

SCHOOLS FINANCIAL VALUE STANDARD (SFVS) 2024-25

The Department of Education requires that local-authority-maintained schools must submit the SFVS checklist to their local authority annually. This checklist helps to provide assurance that they are meeting the basic standards necessary to achieve a good level of financial health and resource management.

Local authorities use this information to submit an **assurance statement** to provide assurances to the Education and Skills Funding Agency and the Department for Education that pre-16 and post-16 funding has been used for the intended purposes.

The deadline for the LA to submit the assurance statement in 2024 was the fourth Friday in May so it is essential that schools meet the 31 March deadline for submission of the SFVS to the LA.

Academies should use the [school resource management self-assessment checklist](#).

The SFVS consists of the **Self-Assessment Checklist**. The **Checklist** is a Microsoft Word document which asks a series of 30 self-assessment questions which school governing bodies should formally discuss with their head teacher and other senior staff.

Governing bodies and senior staff will need to confirm their school has:

- adequate and up-to-date financial skills among its members;
- a finance committee, or equivalent, with clear terms of reference and a knowledgeable and experienced chair;
- received monitoring reports of the school's budget position at least 6 times a year;
- registered any business interests of governing body members and staff to avoid any conflicts of interest;
- access to an adequate level of financial expertise.

The standard helps schools and local authorities meet basic standards for good financial health and resource management. This includes questions to help schools identify areas for improved resource management.

SFVS returns must be approved at a meeting by the Full Governing Body and signed by the Chair of Governors, before being submitted to Audit Services prior to the **31 March 2025** deadline for 2024-25. As the submission date is before the 2024-25 final accounts are completed, benchmarking of data is based on the most recent set of accounts i.e. those for 2023-24.

Although there are a limited number of acceptable reasons for non-completion of the SFVS, returns made after this date will be formally notified to the Department for Education as a late submission. These exceptions are available to check on Derbyshire SchoolsNet: [Schools financial value standards \(SFVS\)](#).

Schools should ensure that a meeting of the full Governing Body has been scheduled for January or February to approve the SFVS submission, allowing time for re-scheduling if necessary.

When the school's SFVS return has been completed, approved, and signed by the

chair of governors, please ensure that a copy is provided to Audit before 31 March through Perspective Lite (830nnnnAUD_).

If there are any queries regarding the SFVS please email Ben Jordan:

Ben.Jordan@derbyshire.gov.uk

The service is available for all maintained nursery, infant, junior, primary, special, and secondary schools.

The [form for the 2024-25 SFVS submission](#) can be found on the GOV.UK website. (At the time of writing, the 2023-24 form is available but this will be updated).

The key financial roles of the governing body and its committees

The governing body is given its powers and duties as an incorporated body. The statutory responsibilities of the governing body of a maintained school are detailed in [section 21 of the Education Act 2002](#). Their key financial roles are to:

- manage the school budget;
- decide on how to spend the delegated school budget, depending on any conditions for maintained schools set out in the local authority scheme for financing schools;
- be consulted by their local authority on funding;
- ensure accurate school accounts are kept;
- determine the number and type of staff and a pay policy in accordance with the [school teachers' pay and conditions](#)
- act as a 'critical friend' to the headteacher by providing advice, challenge, and support.

More support with the Checklist

Each question has a link to guidance on the DfE website, however, there are some specific areas which the LA can assist with.

In **section A, Governance**, question 1 refers to the financial skills held by members of the Governing body, and the use of a **skills matrix**. A link is included from the DfE guidance to the [March 2018 SFVS Additional Resources \(2018-19\) guide](#).

School Support Finance offer a range of training options throughout the year to support development of financial skills and keep Governors and staff up to date. More details can be found via the Governor Support Resources in [Derbyshire Services for Schools](#) .

The governing body should continue to receive budget monitoring reports **at least six times a year** (question 3). While this can present a challenge for small schools whose governing body meets termly, the guidance is clear that the monitoring report

can go to the finance committee as well. Therefore, providing your school has a full governing body meeting three times a year and the Finance Committee meets three times a year, then you can achieve this reporting requirement.

School Support Finance provide a package offering 3 Governor Reports each year, alongside budget meetings from which a report is also produced. In addition, it is recommended that a report from SAP be produced to make up the total of six reports per year and presented to Governors to satisfy the SFVS requirements.

These reports should show the latest budgets and expenditure, highlighting significant variances and any other areas for discussion. Items should be shared with governors where expenditure has varied significantly from the agreed plan and the variance is at a level that could have a material impact on the school's overall finances. It is important to produce these reports even where spending remains in line with the agreed plan so that governors are aware of the latest forecast position. SAP report S_ALR_87013620 or S_ALR_87013611 can be used for this purpose.

These reports not only focus on the current financial year, but also give a realistic forecast for the following three years, based on several assumptions on funding and pupil data which are regularly checked and updated with the school (meeting the requirements of question 6).

In **section C, "Setting the annual budget"**, the majority of LA maintained schools in Derbyshire have a budget meeting with the School Support Finance team from which a draft budget plan and staffing profile is provided.

In **section E, "Value for money"**, question 19 refers to **benchmarking tools**?

Benchmarking is a process for comparing income and expenditure in detail with that of similar schools to consider whether and how your school can use resources better and identify where changes can be made. This process should be undertaken annually, but benchmarking can also be carried out at any time when reviewing school contracts for procuring goods and services. Schools should report their findings from benchmarking to the governing body.

The DfE offer two key tools to support with this:

- [Schools Financial Benchmarking](#) which is public-facing and open for anyone to use.

Schools Financial Benchmarking is accessed from the DfE benchmarking website, you can find the self-assessment dashboard which shows how a school's data compares to thresholds on a range of statistics that have been identified by the Department as indicators of good resource management.

- [View my financial insights](#) (GOV.UK), which provides users in academy trusts, schools and LAs with an automated assessment of their school's data based on similar schools.

Access to VMFI is via one of two secure information management services:

- local authorities and academy trusts should use a service called Identity and Access Management System (IDAMS)

- maintained school and academy users should use a service called DfE Sign In (DSI)

The LA also offers benchmarking data which can be used to focus comparisons on local schools [School benchmarking data \(Derbyshire SchoolsNet\)](#)

Further extensive guidance can be found on the DfE website.

School Resource Management Tools

The DfE continues to promote Information, tools, training, and guidance to help schools and trusts save money on day-to-day costs to achieve the best value from all their resources:

[School resource management - GOV.UK \(www.gov.uk\)](#)

The tools and links on this page will help ensure that schools get the best value from their resources and therefore maximise the impact on pupil outcomes. They are free and available to all state funded schools.

These resources are for school leaders, school business professionals, school staff and governing bodies in both maintained and academy schools.

This includes areas such as:

- Integrated curriculum and financial planning (ICFP).
- A Teaching Vacancies service.
- Buying for Schools, procurement law and DfE approved frameworks.
- Risk protection arrangements (RPA).
- Meeting digital and technology standards.
- and Good Estate Management for schools.

There are also links to seek support from the Schools Resource Management Advisors from the available topics.

For further information about procurement of goods and services, please refer to the DfE approved framework via:

[Find a DfE-approved framework for your school - GOV.UK \(www.gov.uk\)](#)

If there are any queries regarding the SFVS please email Ben Jordan, email: Ben.Jordan@derbyshire.gov.uk

For further information about budget monitoring and advice from the Local Authority, please contact either Andy Walker or Nick Oddy in the **School Support Finance team**: email andy.walker@derbyshire.gov.uk or nick.oddy@derbyshire.gov.uk.

Last updated 21/8/2024.