



School Finance Team

Merry Christmas to you all

2018 has been, for me, one of the quickest years yet. It's been good to get out to Schools and meet so many new faces. We continue on the journey of Academy conversions, National Funding Formulae and maximising funding, whilst these times are challenging, I am proud to work with so many professionals that take up the challenge and embrace the changes we all need to succeed. Life in the team has had its own challenges this year and I am extremely appreciative of your support to us.

Whilst you require our services we are here to champion and uphold the financial frameworks that underpin and protect the public purse and I look forward to working with you in the new year, seeking new ways of ensuring school funding is maximised to the benefit of the children within our schools.

The service brochure remains largely unchanged due to the ongoing welcome feedback you have given us on our bespoke service. The pricelist will be available on the SIP from Christmas.

I would like to wish you a very Happy and Healthy New Year, we look forward to seeing you all soon.

Janet Bowlzer CPFA
Group Accountant

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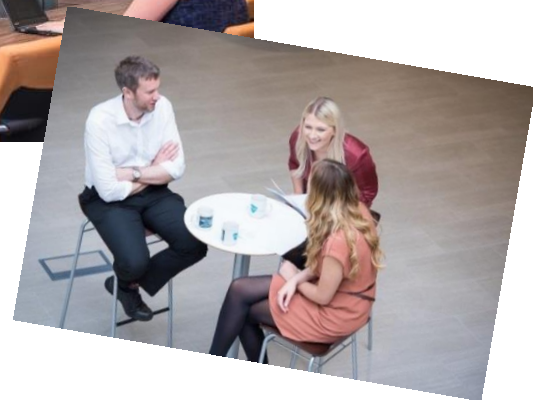
Schools Finance Team
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The Schools Finance Team consists of:

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For Schools Formula Budget Support please contact:

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Chris Holmes	Finance Officer	Chris.Holmes@derby.gov.uk	64 2687
Will Webster	Accountancy Assistant	William.Webster@derby.gov.uk	64 2670





Useful Contact Information

- Accounts Payable – SchoolSapEnquiry@derby.gov.uk
- Oracle – Oracle.Admin@derby.gov.uk
- Income, Civica ICON and Childcare Vouchers – Income.Team@derby.gov.uk
- Cheque Cancellations – ChequeCancellation@derby.gov.uk
- Imprest/Banking – Schoolfinanceteam@derby.gov.uk

Where to Send Information

All Lloyds Link, bank signatory/debit card amendments, imprest top ups and internal recharges should be sent to School Finance Team.

- All new users or leavers of Lloyds Link please fill out the [LloydsLink access form](#) and either email it to us on [School Finance Team](#) or post it to School Finance Team, Finance, Council House, Corporation Street, Derby, DE1 2FS
- To add or remove a signatory for the bank account please complete the [Authority for Signatory Amendment form](#) and send the **original copy** in to School Finance Team, Council House, Corporation Street, Derby, DE1 2FS
- To apply for a debit card please complete the [debit card application form](#), once complete send through the **original copy** to School Finance Team, Council House, Corporation Street, Derby, DE1 2FS
- If a debit card needs cancelling please send an email though to [School Finance Team](#), and then destroy the card.
- To set up a Citrix Account please follow the link <https://schoolsportal.derby.gov.uk/apps/eforms/?formid=8>
- To set up, amend or to cancel an Oracle user, please complete the [Oracle Access Form](#) and return this to [School Finance Team](#)

New interactive Benchmarking Reports 2017 & 2018

The team have had positive feedback on the use of the new interactive benchmarking reports, thank you for that. Following on from the change in the layout of the data supplied by the DfE the team took the opportunity to make the reports more interactive, allowing schools to fully localise their discussions with Governors and other stakeholders.

As soon as the 2018 information is available for us to analyse we will be hard at work enhancing those reports.



2019-20 Schools Financial Planner

The 2019-20 budget planning tool is ready for release after the Christmas break. To ensure a timely release the following assumptions have been made.

- Teachers Pay Award grant calculation has been added in to the budget planner
- Teacher Pay Award for each September as been assumed at 1%
- Non-teaching Pay Award for April 2020 onwards has been assumed at 1%
- Teachers' pension contributions remain at 16.48% until September 2019. There will be consultations involving employers and employees and any changes to contributions are scheduled for April 2019. It is expected that the estimated employer contribution rate will increase to 23.6%, for the period 1 September 2019 until 31 March 2023.

Current favourite features of the planner are:

- Non-teaching staff costing now includes the option of selecting an apprentice rate
- Budget plan to include salary costing as percentages
- Improved supply staff calculator to include costing split between salary, NI and superannuation
- Consolidated report to show statistics and staffing summary analysis

PLEASE NOTE drop in sessions for those of you who require training on the planner will be arranged in the New Year, please look out for the email

Cash Handling in Schools – Reminder

Cash handling is a priority in a school office whenever money is collected. This applies to all funds including Private and Voluntary contributions

- All cash received from activities must be receipted, this applies to all funds including Private and Voluntary contributions
- All cash must be secured in the school safe until banked
- Income should be banked at the earliest possible opportunity
- The banking must be INTACT, which means you may not substitute a cheque for cash or vice versa or take money from the deposit to purchase items.

Under no circumstances should money be taken home for safekeeping either by students or staff.

Contact your school's Office Manager, if you have questions or need information on how to deposit fundraising, field trip, or other activity money.

Training Update

We have had some queries from schools asking if training is still available from us, due to no dates being advertised. We have delivered training in a variety of methods to schools, over time these have become more bespoke to a school's specific need. Unfortunately the take up and attendance at generic training events has been extremely low and whilst we do look forward to seeing you all it's not viable to operate a session with only 4 attendees (the average attendance in the previous financial year)

If you do require training please talk to the team about the options available.

Academy Conversions – Agreeing Final Balances – Schools using Oracle

In accordance with the latest DfE guidance notes published in March 2018 – the local authority has 4 months from the date of conversion to agree balances with the school. Once agreed the local authority must make payment of the balances within one month.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/692787/School_balances_on_conversion_submission.pdf

In order for us to agree balances in a timely manner we require school to do the following

- Ensure all supplier invoices relating to the school prior to conversion date have been entered onto Oracle and approved for payment – DO NOT pay any invoices for supplies and services received after the conversion date.
- DO NOT pay any invoices on behalf of the academy (prior to conversion)
- Ensure all Debt has been recovered for any invoices raised using Oracle AR – any outstanding debt will be written off against the final balances
- Make sure all income received up to conversion is banked using the DCC system as within a week of converting – then check the income is all credited on Oracle.
- Arrange to pay – or claim refunds for any sold services provided by council departments.
- Cancel any debit cards and reconcile imprest accounts – submit reconciliation to schools finance team within 2 weeks of conversion date. Cancel any uncashed cheques. Reconciled balances will be added to the schools final balance.
- Make sure any invoices raised from Derby City Council to the school/academy are paid in full – any outstanding debt will be deducted from final balances
- Year End documents will be needed for leases and grants received during the financial year.



Year End Closedown 2018-2019 - Pre Closedown Requirements –

January 2019

- School to LA
 - Lease information (if you have this information now and there is no change then please feel free to send in early
 - Confirmation of grants received & appropriate coding – need to check the transactions against grant codes and ensure **ONLY** grants are posted.
 - Bad Debt Write offs – please ensure all write offs have been approved and sent for action -
 - Ledger housekeeping (income & expenditure) Please ensure that no expenditure is coded to income or vice versa.

- LA to school
 - Key Dates
 - Closedown instructions
 - Capital instructions

February 2019

- Capital returns submitted.
- Balance control accounts (VAT, Payroll) – to ensure all transactions are control transactions and do not relate to any other expense, income or payment

Accruals and Working Papers

Improvement is needed in the working papers submitted for accruals, **reader friendly calculation tables referenced to clear evidence is required**. Any accruals not passing this test will not be input. For 2018-19, please can you make sure you provide all working papers with those clear details attached, if there is an estimated figure to be accrued then please ensure the calculation method is attached to the working papers, identifying how the final figure has been calculated.

Accrual papers with circled amounts without reason are **unsatisfactory for audit purposes**.



Schools Financial Values Standard (SFVS)

The deadline for SFVS self-assessments and the additional information is **Friday 8 March 2019**. Submissions are being accepted now.

Last year, a significant number of schools submitted their self-assessments after our deadline of 2nd March 2018, with some not being returned until well into May 2018! Two schools did not submit a return until after 31 May 2018 and this attracted the attention of the Department for Education, something we're keen to avoid this year. It is expected that the Department for Education will be monitoring Derby Schools extremely closely this year.

With this in mind, this year we have provided all schools required to self-assess with a rough timetable in which to complete and return the self-assessment to enable the deadline to be met. This reminder has been timed to coincide with the first stage and we would expect that the process has now started.

- November/December 2018 – Prepare self-assessment and gather evidence.
- January/February 2019 – Arrange for Governors to have sight of the completed self-assessment and formally approve the document at the closest Governing Body meeting in the New Year. Chair of Governors signs section E – Outcome for Assessment
- February/March 2019 – Return signed outcome for signature to Internal Audit (CMAP) along with additional information (see above) by 8th March 2019.

As a result of audit visits in 2017/18 we identified a number of common issues arising where we raised the most audit recommendations. Consequently, for the 2018/19 round of SFVS audit visits and self-assessments we have made steps to improve controls in this area and ensure that Schools are brought up to speed with the latest developments. With that in mind, this year Internal Audit (Central Midlands Audit Partnership (CMAP)) has asked all self-assessing schools to provide, in addition to their annual SFVS self-assessment, evidence to support:

(Referenced to self-assessment)

- A1 – The Governing Body has adequate financial competence among it's members in the field of budget management. **We would expect that ALL Governors (not just Finance Governors) are asked to complete a Skills Audit or Financial Competency Matrix and we wish to see evidence that this has been completed.**
- D8 – The School has an appropriate business continuity or disaster recovery plan. **We would like to see evidence that the plan is in place and confirmation that copies are held off site by named officers.**
- D9 – The School has an up to date asset register. **We would like to see evidence that there is a register (or inventory) in place and that this has been subject to an annual physical check and reported to the Governing Body.**

DfE SFVS web page for guidance and support notes:

<https://www.gov.uk/guidance/schools-financial-value-standard-and-assurance-sfvs#schools-financial-value-standard-guidance-2018-to-2019>

Submissions and any queries* on this year's SFSV self-assessment or visits can be sent to the email address below:

Mark Allsop,

Principal Auditor

Mark.allsop@centralmidlandsaudit.co.uk

01332 643286

*If your School is struggling with the return for any reason please contact us as early as possible. We may be able to assist or advise.