

SCHOOLS FINANCIAL VALUE STANDARD (SFVS)

What is the SFVS?

Schools manage many billions of pounds of public money each year. Effective financial management ensures this money is spent wisely and properly, and allows schools to optimise their resources to provide high-quality teaching and learning and so raise standards and attainment for all their pupils. The SFVS replaces the Financial Management Standard in Schools (FMSiS) and has been designed in conjunction with schools to assist them in managing their finances and to give assurance that they have secure financial management in place.

Who is the SFVS for?

The standard is a requirement for local authority maintained schools. Other schools are welcome to use any of the material associated with the standard, if they would find it useful. **Governing bodies** have formal responsibility for the financial management of their schools, and so the standard is primarily aimed at governors.

What do schools need to do?

- The standard consists of 23 questions which governing bodies should formally discuss annually with the head teacher and senior staff.
- The questions which form the standard are in sections A to D. Each question requires an answer of Yes, In Part, or No.
 - If the answer is Yes, the comments column can be used to indicate the main evidence on which the governing body based its answer.
 - If the answer is No or In Part, the column should contain a very brief summary of the position and proposed remedial action.
- In Section E, governors should summarise remedial actions and the timetable for reporting back. Governors should ensure that each action has a specified deadline and an agreed owner.
- The governing body may delegate the consideration of the questions to a finance or other relevant committee, but a detailed report should be provided to the full governing body and the chair of governors must sign the completed form.
- The school must send a copy of the signed standard to their local authority's finance department.

There is no prescription of the level of evidence that the governing body should require. The important thing is that governors are confident about their responses.

What is the role of local authorities (LAs)?

Unlike FMSiS, the SFVS will not be externally assessed. LAs should use schools' SFVS returns to inform their programme of financial assessment and audit. LA and other auditors will have access to the standard, and when they conduct an audit can check whether the self-assessment is in line with their own judgement. Auditors should make the governing body and the LA aware of any major discrepancies in judgements.

Timetable – key dates

- Maintained schools which had not attained FMSiS by the end of March 2010 must complete and submit the SFVS to their local authority by 31 March 2012; and conduct an annual review thereafter.
- For all other maintained schools, the first run through is required by 31 March 2013; and an annual review thereafter.

The DfE website includes support notes for each question, which governing bodies can use if they wish. The notes provide clarification of the questions, examples of good practice and information on further support to assist schools in addressing specific issues.

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School name: Millthorpe School

LA and school DfE numbers: York 4229

LIST OF QUESTIONS	ANSWER (Yes/In Part/No)	COMMENTS, EVIDENCE AND PROPOSED ACTIONS
A: The Governing Body and School Staff		
1. In the view of the governing body itself and of senior staff, does the governing body have adequate financial skills among its members to fulfil its role of challenge and support in the field of budget management and value for money?	Yes	The committee is made up of Governors who are interested in the financial well-being of the school and are in a position to understand the consequences of budget decisions. Skills of the finance committee are identified and reviewed each year.
2. Does the governing body have a finance committee (or equivalent) with clear terms of reference and a knowledgeable and experienced chair?	Yes	Terms of reference agreed at 1 st meeting of the new academic year along with election of committee chair and vice chair.
3. Is there a clear definition of the relative responsibilities of the governing body and the school staff in the financial field?	Yes	Roles and responsibilities of school finance staff and governors are discussed and updated yearly and defined in the Statement of Roles and Responsibilities for Financial Management.

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4. Does the governing body receive clear and concise monitoring reports of the school's budget position at least three times a year?	Yes	A clear and concise budget monitoring report is presented and discussed at every meeting of the finance committee.
5. Are business interests of governing body members and staff properly registered and taken into account so as to avoid conflicts of interest?	Yes	A register of business interests of all staff with financial responsibilities is kept and updated at the beginning of the new academic year. Minutes of all finance committee meetings show declaration of business interests at beginning of every meeting.
6. Does the school have access to an adequate level of financial expertise, including when specialist finance staff are absent, eg on sick leave?	In part	Despite the availability of specialist support from the LA, the school is currently over-reliant on the Bursar to carry out day-to-day financial duties and management of the school financial accounts.
7. Does the school review its staffing structure regularly?	Yes	A full review of teaching staff was completed in 2011. This is considered annually when the new curriculum timetable is being prepared. Support staff arrangements are reviewed within the various departments according to need on a regular basis.

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B: Setting the Budget		
8. Is there a clear and demonstrable link between the school's budgeting and its plan for raising standards and attainment?	Yes	The School Improvement Plan sets out the school's priorities for the year ahead and the budget is set to reflect this. Items with a direct cost are either specified in the budget or taken for approval through the Finance & Staffing Committee.
9. Does the school make a forward projection of budget, including both revenue and capital funds, for at least three years, using the best available information?	Yes	A three year budget is set annually.
10. Does the school set a well-informed and balanced budget each year (with an agreed and timed plan for eliminating any deficit)?	Yes	A well informed budget is set annually using the skills and experience of finance staff, together with all available forecasts and current information.
11. Is end year outturn in line with budget projections, or if not, is the governing body alerted to significant variations in a timely manner, and do they result from explicitly planned changes or from genuinely unforeseeable circumstances?	Yes	The governing body, through the finance committee is kept informed of the current budget status on a termly basis. If planned or unforeseen changes occur during the year extraordinary meetings are arranged to discuss the changes.
C: Value for Money		
12. Does the school benchmark its income and expenditure annually against that of similar schools and investigate further where any category appears to be out of line?	Yes	Benchmarking is carried out each year and governors have the opportunity to

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		investigate where discrepancies occur.
13. Does the school have procedures for purchasing goods and services that both meet legal requirements and secure value for money?	Yes	Procedures regarding the purchase of good and services are reviewed regularly and updated as appropriate. The summary of the budget management policy is now held online on the staff home page.
14. Are balances at a reasonable level and does the school have a clear plan for using the money it plans to hold in balances at the end of each year?	Yes	Balances are kept to a reasonable level bearing in mind the future plans for the school.
15. Does the school maintain its premises and other assets to an adequate standard to avoid future urgent need for replacement?	Yes	The site team maintain an asset management plan along with a cyclical maintenance regime which is reviewed regularly.
16. Does the school consider collaboration with others, eg on sharing staff or joint purchasing, where that would improve value for money?	Yes	Discussions have been held, where appropriate, with neighbouring schools, (eg collaboration on tendering for large contracts such as catering in 2015). The school has also offered the support of a TA to a local primary school to aid in the smooth transition of particular pupils from junior to senior school

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<p>17. Can the school give examples of where it has improved the use of resources during the past year?</p>	<p>Yes</p>	<ul style="list-style-type: none"> - The school successfully moved from the CYC cleaning service to directly employing the cleaning staff, resulting in a more efficient service and a cost saving. - Current photocopier and printer leases were due for renewal. The finance team successfully negotiated a better deal with a new supplier to replace existing photocopiers and printers with new ones at a more favourable print cost per copy. - The installation of “paper cut” software on all the new printers and photocopiers should result in staff being more aware of the costs of their printing and reduce waste, thus saving money in the longer term.
<p>D: Protecting Public Money</p>		
<p>18. Is the governing body sure that there are no outstanding matters from audit reports or from previous consideration of weaknesses by the governing body?</p>	<p>Yes</p>	<ul style="list-style-type: none"> - An internal audit was completed in September. The school is awaiting the final report, but issues that were raised at the time are currently being addresses. - The governing body have not identified any areas of

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		concern or weakness, but if this should arise the school would address them quickly.
19. Are there adequate arrangements in place to guard against fraud and theft by staff, contractors and suppliers (please note any instance of fraud or theft detected in the last 12 months)?	Yes	Budget Policy and Finance Procedures outline the safeguards against fraud and theft. There have been no instances of fraud or theft by staff, contractors or suppliers in the last 12 months.
20. Are all staff aware of the school's whistleblowing arrangements and to whom they should report concerns?	Yes	The school has adopted the CYC whistleblowing policy and reference to this is included in the staff handbook.
21. Does the school have an accounting system that is adequate and properly run and delivers accurate reports, including the annual Consistent Financial Reporting return?	Yes	The school operates the RM finance system in accordance with LA requirements and produces an annual CFR return. The introduction by the LA of a new finance system is anticipated at the end of 2014. Once fully operational this will be properly run along LA and accounting guidelines and CFR returns will be produced as required.
22. Does the school have adequate arrangements for audit of voluntary funds?	Yes	The school fund is audited annually by an independent

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		auditor and reports sent to the Charity Commission.
23. Does the school have an appropriate business continuity or disaster recovery plan, including an up-to-date asset register and adequate insurance?	In Part	<ul style="list-style-type: none"> - The school has adequate insurance in place purchased through the LA which covers all reasonable risk. - An inventory of all assets across the school site is maintained and reviewed on an annually basis. - Emergency response procedures are in place.

OUTCOME OF SELF-ASSESSMENT

E: Summary of agreed remedial action and timetable for reporting back:

Finalise Business Continuity/Disaster Recovery Plan at Finance & Staffing Committee meeting on 7 July 2014.

[signed]
Date:

Chair of Governors