Agenda Item 5

Education Governance – Next Steps and Fair Funding

Agenda Item 5

Falkirk Council

Title: **Education Governance – Next Steps and Fair Funding**

Meeting: **Education Executive**

Date: **5 September 2017**

Submitted By: **Director of Children's Services**

1. Purpose of Report

1.1 This report sets out the main points from the recently published (15 June 2017) Scottish Government document - Education Governance: Next Steps. It also notes the publication at the same time of the Scottish Government consultation on Fair Funding to Achieve Excellence and Equity in Education. These documents are attached to this report as Appendices 1 and 2.

1.2 The report provides an initial overview of the changes in education governance. Further reports will be prepared as the detail of the changes to education governance becomes clearer in the coming weeks and months.

2. Recommendations

The Education Executive is invited to:

1. **note the changes that will be made to the governance of education in Scotland;**

2. **note that the Scottish Government have launched a consultation entitled – Fair Funding to Achieve Excellence and Equity in Education;**

3. **agree that Officers deliver a briefing session for all Elected Members on education governance and fairer funding;**

4. **agree that Officers prepare a response to the Fair Funding consultation for consideration by Members prior to submission to the Scottish Government in October 2017; and**

5. **agree that Falkirk Council be part of a Regional Partnership with Clackmannanshire Council, Stirling Council and West Lothian Council.**

3. Background

3.1 The Scottish Government launched its consultation on education governance in September 2016. A response was prepared on behalf of Falkirk Council which was agreed at the Education Executive in January 2017.

3.2 Responses to the consultation were also submitted by: SOLACE; ADES; COSLA; Teachers Professional Associations and a variety of other education stakeholders including organisations representing parents.

3.3 In the intervening months the Cabinet Secretary for Education, in various forums, indicated that he believed that there was a need for significant change to ensure that all schools had access to excellent support to drive improvement in outcomes for children and in particular to close the poverty related attainment gap. He also made clear that he wanted education authorities and schools to work more collaboratively to share best practice and raise standards.

4. Considerations

4.1 The main changes detailed within the "Next Steps" document are outlined in paragraphs 4.2 – 4.4 which have been extracted directly from the document.

4.2 **Regional improvement collaboratives will**:

- provide excellent educational improvement support for headteachers, teachers and practitioners through dedicated teams of professionals. These teams will draw on Education Scotland staff, local authority staff and others;

- provide coherent focus across all partners through delivery of an annual regional plan and associated work programme aligned with the National Improvement Framework;

- facilitate collaborative working across the region, including sharing best practice, supporting collaborative networks and pursuing partnership approaches; and

- be led by a Regional Director, to be appointed by the Scottish Government and to report to the HM Chief Inspector/Chief Executive of Education Scotland.

The Cabinet Secretary has indicated that he anticipates that there will be around 7 Regional Partnerships and that he will begin work soon to identify and establish these. In recent months officers have met with colleagues from Clackmannanshire, Stirling and West Lothian councils to explore collaborative activities to drive improvement across this wider geography. It is proposed that Falkirk Council enters into a partnership with these councils.

4.3 **Headteachers will:**

- be the leaders of learning in their schools;
- be supported through a revolutionised offer of support and improvement;
- be responsible for raising attainment and closing the poverty-related attainment gap;
- deliver quality and improvement at school level;
- select and managing the teachers and staff in their school;
- decide on school management and staffing structure, including business managers;

- decide on curriculum content and offer;
- work with partners including local authority support staff and others to meet learners' additional support needs at school level;
- collaborate for school improvement at school, cluster and regional level;
- lead self-evaluation and improvement of school performance;
- monitor school progress and reporting; and
- manage defined and greater proportions of school funding (this will be part of the accompanying consultation on funding).

4.4 **The role of Local Government**

The school and teacher-led system needs all partners, including local government to focus on their contribution to improve performance. Local authorities' role and importance is crucial and they will be democratically accountable for the services they provide to schools and centres. Schools will now have much greater responsibility for key decisions and local authorities will have a vital role to play in enabling and supporting that.

There will be a new duty on local authorities to collaborate to support improvement on a regional basis. They will also be responsible for improvement through their provision of education support services, their regional collaboration, and in securing leadership in their schools.

They will oversee quality in the provision of early learning and childcare, as well as being a key provider of services. Local authority education support services will include: the supply of schools; the provision of denominational and Gaelic medium schools where required; the administration of placing and admissions procedures, including for children with additional support needs (including independent sector where appropriate); the provision of support services such as human resource functions; planning for future requirements; and securing excellent headteachers for the schools in their area. This will retain important local accountability for the supply and quality of leadership in schools in our communities.

The vast majority of the funding for school education will continue to be channelled through local authorities, and they will continue to have a role in ensuring that public resources allocated for the delivery of education in Scotland are properly accounted for.

5. Implications

Financial

5.1 Any emerging financial implications associated with the governance review will be reported to future meetings of the Education Executive

Resources

5.2 Any emerging resource implications associated with the governance review will be reported to future meetings of the Education Executive

Legal

5.3 The Scottish Government will present a new Bill to parliament in 2018 to make the necessary changes to facilitate implementation of the outcome of the governance review.

Risk

5.4 The responsibility for securing school improvement now sits with individual head teachers, the regional improvement collaborative, and councils. The development of this model will need to be carefully planned to ensure that all partners within the collaborative contribute effectively and that schools receive an equitable share of the supports available.

Equalities

5.5 Among the stated aims of the document outlining the changes is that of closing the poverty related attainment gap and to provide a more equitable system. The Fair Funding consultation also seeks to address inconsistencies across Scotland in the funding of schools.

Sustainability/Environmental Impact

5.6 Education officers and head teachers will be involved in working more collaboratively with colleagues from other council areas.

6. Conclusions

6.1 If recommendation 3 above is agreed Members will have the opportunity to examine the changes in more detail following the briefing session.

6.2 Further reports will be brought to the Education Executive as the details of how the changes will be implemented emerge in the coming months.

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Director of Children's Services

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Date: 21 July 2017

Appendix

Appendix 1 - Scottish Government document - Education Governance: Next Steps
Appendix 2 - Scottish Government consultation on Fair Funding to Achieve Excellence and Equity in Education

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973

APPENDIX 1

EDUCATION GOVERNANCE: NEXT STEPS

EMPOWERING OUR TEACHERS, PARENTS AND COMMUNITIES TO DELIVER EXCELLENCE AND EQUITY FOR OUR CHILDREN

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EDUCATION GOVERNANCE: NEXT STEPS

EMPOWERING OUR TEACHERS, PARENTS AND COMMUNITIES TO DELIVER EXCELLENCE AND EQUITY FOR OUR CHILDREN

Edinburgh 2017

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FOREWORD BY THE DEPUTY FIRST MINISTER AND CABINET SECRETARY FOR EDUCATION AND SKILLS

Improving the education and life chances of our children and young people is the defining mission of this Government. Our vision for education is to close the unacceptable gap in attainment between our least and most disadvantaged children and to raise attainment for all.

While there are many strengths in Scottish education, and much to celebrate, it is also clear that we can, and must, achieve more. The attainment gap is not unique to Scotland and will not be closed easily, but we must have an education system which allows children to achieve their full potential whatever their background. This is critical for Scotland to succeed in tomorrow's world.

Children and young people are at the heart of our system and their success fundamentally depends on the quality of learning and teaching in our classrooms, the quality of our early learning and childcare centres, and leadership in our schools supported by parents and communities. The people best placed to work with parents and communities to drive improvement for our children are our teachers, practitioners and learning professionals. We undertook to review the governance of our system to ensure that each part of it – from early learning and childcare provision through to secondary school education – has a relentless focus on improving learning and teaching. Teachers must be free to deliver what the children in their care need. To achieve this, we need a system where teachers are the leaders of learning in our schools, with the responsibility for delivering excellence and equity, and with greatly enhanced support available to them.

Scotland's diverse communities mean that there is no 'one size fits all' solution. We know, however, what must be consistent across Scotland: excellent school leaders and teachers, strong curriculum and improvement support, more transparent measures of progress, and engaged parents and communities. We are determined to achieve this and recognise that schools, teachers and parents are best placed to decide what will work best for the children in their communities.

The role of the Scottish Government, and local government, is to provide the right support for teachers and practitioners to deliver excellent learning and teaching. They must have the freedom to make decisions – and government must ensure they have the training, resources and skills to deliver.

We know that the best education systems in the world benefit from a collective determination within the teaching profession and within all levels of government to drive improvement; it is the culture of continuous improvement that will deliver results.

We also know that excellent schools have great leadership and we need to support, empower and build the capacity of brilliant leaders in every school. We need teachers to have opportunities to develop their careers in different ways, whether that is in the classroom, in specific curriculum areas, or in leadership roles. In driving these reforms we intend to provide teachers with the freedom and support to reach their own potential. We will introduce new pathways in the teaching profession to develop different and exciting careers which will be more satisfying for teachers and deliver more for our children.

We accept that the responsibility of this Government is to work with our partners in local government to create the culture and capacity for teachers and practitioners to improve the learning outcomes in their classrooms – and across our schools and early learning centres. We expect to be held to account for this, just as parents expect schools to be accountable to them.

The structure of the present system is too complex and support for improvement varies to an unacceptable extent across the country. Teachers and schools need consistently excellent education support services and consistently excellent improvement services. They do not all have these now and we must change that as quickly as we can. It is a collaborative effort, which starts with leadership in our schools and should be complemented by our local authorities and supported by new regional improvement collaboratives which are relevant to, designed by, and close to the communities they serve.

We also want parents to have a crystal clear understanding of who has lead responsibility for their child's school experience: their children's teachers. Parents have a right to expect their local school to engage fully with them throughout their children's education. With more consistent information than ever before available to parents, they will be empowered to demand and see delivered the education that their children rightly deserve.

We must all work together to move from a good system to a great system, with strong collaboration and collective responsibility for the progress and attainment of every child in Scotland. Advice from the International Council of Education Advisers has been clear – to improve our education system we must tackle culture, capacity and structure. This Next Steps paper addresses all three.

This will not happen overnight, but the work has already begun and our determination is clear: to deliver the world-leading education system our children and young people deserve.

John Swinney MSP

Deputy First Minister and
Cabinet Secretary for Education and Skills

EXECUTIVE SUMMARY

Scotland has good schools and great teachers but our ambition is to build a consistently excellent education system which delivers for all our children.

We are determined to create an education system which ensures that every child achieves the highest standards in literacy and numeracy, with the best range of skills, qualifications and achievements to enable them to seize the opportunity to succeed. Current evidence shows while our system has many strengths there are also weaknesses and we must improve performance.

Scotland has a proud history of providing universal education to our children. The majority of young people are performing well under Curriculum for Excellence – at least 80% of pupils are achieving third level or better in literacy and numeracy by the end of S3[1]. The number of Higher passes has risen by 29.8% since 2007 and passes at Advanced Higher have risen by 42.5% in the same period[2]. A higher percentage of young people now leave school for positive destinations than at any time on record[3]. The highest ever proportion of school leavers from the most deprived communities are going on to a positive initial destination – 88.7%[4]. More of our population is educated beyond school than any other European country (47.8% tertiary educated)[5].

However, the latest results from the international study PISA[6] found that Scotland's overall performance has declined in science and reading compared to 2012, and is unchanged in maths. Our relative performance compared to other countries has deteriorated across all three areas. Performance has measurably deteriorated in science and maths since 2006. The Scottish Survey of Literacy and Numeracy (SSLN) which monitored national performance in literacy and numeracy has shown a decline in numeracy (2011 to 2015) and literacy (2012 to 2016). There is still a clear gap in attainment between children from more deprived and less deprived backgrounds.

This paper sets out our work to fully deliver bold but necessary reform to Scottish education. The purpose of that reform is to drive improvement and to enable our education system to realise our ambition of excellence and equity for all.

An education system centred around children and young people

Children and young people must be at the heart of our education system. Decisions about their learning must be taken as close to them as possible by the people that they know and where they have an opportunity to influence those decisions. This is their future so they should have the right to participate and to have their views listened to and acted upon. Evidence shows that involving young people in their own learning and promoting the student voice is an important lever for school improvement[7]. We will strengthen the voice of children and young people through more effective and consistent pupil participation.

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1 Scottish Government (2016a) *Achievement of Curriculum for Excellence (CfE) Level.* http://www.gov.scot/stats/bulletins/01253

2 SQA (2016) *Attainment Statistics (August).* https://www.sqa.org.uk/sqa/files_ccc/2016-sqa-attainment-summary.pdf

3 Scottish Government (2016b) *Summary statistics for attainment, leaver destinations and healthy living, No.6: 2016 Edition.* http://www.gov.scot/Publications/2016/06/4523

4 Scottish Government (2017a) *Initial Destinations of Senior Phase School Leavers.* http://www.gov.scot/Publications/2017/03/2421

5 Eurostat Data, *Population by Educational Attainment Level* (2016)

6 Scottish Government (2015) *Programme for International Student Assessment (PISA) 2015: Highlights from Scotland's Results* http://www.gov.scot/Resource/0051/00511095.pdf

7 Ruddick, J and Flutter, J (2004) *How to Improve your School: Giving Pupils a Voice,* Journal of In-service Education, Continuum Press

Evidence from the OECD[8] shows that when parents are fully involved in their child's learning we see better outcomes for children, parents and schools. Research from PISA[9] and Growing up in Scotland[10], which studies a number of children and young people's lives over a period of time, shows that while many parents are engaged positively in their child's learning some parents face barriers; particularly those from poorer backgrounds. The evidence base for the importance of parental involvement has been further strengthened with the National Parent Forum of Scotland's review[11] of our own legislation, the Scottish Schools (Parental Involvement) Act 2006.

Parents should rightly be involved in the running of their children's schools and we will support and strengthen parental engagement through enhanced parent councils. This will mean stronger duties on schools to ensure that parent councils play a full role in substantive matters such as school improvement and school policies. We will also take steps to modernise and strengthen the legislation on parental involvement to ensure that the wider parent forum – the parents beyond the parent council – can be involved in a variety of ways.

However, we recognise that a parent's most important engagement with school is about their child's education and learning that goes on in the home. Evidence from key academics such as Dr Janet Goodall[12] suggests that parental engagement in children's learning has the greatest impact on outcomes for children. As Sosu and Ellis (2014) note[13] "*effective parental involvement programmes that have an impact on the attainment gap are those that focus on helping parents to use appropriate strategies to support their children's learning at home*". We will also boost support to those parents who do not currently engage as much as they would want to through enhancing the availability of home-school link workers and extending family learning.

A school and teacher-led education system

The primary focus of our reform is to shape an education system to create a school and teacher-led system. Decisions that shape the education of our young people will be made in classrooms, schools and establishments by people working directly with young people.

Our policy is based on international evidence about what works and on the simple premise that the people best placed to make decisions about learning for our children are those professionals qualified to do so. The OECD considered the relationship between school autonomy and performance using evidence gathered through PISA and concluded "*At the country level, the greater the number of schools that have the responsibility to define and elaborate their curricula and assessments, the better the performance of the entire school system…*"[14].

Decisions about improving learning and teaching and the funding to support these new statutory duties will rest at school level. The role of everyone else within the education system will be to support the learning that takes place in our classrooms, our schools and establishments. Each individual responsible for taking decisions in the system should consider whether it will contribute to an improvement in learning in classrooms.

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8 OECD (2012) *Parental Involvement in Selected PISA Countries and Economies,* OECD Publishing Paris http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=EDU/WKP(2012)10&docLanguage=En

9 OECD (2017a) *PISA 2015 Results (Volume III) Students' Well-being,* PISA, OECD Publishing Paris http://www.oecd.org/edu/pisa-2015-results-volume-iii-9789264273856-en.htm

10 Bradshaw, P, Hall, J, Hill, T, Mabelis, J, and Philo, D (2012) *Growing Up in Scotland: Early experiences of primary school*, Scottish Government, Edinburgh http://www.gov.scot/Publications/2012/05/7940

11 National Parent Forum of Scotland (2017) *Review of the Scottish Schools Parental Involvement Act 2006* http://www.npfs.org.uk/2017/05/23/review-of-the-impact-of-the-2006-parental-involvement-act/

12 Harris and Goodall (2007) *Engaging Parents in Raising Achievement Do Parents Know They Matter?* Educational Research http://dera.ioe.ac.uk/6639/

13 Sosu, Edward and Ellis, Sue (2014) *Closing the attainment gap in Scottish Education,* Joseph Rowntree Foundation, York https://www.jrf.org.uk/sites/default/files/jrf/migrated/files/education-attainment-scotland-full.pdf

14 OECD (2011) *PISA in Focus* (2011/9) *School autonomy and accountability: Are they related to student performance?* https://www.oecd.org/pisa/pisaproducts/pisainfocus/48910490.pdf

Focusing on the quality of teaching and learning

The quality of teaching and learning is the most important in-school factor in determining a child's educational outcomes. In her review of the evidence Sammons states that around 5–18% of variance in student outcomes can be attributed to schools and some studies indicate that up to 55% of the variance in outcomes can be explained at classroom level[15]. Graham Donaldson in his review of teacher education *Teaching Scotland's Future (2011)*[16] is clear that:

> *"High quality people achieve high quality outcomes for children".*

We want to support teachers to achieve their full potential.

Teachers will:

- be the leaders of learning in their classrooms;
- be supported through a revolutionised offer of support and improvement;
- help develop new career pathways allowing greater opportunities for career development and progression into leadership, specialist or improvement roles; and
- be supported by streamlined professional learning so that there is a coherent learning offer to teachers.

We recognise the importance of all skilled staff working with our children and young people and we will enhance the professionalism of support staff.

Supporting leadership

The research evidence suggests that the impact of leadership on student achievement is second only to the quality of learning and teaching[17]. Evidence from the OECD[18] shows that "*school leaders can make a difference in school and student performance if they are granted autonomy to make important decisions".*

Responses from headteacher associations to the Governance Review consultation stated clearly that headteachers should be able to focus on their key business of learning and teaching[19]. We will ensure that our school leaders have the autonomy to be leaders of learning within a clear national policy framework. We will work closely with the profession and professional associations to establish a Headteachers' Charter, which sets out the new powers for headteachers. The Pupil Equity Fund has begun this journey and we are determined to give headteachers more of the powers that they need to make the biggest difference to children. We will transform the level of clear, practical support for headteachers at a regional basis – giving them all the help and advice they need to improve the curriculum, learning, teaching, and assessment.

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15 Sammons, P (2007) *School Effectiveness and Equity: Making Connections,* CfBT Education Trust, Reading https://www.educationdevelopmenttrust.com/~/media/cfbtcorporate/files/research/2007/r-school-effectiveness-and-equity-full-2007.pdf

16 Donaldson, G (2011) *Teaching Scotland's Future,* Scottish Government, Edinburgh http://www.gov.scot/Resource/Doc/337626/0110852.pdf

17 Day et al (2011) *Successful school leadership: linking with learning and achievement: Linking with Learning* (UK Higher Education OUP Humanities & Social Sciences Education OUP).

18 OECD (2008) *Improving School Leadership,* OECD Publishing, Paris http://www.oecd.org/edu/school/improvingschoolleadership-home.htm

19 Scottish Government (2017b) *Education Governance. Empowering teachers, parents and communities to achieve excellence and equity in education. An analysis of consultation responses*, Scottish Government, Edinburgh http://www.gov.scot/Topics/Education/thegovernancereview/consultationresponses

Headteachers already have a deep sense of responsibility and moral purpose to do the very best for the children in their care. The reforms we are proposing here are about liberating them to concentrate on learning and teaching. Where devolution of responsibility would not improve learning and teaching, then it will not happen. We will not turn headteachers into chief-administrators of their schools; they will be the leaders of learning and we will empower them to do this, with improved support and the clarity of a strong national framework.

Headteachers will:

- be the leaders of learning in their schools;
- be supported through a revolutionised offer of support and improvement;
- be responsible for raising attainment and closing the poverty-related attainment gap;
- deliver quality and improvement at school level;
- select and managing the teachers and staff in their school;
- decide on school management and staffing structure, including business managers;
- decide on curriculum content and offer;
- work with partners including local authority support staff and others to meet learners' additional support needs at school level;
- collaborate for school improvement at school, cluster and regional level;
- lead self-evaluation and improvement of school performance;
- monitor school progress and reporting; and
- manage defined and greater proportions of school funding (this will be part of the accompanying consultation on funding).

We will develop leadership pathways to enable and inspire people to become headteachers. We will ensure there is an enhanced leadership support package to develop aspiring leaders, new headteachers and experienced leaders. We will introduce a fast-track leadership route to support aspiring and talented teachers who are keen to progress. We will strengthen career pathways with new cluster leader and system leader roles, and we will ensure that headteachers have the tools they need to drive improvement.

A relentless focus on improvement

Scotland has a proud history of providing universal education to our children. Now, perhaps more than ever, a relentless focus on improvement is needed to keep up with the world changing around us. Innovations in communication, particularly in the digital world, mean that those who stand still get left behind. This change must not be seen, however, as a challenge, it is an incredible opportunity which our children are best placed to grasp.

Over the last few years, support for curriculum development and learning has become inconsistent across Scotland and it is inhibiting our ability to keep up with global trends. McKinsey's 2010 report on school systems, *How the world's most improved school systems keep getting better,*[20] observed that:

> *"As the school systems we studied have progressed on their improvement journey, they seem to have increasingly come to rely on a "mediating layer" that acts between the centre and the schools. This mediating layer sustains improvement by providing three things of importance to the system: targeted hands-on support to schools, a buffer between the school and the centre, and a channel to share and integrate improvements across schools".*

20 Mourshed, M, Chijioke, C and Barber, M (2010) *How the world's most improved school systems keep getting better,* McKinsey & Company, London http://www.mckinsey.com/industries/social-sector/our-insights/how-the-worlds-most-improved-school-systems-keep-getting-better

It is delivering this support which is the second major focus of our reform. We will ensure that schools have access to excellent education improvement services. These will be focussed on supporting headteachers and teachers in securing improvement in their schools and will be provided by new regional improvement collaboratives.

Regional improvement collaboratives will:

- provide excellent educational improvement support for headteachers, teachers and practitioners through dedicated teams of professionals. These teams will draw on Education Scotland staff, local authority staff and others;
- provide coherent focus across all partners through delivery of an annual regional plan and associated work programme aligned with the National Improvement Framework;
- facilitate collaborative working across the region, including sharing best practice, supporting collaborative networks and pursuing partnership approaches; and
- be led by a Regional Director, to be appointed by the Scottish Government and to report to the HM Chief Inspector/Chief Executive of Education Scotland.

The role of the Scottish Government

The role of the Scottish Government and the various national agencies is to set national education policy and a national framework for improvement which will support a school and teacher-led system. Terms and conditions of service including pay will continue to be set at a national level. The Scottish Qualifications Authority will remain an integral part of the system.

This Next Steps paper provides Education Scotland with a significantly enhanced role and purpose. Education Scotland will have a strengthened inspection and improvement function. Inspection will be a crucial tool that supports the system-wide goal to continuously improve. Education Scotland will have a renewed focus on professional learning and leadership, providing clarity and coherence to the national landscape. Delivery via the new regional improvement collaboratives will mean that hands on advice, support and guidance can flow directly to schools to support improvement.

We will take steps to ensure initial teacher education prepares students to enter the profession with consistently well-developed skills to teach key areas such as literacy, numeracy and health and wellbeing. Registration of the workforce will be enhanced by a new body, the Education Workforce Council for Scotland, to support the professionals and provide confidence to parents and carers.

Scottish Ministers will set national priorities in education and will continue to be accountable to Parliament for the performance of the education system. More and more, however, those priorities will be directed by the improvements that the system tells us we need to achieve. The Government will establish a Scottish Education Council, chaired by the Deputy First Minister and Cabinet Secretary for Education and Skills, to ensure a system-wide focus on improvement is delivered. Government will continue to provide funding for education provision and support.

The role of Local Government

The school and teacher-led system needs all partners, including local government to focus on their contribution to improve performance. Local authorities' role and importance is crucial and they will be democratically accountable for the services they provide to schools and centres. Schools will now have much greater responsibility for key decisions and local authorities will have a vital role to play in enabling and supporting that. There will be a new duty on local authorities to collaborate to support improvement on a regional basis. They will also be responsible for improvement through their provision of education support services, their regional collaboration, and in securing leadership in their schools.

They will oversee quality in the provision of early learning and childcare, as well as being a key provider of services. Local authority education support services will include: the supply of schools; the provision of denominational and Gaelic medium schools where required; the administration of placing and admissions procedures, including for children with additional support needs (including independent sector where appropriate); the provision of support services such as human resource functions; planning for future requirements; and securing excellent headteachers for the schools in their area. This will retain important local accountability for the supply and quality of leadership in schools in our communities. The vast majority of the funding for school education will continue to be channelled through local authorities, and they will continue to have a role in ensuring that public resources allocated for the delivery of education in Scotland are properly accounted for.

Next steps

We have set out our vision for change. Some of these changes can be delivered without legislation and we will start working with partners now to deliver these quickly. We will establish the regional improvement collaboratives, taking account of the collaboration that is already underway, and we will realign national agencies to support the regional improvement collaboratives and strengthen inspection.

We are committed to bringing forward a new Education Governance Bill to deliver those changes that require legislation. We will work closely with partners to consult on proposed legislative changes and will introduce legislation in the second year of this Parliament.

We are consulting on the development of a more consistent approach to funding to ensure that schools have a greater role in how the education budget is spent.

Some of these changes will take time and we will seek to work with partners to deliver a stronger and more empowered education system.

Ultimately, however, the evidence shows us that improvement will not be achieved as a result of changes to structures; it will come through changes in culture and practice. So we will work with the whole system to start further empowering schools and improving the offer to teachers on learning and curricular support immediately.

We have a clear purpose and ambition. We are absolutely determined to improve attainment at every level and close the attainment gap so that every child in Scotland realises their potential.

1. INTRODUCTION

Improving the education and life chances of our children and young people is the defining mission of this Government.

There is a strong and shared commitment to the vision of excellence and equity for all children and young people across Scottish education as set out in the National Improvement Framework:

- **excellence through raising attainment:** ensuring that every child achieves the highest standards in literacy and numeracy, set out within Curriculum for Excellence levels, and the right range of skills, qualifications and achievements to allow them to succeed; and
- **achieving equity:** ensuring every child has the same opportunity to succeed, with a particular focus on closing the poverty-related attainment gap.

Within this broad overall vision the National Improvement Framework is galvanising efforts to align our collective improvement activities across the whole education system, to address our key priorities:

- improvement in attainment, particularly in literacy and numeracy;
- closing the attainment gap between the least and most disadvantaged children; and
- improvement in employability skills and sustained, positive school leaver destinations for all young people.

This Government was elected to deliver a range of reforms to help us transform education in Scotland to ensure it delivers excellence and equity for all. We published our Delivery Plan for Scottish education in June 2016[21]. The focus of the plan is on action around three core aims – to close the attainment gap, to ensure we have a curriculum that delivers, and to empower our teachers, schools and communities.

Since then, we have taken strong and decisive action to address each of these core aims. This includes £120 million per annum Pupil Equity Funding direct to schools as part of the £750 million investment over this Parliamentary term to close the poverty-related attainment gap, supported by well-evidenced strategies of what works.

Our focus on closing the attainment gap and improving the life chances of children and young people extends beyond education. Evidence suggests that:

> *"…even if we found all the factors that make schools more or less effective, we would still not be able to affect more than 30 percent of the variance in pupils' outcomes. It has therefore become increasingly clear that a narrow focus on the school as an institution will not be sufficient to enable work on more equitable educational outcomes to progress … Interventions will need to impact more directly on pupils' environment and life chances".*[22]

We recognise that tackling the attainment gap will also require us to tackle deep seated, multigenerational, deprivation, poverty and inequalities. The Fairer Scotland Action Plan[23] sets out the range of actions we are taking to do so across a number of key areas, and makes clear our commitment to eradicating child poverty.

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21 Scottish Government (2016c) *Delivering Excellence and Equity in Scottish Education: A Delivery Plan for Scotland* http://www.gov.scot/Publications/2016/06/3853

22 Muijs, D (2010). In C Raffo, A Dyson, H Gunter, D Hall, L Jones, & A Kalambouka (Eds.), *Education and Poverty in Affluent Countries*. Abingdon, GB: Routledge https://eprints.soton.ac.uk/165859/

23 Scottish Government (2016d) *Fairer Scotland Action Plan* http://www.gov.scot/Resource/0050/00506841.pdf

We have also listened to what teachers have told us and are delivering greater clarity about Curriculum for Excellence through the definitive advice published by the Chief Inspector of Education in August 2016 and the subsequent publication of benchmarks for each curriculum area.

We are also tackling bureaucracy and workload by reducing the burden of assessment, both on teachers and on young people, through changes to the National Qualifications.

This Governance Review is central to our aim of empowering our teachers, schools, parents and communities to deliver the necessary changes in our education system.

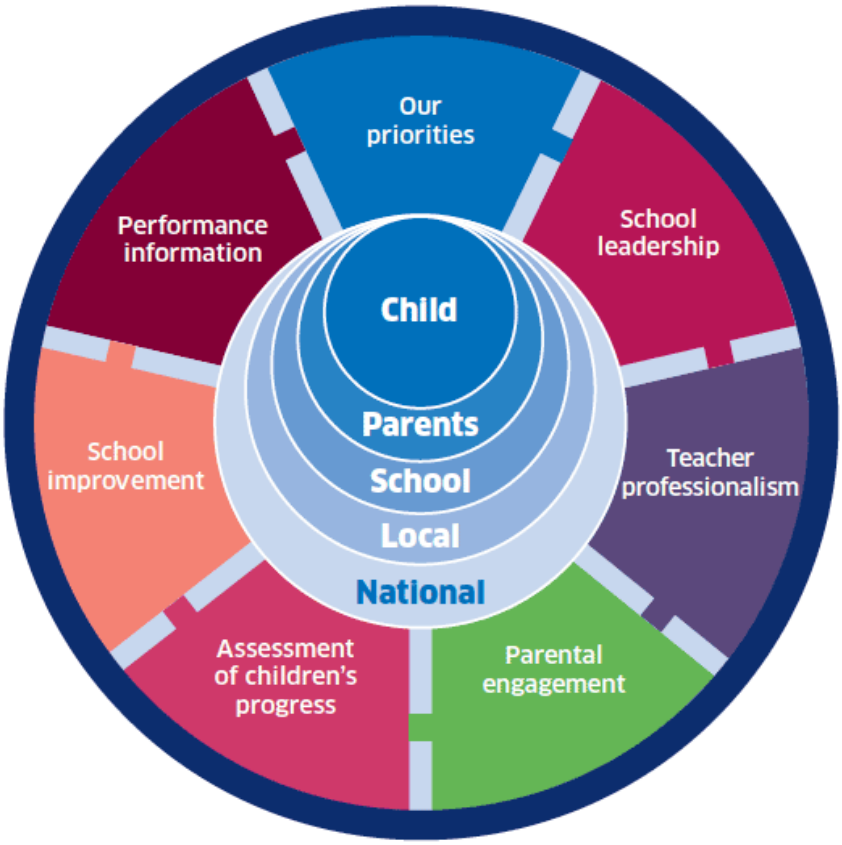
The review has considered the organising system of early learning and childcare and school education. The role and functions of national government, local government and national bodies which govern, lead and support the delivery of education were all within scope of the review. A significant period of consultation took place between September 2016 and January 2017 with 1,154 written responses being received and almost 700 individuals taking part in consultation events across the country. We have also drawn on evidence from the OECD, the International Council of Education Advisers and other international evidence to inform our thinking.

Many responses to the Governance Review consultation argued against the need for change within the education system[24]. This Government has considered these views, along with the current performance in Scottish education, and has reflected on the commitments given to the public at the Scottish Parliament election in May 2016. We cannot accept the erosion of educational improvement capacity within the system and the proposals in this document seek to halt and reverse that trend. We believe this is the moment to undertake reforms focused on delivering improvements in education and empowering our teaching professionals to be the key drivers of improved outcomes for our children.

Our work is closely aligned to the drivers of improvement outlined in the National Improvement Framework:

- school leadership;
- teacher professionalism;
- parental engagement;
- assessment of children's progress;
- school improvement; and
- performance improvement.

24 Scottish Government (2017b) op.cit



We believe teachers are best placed, with support from communities and parents, to drive educational improvement for our children. The organising system of education must be focussed on providing the most effective framework for teachers to work within. We also recognise that any framework must be supported by a culture of leadership and collaboration, building capacity for improvement in the system, data on children's progress, and clear accountability structures.

Our reforms will put children and young people at the heart of school education. We remain guided by the principles set out in our consultation, that our education system must:

- be focussed on improving outcomes, and support the delivery of excellence and equity for all children and young people;
- meet the needs of all of our children and young people, no matter where they live or their family circumstances;
- support and empower children and young people, parents, teachers, practitioners and communities;
- be supported by a fair and transparent funding system to ensure the maximum public benefit and best value for money; and
- support children and young people to make smooth transitions into formal learning, through school and into further education, training or employment.

This paper sets out our plans for education governance reform that will empower schools to deliver excellence and equity for the benefit of every child and young person in Scotland.

Following this introductory chapter, this paper is organised in four further chapters. Chapter 2 sets out the case for change, drawing on the Governance Review consultation and a range of additional international evidence. Chapter 3 sets out our plans to deliver a school and teacher-led system and the actions which will empower teachers, practitioners, headteachers, parents and communities to ensure that the vast majority of decisions that support learning and teaching are made at school level. Chapter 4 sets out the education improvement and support there will be at school, local, regional and national level including our approach to funding to support the new system. Chapter 5 summarises the actions we will take to deliver a school and teacher-led system.

2. THE CASE FOR CHANGE

2.1 Context

We have a good education system with hardworking, committed teachers, early years practitioners, other learning professionals and support staff. There are many aspects of Scottish education to be proud of and we have strong foundations on which to build and achieve our vision. This was endorsed by the OECD in their report *Improving Schools in Scotland (2015)*[25]. Our teachers feel a deep sense of purpose and responsibility to give every child in Scotland the best education; we need to give them more freedom and to acknowledge this level of responsibility through reforming governance and decision making. The case for change is about moving towards a school and teacher-led system and simplifying the support and improvement services which are built around the needs of schools. More decisions need to be taken at school level, based on the needs of children in each community. There is a range of evidence and research to support this principle. For example, The Association of Directors of Education in Scotland (ADES) state in their 2017 report *Towards a Learning System*[26] that:

> "*the delivery approach must be flexible and responsive, taking account of local circumstances and drawing on a range of major stakeholders who are supportive of Scottish education. It should be an uncomplicated model but one that has sufficient sophistication to be able to flex to meet differing needs. . . At the heart of this endeavour is our desire to have a confident, reflective, self-improving school system where the responsibility for improvement is increasingly set at school rather than local authority level*".

Curriculum for Excellence places the child at the centre of education, and empowers teachers to develop and deliver a curriculum which suits the needs of each individual child or young person. We need to empower every teacher and school to make full use of the flexibility within Curriculum for Excellence if it is to deliver the learning and teaching that every child needs. More decisions about the curriculum need to be taken by teachers locally. The OECD confirmed this in their review:[27]

> *"Curriculum for Excellence needs to be less managed from the centre and become more a dynamic, highly equitable curriculum being built constantly in schools, networks and communities with a strengthened 'middle' in a vision of collective responsibility".*

We are committed to putting children and young people at the heart of the services that support them. Getting it Right for Every Child (GIRFEC) is our national approach to ensure that everyone works together to improve a child's outcomes.

The National Improvement Framework sets a strategic direction for education which aligns with the evidence of the OECD, recognising that both school leadership and teacher professionalism are key drivers of improvement. Through the Scottish Attainment Challenge and the new Pupil Equity Fund we are targeting resources to those who need it most.

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25 OECD (2015a) *Improving Schools in Scotland: An OECD Perspective,* OECD Publishing, Paris http://www.oecd.org/edu/school/improving-schools-in-scotland.htm

26 The Association of Directors of Education in Scotland (ADES) (2017) *Towards a Learning System* http://thestaffcollege.uk/wp-content/uploads/2017/04/Towards-a-Learning-System-v1.0.pdf

27 OECD (2015a) op.cit.

A review by the National Parent Forum of Scotland[28] concluded that the Scottish Schools (Parental Involvement) Act 2006 has helped to support a "step-change" in the quality of parental involvement across Scotland. We are also investing in our Developing the Young Workforce programme to support young people to moving into employment and training.

Our investment in universally accessible and high-quality early learning and childcare should equip children with skills and confidence to carry into their schooling and help close the poverty-related attainment gap which we know begins in the early years. The expansion of free early learning and childcare, to 1,140 hours a year for all 3 and 4 year olds, and eligible 2 year olds, represents one of the most significant expansions of the education system in recent times. The Minister for Childcare and Early Years made a policy statement to Parliament on 23 March 2017[29] which sets out a vision for an early learning and childcare system based on the principles of quality, flexibility, accessibility and affordability. The Scottish Government is working in close collaboration with all its partners to deliver this vision, and the Governance Review provides a further context and framework within which current and future provision will operate. The findings of this review, and the actions as they relate to early learning and childcare, will therefore be integrated into the joint working groups established to deliver the expansion programme.

2.2 Performance and the attainment gap

The majority of young people are performing well under Curriculum for Excellence – at least 80% of pupils are achieving third level or better in literacy and numeracy by the end of S3[30]. The number of Higher passes has risen by 29.8% since 2007 and passes at Advanced Higher have risen by 42.5% in the same period[31].

A higher percentage of young people left school in 2014/15 for positive destinations than at any time on record[32]. The highest ever proportion of school leavers from the most deprived communities went on to a positive initial destination – 88.7%. We have seen annual increases in attainment. For example, the proportion of school leavers reaching at least SCQF Level 5 is up from 82.1% in 2011/12 to 87.1% in 2015/16 and there were a record high number of Advanced Higher passes (19,518) in 2016[33]. In addition, more of our population is educated beyond school than in any other European country (47.8% tertiary educated)[34].

The OECD (2015)[35] identified many strengths in our system: learners are enthusiastic and motivated; teachers are engaged; and professional and system leaders are highly committed. However, there are also significant challenges.

The latest results from the international study PISA[36] found that Scotland's overall performance declined in science and reading compared to 2012, and was unchanged in maths. Our relative performance compared to other countries has deteriorated across all three areas.

28 National Parent Forum of Scotland (2017) op.cit.

29 http://www.parliament.scot/parliamentarybusiness/report.aspx?r=10860&mode=html#iob_99441

30 Scottish Government (2016a) op.cit

31 Scottish Qualifications Authority. (2016) op.cit

32 Scottish Government (2016b) op.cit

33 Parentzone Scotland. https://education.gov.scot/parentzone/

34 Eurostat Data, *Population by Educational Attainment Level* (2016)

35 OECD (2015a) op.cit.

36 Scottish Government (2015a) *Programme for International Student Assessment (PISA) 2015: Highlights from Scotland's Results* http://www.gov.scot/Resource/0051/00511095.pdf

The SSLN monitors national performance in literacy and numeracy has shown a decline in numeracy (2011 to 2015)[37] and literacy (2012 to 2016)[38].

Evidence also shows that there continues to be widespread variation in outcomes and in the performance of local authorities and schools. The current system is not achieving excellence and equity for all. Whilst we are seeing improvements, they are not fast enough or being driven effectively enough in all localities. There is clear evidence to support this within the Education Scotland 2017 report on *Quality and Improvement in Scottish Education*[39] which states:

> "*the quality of education children and young people experience within and across sectors is still too variable. Scottish education does not yet provide all children and young people with consistently high-quality learning experiences. Unless this variability is addressed we will not achieve the national ambition of excellence and equity for all learners.*"

The Accounts Commission report School Education (2014)[40] found that "*whilst there has been improvement in performance over the last decade, there is significant variation in attainment between individual councils, schools, and groups of pupils… [and] … some schools have achieved better attainment results than their levels of deprivation would indicate.*"

No matter what data we use, or which aspect of attainment we look at, there is a clear gap between children from more deprived and less deprived backgrounds. Whilst the gap has narrowed on many measures in recent years, there is clearly more to do. This is not a situation that anyone should continue to accept.

The Government has recognised this challenge and we have already taken a number of steps to tackle this gap and drive improvement in the system. This includes the introduction of the National Improvement Framework, the Scottish Attainment Challenge and establishing the Pupil Equity Fund. The expansion of early learning and childcare and our commitment to provide an additional graduate in nurseries in Scotland's most deprived areas by August 2018 will also make an important contribution.

However, we must do more. We cannot accept a situation where our educational performance is falling behind and an attainment gap exists based on background and geography. International evidence indicates that we can do more to close the poverty-related attainment gap and learn from other high-performing nations:

> "*countries such as Finland and Canada display strong overall performance and, equally important, show that a disadvantaged socioeconomic background does not necessarily result in poor performance at school*"[41].

37 Scottish Government (2016e), *Scottish Survey of Literacy and Numeracy 2015 (Numeracy)* http://www.gov.scot/Publications/2016/05/2836

38 Scottish Government (2017c) *Scottish Survey of Literacy and Numeracy 2016 (Literacy)* http://www.gov.scot/Publications/2017/05/7872

39 Education Scotland (2017) *Quality Improvement in Scottish Education* https://education.gov.scot/Documents/QuISE_full_2012_16_web.pdf

40 The Accounts Commission (2014) *School Education* http://www.audit-scotland.gov.uk/docs/local/2014/nr_140619_school_education.pdf

41 Andreas Schleicher, A & Stewart, V (2008) *Learning from World-Class Schools,* Educational Leadership, ASCD, Alexandria, http://www.ascd.org/publications/educational_leadership/oct08/vol66/num02/Learning_from_World-Class_Schools.aspx

2.3 Creating a school, teacher and practitioner-led system

We want to see more decisions about school life being driven by schools themselves. McKinsey's 2010 report[42] notes that there is a "*striking correlation*" between educational performance and the level of school empowerment. The OECD[43] state that "*inherent in the principle of [Curriculum for Excellence] is the enhancement of the role that should be exercised by schools and teachers*". Investing in the professionalism and autonomy of our teaching profession means trusting teachers to make the best decisions for our children and young people, within a broad, clear national framework.

However, our current education system does not always allow teachers, practitioners and headteachers to be the key decision makers. If we are to empower our schools, parents and communities there are a number of things we need to change. These are:

- **The legal framework and where decisions are taken.** Under the current legislation the majority of the legal responsibilities for education sit with local authorities. This leads to differences across local authorities about the decisions which can be taken at a school level. The Accounts Commission found significant variation in attainment between individual local authorities. Responses to the Governance Review consultation highlighted a lack of consistency in relation to school devolution across local authorities[44]. This can have a significant impact on achieving excellence and equity; for example by taking a mandated approach to the number of subjects young people study in S4 across an entire education authority. This shuts down curriculum flexibility and decisions which should be taken for individual young people at school level.
- **Culture and capacity within the system.** There is considerable variation in the level and quality of support provided to teachers, headteachers and parents. There is no clear and consistent framework of support for teachers to be able to build their professional skills or to support collaboration. The increased support for leadership capacity within the system has been welcomed but has highlighted the lack of support for professional learning. While there are good examples of engagement between schools, parents and communities this is not consistent and the recent review of parental involvement concluded that the role and function of parent councils need to be more clearly defined, protected and promoted.
- **Collaboration between local authorities and schools.** We know that the level of performance and capacity varies across local authorities and across schools[45] and that system-wide collaboration could help to address this variation. There are some emerging examples of collaboration but this is not consistent. Responses to the Governance Review consultation highlight the need to promote greater use of joined-up approaches at a national, local, schools and practitioner level.
- **The way in which funding is distributed and staff are allocated to schools.** The high proportion of fixed costs within school budgets means that while headteachers may nominally have budgetary control, in practice they have little or no flexibility to target resources as they might wish. Governance Review consultation responses highlighted a desire for greater control at a school level over their staff.
- **Too much bureaucracy** means that teachers and headteachers spend too much of their time on paperwork and not enough time leading their schools and focusing on learning and teaching.

42 Mourshed, M, Chijioke, C & Barber, M (2010) op.cit.
43 OECD (2015a) op.cit.
44 Scottish Government (2017b) op.cit
45 OECD (2015a) op.cit.

2.3.1 Legal framework and where decisions are taken

Legal responsibility for the delivery of education currently rests mainly with local authorities not with individual schools and teachers. While there are some requirements for local authorities to consult with headteachers when making strategic decisions, how this is done is at the discretion of the local authority. This can lead to a dependency or compliance culture in schools rather than one of empowerment. The introduction of the Pupil Equity Fund is beginning to change this. Headteachers have more power to decide what they need to do in their school to close the attainment gap, with local and national advice available to guide them.

Local authorities devolve decision making and funding to schools through Devolved School Management Schemes. Each local authority is obliged to have such a Scheme and this is supported by national guidelines. However, local authorities can determine which schools within their area are covered by the Scheme and the detailed provisions setting out accountability arrangements, the decisions schools and headteachers are able to take and the level and flexibility of control over funding at a school level. Again, this limits the ability of headteachers to make decisions.

The variability of approach across local authorities means that decisions which a headteacher is empowered to take in one authority are taken by the authority in another part of Scotland. This process is not transparent to parents or communities.

We know the benefits of supporting parental involvement in education. The Scottish Schools (Parental Involvement) Act 2006 aimed to provide a new approach to parental involvement. However, that framework is now over 10 years old and a review of the legislation undertaken by the National Parent Forum of Scotland (NPFS) has identified substantial variation between local authorities in the approach taken to parental involvement and a need to strengthen the legislation to ensure a clear and strong role for parent councils in the life and work of their school[46].

2.3.2 Culture and capacity

Headteachers, teachers and practitioners

The quality of teaching and the leadership of the school are the most important factors in improving a child's educational outcomes within schools. Curriculum for Excellence is based on the concept of the teacher as an empowered professional making curriculum decisions and leading learning within their classroom and school.

It is important that teachers and headteachers are empowered to take decisions as leaders of learning but also that they are supported in developing the skills and knowledge to secure improvement in their schools and classrooms. That is why the Government invested in *Teaching Scotland's Future,* our programme to support professional learning and leadership. We know that as a result of this programme[47] more teachers are engaged in professional learning. We also know that there are barriers which limit access. These include staff shortages, budget, and a lack of consistency and coherence in the current professional learning offer.

Professional learning should be supported by an annual professional review and development discussion and underpinned by Professional Update. We have heard real concerns that in too many cases these have become box-ticking processes rather than a genuine opportunity for professional reflection and an assurance that the entitlement and obligation to professional learning is being delivered.

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46 National Parent Forum of Scotland (2017) op.cit.

47 Scottish Government (2015b) *Evaluation of the Impact of the Implementation of Teaching Scotland's Future* http://www.gov.scot/Publications/2016/03/5736/0

We know that teachers value professional learning and would welcome a clearer framework and greater access to high-quality opportunities. The responsibility for the provision of professional support rests with the employer, and local authorities have traditionally also provided local improvement support to schools as part of their statutory responsibilities. We heard strong messages from teachers and headteachers that they value such local support but that it had been diluted both in terms of quality and quantity in recent years. There is also a real lack of subject-specific professional learning on offer within local authorities. It is clear that there is now a significant gap in the system.

While there has been a considerable focus on the skills and expertise of teachers and their leaders we should also recognise the crucial role played by the wider education workforce such as early years practitioners, classroom assistants, additional support for learning assistants and school librarians. Our "*Skills Investment Plan: Prospectus for Scotland's Early Learning and Childcare Sector*"[48] was published in March 2017 and through this we are already taking specific actions to increase the capacity and capability of early years practitioners. A Quality Action Plan for early learning and childcare, due for publication in October 2017, will identify what more needs to be done to ensure we maximise these skills.

Children and families

Parental involvement in their child's education covers a wide range of different interactions, from engagement in their own child's learning through home learning; formal communication with the school such as reports and parents' evenings; volunteering at school events; and more formal engagement through the parent council. It is important that we do not see parental engagement solely through the prism of involvement with the parent council. There is clear evidence[49] that children whose parents are engaged and interested in their school activities tend to perform better at school and are less likely to report feeling lonely or dissatisfied. The OECD, drawing on research by Epstein, concluded that "*student learning is most effective when it is the result of a partnership between the school, teachers, parents and the community*"[50].

Scottish parents show variable levels of engagement compared to other OECD countries. In Scotland the level of parental engagement is higher than the OECD average but significant numbers of parents (18%) reported that their participation in school was hindered by inconvenient meeting times and difficulty getting time off work[51]. We also know that there are socioeconomic differences in the levels of engagement. Growing up in Scotland 2012[52] looked at the levels of parental engagement and the role teachers play in encouraging this and found differences in both the levels of engagement and the perceived level of advice. A further Growing Up in Scotland report, published in 2016,[53] concluded that children living in advantaged circumstances were more likely to undertake frequent home learning activities than children living in less advantaged circumstances. This doesn't mean that families in low income households are less interested – it may be due to a lack of access to the connections and advice available to higher income households, and it may be due to negative experiences of school when young.

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48 Skills Development Scotland (2017) *Skills Investment Plan: Prospectus for Scotland's Early Learning and Childcare Sector* http://www.skillsdevelopmentscotland.co.uk/media/43127/early-learning-and-childcare-sip-digital.pdf

49 OECD (2017a) op. cit.

50 Esptein, J (1995) *School Family Community Partnerships: Caring for the Children We Share*, Phi Delta Kappan, Vol 76, No. 9, p. 701-712 https://eric.ed.gov/?id=EJ502937

51 OECD (2017a) op.cit.

52 Bradshaw, P, Hall, J, Hill, T, Mabelis, J, and Philo, D (2012) op. cit.

53 Bradshaw, P; King, T; Knudsen, L; Law, J & Sharp, C (2016) *Language development and enjoyment of reading: impacts of early parent-child activities in two Growing Up in Scotland cohorts* Edinburgh, Scottish Government http://www.gov.scot/Publications/2016/06/2715

Responses to the Governance Review consultation, particularly from parents of children with additional support needs, suggest there are elements of the current system which need to be addressed[54]. This includes a desire for improved communication with parents about the operation of the education system including on roles, responsibilities and accountability.

While there is a substantial amount of information and routes to engagement available to parents, it is evident that these are often challenging and confusing. Having a clear understanding of the whole system in a simple and easily accessible way would help parents to engage more positively.

Communities

Learning does not stop at the school gate. Communities, businesses, third sector groups, youth work, colleges and universities all have an important role to play in giving our children a holistic learning experience and contribute to lifelong learning. These groups want to work in partnership with the schools in their local communities.

Children and young people consulted by Young Scot in partnership with Children in Scotland and the Scottish Youth Parliament told us that they wanted to see closer engagement between their schools and community. They saw the opportunities available in the community to allow them to build skills and links with prospective employers and they also emphasised the positive contribution they could make.

School is a crucial part of a young person's life but it is only one part, and children and young people talked about the importance of their other roles and responsibilities – in their family, with their friends, in sports teams, in their out of school learning and activities, and in their community. Youth work and community organisations told us that they were keen to play a more active role and work with teachers and schools. We value the significant contribution that Community Learning and Development services make to the progress and achievement of children in Scotland and we want to see this continue to expand.

The role of national government and national bodies

In their *Governing Education in a Complex World*[55] report, the OECD tells us that:

> "*Even in decentralised systems, the national or state level remains very important in triggering and steering education reform. The central level most often provides the system-wide vision needed to enable effective delivery of reform as well as equitable access and outcomes for students…*"

The national government and its agencies provides the strategic vision and sets the context for reform. Government provides the framework for support and the funding for education delivery. Government is held to account through Parliament for the performance of our education system as a whole.

At the moment the lines of accountability between local and national bodies are not clear enough. Respondents to the Governance Review told us that the national landscape felt cluttered with a lack of clarity about responsibilities[56]. However, there appeared to be little desire for change from many respondents. We heard a strong desire for greater support for professional learning but a lack of clarity about who should be responsible for that support. Respondents wanted greater collaboration and joint working between national bodies. The culture and accountability of some national organisations was also raised as an issue of concern.

54 Scottish Government (2017b) op.cit

55 Burns, T and F. Koster (eds) (2016) *Governing Education in a Complex World,* Educational Research and Innovation, OECD Publishing, Paris http://dx.doi.org/10.1787/9789264255364-en

56 Scottish Government (2017b) op.cit

2.3.3 Collaboration between local authorities and schools

The OECD review of Curriculum for Excellence (2015)[57] provided a number of recommendations to help the Scottish education system to become world leading.

They noted that:

- teachers who work in cultures of professional collaboration have a stronger impact on student achievement, are more open to change and improvement, and develop a greater sense of self-efficacy; and
- there needs to be clarity about the kinds of collaboration that work best to bring about the innovations and improvements to enhance student learning, and to create coherent and cohesive cultures of system-wide collaboration.

We have referred previously to the variability in practice and outcomes across authorities and schools, and the potential for collaboration to address some of that variability. The Scottish Parliament Education and Skills Committee noted[58] that the "*variation in performance of education authorities is concerning. Education authorities should collaborate more effectively to share best practice.*"

At a regional level, we have seen a number of attempts in recent years to develop stronger collaborative ties and partnership working. However, a number of those have not succeeded due to the challenge of reconciling a partnership approach with democratic accountability at local authority level.

There is strong research evidence to suggest regions can play an important role in strengthening the capacity to manage change and promote school improvement across local authorities[59]. There is no legal barrier to prevent local authorities from collaborating in order to secure educational improvement and there is some interesting emerging collaborative practice.

The majority of organisations who responded to the Governance Review consultation were concerned about the establishment of educational regions[60]. The strongest sense of opposition came from local authorities. However, a number of models of regional collaboration are beginning to emerge, but these models do not yet have sufficient depth, pace or impact as they are currently constituted. The International Council of Education Advisers (ICEA) told us in March[61] that in Scotland "*collaboration was uneven and was not sufficiently ingrained throughout the education system*". Their report will be published shortly. IPPR Scotland[62] note that "*Regional education partnerships should be created above the level of local authorities to lead on workforce planning, teachers' continuing professional development and to take responsibility for funding, evaluating and measuring the impact of attainment activity in schools at a regional level*". They also recommended that "*Decisions in the school system should be made at the most local level possible, with decision-making power devolved to headteachers, classroom teachers, parents and pupils, and only retained at local authority, regional or national level when there is a strong case for doing so*".

57 OECD (2015a) op.cit.

58 Education and Skills Committee (2017) *2nd Report, 2017 (Session 5): Performance and Role of Key Education and Skills Bodies* http://www.parliament.scot/S5_Education/Reports/ESS052017R02.pdf

59 Ainscow, M (2015) *Towards Self-improving School Systems,* (Routledge),

60 Scottish Government (2017b) op.cit

61 Scottish Government (2017d, forthcoming) *Report of the Initial Findings of the International Council of Education Advisers – June 2017,* Scottish Government, Edinburgh

62 IPPR (2017) *Autonomy in the Right Place: School Governance Reform in Scotland* http://www.ippr.org/publications/autonomy-in-the-right-place-school-governance-reform-in-scotland

There is clear evidence that successful partnerships require local leadership, buy-in and direction, but also that without an external prompt and support collaborative partnerships can often struggle. There is a strong evidence base about what works in supporting collaboration including from the evaluation of the School Improvement Partnership Programme in Scotland (2015)[63].

Teachers and practitioners told us that they want to work collaboratively with their peers and there are lots of good examples of collaborative working taking place[64]. However, there is no national vision or framework to support collaboration and we are not using the clear evidence about what works.

In short, and to conclude, collaboration often depends on the enthusiasm of an individual and too often it happens in spite of, rather than because of, the current system and structures.

2.3.4 The distribution of funding and ways in which staff are allocated

The bulk of the money local authorities spend on school education is funded through General Revenue Grant from the Scottish Government, which forms part of the overall local government settlement.

Money provided for education through the local government settlement is not ring-fenced, and it is for individual local authorities to determine how much funding should be allocated to education and then to individual schools and centrally managed education support services. That assessment, generally set out in local authorities' Devolved School Management Schemes, is made on the basis of local needs and priorities, but also reflecting statutory obligations and agreed national priorities. There is little transparency over the allocations and factors that are taken into account in doing so, and considerable variation in how local authorities decide to spend their education budget.

This system leads to a wide variation in both the level and method of allocation of funding to schools across Scotland.

We know that there is also wide variation in per pupil spend. For example, Scottish Government figures show that, in 2015-16, the average spend per pupil in Scotland was £4,877 in primary and £6,920 in secondary. However, per pupil spending in primary ranges from £4,200 in one central local authority to £8,968 in one of the island authorities. While island authorities or those with more rural areas do generally spend the most per pupil (because of the generally higher cost of providing education in those areas) this does not account for all the variation. Even among urban authorities, there are some large differences.

This suggests that pupils or schools with similar characteristics in different local authority areas may attract very different levels of funding.

The Accounts Commission report *School Education* (2014)[65] suggested that funding could have a more significant impact on attainment if it was targeted at those schools and pupils where the need to improve attainment was greatest. They found that it is *how* councils decide to spend their education budget, rather than the overall level of spend, which has the most impact on attainment levels.

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63 Chapman, C. Lowden, K. Chestnutt, H. Hall, S. McKinney, S. and Friel, N. (2015) *School Improvement Partnership Programme in Scotland* http://eprints.gla.ac.uk/112298/1/112298.pdf

64 Chapman, C, Chestnutt, H, Friel, N, Hall, S, and Lowden, K (2016) *Professional capital and collaborative inquiry networks for educational equity and improvement?* Journal of Professional Capital and Community, 1(3), pp. 178-197. http://eprints.gla.ac.uk/119442/

65 The Accounts Commission (2014) op.cit.

In Spring 2016, we extended the Scottish Attainment Challenge to commit a total of £750 million over the lifetime of this Parliament to tackle the poverty-related attainment gap, targeting resources at the children, schools and communities most in need. This funding comprises two elements; the Pupil Equity Fund and Attainment Scotland funding. Pupil Equity Funding is allocated directly to 95% of schools in Scotland at a rate of £1,200 for each pupil in P1 to S3 known to be eligible for free school meals. Attainment Scotland funding uses SIMD data to provide targeted support for children and young people in greatest need through the Challenge Authorities and Schools Programme, as well as funding a number of national programmes.

However, this funding represents a small proportion of the total gross expenditure on education in Scotland, £4.9 billion in 2015-16. The bulk of that funding is generally allocated to schools by reference to pupil numbers or the numbers of teachers required to support the pupil roll, rather than additional needs-based factors such as deprivation, which we know can impact on attainment and the life chances of individual children. Giving more money directly to headteachers will give them more power and autonomy, though we recognise that there were concerns about the additional bureaucracy associated with this in Governance Review responses. We need strong and effective educational support services for schools which liberate them from bureaucracy and provide high-quality administrative support. There is also evidence that a lack of control over which staff work in schools limits headteacher empowerment and the extent to which the school can improve. We believe we need to give headteachers more flexibility and control so that they have the right people in place at the right time.

2.3.5 Too much bureaucracy

The Government is committed to tackling bureaucracy and we have worked closely with partners to develop and drive proposals for change. We recognise that there are a number of factors that drive bureaucracy at a school, local authority and national level.

It is important that all activity is proportionate and focused on improving learning and teaching and safeguarding children. All national organisations have a role to play in minimising bureaucracy and paperwork. The Education Scotland review of bureaucracy and workload published in September 2016[66], found that the workload demands and requirements that local authorities place on schools needed significant improvements in a number of local authorities. The report highlighted the importance of all local authorities adopting good practice.

Empowering schools and allowing teachers, practitioners and headteachers to be leaders of learning changes the relationship between schools and local authorities. Schools will need to continue to undertake curriculum planning, assessment, tracking and monitoring learning outcomes, and planning for self-evaluation and improvement. However strengthened support services for schools are needed to liberate schools from bureaucracy. We want schools to be empowered to make decisions about resources. The business functions and paperwork associated with areas such as finance and human resources should not be undertaken by educational staff. High-quality, consistent support services are needed to liberate schools from this.

66 Education Scotland (2016) *Review of local authorities' actions to tackle unnecessary bureaucracy and undue workload in schools* https://education.gov.scot/improvement/Documents/Review-of-Local-Authorities.pdf

3. A SCHOOL AND TEACHER-LED SYSTEM – EMPOWERING TEACHERS, PARENTS AND COMMUNITIES

Decisions that will shape the education of children and young people will rightly be taken as close to them as possible. In order to deliver and support our vision of a school and teacher-led system, it is crucial that we take account of what the evidence tells us will work, including the excellent practice currently taking place in many of our schools. In particular, we need to support the National Improvement Framework drivers of teacher professionalism and school leadership. We want to significantly strengthen the practical, curriculum area, and sector-specific improvement support which is available to teachers at regional level.

3.1 Teachers and practitioners – improving the quality of learning and teaching

Teachers and practitioners are the most important factor in improving children's outcomes in schools. As Dylan Wiliam, emeritus professor of education at the University College London's Institute of Education argues "*the only thing that really matters is the quality of the teacher*"[67]. Teachers are best placed to make the best decisions regarding children and young people's learning, when fully empowered and well supported to do so. Curriculum for Excellence is based on the teacher as an empowered professional making curriculum decisions and leading learning within their classroom and school. We will take forward a number of actions which support and enhance this.

We will trust and invest in teachers and practitioners as empowered, skilled, confident, collaborative and networked professionals. To ensure that they flourish, we will transform the support available to teachers and practitioners at every level of the system.

New regional improvement collaboratives, set out in detail in Chapter 4, will provide teams of professionals who have the singular focus of helping teachers to improve their practice. These teams will include sector and curriculum area specialists as well as additional support for learning experts such as educational psychologists. They will provide advice and support to enable teachers and schools to drive improvement, making use of all available evidence and data. They will help teachers to access the practical improvement support they need, when they need it. Further work will be done in collaboration with partners on what this could look like.

There is widespread acceptance that teacher knowledge base is an important component of teacher quality. When teachers' skills and student performance are compared across countries[68], there is a positive relationship between them. Improving skills among teachers can therefore improve student performance. There is a need to ensure that all those working with children and young people are able to support their needs to ensure that they overcome barriers to their learning. This must be delivered within a context of inclusive practice. We must focus on both initial teacher education and career-long professional learning in order to address the barriers to a more empowered teacher workforce and to benefit from a more open, dynamic and flexible system.

Initial teacher education is the gateway to the profession and we want to continue to attract aspiring and highly motivated individuals who are attracted to teaching because it makes a difference. We also want to inspire an ongoing commitment to learning throughout a teacher's career.

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67 Wiliam, D (2009). *Assessment for learning: why, what and how?* London: Institute of Education, University of London.

68 OECD (2017b) *Empowering and Enabling Teachers to Improve Equity and Outcomes for All,* Fig 1.6 http://www.istp2017.uk/media/1086/istp2017final_version.pdf

We will take steps to ensure initial teacher education prepares students to enter the profession with consistently well-developed skills to teach key areas such as literacy, numeracy and health and wellbeing.

Since 2012-13 we have invested £4.6 million to enable teachers to undertake SCQF level 11 (Masters level) professional learning as part of its aim to ensure that teachers have the necessary skills and knowledge. To date it has supported around 4,600 teachers to undertake study at Masters level.

Michael Fullan argues that leading for coherence requires the development of leaders at all levels within the system[69]. The professional learning offer is currently patchy across different parts of Scotland. Many different organisations offer aspects of professional learning for teachers. We will learn from Ontario, which is arguably one of the best international reference points. The Ontario provincial government agreed a clear agenda around professional learning with schools and teacher unions. We can build on the commitments made with the teacher professional associations at the International Summit on the Teaching Profession 2017 in Edinburgh which recognised the importance of equity related professional learning and the need to incentivise professional learning for teachers.

We will streamline and enhance professional learning so that there is a coherent learning offer to teachers which is focussed on curriculum area and sector-specific issues. More professional learning will be provided by teachers, for teachers, through the regional improvement collaboratives.

Evidence throughout the Governance Review consultation indicated that there is a need to ensure that teachers and the wider education workforce are able to support children and young people with additional support needs[70]. We will shortly publish revised guidance on the presumption to mainstream education for consultation. In addition, the 10-year strategy for the commissioning of national services will be published for consultation. This will include a focus on leadership and training.

We will recognise the contribution of the whole school workforce by working with them to introduce professional standards for these staff, including classroom assistants, to recognise the importance of the whole education team.

The removal of the Chartered Teacher scheme in 2012 closed off a possible additional career option for teachers who wanted to expand their role without leaving behind classroom teaching. There were significant issues with the design of the scheme which limited the impact of some Chartered Teachers on school improvement. The lack of promoted posts in Scottish teaching, particularly in the primary sector, arguably does not enhance the idea of teaching as a profession with strong career progression routes. This could be seen as a barrier to innovation and to building the necessary confidence required if schools are genuinely to lead the system. We are keen to learn from a range of international examples which support career progression. Figure 1 outlines the three distinct career routes for teachers in Singapore: teaching track, leadership track and specialist track. These complementary tracks allow linear progression but also for teachers to move between tracks. The need to provide clarity on career progression in order to increase the appeal of teaching as a profession in Scotland was discussed at the recent International Summit on the Teaching Profession 2017 in Edinburgh.

69 Fullan, M and Quinn, J (2016) *Coherence: The right drivers in action for schools, districts and systems,* CA: Corwin/London: Sage.

70 Scottish Government (2017b) op.cit

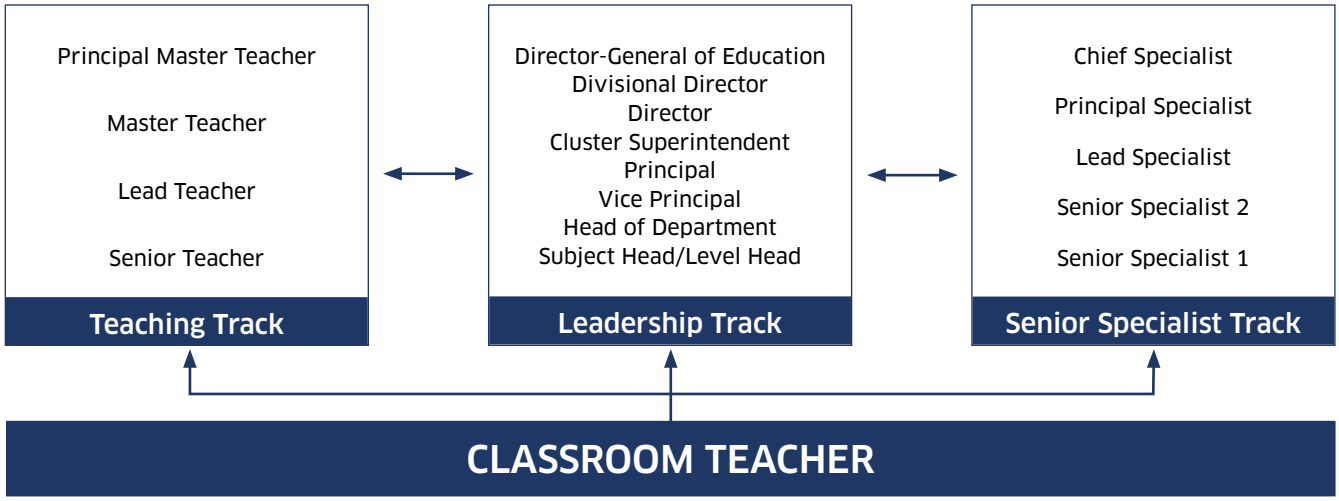

Fig. 1 Source: http://moe.gov.sg/careers/teach/career-info/

Recognising the importance of the role of teachers and practitioners, we also want to continue to ensure that teaching and the wider education workforce are attractive career paths. The International Council of Education Advisers recommended[71] that we consider:

- ways of making the teaching profession more attractive, particularly around the structure for career progression;
- how to make use of high-performing teachers and their leadership skills within schools e.g. creating a peer support role to support and mentor other teachers; and
- establishing clear, broad and multiple career pathways for teaching professionals, and look at ways for teachers to progress while remaining in the classroom.

We will work with our partners to establish new career pathways for teachers allowing greater opportunities for development and progression into leadership, specialist or improvement roles.

3.2 Headteachers – supporting school leadership

Leadership is the essential ingredient that binds the separate parts of an education system together and is a pre-requisite for achieving system-wide transformation. Leadership capacity doesn't just emerge, it needs to be built and requires modelling by leaders.

In their 2008 publication "*Improving School Leadership*"[72], the OECD stated that:

> "*Research has shown that school leaders can make a difference in school and student performance if they are granted autonomy to make important decisions. However autonomy alone does not automatically lead to improvements unless it is well supported. In addition, it is important that the core responsibilities of school leaders be clearly defined and delimited. School leadership responsibilities should be defined through an understanding of the practices most likely to improve teaching and learning*".

The OECD paper identified four main policy levers which, taken together, can improve school leadership practice, and we will address each of these. They are:

- define school leadership responsibilities;
- distribute school leadership;
- develop skills for effective school leadership; and
- make school leadership an attractive profession.

71 Scottish Government (2017d) op.cit

72 OECD (2008) op.cit.

Headteachers feel a deep sense of responsibility to improve children's life chances and to do everything possible to help them to succeed. This level of dedication and responsibility needs to be formally reflected in legislation, to give headteachers the power and autonomy to make decisions for the children in their care. This needs to include the responsibility to choose and manage the staff in their school. The blend of staff in a school needs to match the needs of the children, families and the local community. At present there is a lack of flexibility in this area which can significantly affect the pace of school improvement and the overall quality of learning, teaching and attainment.

We will clearly define school leadership responsibilities, legislating to create a Headteachers' Charter, which will be developed in partnership with the profession and professional associations. We will trust and invest in the leadership of schools and support empowered headteachers.

Headteachers will:

- be the leaders of learning in their schools;
- be supported through a revolutionised offer of support and improvement;
- be responsible for raising attainment and closing the poverty-related attainment gap;
- deliver quality and improvement at school level;
- select and managing the teachers and staff in their school;
- decide on school management and staffing structure, including business managers;
- decide on curriculum content and offer;
- work with partners including local authority support staff and others to meet learners' additional support needs at school level;
- collaborate for school improvement at school, cluster and regional level;
- lead self-evaluation and improvement of school performance;
- monitor school progress and reporting; and
- manage defined and greater proportions of school funding (this will be part of the accompanying consultation on funding).

We will distribute school leadership to ensure headteachers are supported by peer networks, regional improvement collaboratives, local authority support and the wider school community including pupil and parent councils.

We created the Scottish College for Educational Leadership (SCEL) in order to bring clarity and coherence to educational leadership in Scotland. To ensure that all teachers engage with the most relevant, meaningful and inspiring leadership development, SCEL is developing pathways that include opportunities for teachers, middle leaders, new headteachers, experienced headteachers and system leaders. Notably they are also responsible for the development and delivery of the Into Headship qualification which, further to our recent consultation on Standard for Headship will be required for appointment to the headteacher role from 2020 onwards. There is however a perception that headteachers require additional skills and support in order to fully capitalise on the benefits of a more empowered system. We discuss the future role of SCEL in Section 4.4 of Chapter 4, however the functions which it currently fulfils in relation to provision of educational leadership development is critical in a school and teacher-led system.

We will develop skills for effective school leadership by enhancing the leadership support package to build the capacity and culture for teachers and headteachers to take on their new more empowered role.

We recognise the concerns raised during the Governance Review consultation about the need to continue to attract and retain excellent headteachers. We must do more to support teachers to become headteachers and to ensure it is seen as an attractive and fulfilling career.

We will take specific actions to increase the attraction of school leadership. We will develop a specific recruitment campaign for headteachers building on our Teachers make People campaign.

We will develop a mechanism to identify aspiring headteachers early in their career and develop a programme of professional learning and work experiences to lead them to the Into Headship course – this will provide a fast-track leadership route for talented teachers providing a clear pathway to headship.

Research evidence suggests that formal collaboration between schools and the development of executive headship roles can play a significant role in impacting on student outcomes and supporting school improvement more broadly including by strengthening leadership[73].

We will develop new Executive Heads and Cluster Leaders with partners to strengthen school leadership.

The dilution of educational expertise and leadership at a local authority level was identified by a number of stakeholders during the Governance Review consultation as a key area of concern. We know that leadership needs to be nurtured and modelled and we need to work collectively to ensure we support leadership beyond school level. The regional improvement collaboratives will provide a route for teachers, headteachers and system leaders to collaborate and we will support this leadership pathway.

We will develop a coherent approach to the leadership capacity across the whole system from the classroom to policy level and work with partners to develop a new system leadership role to provide clear progression opportunities and to strengthen educational leadership at all levels in the system.

3.3 Empowering Children, Parents and Communities

Our system is based on trusting the professional judgement of teachers and practitioners but engagement and communication with children and young people, parents and carers is crucial in ensuring that learning at school is supported at home. Children want to have their voice heard in decisions that affect them. Parents can only be partners in their child's education if they are valued as equal partners.

3.3.1 Children and young people

School is a critically important part of children and young people's lives but it is not the only significant part. Consultation with children and young people by the Children's Parliament, Scotland's Commissioner for Children and Young People and Children in Scotland[74] emphasised the importance of understanding the breadth of young people's lives.

Young people talked about balancing school work with commitments like sports, family, friends and volunteering. Children and young people have said that they want their schools and teachers to realise the value of extra-curricular achievements in their education and the pressure that they face in other parts of their life as well as in school. They want schools to be more engaged in the community and to see it as a resource so that they can build their skills and access opportunities.

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73 Chapman, C, and Muijs, D (2013) *Collaborative school turnaround: a study of the impact of school federations on student outcomes.* Leadership and Policy in Schools, 12 (3). pp. 200-226. ISSN 1570-0763. http://eprints.gla.ac.uk/87561/

74 Scottish Government (2017e) *Excite.ED: How to Deliver Excellence and Equity in Scottish Education,* Scottish Government, Edinburgh.

Children also want to play an active role in the running of their school. When children and young people are consulted or involved in decision making it is important that decision makers show that their input is valued and that they can affect change. Finally, children and young people want to have more of a say in the decisions that affect them, both locally and nationally, and they want that input to be valued.

We will strengthen the voice of children and young people by supporting all schools to promote and support pupil participation. As part of this we will consult on a requirement that every school pursues the key principles of pupil participation.

3.3.2 Parents and families

Evidence from the OECD[75] suggests that when parents are fully involved in their child's learning we see better outcomes for children, parents and schools. The international study PISA shows that higher parental engagement is associated with higher performance by their children. We also know that if schools are to improve attainment they need to collaborate with the local community and with local partner organisations[76].

The findings from the Governance Review consultation, public events and discussions with various stakeholders suggest that many parents are well engaged with their child's school and learning, and that they are adequately represented under current arrangements[77].

However, as outlined in Chapter 2, further research indicates that there are socio-economic differences in the levels of engagement, and this view may not represent the opinions of, or contributions from, parents who generally are less likely to engage with schools. The quality action plan for early learning and childcare, due for publication in October 2017, will consider how we can establish parental involvement from the earliest stage in the learner journey by integrating early learning and childcare with the range of family support available.

We also know that parent councils could be supported to play a much stronger role in substantive matters such as school improvement and school policies, and that we could be more innovative to ensure that the wider parent forum are provided with a greater variety of ways to be involved.

We will strengthen parental involvement by consulting on legislative changes to strengthen, expand and improve the Scottish Schools Parental Involvement Act 2006 acting on the National Parent Forum of Scotland's review of the Act.[78] This will:

- **strengthen the duties on schools to ensure that parent councils play a full part in the decision making of schools;**
- **expand relevant aspects of the Act to involve parents from early years settings;**
- **provide a stronger focus on parental engagement in learning within the legislation;**
- **improve and extend the duties on headteachers to engage the entire parent forum; and**
- **include proposals to extend the links between parent councils and pupils.**

Evidence published by PISA[79] shows that, in Scotland, students whose parents are interested in their child's activities at school are more likely to want top grades, less likely to report being dissatisfied with life and less likely to report feeling lonely. However, some parents

75 OECD (2017a) op.cit.

76 OECD (2016) *Governing Education in a Complex World* http://www.oecd.org/edu/governing-education-in-a-complex-world-9789264255364-en.htm

77 Scottish Government (2017b) op.cit

78 National Parent Forum for Scotland (2017) op.cit.

79 OECD (2017a) op.cit.

find it more difficult to engage in their child's learning – some because of practical challenges and others because they feel less confident in engaging. While PISA found that the level of parental engagement in Scotland was higher than OECD average (88% compared to 78%), around 18% of parents reported that their participation at school was hindered by inconvenient meeting times and difficulty of getting off work. In thinking about how best to engage with parents, schools need to recognise the changing reality of home and work. For some people work and family commitments and working patterns make it difficult to physically attend school meetings. Many schools are exploring different ways of communicating with parents and the potential technology offers to allow parents more immediate access to information about their child's learning and this should be welcomed.

In addition to their recommendation on the Scottish Schools (Parental Involvement) Act 2006, the National Parent Forum of Scotland's review[80] looked at how we might improve a wide range of practical matters related to communication with parents, learning at home and home/school partnerships.

We will ensure that every school has access to a home to school link worker to support parents and families who find it challenging to engage in their child's learning and feel excluded from the work and life of their child's school.

We will respond to the other non-legislative recommendations of the National Parent Forum's review in the Autumn.

3.3.3 Communities

Early learning and childcare and schools do not exist in isolation and we recognise that many of the factors which influence a child's outcomes are outside the school gates in the family, the community and society[81]. Schools, however, make a major difference. They make that difference by working with families and communities and recognising the reality of the lives of the children and young people. Many schools are at the heart of their local communities. Improvement planning at school, cluster and regional level should take account of the work of the relevant Community Planning Partnerships. This will enable schools to strengthen their knowledge of, and engagement with, the wider community to achieve collective impact[82]. The contribution of Community Learning and Development (CLD) professionals should also feature as an integral part of local planning, taking account of local authority CLD plans, published through The Requirements for Community Learning and Development (Scotland) Regulations 2013.

We will strengthen parental and community engagement by working with the Scottish Parent Teacher Council to learn from their Partnership Schools initiative to ensure that schools support parents to play an active part in school improvement.

We will strengthen school, parental and community engagement by requiring that every school has a teacher or professional who has responsibility for promoting parental, family and community engagement.

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80 National Parent Forum of Scotland (2017) op.cit.

81 Cummings, C, Dyson, A and Todd, L (2011) *Beyond the School Gates, Can Full Service and Extended Schools Overcome Disadvantage?* Routledge, https://www.routledge.com/Beyond-the-School-Gates-Can-Full-Service-and-Extended-Schools-Overcome/Cummings-Dyson-Todd/p/book/9780415548755

82 Henig, J R, Riehl, C J, Rebell, M A, & Wolff, J R (2015). *Putting collective impact in context: A review of the literature on local cross-sector collaboration to improve education*. New York, NY: Teachers College, Columbia University, Department of Education Policy and Social Analysis http://www.wallacefoundation.org/knowledge-center/Documents/Putting-Collective-Impact-Into-Context.pdf

4. EDUCATIONAL IMPROVEMENT SERVICES TO SUPPORT A SCHOOL AND TEACHER-LED SYSTEM

We need to ensure that there is excellent support in place for schools and early learning and childcare settings in order for them to thrive. Every part of Scottish education has a key part to play in delivering this and should have a collective focus on delivering excellence and equity for our children and young people.

One of the key recommendations from the OECD in their report *Improving Schools in Scotland: An OECD Perspective*[83], called for a strengthened "middle" operating through collaboration across schools, and in and across local authorities. We also know that effective collaboration is an important driver of improvement, and we need to ensure that it is the hallmark of our system.

4.1 Regional improvement collaboratives

Empowered schools will need excellent educational improvement services aligned to the National Improvement Framework and informed by performance data on all aspects of school improvement. These should include curriculum area specialist support and hands-on improvement support when required.

Across Scotland the tailored education improvement support which local authorities are able to provide to schools has significantly reduced over recent years. Understandably resources available have focussed on frontline delivery. In a number of smaller local authorities there is no longer the critical mass to deliver the improvement support which schools need. Many local authorities have moved to a model of education and children's services. This has advantages in bringing staff together from across professional groups to support children and their families. Whilst we recognise the value of this, it is important that there are sufficient numbers of staff with educational expertise and with a dedicated focus on improving educational outcomes within regional teams. Local authorities have identified the benefit of working across boundaries to support improvement. However, these initiatives vary in their nature, scope and maturity and schools in different parts of the country may not yet have felt the benefit of this collaboration.

In Wales, local authorities have been working together in regional consortia arrangements to support school improvement since 2011. We have looked closely at the Welsh model for regional collaboration and have noted the importance of clarity of purpose, leadership and clear accountability.

We will establish regional improvement collaboratives in Scotland to embed collaboration for improvement across all of our schools. The collaboratives will provide an enhanced educational improvement service to support teachers, practitioners and headteachers to deliver excellence and equity in education. These collaboratives will respond to the recommendations, including from the OECD, ICEA and IPPR Scotland, to drive and focus collaboration across our system. This regional approach will involve decentralising some Education Scotland resources to support improvement closer to schools. It will also involve local authorities sharing resource at a regional level to ensure an enhanced improvement capability.

We want an improved offer to all schools with some consistency of role, but we also want to empower schools and communities to shape the regional improvement offer which best meets their needs and to take account of their school improvement plans when developing regional plans and priorities.

83 OECD (2015a) op.cit.

We believe this is the most efficient and effective way to strengthen collaboration to improve education across Scotland, by pooling and strengthening the existing resources and by investing further in systematic improvement.

Regional improvement collaboratives will:

- provide excellent educational improvement support for headteachers, teachers and practitioners through dedicated teams of professionals. These teams will draw on Education Scotland staff, local authority staff and others;
- provide coherent focus across all partners through delivery of an annual regional plan and associated work programme aligned with the National Improvement Framework;
- facilitate collaborative working across the region, including sharing best practice, supporting collaborative networks and pursuing partnership approaches using technology to support this and embedding research informed practice. They will contribute to the work of the national Children and Young People's Collaborative;
- be led by a Regional Director, to be appointed by the Scottish Government and provide a direct line of accountability for the performance of the regional improvement collaboratives to Ministers. The Regional Director will report to the HM Chief Inspector/ Chief Executive of Education Scotland;
- be set up through the creation of a new legislative duty for local authorities to collaborate on specific functions to support their headteachers' duties to raise attainment and close the poverty-related attainment gap which we will consult on in the autumn as part of a new Education Governance Bill; and
- be funded through a combination of decentralising the national resources of Education Scotland and pooling of local government resources to support regional improvement delivery.

To focus the regional offer from Government and the national bodies, we anticipate that Scotland will initially establish up to seven regional improvement collaboratives. However, in ensuring that the regional offer is tailored to local needs, we will work with local professionals, local government and national bodies in defining the detailed regional improvement collaborative geographies and the arrangements for regional improvement models. We are keen to build consensus and partnership in their design, however, we must progress with pace.

As we have set out above, it is our aim to embed and support a culture of collaboration across our education system. The establishment of regional improvement collaboratives will build on the effective partnership working which currently takes place between schools, authorities, national bodies and other partners. It will strengthen the networks, relationships and support that is available to evaluate and share good practice, ensuring that the knowledge and innovation within our system is shared across it.

We will work with partners to ensure that the experience of current and emerging partnership working informs the establishment of regional improvement collaboratives.

4.2 School level – supporting collaboration

Collaboration at a school level is already a strong feature of Scottish education, particularly where schools work in clusters. Many schools and establishments are working collaboratively as are many teachers and practitioners, however, this is not universal. The model of collaborative working differs and the governance structures often make collaboration harder. Where it does take place effectively, it has a demonstrable and positive impact on children and young people.

We will provide a clear vision and framework within which effective school level collaboration can take place. We will work with partners to develop this framework and support development of resources and tools to support collaborative approaches in the classroom. As part of their inspection process Education Scotland will look at how schools and establishments are working collaboratively with others and we will share evidence about what works.

We will support schools and establishments to work together in a learning journey cluster to develop a 3-18 curriculum offer, support transitions and clearly focus on outcomes. We will also support schools and partners in working to support transitions to a positive destination as part of their wider learner journey.

The OECD stressed the importance of creating coherent and cohesive cultures of system-wide collaboration. We know that collaboration can cover a wide range of practice and that not all kinds of professional collaboration are equally effective. We also know that successful collaborative partnerships require local leadership, buy-in and direction, but that without an external prompt and support such collaborative partnerships often struggle. We are clear therefore that action is needed to embed and support effective collaboration at a school level.

Fullan and Munby[84] summarise what factors need to be in place to support effective system-wide school collaboration. These factors, which will inform our approach to collaboration, are:

- a clear focus on outcomes;
- partnerships must be founded on a clearly articulated shared moral purpose;
- transparency, trust and honesty are crucial;
- commitment to and capacity for peer review;
- peer review needs to be carried out within a long term relationship and a commitment to continuously improving practice and systems;
- partnerships must have a plan to move from collaboration to co-responsibility to a position of shared professional accountability;
- partnerships should go beyond school leaders and engage with students, families, teachers and communities; and
- partnerships welcome scrutiny and support from other partnerships as their contribution to a connected local, regional and national system.

We recognise that many teachers and practitioners want to work collaboratively, so we must remove the barriers that prevent this from happening.

We will establish a system of support through the regional improvement collaboratives to encourage and facilitate school improvement partnerships.

The National Improvement Framework will provide the evidence and regional improvement collaboratives will be tasked with supporting schools to identify potential partners. These collaborative partnerships may cross local authority boundaries. The focus will be linking schools which either have a shared challenge or where one school is keen to learn from successful practice in another school. The School Improvement Partnership Programme evaluation (2015)[85] has shown the effectiveness of these kinds of school partnerships in tackling educational inequity.

84 Fullan, M and Munby, S (2016) *Inside-out and downside-up: How leading from the middle has the power to transform education systems* Education Development Trust https://www.educationdevelopmenttrust.com/~/media/EDT/files/News/f-global-dialogue-inside-out-and-downside-up-feb.pdf

85 Chapman, C. Lowden, K. Chestnutt, H. Hall, S. McKinney, S. and Friel, N. (2015) op.cit.

4.3 Local authority level – focussing on world class educational support services

This devolution of power to the school level means that the traditional roles of national and local government will change. Headteachers will be empowered to make high quality decisions to drive up attainment and close the equity gap; putting the needs of children and their families first and helping to build a more open, flexible and dynamic system.

Local government's role and importance is clear. A range of local authority provision, such as Children's Services and Community Learning and Development, have a very important role to play as we continue to improve outcomes for children and families. Local authorities will remain democratically accountable for the provision of early learning and childcare and of schools. Local authorities will focus on delivering excellent educational support services for children and young people – their role will be key in supporting schools and establishments to drive improvement and deliver better outcomes for children.

Local authorities will:

- provide education support services, including: the supply of schools; the provision of denominational and Gaelic medium schools where required; the administration of placing and admissions procedures, including for children with additional support needs (including independent sector where appropriate); planning for future requirements; and securing excellent headteachers for the schools in their area;
- provide HR services for all school staff and respond to HR requests from headteachers;
- be the employer of the education workforce within their schools and local authority early learning and childcare settings;
- support the provision of early learning and childcare delivered by funded providers (in the private and voluntary sector) as well as local authority nurseries in various establishments to maximise its educational benefit to young children;
- appoint headteachers with the appropriate involvement of parent councils;
- be accountable to local communities for the provision of education support services including early learning and childcare in their area;
- appoint a Chief Education Officer as set out in the Education (Scotland) Act 2016 in order to fulfil their responsibilities in relation to education support services;
- have a new duty to collaborate to support improvement on a regional basis;
- be responsible for improvement through their provision of education support services, their regional collaboration and securing leadership in their schools;
- collaborate with other local authorities and national agencies to provide staff (including headteachers and teachers) to work within the regional improvement collaborative;
- ensure that other local authority provision, such as Children's Services, Library and Community Services, Community Learning and Development and third sector partners work effectively with schools and regional improvement collaboratives to provide care and education to children and their families; and
- continue to channel the vast majority of funding for school education, including their role in Attainment Challenge funding, ensuring that public resources allocated for the delivery of education in Scotland are properly accounted for.

4.4 National support for an empowered system

The Governance Review set out that the following organisations were within scope:

- Scottish Government;
- Education Scotland;
- Care Inspectorate (in relation to early years and childcare provision);
- Scottish Social Services Council (in relation to education, early years and childcare provision) (SSSC);
- Scottish Qualifications Authority (SQA);
- General Teaching Council for Scotland (GTCS);
- Scottish College for Educational Leadership (SCEL); and
- Universities providing Initial Teacher Education.

Evidence[86] points strongly to the importance of shared national priorities and a collective achievement so there is a clear line of sight between learning and teaching in the classroom through to school performance and the achievement of wider priorities.

We have a clear, shared and agreed vision for Scottish education: a vision of excellence and equity set out through our National Improvement Framework. This paper sets out our vision and plans for a school and teacher-led system, with a world-class support system in place to deliver on this ambition.

In order to capitalise on our shared vision and to ensure that there is coherence, pace and challenge at a national level, we recognise the need to provide an overarching structure to support the system.

We will establish a Scottish Education Council, chaired by the Deputy First Minister and Cabinet Secretary for Education and Skills, to ensure a system-wide focus on improvement can be delivered.

The role of national bodies including the Scottish Government, is to establish and support this national vision, in such a way that ensures a clear line of sight to the classroom. We are clear that a number of functions in education continue to need to be undertaken at a national level. These are:

- education policy;
- a national framework to support improvement and the curriculum;
- inspection and review of early learning and childcare, school education, educational psychology, community learning and development, children's services and local authorities;
- development, accreditation and awarding of national qualifications;
- national support for professional learning and leadership development for the teaching profession and wider education workforce;
- teacher workforce planning and initial teacher education; and
- terms and conditions of service for teachers, including pay professional standards and registration of teachers.

However, the findings from the Governance Review consultation, public events and discussions with various stakeholders suggest that currently the responsibilities at a national level are not clear and some functions feel too far removed from the classroom[87].

We will clarify and simplify the national landscape.

86 Fullan, M Rincón-Gallardo, S and Hargreaves, A (2015) *Professional Capital as Accountability;* Education policy analysis archives, volume 23 number 15; http://epaa.asu.edu/ojs/article/view/1998/1511

87 Scottish Government (2017b) op.cit

4.4.1 Education policy

The Scottish Government is responsible for setting clear priorities for Scottish education and for setting the national policy context within which the education system operates supported by our national research strategy[88]. While respondents to the Governance Review debated the merits of individual policies no-one suggested that there was no need for a national vision for education or national priorities. The OECD have emphasised the importance of a strategic vision to secure effective delivery of reform. At a national level we must also monitor and evaluate the impact of reform we have set out in this paper, to ensure we are a learning system.

However, an empowered system does suggest a clarified role for national government – for example, empowering teachers and headteachers to make decisions about curriculum content raises questions about the extent to which we can mandate or require certain elements of that curriculum. The freedom for headteachers to choose the staffing mix and management structure within their schools could have implications for the national pupil-teacher ratio. We accept that empowering schools and devolving power also has implications for national government and we will continue to engage with partners, including parents and professional associations on the balance between national priorities and local flexibility.

The Scottish Government will remain responsible for national education policy.

4.4.2 A national framework to support improvement and the curriculum

Within the broad overall vision of achieving excellence and equity the National Improvement Framework is galvanising efforts to align our collective improvement activities across the whole education system, to address our key priorities:

- improvement in attainment, particularly in literacy and numeracy;
- closing the attainment gap between the most and least disadvantaged children;
- improvement in children and young people's health and wellbeing; and
- improvement in employability skills and sustained, positive school leaver destinations for all young people.

Education Scotland is currently responsible for supporting quality and improvement in Scottish Education. Innovations such as the National Improvement Hub have been welcomed. However, the responsibility for improvement needs to be held at all levels of the system and should be a collective responsibility for all. We have set out an enhanced responsibility for improvement at a regional level, designed and driven at local level, to align with the National Improvement Framework. Learning from each of the regional improvement collaboratives will be shared nationally.

4.4.3 Inspection of early learning and childcare and school education

Inspections and reviews are designed to improve outcomes for learners through providing assurance on the quality of education and promoting improvement and innovation to enhance learners experiences. Currently Education Scotland undertakes inspections for all educational establishments including education in early years settings while the Care Inspectorate inspect care and social care settings. Education Scotland and the Care Inspectorate undertake joint inspections where an establishment is providing care and education for example early learning provision or schools with residential accommodation.

88 Scottish Government (2017f) *A research strategy for Scottish Education* http://www.gov.scot/Publications/2017/04/8907

The need to ensure both consistency of standards and oversight of the best educational practice across Scotland indicates that inspection should remain a national function. In order to ensure inspection is seen as part of the improvement cycle, rather than as a quality assurance audit, it is important that the inspection and improvement functions remain together at a national level in Education Scotland.

Some establishments are subject to inspection by both the Care Inspectorate and Education Scotland and while both Inspectorates have adopted a more joined up approach to inspection, respondents to the Governance Review reported that the current process is unsatisfactory, overly bureaucratic and can lead to confusion for parents[89]. We believe that there is more that can be done to bring these two inspection processes more closely together.

Education Scotland and the Care Inspectorate will further enhance their single shared inspection model for early learning and childcare and ensure that an institution will only be subject to a single inspection per cycle.

4.4.4 Development, accreditation and award of national qualifications

Scottish Qualifications Authority (SQA) is the national body in Scotland responsible under statute for the development, accreditation, assessment and certification of qualifications. Whilst respecting SQA's independent responsibility for delivering these core functions, we expect SQA to have in place appropriate and robust processes to ensure accuracy, and for consulting and engaging with a wide range of stakeholders.

We will make clear our expectations of SQA on the importance of listening, and being open to, the voices of learners, teachers and parents. We will ensure that the Chair regularly reports to Ministers on the improvements being made in relation to these matters. We will request that SQA outline in their annual corporate plan their strategic communications and engagement plans.

4.4.5 Pay, workforce planning and initial teacher education

Many respondents to the Governance Review consultation cited the importance of the Scottish Negotiating Committee for Teachers (SNCT) which is the tripartite body comprising members from teaching organisations, local authorities, and the Scottish Government with responsibility for agreeing pay and terms and conditions for teachers[90]. The 2001 teachers' agreement, *A Teaching Profession for the 21st Century*[91], introduced a new negotiating framework for teachers' pay and conditions of service and this is supported by the SNCT. As we made clear during the Governance Review consultation, we remain committed to national terms and conditions of service including pay.

We remain committed to national terms and conditions of service including pay.

89 Scottish Government (2017b) op.cit

90 Scottish Government (2017b) op.cit

91 Scottish Government (2006) *A Teaching Profession for the 21st Century: Agreement reached following recommendations made in the McCrone Report.* http://www.gov.scot/Resource/Doc/158413/0042924.pdf

The Scottish Government undertakes an annual teacher workforce planning exercise each autumn to estimate how many student teachers should be enrolled by the relevant universities in the following year to ensure that we maintain an adequate supply of teachers to meet local authorities' and schools' requirements. This process is led by the Scottish Government supported by the national Teacher Workforce Planning Advisory Group comprising:

- Convention of Scottish Local Authorities (COSLA);
- Professional Associations;
- Headteacher organisations;
- Scottish Funding Council;
- General Teaching Council for Scotland (GTCS);
- Education Scotland;
- Universities providing Initial Teacher Education;
- Universities Scotland; and
- Association of Directors of Education in Scotland (ADES).

In recent years the process has been supplemented by more detailed local information and this has strengthened confidence in the workforce planning process. We will build on this approach in the future strengthening local input and continue to work with the national Teacher Workforce Planning Advisory Group.

Workforce planning will continue to be undertaken at a national level but with an enhanced role for local authorities and regional improvement collaboratives to ensure that national planning reflects local need.

4.4.6 Professional standards and registration of teachers and wider education workforce

One of the strengths of our education system is that we have national teacher professional standards underpinned by a national registration scheme which ensures the high quality of our teaching profession. We remain absolutely committed to these safeguards. It is right that we have a national system to determine who has the skills and expertise to work with our children and young people but that system also needs to be flexible and prompt in dealing with requests so that qualified, high-quality teachers are able to get into classrooms as quickly as possible.

It is also important that we have a system to identify people who should not be working with children and to address issues of competence. Procedures for dealing with competence investigations in relation to professional standards need to be robust and operate at a faster pace where possible. Professional Update where teachers demonstrate that they are continuing to meet the professional standards needs to have more impact on improving teachers' knowledge, skills and competences.

We support a professional workforce and recognise that there are many professionals, such as education support staff and Community Learning and Development (CLD) professionals, who play a key role in educating our children and supporting our teachers. Currently, not all of these professionals are part of a national registration scheme.

We will therefore consult on establishing an Education Workforce Council for Scotland which will take on the responsibilities of the GTCS, the Community Learning and Development Standards Council and register other education professionals. The full scope of the functions to be undertaken by this body will be included in our consultation on our Education Bill in autumn 2017.

4.4.7 National support for professional learning and leadership development

Currently the support for professional learning and leadership development of teachers rests with a number of different national bodies. Education Scotland has core responsibility for professional learning as set out in their Framework document. The Scottish College for Educational Leadership (SCEL) has responsibility for leadership development and the GTCS has brought together professional associations and other partners to develop a professional learning framework. In order to simplify the landscape and provide clarity to teachers, we believe that one national government agency should have responsibility for national support for professional learning and leadership. The improved regional organisation of Education Scotland, as outlined earlier in this paper, will mean that they are best placed to co-ordinate hands-on professional learning and leadership development to teachers in line with a focus on developing methods of improvement that work for local circumstances.

We will simplify the national support for professional learning and leadership development by placing these functions in a renewed and revitalised Education Scotland.

Education Scotland will have a significantly enhanced role and purpose going forward, with a strengthened inspection and improvement function. We do not accept the calls for these functions to be split; inspection remains a crucial tool that supports the system-wide goal of continuous improvement. Education Scotland will have a renewed focus on professional learning and leadership, providing clarity and coherence to the national landscape. Delivery via the new regional improvement collaboratives will mean that hands on advice, support and guidance can flow directly to schools to support improvement.

The table below sets out a comparison of which national bodies are responsible to which function now and how they will look in the future.

Function at national level	Body currently responsible	Body to be responsible in future
Education policy	Scottish Government Education Scotland (for community learning, adult learning and youth work)	Scottish Government
Inspection/Scrutiny	Education Scotland Care Inspectorate	Education Scotland Care Inspectorate
Improvement/ Curriculum Support	Education Scotland	Education Scotland
National qualifications	Scottish Qualifications Authority	Scottish Qualifications Authority
Professional learning	General Teaching Council for Scotland Education Scotland Scottish College for Educational Leadership Universities	Led by Education Scotland, supported by providers including Universities

Function at national level	Body currently responsible	Body to be responsible in future
Leadership development	Scottish College for Educational Leadership Universities General Teaching Council for Scotland Education Scotland	Education Scotland
Initial teacher Education	Aberdeen Dundee Edinburgh Glasgow Strathclyde University of the West of Scotland University of the Highlands and Islands Stirling Royal Conservatoire	Aberdeen Dundee Edinburgh Glasgow Strathclyde University of the West of Scotland University of the Highlands and Islands Stirling Royal Conservatoire Other routes into teaching and other providers as required
Initial teacher Education accreditation	General Teaching Council for Scotland (accreditation of ITE)	Education Workforce Council
Workforce Planning	Scottish Government in close collaboration with COSLA Professional Associations Headteacher organisations Scottish Funding Council General Teaching Council for Scotland Education Scotland Universities providing ITE Universities Scotland Association of Directors of Education in Scotland	Scottish Government in close collaboration with COSLA Professional Associations Headteacher organisations Scottish Funding Council Education Workforce Council Education Scotland Universities providing ITE Universities Scotland Association of Directors of Education in Scotland
Terms and conditions	Scottish Negotiating Committee for Teachers	Scottish Negotiating Committee for Teachers
Professional standards, regulations and registration	General Teaching Council for Scotland Scottish Social Services Council	Education Workforce Council Scottish Social Services Council

4.5 Fair Funding for an Empowered System

The transformation of education governance outlined in this paper needs to be supported by a fair and transparent funding system that puts schools at the heart of decision making.

There are broadly three approaches to funding that could support our vision for a school and teacher-led system.

A Fixed National Funding Formula

In recent years, many education systems have moved towards decentralisation of school funding through the use of funding formulas.

Under this approach, money for education in Scotland (or relevant parts of the education system) would be ring-fenced and go directly to schools, via the local authority. The total amount of money available to schools in an individual local authority could be calculated from the top down, determined by the current local government distribution calculation mechanism, or from the bottom up, based on the characteristics of the school population in that authority.

Allocations could be determined on a unit cost per child basis by a broad range of input variables and criteria, such as deprivation, rurality, etc. Alternatively, they could be determined by providing a school allocation based on pupil numbers and historic spend, supplemented by additional funds reflecting particular needs. The services currently provided for and funded centrally by local authorities, for example additional support needs and capital spending, could either be included within that formula, or excluded from it. Portions of funding would be allocated directly to clusters and regions to support collaborative working and maximise the use of resources.

While the OECD[92] have found that a "*well designed funding formula can be the most efficient, stable and transparent method of funding schools",* there is little direct evidence at present about the role and success of funding formulas in driving improved educational outcomes. In addition, moving towards a national funding formula could introduce unacceptable instability and inflexibility into education funding. We do not therefore intend to proceed with consulting on a fixed national funding formula.

As highlighted in Chapter 2, the Accounts Commission[93] suggests that it is how local authorities decide to spend their education budget, rather than the overall level of spending, which has most impact on attainment. The review of literature suggests that the impact of funding on attainment could be more significant if it was targeted at those schools and pupils where the need to improve attainment was greatest. A Centre for Economic Performance Paper[94] similarly found that *"increases in resourcing are usually more effective for disadvantaged pupils and/or schools".* With this in mind, we are consulting on two possible approaches to funding, alongside this paper.

A national approach to devolved funding within the new "Headteachers' Charter"

This paper sets out our intention to legislate to create a Headteachers' Charter which will define across Scotland the leadership responsibilities of headteachers. The Charter could also provide for a Scotland-wide approach to funding. Set out in legislation, such an approach could build on best practice, bring consistency to the way local authorities fund schools while allowing some degree of flexibility in decision making to reflect local circumstances, and ensure maximum devolution to headteachers. It could also set out clearly where responsibilities for funding are held and shared.

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92 OECD, (2012) *Equity and Quality in Education: Supporting Disadvantaged Students and Schools.* https://www.oecd.org/education/school/50293148.pdf

93 The Accounts Commission (2014) op.cit.

94 Gibbons, S and McNally, S (2013) *The Effects of Resources Across School Phases: A Summary of Recent Evidence, Centre for Economic Performance Discussion Paper No. 1226.*

Increased targeting of elements of funding, building on the approach taken to Pupil Equity Funding (PEF)

Through the establishment of the Pupil Equity Fund, we are already ensuring that more money to tackle attainment is going directly to schools, with headteachers having discretion over how that money is spent. An alternative to a national approach to devolved funding within the Headteachers' Charter – or that could be used in conjunction with the Charter – would be to build on and further embed this approach so that more funding would be targeted directly to schools in relation to specific additional need factors and for specific purposes.

We propose to develop an approach to funding that truly empowers schools, and provides the framework of support which schools need, based on the outcome of the consultation.

5. DELIVERING AN EMPOWERED SYSTEM – THE NEXT STEPS

5.1 Delivering changes over the short, medium and longer term

We have set out a clear vision for education, one which is led by teachers and schools, where collaboration is key to driving improvement, and where all children and young people are able to reach their potential. In the previous chapters, we have set out a number of actions which we believe are necessary to deliver this, and in practice, this will lead to a number of changes for everyone involved in education. A number of these changes will require legislative change. Whilst national Government has a role to play in directing and supporting many of these changes, it is clear that collective and shared effort will be required from all partners if the system is to be open, responsive and dynamic. However, we are clear that this work must begin now.

In the short term, our focus will therefore be to engage with teachers and practitioners, with parents, children and young people, and with all partners involved currently in the delivery of education, to take these changes forward. Work will begin immediately to ensure that enhanced improvement services are available to teachers and practitioners as early as possible, and so that when the legislation and structural changes are in place, this support is widely available to schools and functioning well.

Specific priorities in the short term will include:

- Commencing appointment **in summer 2017** of a substantive Chief Executive in for a strengthened Education Scotland, with the appointment of Regional Directors, to follow thereafter.
- Working in partnership with local authorities and partners to develop the shape and composition of the regional improvement collaboratives. We will ensure that the experience of current and emerging partnership working informs the establishment of regional improvement collaboratives.
- Strengthening of parental involvement and parental and community engagement, consulting on legislative changes to strengthen, expand and improve the Scottish Schools (Parental Involvement) Act 2006. We will consult on these changes as part of our consultation on our Education Bill in **autumn 2017**.
- Strengthening parental and community engagement by working with the Scottish Parent Teacher Council **over the next year** to learn from their Partnership Schools initiative to ensure that schools support parents to play an active part in school improvement.
- Strengthening the voice of children and young people by supporting all schools to promote and support pupil participation, consulting on a requirement that every school pursues the key principles of pupil participation. This will be included in our consultation on our Education Bill in **autumn 2017**.
- Consulting on an approach to fair funding, as set out in *Education Governance – Fair Funding to achieve Excellence and Equity in Education,* published alongside this document.
- Developing the Headteachers' charter and consulting on a proposed approach to the legislation to underpin this, in time for the introduction of an Education Bill by **June 2018**.
- Beginning work from **June 2017** on transferring relevant functions from national bodies, ensuring that there is continued stability for schools, children and young people during this period. This will include national support for professional learning and leadership development which will become part of Education Scotland.

- Establishing a Scottish Education Council by **October 2017**, chaired by the Deputy First Minister and Cabinet Secretary for Education and Skills, to ensure a system-wide focus on improvement can be delivered.
- Consulting on establishing an Education Workforce Council for Scotland which will take on the responsibilities of the GTCS, the Community Learning and Development Standards Council and register other education professionals. The full scope of the functions to be undertaken by this body will be included in our consultation on our Education Bill in **autumn 2017**.
- Working with the wider school workforce to introduce professional standards for these staff. We will start this work from **September 2017** onwards.
- Making clear our expectations by **early autumn 2017** of the SQA, including the importance of listening and being open to the voices of learners, teachers and parents. We will ensure that the Chair regularly reports to Ministers on the improvements being made in relation to these matters. We will request that SQA outline in their annual corporate plan their strategic communications and engagement plans.
- Working with our partners, and particularly the profession, to establish new career pathways for teachers allowing greater opportunities for development and progression into leadership, specialist or improvement roles. We will start these discussions in **September 2017**.
- Enhancing the leadership support package to build the capacity and culture for teachers and headteachers to take on their new more empowered roles. This is an ongoing commitment but one we will start working on from **August 2017**.

In the medium to longer term, we will embed these changes, ensuring that capacity is built and developed across the system, to ensure schools and teachers are fully empowered to take on their new role. Specific actions across the medium to longer term will include:

- Developing a specific recruitment campaign for headteachers building on the Teachers make People campaign in **spring 2018**.
- Developing a mechanism by **end of 2018** to identify aspirant headteachers early in their career and develop a programme of professional learning and work experiences to lead them to the Into Headship course – this will provide a fast-track leadership route for talented teachers providing a clear pathway to headship.
- Developing by the **end of 2018** new Executive Consultant Head and Cluster Leader roles with partners to strengthen school leadership.
- Developing by the **end of 2018** a new Systems Leadership role to provide clear progression opportunities and to strengthen educational leadership at all levels in the system.
- Ensuring by **2019** that every school has access to a home to school link worker to support parents and families who find it challenging to engage in their child's learning and feel excluded from the work and life of their child's school.
- We will strengthen school, parental and community engagement by requiring from **2019** that every school has a teacher or professional who has responsibility for promoting parental, family and community engagement.
- Working with Education Scotland and the Care Inspectorate to develop by the **end of 2018** a single shared inspection model for early learning and childcare and a commitment that each institution will only be subject to a single inspection per cycle.
- Developing an approach to funding that truly empowers schools, and provides the framework of support which schools need, based on the outcome of the consultation. We are launching our consultation on funding today and will set out our proposals by **summer 2018**.

5.2 What the system will look like in practice

As we have made clear, and based on international evidence of what works, we want our system to be open, responsive and dynamic. We accept that if we are to achieve that, and empower our schools, parents and communities, we cannot prescribe exactly how the system will look. We are clear, however, on how our system should feel and work for every person and at every level of the system. The table below sets out our expectations.

Children and Young People	• Realising their potential, being placed at the centre of learning • Successful, confident, responsible and resilient young people equipped for future success in learning, life and work • Closing the attainment gap with no pattern between living in poverty and lower attainment • Giving every child from lowest to highest performing the chance to do even better • Every child's needs met with all services in the school and community working together well • Giving children and young people a greater say in school decisions which affect them through enhanced participation • Supporting children with additional support needs with expertise at a regional level
Parents	• Engaging in their own child's learning and to understand their child's progress • Making decisions as equal partners with teachers on what is in the best interest for each child • Empowering Parent Councils to play a full role in school governance • Helping schools work in partnership with the parent community to shape and steer matters such as school improvement • Supporting parental and community engagement with new roles within the teaching profession and education workforce

Teachers	• Being the leaders of learning in their classrooms
	• Helping develop new career pathways allowing greater opportunities for career development and progression into leadership, specialist or improvement roles
	• Being supported by streamlined professional learning so that there is a coherent learning offer to teachers
	• Using professional autonomy to lead learning
	• Engaging in a refreshed and re-energised profession
	• Being supported by a renewed "offer" from Government to teachers, including:
	  • new career pathways into leadership, specialist or improvement roles
	  • improvement of ITE and professional learning
	  • professional learning expanded and available at regional level
	• Enhancing support from all levels of the system including:
	  • hands on, highly credible support from regional improvement collaboratives
	  • increasing peer-to-peer and school-to-school support focussed on the core business of improving teaching and learning
	  • support is increasingly about collaborative working rather than paperwork or written guidance

Headteachers and Schools	• Being the leaders of learning in their schools • Being supported through a revolutionised offer of support and improvement • Raising attainment and closing the poverty-related attainment gap • Delivering quality and improvement at school level • Selecting and managing the teachers and staff in their school • Deciding school management and staffing structure, including business managers • Deciding curriculum content and offer • Working with partners to meet learners' additional support needs at school level • Collaborating for school improvement at school, cluster and regional level • Leading self-evaluation and improvement of school performance • Monitoring school progress and reporting • Managing defined and greater proportions of school funding (this will be part of the accompanying consultation on funding)

School Clusters	• Connecting early years, primary and secondary schools around a learning cluster. Providing dedicated resource to support transitions • Ensuring learning clusters are supported by a senior leader within each cluster • Empowering headteachers to share resources and staffing to meet the needs of children across the learning cluster • Working together and with other public services and the third sector to provide family learning and support for children and families beyond the traditional school day
Local Government	• Providing education support services, including: the supply of schools; the provision of denominational and Gaelic-medium schools where required; the administration of placing and admissions procedures, including for children with additional support needs (including independent sector where appropriate); such as HR functions; planning for future requirements; and securing excellent headteachers for the schools in their area • Providing HR services for all school staff and respond to HR requests from headteachers • Being the employer of the education workforce within their schools and local authority early learning and childcare settings • Supporting the provision of early learning and childcare delivered by funded providers (in the private and voluntary sector) as well as local authority nurseries in various establishments to maximise its educational benefit to young children • Appointing headteachers • Being accountable to local communities for the provision of education support services including early learning and childcare in their area • Appointing a Chief Education Officer as set out in the Education (Scotland) Act 2016 in order to fulfil their responsibilities in relation to education support services • Having a new duty to collaborate to support improvement on a regional basis • Being responsible for improvement through their provision of education support services, their regional collaboration and securing leadership in their schools • Collaborating with other local authorities and national agencies to provide staff (including headteachers and teachers) to work within the regional improvement collaborative • Ensuring that other local authority provision, such as Children's Services and Library and Community Services work effectively with schools and regional improvement collaboratives to provide care and education to children and their families

Regional improvement collaboratives	• Providing a relentless focus on improvement and closing the attainment gap • Identifying and reporting on regional educational priorities with regional plans under the National Improvement Framework • Providing dedicated teams with sole focus on supporting collaboration and improving standards in all schools in the region • Providing professional learning • Providing clear accountability with Regional Directors reporting to the Chief Executive, Education Scotland
Inspectorates	• Supporting the new system with increased frequency of inspection – a new framework provided clarifying expectations on inspection and reporting. A single shared inspection model for early education and childcare
Scottish Government	• Providing strategic vision and national leadership of education • Providing accountability for national education bodies • Providing national standards and national priorities for education through the National Improvement Plan • Funding education • Recommending legislation to Parliament • Providing accountability for the performance of the regional improvement collaboratives • Providing accountability to Parliament for the performance of the overall system

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Further useful links

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Care Inspectorate – http://www.careinspectorate.com/

Convention of Scottish Local Authorities (COSLA) – http://www.cosla.gov.uk/

Education Scotland – https://education.gov.scot/

Education Scotland – Curriculum for Excellence – https://education.gov.scot/scottish-education-system/policy-for-scottish-education/policy-drivers/cfe-(building-from-the-statement-appendix-incl-btc1-5)/What%20is%20Curriculum%20for%20Excellence

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Scottish Government – Getting it Right For Every Child – http://www.gov.scot/Topics/People/Young-People/gettingitright/what-is-girfec

Scottish Government – International Council of Education Advisors – http://www.gov.scot/Topics/Education/Schools/govscot

Scottish Government – National Improvement Framework – http://www.gov.scot/Topics/Education/Schools/NationalImprovementFramework

Scottish Government – Pupil Equity Fund – http://www.gov.scot/Topics/Education/Schools/Raisingeducationalattainment/pupilequityfund

Scottish Government – Scottish Survey of Literacy and Numeracy (SSLN) – www.gov.scot/ssln

Scottish Government – The Scottish Attainment Challenge – http://www.gov.scot/Topics/Education/Schools/Raisingeducationalattainment/

Scottish Qualifications Authority (SQA) – http://www.sqa.org.uk/

Scottish Social Services Council (SSSC) – http://www.sssc.uk.com/

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APPENDIX 2

EDUCATION GOVERNANCE
FAIR FUNDING TO ACHIEVE EXCELLENCE AND EQUITY IN EDUCATION
A consultation

TheScottishGovernment
@ScotGov
www.gov.scot

Smarter Scotland
Scottish Government

EDUCATION GOVERNANCE

FAIR FUNDING TO ACHIEVE EXCELLENCE AND EQUITY IN EDUCATION

A consultation

Edinburgh 2017

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FOREWORD BY THE DEPUTY FIRST MINISTER AND CABINET SECRETARY FOR EDUCATION AND SKILLS

Improving the education and life chances of our children and young people is the defining mission of this Government. Our vision for education is to close the unacceptable gap in attainment between our most and least disadvantaged children and to raise attainment for all.

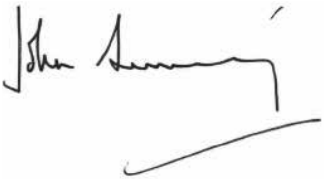
I believe that decisions about a child's learning should be made as close to that child as possible, and that decisions about a child's needs and how to meet them should be made by those around the child. This is a vision of empowerment and devolution – devolution from local authorities to schools – to include teachers, headteachers, parents and communities – and devolution from a national to a local or a regional level.

The Government's plans for realising this vision are set out in *Education Governance: Next Steps – Empowering Our Teachers, Parents and Communities to Deliver Excellence and Equity for Our Children*, published alongside this consultation. That paper sets out how we will ensure that Scotland's education system allows children to achieve their full potential, whatever their strengths and background. However, we are clear that, in order to deliver this transformational change, our education system must be underpinned by fair and transparent funding that puts schools at the heart of decision-making. The way we fund schools needs to recognise the crucial role of the school and support the collaborative and flexible culture we are seeking to develop.

Education represents the single largest component of local authority spending, with 45% of local authority budgets directed towards the provision and delivery of education, and gross expenditure totalling around £5 billion per year.

In its 2014 report, *School Education,* the Accounts Commission suggested that it is *how* local authorities decide to spend their education budget, rather than the overall level of spending, which has most impact on attainment levels. Importantly, that report also concluded that the impact of funding on attainment could be more significant if it was targeted at those schools and pupils where the need to improve attainment was greatest.

How we fund education in Scotland has an important role to play in helping to achieve our aims. Through this consultation, I want to hear your views on how we can best use the resources we have available to deliver the best possible outcomes for all our children and young people.



John Swinney MSP
Deputy First Minister and
Cabinet Secretary for Education and Skills

ABOUT THIS CONSULTATION

This consultation seeks views on the Scottish Government's future approach to school funding.

The consultation invites views on the way education is currently funded in Scotland, the purpose of developing a new, more consistent approach to school funding, and the principles that should underpin any changes. It also sets out and seeks views on possible future approaches.

This consultation does not advocate a preferred Scottish Government approach. We want to hear your views as we develop options further.

Responding to this consultation

We are inviting responses to this consultation by **Friday 13 October 2017**. Please respond using the Scottish Government's consultation platform, Citizen Space. You can view and respond to the consultation online at: https://consult.scotland.gov.uk/empowering-schools/education-governance-fair-funding. You can save and return to your responses while the consultation is still open. Please ensure that consultation responses are submitted before the closing date of **Friday 13 October**.

If you are unable to respond online, please complete the Respondent Information Form (see 'Handling your Response' below) and send to:

email: FairFunding@gov.scot

or write to us at:

Empowering Schools Unit
Scottish Government
2A – South
Victoria Quay
Edinburgh
EH6 6QQ

Handling your response

If you respond using Citizen Space (http://consult.scotland.gov.uk/), you will be directed to the Respondent Information Form. Please indicate how you wish your response to be handled and, in particular, whether you are happy for your response to be published.

If you are unable to respond via Citizen Space, please complete and return the Respondent Information Form included in this document. If you ask for your response not to be published, we will regard it as confidential, and we will treat it accordingly.

All respondents should be aware that the Scottish Government is subject to the Freedom of Information (Scotland) Act 2002 and would therefore have to consider any request made to it under the Act for information relating to responses made to this consultation exercise.

Next steps

Where respondents have given permission for their response to be made public, and after we have checked that they contain no potentially defamatory material, responses will be made available to the public at http://consult.scotland.gov.uk. If you use Citizen Space to respond, you will receive a copy of your response via email.

Following the closing date, all responses will be analysed and considered, along with other available evidence, to help us shape future proposals for the funding of Scotland's schools.

EXECUTIVE SUMMARY

This consultation seeks views on the Scottish Government's future approach to school funding.

Education Governance: Next Steps – Empowering Our Teachers, Parents and Communities to Deliver Excellence and Equity for Our Children (Next Steps)[1], published alongside this consultation, sets out our vision for a school and teacher-led system, where decisions about learning and teaching rest at school level. The way schools are funded needs to support that vision.

The consultation invites views on: the way school education is currently funded in Scotland, including early years provision within school settings; the purpose of developing a new, more consistent approach to school funding; and the principles that should underpin any changes. It also sets out and seeks views on possible future funding approaches to support our vision of excellence and equity for all children and young people across Scottish education.

Chapter 1 sets out why we are reviewing school funding, and the scope of this consultation.

Effective governance needs to be supported by a fair and transparent funding system that puts children and young people at the heart of decision-making. It is right that, as part of our whole-system governance review, we ask whether current practice could be improved, and funding more targeted to where it is needed the most.

As set out in *Next Steps*, the Scottish Government does not intend to develop a fixed national funding formula. There is little direct evidence at present about the role and success of funding formulas in driving improved educational outcomes. In addition, moving towards a national funding formula could introduce unacceptable instability and inflexibility to education funding.

Funding can have an important role to play in achieving positive outcomes and supporting equity. The development of a fair, more consistent, transparent and targeted method of allocating funding could provide a way to address current equity issues within the system.

This consultation seeks views on two possible approaches to achieving that aim.

Chapter 2 describes the current system of funding for schools. While there are a series of defined and publicly available methodologies for allocating money from the Scottish Government to local authorities, largely through the local government finance settlement, there is no single transparent approach to allocating money from local authority to education, and then to school level.

Education represents the largest single part of local government spending, accounting for around 45% of general fund net revenue expenditure in 2015-16. Total gross expenditure on education was £4.9 billion, with over two-thirds of primary, secondary and special school expenditure on staffing, (53% spent on teachers and 15% on non-teaching staff). Support services account for 4% and 'all other expenditure' the remaining 28%.

This chapter also describes the original aims of, and current practice in relation to, Devolved School Management in Scotland.

1 Scottish Government (2017) *Education Governance: Next Steps – Empowering Our Teachers, Parents and Communities to Deliver Excellence and Equity for Our Children* http://www.gov.scot/Topics/Education/thegovernancereview

Chapter 3 considers the challenges presented by the way schools are currently funded, and concludes that the current system of funding schools falls some way short of meeting the Scottish Government's aims and principles for any future approach to funding. This chapter highlights, in particular the following issues, and seeks views on how funding could be better targeted to support excellence and equity for all:

- wide variation in the amount of spending per pupil between local authorities;
- relatively little targeting of funding on the basis of particular needs;
- considerable variation between local authorities in the influence headteachers have on spending decisions; and
- lack of transparency regarding the method of calculation and level of school budgets.

In light of these issues, and to reflect the vision of a school and teacher-led system set out in *Next Steps*, **Chapter 4** describes and seeks views on two possible approaches to funding in the future.

Next Steps sets out the Scottish Government's intention to legislate to create a Headteachers' Charter which will define across Scotland headteacher leadership responsibilities. The Charter could incorporate within it a standardised Scotland-wide approach to funding allocation, devolving the maximum amount of funding to schools.

An alternative approach – or one that could be used in conjunction with the approach set out above – would be to build on the approach currently being taken in relation to Pupil Equity Funding. Under this approach, more funding would be targeted directly to schools in relation to specific need factors.

The consultation also seeks views on the support, accountability and reporting mechanisms that should underpin greater devolution of responsibility for funding decisions to headteachers.

Conclusion

This consultation is your opportunity to shape how schools are funded in Scotland. The deadline for responses is **Friday 13 October 2017**.

INTRODUCTION

Improving the education and life chances of our children and young people is the defining mission of this Government.

The National Improvement Framework set out the Scottish Government's vision for excellence and equity for all children and young people across Scottish education:

- **Excellence through raising attainment**: ensuring that every child achieves the highest standards in literacy and numeracy, set out within Curriculum for Excellence levels, and the right range of skills, qualifications and achievements to allow them to succeed; and
- **Achieving equity**: ensuring every child has the same opportunity to succeed, with a particular focus on closing the poverty related attainment gap.

Scotland has a good education system which is delivering well for a great many young people in Scotland. In 2016 the number of Advanced Higher passes reached a record high, while the number of Higher passes was second only to the 2015 record[2]. A record proportion of young people from Scotland's most deprived communities went into a positive initial destination in 2015-16 – 88.7%, up from 83.9% in 2011-12[3].

While current evidence shows our system has many strengths, there are areas where we must improve performance. The majority of young people are performing well, but the current system is not maximising education outcomes for all, with the circumstances of a child's life still having a disproportionate impact on their chance of success. The Scottish Survey of Literacy and Numeracy (SSLN) data published in May 2017[4] showed the size of the deprivation related performance gap in literacy has not changed since 2012 and, coupled with the Programme for International Student Assessment (PISA) statistics published in December 2016[5], makes the case for education reform clear.

This Government has been taking strong and decisive action to address the weaknesses in the system by providing teachers and schools with the tools they need to deliver excellence and equity for all children and young people across Scottish Education. This action includes the Scottish Attainment Challenge funding, which is a key part of our work focussed on tackling the poverty related attainment gap. Over the lifetime of this Parliament, we will target £750 million at the children, schools and communities most in need, with £120 million per annum going directly to schools. We have listened to teachers and have significantly streamlined the volume of advice regarding the Curriculum for Excellence. Through changes to the National Qualifications, we are reducing bureaucracy and workload by reducing the burden of assessment, both on teachers and on young people. We are also increasing investment and support in the early years through the significant expansion of early learning and childcare.

2 SQA (2016) *Attainment Statistics (August)*. https://www.sqa.org.uk/sqa/files_ccc/2016-sqa-attainment-summary.pdf

3 Scottish Government (2016) *Summary statistics for attainment, leaver destinations and healthy living*, No.6: 2016 Edition. http://www.gov.scot/Publications/2016/06/4523

4 Scottish Government (2017 c) *Scottish Survey of Literacy and Numeracy 2016 (Literacy)* http://www.gov.scot/Publications/2017/05/7872

5 Scottish Government (2015) *Programme for International Student Assessment (PISA) 2015: Highlights from Scotland's Results* http://www.gov.scot/Resource/0051/00511095.pdf

We have an unwavering focus on improving Scotland's education system for every child and we will continue to make the changes necessary to strengthen Scottish education. This consultation forms part of our review of education governance and is central to our aim of empowering our teachers, schools and communities to deliver the necessary changes in our education system. *Education Governance: Next Steps – Empowering Our Teachers, Parents and Communities to Deliver Excellence and Equity for Our Children*[6], published alongside this consultation, sets out how we will reform Scottish Education to realise our ambition of excellence and equity for all.

With current education spending worth £4.9 billion in 2015-16, it is clear that now is the right time to ask whether the current funding system could be improved and whether resources are being directed to where they are needed most.

The consultation invites views on how schools are funded and how the current equity issues within the system could be addressed to support our vision of excellence and equity for all children and young people across Scotland.

6 Scottish Government (2017) *Education Governance: Next Steps - Empowering Our Teachers, Parents, and Communities to Deliver Excellence and Equity for Our Children* http://www.gov.scot/Topics/Education/thegovernancereview

1. WHY REVIEW SCHOOL FUNDING?

1.1 The Governance Review

The Scottish Government's Education Governance Review *Empowering Teachers, Parents and Communities to Achieve Excellence and Equity in education: A Governance Review*[7] was launched in September 2016. It sought views on the way education in Scotland should be run, and the principles that should inform our approach to fair funding for schools. Putting the relationship between pupils and teachers at its heart, its aim was to systematically consider and question how each part of the education system – from early learning and childcare provision, through to secondary school education – can support our vision of excellence and equity in education.

Following 16 weeks of engagement and consultation, the Governance Review closed on 6 January 2017. Over 1,000 parents, teachers, members of the public and organisations submitted formal written responses to the consultation and almost 700 people took part in the public engagement sessions across Scotland. All of those responses have been analysed, and are published alongside *Next Steps* and this consultation. In addition, we asked Children in Scotland, Young Scot and the Scottish Youth Parliament to ensure that the voices of children and young people were heard. In parallel with the Governance Review, the National Parent Forum undertook a review of the Scottish Schools Parental Involvement Act 2006. We have also drawn on evidence from the Organisation for Economic Co-operation and Development (OECD), the International Council of Education Advisers (ICEA) and international evidence to inform the way forward.

A consultation on the expansion of Early Learning and Childcare (ELC) ran between October 2016 and January 2017. This covered a range of key policy areas, including funding models. The Scottish Government set out its response to the ELC consultation on 23 March 2017 in *A Blueprint for 2020: The Expansion of Early Learning and Childcare in Scotland 2017-18 Action Plan*[8].

1.2 Education Governance: Next Steps – Empowering Our Teachers, Parents and Communities to Deliver Excellence and Equity for Our Children

The Scottish Government believes that teachers and practitioners are best placed to work with communities and parents to drive educational improvement. The organising system of education must be focussed on providing the best framework for them to do so. That framework must in turn be supported by building capacity for improvement in the system, a culture of leadership and collaboration and strong accountability.

Grouped around five main themes, *Next Steps* sets out specific proposals for reform in order to create an education system that:

- is centred around children and young people;
- is school and teacher-led;
- focusses on the quality of teaching and learning;
- supports leadership; and
- has a relentless focus on improvement.

7 Scottish Government (2016) *Empowering Teachers, Parents and Communities to Achieve Excellence and Equity in education: A Governance Review* http://www.gov.scot/Publications/2016/09/1251

8 Scottish Government (2017) *A Blueprint for 2020: The Expansion of Early Learning and Childcare in Scotland 2017-18 Action Plan* http://www.gov.scot/Publications/2017/03/8937

1.3 Fair Funding

Effective governance needs to be supported by a fair and transparent funding system that puts children and young people at the heart of decision-making.

It is right that, as part of this whole-system review, we also ask whether current practice could be improved, and allocation more targeted to need, so that every child receives the teaching, support and guidance they require, regardless of their circumstances, the school they attend, or the local authority they live in.

Next Steps discusses three possible approaches to funding in the future to support our vision for a school and teacher-led system, and to bring greater consistency, transparency and fairness to school funding, including the development of a fixed national funding formula.

While many education systems have moved in recent years towards decentralisation of funding in this way, there is little direct evidence at present about the role and success of funding formulas in driving improved educational outcomes. In addition, moving towards a national funding formula could introduce unacceptable instability and inflexibility to education funding. *Next Steps* makes it clear that local authorities will remain democratically accountable for the provision of early learning and childcare and for schools. They will focus on delivering world class educational support services, and their role will be key in supporting headteachers and schools to drive improvements and deliver better outcomes for children. The vast majority of the funding for school education will continue to be channelled through local authorities, and they will continue to have a role in ensuring that public resources allocated for the delivery of education in Scotland are properly accounted for. The Scottish Government does not therefore intend to develop a fixed national funding formula.

However, there is some evidence that the approach taken to funding *can* help improve educational outcomes. The Accounts Commission report *School Education* (2014)[9] stated that "*Evidence from our literature review suggests that it is how councils decide to spend their education budget rather than the overall level of spend which has most impact on attainment levels. The literature also suggests the impact of funding on attainment could be more significant if it was targeted at those schools and pupils where the need to improve attainment was greatest.*" A Centre for Economic Performance paper also found that "*increases in resourcing are usually more effective for disadvantaged pupils and/or schools*"[10].

Funding can have an important role to play in achieving positive outcomes and supporting both horizontal equity – where there is equal treatment of similar pupils and/or schools, no matter where they are in Scotland – and vertical equity – whereby pupils or schools are treated differently, according to their differing characteristics and learning needs.

The development of a fair, more consistent, transparent and targeted method of allocating funding could provide a way to address current equity issues within the system and ensure that resource goes where it is needed most.

This consultation seeks views on two possible approaches to meeting those aims.

9 Accounts Commission (2014) *School Education* http://www.audit-scotland.gov.uk/uploads/docs/report/2014/nr_140619_school_education.pdf

10 Gibbons, S and McNally, S (2013) *The Effects of Resources Across School Phases: A Summary of Recent Evidence,* Centre for Economic Performance Discussion Paper No. 1226

1.4 Scope of consultation

This consultation focusses and seeks views on how we can ensure that operational funding for early years and school-age education at a **school level** is allocated fairly and to best effect. The following areas of school funding are therefore within scope:

- teacher costs;
- non-teaching staff costs, for example, teaching support or school administration staff; and
- all other school-related discretionary expenditure, for example books, materials, etc.

Some areas of expenditure cannot easily be assessed or allocated at individual school level, for reasons of complexity and accountability, and historically have been considered to be more effectively managed centrally (e.g. at an education authority level). They are therefore outwith the immediate scope of this consultation, although consultees are invited to offer views on what areas of school expenditure should or should not be managed at headteacher level (Question 4). At present, the areas generally dealt with centrally include the following:

- all capital expenditure, including any Public-Private Partnership (PPP)/Private Finance Initiative (PFI) costs;
- school building maintenance costs;
- IT services and their associated costs;
- utilities costs;
- central support services, such as Educational Psychologists;
- school meal services;
- school transport;
- some aspects of costs relating to Additional Support Needs;
- costs associated with early years provision outside school settings;
- other children's services, for example care services; and
- clothing grants and similar allowances.

The consultation sets out how education is currently funded, the benefits, limitations and implications of that approach, and the opportunities for developing a funding model fit for the future.

2. CURRENT SYSTEM OF FUNDING

2.1 Overview

School funding is complex and currently lacks transparency.

While there are a series of defined and publicly available methodologies for allocating money from the Scottish Government to local authorities, largely through the local government finance settlement, there is no single or transparent approach to allocating money from local authority to education and then to school level.

This makes it difficult to establish a fully comprehensive picture of how school level budgets are determined. However, what is clear is that there is a great deal of variation across Scotland.

2.2 Education funding in Scotland

2.2.1 Role of Local Authorities in delivering education

Next Steps sets out the changing role of national and local government to support the devolution of powers to school level.

Currently, local authorities have statutory duties both in relation to the delivery of education and in how they spend public funds. Legal responsibilities for delivering education currently sit largely with local authorities, who are responsible for school education and early learning and childcare provision in their area. Under the Education (Scotland) Act 1980, they are required to deliver 'adequate and efficient' education. Under the Local Government in Scotland Act 2003, they are bound by a number of duties in relation to securing best value and accountability for expenditure. They also have a range of other legislative duties which impact on the allocation decisions they take, for example in relation to additional support for learning.

2.2.2 Scottish Government funding

The bulk of the money local authorities spend on school education and early learning and childcare provision is funded through the General Revenue Grant from the Scottish Government, which forms part of the overall local government settlement.

Central Government funding for education – and most other local authority services – is allocated to individual local authorities using a distribution formula and a series of needs-based indicators. While most of the indicators used to assess need in education relate to population bandings or pupil numbers, some relate to more specific 'need' factors, such as measures of deprivation and 'rurality'.

Funding allocations to local authorities through this route are not budgets or spending targets. The vast majority of money provided for education through the local government settlement is not ring-fenced, and it is for individual local authorities to determine how much funding should be allocated to education and then to individual schools and centrally managed education services. That assessment – generally set out in the local authority's Devolved School Management Scheme (DSM) – is made on the basis of local needs and priorities, but also reflecting statutory obligations and agreed national priorities. Further information about DSM is set out in section 2.3.

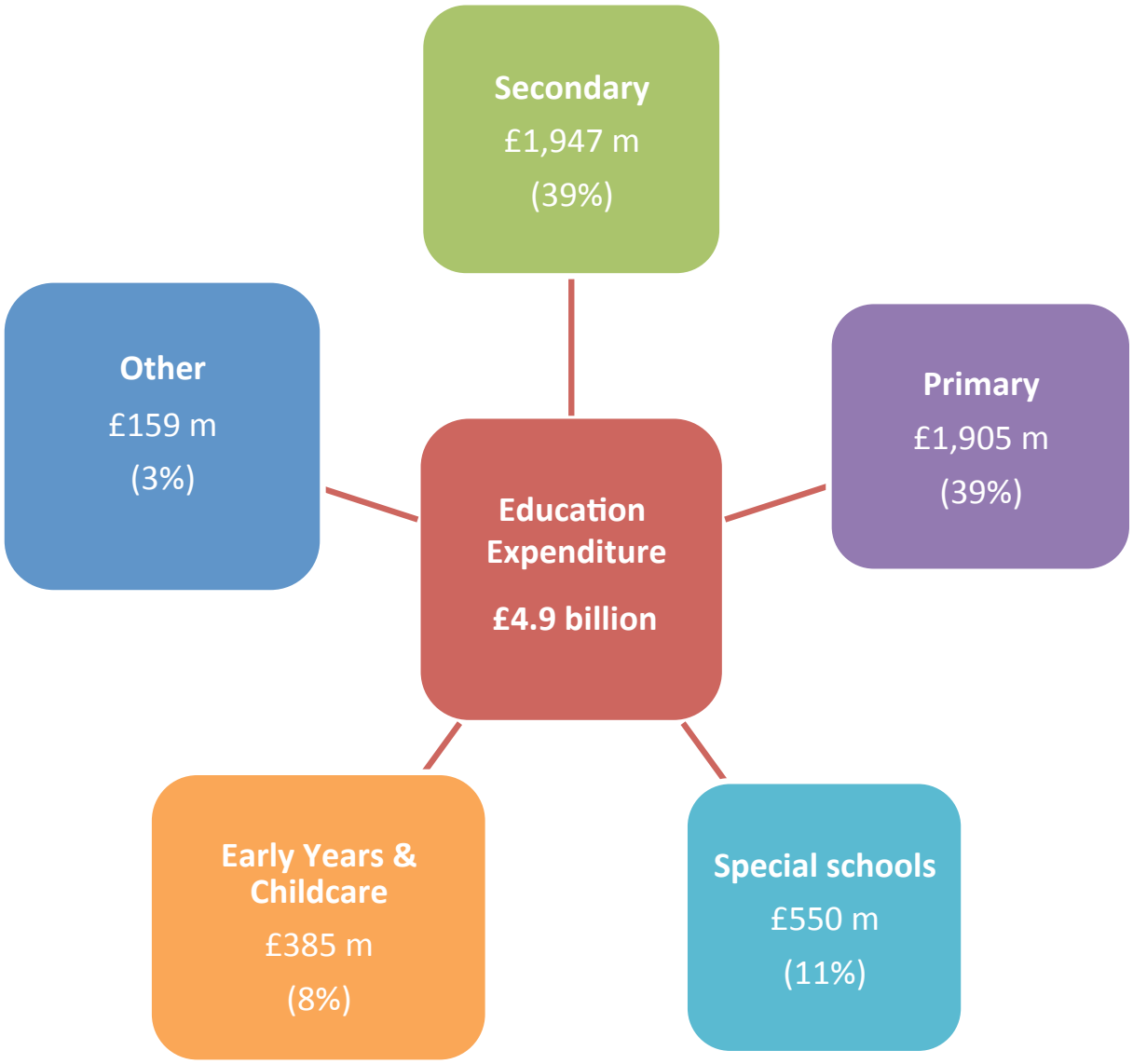
Local authorities and schools also receive funding to support specific education initiatives or needs, for example to support teacher numbers, teacher pay or closing the attainment gap.

This system leads to a wide variation in both the level and method of allocation of schools funding across Scotland.

2.2.3 Current spending on education by Local Authorities

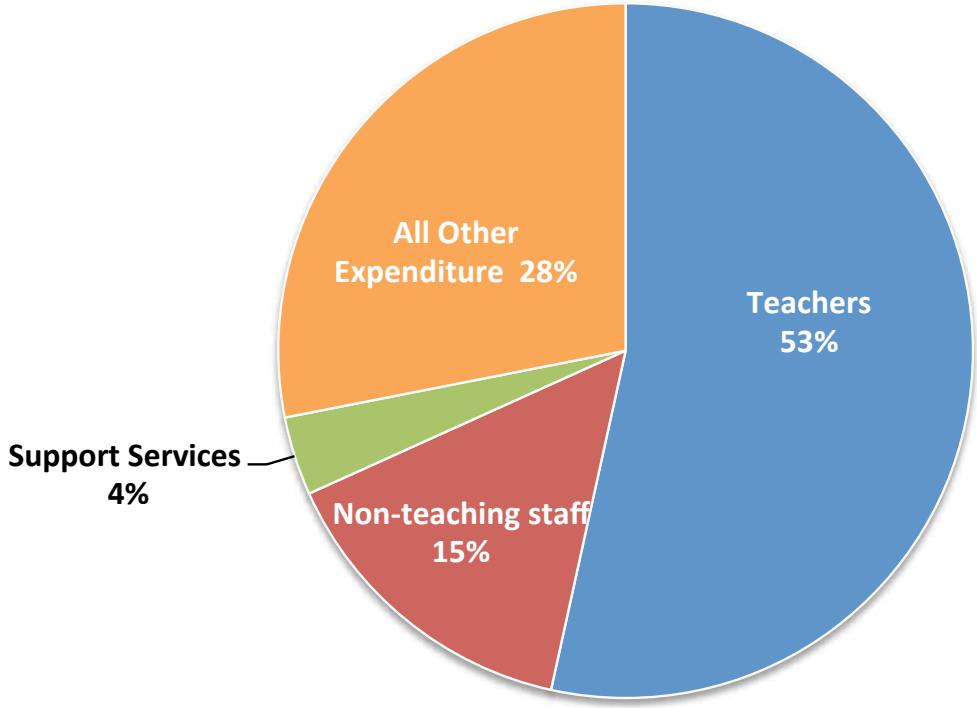
Education represents the largest single part of local government spending, accounting for £4.9 billion of gross expenditure in 2015-16. Nearly 90% of this was spent on primary, secondary and special schools. 8% of education spending was on early learning and childcare.

2015-16 Education Expenditure by Sector



Over two-thirds of spending on primary, secondary and special education is on staffing, with 53% spent on teachers and 15% on non-teaching staff, support services accounting for 4% and 'all other expenditure' accounting for 28% (this includes building maintenance costs, utilities, school meals and transport). These proportions have remained relatively stable in recent years.

2015-16 School Expenditure by Type of Cost



Estimated capital expenditure on education by local authorities totalled £653 million in 2015-16, 26% of total local authority capital expenditure. The bulk of this expenditure was on primary and secondary education.

2.2.4 Scottish Attainment Challenge funding

It is important that funding goes to where it is needed the most. Allocating ring-fenced funding directly to schools has therefore become a key part of the Scottish Government's work focussed on tackling the poverty related attainment gap.

In Spring 2016, the Scottish Government extended the Scottish Attainment Challenge to commit a total of £750 million over the lifetime of this Parliament to tackle the attainment gap, targeting resources at the children, schools and communities most in need through:

Pupil Equity Funding, available for headteachers to use for additional staffing or resources that they consider will help to raise attainment. In 2017-18, this funding is directly provided to schools in Scotland at a rate of £1,200 for each pupil in P1 to S3 known to be eligible for free school meals. 95% of schools in Scotland currently benefit from this funding. Headteachers are free to decide how to make best use of this funding. As with all current education funding, the scheme is administered by local authorities, who enter into a grant agreement with the Scottish Government, setting out how much funding each school will receive. Headteachers are accountable to their local authority for the use of the funding, which they will report on through current reporting mechanisms. These reports will be publicly available so that parents can understand how this funding is being used in their school.

Attainment Scotland funding, providing targeted support for children and young people in greatest need through the Challenge Authorities and Schools Programme, as well as funding a number of national programmes, including staffing supply and capacity, professional learning and school leadership. This includes working with nine Challenge Authorities with the greatest concentration of primary age children living in Scottish Index of Multiple Deprivation (SIMD) 1 and 2 areas to implement authority wide improvement plans, based on initiatives to improve literacy, numeracy and health and wellbeing.

2.2.5 Early Learning and Childcare (ELC)

Funding for Early Learning and Childcare is currently included within the General Revenue Grant provided as part of the local government settlement.

Local authorities then decide how best to allocate this resource in order to meet their statutory duties. This includes their statutory duty to ensure that funded Early Learning and Childcare entitlement is available to all eligible children in their area.

The Children and Young People (Scotland) Act 2014 increased the funded entitlement from 475 hours per year to 600 hours per year for all three and four year olds, and eligible two year olds. Local authorities can deliver the entitlement through their own nurseries and provision, or contract with providers in the private and third sectors.

In 2015-16 local authority revenue expenditure on Early Learning and Childcare was around £385 million, accounting for around 7.8% of total local authority expenditure on education.

This figure is expected to rise year on year over the period to 2019-20 as additional funding was provided to local authorities to support delivery of the provisions in the Children and Young People (Scotland) Act 2014, including expansion of funded entitlement from 475 to 600 hours, extension of entitlement to eligible two-year-olds and increased flexibility. However, analysis presented in the *Financial Review of Early Learning and Childcare in Scotland*[11], published in September 2016, indicates that so far not all of the resources allocated to local authorities to support the delivery of the 2014 Act have been spent on ELC.

The Scottish Government is committed to almost doubling the funded entitlement to 1,140 hours per year by 2020. In October 2016, we set out our vision for the expansion as part of *A Blueprint for 2020* consultation. That consultation sought views on the key policy aspects of the expansion, including potential funding models.

The Minister for Childcare and Early Years set out the Scottish Government's response to the consultation in *A Blueprint for 2020: The Expansion of Early Learning and Childcare in Scotland*[12]. This includes a new 'Funding Follows the Child' approach which will be introduced alongside the expanded entitlement in 2020.

This approach will ensure that funding for ELC directly supports eligible children and their families, ensure financially sustainable provision and deliver Fair Work practices across all sectors. It will underpin a more progressive and provider-neutral service model which allows parents to access a greater choice of high-quality settings and removes barriers which can make it difficult for private and third sector providers to offer the funded entitlement. The details of the new model will be developed jointly with local authorities through a Service Models Working Group, due to report by the end of March 2018.

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11 Scottish Government (2016) *Financial Review of Early Learning and Childcare in Scotland: the current landscape,* http://www.gov.scot/Resource/0050/00506148.pdf

12 Scottish Government (2017) *A Blueprint for 2020: The Expansion of Early Learning and Childcare in Scotland 2017-18 Action Plan* http://www.gov.scot/Publications/2017/03/8937

2.2.6 Additional Support Needs

As part of general spending on education, local authorities also provide significant resource to support pupils with additional support needs. Of the £4.9 billion spent on education in 2015-16, £584 million (12% of total education spend) was on additional support for learning, an increase of £5 million on 2014-15.

In addition, the Scottish Government provides £11.3m of funding to 10 specific services dedicated to providing specialist additional support. These include: seven grant-aided special schools; Enquire, the national advice and information service for parents and carers on additional support for learning; CALL Scotland, which provides adaptations and assistive technology support for pupils with complex additional support needs; and the Scottish Sensory Centre, which provides training to teachers and other staff in supporting pupils with hearing and visual impairment.

The Scottish Government is currently considering whether the focus on building capacity of services as part of the Doran Review (a strategic review of learning practices for children and young people with complex additional support needs) could be aligned with the regional models of service delivery for children and young people with additional support needs. In its report[13] on implementation of the Education (Additional Support for Learning) (Scotland) Act 2004 in May 2017, the Education and Skills Committee called for a financial review and for annual reporting on implementation of the Act. Ministers are already required to collect and publish information on implementation, including the cost of provision of additional support for learning.

2.3 Devolved School Management

2.3.1 Aims

Under the Standards in Scotland's Schools etc. Act 2000, every education authority is required to have a Devolved School Management (DSM) Scheme and to delegate to headteachers the preparation of school improvement plans. DSM schemes set out the functions and control over a portion of the local authority's education budget that is delegated to individual schools and headteachers. The education authority is free to decide to which schools the scheme should apply, i.e. it does not have to apply to all schools.

DSM was introduced in 1993 to enhance and improve the management of resources at school level. The guidelines produced at that time required local authorities to devolve 80% of school budgets to headteachers, with the twin aims of improving local decision-making and providing more flexibility to headteachers in responding to the needs of individual schools. The guidelines were revised in 2006, with a recommendation that local authorities increase the level of devolved budgets to 90%. That advice reflected the principle that everything that could be devolved should be devolved, except for certain areas of expenditure that were not considered suitable for devolution (for example, expenditure that was centrally funded, such as capital expenditure, including all PPP/PFI costs; school meals; school milk).

Further revised guidelines, introduced in 2012, were focussed less on the percentage of budget devolved, and based on a number of key principles grouped into the four main themes of: subsidiarity and empowerment; partnership working; accountability and responsibility; and local flexibility.

13 Scottish Parliament Education & Skills Committee (2017) *How is Additional Support for Learning working in practice, 6th Report,* http://www.parliament.scot/S5_Education/Reports/ASN_6th_Report_2017.pdf

2.3.2 Current practice

While practice varies widely, DSM schemes in general are often very technical, providing only a partial view of the process by which funding is allocated to schools.

In addition to the areas of spending that have always been dealt with centrally, the portion of the budget delegated to headteachers appears to have reduced in recent years. Some local authorities now control elements of spend which were previously delegated.

Latest Scottish Government data from the Local Financial Return suggests that around a third of education expenditure is 'centrally managed'. However, the range reported by local authorities is wide and may not fully reflect actual experience, given the likely inconsistencies in the way spending is recorded.

However, national requirements, such as the Scottish Government's commitment to maintaining the pupil teacher ratio, and local requirements, such as local authority control over the staff employed by the authority and school management structures, mean that, in practice, headteachers appear to have direct control over only a very small proportion of their budgets.

It is clear that DSM schemes are not currently fulfilling their aims and full potential to empower headteachers in their spending decisions.

Chapter 3 considers the challenges presented by the way schools are currently funded, and the principles that will underpin our future approach to funding.

Question 1

(a) What are the **advantages** of the current system of funding schools?

(b) What are the **disadvantages** of the current system of funding schools?

Question 2

(a) What are the benefits to headteachers of the current Devolved School Management schemes?

(b) What are the barriers that headteachers currently face in exercising their responsibilities under Devolved School Management? How could these barriers be removed?

3. AIMS AND PRINCIPLES: THE CASE FOR CHANGE

3.1 Fair funding principles

The Governance Review consultation proposed that any future approach to funding should:

- **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

Responses to the Governance Review were generally supportive of these principles and the principle more generally of supporting excellence and equity through funding. There was some concern about an overly formulaic approach to funding, but support for greater flexibility over funding and budgetary control, for example, in relation to procurement.

A number of other points were made in response to the consultation, for example the need for adaptability to local circumstances and situations, affordability, and the need to ensure that Getting it Right for Every Child (GIRFEC) principles are taken into account in the provision of local services. Some respondents were also concerned that there could be a tension between achieving simplicity and fairness and about the inclusion of value for money as a guiding principle.

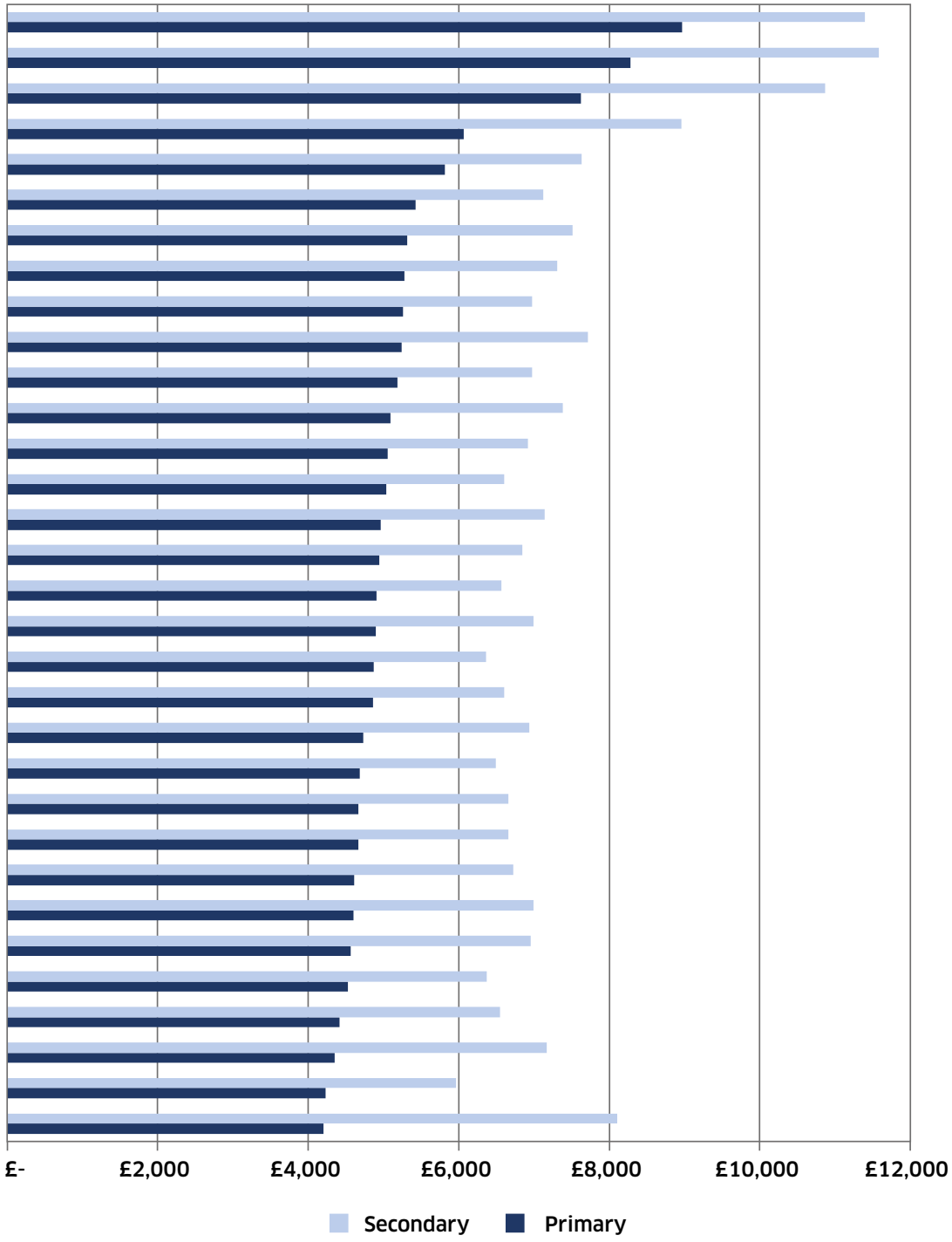
The Scottish Government believes that the current system of funding schools falls some way short of meeting these principles.

3.1.1 Supporting excellence and equity; fairness

Because the allocation of funding in schools is – for the most part – a matter for local authorities, there is wide variation in the amount of spending per pupil between authorities. We recognise that national policy initiatives, in particular the commitment to maintain the pupil teacher ratio, have restricted the extent of this variation to a degree (given that staffing costs generally account for almost 70% of spending) but the available evidence shows that it continues to exist.

For example, Scottish Government figures show that, in 2015-16, the average spend per pupil in Scotland was £4,877 in primary and £6,920 in secondary. However, per pupil spending in primary ranges from £4,200 in one central local authority to £8,968 in one of the island authorities.

Gross Revenue Expenditure per Pupil, by Local Authority, 2015-16



The Accounts Commission in its 2014 report on *School Education in Scotland*[14], found those authorities with more island or rural areas generally spend more per pupil, for a number of reasons, including:

- the lower than average number of pupils in each school;
- the greater population dispersion and therefore distances that pupils have to travel;
- the greater number of primary schools required, leading to higher maintenance and running costs; and
- the difficulty of recruiting permanent and supply teaching staff without offering financial inducements.

That greater need is reflected in the share of funding islands and rural areas receive through the needs-based formulas within the local government settlement.

However, even among urban authorities, there are still large differences in spending per pupil, with those differences mainly influenced by how much is spent on teachers, and the composition of the teaching workforce, which will in part be influenced by the need to maintain the pupil teacher ratio.

This variation suggests that pupils or schools with similar characteristics in different local authority areas may attract very different levels of funding. That is significant given the OECD and Accounts Commission's findings that there is variation in attainment and achievement levels between local authorities and that some schools and local authorities achieve better attainment levels than others with similar socio-economic profiles[15], and the Accounts Commission's finding that the positive impact of funding on attainment could be more significant if it was targeted at those schools and pupils where the need to improve attainment was greatest[16].

However, local authority Devolved School Management Schemes suggest that the majority of education funding is allocated to schools by reference to pupil numbers or the number of teachers required to support the pupil roll, with relatively little funding allocated on the basis of additional needs-based factors such as deprivation, which we know can impact on an individual pupil's likely attainment.

There is also substantial variation in the content and operation of Devolved School Management schemes across Scotland, and in the proportion of education spending allocated for central purposes or delegated to schools. This suggests that there is considerable variation between local authorities in the influence that headteachers have on decisions about spending, and the flexibility they have within the budgets devolved to them.

If we are to create a more equitable system, where we can be sure that funding reflects need and schools are at the heart of decision-making, this variation in approach and outcome across Scotland must be addressed.

14 Accounts Commission (2014) *School Education*
http://www.audit-scotland.gov.uk/uploads/docs/report/2014/nr_140619_school_education.pdf

15 OECD (2015) *Improving Schools In Scotland: An OECD Perspective*
http://www.oecd.org/education/school/Improving-Schools-in-Scotland-An-OECD-Perspective.pdf

16 Accounts Commission (2014) *School Education*
http://www.audit-scotland.gov.uk/uploads/docs/report/2014/nr_140619_school_education.pdf

3.1.2 Simplicity, transparency and predictability

The system for allocating funding to schools is complex, opaque, and varies widely between local authorities. While the local government settlement uses a series of defined methodologies for allocating money to local authorities which take account of a wide number of needs-based factors, there is little transparency over the method of allocating funds from local authorities to education, and then to individual schools.

There appears to be substantial variation in how local authorities spend and allocate their education budget, and how they record that spending. Those differences make it difficult for teachers and parents to understand what level of funding their school receives and why, and for local authorities to understand the differences between them and other local authorities. Addressing these issues is important, given the Accounts Commission's findings that '*to ensure services are being provided as efficiently as possible, councils must fully understand the factors influencing their spend per pupil, and how this compares to other councils*'[17] and that it is how local authorities decide to spend their education budget – rather than the overall spend – which has the most impact on attainment levels.

Because of the range of factors that need to be taken into account in funding individual schools, and the services supporting it, no approach to funding can ever be truly simple. Similarly, the specific amount of money that a school will receive in the future can never be entirely predicted, as that will depend on a number of factors, including the local authority's available budget. Nevertheless, these principles are important if we are to fully understand the impact of different spending decisions. The Scottish Government believes that a new approach to funding could go some way towards ensuring greater simplicity, transparency and predictability.

3.1.3 Delivering value for money

Funding must support how education is organised and the Scottish Government's focus on a school and teacher-led system which puts children and young people at the heart of education policy and practice.

While some respondees to the Governance Review expressed some concerns about the inclusion of value for money as a key principle, it is an important driver in ensuring that funding is fair. Value for money is not about cutting costs, but about maximising the impact of each pound spent to improve the outcomes for all children in Scottish education; ensuring the optimal use of resources to achieve the best outcomes, and that our schools are spending effectively. Lack of transparency, variation and the relatively small amounts of funding allocated on the basis of more complex additional need factors, such as rurality or deprivation, means that we cannot currently be sure that funding is being directed to where it is needed most.

The Scottish Government proposes that these principles should be reflected in any future approach to funding.

Question 3

How can funding for schools be best targeted to support excellence and equity for all?

17 Accounts Commission (2014) *School Education*
http://www.audit-scotland.gov.uk/uploads/docs/report/2014/nr_140619_school_education.pdf

4. FAIR FUNDING: FUTURE APPROACH

The Scottish Government proposes to introduce a new approach to funding for schools which meets the principles set out in Chapter 3, reflects the ambitious reforms set out in *Next Steps*, and supports improved outcomes for all our young people.

Next Steps sets out specific proposals for reform in order to create an education system that:

- is centred around children and young people;
- is school and teacher-led;
- focusses on the quality of teaching and learning;
- supports leadership; and
- has a relentless focus on improvement.

School funding needs to reflect and support the greater devolution of responsibility to headteachers described in that paper.

As set out in Chapter 1, the Scottish Government does not intend to develop a fixed national funding formula.

However, school funding needs to be more transparent and better targeted to need, and to reflect the new, enhanced role of headteachers. This chapter therefore seeks views on two possible approaches to achieving those aims: by enshrining a national approach to the devolution of funding within the new Headteachers' Charter; and/or through increased targeting of elements of funding, building on the Pupil Equity Funding approach.

4.1 Enshrining a national approach to the devolution of funding within the new 'Headteachers' Charter'

Headteachers' Charter

Next Steps sets out the Scottish Government's intention to legislate to create a Headteachers' Charter which will be developed in partnership with the profession. The intention is to invest in the leadership of schools and support empowered headteachers to raise attainment and close the attainment gap, within a strong national framework.

Headteachers will:

- be the leaders of learning in their schools;
- be supported through a revolutionised offer of support and improvement;
- be responsible for raising attainment and closing the poverty-related attainment gap;
- deliver quality and improvement at school level;
- select and manage the teachers and staff in their school;
- decide on school management and staffing structure, including business managers;
- decide on curriculum content and offer;
- work with partners, including local authority support staff and others, to meet learners' additional support needs at school level;
- collaborate for school improvement at school, cluster and regional level;
- lead self-evaluation and improvement of school performance;
- monitor school progress and reporting; and
- manage defined and greater proportions of school funding.

Fair Funding

In addition to devolving the maximum amount of funding to schools, the Charter could also provide for a Scotland-wide approach to funding allocation, incorporating within it a standardised approach to school funding.

Building on existing best practice, such an approach could retain flexibility in decision-making to reflect local circumstances, while mandating and bringing consistency and transparency across Scotland to:

- the proportion of funding to be allocated directly to schools;
- the proportion of funding to be allocated to particular areas of spending;
- the way in which funding responsibilities are held and shared between schools, local authorities, regional improvement collaboratives and others;
- the decisions that local authorities take in allocating funding to schools, by bringing consistency to the formulas they use and the factors they take into account in allocating budgets, reflecting need and overarching policy aims;
- the financial role and responsibilities of headteachers; and
- the training and support headteachers can expect to receive from local authorities and regional improvement collaboratives.

Implementation

As all local authorities are currently obliged to have a Devolved School Management scheme, this approach would be unlikely to require the development of any new bespoke delivery mechanisms, although there may be some administrative impacts in some local authorities if the changes are a significant departure from current practice.

Next Steps makes it clear that we will transform the level of clear, practical support for headteachers at a regional level to ensure they have all of the help and advice they need to improve the curriculum, learning, teaching and assessment. Similarly, substantially increased devolution of funding responsibility would need to be accompanied by increased support to headteachers, for example, a greater role for business managers and potentially new financial procedures. The Scottish Government would ensure that headteachers have the support necessary to enable them to have the skills and confidence to grasp the opportunities that such a change would bring. This approach would potentially also require the development of new accountability mechanisms and some transitional arrangements to ensure smooth transition to a new system.

A thorough process would be undertaken to agree the content of a Scotland-wide approach to devolving funding to headteachers. That would be taken forward by the Scottish Government, in conjunction with teachers and local government partners.

Benefits

A consistent, national approach to funding through the Headteachers' Charter could achieve a fair and more transparent allocation of resources by ensuring funds are allocated in an optimum and consistent way, based on need, and in accordance with overarching policy aims. It could support more empowered schools, but headteachers would have to have the ability to choose the staffing mix and management structure within their schools, which could have implications for the national pupil teacher ratio. This potential implication for national government is acknowledged in *Next Steps.* We will discuss with partners, including professional associations and parents, how we develop the right balance between national priorities and local flexibility as we move to a more empowered system.

This approach could provide clarity over the way that local authorities fund schools, by providing for minimum spending levels in certain areas of the budget, based on a formula,

and could help to promote greater stability in funding, allowing headteachers to plan for the longer term. It would use a familiar method of doing so as its basis (DSM), ensuring the retention of flexibility to meet local circumstances.

Such an approach fits well with the Accounts Commission's finding that it is how local authorities decide to spend their education budget that has most impact on attainment levels. A Headteachers' Charter could mandate some elements of spend, based on proven examples of what works.

This approach would promote equity within local authorities by ensuring the funding was allocated on a fair basis, and between authorities, by ensuring minimum spends as a proportion of budget. Without some direction on the amount of funding to be allocated to education, however, it would be difficult to achieve 'horizontal' equity, whereby similar schools in different local authorities receive similar amounts of funding. Care would also have to be taken to ensure that, in ensuring consistency and transparency, headteachers and schools were not constrained or disadvantaged.

Question 4

(a) What elements of school spending should headteachers be responsible for managing and why?

(b) What elements of school spending should headteachers **not** be responsible for managing and why?

(c) What elements of school spending are not suitable for inclusion in a standardised, Scotland-wide approach and why?

4.2 Increased targeting of elements of funding, building on the approach taken to Pupil Equity Funding (PEF)

Overview

An alternative approach – or one that could be used in conjunction with the approach set out above – would be to build on the approach currently being taken in relation to Pupil Equity Funding. Under this approach, more funding would be targeted directly to schools in relation to specific need factors known to impact on performance and outcomes.

The current system for funding schools would be largely retained with this approach, but a greater proportion of funding would be allocated in this way, directly to schools, and potentially also school clusters and regional improvement collaboratives, to support particular needs and policy aims. As with the PEF approach, the headteacher would be responsible for decisions on spending, within national guidance, but overall accountability would be likely to remain with the local authority, through which the funding would be directed.

The PEF is currently allocated on the basis of known entitlement to Free School Meals. Under this approach, funding could be allocated on a formulaic basis dependent on the purpose for which it was being provided. It could take into account a wider range of factors aligned with policy goals in addition to deprivation, and could be adapted flexibly to support particular parts of the education system or particular policy aims and priorities.

Implementation

This approach could build on delivery mechanisms, procedures, principles and evaluation which are already or currently being put in place through the PEF (set out in 2.2.4). However, allocating a larger amount of funding in this way would require a thorough review to: identify various aspects of need and how they are currently met in Scotland; develop and agree methodologies for measuring and distributing funding; develop clear guidance for schools; and to develop and maintain monitoring and accountability measures reflecting governance arrangements. That review would be taken forward by the Scottish Government, in conjunction with teachers and local government partners.

Substantially increased devolution of funding responsibility would need to be accompanied by increased support to headteachers, for example, a greater role for business managers and new financial procedures. Depending on the proportion of funding allocated directly to headteachers, this approach might also require the development of potentially new accountability mechanisms.

Benefits

Aligning more funding with particular need or policy aims in this way could provide better targeting of resources towards those pupils who are in greatest need, regardless of which local authority they reside in. In this respect, it could do much to address the consequences of apparent variations in the current system and achieve value for money. This approach also aligns well with a Centre for Economic Performance finding that increases in resourcing are usually more effective for disadvantaged pupils and/or schools[18].

This approach would also strengthen school and teacher leadership by allowing teachers greater control over resources, and would improve the transparency of a greater proportion of school funding. However, it is considerably more limited in scope than the Headteachers' Charter approach, which would ensure maximum devolution of funding responsibility to headteachers.

Question 5

(a) What would be the **advantages** of an approach where the current system of funding schools is largely retained, but with a greater proportion of funding allocated directly to:

1. Schools;
2. Clusters; or
3. Regional Improvement Collaboratives?

(b) What would be the **disadvantages** of an approach where the current system of funding schools is largely retained, but with a greater proportion of funding allocated directly to:

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2. Clusters; or
3. Regional Improvement Collaboratives?

18 Gibbons, S and McNally, S (2013) *The Effects of Resources Across School Phases: A Summary of Recent Evidence,* Centre for Economic Performance Discussion Paper No. 1226

Question 6

The Scottish Government's education governance reforms will empower headteachers to make more decisions about resources at their school. What support will headteachers require to enable them to fulfil these responsibilities effectively?

Question 7

What factors should be taken into account in devising accountability and reporting measures to support greater responsibility for funding decisions at school level?

Question 8

Do you have any other comments about fair funding for schools?

SUMMARY OF QUESTIONS AND RESPONDENT INFORMATION FORM

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Education Governance:
Fair Funding to Achieve Excellence and Equity in Education – A Consultation

RESPONDENT INFORMATION FORM

Please Note this form **must** be completed and returned with your response.

Are you responding as an individual or an organisation?

☐ Individual

☐ Organisation

Full name or organisation's name

Phone number

Address

Postcode

Email

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

☐ Publish response with name

☐ Publish response only (without name)

☐ Do not publish response

Information for organisations:

The option 'Publish response only (without name)' is available for individual respondents only. If this option is selected, the organisation name will still be published.

If you choose the option 'Do not publish response', your organisation name may still be listed as having responded to the consultation in, for example, the analysis report.

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

☐ Yes

☐ No

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