



## Schools Forum

Date: 21 June 2018

Time: 8:30 a.m.

Venue: Shrewsbury  
Training and Development  
Centre

Paper

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Public

## Schools Financial Value Standard (SFVS) 2017-18 and its replacement from April 2019

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### Summary

All local authorities are required to include within their Scheme for the Financing of Schools a requirement for all maintained schools to complete and submit a Schools Financial Value Standard (SFVS) assessment form to the local authority by 31 March each year.

The purpose of the SFVS assessment form is to assist schools in managing their finances and to provide assurance that they have secure financial management in place.

Each local authority's Chief Finance Officer is required to complete and return to the Department for Education (DfE), an assurance statement recording the number of schools that have and have not complied with this requirement.

This report details the position of Shropshire schools as recorded on the assurance statement as at 31 March 2018.

### Recommendation

This report is for information only.

## REPORT

1. The SFVS assessment form has been a requirement since September 2011. The purpose of the SFVS is to assist schools in managing their finances and to provide assurance that they have secure financial management in place.
2. Governing bodies have formal responsibility for the financial management of their schools so the SFVS is primarily aimed at governors.
3. The SFVS assessment form must be completed, signed by the chair of governors and submitted to the local authority by 31 March each year. It is for the school to determine at which time of year they wish to complete the form.

4. The 2017-18 SFVS assessment form is a series of 25 questions which the governing body must answer Yes, No or In Part to. It includes a comments section where governors can provide additional commentary to support their answer.
5. Each local authority's Chief Finance Officer is required to submit an annual assurance statement to the DfE detailing the numbers of maintained schools that have completed and returned their SFVS by 31 March each year and the number that have not.
6. The table below details the position at 31 March 2018, as reported by Shropshire's Chief Finance Officer within the assurance statement to the DfE by 31 May 2018.

Total number of eligible schools	109
Number of eligible schools completed SFVS and submitted to LA by 31 March 2018	92 (84%)
Number of eligible schools that did not complete the SFVS and submit to LA by 31 March 2018 (without exemptions)	14 (13%)
Number of schools granted exemption as issued with an Academy order/merged/closed or entered into hard federation with new governing body	3 (3%)

7. The number of schools completing the SFVS return and submitting it to the local authority by the required deadline increased from 75% at March 2017 to 84% at March 2018 and the number of schools not completing the return and not in receipt of an exemption reduced from 17% to 13%.
8. There were no outstanding SFVS returns for 2017-18 as at 31 May 2018 although some returns were missing some sections of information. This is being followed up with the individual schools to ensure completeness.
9. The SFVS assessment form template and supporting notes are available on the Shropshire Learning Gateway. The SFVS requirement is detailed in Shropshire's Scheme for the Financing of Schools. A reminder is included within the Information from the Corporate Director on autumn term governing body agendas as well as being included as an agenda item on the spring term governing body agenda. The annual notes supporting the budget information provided to Shropshire schools in January included a reminder of the SFVS requirements. In addition a reminder email was sent to all schools in March 2018.

### **Replacement of the current SFVS requirement from April 2019**

The Department for Education announced in May their intention to introduce a new resource management tool to replace the current Schools Financial Value Standard (SFVS) from April 2019.

The Department is planning to introduce this new tool to support schools to make a better self-assessment of how they manage their resources. The intention is to provide a robust and consistent method to help schools to identify if and where there is potential to make improvements to how they allocate and manage their resources in order to have a greater impact on pupil progress. They also want this tool to provide assurance to local authorities that schools are considering how their resources could be most effectively managed.

The tool is in two parts.

1. A checklist: a series of questions which look at the systems, structures and processes which are in place in making decisions about the allocation of resource (this is a development of the current SFVS), and
2. A dashboard: a new data-based element which looks at how a school's data compares to thresholds, which are set using the data for all schools.

The tool is still in the development stage. Information on the new requirement will be provided to maintained schools once finalised.