

Dudley Metropolitan Borough Council

Schools Forum – 13 July 2005

Report of the Director of Education and Lifelong Learning

Financial Management Standard – Progress Report

Purpose of Report

1. The purpose of this report is to inform Schools Forum on the progress of the Financial Management Standard (FMS) within the pilot schools.

Background

2. The Financial Management Standard (FMS) is a DfES initiative that encourages schools to adopt and apply best practice in all areas of financial control and management.
3. The DfES introduced the FMS in 2004 after a pilot study undertaken during 2002. The FMS is not mandatory, but recommended. However, following the recent consultation to schools, the DfES have indicated that 50% of all LEAs are in favour of a mandatory scheme.
4. The standard is analysed under five headings. These are:
 - a. Leadership and governance;
 - b. People management;
 - c. Policy and strategy;
 - d. Partnership and resources;
 - e. Processes.

It aims to provide a statement of what a financially, well-managed school would look like.

5. The FMS is attained once a school has undergone a rigorous internal and external evaluation programme, and has been assessed by an external assessor.

LEA support to schools

6. LEA officers made a number of presentations to Heads and Governors during 2004 to raise their awareness in respect of the FMS.
7. The term 'financial management standard' itself is not just about the finances of a school. A series of good practice questions are asked of schools and these cover a wide range such as audit, governance, personnel, accounting, asset management, risk management.
8. The Director of Education and Lifelong Learning indicated that support to schools wishing to adopt the FMS should be offered via Dudley traded services.

Progress to date

9. Following a series of presentations to all schools on the merits of adopting the FMS, a pilot group was set up comprising 8 schools (6 Primary: 2 Secondary) that expressed early interest in undertaking the Standard.
10. The schools are:
 - a. Ashwood Park
 - b. Gigmill Primary
 - c. Netherton CE Primary
 - d. Northfield Road Primary
 - e. Russells Hall
 - f. St Joseph's RC (Stourbridge)
 - g. The Earls High
 - h. Summerhill
11. The pilot group have been given guidance on what process is required to attain the Standard. They are required to work through the DfES FMS Toolkit that comprises a tool for self-assessment; a tool for external assessment; summaries of good practice; development guides, and a glossary of relevant terms.
12. The pilot group have been asked to undertake a self assessment of each of their schools by:
 - i. Completing the self assessment form available to them;

- j. Undertaking a skills competency matrix for staff and governors as part of the self-assessment.

Seven out of the eight pilot members were able complete and return the above by the deadline date of 10th June 2005.

13. These completed forms were then summarised (see Annex - FMS) and distributed to each of the section heads supporting the schools. (i.e. Internal Audit, Education Accountancy, Schools Development Advisors, Risk Management; Education Personnel; Governors Support Unit and Building & Estates Team). Section heads were to analyse the result, identifying “gaps” in competencies where the schools, if they were to successfully undertake an external assessment, would require more specific attention.
14. A meeting with all section heads was held on 23rd June 2005 to discuss the above. Suggestions on how to further support schools have been discussed.

Next Stage

15. A meeting has been arranged with the pilot group on 13th July 2005 where section heads, or their representative will convey the results from the self-assessment exercise and advise on how the pilot group can best address the “gaps” identified through their self assessment responses. This will assist with achieving further compliance.
16. The pilot group will also be consulted on how they feel the section heads can best support them (e.g. individualised support vs. group training). The consensus from the section heads is that any support should be demand-led, and school-driven.
17. A more tailored training or support package to be devised and commenced in the autumn term.
18. It is anticipated that the training programme identified for the pilot schools will be offered to all schools on a rolling programme during 2006.

Proposal

19. It is proposed that the Schools Forum note the content of the report in respect of the 8 pilot schools that are undertaking the financial management standard programme.

Finance

20. There are no direct financial implications arising from the proposal.

Law

21. Councils' LMS Schemes are made under Section 48 of the School Standards and Framework Act 1998. The Education Acts 1996 and 2002 also have provisions relating to school funding.

Equal Opportunities

22. The Council's Equal Opportunities Policy is taken into account when considering the allocation of resources.

Recommendations

23. Schools Forum is requested to note the proposals as set out in this report.



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