## Introduction to the schools financial value standard (SFVS) checklist

The schools financial value standard (SFVS) helps to provide schools with assurance that they are meeting the basic standards necessary to achieve a good level of financial health and resource management.

The SFVS checklist asks a number of questions of governing bodies in six areas of resource management to provide assurance that the school is managing its resources effectively. This can be used to identify possible areas for change to ensure that resources are being used to support high-quality teaching and the best education outcomes for pupils.

The checklist was formerly part of a tool that also contained a dashboard. This is now available on the schools financial benchmarking website. It shows how a school's data compares to thresholds on a range of statistics that have been identified as indicators for good resource management and outcomes, which will help you to complete your checklist.

## Outcome of schools financial value standard (SFVS)

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

As a result of looking at the self-assessment dashboard and the latest benchmarking report card, it has been noted that 'Other Staff Costs' are in the highest 10% of similar schools (highlighted red). This will be investigated further, as will energy expenditure, which is 0.3% above costs for the comparison group. The dashboard also indicates that the pupil to adult ratio of 10.63 is high (amber) compared to similar schools, so governors will include this in their review of staffing for September 2023.

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| Signature:<br><br>(Chair of governing body / management committee) | N Pettitt<br><br>**Chair of Governors** |
| Full name of signatory: | **Nicola Pettitt** |
| Date SFVS agreed by full governing body / management committee: | **Tuesday 7th February 2023** |
| Date SFVS submitted to local authority for review: | **Wednesday 8th February 2023** |

# Schools financial value standard (SFVS) checklist

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| **School name:** | **St Mary's Catholic Primary School, Kells** |
| **School LAEstab number:** | **909 3519** |

| | | | | Answer | | Comments, evidence and proposed actions |
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| **A. Governance** | | | | | | |
| 1 | In the view of the governing body and senior staff, does the governing body have adequate and up-to-date financial skills among its members to fulfil its role of challenge and support in the field of budget management and value for money? Is there a plan in place to address any gaps? | Q1 guidance | | **Yes** | | Governors (particularly those on the Finance committee) take an active role in budget setting and monitoring. The school continues to deliver a year end surplus in line with what has been agreed with the Local Authority. |
| 2 | Does the governing body have a finance committee, or equivalent, with clear terms of reference and a knowledgeable and experienced chair? | Q2 guidance | | **Yes** | | The finance committee has governors with a range of knowledge and experience of both local private and public organisations. The terms of reference for the committee are set out in the school scheme for financial delegation. |

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| 3 | Does the governing body receive clear and concise monitoring reports of the school's budget position at least 6 times a year? | Q3 guidance | | **Yes** | | Regular budget control reports are received from Entrust (Mr A. Baker). The finance committee receives a report at each of their meetings and the findings and decisions are then reported back to the full governing body. |
| 4 | Are business interests of governing body members and staff properly registered and taken into account so as to avoid conflicts of interest? | Q4 guidance | | **Yes** | | Governors and staff complete a new register of business interests form at the beginning of the year and the declaration of interest is a standing item on the agenda for governing body meetings. |
| 5 | Does the school have access to an adequate level of financial expertise, including when specialist finance staff are absent, for example, on sick leave? | Q5 guidance | | **Yes** | | School leaders and admin staff have the necessary experience of financial matters. Governors and staff also have specialist support from Entrust staff, which ensures that knowledge of financial matters about the school is on a shared basis. |

## B. School Strategy

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| 6 | Does the school have a realistic, sustainable and flexible financial strategy in place for at least 3 years, based on realistic assumptions about future funding, pupil numbers and pressures? | Q6 guidance | | **Yes** | | The three-year budget is based on predicted pupil numbers, likely pupil premium funding and free school meal numbers and projections for staffing based on these figures. The budget is reviewed and regularly updated by the finance committee. |
| 7 | Is the financial strategy integrated with the school's strategy for raising standards and attainment, through integrated curriculum and financial planning? | Q7 guidance | | **Yes** | | Budget priorities are set according to the SDP and focus is on raising standards and achievement. Annual statements are published on the school website to show the impact on standards of spending related to Pupil Premium and Sports/PE Grant. |
| 8 | Does the school have an appropriate business continuity or disaster recovery plan, including an up-to-date asset | Q8 guidance | | **Yes** | | A disaster recovery plan is in place and a register of assets is kept up to date. Backup of computer data is carried out daily. Insurance cover is provided by through the Diocese of |

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| | register and adequate insurance? | | | | | Lancaster and Cumbria County Council. |

## C. Setting the annual budget

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| 9 | Does the school set a well-informed and balanced 3-year budget and has this been submitted to the local authority? | Q9 guidance | | **Yes** | | The school budget is well informed and continues to show a surplus balance this year. The future projections show a deficit, which has been submitted to the Local Authority Finance Department. Their advice is to review spending once additional government revenue funding has been allocated to individual schools. |
| 10 | Does the budget setting process allow sufficient time for the governing body to scrutinise and challenge the information provided? | Q10 guidance | | **Yes** | | Finance committee begin to set the budget with advice and assistance from Entrust finance advisors in the autumn. This is then passed to the FGB for them to scrutinise and challenge before being agreed and submitted to the Local Authority in May. |
| 11 | Is the school realistic in its pupil number projections and can it move quickly to recast the budget if the projections and the reality are materially different? | Q11 guidance | | **Yes** | | The school budget is initially set using the school Planned Admission Number for nursery and reception classes. Figures are then adjusted as actual numbers are received from the School Places Team. |
| 12 | 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? | Q12 guidance | | **Yes** | | In recent years the budget outturn has been close to that which had been expected. |
| 13 | Are balances at a reasonable level and does the school have a clear plan for using the money it plans to hold in balance at the end of each year? | Q13 guidance | | **Yes** | | Governors have clear plans for the use of the surplus funds to offset the projected deficit budget next year. |

## D. Staffing

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| 14 | Does the school review its staffing structure regularly to ensure it is the best structure to meet the needs of the school whilst maintaining financial integrity? | Q14 guidance | | **Yes** | | The school staffing structure is reviewed on a regular basis at both staffing and finance committee meetings. The FGB review staffing twice yearly when the budget plan is being prepared for submission to the Local Authority. |
| 15 | Has the use of professional independent advice informed part of the pay decision process in relation to the head teacher and is it tightly correlated to strong educational outcomes and sound financial management? | Q15 guidance | | **Yes** | | Governors carry out the annual performance management review of the Headteacher with the support and advice of an independent professional and pay decisions are clearly linked to this process. |
| 16 | Has the school published on its website the number of employees (if any) whose gross salary exceeded £100k? | Q16 guidance | | **Yes** | | The statement on the school website says that there are no employees whose gross salary exceeds £100K. |
| 17 | Does the school benchmark the size of its senior leadership team annually against that of similar schools? | Q17 guidance | | **Yes** | | The school leadership team consists of the Head, Deputy and Key Stage leaders and it compares favourably with similar local schools. |

## E. Value for money

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| 18 | Does the school benchmark its income and expenditure and investigate further where any category appears to be out of line? | Q18 guidance | | **Yes** | | The school benchmarks its income and expenditure and governors receive a report annually as part of these procedures. |
| 19 | Has the school leadership team considered the results of the self-assessment dashboard or other DfE benchmarking tools? | Q19 guidance | | **Yes** | | The leadership team use the results of the DfE benchmarking tool to compare results both locally and nationally. |
| 20 | Does the school have procedures for purchasing goods and services that both meet legal requirements and secure value for money? | Q20 guidance | | **Yes** | | The school adheres to the Local Authority financial procedures and the administrative staff regularly source alternative suppliers and carry out price checks before purchasing goods to |

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| | | | | | | ensure best value |
| 21 | Is the governing body given the opportunity to challenge the school's plans for replacing contracts for goods and services that are due to expire shortly? | Q21 guidance | | **Yes** | | Contracts which are due to expire are discussed by the finance committee and a range of alternative quotations are sought before any renewals are agreed. At the moment a new photocopier lease and digital telephone system are being procured. |
| 22 | Does the school consider collaboration with others, for example, on sharing staff or joint purchasing, where that would improve value for money? | Q22 guidance | | **Yes** | | School collaborates regularly with a small cluster of local Primary schools on a number of projects to share best practice and value for money e.g. staff and governor training/ INSET costs. |
| 23 | Do you compare your non-staff expenditure against the DfE recommended national approved frameworks to ensure you are achieving best value? | Q23 guidance | | **Yes** | | Non-staff expenditure is compared against national deals and plans are in place to use the Education Buying service to ensure value for money. |
| 24 | Does the school maintain its premises and other assets to an adequate standard and make best use of capital monies for this purpose? | Q24 guidance | | **Yes** | | The school endeavours to maintain the premises to the required standard and regularly sets aside additional amounts from the school budget for planned work on the school building. |

## F. Protecting public money

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| 25 | Is the governing body sure that there are no outstanding matters from audit reports or from previous consideration of weaknesses by the governing body? | Q25 guidance | | **Yes** | | There were no significant matters and all recommendations from previous reports have been addressed. |
| 26 | Are there adequate arrangements in place to manage related party transactions and has a complete list of related party transactions been appended to the checklist document (see template for recording related party transactions)? | Q26 guidance | | **Yes** | | Governors and staff sign the register of business interests each year and procurement procedures are open and transparent to manage any conflicts of interest.<br><br>No transactions recorded. |

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| 27 | Are there adequate arrangements in place to guard against fraud and theft by staff, contractors and suppliers? | Q27 guidance | | **Yes** | | The school follows Local Authority guidelines to ensure arrangements to guard against fraud and theft are adequate. Staff have segregated duties, confidential passwords and authorised signatories are required as per school policies. |
| 28 | Are all staff aware of the school's whistleblowing arrangements and to whom they should report concerns? | Q28 guidance | | **Yes** | | The governing body has adopted Cumbria County Council's Whistleblowing Policy and all staff have received copies and information about the process. |
| 29 | Does the school have an accounting system that is adequate and properly run and delivers accurate reports, including the consistent financial reporting return? | Q29 guidance | | **Yes** | | The school uses the Local Authority E5 system which meets the Consistent Financial Reporting requirements. |
| 30 | Does the school have adequate arrangements for audit of voluntary funds? | Q30 guidance | | **Yes** | | The school fund is independently audited by a local accountant. |