

Report To:	SCHOOLS FORUM
Date:	26 June 2018
Reporting Officer:	Kathy Roe –Director of Finance
Subject:	SCHOOLS FINANCIAL VALUE STANDARD (SFVS) 2017-18
Report Summary:	To provide an update on the requirement for schools to complete the self-assessment process against the Schools Financial Value Standard by 31 March 2018.
Recommendations:	Members of the Schools Forum are asked to note the contents of this report
Links to Community Strategy:	Effectively calculated and targeted resources will improve access to a high quality education experience for all our children.
Policy Implications:	Overall effective use of resources across Tameside schools is a key component in the Authority's Annual Use of Resources Statement.
Financial Implications: (Authorised by the Section 151 Officer)	To ensure a robust mechanism is in place to support schools in recognises and addressing any weaknesses in their Financial management and allow Internal Audit Team use the information to support the internal audit programme
Legal Implications: (Authorised by the Borough Solicitor)	There is a statutory duty to use resources efficiently and effectively against priorities.
Risk Management:	Poor financial management and use of public resources

ACCESS TO INFORMATION

NON-CONFIDENTIAL

This report does not contain information which warrants its consideration in the absence of the Press or members of the public.

Background Papers

The background papers relating to this report can be inspected by contacting Christine Mullins – Business Partner by:



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1. BACKGROUND AND INTRODUCTION

- 1.1 The schools financial value standard (SFVS) is a mandatory requirement for Local Authority (LA) maintained schools. The SFVS has been designed with schools to help them in managing their finances and to give assurance that they have secure financial management in place.
- 1.2 Governing bodies of maintained schools or management committees of pupil referral units (PRUs) have formal responsibility for the financial management of their schools, and so the standard is primarily aimed at governors or management committees.
- 1.3 The standard consists of 25 questions which governing bodies or management committees should formally discuss annually with the headteacher and senior staff. It concentrates on the key elements of financial management and efficiency and is aimed mainly at governors as they have a statutory responsibility for financial management in schools. In doing so, governors manage a considerable amount of public money and carrying out the SFVS assessment will assist in this task and give assurance to the LA's that schools have sound financial management in place.
- 1.4 The assessment can be used to identify training requirements for governors which will increase the skills available to the school. The 25 questions are categorised into 4 areas:
 - The Governing Body and School Staff
 - Setting the Budget
 - Value for money
 - Protecting Public Money
- 1.5 The standard itself is self-explanatory and support notes are included to guide schools through the process. If a school answers no or in part to any question governors or management committees are required to outline any remedial actions with specified deadlines and must monitor progress to ensure all actions are cleared with in the deadlines.
- 1.6 There is no prescription of the level of evidence that the governing body or management committee should require. The important thing is that governors and the management committee are confident about their responses.

2. THE ROLE OF THE LOCAL AUTHORITY

- 2.1 The school must send a copy of the signed standard to their local authority's finance department.
- 2.2 Local authorities will use schools' SFVS returns to inform their programmer of financial assessment and audit. The SFVS will not be externally assessed. Local authority 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 judgment. Auditors should make the governing body, the management committee and the local authority aware of any major discrepancies in judgments. Auditors should also ensure that all actions have been addressed before a SFVS review takes place for another year.

3. POSITION OF TAMESIDE SCHOOLS

- 3.1 Of the 74 schools open at the start of 2017/18, the LA received 68 returns. This is 100% compliance taking into account 5 schools closed in year due academy conversion and 1 school converted to academy on 1 April 2018.

- 3.2 The Schools Finance Team has been proactive in reminding and chasing schools ahead of the deadline and the returns have now been shared with Internal Audit Team who will use the information to assist in the production of the Annual Audit Plan.

	Primary	Secondary	Special	PRU
Total number of eligible schools in LA	61	8	4	1
Number of eligible schools that completed the SFVS	57	6	4	1
Number of eligible schools that did not complete SFVS (non-compliant without exemption)	0	0	0	0
Number of eligible schools that did not complete SFVS (with exemptions)	4	2	0	0

4. ASSURANCE STATEMENT

- 4.1 The LA was required to submit an assurance statement signed by the LA Chief Financial Officer detailing which schools were implementing SFVS to the DfE by 31 May 2018. This statement was signed and sent to the EFA by the deadline as required.