



**COMMISSION  
ON SCHOOL  
REFORM**

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**Challenge Paper**

**Pupil Equity Fund**

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## Pupil Equity Funding: The first major test of the DFM's "presumption"

*"The presumption...at the heart of the [Governance] review...[will be that]...decisions should be taken at school level"<sup>1</sup>*

### Governance Context

Against the background of the SG's Governance Review<sup>2</sup>, the allocation of 'Pupil Equity Funding' targeted at closing the "poverty related attainment gap" and which is to go "directly to schools", may be a major step in the direction of greater autonomy for schools. Unlike previous allocations of 'ring-fenced' funding to schools (such as the Schools of Ambition programme of 2005-08 which involved around 50 schools), it could potentially benefit every headteacher and every school in Scotland. Unlike previous additional funding schemes, to receive this allocation, no burdensome bureaucratic requirements were placed on schools eg to submit applications or plan in advance: the additional funding was to be allocated 'per capita' simply on the basis of the estimated number of young people in P1-S3 registered for free school meals "under the national eligibility criteria". It is a major strategic development in Scottish education, the significance of which is magnified by its context: it comes at a time when the SG is analysing over a thousand responses to its national review of school governance launched last September. Thus the publication of 'Pupil Equity Funding – National Operational Guidance' might provide a timely indication of what is in store for Scottish schools if, as seems likely after the Government's response to the consultation on Governance is published in June, more autonomy is on the way. However, a close examination of this document for the messages it

contains about increased school autonomy, reveals some concerns.

Published on 31 January 2017, the 'Pupil Equity Funding – National Operational Guidance' document has been issued to every headteacher in Scotland as a 'guide' to how they might "invest" their school's PEF allocation from 1 April 2017. Given that barely two calendar months will have passed between the publication of this 'National Operational Guidance' and the commencement of the PEF allocation, it is somewhat puzzling that it is issued as a 'draft' document - the obvious question to ask is 'When is the final guidance going to be available?'. Be that as it may, its publication is an important follow-up to the promise made explicit in the Deputy First Minister's (DFM) statement to the Scottish Parliament of 13 September 2016 (frequently repeated elsewhere) that the

*"...presumption...at the heart of the [Governance] review...[will be that] ...decisions should be taken at school level"<sup>3</sup>.*

Just as the "presumption of mainstreaming" set out in the Standards in Scotland's Schools etc Act of 2000, was a landmark in inclusive education in Scotland, so this "presumption" could become a landmark of a different kind potentially ushering in a new era of school autonomy in Scottish education. This of course will be largely dependent on what emerges from the Governance Review. Nonetheless, the introduction of the PEF, can be seen both as the first major step towards increased school autonomy and the first major test of the operational impact on schools, of that "presumption". Though it will be some time before the full operational impact of the PEF at school level becomes clear, we have in this document, the first published operational indication of the SG's direction of travel in relation to increasing school autonomy. It is therefore important at the outset of the PEF

<sup>1</sup> Deputy First Minister, John Swinney Statement to Parliament 13 September, 2016. Accessed at <http://news.scotland.gov.uk/Speeches-Briefings/Empowering-teachers-parents-and-communities-to-achieve-excellence-and-equity-A-governance-review-2ae0.aspx>

<sup>2</sup> Empowering teachers, parents and communities to achieve excellence and equity in education. (2016), The Scottish Government .

<sup>3</sup> Deputy First Minister, John Swinney Statement to Parliament 13 September, 2016. Accessed at <http://news.scotland.gov.uk/Speeches-Briefings/Empowering-teachers-parents-and-communities-to-achieve-excellence-and-equity-A-governance-review-2ae0.aspx>

programme, to consider what general message about their decision-making status in the Scottish school system, the SG are sending to headteachers. In particular, the “operational guidance” about the use of PEF provided in the National Operational Guidance document, may be taken as an indication of whether, more generally, it is now more or less likely that decisions which “should be taken at school level” are in fact going to be taken there.

The intention behind the publication of the National Operational Guidance document is certainly laudable in the sense that it aims to assist schools, many of whom especially in the primary sector, have never had such large sums at their disposal, to make appropriate spending decisions. However, even at this early stage some cautionary notes may be worth sounding. In the first place, the National Operational Guidance document is full of specific directions to schools about what they may and may not do: in this sense its tone is closer to what one might have expected from a set of operational *requirements* rather than ‘guidance’. Indeed the document, by repeatedly insisting that they comply with established local authority processes and accounting procedures in disposing of their additional funds, rather suggests to schools that compliance with such strictures is at least as important (or more important) than being innovative and creative with interventions to narrow the attainment gaps. Secondly, it places local authorities rather than schools at the heart of the whole operational process. The document repeatedly reminds schools of the role of local authorities. For example, it instructs schools that:

*“Local authorities will issue complementary guidance about how the funding will operate locally.”<sup>4</sup>*

So schools are being told that they will have to work from two sets of “guidance” – one national, the other local. Whether having both “national operational” and local “complementary”

guidance from local authorities will be welcomed by schools is a moot point at present, but the issuing of the “complementary guidance” from local authorities seems destined to impact negatively on the SG’s stated presumption that “decisions should be taken at school level”. Moreover, according to the national guidance, headteachers will be required to work in partnership, not just with each other, but crucially in this context, with:

*“...their local authority, to agree the use of the funding.”*

On the crucial issue of deciding on the use of the funding, the instruction to headteachers that they must “agree” this with their local authority, would also appear to be at odds with the SG’s repeatedly stated presumption that “decisions should be taken at school level”. Requiring HTs to agree their use of the funding with their local authority sounds very like giving to local authorities, a decisive role. The intention here may be benign - to provide schools with advice and support, for example in respect of the statutory responsibilities of local authorities, where, given the difficulty of preventing people on temporary contracts effectively qualifying for full employment protection rights, there is a risk that schools using PEF to take on new staff will incur long-term obligations for local authorities. Notwithstanding this legitimate concern, the clear danger is that requiring headteachers to “...agree their use of the funding” with local authorities will simply serve to perpetuate the risk-averse culture in Scottish education that has been responsible for the historical dearth of real innovation in tackling the effects of poverty on attainment that the PEF funding has been designed specifically to address. Then there is the requirement in the document that the operation of the PEF should articulate with existing planning and reporting procedures, which seems at first glance, similarly benign yet its highly prescriptive nature might suggest otherwise. For example, it gives to headteachers, a number of very specific directions such as:

<sup>4</sup>

<http://www.gov.scot/Topics/Education/Schools/Raisingeducation/attainment/pupilequityfund/guidance> p1

1. requiring that “...parents and carers, children and young people and other key stakeholders are involved in the planning process”;
2. funding must provide targeted support for children and young people affected by poverty<sup>5</sup>;
3. headteachers must base their use of the funding on a clear contextual analysis which identifies the poverty related attainment gap in their schools;
4. plans must be grounded in evidence of what is known to be effective at raising attainment for children affected by poverty;
5. plans must be targeted towards closing the poverty related attainment gap;
6. funding should not be used in ways that stigmatise children and young people or their parents
7. funding can only be used for “...activities, interventions or resources which are clearly additional to those which were already planned”.

Some of these instructions such as the requirement in item 5 that plans must be “...targeted towards closing the poverty related attainment gap” appear innocuous enough; but who is to be the judge of whether a particular intervention or activity is sufficiently “targeted”? The headteacher? The local authority? An Attainment Advisor<sup>6</sup>? Clues to these queries may lie in the fact that Heads are given once again, explicit instructions on the role of local authorities in the whole process:

- a. headteachers need to “...take full account of local HR policies and procedures”;
- b. purchase of resources, equipment or services “...must comply with existing local authority procurement procedures”;

- c. schools need to “liaise closely with their local authority to agree arrangements for carrying forward Pupil Equity Funding”.

Taken individually none of items 1-7 above appears particularly objectionable (although Point 7 seems to rule out a headteacher being able to decide that an extension or an enhancement of an existing successful intervention or activity constitutes an ‘additional’ resource ).

Items a. - c. on the other hand, however well intentioned<sup>7</sup> will certainly impact on the SG’s presumption that decisions “...should be taken at school level”. Once again the status afforded to local authorities here seems to indicate that they should have the decisive say. This must be somewhat confusing for local authorities because it suggests that in this instance at least, although they seem to have the final say over schools’ spending decisions, they are nevertheless, mere agents of central Government. Furthermore, rather than take this opportunity to critically examine the range of local authority processes and procedures which might impede greater autonomy for schools thereby inhibiting their creativity, the SG has chosen to deploy those very procedures to increase the bureaucratic accountability of schools. Notwithstanding the SG’s claim that PEF is “additional” direct funding to schools, there exists the possibility that this might not be *net* “additional funding” to schools: some local authorities might well decide to use their “processes and procedures” to require schools to make additional target savings from their existing DMR budgets. It would be helpful to know what guarantees, if any, the SG has put in place to ensure that all schools do indeed receive the net increase to their budgets that the SG’s PEF figures appear to indicate. All of this sends out to schools a mixed message: more decision-making is to happen at school level but only if schools follow local authority advice and procedures. How seriously are schools to take the SG’s “presumption” that decisions should be taken at school level, if at every turn that autonomy is to be hedged in such

<sup>5</sup> Though headteachers may use their professional judgement to “bring additional children in to the targeted interventions.”

<sup>6</sup> Some headteachers have questioned the ‘raising attainment’ credibility of some of the Attainment Advisors from whom they receive little or no “advice” on attainment but a lot of accountability demands.

<sup>7</sup> For example, Point a. above might well relate, at least in part, to legitimate concerns mentioned earlier about employment rights.

a way? On the other hand it could be argued (perhaps especially from a primary perspective), that headteachers with limited experience of managing large sums may need some support; but equally it could be argued that deciding when and what support might be needed should be the prerogative of the headteacher. Thus, the potentially serious impediment to increasing schools' autonomy that such restrictions constitute, needs to be recognised. In this sense the National Operational Guidance document could be seen to presage the outcome of the Governance Review by indicating a continuing reliance on existing local authority planning, monitoring and evaluation processes demonstrating at the very least, a worrying lack of imagination at a national level, about the operational implications of increasing school autonomy.

Some consideration also needs to be given to the likely impact of all of this on the professional culture in which Scottish headteachers operate. Insufficient attention continues to be paid to the importance of culture and its impact on Scottish school leaders. The national approach to leadership development continues to be qualification and course-based through SCLE and other providers such as the recently announced partnership with the Hunter Foundation. There is no doubt that these offer valuable opportunities for professional reflection and development. However, if school leaders are to develop the skills, competences and professional self-confidence to take on the challenges of the future, the culture in which schools leaders in Scotland continue to operate has to change. Unfortunately the PEF guidance document seems to indicate that the mixed-message compliance culture of Scottish school education, will continue to flourish: decisions are to be taken at school level but headteachers are not to be trusted to take them; innovation and creativity are to be encouraged at school level but compliance to a range of processes and procedures defined by local and national government are to be mandatory. Operational guidance which places bureaucratic accountability measures ahead of creativity and innovation may well exacerbate rather than

assuage, the current culture of conformity in which Scottish school leaders operate.

### Accountability and Measuring Improvement

Indeed in this PEF operational guidance document, headteachers are told explicitly that they will be

*“...accountable to their local authority for the use of Pupil Equity Funding within their school.”*

Moreover, they will be expected to incorporate details of their Pupil Equity Funding plans into existing reporting processes to their Parent Councils and Parent Forums so that parents can understand what is happening in their school. No doubt this is precisely what sensible headteachers would do, rendering this guidance, in itself, uncontentious; but the fact that, yet again, it is felt necessary to make clear to headteachers that these arrangements

*“...will be confirmed by [their] local authority”*

may well be taken as yet another indication to headteachers of where they rank in the PEF decision-making pecking order. The subsequent reference (in the very next sentence of the document) to the use of school inspections and “...other review processes” (presumably those operated by local authorities):

*“...to ensure schools use their funding appropriately”*

may not be seen by schools as a commination exactly, but may well confirm any suspicions they might have harboured about where the real decision-making power is to lie - and it would not appear to be “at school level”.

The emphasis on using the same or similar accountability measures and processes that have been operated by local authorities for decades, hardly seems likely to inspire any more creativity and innovation at school level than has previously been evident. Given the significant, additional sums of public money being entrusted

to headteachers and schools, no one would argue against sensible and appropriate levels of accountability; but care should be taken to ensure that accountability measures do not drive the whole PEF endeavour. The danger with the implementation of PEF is that, notwithstanding the declared commitment to decision-making at school level, in practice, a high level of “operational” control will continue to rest, as it always has done, with local authorities. Headteachers will not move their schools forward effectively if they feel, as many of them already do, they have constantly to watch their backs. By repeatedly dwelling on issues of accountability, the PEF guidance is in danger not only of setting the wrong tone for generating school-based creative solutions to the attainment gap problem, but also of repeating the mistakes made in the implementation of CfE: the blatant disparity between the perceptions and rhetoric about CfE implementation which emanated from national agencies (such as ES) on the one hand, and the discourse about its implementation going on in schools on the other, damaged (in some cases irreparably) the climate of trust, such as it was, in Scottish school education. One of the “Key Principles” in the PEF guidance document is a case in point. It says that schools:

*“...must have plans in place at the outset to evaluate the impact of the funding.”*

Yet it is not at all clear to headteachers and their staffs, that such plans exist at a *national* level “at the outset”. Presently schools do not even have clarity from the SG on its plans to measure any closing of the attainment gap. It would appear from existing published data for example, that local authority A might have a narrower attainment gap than local authority B, but that local authority B could have a higher % of pupils from disadvantaged backgrounds achieving well. In this scenario, which is to be the SG’s key measure? If neither, then what? In such circumstances, headteachers and schools can be forgiven for feeling that they are not only being kept in the dark, but that they are the victims of ‘double standards’ – schools must have “*plans in place at the outset to evaluate the impact of the funding*” when no such plans are evident at a

national level. Evaluating the impact of the funding *nationally* is surely of greater significance than any such plans at individual school level. Moreover, had they been “in place at the outset” nationally, they might have been able to provide helpful “operational” guidance to schools in planning their own evaluations. Headteachers might well see in this, a worrying echo of the mistakes of CfE implementation when no national plans were in place “at the outset”, or at any other time, to evaluate its impact and where, throughout its implementation, schools’ strategies were repeatedly evaluated by local authorities and Education Scotland, against vague and sometimes contradictory points of reference. At the very least, it would be reassuring for schools to know, especially in light of their CfE experience, that specific plans for a national evaluation of PEF are in place. It would be even more reassuring for schools to know what specific measures are to be included in such plans especially given the document’s specific (and somewhat arrogant) assertion that schools’ use of PEF-funded activities and interventions:

*“...will lead to improvements in literacy, numeracy and health and wellbeing.”<sup>8</sup>*

Specific advice to schools on measuring improvements in these three areas might well have been expected in guidance that is described as both “national” and “operational”. Yet none is contained in the National Operational Guidance. Presumably therefore, individual schools will be expected to decide how to benchmark current (ie 2016-17) levels of Literacy, Numeracy and Health and Wellbeing in order to demonstrate (perhaps annually) future improvement. In the case of literacy and numeracy in primary schools and literacy and numeracy in the secondary years S1-3, the absence of any advice on precisely how any improvements will be evaluated is especially disappointing. Schools are aware that the SG has already discontinued the Scottish Survey of Literacy and Numeracy (SSLN) but stated that

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<sup>8</sup> Our emphasis

statistics on literacy and numeracy performance will be available:

*“...annually from the teacher professional judgement data collection<sup>9</sup>”*

The first set of this, the ‘Achievement of Curriculum for Excellence Levels’ data relating to session 2015-16, is already available online. Are these appropriate measures for schools to use in their evaluation of the impact of PEF? The ‘Note to Users’, prominently displayed on the website’s opening page, does not inspire confidence in their suitability for this given that it openly admits:

*“...this data requires further development before its accuracy and quality can be guaranteed.”<sup>10</sup>*

Thus the publication of this data may only have served to intensify concerns about relying on teacher judgment. Leaving aside for the moment, the issue of the “accuracy and quality” (and therefore validity) of this potential method of evaluating literacy and numeracy, the latest (and last) data from SSLN (also from session 2015/16<sup>11</sup>) continues to beg the question about current SG advice (or lack of it) to schools – firstly on what measures schools should use for 2016-17 in benchmarking their starting position in order to plan their evaluation of future PEF-funded interventions and activities they intend to use - and secondly, why no such advice was included in the National Operational Guidance document. If this absence is related in any way to the reported lack of readiness in local authorities for the introduction of the new national tests in August 2017<sup>12</sup>, then some alternative guidance would have been welcomed. Data on SQA

performance from ‘Insight’ will obviously be available for S4-6, but at the earlier stages (presumably at the National Test stages of P1, P4, P7 and S3) evaluation instruments across the country might vary from authority to authority or even from school to school, thereby bringing into question the validity of any judgements made. It is possible that this situation might become clearer once the new “standardised assessments” including national tests are fully in place, but it seems far from certain that this will be by the planned date of August 2017 and in any event is of little help in relation to session 2016-17.

The absence from the National Operational Guidance document of clear advice on how schools should plan to evaluate the “impact of [PEF] funding” on literacy and numeracy is one thing, but the absence of any specific guidance on how schools should benchmark and evaluate improvements in health and wellbeing - the third of the SG’s stated priorities for PEF allocations, - is quite another. It is surprising that, in a document which is so specific about what the PEF is aimed at improving (namely literacy, numeracy and health and wellbeing), it should be so vague about the evaluation measures. This vagueness seems evident in its advice at both national and school level. Schools are required merely:

*“...to have plans in place at the outset to evaluate the impact of the funding”*

No specific “operational guidance” is provided in the document on how they might/should evaluate the three specified areas. What is provided, is a reference (via a hyperlink) to ‘[Interventions for Equity](#)’<sup>13</sup>. On this webpage there are links to the new Benchmark documents for every curriculum area, as well as four ‘key messages’ videos from ES.

<sup>9</sup> See <http://www.gov.scot/Topics/Statistics/Browse/School-Education/SSLN>

<sup>10</sup> See *Achievement of Curriculum for Excellence Levels*: <https://public.tableau.com/profile/sg.eas.learninganalysis#!/vizhome/AchievementofCurriculumforExcellenceCfELevels201516/Dashboard1>

<sup>11</sup> Published on 13 December 2016. See

<http://www.gov.scot/Topics/Statistics/Browse/School-Education/ACEL>

<sup>12</sup> A survey of Scotland’s 32 local authorities, carried out by TESS, showed that no councils (6 February 2017) have started to trial the new tests, which will assess pupils’ abilities in reading, writing and maths in P1, P4, P7 and S3.

<sup>13</sup> See

<https://education.gov.scot/improvement/Pages/Interventions-for-Equity-framework.aspx>

There are also two posters, one of which – ‘Achievement of a level’ is printed<sup>14</sup> below:



Whether guidance such as this constitutes helpful operational guidance on evaluating aspects of PEF remains to be seen. Somewhat surprisingly, given the proximity of their publication dates, the ‘Pupil Equity Funding – National Operational Guidance’ document makes no reference to either the then imminent, now recent, publication of Education Scotland’s new ‘Benchmarks’ or to their aim to provide clarity on the national standards expected within each CfE curriculum area – including Health and Wellbeing – and at each level. It is possible that these might be used by schools to benchmark Health and Wellbeing since they also claim that their aim is to support:

*“...holistic assessment approaches across learning”<sup>15</sup>.*

At the very least they might provide guidance on the evaluation of Health and Wellbeing although a clear and coherent national strategy for the evaluation of young people’s health and

wellbeing seems to remain some way off; but the new Benchmarks for Health and Wellbeing have arrived and might offer some help to schools in their evaluation of this curriculum area. They are published in three categories:

- Health and Wellbeing (Food & Health) - 18 pages;
- Health and Wellbeing (Personal & Social Education) - 25 pages; and
- Health and Wellbeing (Physical Education) - 27 pages.

The accompanying ‘Guidance on using Benchmarks for Assessment’<sup>16</sup> however, fails to provide clarity on whether, as a “responsibility of all”, every teacher should be cognisant with the ‘Health and Wellbeing’ benchmarks for evaluation purposes. In primary schools this would appear to be the case, so it may be for primary teachers to decide for themselves in due course, whether the aggregated 70 pages of new reading in this single curriculum area (one of eight newly available online), lives up to the claim made by ES in its accompanying guidance that:

*“Benchmarks draw together and streamline a wide range of previous assessment guidance”<sup>17</sup>*

or indeed the claim made by the Scottish Government that this simplifies CfE guidance. Whereas in secondary schools, the argument could be made that it is sufficient that the relevant subject specialists cover the Food and Health and Physical Education benchmarks, this argument is not available in the primary sector. Whatever way one looks at it, the evaluation of Health and Wellbeing remains problematic for schools and little or no clear, operational guidance seems available.

<sup>14</sup> See

<https://education.gov.scot/improvement/Pages/Interventions-for-Equity.aspx>

<sup>15</sup> Education Scotland ‘Guidance on using Benchmarks for Assessment’ March 2017 Benchmarks generic introduction. See <https://education.gov.scot/improvement/Pages/Curriculum-for-Excellence-Benchmarks-.aspx>

<sup>16</sup> See <https://education.gov.scot/improvement/Pages/Curriculum-for-Excellence-Benchmarks-.aspx>

<sup>17</sup> See <https://education.gov.scot/improvement/Pages/Curriculum-for-Excellence-Benchmarks-.aspx>

## Conclusion

Whilst it will have been reassuring to headteachers to read in the National Operational Guidance that they must have:

*“access to the full amount of the allocated Pupil Equity Funding”,*

the current ‘guidance’ on what they are and are not permitted to do with it contains mixed messages and is characterised by a significant level of direction and compliance. If, in the context of the government’s oft repeated “presumption” that “decisions should be taken at school level”, the allocation of PEF funding directly to schools can be seen as an indication of the nature of school autonomy that might emerge from the Governance Review, then there may be cause for concern. Whilst the operational impact of the PEF remains to be seen, there are indications in the National Operational Guidance, that greater operational autonomy for schools might not be all that it seems. Similarly, what emerges from the analysis of responses to the consultation initiated by the publication last September of ‘Empowering teachers, parents and communities to achieve excellence and equity in education’ (A Governance Review) might disappoint many. Equally disappointing to those headteachers and schools seeking clarity on how they should evaluate any improvements in literacy, numeracy and health and wellbeing - the three areas in which the SG has already declared that PEF-funded activities and interventions “will lead to improvements” – is the absence of specific advice on which specific evaluative measures they might use.