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Governors
for Schools
Conference
2023.

Setting a budget during difficult times

#GfSConference2023

Housekeeping

- Many thanks for taking the time to attend the Governors for Schools Conference 2023. Please note that this session will be recorded and uploaded to our website following the conference. You will receive an email alert as soon as recordings are available.
- If you have any questions for our panellists, please ask them using Zoom's Q&A feature.
- If you're disconnected from this call for any reason, you can re-join by clicking the same Zoom link you used to access the session.



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Aim of today's session

To provide you with practical tips for budget management, suggestions to increase income as well as considerations for decreasing expenditure. Support and resources are included so you will be able to produce a financial strategy and action plan for your school or trust.”

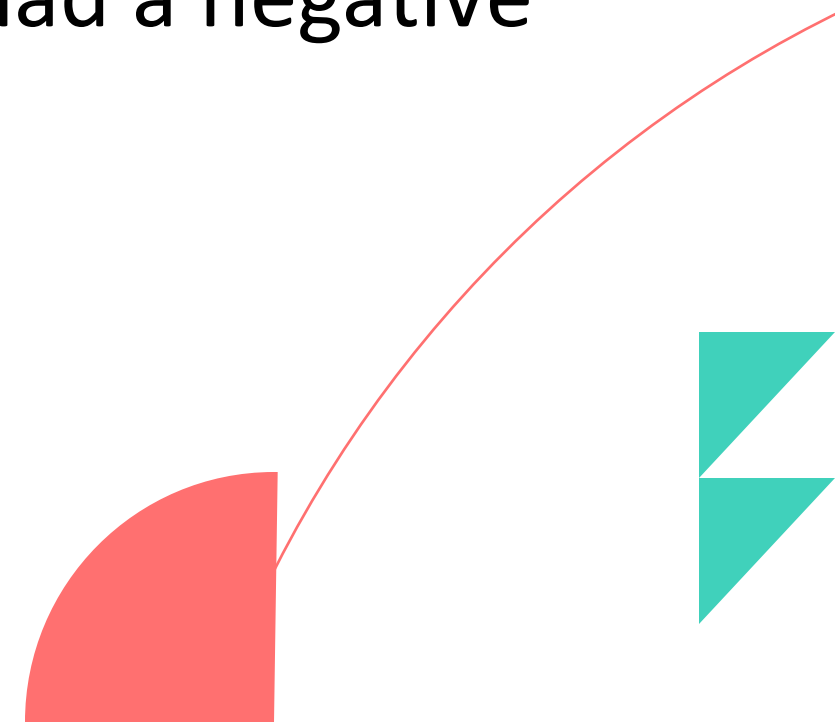
Poll: who's in the room?



NGA's annual governance survey

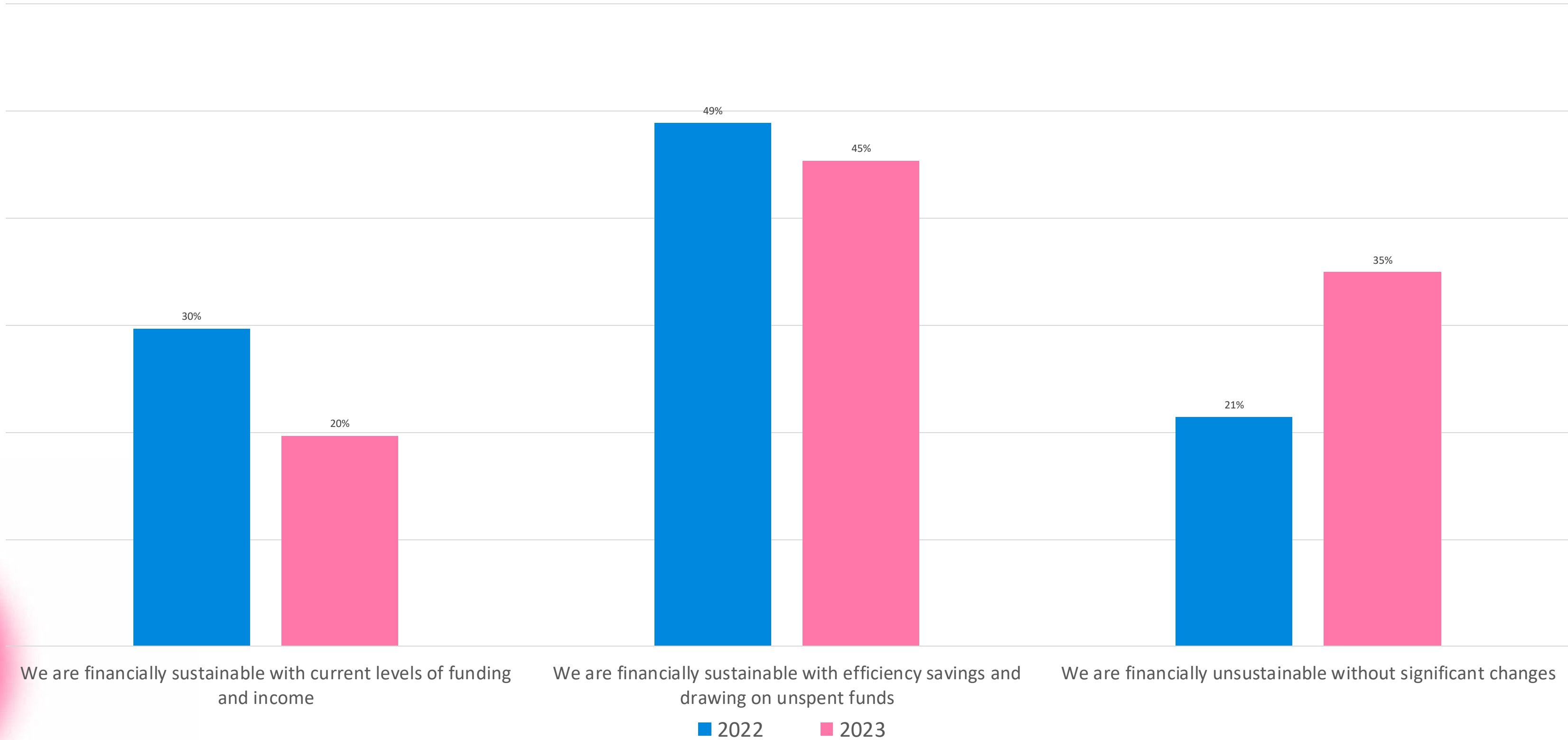
Key findings from the 2023 survey showed:

- Balancing the budget remains the top challenge overall for school and trust boards with staff pay costs being the biggest challenge for boards in setting a balanced budget.
- Access to funding was the biggest challenge for schools and trusts in relation to pupils with SEND with 66% reporting this as their biggest challenge.
- 97% of respondents who knew, agreed that the energy price rises have had a negative impact on their school/trust budget position.



Annual governance survey

2022 vs 2023: medium to long term financial position



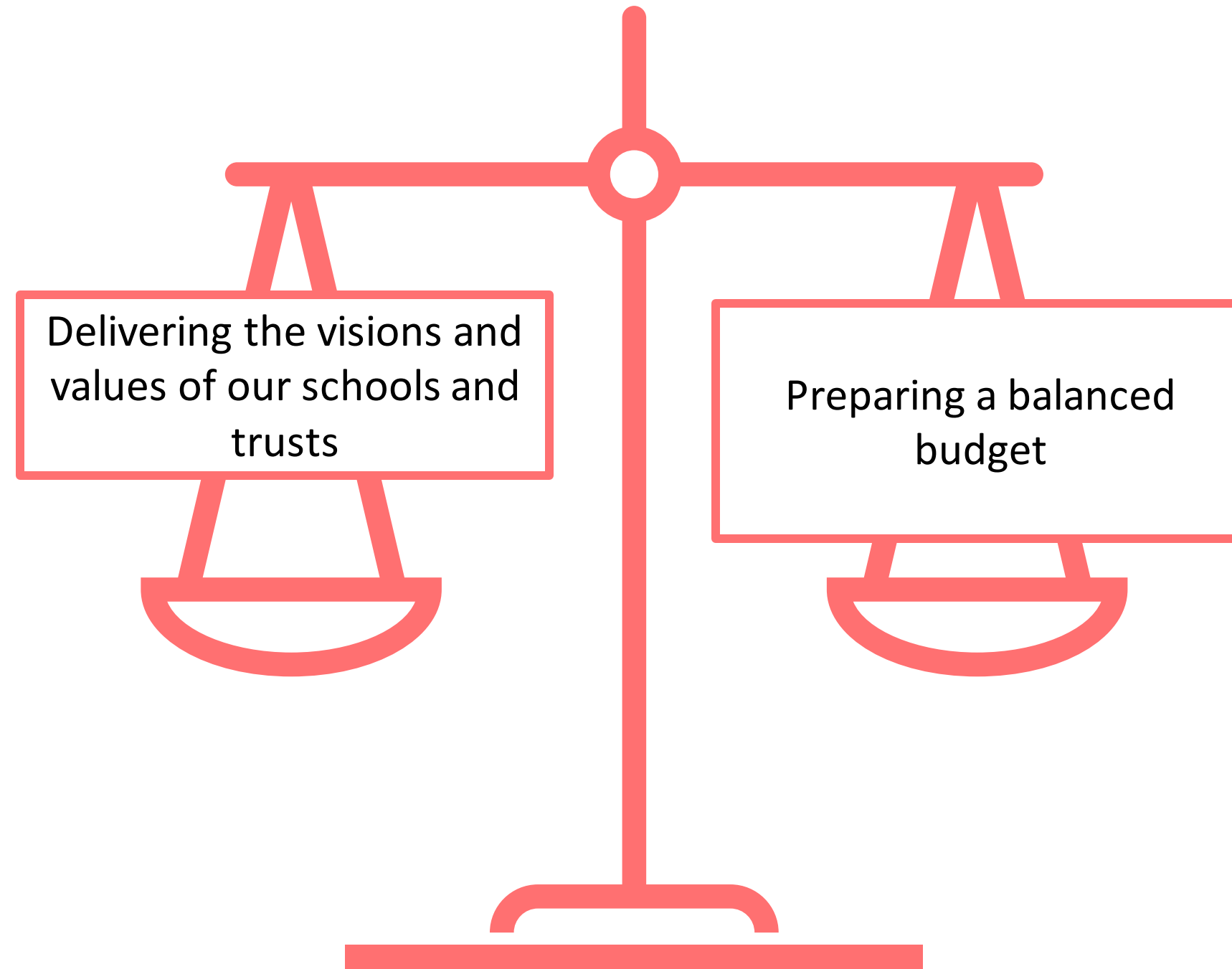
2023 challenges

- Decline in real-time funding
- Rising energy costs
- Cost of living crisis
- Poor access to SEND funding
- Increased burden on schools to support in the community



Our biggest challenge as governors and trustees

- Achieving a balance with setting and approving a balanced budget



Fundamental aspects of robust financial planning

- Skilled people
- Honest appraisal of the situation
- Regular monitoring
- Risk management
- Maximise income generation
- Reduction of costs
- Integrated curriculum financial planning



Do you...

- Audit your current skills?
- Recruit governors/trustees with the right experiences?
- Have an effective induction?
- Take advantage of training?
- Make the most of the resources available?
- Benchmark?
- Have an experienced school business professional/bursar or financial management SLA?



Budget monitoring/audit tools



Budget monitoring

A guide for maintained school governing bodies

Updated September 2023



Management accounts

A guide for academy trust boards

Updated July 2023

Training & development



🕒 Bespoke for your board(s)

Finance & resources

Generating income: the governance role

This will help you to work pragmatically with the senior leadership team to find suitable funding to improve pupil outcomes.

Guidance



Updated: 08/07/2021

Finance & resources

Budget monitoring in maintained schools

An opportunity to raise questions and respond decisively to changes in the budget.



Benchmarking

- Historical data but useful to compare against similar settings
- Can be used in conjunction with risk register
- Focuses discussion on local context
- www.schools-financial-benchmarking.service.gov.uk

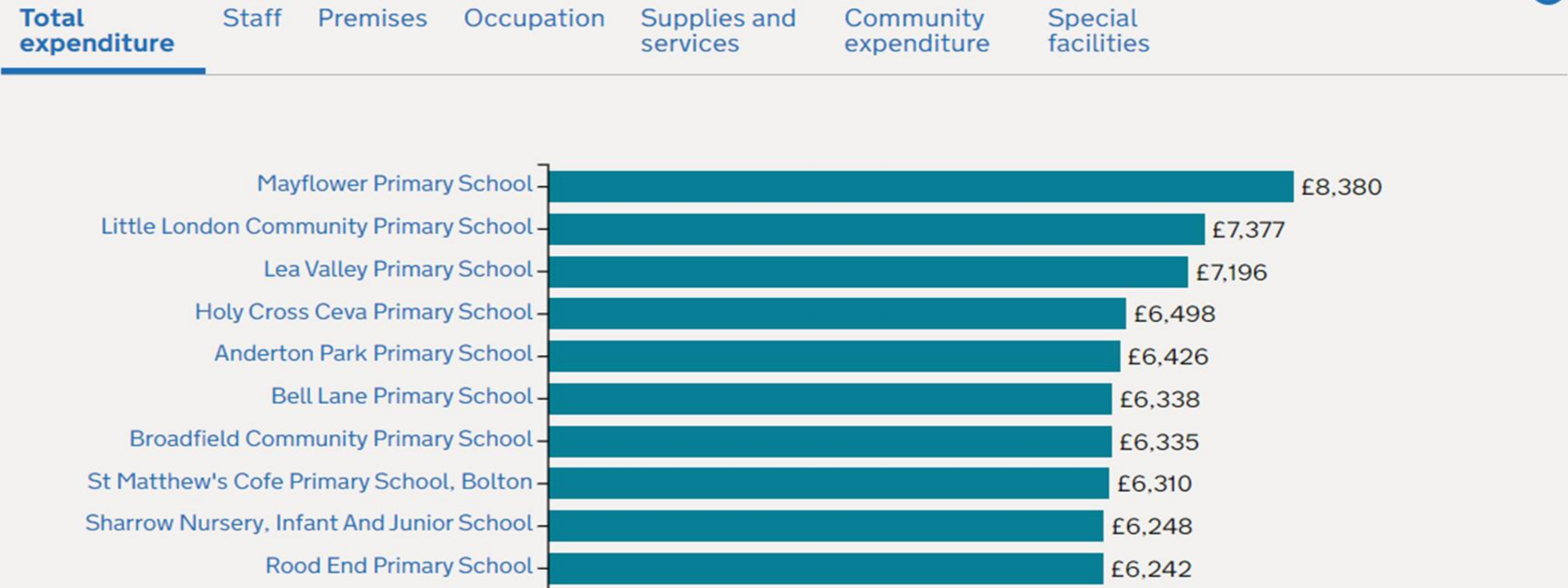


Local benchmarking

A quick comparison of this school's expenditure against similar schools

▶ [View characteristics used](#)

 View as tables



Questions to ask yourself...

- Do we set an honest budget?
- Are we cautious? Optimistic?
- Do we compare with previous years?
- Does our governance structure support in-depth analysis of budgets?
- Is monitoring spend and income a priority for us?
- Are our financial policies robust?
- Do we take immediate action if needed?
- Are we brave enough to have that courageous conversation?



Timelines for maintained schools

Autumn 1 (September to October)

- Discuss and agree a timetable for the budget setting process

Autumn 2 (November to December)

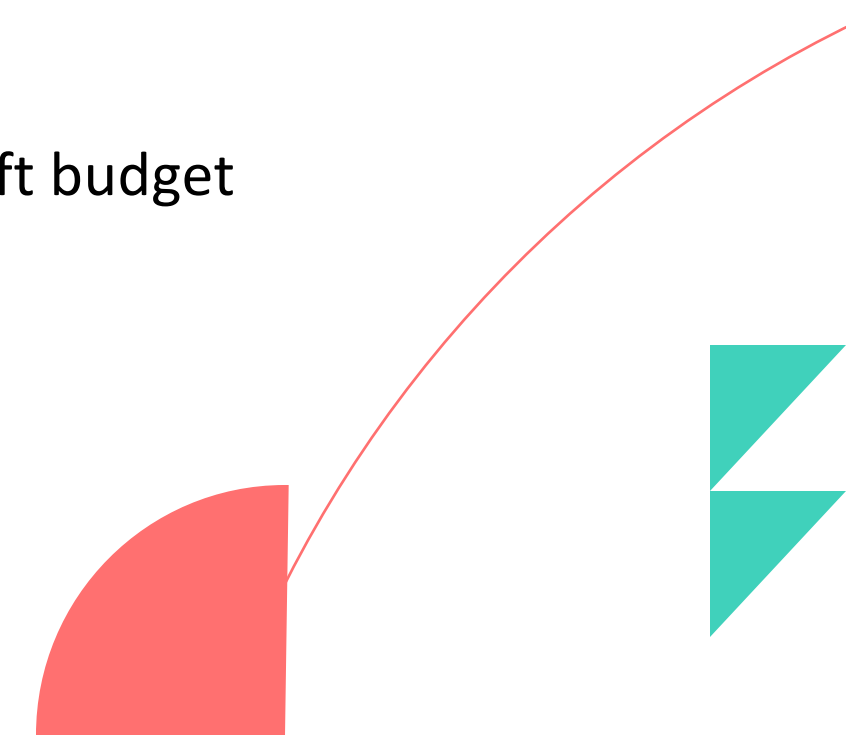
- Review pupil number projections
- Review three-year budget forecast
- Review end of year reserves forecast – determine desired targets for reserves and ensure plan is in place to meet these
- Benchmark expenditure against similar schools
- Consider key indicators in SFVS dashboard – ensure plans are in place to address significant concerns
- Review and determine service level agreements (SLAs) for next financial year

Spring (January to February)



- Review curriculum-led financial planning (ICFP) procedures – ensure these have been included in budget setting for next financial year
- Review and approve staffing structure
- Review Asset Management Plan and determine priorities for next financial year
- Review draft budget to ensure balanced budget can be set (the SBP will take the lead on preparing the draft budget)

Summer 1 (April to May)

- Check budget is balanced and well-informed



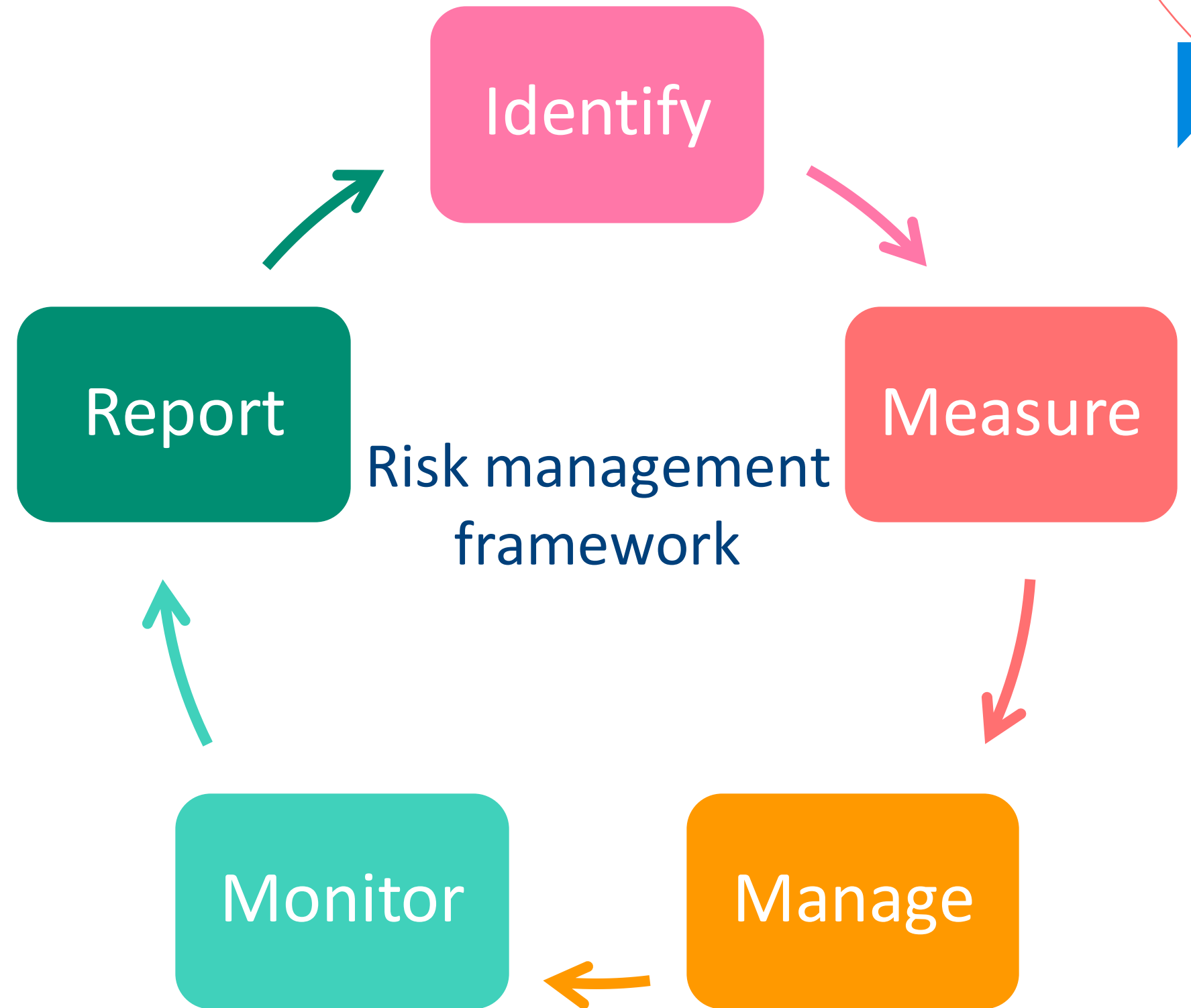
Timelines for trusts

<div><div><div>Education & Skills Funding Agency</div></div><div><h2>Academies planning calendar</h2><p>A summary of key dates and actions relating to academy funding, finance and trust compliance with their funding agreement</p></div><div><div>Department for Education</div></div></div>		
September 2023	October 2023	November 2023
<p>Trust action</p> <ul style="list-style-type: none">Accounts return online form available 12 SeptemberAcademies must complete the National Tutoring Programme 2022 to 2023 Year End Statement <p>Information and published guidance</p> <ul style="list-style-type: none">Academy Trust Handbook 2023 comes into effectESFA publishes guidance and workbook for the land and buildings collection toolESFA publishes guidance and workbook for the academies accounts returnESFA publishes key findings following the assurance work relating to academy trust financial statements, academy funding audits and financial management and governance reviews, for the year 2022 to 2023Pupil number adjustment (PNA) plans commence for the 2022 to 2023 debts <div><div></div><div><p>Thinking about your land and buildings?</p><p>Get help by using the Good Estate Management for Schools guidance.</p></div></div>	<p>Trust action</p> <ul style="list-style-type: none">Autumn school census day - Thursday 5 OctoberLand and buildings collection tool online form available 3 OctoberAcademies must publicly consult by 31 January 2024, for a minimum of 6-weeks, on proposed changes to admission arrangements for entry in September 2025, or if they haven't consulted in the past 7 yearsAcademies in scope submit estimated pupil numbers for the 2024 to 2025 academic year <p>Information and published guidance</p> <ul style="list-style-type: none">ESFA publishes the 16 to 19 revenue funding allocation data for 2023 to 2024Pupil number adjustment (PNA) calculator and guidance notes 2023 to 2024 publishedPE and sport premium conditions of grant and allocations issued for the 2023 to 2024 academic yearMainstream schools additional grant (MSAG) second payment allocationsESFA publishes 2024 to 2025 academic year high needs place change guidance <p>Payment</p> <ul style="list-style-type: none">Second quarterly pupil premium for 2023 to 2024 financial yearUniversal infant free school meals (UIFSM) for newly eligible academiesFirst payment of the national tutoring programme grant payment and first payment of the recovery premium for the 2023 to 2024 academic yearReimbursement of Senior Mental Health Leads Grant claims made in financial year (quarter 2)	<p>Trust action</p> <ul style="list-style-type: none">Academies must return the school census by Wednesday 1 NovemberAcademies must submit their land and buildings collection tool by 7 November 2023 <p>Payment</p> <ul style="list-style-type: none">First payment of the teachers' pay grant and teachers' pension grant for the 2023 to 2024 academic year (post-16 providers only)First PE and sport premium payment for the 2023 to 2024 academic yearFirst payment of cadet school staff instructor grant for 2023 to 2024 academic yearPayment of teachers' pay additional grant for 2023 to 2024 financial yearMainstream schools additional grant (MSAG) second payment for the 2023 to 2024 financial year <div><div></div><div><p>Are your trustees informed and providing effective challenge?</p><p>Understanding your data: a guide for school governors and academy trustees. How to collect data and what it can tell you about your school's performance.</p></div></div>

- Academies planning calendar - GOV.UK (www.gov.uk)

A few words about risk

- A regularly reviewed risk register can be a key driver for financial management
- A vital element of good governance
- Brings together all aspects of the school/trust, operations, compliance etc. all of which have an impact on financial management



Example risk register

Risk description & category	Existing controls	Likelihood	Impact	Severity (likelihood x impact)	Additional control measures required	Risk Owner
Current level of risk is above acceptable level (action required)						
Serious safeguarding breach that puts pupils at risk	Safeguarding policy, staff training, and electronic sign-in system	2	4	8	Introduce visible lanyard system	Headteacher/CEO
A poor Ofsted inspection (reputational risk)	Internal assessment and observation reporting, staff training, regular audits and meetings with school improvement advisor.	3	4	12	Commission Ofsted preparation training, such as that provided by NGA	Headteacher/CEO and governing board

Income generation



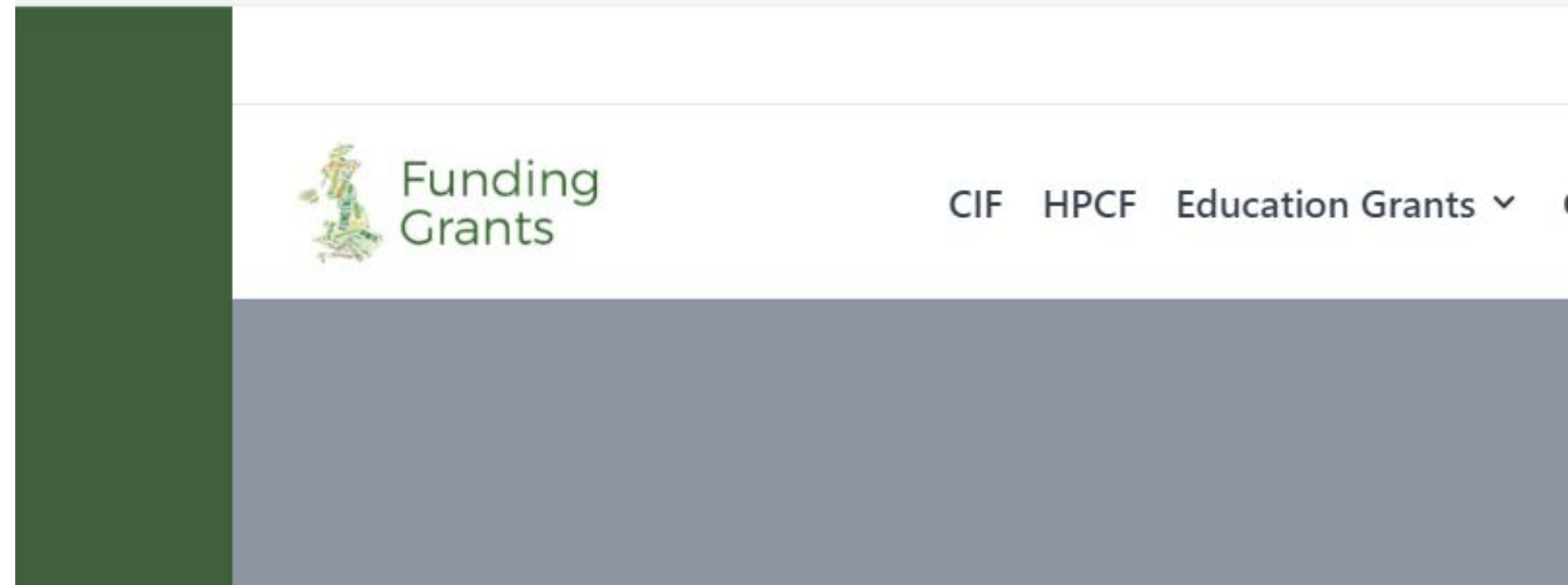
Accessing grants

exploring income generation in schools

Bronne Jacobson



<https://funding-grants.co.uk>



<https://www.grants4schools.info>

Grants4Schools

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A-Z Funding for Schools 2023: A Comprehensive Guide to Grants Available to UK Schools

Now available to purchase as a digital download. This guide contains essential funding information relevant to all UK primary and secondary schools.

You can purchase a copy of the guide [here](#)

Reducing expenditure

- Energy efficiency
- Go paperless for staff
- Review technology
- Inhouse versus outsource
- Review inventory
- Review SLAs
- Collaborate
- Review staffing structures



Integrated curriculum financial planning

- Management process to plan your curriculum with the funding available
- Can work across a single school or a group of school, and within all phases
- What staffing and resources do we need to deliver our curriculum
- Curriculum and resources in the 'same room'
- Start with your vision
- Use metrics to establish cost of curriculum
- Analyse using benchmarking
- Produce your strategy



Resources

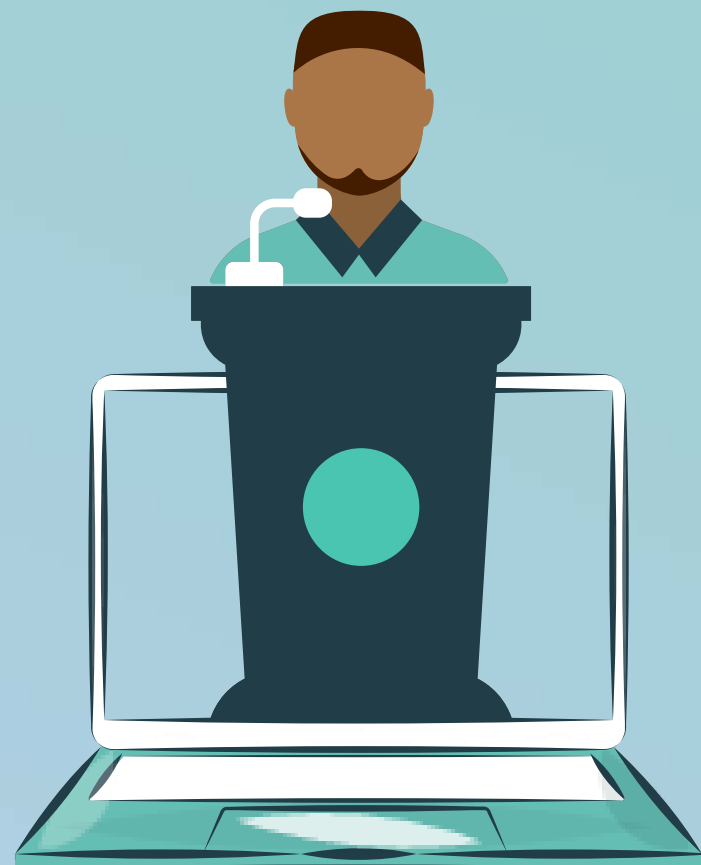
- nga.org.uk/knowledge-centre/governing-board-skills-audit
- nga.org.uk/knowledge-centre/monitoring-trust-budgets-management-accounts
- gov.uk/guidance/integrated-curriculum-and-financial-planning-icfp
- schools-financial-benchmarking.service.gov.uk
- grants4schools.info
- nga.org.uk/training/directory/generating-income-governance-role
- gov.uk/government/publications/the-school-resource-management-advisers-srma-programme
- nga.org.uk/training/learning-link
- nga.org.uk/events



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Thank you for attending

Governors for Schools would like to thank the Institute of Physics' Limit Less campaign for their generous sponsorship of #GfSConference2023.

There are limited spaces available for our next networking session. Our networking session times for Day 2 (Wednesday, 27th September 2023) are: 10.15 am | 12.45 pm | 14.45pm.

Go to the conference webpage to register your spaces.

#GfSConference2023