

## 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:2023/ 2024**

- Emma Dewhurst to continue to train on all aspects of the school business manager role.
- Ongoing training to take place for Deputy Headteacher, Miss Helen Smith

Signature:

(Chair of governing body / management committee)

Full name of signatory:

Wayne Bretherton

Date SFVS agreed by full governing body /  
management committee:

Date SFVS submitted to local authority for review:

## 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.

<b>School name:</b>	Grimsargh St Michael's School
<b>School LAEstab number:</b>	888350

Answer

Comments, evidence and proposed actions

### A. Governance

1	<p>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?</p>	<p><a href="#">Q1</a> <a href="#">guidance</a></p>	<p>In Part</p>	<p>The governor skills audit is due to be updated at the full governors meeting in the spring term. Wayne Bretherton has previously been a headteacher and had in depth knowledge of schools financial management. Will Clarke, Greg Lindley, Liz Wallace and Jonny Galbraith work in other schools and have a knowledge of the financial aspects of school. We also have new governors and the skills audit will be crucial in identifying strengths. Martin Garry is an accountant and will be invaluable with his finance knowledge.</p> <p>The School Business manager, Lindsay Garner, has knowledge and experience of financial matters. The School Business Manager takes minutes for the committee meetings and is able to answer any</p>
---	---	--	----------------	---

				<p>questions which may arise. The resources committee governors discuss finance matters openly and feel confident to ask questions to fulfil their role of challenging. Emma Dewhurst is the new job share School Business Manager and is learning new skills to be able take over this role.</p> <p>The LCC Finance Officer offers advice and draws up reports which are presented to governors. Governors have the knowledge and confidence to question any discrepancies.</p>
2	Does the governing body have a finance committee, or equivalent, with clear terms of reference and a knowledgeable and experienced chair?	<a href="#">Q2 guidance</a>	Yes	<p>The terms of reference were reviewed in the resources committee meeting and they were approved on the <b>21<sup>st</sup> February 2024</b>.</p> <p>Sarah Locker is the chair of the Resources committee and Martin Garry is the treasurer.</p>
3	Does the governing body receive clear and concise monitoring reports of the school's budget position at least 6 times a year?	<a href="#">Q3 guidance</a>	Yes	<p>The school's finance officer drafts up monitoring reports 3 times a year. Budget monitoring is a permanent agenda item in the resources meetings and is discussed in depth. Any questions and answers are in the minutes of the resources meetings. Full governors have an overview of the budget monitoring during the full governor meetings.</p> <p>Monitoring reports are placed on the governor section of the website to allow governors to monitor spending throughout the year. This ensures that there are 6 reports on the governor website for the Resources governors to review.</p>
4	Are business interests of governing body members and staff properly registered and taken into account so as to avoid conflicts of interest?	<a href="#">Q4 guidance</a>	Yes	<p>The school holds a register of business interests (held on the school website) for all governors and staff with any financial responsibilities.eg school business manager, headteacher, and deputy headteacher. Business interests of the governors are also on the school website. This is updated annually in the autumn term.meeting.</p> <p>Any new governors are asked to complete the form as part of their induction.</p>

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?	<a href="#">Q5 guidance</a>	In part	<p>The school buys into the full finance support package and this gives access to an adequate level of financial expertise.</p> <p>Miss Emma Dewhurst is learning the finance aspect of the role and is able to carry out most of the finance functions. Mrs Elspeth Towers is able to deputise for some aspects of the role in the absence of Mrs Garner &amp; Miss Dewhurst.</p> <p>Mr Stuart Booth has financial knowledge and following her appointment as deputy headteacher, Miss Helen Smith will also train in this area.</p> <p>If needed and Wayne Bretherton and other governors would be able to assist on all aspects of finance having worked in a school. Martin Garry has also lots of finance experience and would be able to assist.</p>
---	--	-----------------------------	---------	--

## B. School Strategy

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?	<a href="#">Q6 guidance</a>	Yes.	<p>The school does have a 3 year long term financial plan and the schools finance officer prepares this and it is presented to the resources governors. The governors are aware of the potential financial pressures.</p> <p>The long term plan can be located on the governor section of the school website. Our ICT equipment has a replacement programme over a 5 year period. This allows us to budget for replacing older equipment.</p> <p>A buildings condition survey has been completed on the 10<sup>th</sup> September 2021. We have recently requested a new condition report and this should be completed early 2024. As estimates are included in the condition report, we are able to budget for premises maintenance.</p>
---	--	-----------------------------	------	---

7	Does the school take an integrated approach to curriculum and financial planning?	<a href="#">Q7 guidance</a>	Yes	<p>The finance officer prepares the full budget in accordance with the School Improvement Plan with the headteacher, school business manager and some of the resources governors.</p> <p>The school budget has a cost centre heading for the school improvement plan. The School Improvement Plan has an action plan for every area of the curriculum and these are each costed with an aim to raise standards.</p> <p>In 2023/2024, a deficit budget has been set and we have had to make savings across the school. Spending has been set in line with our school improvement plan and focussing on areas such as English, RE and worship.</p> <p>Online resources including Seesaw, Mathletics and Primary Stars are purchased to assist teachers and provide vital resources to the teaching.</p> <p>The school receives a sports grant through the school budget to improve sporting and PE activities and equipment in school and support the curriculum.</p>
8	Does the school have an appropriate business continuity or disaster recovery plan, including an up-to-date asset register and adequate insurance?	<a href="#">Q8 guidance</a>	Yes.	<p>There is an up to date equipment register and insurance is arranged through the diocese and LCC.</p> <p>Daily off site backup takes place and this service is provided through ED-IT Solutions.</p> <p>The school emergency plan is due to be updated in the spring term meeting and is placed on to the school website under a password protected section. If there was a critical incident, the school would seek help from Lancashire County Council and contact numbers as included on the School Emergency Plan.</p>

### C. Setting the annual budget

9	Does the school set a well-informed and balanced 3-year budget and has this been submitted to the local authority?	<a href="#">Q9 guidance</a>	Yes	<p>The full budget preparation service is used and together with the finance officer the school sets a well-informed budget.</p> <p>In the financial year 2023/2024, a deficit budget has been set. The governors are happy to use a proportion of the schools reserves to set the budget. The governors are aware of the clawback amount and that this amount fluctuates.</p> <p>The school fund has contributed £5000 to the school budget to help with the deficit. At present the deficit is manageable. If we get to the stage where it is unmanageable, then we will have to look at staffing and in particular temporary contracts and variable hours contracts.</p>
10	Does the budget setting process allow sufficient time for the governing body to scrutinise and challenge the information provided?	<a href="#">Q10 guidance</a>	Yes	<p>One or two governors from the Resources committee attends the budget setting meeting. This is then reviewed and approved at the Resources meeting and then at full governors.</p>
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?	<a href="#">Q11 guidance</a>	Yes	<p>Admissions numbers remain steady and the school is routinely over-subscribed. We had 62 applications in 2024 for 30 reception class places. Appeal hearings take place most years for the new reception class intake.</p> <p>The governing body are able to accurately predict pupil numbers each year.</p>
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?	<a href="#">Q12 guidance</a>	Yes	<p>In 2022/2023, the governors set a deficit budget of -£33,034. During 2022/ 2023, there had been increased spending on salary increases and energy price rises.</p> <p>An additional grant (MSAG) of £30,718 was received from the government, but with careful budgeting, the final outturn for 2022/ 2023 was -£31,236. This is a difference of £1798 from the approved budget.</p> <p>In 2023/2024, governors have set a deficit budget of -£27,466. On the latest monitoring report dated 31.10.23 this has reduced to -£12,681 due to the</p>

				school fund donation of £5000 and increased catering income of Discovery Vine nursery children.
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?	<a href="#">Q13 guidance</a>	Yes	<p>Governors are aware of the clawback procedures &amp; maintain a balance below this level whilst being mindful of increased costs e.g. Salaries.</p> <p>Reserves are maintained at a level for any unforeseen expenditure, however, governors remain aware of the increase in costs of nearly everything.</p> <p>Governors are mindful that when setting a deficit budget, how much of the reserves they will be using. This is monitored closely throughout the year.</p>

#### D. Staffing

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?	<a href="#">Q14 guidance</a>	Yes	<p>The staffing structure is reviewed regularly. All discussions that take place are documented in the resources minutes and any costings are carried out by the finance officer. Full governors also get an overview of the staffing structure during the review of the committee minutes.</p> <p>The governors ensure that some support contracts are drawn up to have flexibility to help maintain financial integrity, should the need arise.</p>
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?	<a href="#">Q15 guidance</a>	Yes	<p>The schools adviser is present at the head teacher's appraisal meeting and advises the governors in the performance criteria in order for the governors to make an informed decision.</p> <p>There are a minimum of 2 governors at the headteacher's appraisal. We buy into the LCC Schools HR &amp; Payroll services and they advise us as and when needed.</p>

16	Has the school published on its website the number of employees (if any) whose gross salary exceeded £100k?	<a href="#">Q16 guidance</a>	Yes	This information can be found on the school website under the finance section in Key Information.
17	Does the school benchmark the size of its senior leadership team annually against that of similar schools?	<a href="#">Q17 guidance</a>	Yes	Benchmarking includes comparing the size of the senior leadership team. Governors benchmark against schools of a similar size & characteristics and also with schools in the local area.

## E. Value for money

18	Does the school benchmark its income and expenditure and investigate further where any category appears to be out of line?	<a href="#">Q18 guidance</a>	Yes	<p>School undertook a benchmarking exercise in February 2024 and presented to finance governors on the 21<sup>st</sup> February 2024, whereby a full discussion takes place.</p> <p>Benchmarking is a useful tool for the Governors to see how the school compares to other both statistical neighbours and also nationally.</p>
19	Has the school leadership team considered the results of the self-assessment dashboard or other DfE benchmarking tools?	<a href="#">Q19 guidance</a>	Yes	The self assessment dashboard is considered by the SLT and the governors.
20	Does the school have procedures for purchasing goods and services that both meet legal requirements and secure value for money?	<a href="#">Q20 guidance</a>	Yes	<p>The school works on best value and complies with the Statement of Internal Controls.</p> <p>The school holds details of companies approached and costs in respect of the photocopier and property services.</p> <p>Larger projects are managed through the diocese and building surveyors due to their size and nature to ensure that tenders are specific and costings are thorough.</p>



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?	<a href="#">Q21 guidance</a>	Yes	<p>The governors are aware of contracts expiring. For example the DBE property services contract is discussed during Resources meetings.</p> <p>Teacher staff insurance has also been discussed in previous meetings but due to high levels of sickness in the past governors have decided to stay with LCC.</p>
22	Does the school consider collaboration with others for example, on sharing staff or joint purchasing, where that would improve value for money?	<a href="#">Q22 guidance</a>	Yes	<p>We collaborate with local schools for training in order to spread the cost. The most recent training where collaboration took place was the Behaviour Training by Graham Chatterly.</p> <p>Cluster meetings for the headteacher, deputy headteacher and school business manager also take place.</p>
23	Does the school compare its non-staff expenditure against the DfE approved frameworks to ensure best value for money?	<a href="#">Q23 guidance</a>	Yes	<p>The school buys into LCC sourced services, for example gas, electricity and water. LCC are able to achieve best value when buying in bulk.</p>
24	Does the school maintain its premises and other assets to an adequate standard and make best use of capital monies for this purpose?	<a href="#">Q24 guidance</a>	Yes	<p>The school buys into Total Property Management for its premises and the governors believe in a proactive maintenance approach rather than a reactive one.</p> <p>We currently have one LCVAP bid in place for the flat roofs. This bid has been rejected in the past.</p>

## F. Protecting public money

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?	<a href="#">Q25 guidance</a>	Yes	<p>There are no outstanding matters from the internal audit which was completed in June 2009. Audits are undertaken by the finance officer on a monthly basis.</p>
----	---	------------------------------	-----	--

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)?	<a href="#">Q26 guidance</a>	Yes	The governors complete the register of business interests.  We also have a Recording of related party transactions. This is a relatively new return and is currently a NIL return.
----	--	------------------------------	-----	--

27	Are there adequate arrangements in place to guard against fraud and theft by staff, contractors and suppliers?	<a href="#">Q27 guidance</a>	Yes	<p>All financial transactions are carried out under a dual control. SIMS FMS: The school business manager inputs the orders, the headteacher authorises them and then Mrs Towers or a teaching assistant will mark off orders to the delivery note when they arrive.</p> <p>Banking: the banking is undertaken by Mrs Elspeth Towers and then the school business manager inputs this on to the oracle and an email is sent to the finance team.</p> <p>Equipment Register: When goods are ordered that are over the value of £200, the school business manager inputs them onto the asset register. Each year, Mrs Towers will undertake an audit of the asset register. Any discrepancies to the asset register are brought to the attention of the resources governors and they then have to agree to the disposal of assets.</p> <p>A new barcode system is in operation and has proved to save a lot of time.</p> <p>School Fund accounts: These are drawn up by the school business manager. They then get signed off by the head teacher and the treasurer of the Resources committee and then they go to the auditor. Once audited and approved by governors the figures are input onto the portal for the Lancashire County Council finance team.</p>
28	Are all staff aware of the school's whistleblowing arrangements and to whom they should report concerns?	<a href="#">Q28 guidance</a>	Yes	<p>All members of staff and governors are aware of the whistleblowing policy. A poster &amp; the policy is on display in the staff room. The whistleblowing policy is reviewed and updated annually by the Resources governors.</p> <p>All staff are reminded where it can be found and encouraged to check their understanding of the policy.</p>
29	Does the school have an accounting system that is adequate and properly run and delivers accurate reports, including the consistent	<a href="#">Q29 guidance</a>	Yes	<p>The school uses the SIMS FMS system. Reports are generated from this system to report to finance governors and the finance officer generates the long term plans and CFR returns.</p>

	financial reporting return?				
30	Does the school have adequate arrangements for audit of voluntary funds?	<a href="#">Q30 guidance</a>		Yes	<p>The school fund accounts are checked and signed by the headteacher and the treasurer of the Resources committee. These are then audited by an independent body – McDade Roberts accountants. Once approved by the governors, the accounts are then registered on the schools portal as being completed together with the profit/ loss &amp; income and expenditure amounts.</p> <p>During the autumn term, parents are informed by letter of how the charities money was spent for the previous academic year.</p>