



**REPORT TO: EDUCATION, CHILDREN'S AND LEISURE SERVICES
COMMITTEE ON 7 JUNE 2023**

SUBJECT: DEVOLVED SCHOOL MANAGEMENT SCHEME UPDATE

**BY: DEPUTE CHIEF EXECUTIVE (EDUCATION, COMMUNITIES
AND ORGANISATIONAL DEVELOPMENT)**

1. REASON FOR REPORT

- 1.1 The purpose of this report is to inform Committee of progress with the Devolved School Management (DSM) Scheme Review, which is part of the Education Reform and School Empowerment agenda.
- 1.2 This report is submitted to Committee in terms of Section III (D) 1 of the Council's Scheme of Administration relating to exercising the functions of the Council as an Education Authority.

2. RECOMMENDATION

2.1 It is recommended that Committee:

- i) reviews and notes the updated DSM scheme in the context of the revised national guidelines following stakeholder engagement and inter authority peer review; and**
- ii) agrees the changes to the funding formulas included in the Moray DSM Scheme.**

3. BACKGROUND

- 3.1 On 28 August 2019 Children and Young People's Services Committee received a report on Education Reform and School Empowerment (para. 8 of the meeting refers). The Devolved School Management (DSM) Scheme enables schools to operate in an empowered framework that allows for the effective management of learning and teaching in a manner that is responsive to local needs, plans and priorities. The Scottish Government (SG) published new guidelines for DSM Schemes in 2019 and Local Authorities were required to comply with the new guidelines, amending their existing schemes where necessary.
- 3.2 The 2019 guidelines seek 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. The guidelines can be found at <https://www.gov.scot/policies/schools/devolved-schoolmanagement/>

4. SCOPE OF REVIEW IN MORAY

- 4.1 The changes in the national guidelines are largely on format and content, seeking a consistent framework and establishing good practice. The detail of individual schemes remains a matter for each authority.
- 4.2 The guidelines aim to secure consistency of presentation across authorities and establish a common framework and overview of expectations and requirements. This extends to publication, scheme review, training, accounting matters, consultation and engagement, transparency, professional support and staffing.
- 4.3 A project group consisting of Heads of Service, representatives from primary and secondary schools, central Education teams and the Local Negotiating Committee for Teachers (LNCT) reviewed Moray Council's DSM scheme and found it to be mature in comparison to other local authority schemes, and well embedded since its last update in 2020. There exists a strong culture of trust and respect for the respective needs of schools and the authority, and the current scheme was found to be operating effectively at both school and authority level.
- 4.4 An updated version of the Moray DSM Scheme has been produced (**Appendix 1**) in line with the updated national guidelines, along with a high level summary of the scheme (**Appendix 2**). Following the change in line management arrangements for early learning and childcare (ELC) settings (now managed by nursery managers), all mentions of nurseries have been removed from the updated DSM Scheme. It should, however, be noted that there may be further implications for the content of the DSM scheme as a result of the ongoing review of business administrative support in schools and as a result of the challenging budget position the council faces for 2024/25 and any new savings would be reported to the Council for consideration during budget considerations if required.
- 4.5 A key requirement of the revised national guidelines is effective consultation and engagement with parents and partners. Engagement took place with 18 of the 54 Parent Councils in Moray to assess the current level of engagement and to discuss how information about the DSM scheme should be made available to parents. The information gained informed the development of the new version of the Moray DSM Scheme.
- 4.6 The DSM Guidelines (2019) emphasise the importance of professional learning to support understanding and enhance confidence in DSM, and stipulate that Local Authorities are expected to provide specific training opportunities to individuals who make use of, or may influence, the DSM scheme. Financial training sessions for Head Teachers and Depute Head Teachers have been developed and will be offered on a regular basis across

the school year. Professional learning opportunities for other relevant staff will be considered as appropriate.

5. DSM FORMULA CHANGES

- 5.1 While reviewing the Moray DSM scheme consideration has also been given to changes required to reflect new management arrangements, or to flexibilities that may impact on the overall budgetary position of the Education service.
- 5.2 Formula changes that are proposed are as follows:
- 5.3 Removal of energy costs from the DSM scheme as Head Teachers no longer have full control of energy costs within school buildings as ELC settings are managed separately, and there is community use of the facilities within some schools. Head Teachers would still be required to monitor energy use and highlight any unusual usage to the Energy Officer. The main impact of this change is that it will reduce the overall amount that Head Teachers can carry forward as an under spend from one financial year to the next. The difference is relatively small when considering individual setting budgets; if this had been applied to the 2022-23 budget the overall reduction in the carry forward available across all 54 schools would have been £31,410.
- 5.4 Reduction in the overspend carry forward limit for Head Teachers from 5% of their overall budget to 2.5% of their budget. The underspend limit is currently 2.5% of the overall school budget.

6. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

This report relates to the priority 'Provide a sustainable education service aiming for excellence' from the Corporate Plan and to 'Building a better future for our children and young people in Moray' from the LOIP.

(b) Policy and Legal

The 2019 Guidelines on Devolved School Management were issued by the Scottish Government under Section 13 of the Standards in Scotland's Schools etc. Act 2000.

(c) Financial Implications

The main impact of the amendments is to change the overall amount that Head Teachers can carry forward as an over/underspend from one financial year to the next.

(d) Risk implications

There is a risk that a reduction in the underspend limit would restrict Head Teacher flexibilities to an extent that they are unable to set aside budget to save for specific projects or more expensive items that would support the delivery of education within their local context.

(e) Staffing Implications

There are no staffing implications arising directly from this report. The temporary post created to support this review project is due to conclude in August 2023.

(f) Property

There are no property issues arising directly from this report.

(g) Equalities/ Socio Economic Impact

The revised scheme will offer more accessibility provided through the Moray Council Website, Parents Portal, and school websites. The scheme will also be available in different formats and in different languages (if requested).

(h) Climate Change and Biodiversity Impacts

While the budget for energy will sit outside the DSM scheme there will still be an expectation that Head Teachers monitor energy usage and look to reduce usage in line with the Council's Climate Change Strategy. Head Teachers will maintain their tenant responsibilities and undertake building improvements as required within the landlord/tenant agreement, some of which will support improved energy efficiency. Any investment in major net zero carbon projects would sit outside of the DSM scheme.

(i) Consultations

The Head of Education (Chief Education Officer), Head of Education Resources and Communities, the Chief Financial Officer, Legal Services Manager, the Business Support Team Manager, , the HR Manager, the Equal Opportunities Officer, Climate Change Strategy Officer and Tracey Sutherland, Committee Services Officer have been consulted and are in agreement with the contents of this report as regards their respective responsibilities.

7. CONCLUSION

7.1. To inform the Committee of progress with the review of the Moray Devolved School Management (DSM) Scheme. Committee is asked to consider the updated DSM Scheme in the context of the revised National Guidelines (2019).

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Background Papers:

- [children and young people's services committee on 30 october 2019, devolving budgets in an empowered school system](#), and
- [children's and young people's services committee on 22 june 2016, devolved school budgets – carry forward](#).

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SPMAN-9425411-206