

## Completing the Schools Financial Value Standard (SFVS) return

In June 2018 Norfolk Audit Services carried out an audit to review the Schools SFVS Self- Assessment Returns, which are designed to assist schools and their Governing Bodies to ensure that secure financial management systems are in place. We visited eight NCC maintained schools as part of a thematic audit to review how they completed their SFVS return and if they achieved compliance with the standard. The specific objectives of the audit were:

- To provide assurance that annual SFVS Self Assessment Returns have been completed by schools in accordance with the LA and DfE guidance, are adequately supported by relevant evidence, appropriately authorised and submitted to the LA in a timely manner.
- To ensure remedial actions included in the returns are appropriate to meet the requirement and monitored by the Governing Body to make sure they are fully undertaken by the required date.

### **Our audit findings**

The visits highlighted that all of the Schools tested completed the questions in a satisfactory manner. The majority of the responses from the Schools were supported to relevant evidence, with one School able to fully support their responses. Where remedial actions were identified by the Schools, these had been recorded appropriately on the return. We also found that although all the Schools were aware of the LA and DfE deadline for completing and submitting the return, these were not always complied with.

The following findings are an overall summary of the areas within the SFVS where questions were insufficiently answered or evidenced and are not representative of every school: -

- **Question 1:** The financial skills of the Governing Body were not evidenced or recorded. A skills matrix should be used to record and identify the main financial management skills that the governing Body should have.
- **Question 7 and 8:** Staffing structures and the School's Pay Policy were not regularly reviewed and details of the pay decision for the Headteacher were not available. Staffing structures should be reviewed regularly and details of any pay decisions made retained at the school.
- **Question 14:** Benchmarking data was held by the schools but was not used for research by the Headteachers or presented to the Governing Body for comparison against other schools and improvement of performance. Benchmarking data should be used by every school to highlight any areas for improvement.

- **Question 21:** Although adequate arrangements were in place to guard against fraud and theft, Schools should maintain written fraud logs so that if an instance should arise, there is an agreed place to record the details. Schools should also adopt and make available to staff, the Model Anti-fraud, Bribery and Corruption Policy for Schools (November 2017) which is included within the Norfolk's Scheme for Financing Schools 17/18.
- **Question 25:** Business continuity plans were not reviewed and updated regularly or held in a secure off-site location. The Business continuity plan should be reviewed every year or after any significant change and updated accordingly and copies held in a secure location off site by relevant officers.
- **Submission of Return:** three Schools did not meet the 31 March deadline for authorising and submitting the return. There is also an unofficial LA submission deadline of the 28 February, which schools should observe, as this enables the LA to identify any schools that are not on track to meet the official 31 March deadline and implement any target support that may be required.

We recommend the above issues are specifically considered by each School's leadership team and Governing body when completing the next SFVS return to ensure that these areas are sufficiently answered and evidenced within your school. Any issues and proposed actions should be presented to the relevant Governing Body Committee for approval and monitoring.

In general when completing your Schools SFVS return please consider the following points:

- Evidence to support the answers you are giving is easily accessible and readily available if requested.
- Refer to the supporting guidance notes provided by the DfE when answering the questions. The notes provide clarification of the questions, examples of good practice and can be accessed through the DfE website. Each question requires a Yes, In Part, or No answer.
- If you complete an answer with In Part or No a remedial action point should then be raised in section E of the return.
- All remedial action points raised should be clearly delegated to a member of staff or Governor to complete and a time period by which it will be fully completed by.
- The Governing Body should review all action points raised periodically confirming they are adequately completed before the next return is submitted.