

West Berkshire Schools' Forum	
Title of Report:	School Financial Value Standard 2013-14
Date of Meeting:	9th June 2014
Contact Officer(s)	Laura King
For Information	

1. Summary

1.1 All schools submitted the School Financial Value Standard (SFVS) by 31st March 2014 with one exception. The extension for submission of the final school was agreed by the Head of Finance due to extenuating circumstances and was received by 14th May 2014.

1.2 Schools have made use of the best practice example again this year and in addition to now being more familiar with the required content and detail, generally the submissions provided an improved quality and content for the current year. School Governors have taken a much more active role in ownership of the document and understand that it is a self-assessment tool to develop their statutory role of financial management. The School Auditor did note some occasions where it would appear the Finance Officer or School Business Manager had been delegated the task of completing the assessment and this has been drawn to the attention of those schools via the Internal Audit report and subsequent audit report meetings. It is therefore not anticipated that this issue will reoccur.

1.3 29 schools had submitted a draft copy for review and the majority of feedback suggestions were incorporated into the final submission and an amended signed version submitted of improved quality.

1.4 As all schools had submitted a return in the prior year it was found that overall progress had been made on actions identified in the previous year. This was identified both through review of the 13-14 submissions and via the schools Internal Audit process where content of the SFVS submitted is assessed against actual processes and documentation found to be in place at the school in each case.

2. Number of responses

2.1 Overall the SFVS submissions were split as follows :

- 64 Primary Schools
- 2 Special Schools
- 4 Secondary Schools
- 2 Nursery Schools

- 2 Pupil Referral Units

Since the time of the 12-13 SFVS, 2 Primary schools have moved to Academy status under the sponsorship of a secondary school.

2.2 The responses to the 23 questions were:

Type of response	Number of schools	Number of responses	% Average response
Yes	68	1,399	89.5
No (including 2 N/A)	10	29	1.9
In Part	46	136	8.7

19 schools responded with 23 'Yes' including one secondary school.

3. Quality of responses

3.1 Each SFVS was reviewed and classified as:

- Poor: No dates and very few details, generally listed documents only
- OK: Some details but no dates and a few key details not commented on
- Good: Mostly gave dates and quite a bit of detail
- Very Good: Included dates and enough detail to evidence that clear, up-to-date processes were in place

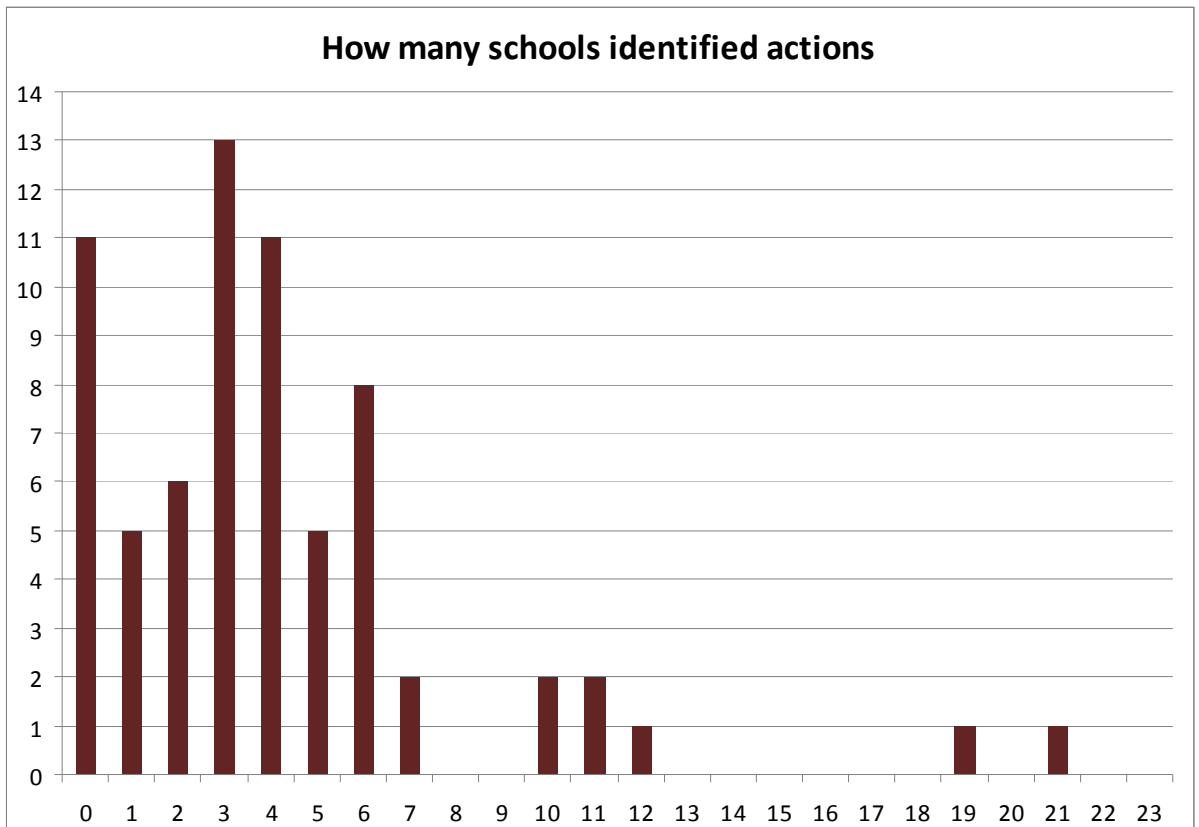
3.2 This was very much an arbitrary classification and given that the reviews took place over two months may have slightly changed over time.

3.3 Of the SFVS responses made:

Classification	Number
Poor	8
OK	28
Good	34
Very Good	4

4. Number of actions identified

4.1 In total 281 actions were identified by schools. It was felt that generally governors appreciated what they needed to improve on which can be seen by the spread in the number of actions. The most actions identified by an individual school were 21 as can be seen below in the chart of the incidence of actions.



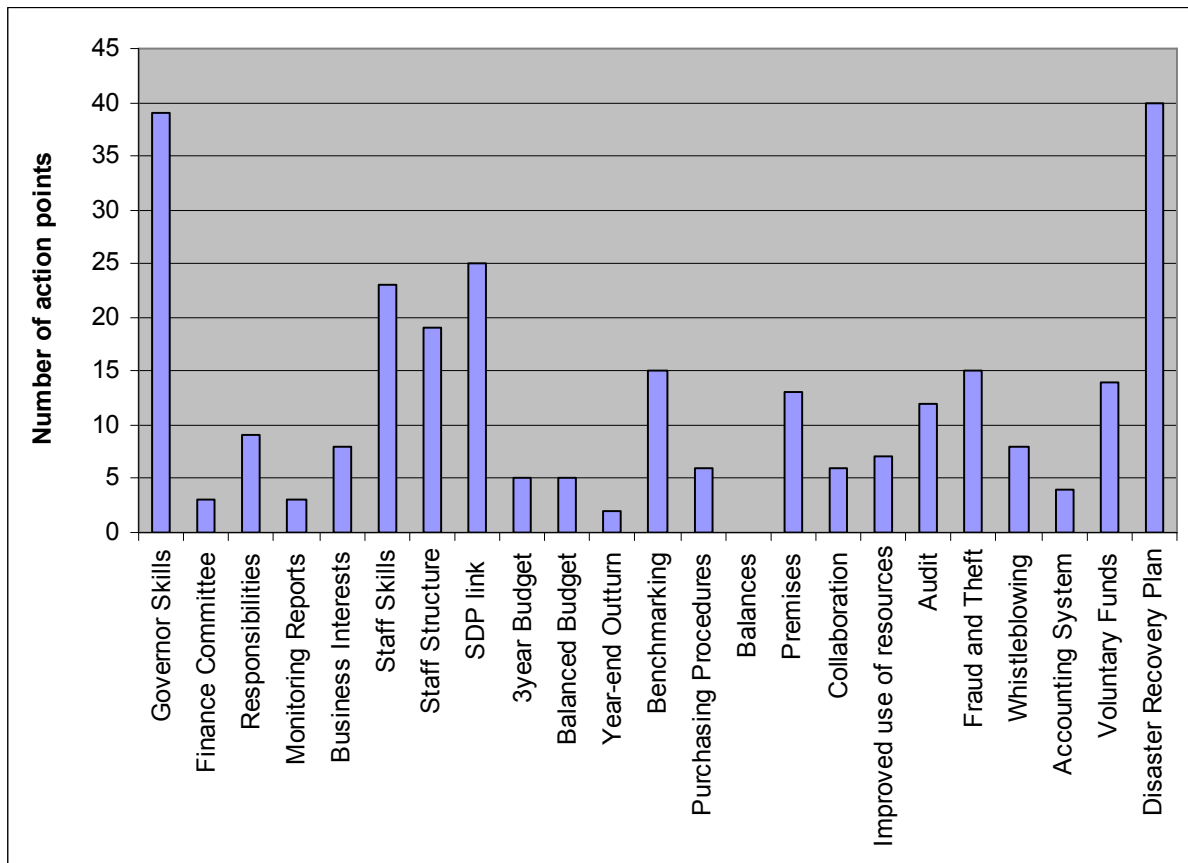
4.2 The average number of actions identified was five. Where one action addressed two questions this was counted as two to get a clear understanding of where governors were taking action.

4.3 Some of the schools who responded 'Yes' to all 23 questions still had identified some action points. Only 10 schools had no action points.

5. Types of actions identified

5.1 All schools had summarised their actions in Section E, the majority with clear owners and timelines, although again as in the prior year often ownership was assigned to the SBM/FO. This issue will be addressed via the Accountancy News letter and the internal audit process.

5.2 The questions to which actions were identified are summarised on the chart below:



5.3 As in the prior year it is clear that the Disaster Recovery Plan section has been identified as an area for improvement in the majority of schools. Additionally completion of the governor skills matrices has also been identified. Governor training is being continually developed and schools are encouraged to uptake the provision by both Governor Services and the Finance Team in order to improve overall breadth knowledge and confidence.

5.4 For 2013-14 it can be seen that the linkage between the SDP and the budget has also been identified as weak area in quite a number of instances. Guidance has been provided to schools on how best to achieve this via the Internal Audit process with some best practice examples available to schools. This is a key area for schools to ensure appropriate planning and management of desired educational outcomes within an ever tightening budget provision.

6. Impact on training

6.1 7 schools attended training provided by the Schools Accountancy Team on the Role of the Finance Governor which covers the SFVS in detail. The number of schools attending training is reduced for this year as many attended in the prior year and no significant governor changes have occurred.

7. Follow up

7.1 Schools that submitted an SFVS with a number of actions identified will be offered support from the School Auditor. Some schools have already been provided with significant input from the Auditor in respect of review and re-working of their key governance documentation in order to provide a more

robust suite for guidance and reference purposes. Furthermore the Internal Audit has been tailored to take into account the requirements of the SFVS. This should mean that provided audit recommendations are implemented, the requirements of the SFVS should be met. This is monitored via audit follow ups where necessary.

7.2 An email has now been sent to all schools to inform them that, provided the return is completed on an annual basis, the SFVS can be submitted at any time of the year in advance of the March deadline.

7.3 As the Schools Auditor now undertakes the review of the SFVS submissions it has been easier to deal with areas of concern highlighted by governors.

8. Conclusion

8.1 Overall the process continues to be well received by schools as an effective tool for governors to be able to assess the controls in place within the school and their understanding of them.

8.2 The Best Practice Example has been effectively used by the majority of schools. Where drafts were received which were of poor quality, the Best Practice Example was sent to the school in each case and the subsequent amended version showed much improvement. This will be reviewed for 14-15, updated as necessary and issued to schools for reference purposes.

8.3 Training, as part of the Role of the Finance Governor, should continue to emphasise staff structure, premises plans, training and Critical Incidence Plans but should also include further detail in respect of the linkage between the SDP and the budget.

8.4 Once again actions identified by the 13-14 SFVS will be monitored moving forward and reviewed against the submissions for 14-15 to ensure sufficient progress has been made. Where this is not found to be the case, schools will be encouraged to take up training provision.