

Introduction to the schools financial value standard (SFVS) checklist

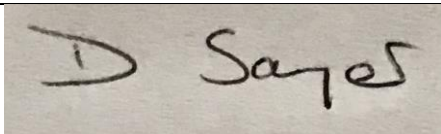
The schools financial value standard (SFVS) helps to provide schools with assurance that they are meeting the basic standards necessary to achieve a good level of financial health and resource management.

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:

Signature: (Chair of governing body / management committee)	
Full name of signatory:	Derek Sayer
Date SFVS agreed by full governing body / management committee:	13 March 2023
Date SFVS submitted to local authority for review:	31/03/2023

Schools financial value standard (SFVS) checklist

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School name:	Elemore Hall School
School LA Estab number:	840 7006

Answer

Comments, evidence and proposed actions

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 have a range of relevant skills to scrutinise and challenge the management of finance within the school. The skills include long term experience as a governor on finance committees, personal experience of overseeing budgets as a LA officer and previous experience of managing a budget as a headteacher.
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	Finance committee is experienced and includes members with a range of skills and knowledge. The chair is a past LA senior officer with experience of running

					committees and providing scrutiny, including over financial decisions.
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	Yes, 3 times per year at meetings of the full Governing Body and three times per year at Finance Committee meetings.
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	All governors complete a 'Declaration of Interests' form each year, every meeting enquires whether any governor wishes to declare an interest in any item on the agenda.
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	The Headteacher has over 20 years experience of setting the budget for the school and overseeing expenditure from a strategic position, working with and informing governors. The school employs a senior member of staff with financial skills who oversees the operation of the budget, there are several other administration staff who have financial skills and knowledge, staff are able to support and cover for each other in case of absence and can access support from the finance team in the LA.

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?	Q6 guidance		Yes	We know what future pupil numbers are likely to be for the next three years. The LA determines our income and we are unsure how this will change over the next three years. Also costs and salaries have recently increased by unexpected amounts leading to uncertainty that may continue for some time to come. This uncertainty creates pressure
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					in being careful not to over extend the financial commitments in the school in case of a poor budget settlement over the next three years. We are also aware that some of our costs are likely to rise significantly whilst income may not.
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	Staffing is the key element in raising standards and meeting pupil needs in the school and consequently a high proportion of the budget is spent on staffing.
8	Does the school have an appropriate business continuity or disaster recovery plan, including an up-to-date asset register and adequate insurance?	Q8 guidance		Yes	We have an up-to-date asset register. The Local Authority provides insurance cover for buildings and contents. As a local authority special school, we would work with the LA to identify suitable emergency provision for our pupils should a disaster arise. As we are split across three geographically dispersed sites, any disaster is likely to impact only one site and the other two sites could absorb staff and pupils temporarily if required.

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?	Q9 guidance		No	The school has consistently set a balanced budget for over 20 years but due to fluctuations in numbers/funding we have only projected for one year. The budget is based upon known, planned expenditure, historical costs and projections. The budget is always set from within the income that we receive. In September 2021 the school took over two additional provisions that had financial difficulties, we are trying to determine the situation accurately so that we
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					can plan longer term. The LA finance team are working with the school on this.
10	Does the budget setting process allow sufficient time for the governing body to scrutinise and challenge the information provided?	Q10 guidance	No		No. The school does not receive funding information from the LA in a timely manner to allow sufficient discussion before deadlines need to be met.
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 is funded for a planned place number of pupils agreed with the Local Authority. Additional funding will be provided if the number is temporarily exceeded.
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		We try to stick to our budget plan as closely as possible, however we might use reserves for capital projects or developments that are not included in the original budget plan. Over the past year we have continued to invest in the two sites that the school took over in September 2021.
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		We aim to maintain some reserves in case of emergency or unexpected expenditure. The school does have some plans for some of our reserves but these tend to be longer term projects.

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?	Q14 guidance	Yes		The staffing structure is reviewed regularly. As the pupil population is constant we have a structure that works for us that we try to maintain. We are currently making small adjustments to the structure in light of the complex nature of our school operating over three distinct sites. Any usual changes are
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					likely to be additional temporary support staff to support specific pupils (these are usually funded as an addition to the main budget)
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	HTPM is informed by a senior member of the Local Authority Education department providing information to the relevant committee of governors.
16	Has the school published on its website the number of employees (if any) whose gross salary exceeded £100k?	Q16 guidance		Yes	
17	Does the school benchmark the size of its senior leadership team annually against that of similar schools?	Q17 guidance		In part	Elemore Hall School is unique in it's setting and makeup. The staff structure, including the SLT has been developed over the years to meet the emerging needs of the school. Our SLT has a similar profile to other SEMH schools of comparable size. The size and makeup of the leadership team is currently under review as part of the expansion of the school over three dispersed sites.

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?	Q18 guidance		In part	<p>We are funded at the same level as other Durham LA SEMH special schools and offer similar learning experiences to our pupils. Comparison with other schools is complex because of our unique nature, using the DfE benchmarking tool is unhelpful as it does not return any usable information.</p> <p>Our school is considered as one entity whereas in reality it operates over three sites that are some miles apart. The economies of scale that might be achieved by having</p>
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				<p>everything on one site are largely lost. Despite this the school appears to be operating well financially when viewed on the DfE benchmarking site.</p> <p>Additionally our school has a residential element where some pupils are resident during the week, all other pupils can stay at the school into the evening to take part in activities. These additional expenditures are counted within the main operational costs of the school that are used for benchmarking us against schools that do not offer these provisions.</p>
19	Has the school leadership team considered the results of the self-assessment dashboard or other DfE benchmarking tools?	Q19 guidance	In part	It is almost impossible to compare our school with others but we do try. (see above)
20	Does the school have procedures for purchasing goods and services that both meet legal requirements and secure value for money?	Q20 guidance	Yes	For most goods we use Local Authority approved suppliers and agreed procurement routes. The school makes an effort to find lowest cost suppliers where possible; this has been assisted by the use of procurement cards which have allowed access to online suppliers that may be better 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	In part	When appropriate the Governing Body can do this, however many contracts are arranged centrally by the LA.
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	We are now doing this across our three sites but not outside the school.
23	Do you compare your non-staff expenditure against the DfE recommended national deals to ensure you are	Q23 guidance	In part	We rely on the LA to secure the best deals that we then subscribe to if they are

	achieving best value?				appropriate for our needs.
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	As far as possible.

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?	Q25 guidance		Yes	The school had a positive audit inspection and report in 2019 that was reported on to governors.
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	As a school we use LA approved suppliers and contractors where possible. A check is made on conflict of interest if this is a potential eventuality - however this has never arisen so far.
27	Are there adequate arrangements in place to guard against fraud and theft by staff, contractors and suppliers?	Q27 guidance		Yes	All expenditure is checked by at least two different members of staff to ensure transparency. Detailed records are kept. Purchases are paid through the Local Authority where our expenditure is monitored by the finance team.
28	Are all staff aware of the school's whistleblowing arrangements and to whom they should report concerns?	Q28 guidance		Yes	A policy exists in school and is available to all staff.
29	Does the school have an accounting system that is adequate and properly run and delivers accurate reports,	Q29 guidance		Yes	The school follows the LA guidelines and protocols to ensure that financial processes

	including the consistent financial reporting return?				<p>and procedures are followed and accurate reports are made available. The local authority provides monthly statements of income and expenditure against planned budget. We also compete the Consistent Financial Reporting exercise.</p> <p>We have recently moved to the Oracle system that should give more accurate reports than our previous system.</p>
30	Does the school have adequate arrangements for audit of voluntary funds?	Q30 guidance		Yes	The school does not hold any voluntary funds