b) maintain independently audited accounts for any monies received for the use of the school from sources other than the Council.
 - c) maintain financial records to the satisfaction of the Council for all funds held by him/her for the use of the school and to provide access to these records, or information from these records, at any time to any duly authorised officer of the Council.
 - d) provide any background information or reports in relation to expenditure or income required by the Council.

Methodology for Calculating Pupil Numbers

Pupil numbers will be calculated using a three year rolling average as follows;

- The current year - based upon roll predictions e.g. 2022/23.
- The previous year e.g. 2021/22 - Actual roll as confirmed by Education Service in the last September census e.g. September 2021
- The year prior to last year e.g. 2020/2021 - Actual roll as confirmed by Education Service in the September census two years ago e.g. September 2020

In the following example the budget is being calculated for the 2022/2023 academic year. To do this we have to look at the budgets allocated for the previous two years – that were based on actual rolls.

Name of School	Actual 2020/2021	Actual 2021/2022	Predicted 2022/2023	Roll figure used for 2022/2023 budget
John Muir Primary	92	95	98	95
St Derek's Primary	132	128	132	131
Bass Rock Primary	450	452	460	454
St Alan's Primary	300	302	304	302

Teaching Time - P1 & P2 Class= 1FTE. P3 to P7 = 1.12FTE

												Suggested	
								Total	Management	Management	Class		Teaching
ROLL	CUT	HT	Grade	DHT	Grade	PT	Grade	Managers	Time	Teaching	Organisation		Time
										Time			Required
1-19	1	1	1	0	0	1	1	2	0.633	1.367	2		2.22
20-47	20	1	2	0	0	1	1	2	0.633	1.367	2		2.22
48-71	48	1	3	0	0	1	1	2	0.633	1.367	3		3.33
72-96	72	1	4	0	0	1	1	2	0.633	1.367	4		4.44
97-117	97	1	5	0	0	1	1	2	0.633	1.367	5		5.56
118-125	118	1	5	0	0	1	1	2	1.033	0.967	5		5.56
126-145	126	1	5	0	0	1	1	2	1.033	0.967	6		6.67
146-189	146	1	6	0	0	1	1	2	1.033	0.967	7		7.78
190-219	190	1	7	0	0	1	1	2	1.033	0.967	8		8.89
220-249	220	1	7	1	1	1	1	3	1.433	1.567	9		10.00
250-279	250	1	7	1	1	1	1	3	1.433	1.567	10		11.11
280-306	280	1	8	1	1	1	1	3	1.433	1.567	11		12.22
307-333	307	1	8	1	1	2	1+1	4	1.466	2.534	12		13.33
334-349	334	1	9	1	1	2	1+1	4	1.466	2.534	13		14.44
350-360	350	1	9	2	1+1	2	1+1	5	2.466	2.534	13		14.44
361-379	361	1	9	2	1+1	2	1+1	5	2.466	2.534	13		14.44
380-415	380	1	9	2	1+1	2	1+2	5	2.466	2.534	14		15.56
416-442	416	1	10	2	1+1	2	1+2	5	2.466	2.534	15		16.67
443-469	443	1	10	2	1+2	2	1+2	5	2.466	2.534	16		17.78
470-496	470	1	11	2	1+2	2	1+2	5	2.466	2.534	17		18.89
497-523	497	1	11	2	1+2	3	1+1+1	6	2.499	3.501	18		20.00
524-550	524	1	12	2	1+2	3	1+1+1	6	2.499	3.501	19		21.11
551-577	551	1	12	2	1+2	3	1+1+1	6	2.499	3.501	20		22.22
578-604	578	1	12	2	2+2	3	1+1+1	6	2.499	3.501	21		23.33
605-631	605	1	12	2	2+2	3	1+1+2	6	2.499	3.501	22		24.44

632-658	632	1	12	2	2+3	3	1+1+2	6	2.499	3.501	23	25.56
659-685	659	1	12	2	2+3	3	1+2+2	6	2.499	3.501	24	26.67
686-712	686	1	12	2	2+3	3	1+2+2	6	2.499	3.501	25	27.78
713-739	713	1	12	2	2+3	3	1+2+2	6	2.499	3.501	25	27.78
740-766	740	1	12	2	2+3	4	1+1+2+2	7	2.532	4.468	26	28.89
767-793	767	1	12	2	2+3	4	1+1+2+2	7	2.532	4.468	27	30.00
794-820	794	1	12	2	2+3	4	1+2+2+2	7	2.532	4.468	28	31.11
821-847	821	1	12	2	2+3	4	1+2+2+2	7	2.532	4.468	29	32.22
848-874	848	1	12	2	2+3	4	1+2+2+2	7	2.532	4.468	30	33.33
875-902	875	1	12	3	2+4	4	1+2+2+3	8	3.232	4.768	31	34.44
903-928	902	1	12	3	2+5	4	1+2+2+4	8	3.232	4.768	32	35.56
929-955	929	1	12	3	2+6	4	1+2+2+5	8	3.232	4.768	33	36.67
956-982	956	1	12	3	2+7	4	1+2+2+6	8	3.232	4.768	34	37.78
983-1009	983	1	12	3	2+8	4	1+2+2+7	8	3.265	5.735	35	38.89
1010-1200	1010	1	12	4	2+9	4	1+2+2+8	9	3.965	6.035	36	40.00

Secondary School DSM Entitlement

Pupil numbers are the major factor in determining resource allocations.

There is maximum flexibility of spend between the various resource allocations.

Once budgets are devolved Head Teachers become responsible for managing within identified resources and with progressing the School Improvement Plan.

Core Funding

Secondary schools in East Lothian will be funded for their core activities on the basis of a linear formula. This core funding is intended to cover the following;

- Core Teaching staff (Management and Class Teachers)
- Additional S1/S2 money
- Core administrative staff including School Business Managers
- Core Roll Related Supplies and Services
- Short term absence cover
- Long term Absence, Paternity & Maternity costs
- Recruitment & Relocation Costs
- Licences

The linear formula is not intended to cover the following items that are also within the DSM scheme.

- Predictable and Exceptional Needs funding
- Ad-hoc staffing agreed between the school and the Education Service.
- Probationer costs
- Staff Development
- Chartered Teacher funding
- Efficiency Savings
- External funding sources e.g. Study Support

Funding under these headings will be allocated to the school but different guidelines will apply. These are detailed under separate headings below.

The following items will be outside the DSM scheme

- PPP unitary charges payable by East Lothian Council
- Home to School Transport
- Catering
- Energy Costs - though the Council will attempt, along with schools and the PPP contractor, to devise ways to encourage efficient use of utilities.
- Waste Collection charges

Core funding will be allocated to secondary schools on the following basis:

Core funding = Base amount plus fixed amount per pupil

The funding allocated for the 2022/2023 financial year is as follows;

Base Amount for each school	£625,000
Amount per Registered Pupil	£ 3,803 (subject to change)

These amounts will be updated annually to take account of:

- Teaching and non-teaching wage inflation
- National Insurance & Pension changes
- Grade 'drift' where appropriate
- National policy initiatives
- The resources available to East Lothian Council

Any percentage increase in funding will be applied directly to this linear formula. In other words, an increase of x% in the budget for schools would lead to an increase of x% in the funds allocated under the linear formula.

School Roll

Schools will be core-funded based on the actual roll April-July from the previous September census and predicted school roll August-March. Budgets will be finalised following the confirmation of the school roll at the September census.

Probationer Funding

The allocation of probationers to secondary schools will be negotiated each year between the Education Service and the individual schools. Schools will be required to ensure that an adequate number of probationer places are made available as required by the Scottish Government. Once the cost to the school has been agreed in FTE terms, the total cost of the probationer salaries will be calculated. The school will be credited with the full cost less the amount the school has agreed to pay.

Chartered Teacher Funding

In order to recognise the 'unequal' burden between the schools of meeting the costs of the legacy Chartered Teacher scheme the Education Service sets aside a separate sum of money each year to recompense those schools whose teachers took part in the scheme. The Chartered Teacher promoted post reward scheme was designed to offer talented teachers the opportunity to stay in the classroom as an alternative to promotion through the management route. The scheme is a legacy scheme, no longer open to new entrants.

This sum will be split on the basis of the number of teachers within each school who have either fully or partially completed the necessary modules to attain Chartered Teacher status. Points will be allocated as follows;

- Each fully accredited Chartered Teacher will count for 180 points.
- Every module passed by those teachers who were working towards full accreditation will count for 15 points. For the purpose of this calculation the first chartered teacher module will be ignored.

The sum will be split between schools based upon their relative share of the total calculated points.

Predictable Need

The Predictable Needs budget is designed to fund general support needs across all pupils within the school – not just those pupils who have specific and pronounced support needs. In a typical school the Predictable Needs budget will fund Support for Learning Teachers and Auxiliaries.

Allocations to secondary schools for Predictable Support for Learning, will be made based upon the size of the Predictable 'pot' for secondary schools and will be determined by Free School Meal Entitlement (based on the average of the previous three years) and School Roll (actual in April and estimated from August).

Funds will be allocated on a 70:30 basis with 70% being based on roll plus Free School Meal Entitlement and the remaining 30% based solely on roll.

We will continue to monitor the way in which deprivation factors are recognised within the formula, our long-term aims being to give our secondary schools maximum flexibility while including deprivation factors within the overall budget.

The amounts involved will be liable to increase in line with inflation and will be updated annually to take account of the resources available to the Authority.

Specialist Provisions

Local authority specialist provisions for children and young people with severe and complex needs are funded on the basis of the staff and resources required to meet the needs of the learners placed there. Funding is reviewed and agreed schools annually via a collaborative approach to decision making that includes senior leaders from the school and members of the central Education Service

Pupil Equity Funding

The amount of Pupil Equity Funding allocated per school is identified by the Scottish Government and this amount is included in the Secondary DSM budget statement to schools as a specific budget line.

Ad-hoc Funding/Staffing

Schools may be awarded 'ad-hoc' funding for specific staff or projects. This funding will be agreed between the school and the Education Service.

Absence Cover

Short-term, long-term and maternity leave absence has been included within the core funding.

Staff Development

Staff Development budgets will be devolved to Secondary Schools and Specialist Provisions on the following basis:

- Each school will receive a basic allocation of £400 for each academic year and an allocation on the basis of full time equivalent staff, plus:
 - £55 for FTE teacher
 - £25 for FTE support staff

Surpluses & Deficits

The Head Teacher may carry-forward any surplus funds from one year to the next, subject to this surplus being equal to or less than 1.5% of the Budget received that year.

Head Teachers should identify the purpose of any surplus carry forward requests and reflect this in their School Improvement Plans or budget spending plans.

Any budget deficit incurred by the school will be carried forward in full to the next financial year and a recovery plan agreed with the Local Authority to clear the deficit by the end of the next financial year.

Supplies and Services – Educational and Core

In secondary schools the allocation for Education & Other supplies is determined by the school taking into account their local curricular needs and context.

Reconciliation

At the end of each Council financial year a reconciliation will be made between;

- The total budget approved by East Lothian Council to be spent on the secondary schools DSM;
- The amounts retained centrally to be used on non-devolved items; and
- The amounts actually devolved to schools.

This reconciliation will be shared with the Head Teachers.

Financial arrangements

Capital expenditure will continue to be managed by the Council on behalf of schools.

The Revenue Budget

- The Council meeting to agree budgets is held in February/March each year.
- Within the total available resources for Education and Children's Services, allocations are made to individual schools on the basis of any formulae and other allocation methods determined by the Council;
- The sums allocated to schools will include an uplift for pay and price increases subject to the budget process for that year.
- The budget for an individual school may be varied during the year, either upwards or downwards, by the Council but the Council will give reasons for any such action.
- The financial year for all council services runs from 1 April to 31 March each year.

Financial Control

- All payments and receipts must be made in accordance with systems and regulations specified by the Council.
- The Head Teacher will be required to:
 - a) account to the Council for the management of all funds provided by the Council and the operation of all bank accounts maintained in connection with these funds
 - b) maintain independently audited accounts for any monies received for the use of the school from sources other than the Council
 - c) maintain financial records to the satisfaction of the Council for all funds held by him/her for the use of the school and to provide access to these records, or information from these records, at any time to any duly authorised officer of the Council
 - d) provide any background information or reports in relation to expenditure or income required by the Council

School Business Manager/Finance Services - Service Level Agreement

Functions to be undertaken within Finance Services

- The identification of annual resources available to each school within which budgets can be set.
- Issue of budget guidance /timescales etc.
- Review and 'Sign –off' of annual budgets initially set by each school before input to finance system.
- Review and retention of School Business Plan as provided by School Business Manager at the start of each financial year.
- Preparation of annual budget for 'client'/non-devolved costs e.g. Vehicle Leases/PPP etc.
- Review of quarterly monitoring reports prepared on each school by the School Business Manager for consideration by the Head Teacher, Finance Services and Education Management Team.
- Development of reports for school monitoring and common information requirements.
- Provision of salary print out to School Business Managers
- Input of journals for credits, budget virements and other income.
- Agreement regarding requests for any annual carry-forwards
- Organising the input of journals onto financial ledgers.
- Production, update and review and circulation of Financial Procedures.
- Production, update and review and circulation of DSM Financial Guidelines
- Ensuring consistency of accounting treatment throughout schools
- Production of guidance on year-end procedures
- Determining the impact of new government initiatives and new council policies relating to DSM.
- Liaison with Education Management Team and/or Budget Groups
- Providing access to the financial ledger and relevant training.
- Providing access to personnel/payroll systems so that staffing databases can be maintained by schools.
- Reconciliation between total sums involved and amounts devolved each year.

Functions to be undertaken by Schools/School Business Managers

- Detailed preparation of annual budgets and submission to Education Management Team and/or

Finance Services for review in line with agreed timescales.

- Detailed preparation and submission to Education and Finance Services teams of School Business Plan at the start of each financial year.
- Provision of information to aid the preparation of the client budget.
- Provision of financial advice to Head Teachers etc.
- Reporting variances between budgeted and actual expenditure to the Head Teacher.
- Providing information on major expenditure and income variations to Education Management Team and/or Finance Services.
- Preparation of quarterly budget reports to be circulated to Head Teacher, Finance Services and Education Management Team.
- Organising the annual request for carry-forwards and identification of use to be made of reserves.
- Submission of claims for 'credits'
- Ensuring financial procedures are adhered to within the school and that procedures comply with audit and control requirements.
- Ensuring compliance with issued accounting guidance.
- Ensuring use of approved accounting systems to ensure consistency throughout schools.
- Advising Finance Services with regard to possible accruals & prepayments for inclusion in the annual statutory returns.
- Managing the impact of new initiatives etc at a local level and advising the Head Teacher accordingly.
- Ensuring that there are documented and regular reconciliations between the school finance system and financial ledgers and that any discrepancies are notified to Finance Services.
- Ensuring that staffing information within the school is accurate.
- The Council may suspend devolution of financial management at an individual school and/or take disciplinary action if there is evidence of fraud or other serious breach of trust between the Council and the Head Teacher.

Carry Forward of Surpluses and Deficits

- The Head Teacher may carry forward any surplus funds from one year to another subject to this surplus being equal to or less than 1.5% of the total gross expenditure devolved. This will be reviewed on an annual basis.
- Any budget deficit incurred by the Head Teacher will be carried forward in full to the next financial year and will have the effect of reducing the total funds available for expenditure in that year.
- In exceptional circumstances the Council may amend the amount of surplus or deficit to be carried forward, and will give reasons for so doing.

Core Funding Calculation

SCHOOLS BUDGET - APRIL 2022 TO MARCH 2023		CORE FUNDING CALCULATION		EXAMPLE ONLY					
		FINANCIAL YEAR							
		Increase (%)	(£)						
Base Amount		0.00%	625,000						
Amount per pupil		2.00%	3,803						
		4/12ths	8/12ths	<i>pro-rata based on total pupil number</i>					
School		ACTUAL	Predicted						
		ROLL	ROLL	Core Budget April to March					
		Sep-21	Sep-22	£					
Dunbar		1,117	1,154	4,966,758	=BASE AMOUNT + 4/12ths Sep '21 actual roll + 8/12ths Sep '22 projected roll				
Knox		798	821	3,718,107	=BASE AMOUNT + 4/12ths Sep '21 actual roll + 8/12ths Sep '22 projected roll				
Knox CP Unit		38	38	-	<i>Funded by Exceptional Needs budget</i>				
Musselburgh		1,197	1,211	5,212,686	=BASE AMOUNT + 4/12ths Sep '21 actual roll + 8/12ths Sep '22 projected roll				
North Berwick		1,046	1,056	4,628,291	=BASE AMOUNT + 4/12ths Sep '21 actual roll + 8/12ths Sep '22 projected roll				
Preston		982	1,017	4,448,283	=BASE AMOUNT + 4/12ths Sep '21 actual roll + 8/12ths Sep '22 projected roll				
Ross		1,218	1,216	5,251,983	=BASE AMOUNT + 4/12ths Sep '21 actual roll + 8/12ths Sep '22 projected roll				
Ross ASN Unit		25	25	-	<i>Funded by Exceptional Needs budget</i>				
Total		6,421	6,538	28,226,108					
		6,421	6,538						
		6,358	6,475						

DEFINITIONS

"The 1973 Act" means the Local Government (Scotland) Act 1973 as amended or extended by or under any other enactment.

"The 1980 Act" means the Education (Scotland) Act 1980 as amended or extended by or under any other enactment, and any regulations made under that Act.

"The 2006 Act" means the Scottish Schools [Parental Involvement] Act 2006 as amended or extended by or under any other enactment, and any regulations made under that Act.

"The Council" means East Lothian Council as Education and Children's Services for East Lothian in terms of Section 123 of the 1973 Act.

"The Director of Education & Children's Services" means not only the Director of Education & Children's Services in person but any other officer of the Council authorised to act on behalf of the Director of Education & Children's Services. In this context references to the masculine also include the feminine.

"The Head Teacher" means not only the Head Teacher in person but any member of staff authorised to act on behalf of the Head Teacher.

"Competitive Tendering Legislation" means the Local Government Act 1988 and regulations made under that Act, and any other statutory enactment imposing requirements as to competitive tendering for work or activities which may form part of a local Council's functions.



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