



## **Schools Forum**

Date: 6 June 2019

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Venue: Shrewsbury  
Training and Development  
Centre

Paper

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Public

## **Schools Financial Value Standard**

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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 arrangements 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 2019.

From April 2019, the DfE has introduced new requirements. The standard for 2019-20 consists of a checklist and a dashboard which schools will need to complete and submit to the local authority. Details of the new requirements are provided in a separate report to Schools Forum.

### **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 to complete the form.
4. The 2018-19 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 their SFVS by 31 March each year and the number that have not.
6. The table below details the position at 31 March 2019, as reported by Shropshire's Chief Finance Officer within the assurance statement to the DfE by 31 May 2019.

Total number of eligible schools	92
Number of eligible schools that completed the SFVS by 31 March 2019	85 (92%)
Number of eligible schools that did not complete the SFVS by 31 March 2019 (without exemptions)	7(8%)
Number of schools granted exemption as issued with an academy order/merged/closed or entered into hard federation with new governing body	0 (0%)

7. In previous years local authorities have been required to record whether or not a school submitted their return to the local authority by 31 March deadline. For 2018-19 the assurance return only requires schools to have completed the return by 31 March deadline so a year on year comparison of records is not appropriate.
8. There are 4 (4%) outstanding SFVS returns for 2018-19 as at 24 May 2019. The local authority is continuing to pursue individual schools for this outstanding information.
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 2019.

10. The DfE has published new requirements in relation to the Financial Management Standard including a checklist and dashboard for 2019-20. Details of the new requirements are provided in a separate report to Schools Forum.