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WORKING DRAFT

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## Part A

### The Scheme Introduction

Welcome to Moray Council's Devolved School Management (DSM) Scheme.

The DSM Scheme sets out Moray Council's financial processes for funding their schools, how they delegate some financial decisions to their schools, and the accountability and responsibility for these financial decisions.

### Background

The Devolved School Management Scheme was first introduced in Scotland in 1993 to enhance and improve the management of resources at school level. The DSM guidelines are issued to Local Authorities by the Scottish Government under section 13 of the Standards in Scotland's Schools etc. Act 2000. It is then the Local Authorities' responsibility to update their DSM Scheme in line with the newly issued guidelines.

This scheme has been revised in accordance with the updated DSM guidelines, published in June 2019. It reflects and integrates with the Education Reform Programme and priorities emerging from Scottish Government and COSLA Education Reform Joint Agreement of June 2018.

Moray is home to RAF Lossiemouth, one of the largest and busiest multi-aircraft-type stations in the Royal Air Force, and Kinloss Barracks, the base for the Army's 39 Royal Engineers (Air Support.) Within a decade, MOD investment is said to increase Moray's population by up to 4,000 people. The wider impact on population is significant, with RAF personnel families accounting for 1,919 children (<16 years of age).

### Introducing Moray

Moray is well known for its outstanding natural resources, affordable housing, world famous coastlines, its great schools, and high standard of living.

The current population of Moray is estimated at 96,410 (NSR2021), with the average population density low at just 43 people per square kilometre, however approximately 57% of the population live in the 5 main towns of Elgin, Forres, Buckie, Lossiemouth and Keith.

The learning estate is spread across 46 Primary schools supporting approximately 6,889 children and 8 secondary schools supporting approximately 5,328 young adults. The needs of most pupils, including those with significant and complex needs, are met within mainstream classes. There is advanced provision in all of the secondary schools and 8 of the primary schools for students with Additional Support Needs (ASN), participate in mainstream education.

## Our Children, Our Vision

Moray Council’s mission is to remove barriers to learning so that people are more likely to reach their potential, leading to improved health, well-being, employability, and quality of life. Our aspiration is to ensure that Moray is the best place in Scotland for our children and young people to grow up. Our vision is to provide the best possible education and care for Moray’s children. Moray Council’s core values are: ambitious, fair, responsive, and improving. This vision will be delivered for all children and young adults through the following objectives:

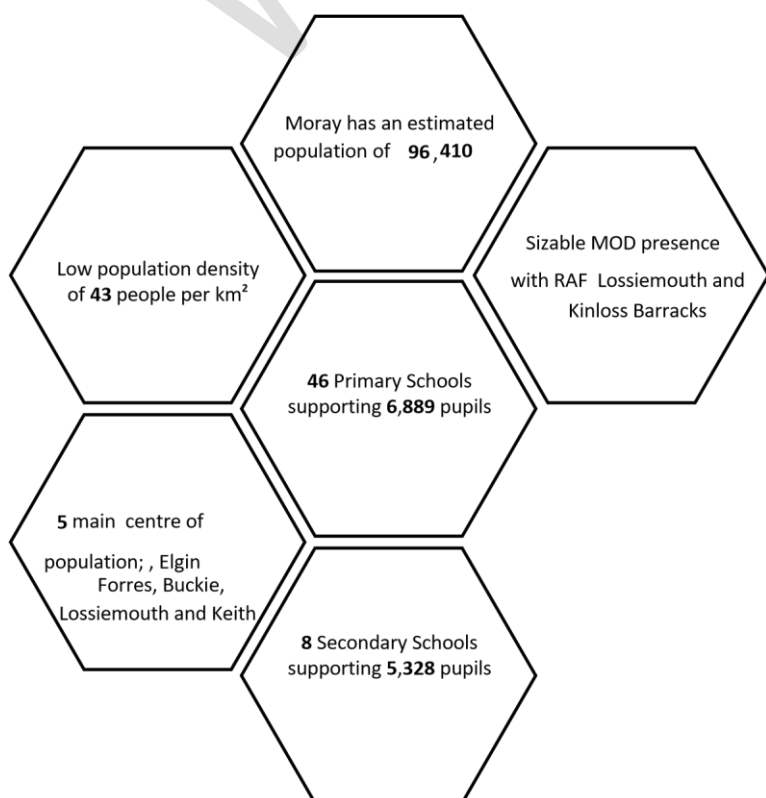
- Raise attainment and achievement for all

- Provide the highest quality learning and teaching delivered by our practitioners
- Review and improve our curriculum in the broad general education and senior phase
- Strengthen our processes for self-evaluation for self-improvement
- Meet the needs of all by supportive learners
- Build practitioner and learner capacity through leadership at all levels.

## Role of the Parent Council

We recognise the influence and impact that parents and carers have on their children’s learning, and value working in partnership with parents at school level through well-established Parent Councils. The Parent Council has an important role to play in school improvement by ensuring that the parental perspective is represented in their school and taken into account by their Head Teacher.

The Parent Council helps to create an environment where parents feel confident and comfortable putting their views forward. The Parent Council works on

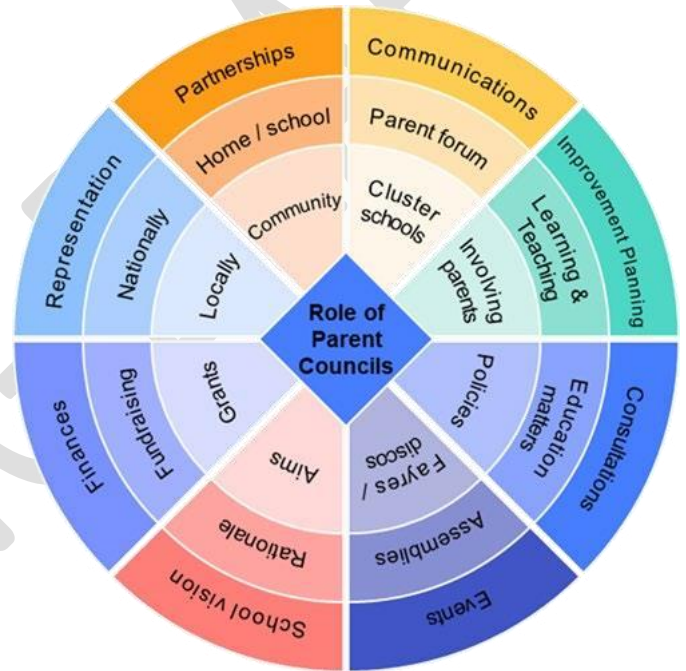


behalf of all parents to discuss educational matters that are important to all. They do not get involved in individual matters relating to children or staff in the school.

Parent Councils are constituted bodies who are independent from the school and the local authority. As an independent body, Parent Councils are designed to be flexible but their main functions are to:

- Work in partnership with the setting or school to decide on the key priorities to take forward;
- Ensure that the setting or school, and learning is the best it can be;
- Provide a voice for parents in settings or schools and in their Local Authority on issues that are important to them;
- Improve the setting or school’s understanding of how to engage parents in their children’s learning and in the wider life of the school;
- Discuss the setting or school’s strengths and areas for development from a parental perspective;
- Gather and represent the views of parents to the Head Teacher, Local Authority and HM Inspectorate of Education (HMIE);

- Apply for grants and seek out funding sources.



⌘ brightly coloured circular diagram displaying the roles of the parent council.

# Devolved School Management Overview

Education is a fundamental core service that is delivered locally under the strategic democratic leadership and accountability of councils.

To enhance and improve the management of resources at school level, the Devolved School Management (DSM) Scheme was introduced.

The DSM guidance was reviewed in 2006, and again in 2012, taking into account the changing economic and financial climate for both Local Authorities and the Scottish Government. In June 2017 the Scottish Government consulted on changes to the DSM Scheme as part of the wider 'Fair Funding to Achieve Excellence and Equity in Education' consultation.

The updated DSM guidelines, published by the Scottish Government in June 2019, seek to build and improve on previous DSM Schemes and critically reflect and integrate with the Education Reform Programme and local financial arrangements and priorities emerging from the Scottish Government and COSLA Education Reform Joint Agreement of June 2018.



The DSM guidelines: <https://www.gov.scot/publications/devolvedschool-management-guidelines/>

## Principles of Devolved School Management

Moray council is committed to delegating responsibility for budget management and decision making to the most appropriate level in the organisation and seeks to ensure that the detailed regulations in its DSM Scheme are consistent with the principles of the 2019 DSM guidelines issued by Scottish Government/ COSLA.

The updated DSM principles, agreed by the Fair Funding Reference Group and building on and enhancing the foundations and principles of the 2012 guidance, are:

- Subsidiarity and Empowerment
- Collaboration

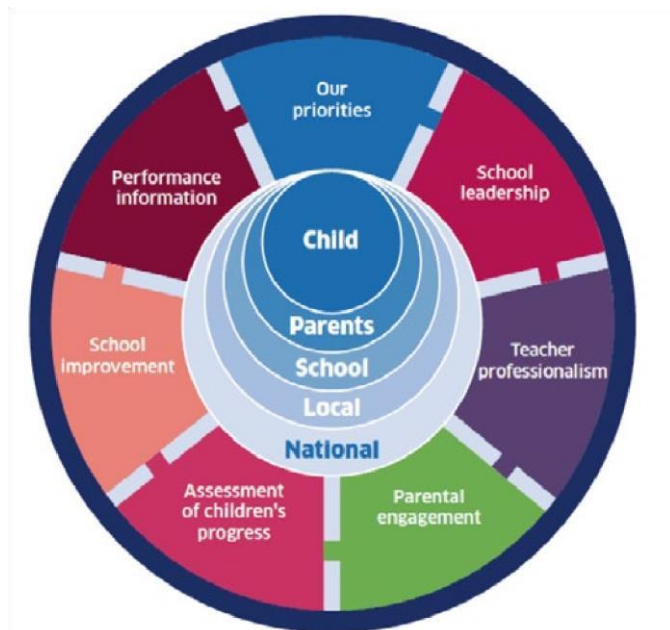
- Accountability and Responsibility
- Clarity and Equity

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



Colourful wheel displaying the 'Drivers of Improvement' from the National Improvement Framework.

Budgets within the DSM Scheme are only one part of the overall financial management of the Education Service and it is important to recognise that there is a strong relationship between devolved and non-devolved budgets in maintaining a sound and robust financial strategy for Education Resources.

It is important to also note that the DSM Scheme sets out the rules and principles in which schools operate in normal circumstances. The financial climate is such that it may be necessary to review the Scheme. All schools will be made aware any proposed changes as early as possible with the implications of any proposed changes clearly identified and explained.

## Budget Overview

Moray Council's Education and Education Resources & Communities budget makes up around 42% of the overall Council revenue budget. This budget is set and approved each year by the Council.

The following budgets consist of non-school based and school based services:

- Early Years

- Primary Education
- Secondary Education
- Additional Support Needs (ASN)
- Educational Psychology Service (EPS)
- Moray Digital Inclusion Strategy
- Business Support Team

The above budgets are allocated between the following:

1. Central budgets to support non-school based teams (e.g. Educational Psychology Service)
2. School Level Expenditure non-devolved i.e. those items of expenditure falling out with the scope of the DSM Scheme (managed centrally).
3. School Level Expenditure devolved to Head Teachers which includes the items of expenditure devolved to Head Teachers.

## School Level Expenditure Not Devolved

Whilst Head Teachers are given maximum flexibility over their budgets, there are areas of expenditure that are generally not considered suitable for devolvement. The reasons for this may include, but are not limited to, areas of spend that:

- Are outside the influence of a Head Teacher
- Are too bureaucratic
- Have unacceptable levels of risk
- Benefit from economies of scale
- Require professional expertise
- Are complex by their nature

The Scottish Government DSM Guidance would indicate that the following areas of expenditure are generally not considered suitable for devolution in relation to the budget for schools:

- Rent in relation to school premises
- Capital expenditure, including PPP/PFI costs
- 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

The following areas require Local Authority determination (with different approaches used within different Local Authorities):

- Waste collection
- Energy costs
- Carbon charges
- Janitorial and Cleaning staff costs
- Central support Services
- Examination fees
- Long Term Sickness Absence
- Family Leave Costs
- Visiting Teachers
- Music Instructors
- Parent Council expenditure

Moray Council has agreed that the following elements of expenditure are more appropriately retained and administered centrally by the Local Authority rather than devolved to schools:

- Waste collection
- Energy costs
- Carbon charges
- Cleaning Contracts
- Cleaning travel and uniforms
- Central Support Services (e.g. Educational Psychology Service, Quality Improvement Team)
- Examination fees
- Long Term Sickness Absence
- Long Term supply cover for Teaching staff sickness
- Family Leave Costs
- Supply cover for Teaching Staff maternity leave
- Supply Cover – other (JPs, Trade Union duties, etc.)
- Visiting Teachers
- Parent Council expenditure (devolved to Parent Councils)
- Repairs and maintenance – Landlord responsibilities
- Elements of Health and Safety
- Education, Communities and Organisational Development Central Services
- Music Instruction Service
- Clothing and Footwear Grants
- Sanitary products

- Grounds Maintenance
- Expenditure supported by Central Government
- Most Redundancy costs  
(Head Teachers should consult with the Business Support Team in relation to their potential liability for any posts created through change management procedures).
- ASN Teacher and Pupil Support Assistants

- Cleaning materials
- Rent and rates

- Administrative Costs
  - Telephones
  - Postage
  - Travel
  - Staff and curriculum development
  - School resources

## School Level Expenditure Devolved to Head Teachers

The Moray Council Devolved School Management (DSM) Scheme sets out the rules and formulas for the budget calculations for each individual school, and sets out any restrictions on how those budgets may be used. These formulas can be found in Part C of this Scheme.

Like all other service areas within the Council, schools are allocated running cost budgets (also referred to as revenue budgets) for the period of a financial year (1 April to 31 March).

All budgets listed below are seen as being within the direct control and responsibility of the Head Teacher for the purposes of Devolved School Management.

Scottish Government Guidance would indicate that the following areas of expenditure are considered suitable for devolution, in relation to budgets for schools, and are devolved to Head Teachers under the Moray Council's DSM Scheme:

- Employee Costs
  - Teachers
  - Supply cover (If a primary school has under 145 pupils in attendance, the first 15 days of sickness cover are funded by the school. All other primary and secondary schools fund the first 20 days)
  - Clerical staff
  - Technicians
  - Janitorial staff (excluding PPP schools)
  - School support staff.
- Property Costs
  - Tenant repairs and maintenance (excluding PPP schools)

In addition, the Scottish Government may award specific grants to schools which are devolved to Head Teachers to be used in accordance with the grant conditions, i.e. Pupil Equity Funding, Gaelic Specific Grant and Scottish Attainment Funding. More information on any grants and funding streams that are not covered in the DSM Scheme can be found at: [http://www.moray.gov.uk/moray\\_section/section\\_2027.html](http://www.moray.gov.uk/moray_section/section_2027.html)

## Breaches of the Regulations

Any Head Teacher who breaches the Scheme's regulations may have devolved management responsibilities and facilities removed. In these circumstances the budget will be managed centrally by the Head of Education (Chief Education Officer) or their representative until such time as the situation is resolved to the satisfaction of the Head of Education (Chief Education Officer), the Chief Financial Officer and, if necessary, Internal Audit.

## Part B

Financial Regulations (Copies in all establishments)

### General Information on Devolved School Management

The following documents help guide and support Head Teachers to ensure they are empowered to deploy resources in the manner best suited to meeting the needs of learners in their School.

#### Financial Regulations

As per Moray Council's Financial Regulations, Head Teachers, like all other Council officers, must take reasonable action to provide for the security of the assets/ resources under their control, and are responsible for ensuring that the use of these resources is legal, properly authorised, provides value for money and achieves the statutory duty to secure best value.



Financial Regulations:

[www.moray.gov.uk/downloads/file111196.pdf](http://www.moray.gov.uk/downloads/file111196.pdf)

The Council must also adhere to the requirements of the Procurement Reform (Scotland) Act 2014, and all other relevant procurement legislation. Council officers, including Head Teachers, engaged in procurement activity must comply with the Council's Scheme of Delegation and Financial Regulations as well as the approved Council Procurement Strategy and Procurement Procedures.



Procurement Strategy:

[www.moray.gov.uk/downloads/file70120.pdf](http://www.moray.gov.uk/downloads/file70120.pdf)

All Moray Council employees must comply with Moray Council's Procurement Procedures and failure to comply may result in disciplinary proceedings. The Council's Procurement Procedures are an Operational document and will be updated from time to time by the Payments Manager to reflect relevant thresholds, legislative documents and guidance.

Within the authority's financial reporting system, each Council financial unit is allocated a 5 character identifying element which is used for reporting purposes. The unit is also allocated an individual cost centre code which comprises of 4 digits and which is linked to various 4 digit management centres, providing further analysis. All valid cost centre/ management centre combinations feed up to the 5

character elements. All budgets and related income and expenditure transactions are identified by 5 digit account codes, used along with appropriate cost centre/ management centre combination, which indicate the nature of spend and which are grouped appropriately to form the basis of monthly management accounts.

Each element will have a nominated Budget Manager authorised to act on the Head of Service's behalf in respect of payments, income collection and placing orders. In school establishments this will be the Head Teacher. The Budget Manager is the person primarily responsible for the management of the budget and for all resulting actual expenditure and income. Whilst the Budget Manager may delegate some day-to-day budget operations to other staff, ultimate responsibility remains with the Budget Manager.

Finance ensures that Head Teachers are complying with the Council's Financial Regulations including those set out within the DSM Scheme and advise Head Teachers on the monitoring and operation of devolved budgets.

Moray Council's DSM scheme uses a formula based approach to calculate each individual schools budget allocation. This ensures a fair and equitable distribution of resources.

The formulas are detailed in [Part C](#).

#### Best Value Principles

All purchasing must take place in accordance with the Council's statutory duty to secure best value under the Local Government in (Scotland) Act 2003. Best Value means choosing a supplier that offers the best balance between the whole life cost (from acquisition to disposal) of goods and services against predefined requirements (which include quality) and this takes into account savings from collaborating with other public bodies and from streamlining the procurement process.

'Procurement' is the process followed when purchasing works, goods and services. The term applies to all aspects of the purchasing process, from the identification of a need to purchase, to the end of the contract or useful life of the item.

It is recognised that Devolved Management of Resources (DMR) applies to schools. However the above requirements still apply to all education staff.

Head Teachers are empowered to determine the purchasing requirements for their schools within the budgets devolved to them. Where pre-existing contracts are in place, which cover such requirements, these must be utilised on every occasion in order to ensure best value is being obtained. Head Teachers (and their authorised delegates) will be enabled to place orders under such contracts through the PECOS (Provider Enrolment, Chain, and Ownership System) using external marketplaces and catalogued suppliers. Where there are no pre-existing contracts which meet their requirements, Head Teachers are required to work with the Procurement Team who will provide advice, source or assist in identifying best value recommendations/ options for the required goods, services or works on their behalf.

The Procurement Team will ensure that suitable goods and services are sourced at best value to meet those requirements. They will co-ordinate and consolidate similar requirements across schools wherever possible in order to achieve best value.

Certain purchases can also be made by schools through authorised purchasing card payments. This is subject to agreed limits and categories which are agreed for each card with the cardholder. Such purchases must be made in accordance with the agreed terms and conditions attached to the card's use.

Any queries relating to any aspect of Procurement for Education should be addressed to the appropriate Category Management Officer or the Payments Manager or Assistant Procurement Manager.

## Local Authority Commitment to Devolved School Management

Moray Council is committed to delegating responsibility for budget management and decision making to the most appropriate level in the organisation and seeks to ensure that the detailed regulations in its Devolved School Management (DSM) Scheme are consistent with the DSM Guidelines published as part of the 'Fair Funding to Achieve Excellence and Equity in Education' consultation.

The Council's DSM Scheme has the twin aims of improving local decision making and providing greater flexibility to Head Teachers and those closest to the educational experience of our children and young people in responding to the needs of individual schools.

Although the scheme endeavours to maximise the budget within the control of the Head Teacher some areas of the budget are unsuitable for devolution. These budgets are listed in Part A, Section titled Budget Overview.

Education Scotland – 'How good is our School? 4' (HGIOS?4) provides a national expectation of how Head Teachers will utilise resources to support improvement. School performance in the Management of Resources to promote equity will be evaluated based on the quality indicator (QI) 1.5 and school leadership teams should be familiar with the expectations within the QI. QI1.5 has two themes:

- Management of finance for learning
- Management of resources and environment for learning

Head Teachers are expected to consider the challenge questions in HGIOS?4 (pages 28 – 29) to self-evaluate their current processes to inform improvement. This will be further considered during training sessions to ensure those with budget responsibility are aware of national and local expectations.

The expectations and challenge questions can be found in section 1.5 Management of Resources to Promote Equity.



Management of Resources to Promote Equity

[https://education.gov.scot/improvement/documents/frameworks\\_selfevaluation/frwk2\\_nihedithgios/frwk2\\_hgios4.pdf](https://education.gov.scot/improvement/documents/frameworks_selfevaluation/frwk2_nihedithgios/frwk2_hgios4.pdf)

## Scottish Expenditure within Wider Strategic Planning

School expenditure decisions are made, where possible, closest to the learner and are delegated to Head Teachers and schools in line with the Education Reform Programme.

An empowered system is built on mutual trust, cooperation and highly effective communication. In an empowered system Head Teachers and the Council are partners, each contributing and supporting each other to meet departmental and strategic plans whilst respecting the different role each plays. Decisions about education spending at Council and school level are made in a collaborative and transparent way,

paying due regard to wider responsibilities including Getting it Right for Every Child (GIRFEC).

The Head Teacher is accountable for the leadership and management of financial resources within their delegated budget following consultation with pupils, parents, staff and the wider community and with due consideration of the School's Improvement Plan and Local Authority's Annual Plan.

The Head Teacher's Charter advises that Head Teachers are required to:

- Manage a delegated budget in a fair, equitable and transparent way, supported by the Local Authority and a Devolved School Management Scheme.
- Deploy the school's budget in accordance with best value principles and Local Authority procurement arrangements, with appropriate support and guidance from their Local Authority.
- Play an active role in designing and reviewing recruitment and staffing approaches, both for their own school(s) and for the wider community.
- Be empowered to design a staffing structure which best supports the school's curriculum and leadership requirements, working within their delegated staffing budget and supported by their Local Authority and Scottish Negotiating Committee for Teachers (SNCT)/ Local Negotiating Committee for Teachers (LNCT) agreements and guidance.
- Be integral to the appointment of staff in accordance with the best interests of children and young adults, and work in partnership with the Local Authority to ensure good practice in recruitment and appointments, in line with SNCT/ LNCT agreements and guidance.

### **Scottish Negotiating Committee for Teachers and Local Negotiating Committees for Teachers Agreements**

Head Teachers are required to operate within the agreed SNCT terms and conditions for all staff who come under this scheme.



The SNCT handbook: <https://www.snct.org.uk>

In addition, some terms and conditions are governed by LNCT (local) agreements and there is also a requirement to adhere to these.



Details of local agreements:

<https://www.snct.org.uk/lncAgreements.php>

### **Publication**

#### **Publication Availability**

Moray Council's DSM Scheme is available to view on the Moray Council website.

A link to the scheme will be provided on all available school websites.

### **Training**

#### **Available Training**

Within the 'Into Headship' qualification there is a module covering financial governance which includes the DSM Scheme. A copy of the slides can be requested from Finance.

Financial one-to-one training is provided to individual schools by Finance.

### **Consultation, Engagement, and Transparency**

#### **Consultation and Engagement**

Consultation is a key element in the process of devolved decision-making. Advice and support from all services within the Council should ensure that decisions are supported by the expertise that resides in the Council as a whole.

A forum to consult on budget and resource decisions (including representatives from Education Management, Head Teachers, Finance, Human Resources and relevant Trade Unions) will be established to ensure ongoing consultation and engagement with the DSM Scheme.

Recommendations from this Forum will be taken to the Transform Learning Board and thereafter the Corporate and Senior Management Team and/or Committee as appropriate..

Head Teachers should discuss detailed budget planning directly related to curriculum developments and School Improvement Plans with Principal Teachers and Depute

Head Teachers on an annual basis and consult on appropriate ratios for the distribution of departmental funding. Parents are consulted on School Improvement Plans which in itself directs the spending plans.

## Transparency

Full details of Moray Council's budgets are published on the Council website which includes the total budget allocated to Education.

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

Head Teachers are expected to ensure that any costs to be met by parents/ carers related to the curriculum are minimised to ensure equality of access. It is recommended that where charges exist for pupils, including extra-curricular activities (school trips, school uniform, etc.) they should be clearly detailed in school information published at the start of the academic session.

Moray Council will ensure that their published DSM Scheme is easily accessible and is written in plain English to maximise engagement and support transparency.

## Collaboration

### Local Priorities

The Council's Corporate Plan sets out its vision with a focus on making Moray a place people choose to live, learn, work and do business.

The strategic priorities are:

- Our People: Provide opportunities for people to be the best that can be throughout their lives with a strong and sustained focus on those individuals and groups in our society who experience the most disadvantage and discrimination
- Our Place: Empower and support communities to build capacity
- Our Future: Drive economic development to create a vibrant economy for the future
- Creating a sustainable Council that provides valued services to our communities

The Council's Corporate Plan is supported by Departmental Service Plans and Team Plans, all of which detail what we will do to deliver these priorities.

These plans are key documents that provide the basis for how our services and budgets are planned and managed. The plans are monitored on an ongoing basis through our Performance and Improvement Framework (PIF).

Our PIF is focused not just on measuring what we do but on measuring the difference we make in terms of our outcomes.

The performance of schools will be planned and monitored using School Improvement Plans and Standards and Quality Reports.

Improving the wellbeing and attainment of children and young adults is increasingly multi-agency in approach and it is important that decisions are taken with other key stakeholders wherever possible. This will include close collaboration with Health and Social Care and with Partnership Forums to enable them to contribute towards shared agendas and allowing stronger partnership working between schools and other agencies and stakeholders.

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

Schools are encouraged to pool resources, where appropriate, in order to access a shared service/ resource across a locality and this innovation is encouraged to make best use of resource.



Moray Council Corporate Plan:

<http://www.moray.gov.uk/downloads/file119976.pdf>



Children and Young Adult's Service Plan:

<http://www.moray.gov.uk/downloads/file136154.pdf>

## Staffing

### Staffing Structure

Most 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 and LNCT agreements. Head Teachers are expected to empower school communities to consider how best to utilise the resource available to them and to consider the need to amend their staffing structure to better serve local need.

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 Education Central Support Team, who can assist them with any such decisions.

Significant changes to the management structure of a school requires full staff consultation and cannot be enacted by either the Head Teacher or the Local Authority without such consultation.

### **Legislative and Contractual Requirements**

Although staffing budgets are devolved to schools Moray Council remains the employer and all conditions of service continue to be negotiated at national level. Within the DSM scheme, schools must adhere to SNCT/LNCT national and local agreements in areas such as class sizes, staff structures, and teaching time.

### **Staff Resource**

Devolved budgets are issued to schools at the beginning of the financial year and the teaching budget is then adjusted to reflect any change in entitlement from the start of the academic year. This is called a mid-year adjustment and is calculated around October/November each year. Teaching and Support Staff, including Clerical and Classroom Assistant support, are allocated to schools on a formula basis, with the formulas reviewed every two years. ASN Teaching input and Pupil Support Assistant hours are allocated from a central non-devolved budget.

## **Professional Support**

### **Professional Support teams, functions, and transparency**

Head Teachers are supported by central professional teams.

These include:

- Central Education Team
- Education Business Support Manager
- Financial Services including the Procurement Service
- Legal and Regulatory Support
- Human Resources
- ICT and Payroll Services
- Property Officers

Head Teachers should contact the nominated contact within each of the services for guidance and advice.

## **Accounting**

### **Budget Monitoring Arrangements**

Schools will incur expenditure across the financial year either actively (e.g. by placing purchase orders for goods and services) or passively (e.g. by the payroll costs of their in-post staff being processed automatically through the payroll system). The key principle of financial control is that schools should only actively incur expenditure for which they have corresponding uncommitted budget.

Schools are issued with monthly budget monitoring reports showing spend to date, budget allocated to date and annual budget. They are also supplied with detailed monthly payroll reports showing cost details of all staff being charged to their budgets. In addition, all schools have access to the Council's financial reporting system, to identify the transactions which underlie any accounting total.

Head Teachers are assisted by a Finance Contact (Financial Services) throughout the financial year for regular budget monitoring and to help them identify, explain, and resolve any significant differences between actual and budgeted expenditure. The budget for staffing and premises costs will be profiled centrally by Finance staff, based on the expected pattern of actual expenditure.

The comparison of year-to-date actual expenditure against year-to-date budget can be a useful indicator of whether progress is on target or whether any intervention is required. This is particularly the case where the profile of expenditure can be accurately assessed from the outset (as in the case of permanent staff). Year-to-date information on its own however can be of limited value, or even misleading, unless one also takes account of what is likely to arise in the remainder

of the financial year. It is for this reason that budget monitoring in Moray Council now focuses primarily on each budget holder's assessment of the year-end outturn position (forecast of their estimated year end position).

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## Part C

### Detailed Formulas for Budget Allocation

Note: Admin costs are the subject of an ongoing review and there may be a change as a result of the outcome of that review, which will require an alteration to the DSM Scheme formulas

## Primary Devolved School Budget

Fte = Full Time Equivalent

### Employee Costs – Teaching

Probationary funding = Probationary funding fte x unpromoted minimum basic scale

Supply Teachers = 1.125% of core fte x Maximum Basic Scale

### Employee Costs – Non Teaching

#### SJC Admin Support:

$APTC = 0.275 \times \text{Grade 5 (47.27 weeks)} + (Y \text{ hrs} \times \text{core fte} \times \text{Grade 5 hourly rate}) + (Z \text{ hrs} \times \text{Roll (incl. ESF count)} \times \text{Grade 5 hourly Rate})$

Where Y = 14.4

Where Z = 5.245

#### Lunchtime/Playground Supervisors:

Supervisors – Allocation based on school roll for 46.09 weeks at Grade 2.

Roll	Playground Supervisor Hours	Lunchtime Supervisor Hours	Total Hour
0-70	7	7.5	14.5
71-100	7	15	22

101-200	1	23	30
201-350	7	30	37
351-450	7	35	42
451 +	7	40	47

### Classroom Assistants

Allocation based on school roll as seen on the table below where 1fte = 25 hours per week for 46.09 weeks at Grade 2.

Roll	Classroom Assistants	Total Hours
1-19	1	25
20-144	0.5	12.5
145-198	1	25
199-279	1	25
280-387	1.5	37.5
388+	2	50

### SJC Technicians

Janitors – Budget per agreed staffing level

### Employee Cost Super/NI

Employee Cost Super/NI	No carry forward
Superannuation	% of salary costs
National Insurance	% of salary costs
Teaching Superannuation	% of salary costs
Teaching National Insurance	% of salary costs

## Property Costs Devolved

### Rents and Rates:

Based on actual costs No carry forward

### Repairs and Maintenance:

Allocated a fixed basic amount plus additional allocation based on roll numbers and area of the school:

$$\text{Budget} = \text{£J} + \text{£KX} + \text{£LY}$$

Where

$$\text{J} = 250$$

$$\text{K} = 2$$

$$\text{L} = 1.1$$

$$\begin{aligned} \text{X} &= \text{Roll Number} \\ \text{Y} &= \text{Area of School} \end{aligned}$$

### Cleaning Materials:

$$\text{Budget} = \text{£M} + (\text{£N} \times \text{roll (Primary)})$$

Where

$$\text{M} = 51.25 \quad \text{N} = 2.35$$

## Supplies and Services

### Equipment and furniture:

$$\text{Budget} = \text{£P} + (\text{£Q} \times \text{primary roll})$$

Where

$$\text{P} = 211.00 \quad \text{Q} = 1.50$$

## Travel and Plant – Devolved

### Travel:

Weighted amount per school + (E x core fte)

Where

$$\text{E} = 20.0$$

## Administrative Costs – devolved

### Telephones:

Basic allocation contributed towards line rental and alarm costs plus an amount per pupil to cover call charges and maintenance contracts

$$\text{Budget} = \text{£A} + (\text{£B} \times \text{Roll (Primary)})$$

Where

$$\text{A} = 360 \quad \text{B} = 2.29$$

### Postages:

Basic allocation plus an amount per pupil

$$\text{Budget} = \text{£C} + (\text{£D} \times \text{primary roll})$$

Where

$$\text{C} = 90$$

$$\text{D} = 0.35$$

### Curriculum and staff development:

$$\text{Budget} = \text{F (fixed amount per school)} + (\text{G} \times \text{core FTE})$$

Where

$$\text{F} = 200 \quad \text{G} = 90$$

### School Resources:

Basic allocation plus an amount per school

$$\text{Budget} = \text{£I} + (\text{£H} \times \text{Primary roll})$$

Where

$$\text{H} = 25.21$$

$$\text{I} = 1059.43$$

### ASN Per Capita:

$$\text{Budget} = \text{£J} \times \text{ASN Teaching FTE}$$

Where

$$\text{J} = 310$$

# Secondary Devolved School Budget

## Employee Costs Teaching:

Total staff points calculation by formula  $1235.2 + (6.1062 \times \text{roll})$

**NB: Changes in school roll will directly impact the total staff points available.**

Staff points converted to salary applicable to scale points utilised.

### Promoted Staff:

Points utilised based on fte and grade of promoted staff in post

### Unpromoted Staff:

$\text{fte} = (\text{Total staff points} - \text{staff points utilised for promoted staff}) / 100$

**NB If, as a result of job sizing, changes are made to promoted staff grades, this will have a direct impact on the unpromoted staff budget available.**

Unpromoted salary budget =  $\text{fte} \times \text{Maximum Basic Scale}$

**Subject to adjustment to reflect actual salaries of staff in post Unpromoted**

### Teachers:

Salary Scale Point	Staffing Point
All	100

### Principal Teachers:

Salary Scale Point	Staffing Point
1	109
2	114
3	118
4	123
5	127

7	136
Salary Scale Point	Staffing Point
8	141
6	132

Salary Scale Point	Staffing Point
1	124
2	127
3	132
4	136
5	140
6	144
7	149
8	153
9	157
10	161
11	168
12	175
13	182
14	189
15	199
16	210
17	220
18	231
19	241

**Depute and Head Teachers:**

**Probationary Teachers:**

Budget = Probationary funding fte x Probationer teacher salary

**Supply Teachers:**

Budget = 1.5% of core fte x Maximum Basic Scale (MBS)

**Employee Costs SJC**

**Admin Support:**

Budget = 1 Grade 8 + 1 Grade 4 + X hrs x (Roll + ESF count) x Grade 3 hourly rate

Where X

= 7.94

**SJC Technical:**

Janitors – Budget based on agreed staff complement

Technicians

– If roll >599, (3 x Gd6) + (1.44 hrs x Gd 3 hourly rate x roll)

≤599, (2 x Gd 6) + (3 hrs x Gd 3 hourly rate x roll)

Librarians

– If roll >599, 0.6 fte at Gd 8  
≤599, 0.4 fte at Gd 8

**Employee Costs Super/NI**

Employee Cost Super/NI No carry forward

Superannuation % of salary costs

National Insurance % of salary costs

Teaching Superannuation % of salary costs

Teaching National Insurance % of salary costs

**Property Costs Devolved**

**Rents and Rates:**

Based on actual costs – No carry forward

**Repairs and Maintenance:**

Allocated a fixed basic amount plus additional allocation based on roll numbers and area of the school:

Budget = £A + £BX + £CY

Where

$$A = 1250$$

$$A = 4.0$$

$$B = 1.1$$

X = Roll Number

Y = Area of School

#### **Cleaning Materials:**

Basic Allocation per school plus an amount per pupil.

School with Community Facilities have been allocated a fixed amount in addition of £200

$$\text{Budget} = \text{£}A + (\text{£}B \times \text{Roll})$$

Where

$$A = 50$$

$$B = 0.96$$

## **Supplies and Services**

#### **Equipment and furniture:**

$$\text{Budget} = \text{£}A \times \text{Roll}$$

Where

$$A = 8.70$$

#### **Travel and Plant – Devolved**

##### **Travel:**

$$\text{Budget} = \text{£}A + \text{£}B \times \text{FTE}$$

Where

A = Fixed weight amount per school

$$B = 20$$

#### **Administrative Costs – devolved**

##### **Printing:**

$$\text{Budget} = \text{£}A + (\text{£}B \times \text{Roll})$$

Where

$$A = 220 \quad B = 0.3$$

##### **Stationery:**

$$\text{Budget} = \text{£}A + (\text{£}B \times \text{Roll})$$

Where

$$A = 220 \quad B = 0.3$$

##### **Telephones:**

Basic allocation to be contributed towards line rental and alarm costs plus an amount per pupil to cover call charges and maintenance contracts

$$\text{Budget} = \text{£}A + (\text{£}B \times \text{Roll})$$

Where

$$A = 660 \quad B = 6.05$$

##### **Postages:**

$$\text{Budget} = \text{£}A + (\text{£}B \times \text{Roll})$$

Where

$$A = 500 \quad B = 1.35$$

##### **Curriculum and staff development: Budget**

$$= \text{£}A \times \text{FTE}$$

Where

$$A = 200$$

##### **School Resources:**

$$\text{Budget} = (\text{£}A \times \text{Pupil Roll}) + B$$

Where  $A = 70.599$

$$B = 3000$$

##### **ASN Per Capita:**

$$\text{Budget} = \text{£}A \times \text{ASN Teaching FTE}$$

Where

$$A = 310$$

WORKING DRAFT

WORKING DRAFT