

Education & Learning
Policy

Devolved School Management Scheme Secondary Schools

2022 - 2025

Approved at Education and Learning Committee 7 October, 2021.

1 DEVOLVED SCHOOL MANAGEMENT SCHEME PRINCIPLES

1.1 The aims of the Devolved School Management Guidelines are to empower headteachers to meet local needs and deliver the best possible outcomes for young learners, in line with the objectives of Curriculum for Excellence, GIRFEC and the Early Years Framework. Moreover, they are intended to ensure that existing best practice in relation to the operation of DSM Schemes becomes standard practice across Dumfries & Galloway, based on the core values of subsidiarity, openness, transparency and local accountability.

1.2 The DSM Guidelines are based on nineteen principles that are grouped under the following four headings:

- Subsidiarity and Empowerment;
- Partnership Working;
- Accountability and Responsibility; and
- Local Flexibility

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

- Support excellence and equity – ensuring every child 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 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 every penny spent is used effectively.

1.4 The DSM Guidelines are also supported by a DSM Self-Evaluation toolkit which is intended to enable the council and schools to assess the 'fitness of purpose' of the DSM scheme. Its use serves to raise awareness of the guidelines and of what is, in essence, a national framework. This toolkit allows elected members, chief executives, directors, headteachers, teaching staff and parents the opportunity to evaluate the DSM scheme and related procedures.

Principles for Devolved School Management (DSM)

1.5 The principles below form the basis of Dumfries & Galloway Council's DSM scheme. The principles are grouped under headings which are reflected in the DSM Self-Evaluation toolkit. These principles are similar to some of those set out in the 2006 guidelines, which are still considered relevant to the operation and management of DSM schemes within local authority frameworks.

Subsidiarity and Empowerment

1.6 The devolved school management scheme provides headteachers and other school staff with the autonomy and flexibility to make decisions at the appropriate level and to make the most effective use of resources which best suit local circumstances.

1.7 Dumfries and Galloway Council continues to explore ways of increasing devolution of budgets and/or decision making where there are clear benefits for school communities.

1.8 Local DSM arrangements seek to support the delivery of the best possible outcomes for children and young people in line with the strategic direction and policies of the council.

Partnership Working

1.9 Devolved school management is informed by local priorities and issues to ensure it contributes towards shared agendas and improved outcomes.

1.10 Effective joint working involving chief officers, the Education Directorate, headteachers and other school staff is an important element of a robust DSM Framework overseen by local elected members.

1.11 The DSM Scheme needs to ‘influence’ and be ‘influenced’ by a school’s collaboration with parents and with a range of other partners. This joint work with partners should be guided by agreed priorities framed in the School Improvement Plan, Education Business Plan and in line with Dumfries & Galloway Council’s Priorities.

1.12 Parents and Carers are the most important influence throughout a child’s education and parental involvement in learning makes a real difference to the children’s achievements. Parent Councils help parents and carers to become more actively and effectively involved in their children’s learning. 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.

1.13 Parent Council play an important part in providing opportunities for parents to get involved in school life and to provide support to the schools in getting the best education for their child or young person. Under the DSM scheme, Headteachers are required to involve their Parent Council in the financial arrangements for their school, sharing and discussing improvement and financial planning and school budgets throughout the school year.

Participatory budgeting (PB) is a way for people to directly vote on how money should be spent. It’s a powerful way for children and young people to have their say in the decisions that affect them.

There is further guidance on Participatory Budgeting including examples of good practice of embedding Participatory Budgeting in schools available in the link below.

[PB in Schools — PB Scotland](#)

Accountability and Responsibility

1.14 Increased devolution of resources to schools brings increased management responsibilities and increased accountability. Headteachers have responsibility for these resources in line with the strategic direction of the Council and must always adhere to the Council’s internal procedures. The management of Council and school budgets should also operate within Best Value regimes and seek continuous improvement.

1.15 While headteachers are given maximum flexibility over their budgets, there are some areas of expenditure that are generally not considered suitable for devolution. The underlying principle

should be that devolution should be meaningful and allow Headteachers the flexibility needed to ensure that decisions that need to be made locally are made locally.

1.16 The Annual Staffing exercise led by the Education and Learning Directorate Schools' Manager seeks to support Headteachers to manage their staffing resource effectively and efficiently.

1.17 A programme of internal self-evaluation audits using How Good is Our School 4 quality indicator 1.5 Management of Resources to Promote Equity is set out on an annual basis to support and challenge procedures in place in schools.

1.18 Headteachers have overall responsibility for financial decision at a local level but are supported by their School Support Manager who will oversee the monitoring of school budgets in line with the priorities set throughout the year; can access professional support from finance and HR colleagues and the Education Support Services Manager and team within the Education and Learning Directorate.

1.19 Headteachers/nursery managers should ensure that finance meetings are held regularly with the School Support Manager and should consider financial projections ensuring they are in line with planned expenditure. Formal finance meetings should be held a minimum of once per term, with a formal meeting note created, held and available for scrutiny as required. This may form part of a wider Senior Management Team meeting but should be in addition to school finance committee meetings where these, or other local arrangements/forums, are in place. Guidance is available at Appendix 5.

1.20 The responsibilities of revenue budget holders are set out in financial code 18, an excerpt of which, pertaining to Headteachers is available at Appendix 2. Budget holders are required to sign an annual budget acceptance statement to confirm their compliance with the financial codes and policy and procedure.

1.21 To ensure that all staff have the required knowledge and skills to effectively manage the schools' financial position in line with financial regulations and Council policy and procedures, various training opportunities are made available to staff, some of which are mandatory. The training programme is set out in Appendix 3.

1.22 The Council will review the DSM Scheme every three years in terms of implementation to ensure that it remains fit for purpose.

Local Flexibility

1.23 The scope of the devolved scheme enables devolution to a local level of the resources needed to allow a Headteacher to plan and make provision for services that require to be delivered at school level.

1.24 Criteria for devolving resources to a local level varies according to the characteristics of the council. However, key criteria are based around school roll and deprivation. The criteria are to be transparent and 'owned' by the main stakeholders i.e. elected members, headteachers, teaching staff and parents.

1.25 All decisions about resource use at school level should have regard to the actions that will best meet the needs of the school and its pupils and to inevitable judgements about what provides best value, drawing on corporate finance and procurement guidance.

1.26 The Council decides what flexibility to allow for carry forwards, positive or negative, having due regard to a school's agreed improvement priorities. The Council agrees the percentage limits to be applied to carry forward facilities. The DSM scheme clearly sets out the Council's policy on virement, encouraging the responsible use of this facility with due regard to corporate guidance.

2 DUMFRIES AND GALLOWAY COUNCIL CONTEXT AND PROCEDURAL GUIDELINES

2.1 Dumfries and Galloway Council is committed to an Education and Learning Service that is responsive to the needs of individuals, schools, other educational establishments, and local communities. The key Council priorities that provide the focus for this work are:

Provide the best start in life for all our children

- Ensure early intervention, in particular to keep our region's most vulnerable children safe
- Invest in creating schools fit for the 21st century which are at the heart of our communities
- Raise ambition and attainment, in particular to address inequalities
- Support children to be healthy and active
- Protect our most vulnerable people
- Tackle the causes and effects of inequality and poverty

2.2 The objective of the scheme of devolved management is to enhance the quality of education by enabling more informed decision-making and the effective use of the available resources to support learning and teaching. Fundamental to the scheme of devolved management must be the commitment to raising attainment and achievement.

2.3 The scheme aims to ensure that there is a balance between democratic accountability in delivering a key public service and the managerial freedom and flexibility to exercise initiative and ensure the efficient and effective use of resources.

2.4 The headteacher is responsible for the purchase of supplies and services for the purpose of the school, **but these purchases must conform strictly to appropriate financial regulations, Finance, Procurement and HR policy and procedure set out by Dumfries and Galloway Council.**

2.5 The principles of devolved management are embedded in all that we do within the Service and it is important to recognise that the scheme will need updated as a consequence of annual budget deliberations within the Council. Whilst in essence the scheme is largely formulaic by nature all Council budget deliberations need to be taken account of by individual establishments and may result in updates to the scheme within the normal review period.

2.6 The 2022 scheme separates the principles and procedural guidelines of the scheme from the formulae applied. When amendments are required, the appropriate appendices will be reviewed, amended and updates provided to schools. This will ensure the DSM guidance provided to schools will be up to date and in accordance with Council and Service policies, procedures and relevant budget decisions. Whilst the Service will seek to consult re any proposed change this may not be practical in all situations.

2.7 In Dumfries and Galloway the DSM arrangements comprise of three sections:

- Complete Discretion budget
- Partial Discretion budget
- No Discretion / Central budget

Areas of expenditure included and not suitable for DSM

2.8 DSM must give headteachers and schools maximum flexibility. However, there are some areas of expenditure, such as elements of additional support for learning that cannot easily be broken down to school level, as they would tend to bring unnecessary and unproductive bureaucracy were the funding to be devolved. In addition, there are other areas of expenditure that are not devolved as the council needs to protect its schools from unacceptable levels of risk.

For the purposes of these guidelines the following areas of expenditure are not devolved to schools in Dumfries and Galloway:

Staffing

Long-Term Sickness and Maternity/Paternity cover
Occupational Health Costs
Premature Retirement Costs

Property

Capital Expenditure e.g. PPP costs
Repairs, Maintenance, Improvements - Landlord
Grounds Maintenance
Health and Safety relating to the building structure
Pest Control
School security running costs
Energy Costs
Waste and Recycling Collection
Building Insurance
Rates and Water charges

Supplies and Services

Management Information Systems - Software
Courier Service
SQA Examination Fees (School is responsible for any late charges)
School Meals
Building cleaning and facilities management
Pupil Support Additional Support for Learning
Psychological Service
Central support services e.g. English as an additional language support, hearing, visually impaired services, educational psychology services

Other Services

Instrumental Instruction Services
Direct Administration
Parent Council Expenditure
Education Research
Education Maintenance Allowance
Clothing Grants
Free School Meals
Expenditure supported by Central Government Specific Grants
Home to School Transport

2.9 All other school expenditure is to be met from School DSM budgets and includes spending in the following areas:

Staffing

Teaching Staff (Core Staff, Management, Non Contact, Supply Illness)
 Non-Teaching Staff (Staff as per allocation formula)
 Continuous Professional Development in respect of

- School Improvement Plan
- Needs arising from PRD/PDR Process

Property

Repairs and Maintenance - Tenant Responsibility
 Fixtures and Fittings including Furniture (outwith refurbishment programmes)
 Health and Safety (Staff related/Tennant responsibility)
 Cleaning Materials

Supplies and Services

Text books and Stationary
 Curricular Travel
 Classroom / Learning resources
 SQA Examination Late fees
 ICT Hardware and Software (**always** via Education ICT Team)
 Accidental damage/theft replacement

Travel costs

Staff and Pupil Travel

Administration Costs

Postages
 Photocopying
 Stationary

2.10 Budget Process/Timeline

The annual processes are set out in the timeline below:

April	New Allocations sent to schools Schools advise Education Support Services Manager re any projected Carry Forward figure over the allowed 2.5% maximum; or reasons for any overspend positions
May	Year End Process Completed Overspend Meetings with Education Support Services Manager Year End Statements issued to schools “Projected” Form A issued to schools
June	No further orders to be placed by schools
August	New School Session starts Headteachers Sign Budget Acceptance Staffing Form B confirmed with schools
October	Staffing Form A updated to reflect latest Census data Staffing Form C is created
November	Staffing monitoring report sent out bi-monthly from now
February	No further order to be placed to “tidy up” for year end Annual Budget Setting by Council
March	End of Financial Year – all expenditure up to date Impact of Budget Setting shared with schools
Monthly	Monitoring of budget expenditure and balances by school Updates to Staffing Workbooks
Termly	Budget Meetings with School Support Manager – formal minutes required Training Opportunities available through CPD System Ongoing programme of self-evaluation visits

Adjustments to budget during the year will be advised by email with an updated Financial Statement attached to the Headteacher and School Support Manager.

3 COMPLETE DISCRETION BUDGET

Allocations

3.1 Allocations to schools are formula based and in 2022 are based on the allocation detail set out in Appendix 1.

Revenue Balance Carried Forward

3.2 In accordance with the Practice Note on Financial Management Responsibilities (Appendix 2). Headteachers should not overspend on the school's devolved budget. However, if a Headteacher wishes to undertake a particular initiative which will result in an overspend, they must prepare a financial plan detailing how the overspend will be recouped from future years' allocations and seek the approval of the Head of Education, **prior** to proceeding with the initiative. Otherwise, if it becomes apparent that an overspend may arise during the course of the year, Headteachers should, in the first instance, alert the Support Services Manager.

3.3 At the end of the financial year, any **overspend** on a school/nursery devolved budget must be carried forward in full and set against funds allocated in the new financial year. An annual year-end pro-forma must be completed by Headteachers/nursery managers to det out how they will recoup the overspend position. Any Headteacher/nursery manager who has a budget which is overspent by a significant amount will meet with the Education Support Services Manager to discuss the expenditure and outline their plan to bring the budget back within control.

3.4 **Underspends**, up to a **maximum of 2.5% of the total devolved budget** (i.e. Complete Discretion, Partial Discretion and No Discretion) may be carried forward to the new financial year and the use of the carry forward balance should be set out in normal school improvement planning.

3.5 **Underspends** in excess of the maximum 2.5% allowed carry forward will be reduced to the maximum 2.5% level at the start of the new financial year. Where the additional funds have been held to finance a planned project, the Headteacher should make a request in writing to the Education Support Services Manager at the point of planning and in advance of year end, detailing the financial plans for the additional funds.

Budget Virements

3.6 Headteachers can make transfers between budgets, known as budget virements. No virement should be made where there are ongoing commitments in future years e.g. budget virements cannot be used to permanently increase staffing levels as the source of this funding cannot be guaranteed in future years. There are limits to the transfers both to and from teachers and support staff budgets as follows:

- **Teaching staff** – the total teaching staff allocation may be either increased or decreased by 5% but transfers from this heading are only possible from the devolved staffing allocation i.e. Management/RICCT time.
- **Non-Teaching Staff** – there is no limit on transfers out of other budget headings into the budget for non-teaching staff.

Procurement

3.7 Dumfries & Galloway Council Procurement Strategy sets out the complex legislative requirements for purchasing goods and services.

Our procurement activity is governed by a legislative framework which includes:

- *European treaties and directives;*
- *Regulations;*
- *Case Law.*

In addition, guidance and best practice is issued by the Scottish Government.

The implementation of the Procurement Reform (Scotland) Act 2014 and associated regulations and statutory guidance (The Act) provides many opportunities to support delivery of the Council's corporate aims and objectives with procurement realising added value for local communities, for example contract opportunities for local businesses, in turn supporting job creation and promoting fair working practices across the region.

This legislation and guidance / best practice will be incorporated within the Council's Procurement Standing Orders which will be reviewed to consider changes and opportunities provided within the procurement legislative framework in Scotland. The Council's Procurement Standing Orders govern all spend through contracts across the Council.

Source: D&G Council Procurement Strategy

To ensure compliance when spending under the Devolved School Management Scheme, schools are required to purchase directly from RSS in the first instance. Where goods/services are not available on RSS, the [Procurement Standing Orders](#) must be followed.

No PO, No Pay

3.8 From 1 May 2018, only invoices that quote a valid PO number will be accepted and any invoices received after this date that don't have a valid PO number will be returned without being processed, unless it is covered by an exception.

Your role and responsibilities

3.9 An official Purchase Order (PO) must be raised through one of the Council's electronic ordering systems where goods, services or works are being instructed, prior to delivery and the invoice being submitted. (Manual orders must not be used after 1 May 2018).

A purchase order must be sent to the supplier/contractor when instructing delivery of goods or services or works on behalf of the Council.

The supplier must be notified that the PO number must be quoted on all invoices.

Invoices submitted without a valid PO will be returned to the supplier unpaid.

Purchase Cards

3.10 Purchase Cards can be used in conjunction with the DSM scheme to address certain categories of purchasing, however, they must not be used to avoid compliance with the Procurement Standing Orders. Separate guidance on the use of Purchase cards is available and appropriate use of purchase cards is included in the training programme. The operating guidance is available in Glow and linked here: [Purchase Cards Procedures](#)

Minor Repairs

3.11 Charges for minor repairs carried out in school will only be sent through at year end. Where work is being carried out in school, an estimated cost should be obtained from the Repairs Helpdesk team and added to your committed expenditure to allow for the cost of the works in projections.

Cheque Requisitions for Payments to School Fund

3.12 On occasion it may be necessary to pay for goods or services from the School Fund when the costs should be paid from the school devolved budget. School Fund can be reimbursed by completing a Cheque Requisition Request in the Finance system (Integra).

It is important to note that schools cannot use this method of purchasing to avoid Procurement legislation and purchase from a supplier of their choice. All purchasing by schools is subject to the same legislation, policy and procedure.

ICT Hardware and Software

3.13 All purchases of ICT hardware outside Service led projects are the responsibility of the school. As the schools' IT infrastructure is upgraded, all software purchased must be cloud based or with a license that allows it to be deployed in the Education virtual environment. All purchases of either hardware or software should be managed via the EducationICT@dumgal.gov.uk mailbox to ensure compatibility with existing infrastructure and that appropriate licensing is in place.

One-off High-Cost Purchases

3.14 To support secondary schools in making one off high cost purchases, such as photocopier replacements, there is a scheme whereby it can be repaid over a period of time, usually up to three years. The procedure for this scheme is set out in Appendix 4.

Authorised Signatories

3.15 The Headteacher/Nursery manager is responsible for setting out who has the authority in your school to place orders, make payments, sign off timesheets. This is set out and updated using the Authorised Signatory Form available from DSM@dumgal.gov.uk.

4 PARTIAL DISCRETION

Staffing Budgets

4.1 Partial Discretion staffing budgets are those in which the school has control over the number of positions and the people appointed to them, but they do not set the rates of pay and therefore the costs. Staffing is allocated to schools on a formula basis based on full time equivalent (fte).

Core Teaching Staff Allocation

4.2 A secondary school's teaching staff entitlement is based on a formula which comprises of a lump sum base allocation and then a rate per pupil.

4.3 Details of each school's entitlement will be shown on Form A. Form A is updated with the projected roll for the coming August following enrolment to S1. This roll will be updated in September to reflect the actual roll at Census for that school year. No further changes will be made at this point.

4.4 The timeline and procedure notes for allocation of staffing budgets is set out in the document – "**Guidance on the process for allocating Staffing and related budgets**"

4.5 The budget on Form C **will not be amended** at any point during the year. Any vacancies will be costed at Scale Point 3 of the main grade teachers' salary scale. The cost of any supply staff brought in to cover for absence will be charged to the school budget.

4.6 A school may not vire¹ money from its *Complete Discretion* budget into its Teaching budget in order to create a **permanent** post.

4.7 Any fixed term (temporary) appointments made must be in accordance with the authority's policy on the appointment of fixed term (temporary) staff.

4.8 Any virement from the Teaching budget must not adversely affect a school's ability to deliver a broad and balanced curriculum in line with Education Authority and National Guidelines.

4.9 Schools have a **3month** period to resolve any outstanding queries with colleagues in Education and Learning Finance. No adjustment will be considered after this period unless approved by Support Services Manager, Schools' Manager or Head of Service (Learning and Resources).

4.10 Where significant staff absence/vacancy is covered by the school, it is recognised this can result in a reduced development calendar. Staffing costs accrued because of such prolonged absence/vacancy can be considered for carry forward to the following financial year to address any deficit in School Improvement Plans. Such situations should be highlighted to the Education Support Services Manager as early as possible and should form part of the case to hold carry forward balances in excess of the maximum 2.5%.

Teaching Staff Absence budget

4.11 Schools will receive two days per FTE to cover short-term absence at Scale Point 1 of the main grade teachers' salary scale.

4.12 Headteachers and school management teams are required to manage staff absence in line with the Council Maximising Attendance policy. Schools will cover staff absence for the first 15 days. Staff who remain absent after that period will have the costs of the absence **from day 16 onwards** transferred to the central budget, thus incurring no charge to the school beyond 15 days for long-term absence.

Management Points

4.13 Schools are allocated a number of Management Points, based on a core allocation and the school roll. One point is currently equivalent to £554. It is at the discretion of the Headteacher how these Points are used to create the management structure for the school. Any unused points at the end of the year will be converted to cash and will be carried forward to the following year. Any overspend in Points will also be carried forward in full.

Non-Teaching Staff

4.14 A school's support core staff entitlement is based on the following formula:-

- Standard Amount per week 40 hours (1.1 FTE)
- Pupil Rate per week 0.30 hours

4.15 Where a school currently exceeds its approved entitlement, this will require to be managed down as vacancies arise. Account will be taken of "key" posts within the school support staff. In addition, each school has an entitlement to a School Support Manager in accordance with the scheme agreed by the Education Committee on 4 February 2003 and an ICT Network Administrator.

4.16 The following restrictions will be applied to the number of higher graded posts.

- Maximum number of Administrative Assistants (Band 4) - 1 FTE
- Maximum number of Technicians (Career Grade Bands) - one third of total FTE entitlement

4.17 Where a school wishes to employ an additional member of staff at a salary level above Band 2 the FTE charge against the formula allocation would be increased proportionately to reflect the higher salary. The calculation would be based on the highest point of both the Band 2 scale and the actual scale for the employee in question.

4.18 The salary grades for all staff within the authority are subject to the Council's Human Resources and Organisational Development policies. There are agreed job descriptions and person specifications for school support staff roles.

4.19 The following provisions also relate to the application of the formula.

- a) the calculation of each employee's full-time equivalent amount will take account of the number of weeks worked per annum including holiday entitlement, (maximum 52.14 weeks) and the number of hours worked per week (maximum 36 hours).
- b) a school's allocation would be revised every 3 years, or if:
 - a. a vacancy occurs
 - b. the overall allocation changes by more than 0.5 FTE (i.e. 70 pupils).
 The 3 year review will then begin from this date.

4.20 A secondary school may wish to fund additional non-teaching staff from their own complete discretion budget.

4.21 Any new post, outwith the existing framework of school staff job descriptions, must be evaluated through the Council Job Evaluation process. The salary grades for all staff within the authority are subject to the Council's Human Resources and Organisational Development policies.

4.22 Staff appointed on a fixed term (temporary) basis may accrue Employment rights and these will be the responsibility of the school. Where staff accrue permanency, but the school can no longer fund the role, the school should first try to place the staff member within their core complement either from balances available or when a vacancy occurs, or the school should follow the Council's Redeployment policy.

4.23 Financial responsibility for any additional non-teaching staff appointed remains with the school.

School Technicians

4.24 School technicians are employed from the formula set out in Appendix 1. It is critical that this group of staff maintain their training and development to ensure safe working practices. All training contained on the Learning Plan will be paid for centrally.

4.25 In addition, there is a 0.44fte temporary Senior technician in place to ensure training is up to date and competency frameworks are being monitored and maintained. This position is funded in addition to school support staff allocations.

Support Staff training

4.26 All school based support staff have a learning plan and it is the responsibility of their manager, usually the School Support Manager, to ensure this is maintained. All training identified and confirmed by Education and Learning Service as mandatory is funded through the Learning and Development Team. Training considered appropriate, but not mandatory, can be provided by the school using their complete discretion budget.

Support Staff Absence

4.27 Headteachers and school management teams are required to manage staff absence in line with the Council Maximising Attendance policy. There is no allocation to schools for support staff absence which is generally covered internally. Where the absence becomes a long-term absence, the SSM should contact Education Support Services Manager to consider potential mitigations.

5 NO DISCRETION AND CENTRAL BUDGET

5.1 The areas of expenditure which contribute to the overall running cost of the school form the “no discretion” or “central” budgets. Whilst these form part of the DSM scheme in Dumfries & Galloway to obtain a total cost per school, they are not devolved to school level management.

5.2 Specific points of note for schools are as follows:

- Building Cleaning and Facilities management is provided by facilities colleagues. Queries regarding any of these services should be directed to SolutionsCentre@dumgal.gov.uk in the first instance. Schools are responsible through their complete discretion budget for the purchase of building consumables e.g. bin bags, toilet rolls, paper towels, soap etc.
- Waste collection is funded centrally and includes the provision on bins and the weekly/fortnightly collections. Any additional bins/collections requested by schools will be charged to complete discretion budgets. In line with expectations on the zero waste regulations, schools are asked to take all reasonable steps to reduce waste and monitor the charges for refuse collection to ensure they are necessary and accurate. As kerbside recycling is rolled out in communities, we are working with schools to re-purpose existing bins for recycling of paper and cardboard, plastics and cans.
- Energy costs are funded centrally but schools should take measures to reduce consumption wherever possible, not only for budget purposes, but also as part of our Climate commitment in Dumfries and Galloway.
- SQA Exam Fees are funded centrally. The budget will reflect the actual costs incurred under this heading. Late Entry fees and charges incurred where schools have not followed local policy/guidance will be charged to the school's Complete Discretion budget.

Allocations by Formula**Complete Discretion**

The following factors will be used to allocate funds under this heading at the rates shown in the table below. These factors will be adjusted for PPP Schools as shown. Allocations will be based on pupil roll and number of IEPs per the Census returns in the previous September.

	<u>Secondary LA Building (£)</u>	<u>Secondary PPP Building (£)</u>
Lump Sum	5500	5000
Pupil Rate	55.50	51.50
IEP Supplement	10	10

PPP Schools do not receive slightly reduced rates of funding (as per the table above) which is a reduction in relations to property costs, cleaning materials and for fixtures and fittings as these are included in all PPP contracts. For example – repairs required to ensure that all blind cords are secured under H&S requirements are paid from DSM by schools, but in PPP schools this is managed by the contractor. In a PPP school, desks/chairs lifecycle replacements are the responsibility of the contractor. Any equipment purchased by a PPP school must have a lifecycle replacement costs built in from the outset

Partial Discretion

Core Teaching staff allocation is made on Form A. The formula used changes annually based on the following methodology:

- Total number of staff (in fte) affordable within budget is set
- Surplus staff declared by schools but unable to be redeployed through the staffing exercise are deducted from the number of staff available. This effectively means that the cost of these staff is met by all schools.
- Trade Union Time is deducted from the number of staff available.
- A basic allocation of 10.8fte per school is deducted from the number of staff available.
- The balance of staff available is then divided by the total number of pupils to give the factor per pupil and multiplied by the school roll
- The basic allocation and pupil factor are then added together to reach the allocation for the school year (in fte).
- Individual school staffing budget is calculated by attributing the actual costs of the staff in post, identified by the school using Form B.

Short term teaching staff absence supply budget is allocated at a rate of 2days per FTE per year x daily rate.

Management Points Allocation

An allocation of management points is made to each school. Each management point has a current value of £554 and is representative of the difference between the top of the basic teacher salary scale and that of the promoted post.

Headteachers are not included in the management structure.

A base allocation of 50 points is made to every school. This is equivalent to one deputy headteacher.

The remaining number of management points from the available budget is then divided by the total secondary school pupil roll to obtain a pupil rate which is then scaled up for each individual school.

The base allocation and the pupil rate are then added to reach the allocation of management points.

Support Staff Allocation

Support staff are allocated using the following formula and can be allocated by each school to recruit clerical and administrative staff, technicians, library assistants and general assistants:

- Base Rate of 40 hours per week
- Pupil Rate of 0.30 hours per week

The pupil roll used in the pupil rate calculation is taken from the September census from the previous year.

The following restrictions will be applied to the number of higher graded posts.

- Maximum number of Administrative Assistants (Band 4) - 1 FTE
- Maximum number of Technicians (Career Grade Bands) - one third of total fte entitlement

In addition, a maximum of 1fte School Support Manager is provided in every secondary school.

Financial Management Responsibilities

Below is an excerpt from Dumfries & Galloway Council Financial Code No 18 as it pertains to Budget Holders (Headteachers). Some items have been removed as they do not relate directly to Budget Holders (Headteachers), but the numbering from the original document, available on Connect, remains intact for reference purposes.

Dumfries & Galloway Council
Revision: 3.4 Finance & Procurement
January 2017

FINANCIAL CODE No. 18 — REVENUE BUDGET MONITORING

1. Background

1.1 This Financial Code gives guidance on revenue budget monitoring procedures.

1.2 Apart from sound financial management and contributing to Best Value, the need for budget monitoring flows from a number of sources:

- Section 95 Local Government (Scotland) Act 1973
- Financial Regulations

1.3 This Code covers both Corporate and Service revenue budget monitoring.

2. Budget Monitoring Principles

2.1 Budget monitoring should be viewed as an essential tool in developing a business and management culture that continually monitors and reviews its use of resources in seeking to achieve, through service business plans, the strategic aims and objectives of the Council.

2.2 Accurate and timely monitoring reports can only be produced within a culture of openness, honesty and integrity. Service plans must remain subservient to Corporate plans. The timely identification and reporting of budget variances should not be constrained by service considerations.

3. Accountable Officers

3.1 Corporate Monitoring - not detailed here

3.2 Service/Monitoring - not detailed here

4. Budget Holders

4.1 Budget holders should be proactive in developing systems to monitor their budgets both in terms of financial and non financial performance measures.

4.2 It is the responsibility of the budget holder to ensure that appropriate systems and procedures are in place to provide accurate information for monitoring the budgets under their control.

4.5 Where budgetary pressures/potential overspends are identified within the monitoring report, the Budget Holder must provide the Service Finance Officer (Education Support Services Manager) with details of the remedial action that will be taken by the Service (School).

4.6 Budget Holders must ensure that they communicate any information that will affect their monitoring report position as soon as possible, and that they keep their Service Finance Officer (Education Support Services Manager) updated with any issues on a regular basis.

4.7 Budget Holders should be aware that the Financial Regulations state that “Services may incur revenue expenditure in pursuit of policies agreed by a relevant Committee of the Council only to the extent that budgetary provision has been made. Authority to exceed budgeted amounts must be granted by Committee beforehand.”

Training Programme Overview

Training Opportunity	Who should attend / complete?	How to access?	Availability
Financial Management for Budget Holders	Headteachers SSM Depute HT PT Nursery Managers	ELearning Platform - FLO	Anytime but by June 2023
Financial Codes and best Practice	Headteachers SSM	ELearning Platform - FLO	Anytime but by June 2023
Budget Monitoring Reports	SSM Clerical Assistants	ELearning Platform - FLO	Anytime but by June 2022
Introduction to Procurement	Headteachers SSM Depute HT PT Nursery Managers	ELearning Platform - FLO	Anytime but by June 2023
Procurement – Quick Quotes	Headteachers SSM Depute HT PT Nursery Managers	ELearning Platform - FLO	Anytime but by June 2023
Procurement – Purchase Cards – Cardholder	Purchase Card Holder	ELearning Platform - FLO	Anytime but by June 2022
Procurement – Purchase Cards - Approver	SSM	ELearning Platform - FLO	Anytime but by June 2022
D&G DSM Scheme	Headteachers SSM Depute HT PT Nursery Managers Aspiring Leaders	CPD Solutions	2 courses per term available to book All to complete by end of June 2022
D&G DSM Scheme	Elected members	Members Seminar	Tbc
Induction Training	New HT New SSM New DHT New PT New Nursery Managers	CPD Solutions	1 course per term available to book
Procurement – How to comply in school	SSM	SSM Meeting	Tbc

Self-evaluation Audit – HGIOS4 – QI 1.5 Management of Resources to Promote Equity	Programme of school visits	Education Support Services Manager will book with HT	tbc
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Additional training can be offered on a cluster basis where this would be more convenient.
Contact DSM@dumgal.gov.uk to request training/support outwith the above calendar.

Devolved School Management Scheme (DSM) One-Off High Cost Purchase Cash Advance Scheme

Given the size of primary school/small secondary school budgets, it is recognised that the purchase of one off high cost resources, for example new copiers, can be outwith the reach of the budget available. To provide support for schools, this paper sets out an option to access a funding advance to purchase the item and pay this back over a period of up to 3years.

Photocopiers:

The steps to be followed are set out below:

1. Engage with Ricoh (currently hold Council contract) regarding an audit of your existing equipment and needs, consider options and secure quote from Ricoh
2. Send an email to DSM mailbox (DSM@dumgal.gov.uk) with a copy of your quotation from Ricoh asking to access the advance scheme, noting how much of an advance you are looking for and over how many years you wish to repay. (ie full amount over 3 years, or 50% over 2 years etc)
3. The funding request will be added as an additional allocation to your DSM budget to be used to pay for your copier.
4. From the following financial year, your annual allocation will be reduced by 1/3rd or ½ of the amount borrowed depending on the repayment term.

Any school wishing to take an advance for the purchase of a copier outwith the terms set out, should contact their SSM in the first instance to discuss. For example if you wish to take an advance but pay it back over 4 years – please ask and consideration will be given to your request.

The repayments of the advance are in addition to any ongoing charges payable to Ricoh and should be managed as committed expenditure from the start of each of the years in the repayment period.

Any other items of high cost expenditure:

The steps to be followed are set out below:

1. Create a proposal document which should contain the following information:
 - a. The items you wish to purchase and the benefits and improvements you expect them to deliver
 - b. The cost of the items including procurement route to be used, and any initial contributions you plan to make
 - c. How you wish to repay the advance, how much per year and over how many years
 - d. Demonstrate this is affordable from within your existing allocation
2. Engage with the Education Support Services Manager to discuss your proposal.
3. If approved, the funding request will be added as an additional allocation to your DSM budget to be used to pay for your item.
4. From the following financial year, your annual allocation will be reduced by 1/3rd or ½ of the amount borrowed depending on the repayment term.

School Finance Meetings Guidance (Section 1.19 of DSM Scheme)

Empowerment is core to all work in schools and is embedded in the model of support provided by the local authority.

Empowerment is fundamental to all decision making. This means that Headteachers consult on appropriate matters, for example staffing, DSM, resources. Consultation is meaningful and extends beyond mere reporting. It includes arrangements for how major financial decisions, including spending linked to Pupil Equity Fund, are compliant and meet procurement and other statutory arrangements.

As part of the Empowered system, Headteachers are required to have formal mechanisms in place to ensure that financial decision making is transparent and adheres to principles of Best Value.

Headteachers/Nursery Managers should ensure that finance meetings are held regularly with the School Support Manager and should consider financial projections ensuring they are in line with planned expenditure. Formal finance meetings should be held a minimum of once per term, with a formal meeting note created, held and available for scrutiny as required. This may form part of a wider Senior Management Team meeting but should be in addition to school finance committee meetings where these, or other local arrangements/forums, are in place. Whilst it is not a legal requirement to have a School Finance Committee in place it is seen as good practice as this will strengthen governance arrangements and provide greater transparency.

School Finance Committee

- School Finance Committee should meet a minimum of 4 times per year (termly), to discuss:
 - School Fund
 - DSM
 - PEF
 - Secondary Staffing/Primary Support Days
 - Any other relevant funding
 - Arrangements for communication and consultation with staff, parents, pupils and the wider community
- Suggested membership of the School Finance Committee is noted below but is not limited to:
 - Head Teacher
 - Nursery Manager
 - School Support Manager
 - School Fund Committee Chair and/or Treasurer
 - Parent Council Representation/Pupil Council Representation
 - Other members of the school Senior Management Team

- These meetings can be arranged as standalone meetings or can be combined with other financial meetings, for example, School Fund Committee Meetings, Parent Council financial meetings, and School financial SMT meetings
- Primary School Support Managers would be expected to be in attendance at least two School Finance meetings per year. Secondary School Support Managers would be expected to be in attendance at each termly Finance meeting.
- The meetings must be minuted and have clear action points for follow up

School Finance Committee's Roles & Responsibilities:

- annual budget consultation
- appraising different expenditure options
- assessing expenditure bids
- annual budget setting in line with School Improvement Plan
- agreeing delegation limits
- regular monitoring of actual income and expenditure against each budget and revising forecast for the year.
- ensuring accounts are properly finalised at year end
- evaluating the effectiveness of financial decisions
- ensuring there are effective and appropriate systems of internal financial control
- forecasting rolls and expected income levels
- review audit reports
- the administration of voluntary funds

Annual Budget Setting Guidance

Meaningful consultation regarding annual budget setting should take place with key stakeholders in Term 4 and should be in line with the School Improvement Plan and Pupil Equity Funding Planning and clearly linked to Quality Improvement indicators.

Clear and Concise Termly Monitoring Reports

A clear and concise termly monitoring report will enable the Finance Committee to review income and expenditure against the agreed budget headings. It will identify variances, provide meaningful explanations for these and explain what will be done to re-balance the budget. It should be in an easy-to-understand format that can be automatically generated from base financial records or spreadsheets. A sample template is available for Schools to adapt as necessary.

Base Allocation Statements and Financial Year End Statements should also be made available to the School Finance Committee and the start and end of each Financial Year for transparency.

Updated – November 2021