



Financial priorities for governing boards

Created in collaboration with our governance expert, Denise Maloney.

Denise has gained more than 25 years of governance experience, working in roles including chair and clerk, and currently, vice chair on a board of MAT trustees. Denise also writes and runs bespoke training for governors, schools and LAs, sharing her expertise to help mentor and upskill individuals and ensure schools can run successfully.

In this article, our governance expert, Denise Maloney, provides guidance on how trust and governing boards can help secure financial efficiency and value for money in the current economic climate. Read on for more detail!

What's inside?

- ★ **Monitor expenditure against the school budget regularly**
- ★ **Seek out better deals on utilities**
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Next steps

Monitor expenditure against the school budget regularly

The school budget for 2022/2023 will now have been set. Boards should monitor their school's expenditure against the budget regularly, and a minimum of six times per annum. In particular, the costs of staffing should be examined – staffing costs are likely to be the largest expenditure item of the school, so it is crucial to ensure these are sustainable.

Seek out better deals on utilities

Boards should ensure their school's utilities provider has been contacted to find out whether the school is getting the best deal. They should also check whether they are currently locked

into a deal, and if so, when the term of this deal finishes – there are often withdrawal fees for leaving a deal early, but once the term ends, boards are free to seek better deals. Conversely, if the school secured a particularly good deal, it may be worth checking whether this can be extended at the same or a similar rate. It may also be helpful to speak to a broker for advice on these matters.

Renegotiate contracts with suppliers

Boards should find out if their school's SBM is renegotiating contracts – many suppliers are willing to reduce prices in order to maintain the contract. All supplier contracts, from school food to uniform, should be reviewed regularly to ensure value for money is being secured.

For consumable classroom resources, like stationery and exercise books, boards could try setting up a buying consortium with other nearby schools. Trusts could do this across their academies. This allows schools to get economy of scale – resources can be bought in bulk for cheaper prices, then shared across multiple schools.

Question staffing structures and review impact

The needs of schools change over time, so it is important for boards to look at the staffing structure currently in place in their school and consider whether this is still effective. This includes looking at how non-teaching staff are deployed.

Boards should consider and ask to see evidence of the impact of the work staff do – for example, whether the work teachers do is helping pupils to catch up on any education lost during the coronavirus (COVID-19) pandemic. If any areas show little evidence of staff having an impact, this can suggest that staffing structures need to be reformulated. Boards must hold the SLT to account by asking questions about the suitability of staffing structures. In particular, boards should look at the impact on:

- Pupils receiving the pupil premium.
- Pupils from more deprived families.
- Pupils with SEND.

Additional financial support may be needed for some pupils with SEND to fully access learning – for example, through the deployment of TAs. Boards should hold the SENCO to account for organising this and, where required, applying for EHC plans as soon as possible.

Aim to fill any pupil vacancies

Pupil vacancies can be a drain on school finances, since it reduces the amount of per-pupil funding schools are able to receive. Boards should push to fill any vacancies, using their school's 'unique selling proposition' effectively in any promotional material.

Examine other sources of school income

Beyond the usual daily running of the school as an educational environment, boards should examine the other services and activities run by the school, asking questions about their financial payoff, such as:

- Holiday clubs – could these be offered during school holidays to provide extra income?
- Lettings – can buildings, or part of them, be let out to provide regular income?
- If you have a nursery, 30 hours free childcare – do you offer this, and if so, does it have high take-up from parents?

If the school identifies specific items that require additional funding to obtain, boards could consider fundraising in their school communities, e.g. via the PTA. It is important that any funds raised are used appropriately and not unnecessarily built up – if the school has stated that the funds are for a specified purpose when fundraising, then they should be used for this purpose.



A few good practice tips:

- **Monitor high expenditure items, e.g. staffing costs**
- **Seek better deals and contracts where possible**
- **Utilise additional funding streams, e.g. lettings**

Good practice

Next steps

- Use our template: [Governor Checklist for Financial Efficiency](#)
- Read our article: [Governors and Financial Efficiency](#)
- Browse our resource pack: [Financial Efficiency Resource Pack](#)