

# *Interchange 48*

*Develoved School Manaagement*

# Devolved School Management

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*In the past 15 to 20 years numerous policy initiatives in the United Kingdom have been introduced with the intention of redefining the individual's relationship with the welfare state. In many fields of public policy, such as health, housing and education, the relationship has been readjusted by transferring powers from 'producers' to 'consumers' and by changing the nature of accountability.*

*In education, devolved school management (DSM) was one of a number of policies designed to further these aims. In England and Wales the broadly equivalent policy was called the local management of schools (LMS).*

*The Scottish Office Education and Industry Department commissioned this study to investigate the impact of DSM on school staff and School Boards.*



The specific objectives of devolved school management (DSM), set out in Circular 6/93 Devolved School Management: Guidelines for Schemes, were:

- to improve the quality of decision-making by giving schools greater flexibility and choice in deciding on their priorities and detailed arrangements in response to the needs of pupils and the aspirations of parents;
- to allow schools to respond more quickly to changing needs and priorities;
- to bring about the more efficient use of educational resources and better value for money;
- to raise the morale of headteachers and staff as they see the results of increased control and responsibility at school level for educational decisions.

These objectives were to be accomplished by the delegation of budgets to schools from education authorities (EAs). Devolution of decision-making on at least 80 per cent of categories of expenditure at school level was required, with schemes expected to provide for significant devolved decision-making on:

- the costs of teaching and non-teaching staff wholly or mainly employed at the school;
- furniture and fittings
- property related costs (not including capital programme expenditure or loan charges); and
- supplies and services.

Authorities were able to pay schools the actual salary costs incurred for staff employed at a school, whilst reclaiming from the school a staffing element based on average employee costs. All EAs have taken advantage of this flexibility. This has meant that the debate which has taken place in England about the merits of funding schools for average salary costs – as happens under LMS – rather than actual salary costs has not arisen in Scotland.

## The research

The purpose of the project reported here was not to evaluate the success or otherwise of DSM, but to provide an illustrative report on the experiences of a number of secondary schools in different EAs in implementing DSM, and on the perceptions of participants at various levels.

The research had three principal aims:

- to gather the views of teachers and others of the effects of DSM on school decision-making, ethos, and teaching and learning;
- to explore the consequences of DSM for staff, including its impact on attitudes and morale;
- to examine the involvement of School Boards with DSM.

The study used research methods developed for an earlier project on DSM and LMS (funded by the Economic and Social Research Council, Award No. R000233653) and developed themes and issues which informed that study. A case study approach was adopted, involving nine secondary schools in three of the former Regional Councils. Two of the Councils, Lothian and Strathclyde, and six of the schools had been involved in the earlier research, while the third, Tayside, was new. The nine schools consisted of three trios broadly matched in terms of the socio-economic characteristics of their catchment areas. Thus there were three schools each with 'prosperous', 'mixed' and 'deprived' catchment areas.

Three main methods of investigation were used:

- semi-structured interviews with a sample of school staff (teaching and non-teaching), School Board members and all headteachers, some 95 interviews in all;
- a minimum of three observations of School Board meetings in each of six schools, carried out between June 1995 and February 1996;
- documentary analysis of school development plans, Board minutes and other documents such as staff handbooks and school yearbooks. In addition Scottish Office and EA documents provided information about DSM schemes, rules and guidelines.

## Findings

Perceptions of the impact of DSM are considered under a number of headings. It should be borne in mind that it was not the purpose of the research to evaluate the policy or the policy effects of DSM. In any event policy effects take time to work through. Cogent evaluations of policies cannot often be made within the first months or years of their implementation, even where a policy has broad, transformative intentions and widespread ramifications, such as this one. Furthermore, it is difficult to disentangle the effects of DSM from other innovations. The research took place at the same time as the structure of local

government was being changed and when secondary schools were being consulted about various aspects of Higher Still. Other schemes of devolved budgeting such as TVEI and Strathclyde's early experiment with DSM, the Devolved Management of Resources (DMR), were difficult to separate from DSM. The main findings of the project are reported below.

### *Perceptions of DSM as a strategy*

There was a general welcome for the overall strategy of devolving budgetary decision-making to schools. For headteachers it afforded increased flexibility and freedom to achieve school priorities in the context of overall EA priorities. The following comment from a headteacher is typical:

*I think it has been undoubtedly beneficial to the school in that we have been able to progress in areas that are not only key areas for us, but identified as key areas by our Authority, and it's hard to believe we could have achieved that success without the delegation that we've had over that period.*

Teachers' knowledge of DSM was patchy. Senior staff were best informed. Others had a general awareness but lacked detailed knowledge of budgets or the formulae used to calculate them. Nevertheless teachers welcomed DSM.

Teachers liked the fact that decisions could be taken more quickly. Like headteachers, they welcomed greater control over their own school's destiny and pointed to more rapid decision-making relating to the purchase of equipment and materials as a tangible benefit of DSM. They also pointed to the more rapid and efficient handling of repairs and maintenance.

School Boards have a consultative role in DSM and their active participation in financial decision-making was very limited. As we shall see below, DSM did not appear to have had a significant or easily identifiable effect on them. Although members were not actively involved in DSM, they were not opposed to it.

Criticisms of DSM as a strategy fell into two categories. First, some headteachers were concerned that they were administering delegated functions, rather than having real autonomy on financial matters. Restrictions imposed by education authorities' schemes on virement across budget headings and carrying over surpluses or deficits were typically mentioned in this context. The second area of concern was, unsurprisingly, budget constraints. These had placed serious restrictions on the ability of schools to use DSM as a means of responding to school priorities. One head put it this way:

*The system is still a good one, it gives more freedom to plan, but the money is undoubtedly getting tighter, and the demands on the money are getting tighter, so the freedom that we do have is getting less.*

On the whole, however, DSM was welcomed, but the research did not reveal a demand for further delegation.

Headteachers are spending more time on administration and management.



*Does this necessarily mean less time being spent on curriculum leadership and other school developments?*

### *Changing roles*

Perhaps the greatest impact of DSM has been on the role of headteacher. Most headteachers reported an increase in their administrative and managerial duties, citing staffing appointments as well as financial administration as examples. It is important to emphasise that the changing role was not exclusively due to DSM. Other, although not necessarily unrelated, changes were also affecting the headteacher's position. One headteacher, for instance, reported that a major issue for him was the monitoring of teaching and learning. Thus DSM, which was introduced as part of a drive towards more efficient school management, has had an impact on how headteachers spend their time. One headteacher summed it up in this way:

*[DMR/DSM is] just another change that has to be taken on board. It's what I would call the ethos of management which has been the biggest single development in my time as headteacher.*

The changing role of headteachers was also recognised by teachers and other school staff, who noted that some headteachers were spending more time on management and less on curriculum leadership. The following extract from an interview with a Principal Teacher illustrates this well:

*He sees himself ... as an accountant. He naturally has less time for the children and for the staff. He never says, "no". He doesn't close the door and say, "I have got my DSM hat on, I wouldn't speak to you". But he is not a full-time headteacher because of DSM.*

Some headteachers regarded their increasing involvement in financial and staffing management as a welcome development. This was primarily because of the opportunity it had given them to distribute resources according to the school's priorities. Others were concerned that they could become too caught up in the minutiae of budgeting and consequently neglect other aspects of schooling. Much, of course, depends on the management 'style' of headteachers and their willingness and ability to delegate. There was wide variation in approaches to decision-making in the schools studied. A key point, however, is that all headteachers took ultimate responsibility for strategic decisions on finance.

Clerical and support staff were also significantly affected by DSM. Administrative assistants typically handled financial management software systems, interpreted spreadsheets and kept Principal Teachers informed about their departmental budgets. However, their duties often extended to the organisation of the school office, providing administrative and clerical support for the Board of Studies and other miscellaneous tasks such as telephone duty and photocopying. In one authority, administrative assistants had set up an informal association and collectively attempted, without success, to get their posts re-graded. Headteachers were concerned about lack of recognition, pay levels and status for personnel who were increasingly important for the smooth running of the school.

There has been a major change in the role of school support staff.



*Should financial assistants have a formal place in school decision-making structures?*

Teachers at PT level or below reported that DSM had not increased their administrative duties or changed their role in any significant way.

### *Teaching and learning*

DSM was thought to have had a modest and indirect effect on teaching and learning. As might be expected, these effects were most noticeable in the provision of equipment and materials. The purchase of computers, a better-equipped guidance base and the purchase of blackouts to facilitate high quality teaching of optics in the physics curriculum were cited as examples. In addition, the more efficient and rapid approach to repairs and maintenance was seen as having a positive impact on morale. Likewise, having a designated staff development budget was welcomed as a way of targeting resources more specifically on staff needs. The following extract from a Depute provides an overview of these positive effects of DSM:

*The improvement in teaching and learning really means they can get equipment which they never thought they could get before.... Even in going to the other extreme, which is nothing to do with machinery, we have actually had a request from staff on teaching methodology. We can put that in place and fund [it] by bringing people in from outside with specific courses within the school through staff development. So that when people had problems, particularly in personal and social education, we were able to fund and bring in outside experts and paid them. So there are benefits, inasmuch as I have seen the results: classrooms have changed and people have changed their approach to teaching.*

However, the most important and direct impact on teaching and learning was seen as curriculum change. The following extract from an interview with a Principal Teacher makes this clear:

*I think [DSM is] an important change. I think it is not as important as the curricular changes that are taking place which are obviously of primary importance, but I think it's important to allow us ... to react to things, to be able to plan a wee bit more clearly because we are in charge of our own destiny ... but it is still below classroom work. [5-14 and Higher Still] are the things that we are here for, you know. They are the most important things. Nothing is more important than that.*

### *School Development Planning*

The benefits of School Development Plans (SDP), as set out by The Scottish Office, include identifying 'closer links between policies on staff development and appraisal, development planning and devolved school management'. Approaches to development planning varied across EAs and schools, although all nine schools had three-year SDPs and reviewed them annually. Awareness of the content of the SDP and its connection to DSM varied amongst staff. Senior staff tended to have the greatest awareness of this relationship. Across the three Authorities, teachers in the Strathclyde case study schools appeared to be more

DSM had modest and indirect effects on teaching and learning.



*In what ways might DSM promote reflection on or changes in teaching and learning approaches?*

There were few clear links between School Development Planning and DSM.



*How could links be made more explicit?*

aware of such links than their colleagues in Lothian or Tayside, perhaps because of their longer experience of devolved budgets under DMR. In brief, teachers in Strathclyde schools making bids for money or other resources reported linking such bids to the SDP instead of saying they wanted money for 'this or that'. No SDPs, however, had costs clearly allocated to development priorities. In part this may be because priorities concerning improvements in teaching and learning were not seen as amenable to this procedure.

### *DSM and School Boards*

None of the School Boards researched was actively involved in DSM. The national guidelines envisaged that they would have a consultative role, and headteachers were assiduous in presenting reports and budget statements to the Board. These reports included information about examination results, attendance patterns and financial and staffing matters. The reports were usually accepted without challenge or debate.

School Board members trusted the headteacher's expertise and professionalism in managing the school. They had neither the time, knowledge nor inclination for more active involvement. It was typically headteachers who set the agenda for Board meetings and in cases where a Board member suggested a substantive item for discussion, the headteacher appeared to have a free hand in deciding how to deal with it. The role of School Boards was summed up by a teacher member in the following way:

*I think the School Board largely trusts the school management ... they are very typical of parents in that they represent 'middle of the road' opinion which is not interested in running schools. They want professionals to run schools and do not think [Board members] should come in and do so. I think [our] School Board is quite typical in this respect.*

None of the Boards in the study had expressed any interest in enhancing its power or seeking self-governing status. Boards frequently acted as pressure groups on local and national government issues such as increasing financial and other resources for schools. Board members saw their main role as being to support the school, and drew a distinction between this role and that of the professional in decision-making. The impact of Boards reflects members' clear understanding of their role. There was no evidence that the ways in which any of the schools in the study were managed had been significantly affected by the involvement of the Board in devolved school management.

What can we conclude from the study?

The findings described above, and reported more extensively in the project report, are not dramatic. If they are projected against the backdrop of policy aims that were enunciated for DSM, they provide some indications of participants' perceptions of partial achievement. Implementation has, so far, fallen

School Boards took little active part in financial decision-making.



*Should they be encouraged to be more active? If so, how?*

short of transforming the culture and working patterns of schools. Nevertheless, there is a heightened awareness among senior staff of the importance and complexity of financial arrangements for their own schools and perhaps increasingly for other schools in their authorities.

DSM, together with other innovations of the 1990s, has contributed to a dramatic change in the role and status of headteacher. Their importance to the well-being of their schools is even more central now than it was in the past. Headteachers play key roles in financial and staffing decision-making, curriculum planning, school-level development and in accountability to parents and others. The trust in their professional expertise by parents and others means that their relative autonomy could be increasing. The provision of opportunities for lay participation in school governance such as the creation of School Boards does not mean that they will be taken up and used.

In terms of Circular 6/93, schools in the study did seem to have greater flexibility and choice in deciding on their priorities. However, it is not clear whether these decisions were taken in response to the needs of pupils and the aspirations of parents, or in response to other impulses coming from within and outwith the school. Likewise, schools seemed able 'to respond more quickly to changing needs and priorities', but this was mainly in terms of repairs, maintenance and equipment. Nevertheless, such responses may have a positive effect on teaching and learning. Most importantly, however, the significance of pupil numbers in determining school budgets has not resulted in active competition for pupils among the schools studied.

The recognition of the key role of the headteacher by delegating budgeting decision-making to him or her, budget formulae based on actual rather than average salaries and the experience of Strathclyde's DMR help to explain the relatively smooth implementation of DSM, as does the flexibility afforded to local authority schemes of delegation. Speculation about future developments in DSM is necessarily tentative. Two elements are central. Schools now conduct relations with Authorities that are smaller. The provision of those education services that remain within the scope of EAs may be more unsettled, and new expenditure constraints will impinge on in-service provision. So support structures for schools may be more fragile. Secondly, projected annual cuts in public expenditure may undermine existing support for DSM. If the main function of DSM turns out to be to enable schools to identify where cuts should fall, such support as it currently enjoys may quickly evaporate.

## Final report

The full research report, *Devolved School Management in Secondary Schools in Scotland*, is available from The Departmental Secretary, Department of Politics, University of Edinburgh, 31 Buccleuch Place, Edinburgh EH8 9JT. Price £12 (including p & p). Cheques payable to The Politics Department, University of Edinburgh.

*The views expressed in this paper are those of the authors and do not necessarily reflect those of The Scottish Office Education and Industry Department who funded the study.*

Headteachers have important powers.



*Can headteachers' decisions be made democratically?*

DSM was implemented relatively smoothly in Scotland.



*How important is the relative autonomy of the Scottish education policy community in explaining this success?*

