Management within Primary Schools
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Over the past two years the Audit Commission has undertaken a study of the management of primary education in England and Wales. The results are being published in two volumes. This second report is concerned with management responsibilities at the level of individual schools. It focuses on the meshing together of educational management with the management of the full range of resources including staff, accommodation and supplies. The companion volume on Local Education Authority planning of school facilities was published in December 1990.

The study’s main sources of information have been:
— questionnaires completed by the headteachers of 224 primary schools in 10 LEA areas
— visits to 54 of these schools, including interviews with the headteachers
— interviews and investigation of documented information in the offices of the 10 LEAs
— analysis of budget allocations for the financial year 1990-91 for all the primary schools in 21 counties, 15 metropolitan districts and 12 outer London boroughs
— reviews of educational literature carried out for the Commission by the National Foundation for Educational Research

A team from the Commission's Directorate of Local Government Studies conducted the study work. The team was led by James Kennedy of the Directorate's permanent staff and by Ann Shore, an auditor on secondment from the District Audit Service. Four members of the team worked on the study part-time: Jill Webberley of Her Majesty's Inspectorate of Education, Paul Knight, headteacher of Malcolm Sargent Primary School, Stamford, Lincolnshire, Peter Wylie, Deputy Director of Education, Leicestershire County Council and Dr Steven Warburton of the District Audit Service.
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Summary

Many primary schools have responsibility for managing their budgets as a result of the local management of schools provisions of the 1988 Education Reform Act. More schools will assume this responsibility over the next three years as local management of schools (LMS) is fully implemented. Large sums of money are involved, often exceeding £½m per year. This is a huge responsibility for governing bodies and headteachers but it is also a valuable opportunity to take decisions which will further the educational effectiveness of their schools.

It has always been left to schools to decide whether to have teaching groups as small as possible or to deploy teacher effort on an unattached basis within the school or to enable staff to have non-contact time. But LMS offers further freedom for schools to use their resources according to their judgment of what is in the best interests of their pupils.

On the income side, all schools now have their share of LEA funds determined by an LEA funding formula. But schools can influence the amounts of money they receive by increasing their rolls and attracting voluntary or commercial funds. So the first question confronting a school is whether it can beneficially attract more funding. Sharing resources with other schools has a similar effect because it spreads the cost — whether of staff, of specialist training or of equipment.

As to expenditure, each school must determine its own priorities. But it is valuable to apply some systematic thinking to decisions on school spending strategy.

A systematic approach to school spending decisions begins with consideration of the school's aims. And since no school will be able to afford everything it wishes to do, priorities must be set. All schools have aims, but what can be difficult is turning aims into practical action. Aims should be built on in two ways: the specification of actions to achieve them and the definition of success criteria.

Some actions will not require any change in a school's spending plans; a change in timetabling, for instance, may have no impact on resources.

Others will affect the balance of resources: teacher time, clerical time, educational supplies. For a school's governors, acting with the advice of the headteacher, a key task is to reconsider the school's spending to ensure that it is deployed in the best way to achieve the school's educational aims.

Schools also need to check regularly whether their plans and budget are having the desired effect. Schools should pre-determine "success criteria" and monitor achievements against these criteria. Success criteria will include both quantitative measures, such as test scores, and expert assessments, including inspectors' observations.
In planning its budget, a school should first identify its unavoidable expenditure. Once this base budget has been identified, the school can then explore options for the use of the money over which it has realistic discretion. The guiding principle of the base budget is that it pre-judges as few ways of meeting the particular needs of the pupils as possible. So the base budget should include only the running costs of the school premises and the employment costs for the minimum number of teachers needed together with other unavoidable staffing costs, such as midday supervision, necessary administration and clerical, supplies and equipment.

Uncommitted expenditure can then be used to promote:

i) effective school management and planning
ii) curriculum development and co-ordination
iii) training of teaching staff
iv) effective teaching

and to meet the school's other specific aims. Some activities currently undertaken by teachers could usefully be carried out by other adults working under the direction of a teacher. For example, although listening to primary pupils' reading always calls for skill, it can be delegated on a supervised basis to adults who are not trained as teachers.

Analysis of the way primary schools currently spend their money shows that there is considerable variation. Some use almost no unqualified staff in the classroom; others make great use of cheaper classroom assistants to supplement their teaching staff.

Schools should not only plan and manage their budgets; they should also evaluate the effects of change. Only if they do so will the full benefits of local management be realised.

The process of school planning is a continuous one, all stages of which can and should take place all the time. Schools should draw together their thinking about needs and resources in a development plan which serves educational purposes and pupils' interests.
Introduction

1. Many primary schools now have responsibility for managing their budgets. More will assume this responsibility over the next four years. Large sums of money are involved in each school, often exceeding £½m per year. This is a huge responsibility for governing bodies and headteachers and it offers them a valuable opportunity to improve the educational effectiveness of their schools. The way in which they exercise their new responsibilities will be the major influence over primary education in the next decade. This paper offers tools and ideas to assist them in their task.

2. Improving educational effectiveness is difficult. There is no accepted definition of effectiveness and there is little systematic evidence of the relationship between management action and effectiveness. But there is evidence that education quality is more likely to be high if the necessary organisational pre-conditions are in place — competent leadership, trained staff, sound buildings and adequate teaching materials.

3. Schools can pursue improvements in effectiveness more readily than the Local Education Authority (LEA). The client population (the pupils enrolled in the school) is smaller and better known to the staff than the LEA’s population could ever be known to LEA officers. The staff have knowledge of pupils’ learning as well as knowledge of their backgrounds and of their personal characteristics. Such acute knowledge should guide schools in deploying resources against needs to improve effectiveness. This paper explores the opportunities and encourages all schools to make the most of them. The purpose is to assist governing bodies to assess the alternatives available to them by encouraging a structured approach to budgeting and resource allocation in primary schools.

4. The conventional pattern of primary education is one in which most children are educated in classes of similar age, enjoying a dedicated classroom and sharing joint facilities such as the school hall. Probably the only adult normally in the classroom is the class teacher. But this is not the only viable option. The experience of some children involves mixed age classes, additional adults in the classroom supplementing the role of the class teacher and rooms other than the classroom fulfilling specialist purposes.

5. There is no single unequivocal and successful model for primary education. Each school needs to consider and decide for itself what is the appropriate pattern of education and balance of resources for the delivery of primary education and for the pupils on its roll.
6. With the freedom of Local Management of Schools (LMS) some schools will continue with their time-honoured style of education. Others may wish to adjust their pattern, but hesitate through lack of conviction in the alternatives. It is up to individual governing bodies to reflect on the possibilities, take advice, decide on the future pattern of education in their school and evaluate its effects. This paper endeavours to illuminate some of the significant directions in which governing bodies may go.

7. And the choices to make are extensive. The study encountered wide variations in approach:

- some schools used classroom assistants extensively throughout the primary years; others used none.
- some heads carried an extensive teaching load; some did no teaching.
- some schools used their classrooms imaginatively; others were more sedentary.
- some schools planned staff training systematically; others were opportunistic.
- some schools shared financial administration amongst staff; others confined it to one person.

On every issue of school management, wide variation of practice was encountered, with an almost infinite range of permutations possible.

8. Each school must arrive at its own solution. In its paper *Losing an Empire; finding a role*, the Commission emphasised the role of the LEA as counsellor. In determining the future for their schools, governing bodies should be advised and aided by their LEA. But the key decisions lie with the governing body. Only as planner of the provision of facilities, a function discussed in the companion paper to this, *Rationalising Primary Education***, does the LEA hold a decisive initiative.

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1. The Background to School Planning

THE COMPLEX TAPESTRY OF PRIMARY EDUCATION

9. Resourcing of primary schools varies enormously. In part this is due to the wide range of types of primary schools. They vary from the rural village school with fewer than 30 pupils, to the large inner-city neighbourhood school with over 600 pupils and they vary in the socio-economic circumstances of their pupils. LEAs' budget allocation formulae acknowledge these variations and determine levels of spending. The resulting variation in the unit cost of primary provision is from £1000 to £1900 per pupil*, which is a wide margin, even allowing for the range of costs and of levels of need which schools face. Schools manage to operate at such different levels of funding because of the flexible nature of primary education.

10. The personal skills and attributes of the headteacher and indeed the whole teaching staff mean that schools on minimum funding levels often continue to deliver good results. This does not mean that the level of resourcing is irrelevant to the successful operation of a school; only that other influences are also important. Certainly, some schools could improve their effectiveness by using additional expenditure, whilst for other schools it is more urgent to reconsider the use of their existing level of resources.

11. The criteria for the distribution of resources between schools are determined by LEAs through LMS formulae which are approved by the Secretaries of State for Education and Wales. Thus the annual funding allocation for any individual school is fixed. In Rationalising Primary School Provision, the Commission explores some of the issues facing LEAs in carrying out their management responsibilities for primary education. It demonstrates that most LEAs have substantial scope to unlock wasted resources. Should they decide to reinvest that saving in education, most primary schools could improve effectiveness by employing those resources in a planned fashion. For schools with delegated budgets it is up to the governing body to apply its funding allocation in the most efficient and effective way to maximise the benefits to its pupils. Widely different methods of resourcing and school organisation can prove equally successful. The key to success is the management process.

12. There have always been important management decisions taken at school level. The school has taken decisions on how to organise pupils into classes, how to deploy teachers and other staff, and how to allocate responsibility allowances. There has also been some measure of budgetary responsibility, most commonly in the form of relatively small sums of money linked to the number of pupils. The amounts were designed to cover the acquisition of consumable and other supplies together with some services such as telephone and post. Under

* CIPFA Education Statistics 1989-90 Estimates. SIS Ref 51.90
LMS the scope for decision making and the scale of resources changes markedly. Delegated local management of schools presents opportunities which, if maximised could radically alter and improve the quality of individuals pupils’ experiences and of the whole school's educational provision.

SEIZING THE OPPORTUNITIES AND CONFRONTING THE RISKS

13. Before LMS, most decisions on the type and deployment of resources were taken by the LEA on the basis of rules applied to a large number of schools. For example the number of teachers, the number of classroom assistants and the extent of clerical and administrative assistance were determined by reference to LEA rules. This process of central control disguised the potential for readjusting the balance of school resources — use of rooms, teachers and unqualified staff, books and materials — to meet the particular needs of the school.

14. This had two important, and for the school potentially frustrating consequences. First, it failed to allow adequately for differences in perception of priorities between the school and the LEA. A school allocated, say, 6 teachers and 2 classroom assistants could not, instead, employ 7 teachers and no classroom assistants; or 5 teachers and 4 classroom assistants. In one of the Commission's study LEAs, a decision was taken that primary schools could hire the resources earmarked for classroom assistant hours and clerical hours. Ten percent of the schools immediately took advantage of the opportunity. Interestingly, half converted clerical hours into classroom assistant hours and half converted classroom assistant hours into clerical hours. All re-interpreted their pattern of resources to meet their local needs.

15. Secondly, LEA control denied the school flexibility in meeting urgent problems or seizing opportunities. For example if a teacher resigned and could not be replaced, the school could not use the unspent money to employ classroom assistants or to buy books and equipment, or to re-paint the classrooms.

16. The implementation of LMS and the progressive increase in delegated management are loosening the constraints. But a lack of constraint is not enough to create choice. Real options have to be available and, in a school where its available resources are fully stretched, it may not be apparent that options exist. The Commission has analysed schools' budget allocations for the financial year 1990-91 and estimated the amount available to each school after deduction for items over which no discretion is possible. The results are in Table 1.
Table 1
REMAINING BUDGET PER PUPIL AFTER DEDUCTIONS OF ALLOWANCES FOR NON-DISCRETIONARY SPENDING (schools with 200 or more pupils)
There is scope for the exercise of spending discretion in all schools' funding allocations.

<table>
<thead>
<tr>
<th></th>
<th>Lower Quartile</th>
<th>Median</th>
<th>Upper Quartile</th>
<th>Average Base Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Counties (21)</td>
<td>£79.50</td>
<td>£134.18</td>
<td>£206.18</td>
<td>£853.62</td>
</tr>
<tr>
<td>Metropolitan Districts (15)</td>
<td>£166.32</td>
<td>£226.44</td>
<td>£307.03</td>
<td>£856.97</td>
</tr>
<tr>
<td>Outer London Boroughs(12)</td>
<td>£150.35</td>
<td>£225.18</td>
<td>£312.99</td>
<td>£919.51</td>
</tr>
</tbody>
</table>

Note: Figures in the tables are based on 1645 schools in counties 1008 schools in metropolitan districts 736 schools in outer London

17. It is not suggested that these discretionary funds are in any sense a luxury, rather that they are funds over which choices can be made.

18. Another feature of schools which could obscure and limit the scope to exercise immediate discretion is that very few of them achieve local management as new schools. They already have a current disposition of staffing and of other resources. The current disposition naturally does and should colour any plans to alter the pattern of resources but it should not stifle consideration of changes. And in some schools, consideration of change is inescapable. In schools where present or future funding reductions are known of, schools need to plan within constraints tighter than those they have worked with hitherto. Such schools are to be found in all LEAs but they will form the majority in LEAs which are reducing expenditure generally. In inner London, schools' planning has also to respond to the new organisational environment of Borough education services.

19. LMS increasingly presents schools with opportunities to take their own spending decisions. With the opportunities which this loosening presents come risks. One of these is the risk of taking wrong decisions, which do not serve the interests of pupils. Another risk is of failures in budgeting, accounting and in other financial management procedures, a core area of concern for auditors and for the Commission. In their central concern for the educational performance of their school, governors must ensure that adequate financial planning and budgeting procedures support the educational programme. If financial procedures fail, the consequences for pupils could be severe.
20. The issues for a school managing an LMS funding allocation include:
— the preparation of a coherent and feasible plan for spending the allocation, which
  contains the school's choices between contending spending options
— the establishment of arrangements for delegation and virement within the school; the
  headteacher and probably other staff need to take some day-to-day expenditure deci-
  sions because it is impractical for the governing body to consider all these decisions.
— Such arrangements must be formalised to guard against improper and uncontrolled
  use of funds
— the monitoring of actual and committed expenditure against budget; a school must at
  all times be aware of how closely its expenditure to date matches its plans, so that it
  can make a timely response to any problems or opportunities which arise; this aware-
  ness must include knowledge of commitments entered into for which no payment has
  yet been made or demanded
— the integration of the school's monitoring with expenditure monitoring by the LEA
— control of school funds which originate from donations and from other sources
  outside the LEA; schools will naturally wish to co-ordinate the use of these funds
  with the use of their LEA-derived funds but the financial support and safeguards
  which the LEA operates for the use of its funds may not apply in the same way to
  "unofficial" school funds.

21. LEAs have a major contribution to make to the preparation for and implementation
  of LMS. As 'bankers' and 'partners' (to use terms from the Commission's paper on the role of
  the LEA following the 1988 Education Reform Act) they are doing a great deal to help
  schools manage their finances. For example, they are developing financial systems and run-
  ning training courses for governors and staff. This contribution is a result of LEAs' own wish-
  es to support the work of schools and of Chief Financial Officers' statutory responsibilities for
  LEA funds. If schools fail in some clearly identifiable aspect of delegated management, LEAs
  have the right to withdraw all or part of the delegated management authority.

22. In December 1990 the Department of Education and Science and the Welsh Office
  issued draft circulars setting out significant extensions to LMS. As the momentum of delega-
  tion from LEAs to government bodies continues, schools can expect to achieve further control
  of the services they receive. If delegation includes the education psychology, peripatetic
  teaching and library services, the role of the school will be one of a customer purchasing the
  services of others. Management experience with the current level of delegation will equip
  schools to take advantage of future developments.
2. School Funding

ASCERTAINING THE SCHOOL FUNDING ALLOCATION

23. Governing bodies must ensure that they have a clear understanding of their financial responsibilities under LMS. They should study the authority's formula carefully, seeking advice as necessary to understand the position of their schools. Against that understanding they can consider the use of their resources.

24. For each financial year, a school must set a budget and ensure that systems are in place to monitor and control expenditure for three school terms which span two separate academic years. The starting point is:

— the school's share of the LEA's budget which in turn is determined by
— the number and age of pupils on the school roll and
— the school premises and accommodation.

25. The LMS funding allocation is a reasonably secure starting point in the short term but can change in the longer term due to three main causes: changes in the LEA's total schools budget, the removal of transitional funding arrangements and fluctuations in the pupil roll. Changes in the LEA's total schools budget affect the shares of that global sum which the formula apportions. Transitional funding arrangements delay the full impact of the change from historical levels of school funding to direct application of formula funding but schools will progressively feel an impact.

26. An individual school can do little to affect the LEA's global budget or transitional funding arrangements but school-level action can be one of the influences on its pupil roll. The school can benefit if it undertakes such action in a planned and positive way.

OPTIMISING THE AVAILABLE FUNDS

27. One type of school-level action would be to seek to increase the school's roll. In general more pupils mean more money. However they also mean more need for money. Schools need to consider whether the additional budgetary allocation generated by the enrolment of an additional pupil is greater than the marginal cost of educating that pupil. In theory the potential for increasing pupil numbers is anything from the current roll up to the number of pupils the school can physically accommodate.
28. While the financial cost of placing an extra pupil in an existing class may appear to be simply the cost of consumables, the real cost may be higher. Every pupil demands teacher time — not only in terms of teaching and assessment, but in pastoral care. They may also contribute to higher noise levels and greater disruption in class. On the other hand, particularly in a small school, there can be intangible benefits. All pupils bring their own distinctive talents to benefit the class and the whole school.

29. While it was frequently not in a school's interest to increase pupil numbers when the budget was controlled directly by the LEA, this is rarely the case under LMS. It is usually in the interest of a school with available accommodation to increase its pupil numbers and thereby acquire greater discretionary resources. But schools need to be aware of how they will be affected by a change from their present roll to a higher roll. To achieve this awareness, schools need to understand the precise impact of the LEA formula upon themselves, as the case of small school salary protection illustrates. This protection has been built in to formulae to compensate smaller schools where the staff in post occupy positions on the incremental salary scale higher than the LEA average.

30. If a school moves from employing nine teachers to employing ten — apart from the headteacher and deputy head — the school loses its small school salary protection. But the extent to which a particular school is affected depends on its LEA's LMS scheme. Although all formulae involve a tapering off of protection there is currently a wide variation in the operation of the tapering, the extremes of which can be shown by example:

<table>
<thead>
<tr>
<th>LEA</th>
<th>Protection Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEA A</td>
<td>Full protection up to 9 teachers, tapering from 100% to zero between 9 and 10.</td>
</tr>
</tbody>
</table>
| LEA B | <6 teachers, 100% of difference between actual and average costs  
  <7 teachers, 80% of difference between actual and average costs  
  <8 teachers, 60% of difference between actual and average costs  
  <9 teachers, 40% of difference between actual and average costs  
  <10 teachers, 20% of difference between actual and average costs |

Schools in LEA A would be extremely reluctant to recruit a tenth teacher if their teachers' salaries are on average higher than the LEA average. On the other hand, if the average salaries are below the LEA average the school has every incentive to recruit another teacher.

31. To ensure that they are fully aware of the impact on their schools of changes in pupil numbers, headteachers and governors will find it useful to refer to a graph showing the revenue from formula funding for the school against a baseline which could run from one pupil up to the school's capacity. Exhibit 1 comprises two such graphs.
32. Resources can also be supplemented by voluntary assistance or by commercial arrangements such as shared commission with local businesses. Some regret the extent to which schools seek such funding. But although voluntary resources cannot be relied upon, they can make a significant contribution to the school. In schools which responded to the Commission's questionnaire, contributions per pupil ranged from £1 to £96 (Exhibit 2 overleaf). In the planning process, the school should be clear about which types of expenditure should be met from which types of funding. Expenditure on essential items should be met from income which is secure.
33. A further means for schools to increase the resources deployed on behalf of their pupils is to co-operate with other schools. Co-operation, in groups often known as clusters, is discussed in the report *Rationalising Primary School Provision* in relation to small schools, and indeed clustering is of particular benefit to small schools. But there are several forms of clustering:-

— shared in-service training, in which schools share their expertise or jointly engage an external training input more expensive than they could individually afford

— exchange of teaching staff, either for direct teaching in each other's schools or to exchange specialist consultancy amongst teachers

— co-operation over teacher appointments, so that the skills and expertise sought from a new recruit are specified in relation to the needs and priorities of the cluster

— joint employment of peripatetic staff.

34. All these means of improving quality through clustering entail some expense, often the reimbursement of travel costs, to make them possible, but generally the expense is less than that of alternative ways of achieving the same benefits.

35. In planning their budgets, it is important that schools look ahead more than one year. Although schools can be less confident about their funding in later years, the Commission recommends that schools estimate their forecast funding over a three-year period. The best budget plans will include contingency actions should actual funding deviate significantly from previously planned funding.
36. In parallel to ascertaining its likely total level of resources, a school should set out its aims and objectives as an essential preparatory stage to the apportionment of funds between spending heads. Before doing so, governors and headteachers should be able to answer the following questions:

**QUESTIONS**

- How feasible is it for the school to attract additional pupils?
- How will the school's funding allocation increase if pupil numbers rise?
- What increases in spending would be needed to provide for additional pupils?
- Would additional pupils benefit the school overall?
- What scope is there to attract to the school resources other than from the LEA?
- Could the school obtain the use of additional resources through co-operation with other schools?
3. Preparation of a School Plan

SETTING SCHOOL AIMS

37. The preparation of a school development plan begins with the formulation of the school's aims. These aims need to be framed in the light of pupils' changing circumstances and characteristics. Pupils' home circumstances, the age profile of pupils on roll, current levels of pupil attainment and the requirements of pupils with Special Educational Needs will all influence what a school sets out to do. These aims should include statements about the school's curriculum range (its 'menu') and its objectives for achieving quality in teaching and learning.

38. Aims should fulfil two conditions. Firstly the aims should have the potential to be developed into specific actions. Secondly they must be capable of assessment, either by measurement or by observation. Success criteria* should be related to aims. It is unlikely that every success criterion will include a numerical value. For instance a school's aim might be to "help pupils to enjoy learning"; on the face of it a bland notion. This aim could be developed by stating that there are a number of supervised resource areas available to pupils at all times and at their discretion. Usage of those areas could then be taken as one of success criteria for efforts to improve pupils' enjoyment of learning. To make full use of such criteria in measuring the effectiveness of the school's educational programme, primary schools will need to use some form of entry profiling. The value added by the school to the pupils will in part be measured by the difference in the child's ability as indicated by the changing scores on the school's success criteria. Exhibit 3 illustrates the connection between aims and success criteria.

Exhibit 3
SCHOOL AIMS DEVELOPED
Aims are associated with explicit success criteria.

<table>
<thead>
<tr>
<th>Aim</th>
<th>Success Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>to acquire abilities, and the will to use them</td>
<td>monitoring and knowledge, recording of skills and pupils' achievement</td>
</tr>
<tr>
<td>to read fluently and accurately, with understanding, feeling and discrimination</td>
<td>tests and other assessments of accurate reading ability</td>
</tr>
<tr>
<td>to encourage pupils to enjoy books</td>
<td>number of books issued from school library</td>
</tr>
<tr>
<td></td>
<td>pupils to keep records of books read</td>
</tr>
</tbody>
</table>

39. There is nothing especially novel in these suggestions. But it is important that such aims and their success criteria be marshalled into the school development plan so that they can guide overall planning and resourcing decisions and enable the effectiveness of the school to be monitored.

40. School development plans are still in the early stages of design. Some of the better ones include statements of the ways in which existing resources will be deployed and of the ways in which new resources will be acquired. Some consider a time horizon longer than one year. But they are often 'compartamentalised' in that there is no apparent link between statements concerning, say, staff training needs, with statements on, say, curriculum development or the purchasing of supplies and equipment. Often there is no demonstrable alignment of resourcing plans to school objectives.

41. Although final decisions on a school's development plan rest with the governing body, the headteacher will take the lead in the preparation of the plan. The headteacher should involve all the staff who will implement it, in order to maximise their commitment to its success. The finalised plan should set out the planned application of all resources to the process of education. For this it will be necessary to go through the stages shown in Exhibit 4.

Exhibit 4

A PLANNING STRUCTURE FOR A PRIMARY SCHOOL
This structure provides a discipline for schools' decision-taking

42. The key feature of the scheme shown in exhibit 4 is that it overcomes the danger of compartmentalisation in school planning. Budgetary planning — the choices of how to apportion the school's total resources — becomes an integral, not an isolated, part of the school planning process. An example is probably the clearest way to illustrate how an aim can translate into precise decisions.
The governors decide that a worthwhile aim is: ‘to develop pupils’ experiences and achievements in science, giving due attention to national curriculum requirements.’ The review process, undertaken to measure how successful the school is in meeting this aim, indicates that:

— after a recent visit HMI suggested that too much of the science work had a biological basis, with insufficient attention given to physical science; teachers’ plans and reviews of classes’ work confirm this perception

— individual pupils’ progress in science is not recorded; teachers keep lists of content covered in class but not of pupils' achievement or understanding

— in most classes, science is covered within cross-curricular topic work; it is not clear that such topic work includes sufficient allocations of time to science.

In working towards a course of action to meet the identified need, it is noted that:

— teachers have indicated that they lack confidence in teaching science, even though several have attended in-service training courses away from the school

— teachers report that pupils manifest less motivation in science work than in other curricular areas

— existing science equipment is in poor condition and the teacher with curriculum responsibility for science (the science co-ordinator) considers that there is a shortage of equipment as assessed against the requirements of the national curriculum

— some classrooms lack a water supply — this is restricting some of the work.

After advice from the headteacher and the staff, the governors identify three themes for improvement:

A. improve teachers’ skills and knowledge

B. improve physical facilities for pupils’ study of science

C. increase pupils’ motivation to study science

Specific proposals are then generated, perhaps through a process of brainstorming at a staff meeting, and a number are chosen for action:

A. Teachers and their training:-

i) teachers are to make written plans specifically for science, within the cross-curricular topic approach if they wish; for each year group, the teacher(s) will agree with the science co-ordinator the science work to be covered each term; the co-ordinator will advise on the means of ensuring continuity and consistency and on the balance between physical and biological science

ii) the science co-ordinator is to be released from class responsibilities for part of each week to work alongside colleagues in their classes, sharing expertise and monitor-
ing science work throughout the school

iii) a science specialist is to come into school to provide training for all teaching staff

iv) the staff library is to be extended to include more reference books related to science

v) the science co-ordinator is to review the school’s guidelines for the teaching of science, updating them if necessary in the light of national curriculum requirements

B. Equipment:-

vi) the school is to purchase new science equipment matched to the science curriculum; as a result each class should have a basic stock of equipment such as hand magnifiers and simple measuring equipment

vii) the school will try to secure a water supply for each of the classrooms which currently lack one

C. Motivation:-

viii) the school will try to organise a visit to the Bristol Exploratory, together with associated preparation and follow-up work in class.

47. Each of the proposals has different resource implications. Exhibit 5 illustrates this process by reference to this example. Information on school aims presented to governors for budgetary approval will be thorough, and will be sufficiently clear to enable the lay body to make sound decisions on the head’s recommendations to deploy expenditure. Thoroughness and clarity of presentation will assist the decision process directly; they will also reduce any temptation for governors to seek to become excessively interventionist.

48. Having decided on these proposals, the school needs to align its actions to satisfy them. It is not enough to have a planning system which illuminates needs; the school must also “will the means” to satisfy those needs. Probably choices will need to be made between desirable programmes. Without a school development plan, those choices will be made by default. With a school development plan, governors can establish priorities between tasks and make explicit decisions about the use of school resources.

QUESTIONS

What are the educational needs of our pupils?
Has the school agreed a set of aims which meet our local needs?
Have we identified actions which the staff will undertake to meet our needs?
Do the means exist to enable those actions to happen?
RESOURCE REQUIREMENTS AND BUDGET IMPLICATIONS OF THE SCIENCE EXAMPLE

Every proposed action is developed into resource and budget implications

<table>
<thead>
<tr>
<th>Action required</th>
<th>Resource requirements</th>
<th>Budget implications</th>
<th>Priority Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. All teachers to make written plans for their science teaching</td>
<td>Variable – depending on the amount of time teachers currently devote to planning</td>
<td>Possible loss of time for other preparation</td>
<td>1</td>
</tr>
<tr>
<td>2. Release science co-ordinator to support colleagues</td>
<td>3 hours per week of teacher time for one term</td>
<td>£530</td>
<td>2</td>
</tr>
<tr>
<td>3. Science specialist to come into school to work with staff for one day</td>
<td>One of the school’s closure days and the specialist’s fee</td>
<td>£150 for the fee</td>
<td>2</td>
</tr>
<tr>
<td>4. New science equipment</td>
<td>Purchase of suitable equipment and storage</td>
<td>£200</td>
<td>3</td>
</tr>
<tr>
<td>5. New reference books</td>
<td>Purchase of 20 books</td>
<td>£180</td>
<td>3</td>
</tr>
<tr>
<td>6. Review science teaching guidelines</td>
<td>n hours of science co-ordinator’s time</td>
<td>Possible loss of time for other preparation</td>
<td>1</td>
</tr>
<tr>
<td>7. To secure a water supply for classrooms which currently lack a supply</td>
<td>Plumbing work and materials</td>
<td>LEA capital or substantial funds from LMS budget</td>
<td>2</td>
</tr>
<tr>
<td>8. Bristol Exploratory excursion</td>
<td>More intensive supervision than is usual in school</td>
<td>Parents to come too</td>
<td>3</td>
</tr>
</tbody>
</table>

RESOURCE ALLOCATION

49. Making choices between alternatives is not easy. But it can be made systematic. With the elements of a school plan in place it becomes possible to move on to the allocation of resources in support of the school’s aims.

50. The starting point of the budgetary process is the unavoidable expenditure facing the school. Once this first call on funds or base budget has been identified, the school can the explore options because resources in excess of the base budget are available for alignment with the school’s aims. The guiding principle of the base budget is that it pre-judges as few ways of meeting the particular needs of the pupils as possible.

51. The process of identifying and costing actions in support of the development plan was illustrated by reference to part of a school’s activity, its teaching of science. The process of resource allocation can be illustrated by reference to a whole school. Vincent Square School is situated in a metropolitan district and has 220 pupils on roll; its total funding allocation is £232,300. Although this is a hypothetical example, the funding level is realistic (Exhibit 6).
Exhibit 6
RANGE OF FUNDING FOR SCHOOLS OUTSIDE LONDON WITH 200 – 249 PUPILS
Funding is highly variable

Source: LMS budget allocations for 1990-1 in 21 Metropolitan Districts and 15 Counties

52. The largely unavoidable expenditure for the operation of Vincent Square School, excluding classroom staff is:

<table>
<thead>
<tr>
<th>Item</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repairs &amp; maintenance</td>
<td>1,500</td>
</tr>
<tr>
<td>Energy</td>
<td>2,500</td>
</tr>
<tr>
<td>Rates</td>
<td>8,000</td>
</tr>
<tr>
<td>Water</td>
<td>1,000</td>
</tr>
<tr>
<td>Cleaning</td>
<td>6,500</td>
</tr>
<tr>
<td>Caretaking</td>
<td>9,000</td>
</tr>
<tr>
<td>Refuse collection</td>
<td>300</td>
</tr>
<tr>
<td>Equipment</td>
<td>200</td>
</tr>
<tr>
<td>Recruitment advertising</td>
<td>100</td>
</tr>
<tr>
<td>Adult free school meals</td>
<td>2,000</td>
</tr>
<tr>
<td>Support to governing body</td>
<td>300</td>
</tr>
<tr>
<td>Administrative supplies and equipment</td>
<td>2,000</td>
</tr>
</tbody>
</table>

**TOTAL** 33,400

These items include the running costs of the school premises because, although there will be some scope for efficiency savings, these costs are largely fixed.

53. The real flexibility in resourcing revolves around staffing decisions. The teacher staffing element of the base budget can be determined by reference to the organisation of the school into classes. A reasonable starting point would be the number of teachers (including the head) required to form groups of not more than 30* pupils, together with a part-time element sufficient to release the headteacher for 1½ days a week for administration and for seeing parents. The base should also include other unavoidable staffing costs, such as midday supervision.

* The figure of 30 is chosen because it is widely regarded as the class size above which successful teaching and learning become less likely. The choice of the figure is not intended as a challenge to the objective of LEAs to reduce class sizes below 30 or to the view that there are circumstances where larger classes are appropriate. The choice of any figure inevitably involves a measure of arbitrament because of paucity of conclusive evidence on the effects of class size. Similarly, the figure of 1½ days per week of release from teaching for the headteacher is based on observation of practice during the Commission’s fieldwork. Again, a firmer basis is unavailable.
54. Applying this approach to Vincent Square implies a need for the 220 pupils to be formed into eight groups. If there were only seven groups, the maximum of 30 pupils would have to be breached in at least some of the groups but with eight groups all can be contained within the maximum. To enable the head to be released from teaching the number of teachers would be 8.3. Every primary school has been given an allocation by its authority’s LMS formula which would fund such a starting point leaving some resources for deployment by the school.

55. The identified base staffing budget can then be translated into an appropriate money sum. This translation is not entirely straightforward because of the wide range in salaries of individual teachers within the single main professional grade. Schools employing fewer than ten teachers in addition to the headteacher and any deputy headteachers may, depending on the detail of the LEA’s budget formula, be charged either at the LEA average teacher cost irrespective of the actual cost of the teacher, or at the average cost plus a proportion of the difference if the actual cost is greater.

56. In Vincent Square School it is assumed that actual teacher costs are charged. The estimated base staffing budget is:

<table>
<thead>
<tr>
<th></th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headteacher (Group 2 point 10)</td>
<td>24,200</td>
</tr>
<tr>
<td>Deputy Headteacher (Group 2 point 2)</td>
<td>21,400</td>
</tr>
<tr>
<td>6.3 other teachers</td>
<td>105,100</td>
</tr>
<tr>
<td></td>
<td>150,700</td>
</tr>
<tr>
<td>Add: Premises etc</td>
<td>33,400</td>
</tr>
<tr>
<td>Midday Supervision</td>
<td>5,500</td>
</tr>
<tr>
<td><strong>Total Base Budget Costs</strong></td>
<td><strong>189,600</strong></td>
</tr>
<tr>
<td><strong>Budget Remaining</strong></td>
<td><strong>42,700</strong></td>
</tr>
</tbody>
</table>

57. Expressed in fte teacher numbers, the teacher element within the base budget equates to:

- **Staffing for eight classes**: 8
- **Administration**: 0.3

**8.3**

58. It is important to stress that neither Vincent Square nor any other school can be expected to operate successfully on its base budget — it is simply a budgeting approach to identify the maximum sum of money available for deployment by the governing body to meet its school development plan.

59. In most schools, the development plan will call for the employment of more teachers than are needed in the base budget to secure:
i) effective school management and planning
ii) curriculum development and co-ordination
iii) training of teaching staff
iv) effective teaching

These can all be explored by reference to Vincent Square School.

SCHOOL MANAGEMENT AND PLANNING UNDER LMS
60. School management and planning have traditionally been the responsibility of the headteacher. With increasing responsibilities resulting from LMS it is likely that the advice to and executive work on behalf of the governing body will be shared with the deputy head — and the senior management team in schools big enough to have one.

61. The teaching load assumed by the headteacher depends mainly on the size of the school but in part reflects the philosophy of the school and the management style of the headteacher. A substantial number of headteachers carry a teaching commitment. Analysis of returns to DES showed that at January 1989, 36% of all primary headteachers in England taught for more than half of the time. Only 13% did not teach at all.

62. As administration and clerical staff are not as expensive as teachers, headteachers and all teaching staff should avoid investing their efforts in tasks which can be carried out by administrative staff. LEAs have generally made allowances in schools' budgets to cope with financial administration arising from LMS through additional administration time but have not increased the teaching budget.

63. Vincent Square School's judgement may therefore be that a further half of the headteacher's time, one day per week of the deputy head's time, and £10,000 worth of clerical hours, would be needed for school management and planning.

Consequent addition to base budget: 0.7 fte of a teacher plus £10,000 per annum

CURRICULUM DEVELOPMENT AND CO-ORDINATION
64. Large schools with several teachers have greater scope for allocating responsibilities for curriculum development and co-ordination. In Vincent Square, for instance, the headteacher may wish to assume responsibility for curriculum co-ordination, but allocate say, a 'B' allowance and two 'A' allowances for curriculum development in those curricular areas identified as a priority in the development plan. The deputy headteacher may be responsible, for example, for co-ordinating and developing testing and assessment in the national curriculum core subjects.

65. It is unlikely that curriculum development and co-ordination can be met simply by the allocation of responsibilities even where an incentive allowance is attached. If curriculum development work is to benefit the school, gathering of material from, and dissemination of
material to, the whole staff is vital. This can partly be achieved through staff meetings and in-service training, but many schools are keen also to use practices such as team teaching and observation of one teacher by another, which involve two teachers present in a class simultaneously. In most cases, these practices will necessitate additional teaching time. The decision of Vincent Square School might be that two days of additional teaching time per week are required for this purpose for the school as a whole. This would be used to make possible actions in support of the school development plan such as the support to science teaching mentioned in the example of the previous section.

Consequent addition to the base budget: 0.4 fte of a teacher

1 x B incentive allowance

2 x A incentive allowances

66. Curriculum development and co-ordination are more difficult in smaller schools. With relatively few teachers, individuals are likely to be responsible for curriculum development in more than one of the three core subjects of the national curriculum. If there are fewer than ten teachers then all of the foundation subjects cannot be uniquely covered by one teacher. In these cases there are both time problems and problems of expertise. Exhibit 7 shows the allocation of responsibilities in two small primary schools, both with four teachers, working as the full-time equivalent of 3.3 teachers. It also shows how the schools have allocated incentive allowances to their full-time teachers.

Exhibit 7
ALLOCATION OF RESPONSIBILITIES AND INCENTIVE ALLOWANCES IN TWO SMALL PRIMARY SCHOOLS
School A has a much more rational allocation of responsibilities

<table>
<thead>
<tr>
<th>TEACHER’S POST</th>
<th>SCHOOL A</th>
<th>SCHOOL B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head</td>
<td>Maths, language, PE and games</td>
<td>No specific responsibility</td>
</tr>
<tr>
<td>‘A’ allowance</td>
<td>Infant department and implementation of national curriculum</td>
<td>Introduction of national curriculum</td>
</tr>
<tr>
<td>Main scale</td>
<td>Technology, Science, Art and Craft</td>
<td>Junior choir</td>
</tr>
<tr>
<td>Main Scale</td>
<td>Music</td>
<td>Swimming</td>
</tr>
</tbody>
</table>

67. A possible way to enrich the skills available in the school is to recruit part-time teachers or to make job share appointments. This is not always practicable but in the schools where the Commission encountered such appointments, no concern was expressed where two
part-time teachers shared a class. Parents were said to have had initial reservations but these were quickly overcome. In one school which the team visited, two teachers shared the deputy head post. The headteacher said that it was like having two deputy heads. Both brought individual skills to the post, and it provided for a viable management team of three to share ideas and plans for the school. Co-operation with other schools can also be enriching.

TRAINING OF TEACHING STAFF

68. Curriculum development raises the need for training of teaching staff. The appropriate approach is similar to the approach to resource deployment for school management and for curriculum development. A school’s aims can be mapped out and translated into demands for resources. A school has to decide how much, if any, of its own money to use on in-service training. This decision will be affected by the training which is funded by the LEA. The more closely LEA provision matches school needs, the less the school will need to supplement the LEA activity. The INSET training budget is rarely distributed to schools on the basis of the needs of teachers; teacher numbers are the common criterion.

69. There are alternatives involved in in-service training. The medium for training could be a course or it could involve support to teachers in the classroom from the LEA’s advisory teachers. The school must judge the effectiveness of the two media, but use of advisory teachers has the advantage of being easy to manage - advisory teachers work alongside teachers within the normal organisational pattern of the school. However, there may not be advisory teachers available to support the school’s particular purposes.

70. The choice of when courses should take place is difficult. Many trainers consider that courses in the late afternoon after pupils have returned home are less effective than those during the pupil day, but the latter cause disruption to pupils’ learning because of the temporary change of teacher. And the situation is complicated by the arrangements for financing in-service training. A significant proportion of training is funded through the LEA Training Grant Scheme (LEATGS) and not through the schools’ share of LEA aggregated schools budgets. This scheme, which is funded jointly by Central Government and by LEAs, meets the costs of providing training but only meets the cost of replacement teachers if a course takes place when pupils are in school. Thus the LEATGS arrangements provide an incentive for courses to be run during the pupil day. The arrangements which are to replace both LEATGS and Education Support Grant from April 1991 (called Grants for Education Support and Training) retain this feature.

71. The school’s next choice, on meeting the requirement for additional teaching time, will depend on the quality and availability of supply teachers. Although supply teachers are a flexible resource, some schools experience severe difficulty in finding suitable supply teachers. In those circumstances, it may be better to employ additional permanent teacher time so that the school can provide its own class cover.
72. Vincent Square School would need to review the actions listed in its development plan which involved in-service training of teachers. From amongst these it would need to select those occasions which require teachers to be absent when pupils are present – so, for example, training work on a school closure day would be excluded from the budget calculation. The estimate of the need for covering unplanned absence would be added to the estimate for planned absences and might yield a total of, for example, three days per week of additional teacher time. Whether a sum is earmarked in the budget to buy in supply teaching or the school decides to employ additional teacher time, there is a

**Consequent addition to base budget: 0.6 fte of a teacher.**

**EFFECTIVE TEACHING**

73. Class organisation in primary schools is particularly flexible, and contrasting organisations of teaching groups can be successful. For instance, both open plan teaching and segregated classroom teaching can be effective provided other conditions are favourable. So a variety of different organisational measures may be implemented to increase directly the effectiveness of teaching and of pupils' learning.

74. Some of these measures involve the employment of additional teachers either to reduce class sizes in general or to enable classes to spend some of their week divided into groups of pupils smaller than full classes. Decisions to reduce the sizes of classes are likely where there is a high proportion of disruptive pupils or pupils with special needs (particularly where the special needs are not such as to cause the LEA to provide enhanced staffing specifically for the individuals concerned). Group work is useful where there is a broad ability or needs range within classes. But the most common use of additional teaching time is in a school with an uneven age distribution, to provide an extra class so that pupils can be taught in single-age groups.

75. Vincent Square School has an uneven age distribution but may decide that it will keep year groups together and have only seven classes:

<table>
<thead>
<tr>
<th>Class:</th>
<th>R</th>
<th>Y1</th>
<th>Y2</th>
<th>Y3</th>
<th>Y4</th>
<th>Y5</th>
<th>Y6</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of pupils:</td>
<td>25</td>
<td>31</td>
<td>29</td>
<td>32</td>
<td>34</td>
<td>33</td>
<td>36</td>
</tr>
</tbody>
</table>

76. Many teachers may consider class sizes of 34 and 36 as excessively large. But where classrooms are suitable, and teaching conditions permit, the school may decide that this is appropriate. In one of the the Commission's study LEAs, 29 percent of all primary classes contained more than 30 pupils, although the Chief Adviser said that classes with more than 30 pupils were not acceptable. In two other LEAs the number of classes with more than 30 pupils were 31 percent and 21 percent. This does not mean that these schools were less generously resourced than others. In most cases it enabled teachers to be freed from classroom responsibilities to serve the needs of the school in other ways. The January 1989 returns to
DES’ showed that on the day of the survey 16.7 percent of primary teachers (including head-teachers and deputies) were not teaching in front of a class. Of those who were, a number were sharing a class.

77. Since Vincent Square's base budget assumed eight classes, its decision on teaching organisation amounts to a

**Change in fte teacher numbers required of** -1.0.

78. The total effect of the four groups of changes in demand for teacher time in the case of Vincent Square School is:

<table>
<thead>
<tr>
<th>Management &amp; planning (i)</th>
<th>0.7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Curriculum development (ii)</td>
<td>0.4</td>
</tr>
<tr>
<td>Training and other absences (iii)</td>
<td>0.6</td>
</tr>
<tr>
<td>Effective teaching (iv)</td>
<td>4.0</td>
</tr>
<tr>
<td>---------------------------</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>0.7</td>
</tr>
</tbody>
</table>

79. In practice the school may decide that the 0.3 fte part-time post (para 50) provided to cover the headteacher's administration time should be used to make up a full-time post.

**Cover by making p-t teacher post to f-t** 0.7

**Summary of Budget Decisions**

Additional costs involved:

| 'B' allowance | £ 1,700 |
| Two 'A' allowances | 2,100 |
| Additional 0.7 fte teacher | 11,700 |
| Clerical effort (cf. (i)) | 10,000 |
| **£25,500** |

Remaining budget £17,200

80. The remaining budget should be applied to other needs identified in the school development plan. These will include the provision of books, stationery and other learning materials, the budget for which has traditionally been held at school level. It may also be possible to undertake repairs, maintenance or even minor building alterations beyond those covered in the base budget. In addition, a prudent school will leave a modest sum in reserve as a contingency to meet unexpected demands which could arise through the year.

* Form 7: A DES statistical return completed annually by all schools
81. The school's development plan may have identified other needs which would best be met by employing teachers. In its fieldwork, the Commission team encountered:

— home-school liaison work
— community links
— links with secondary schools (or other feeder schools)

All had been selected by the governing bodies as a worthwhile use of resources and of benefit to pupils.

QUESTIONS
What staffing does the school need to support school management and planning?
What staffing does the school need to support curriculum development and co-ordination?
What staffing does the school need to support effective teaching?
Which non-staffing resources does the school need?
How can these calls on resources be reconciled with the funding available to the school?

FLEXIBILITY IN THE CLASSROOM
82. Teaching involves a range of activities including planning the curriculum, assessing pupils' progress and needs, choosing appropriate pupil tasks to advance curricular aims, instructing and motivating pupils and supervising their work. These activities are interdependent and all call for professional involvement from teachers. But some activities currently undertaken by teachers could usefully be carried out by other adults working under the direction of a teacher. For example, although listening to pupils' reading always calls for skill, it can be delegated on a supervised basis to adults who are not trained as teachers. Indeed in many of the schools which replied to the Commission's questionnaire this is already happening (Exhibit 8).

Exhibit 8
ANALYSIS OF CLASSROOM ASSISTANTS’ TIME
A large proportion of time is spent in teaching

Source: Audit Commission questionnaire to schools.
83. In a number of schools paid classroom assistants give teachers support in the preparation of materials for lessons. They also work with small groups of children under the direction of the teacher on tasks which cover the whole curricular range. The extent to which schools make use of classroom assistants varies dramatically both between and within LEAs (Exhibit 9).

Exhibit 9
CLASSROOM ASSISTANTS’ TIME COMPARED WITH TEACHER TIME
Classroom assistant time can be a substantial proportion in a school.

Source: Audit Commission Questionnaire to schools
Notes: 1) Refers to school hours only
Notes: 2) Includes classroom assistants whose presence is a result of a statement of Special Education Needs

84. Where routine work and supervision of some pupil tasks set by the teacher can be delegated to less qualified but capable classroom assistants, teachers will have greater scope for using their professional expertise where it is most needed. Pupils derive benefit from the increased proportion of adult help in the classroom while the teacher has more time available to address classroom priorities. A balance has to be struck between the need to maximise the teaching skills available to pupils and the need to maximise the number of adults in contact with pupils. For example, where a high proportion of pupils are unwilling, or unable, to work quietly and constructively under the direction of the teacher, the overriding need may be to maximise the number of adults present in the classroom and hence the amount of attention that can be given individually to pupils.

85. It is worth noting that at least two classroom assistants might be employed full-time for the cost of one teacher. If after setting up the budget for basic staffing, a school finds that it has the budgetary discretion to meet the costs of two full-time teachers, the school may consider a number of options:

(i) to employ two teachers
(ii) to employ one teacher and two classroom assistants
(iii) to employ four classroom assistants.
86. Other options are possible, particularly combinations of part-time posts. For instance, if in Vincent Square there are eight classes and option (iii) is considered appropriate, eight part-time classroom assistants, one per class, may be preferred to four full-time ones. External factors will also influence decisions. Among relevant factors are the local availability of people suitable to be recruited as teachers (including licensed and articled teachers) and as classroom assistants, as well as the extent of parental co-operation with the school and the assistance with parents provide.

87. Paid classroom assistants need to be selected carefully and their confidence and skills improved by the provision of in-service training, whether school-based or provided by the LEA. In some schools where such assistants are used successfully to give support to teachers, they have been recruited from amongst parents who formerly gave voluntary help in classrooms and showed aptitude for the work.

88. Vincent Square School's considered judgement may be for the retention of the class organisation suggested of seven classes varying in size from 25 to 36 pupils. Within its overall resources, it could then employ a full-time classroom assistant to assist in the reception class, and six part-time classroom assistants, one for each of the other classes. Alternatively, it may prefer to reduce the class sizes, albeit necessitating mixed-age classes, employ another teacher, a classroom assistant for the reception class and, perhaps, two part-time classroom assistants to be timetabled to assist the other seven class teachers.

**QUESTIONS**

Is there scope for a beneficial increase in the involvement of classroom assistants in teachers' work with their classes?

Are classroom assistants provided with training and properly integrated into the school's management?

Has the school considered the use of part-time and job-share appointments both for teachers and for other staff?

**MAKING BEST USE OF SCHOOL PREMISES**

89. The design of school premises constrains decisions about class organisation but should not be the sole determinant. By considering the interaction between classrooms and teaching resources, schools can identify alternative ways of using classrooms. An example can help show the scope for schools to adjust their organisation and use of accommodation. The example is hypothetical but draws on practice observed by the study team.

90. Three schools serving the full primary age range have the same number of pupils, the same funding allocations, the same development plans and the same school needs but different buildings. Prior to LMS, accommodation was seen as the determining factor for school organisation. But LMS triggers a process of identification of needs through the school development plan. The choice of school organisation is guided by the plan with accommodation as a constraint.
The schools each have 250 pupils, which means that the number of pupils in each year group will range between 30 and 60 with an average of 45. In such situations, the school is faced with three choices:

- classes much smaller than 30 pupils (expensive)
- classes much larger than 30 pupils (usually unwelcome to staff and parents)
- classes spanning more than one year group, (i.e mixed-age classes)

So, even though the schools are not small, mixed-age classes are virtually inevitable. The capacity of each school according to the DES method for calculating capacity is 300. The staffing allocation before LMS was ten teachers plus a headteacher and 25 hours (1 fte) of classroom assistant time.

The three schools consist of one hall, cloakroom and toilet facilities and teaching area, together with teaching areas. The sizes and uses of these areas are summarised in Table 2.

Table 2
THREE SIMILAR SCHOOLS WITH DIFFERENT LAYOUTS

<table>
<thead>
<tr>
<th>School A</th>
<th>School B</th>
<th>School C</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 classrooms — 5 of 54 m²</td>
<td>10 classrooms — all of 54 m²</td>
<td>8 permanent class 6 of 45 m² rooms — 2 of 61 m²</td>
</tr>
<tr>
<td>6 of 48 m²</td>
<td></td>
<td>1 additional room of 30 m² between 2 of the 48 m² rooms</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8 temporary classrooms — all of 54 m²</td>
</tr>
<tr>
<td>10 classes. 5 classes of 28 to 30 in larger rooms, 5 classes of 20 to 21 in smaller rooms</td>
<td>10 classes. Classes of approximately similar size, average 25 pupils.</td>
<td>10 classes. 5 classes of 26 to 30 in large rooms and temporary classrooms. 5 classes of 20 to 22 in smaller rooms.</td>
</tr>
<tr>
<td>No non-contact time for teachers, all of whom have class responsibilities. Classroom assistant shared between two reception classes, one of which contains a few Y1 pupils. One small room spare for general resource area.</td>
<td>No non-contact time for teachers, all of whom have class responsibilities. Classroom assistant used as in school A. School has requested temporary building as it has no spare classroom.</td>
<td>As School A.</td>
</tr>
</tbody>
</table>
93. Using the approach outlined for Vincent Square School, each of the three schools could determine that 9 classes is the minimum to ensure no class exceeds 30 pupils and that in consequence its base staffing budget is 9.3 teachers including the headteacher. After assessment of needs, they revise this to 8 class teachers and a headteacher without a class commitment. This leaves enough funds uncommitted to pay for two teachers and one fte classroom assistant. Each school decides that an additional teacher is required to satisfy the needs of curricular development and team teaching. As classes will have just over 30 pupils, they decide to use the balance of the budget on classroom assistants to assist and supervise pupils in general class-work and work in specialised teaching areas (activity areas). Six classroom assistants are to be employed (three fte). All schools therefore have 8 classes with 31 to 32 pupils.

**School A**
With all the pupils in eight classes, space in the three smaller classrooms will be restricted when all the pupils are present. When a class requires more space, it can use one of the other rooms as well as its classroom. This will require timetabling of the other rooms and of the classroom assistants, the latter to ensure supervision in two rooms.

**School B**
The proposed organisation should present few problems in this school as all the classrooms are of a good size, with two rooms spare as resource areas.

**School C**
This is the worst design of the three schools. Reducing the number of classes to eight does enable all pupils to be based in the permanent accommodation, with the temporary classrooms used for those activities which demand most space as in School A.

94. These options in part depend on the use of classroom assistants and illustrate the interaction between decisions over the qualified/non qualified complement of the school and the best use of its rooms.

95. So far the discussion of premises has assumed that premises are fixed. Indeed premises are perhaps the least flexible element in school management because all major alterations require capital investment. However, modern primary education is based on such a variety of activities and learning techniques that governing bodies will be keen to explore means of altering their premises to make their buildings as flexible as possible to allow for the most effective use of space. The Commission has observed a variety of school and LEA initiatives which have improved the learning environment. The scale of alteration which may be practicable for a governing body can be illustrated by reference to school C. If doorways could be made in the walls between the 30 m² room and its two neighbouring classrooms, these classrooms could then accommodate larger classes and share the use of the smaller room. The numbers of pupils in other classes could then be reduced.
Many schools have substandard accommodation as judged either against parental and professional expectations or against the statutory Regulations due to be implemented by 1996*. Most commonly, a number of schools have no hall (over 5% of the schools responding to the Commission's questionnaire), or insufficient hall space. This impedes activities such as assemblies, PE, drama and music. Other building problems include outside or inadequate toilet facilities, classrooms without water, insufficient storage space, poor circulation space, and insufficient space for practical work such as science or technology. Office space and staff rooms, although not directly affecting pupils, are frequently too noisy and overcrowded to enable the management and administration of the school to be carried out smoothly and efficiently.

* Education (School Premises) Regulations 1981
4. Evaluation and Monitoring

97. Some of these disadvantages can be overcome at limited cost by more imaginative use of space. For example, one junior school visited during the study was in a position to improve its circumstances at no cost. It had a small, prefabricated temporary, one-roomed building in the playground which was used as an office, the headteacher's room, a staff room and for groups of pupils for cookery lessons. The two permanent buildings contained six classrooms (one double-sized) and a double classroom used as a hall. There was also an additional mobile classroom. There were only 98 pupils. An improvement in accommodation could be achieved simply by moving functions within unchanged rooms.

98. Sometimes minor schemes costing between £1000 and £10,000 can radically improve school accommodation. The pressure on LEA capital has reduced LEAs' ability to fund minor but crucial improvements to schools, but some schools may be able to generate the necessary resources to fund minor schemes. In the past, schools have generated sufficient enthusiasm from parents and the local community to build swimming pools and to fund minor building works, and LMS may increase the school's freedom to take on such projects.

99. Schools can use voluntary contributions and make revenue savings in their budget which can be earmarked for building work. The type of scheme that schools may wish to consider include:

(i) enlarging teaching areas.
(ii) designing and furnishing a library or audio-visual room for pupils.
(iii) improving facilities for displaying learning materials and pupils' work
(iv) improving storage areas.
(v) creating environmental areas in school grounds.
(vi) increasing administrative facilities, particularly for LMS.

100. The school development plan informs this process. For instance enlarged teaching areas could make possible the use of bulky science equipment without the need to move pupils away from their normal classrooms. And environmental areas increase the scope for science work involving observation of change in living things.
101. Schools embarking on programmes of improvement will need to ensure that the LEA is satisfied about architectural design, planning consent, structural safety, liability insurance, future landlord maintenance and funding of running costs. And proposals to change school capacity may also need to be the subject of statutory procedures of consultation and approval.

102. Schools are unlikely to be able to embark on expensive undertakings themselves, and the recently introduced controls on local authorities’ use of capital are likely to reduce capital programmes. But a governing body should have a view on how and at what cost its school could be improved. It can then make a coherent case to the LEA so that when capital becomes available its scheme is considered alongside others.

QUESTIONS

How efficiently is the school using its premises?

Which features of the school’s current accommodation impede the pursuit of the school’s aims?

Is there scope to overcome the accommodation’s disadvantages from a combination of efficiency improvements and changes which the school can carry out?

Can changes in staffing or in the use of staff help the school make better use of its accommodation?
Conclusions

103. Taking advantage of flexibility in the classroom and making best use of school premises are both ways of extending the range of actions which a school can take to pursue school aims. After a school implements its chosen actions, the next link in the process shown in exhibit 4 is the evaluation of the effects and outturn costs of those actions. Only with thorough evaluation can governing bodies gain the assurance that schools' actions are achieving the sought-after effects. Central to the evaluation of the effects of the school's actions will be the success criteria defined as part of the school development plan. Success criteria will take many forms such as:

— whether teachers have prepared written plans for their teaching of science
— rate of borrowing from the school library
— pupil test scores
— inspectors' judgements on whether an appropriate balance has been achieved between physical and biological science within the school curriculum.

104. Whatever the form of success criteria, those which are defined before the actions are implemented should be the focus of the evaluation. Although purposes change over time and sometimes make earlier success criteria obsolete, only the criteria determined at the same time as the actions can indicate the effectiveness of the actions.

105. Evaluation of the costs of a school's actions will be achieved through the governors' oversight over expenditure. This paper has addressed the need for a plan which integrates the school's development with its finances. The governing body should receive regular reports setting out school expenditure against budget. In addition, such reports should include known commitments. If variances appear between expected and actual expenditure, the school should respond in order to ensure that its budget is effectively applied to school objectives. The governors should agree procedures to delegate certain levels of decision to the head and to retain others for their own discretion. The school should determine who amongst the staff will assume particular responsibility for financial management and whether a member of the governing body will give particular attention to this function. Whatever is decided, there needs to be a clear understanding about accountability. Without effective financial control, the best laid budgets can be undermined.
106. As well as assessing the effects and costs of school actions, evaluation and monitoring should extend to the planning process itself. Particularly in the early years of LMS, schools should re-assess their decision-taking processes. As with the sharing of resources through clusters of schools, this is a theme where schools can exchange and conclusions. The Commission is asking external auditors of LEAs to review school planning processes during 1991 and to disseminate amongst schools information about instances of good management practice elsewhere in the LEA.

107. Local Management of Schools provides governing bodies with enormous opportunities to shape the character of education to meet the requirements of their neighbourhoods. Whilst the current funding, the premises and the curriculum are largely fixed, the governing body has the opportunity to manage the application of resources in fresh and sensitive ways. It can also influence future funding and even change its premises. A concomitant of these opportunities is increased responsibility. One major element of this responsibility is the prudent use of delegated funds; the other is the pursuit of educational effectiveness. And it is the pursuit of educational effectiveness which provides the motivation for LMS — a belief that educational effectiveness can be pursued successfully at school level.

108. The key to success in locally delegated management is a process of planning, action and review which encompasses schools' financial and educational responsibilities and integrates them into a coherent system of school development planning. For some schools, school development planning will lead them to choose to continue the current pattern of education. Other schools will judge that the quality of primary education will be improved if the opportunities of local management are exploited to bring about substantial change. Governing bodies should not be afraid either to innovate or to leave things unchanged, but should be clear about their objectives and rigorous in their monitoring. Provided they are prepared to seize the opportunities, they can make a reality of local management to the benefit of current and future generations of primary school children.
Glossary

Activity area: Teaching area, usually too small to serve as a classroom, used for particular learning activities.

Base Budget (non-standard term): the portion of a school's revenue required to meet its unavoidable expenditure;

CDT: Craft, Design and Technology

CFO: Chief Financial Officer. Legal term designating the local authority officer with responsibility for its finances. In the authority, this officer is usually known as the Treasurer or Director of Finance.

Classroom assistant: Assistant to class teacher, usually not a qualified teacher.

Closure day: Day on which pupils are absent from school but on which teachers are required to attend for in-service training.

Cluster: A group of schools which share activities and personnel

DES: Department of Education and Science; the government department with responsibility for education in England

ERA: Education Reform Act 1988

ESG: Education Support Grant, a specific grant paid by central government to an LEA to carry out specific educational activities. Always involves a prior bid from the LEA to secure the grant and a supplement to the expenditure from the LEA's own resources.

fte: Full-time equivalent

GEST: Grants for Education Support and Training. Scheme of grant to be introduced from April 1991 to replace both ESG and LEATGS.

HMI: Her Majesty's Inspector (or Inspectorate) of Education

Incentive Allowance: Salary supplement payable to a teacher in addition to main scale salary in recognition of special responsibilities or of outstanding classroom teaching. There are five different allowances, A to E, of which no teacher receives more than one.

INSET: In-service training; sometimes used in the narrower sense of the LEA programme of courses agreed with and substantially funded by Central Government specific grant.

LEA: Local Education Authority

LEATGS: LEA Training Grant Scheme. Scheme of grant similar to ESG but applied only to in-service training

LMS: Local Management of Schools. A management structure for schools introduced in the 1988 Education Reform Act. It applies in all schools maintained by LEAs other than nursery
schools and special schools. LMS involves funding of schools by means of a formula and delegation of management authority to governors of most schools. Delegation is statutorily required for all LMS schools other than primary schools with fewer than 200 pupils on roll. In December 1990, the Government issued circulars for consultation providing for extensions of LMS. Amongst other changes are the inclusion of special schools in LMS and delegation for all primary schools however small.

Mixed-age class: Class in which the ages of pupils span a longer period than 1st September one year to 31st August of the next.

Non-contact time: That part of a teacher's week when pupils are present in school when the teacher is not in contact with pupils. Many primary school teachers have no such time.

PE: Physical Education

Phase: A section of education provision catering for a particular age group; e.g. the primary phase, the secondary phase.

RE: Religious Education

Reception class: Class of pupils who were aged 4 on 1st September at the beginning of the current school year.

Single-age class: Class in which the birth dates of all the pupils fall in the same academic year.

Study LEAs (non-standard term): LEAs in which the Audit Commission team on primary education concentrated its fieldwork.

Supply: A person qualified as a teacher, employed to stand in for a teacher who is absent from school.


Y1, Y2 ...Y13: Nomenclature to refer to the different years of schooling. Y1 means the year group of pupils aged five on 1st September, Y13 means the year group of pupils aged seventeen on 1st September.