

## 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: Lillian de Lissa Nursery**  
**LA and school DfE numbers: Birmingham 3301024**

LIST OF QUESTIONS	ANSWER (Yes/In Part/No)	COMMENTS, EVIDENCE AND PROPOSED ACTIONS	ACCESS TO SUPPORT NOTES
<b>A: The Governing Body and School Staff</b>			
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?	<b>YES</b>	Skills Analysis Matrix – action plan discussed at FGB on 03.02.2015 Governors involvement questionnaire discussed at FGB on 03.02.2015 Governors challenging at Performance Management moderation meeting on 21.11.2014	 Q1 Support Note
2. Does the governing body have a finance committee (or equivalent) with clear terms of reference and a knowledgeable and experienced chair?	<b>YES</b>	TOR for Finance & Staffing agreed at Finance and Staffing Committee on 20.10.2014 New Clerk appointed Oct 2014 Whole Governing Body Training on 16.06.2014 – order number 140081	 Q2 Support Note
3. Is there a clear definition of the relative responsibilities of the governing body and the school staff in the financial field?	<b>YES</b>	Division of duty agreed at 20.10.2014 Income Handling agreed at 20.10.2014 HT delegation agreed at FGB 20.10.2014	 Q3 Support Note





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<p>4. Does the governing body receive clear and concise monitoring reports of the school's budget position at least three times a year?</p>	<p><b>YES</b></p>	<p>Carry forward balance discussed at FGB on 20.10.2014 1<sup>st</sup> termly –Finance on 01.12.2014 2<sup>nd</sup> termly – Finance on 10.02.2015</p>	<p align="center"> Q4 Support Note</p>
<p>5. Are business interests of governing body members and staff properly registered and taken into account so as to avoid conflicts of interest?</p>	<p><b>YES</b></p>	<p>Signed Annual Declaration discussed at FGB 20.10.2014 and mentioned at each meeting</p>	<p align="center"> Q5 Support Note</p>
<p>6. Does the school have access to an adequate level of financial expertise, including when specialist finance staff are absent, eg on sick leave?</p>	<p><b>YES</b></p>	<p>Division of duty agreed at FGB 20.10.14 Income Handling agreed at FGB 20.10.14 Findings and action plan of financial skills matrix discussed at FGB on 03.02.2015</p>	<p align="center"> Q6 Support Note</p>
<p>7. Does the school review its staffing structure regularly?</p>	<p><b>YES</b></p>	<p>Discussed and agreed at Staffing &amp; Finance on 07.07.2015 and will be discussed at next budget setting meeting in April 2015  Annual salary statements issued to teachers signed at FGB on 03.02.2015 Pay Policy reviewed annually on 20.10.2014</p>	<p align="center"> Q7 Support Note</p>
<p><b>B: Setting the Budget</b></p>			
<p>8. Is there a clear and demonstrable link between the school's budgeting and its plan for raising standards and attainment?</p>	<p><b>YES</b></p>	<p>SDP – April 2014-March 2015 and SEF Discussed at FGB 20.10.2014</p>	<p align="center"> Q8 Support Note</p>






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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?	<b>NO</b>	This is not in place as a nursery. Discussed at FGB on	 Q9 Support Note
10. Does the school set a well-informed and balanced budget each year (with an agreed and timed plan for eliminating any deficit)?	<b>YES</b>	Budget Setting Report discussed at Finance & Staffing at Finance 08.04.2014	 Q10 Support Note
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?	<b>YES</b>	Carry forward balance discussed at FGB on 20.10.2014 Regular monitoring of budget by School Business Manager and termly visits by SFS.	 Q11 Support Note
<b>C: Value for Money</b>			
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?	<b>NO</b>	Benchmarking to be reviewed next financial year and is included in the statement of internal control Discussed at FGB on 03.02.2015	 Q12 Support Note
13. Does the school have procedures for purchasing goods and services that both meet legal requirements and secure value for money?	<b>YES</b>	Best Value Statement discussed at FGB on 03.02.2015 Use Corporate Procurement and purchase card on line  Accumulative orders over £10k discussed and agreed in 1st Termly report and 2 <sup>nd</sup> Termly report at Finance & Staffing on 01.12.2014 and 10.02.2015.	 SFVS Support Note 13


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<p>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?</p>	<p><b>YES</b></p>	<p>Carry forward balance discussed at FGB on 20.10.2014 1<sup>st</sup> termly –Finance on 01.12.2014 2<sup>nd</sup> termly – Finance on 10.02.2015</p>	<p align="center"> Q14 Support Note</p>
<p>15. Does the school maintain its premises and other assets to an adequate standard to avoid future urgent need for replacement?</p>	<p><b>YES</b></p>	<p>Property Log Book which includes Asset Management Statutory compliances are kept up to date in the Building Services Manager Office</p>	<p align="center"> Q15 Support Note</p>
<p>16. Does the school consider collaboration with others, eg on sharing staff or joint purchasing, where that would improve value for money?</p>	<p><b>YES</b></p>	<p>Nursery schools in Birmingham have formed a collaboration. Use Corporate Procurement and Service Birmingham procurement</p>	<p align="center"> Q16 Support Note</p>
<p>17. Can the school give examples of where it has improved the use of resources during the past year?</p>	<p><b>PARTLY</b></p>	<p>Using office depot and horizon through corporate procurement Using another service provider other than Direct Services – Catering Discussed at FGB on 03.02.2015 The nursery needs to collaborate more with other nurseries in the consortium and this has been included in the statement of internal control Discussed at FGB on 03.02.2015</p>	<p align="center"> Q17 Support Note</p>

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<b>D: Protecting Public Money</b>			
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?	<b>YES</b>	Statement of Internal Control Financial Risk assessment Charging and Remission policy discussed at FGB on 03.02.2015	 Q18 Support Note
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)?	<b>YES</b>	SFPM adopted SFS consultancy service – termly compliance check Division of duty agreed at FGB on 20.10.2014 Income Handling agreed at FGB on 20.10.2014.	 Q19 Support Note
20. Are all staff aware of the school’s whistleblowing policy and to whom they should report concerns?	<b>YES</b>	All staff have received a copy of the Whistleblowing Policy and have signed for it. Agreed and adopted at FGB 20.10.2014.	 Q20 Support Note
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?	<b>YES</b>	Nursery uses CMIS All monitoring reports contains system generated reports Access passwords kept in the safe Information backed up by Service Birmingham.	 Q21 Support Note
22. Does the school have adequate arrangements for audit of voluntary funds?	<b>YES</b>	School Fund will be audited on an annually basis Discussed at FGB on 03.02.215	 Q22 Support Note

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23. Does the school have an appropriate business continuity or disaster recovery plan, including an up-to-date asset register and adequate insurance?	<b>YES</b>	Business Cont Plan to be completed next year and this has been included in the statement of internal control discussed at FGB 03.02.2015	 Q23 Support Note
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### OUTCOME OF SELF-ASSESSMENT

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

[signed]  
Date:

**Chair of Governors**

**Full Governing Body meetings – 16.06.2014/20.10.2014/18.11.2014**  
**Finance and Staffing Committee – 08.04.2014/07.07.2014/01.12.2014/10.02.2015**