

# Finance Governance Session

- Role of Governors in School Finance
- Key responsibilities, oversight and effective challenge

# Purpose of Finance Governance

- Ensure financial sustainability BUT remember this belongs to the whole governing body.
- Ensure spending supports school priorities
- Provide oversight and accountability
- Secure value for money ensure review overall costings

# Governance vs Operational Roles

- Governors: strategy, oversight, challenge
- Headteacher: leadership and priorities
- School Business Manager: operational financial management

# Relationship with the School Business Manager (SBM)

- SBM prepares and monitors the budget
- Provides financial reports
- Manages procurement and contracts
- Governors review and challenge financial information
- In a one form entry Primary School the governors maybe more involved BUT still only oversight.

# How Involved Should Governors Be?

- Approve annual budget
- Monitor financial performance
- Review risks and variances
- Avoid operational decision-making
- NB there is a finance committee and a governing body

# Departmental Budgets

- Usually managed by school leadership.  
Understand the departments
- Governors monitor alignment with school priorities. (Follow up with monitoring visits)
- Focus on outcomes rather than detailed spending
- Understand what the professionals need in school.
- Sustainability of equipment (may want to include wear and tear allowance but this is difficult in today's world.)

# Sharing Services Between Schools

- Potential cost savings
- Access to specialist expertise
- Shared HR, IT, payroll or procurement
- Governors assess value and risk
- Are there examples people are aware of.
- Academy Chairs will this work?

# Financial Reporting for Governors and Governing body

- Regular budget monitoring reports
- Forecast year-end position. Are you doing 3 and 5 year plans?
- Explanation of major variances. This should be in notes from the School Business Manager(SBM)
- Clear summary from SBM or Head
- Do not be afraid to ask challenging questions and even change monitoring reports.
- What do heads understand on Finance.

# Monitoring SEND Spending

- Understand total SEND funding. This is not really ever enough. Now more and more is needed with more challenging demands.
- Ensure funding is targeted appropriately
- Review impact on pupil outcomes
- Coordinate with SEND governor

# Good Questions for Finance Governors

- What are the main financial risks?
- How does spending support the school development plan?
- Are there any significant variances?
- Are we achieving value for money?

# Key Takeaways

- Governors provide strategic oversight
- Focus on impact and sustainability
- Ask questions, but avoid operational control
- Strong partnership with SBM and Headteacher