

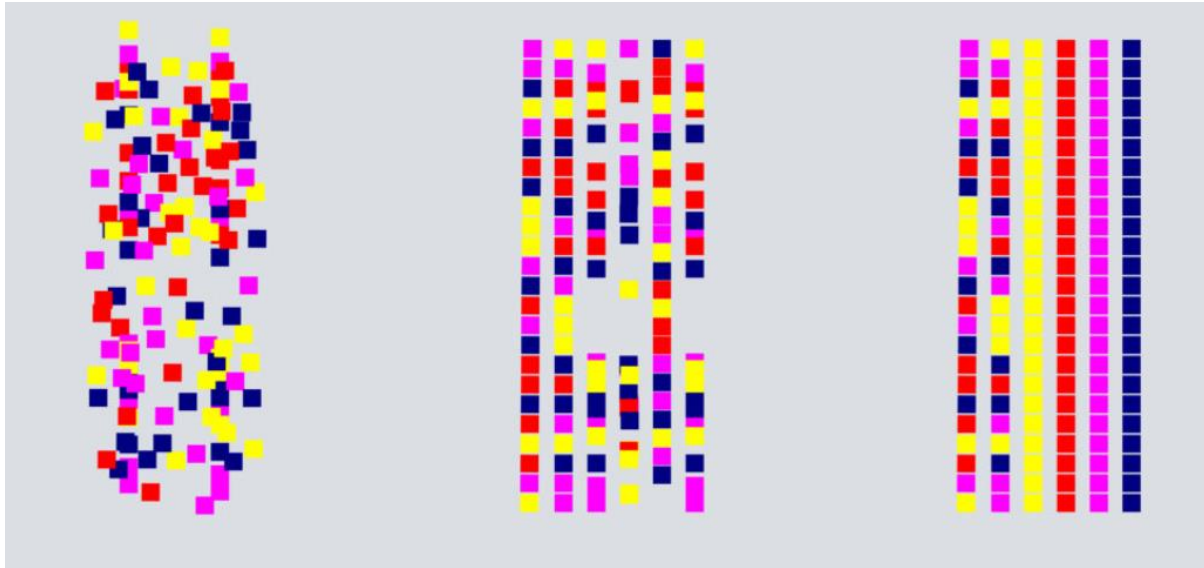
Financial Health Check Guidance:

The Haringey Schools Finance Health Check is a straightforward test to analyse a school's financial data and how that data is put together. We will conduct financial data analysis and an analysis of financial processes.

Data

Analytics

Decision Making



This chart illustrates the broad aim of the Health Check: How does the schools financial data flow through to enable decision making? - Is the data cleansed and good quality? How are the analytics conducted before the decision making stage? The health check also looks to identify any strategic considerations from analysing your data and processes.

Data Analysis – Assessment of Financial Information to inform the School's direction of travel with their finances.

- Staffing review. How many? how much? Is there a vacancy factor etc.
- Contracts review analysis. Depth and breadth.
- Income trend analysis. Sustainability.

Analysis of Financial Processes – A mini -audit to ensure the financial information is supported with robust processes and Governance.

- Financial Controls. – Purchase orders, Budget Management and Procurement.
- Governance Arrangements – Regularity of reporting, levels of detail in reporting, data sources/evidencing.
- Ability to provide Statutory Information to the LA/Central Government to the required standard.
- The check is not to make a judgement on whether a School's use of resource are appropriate: But a check to ensure that any finance decision making are supported by solid financial information and processes in the school.

Scoring:

It is a process that produces a RAG score card and the more “greens” mean a greater level of satisfaction that Haringey Schools Finance have with a School’s Financial position and their internal processes. Please see the Schools Finance Health Check Questionnaire.

What Schools Need to provide:

- Pupil on roll by year group.
- Pupil on roll with an EHCP plan. And number of pupils in the process of EHCP.
- Current detail forecast by ledgers including variance analysis report.
- Staff Numbers split by Category and FTE numbers (no names needed/post only).
- Staff number directly supporting pupil with an EHCP plan.
- Contract Register – info required is end date, start date value of contract and what is for.
- So not to over burden the school, the LA does hold some information and will only communicate with the school if any thing is out of date or missing.

Combining these factors will allow Schools Finance to produce metrics and provide advice. Please see the next page for a sample report of the process. Parts highlighted in colour are held for outputs of our analytical work.

Sample report to be completed by School's Finance.

Financial Health Check Report: [Name of School] [Date of review] [Term]

Opening Reserve:	Current Reserve:	Projected Out-turn:
TBC	TBC	TBC

Reason for request:

[Input school's requirement here – include brief history]

Finance Infrastructure

The School often returns their financial information early/on time/ late. The last CFR returns received were Q1/Q2 on xx/xx/xxxx. This met/did not meet the deadline of xx/xx/xxxx

The last VAT return was received on xx/xx/xxxx. This met/did not meet the deadline of xx/xx/xxxx.

The budget for 2020/21 was received on xx/xx/xxxx. This met/did not meet the deadline of xx/xx/xxxx.

The Schools uses the following system for their Finances: [Input system here i.e RMS/FMS/Xero] and this was implemented xx/xx/xxxx. The contract is up for renewal on xx/xx/xxxx.

This system does/does not produce readymade financial reports. These financial reports are/not edited and are/not presented to Governing Body.

The Governing Body meet x times a year. The last finance report was on xx/xx/xxxx.

Contracts

The School has x contracts as detailed below:

Contract Type/Purpose	Provider	Annual Amount	Contract End Date
Gas			
Electricity			
Photocopier			
Add as required			

Some contracts that the School has with the LA as noted above include: [Input contracts here i.e Payroll]

Staff

Staff	Count	FTE
Senior Leadership		
Teaching Staff		
Non-Teaching		
Total		

[Enter chart for average staff costs] This may or may not be included in the Governing Body Reports.

Expenditure Analysis.

The Chart Below details the in year projected split of Salary and Non Salary Costs. [Source Data: CFR Report at xx/xx/xxxx.]

[Enter chart here]

This comparator demonstrates the share split of spend on staff. This is a benchmark often used in SFVS/ICFP and a main metric as part of the Government recommendations. (Add link to guidance).

The Chart Below details the average cost per class. [Source Data: CFR Report at xx/xx/xxxx.]

[Enter chart here]

Income Analysis.

The Chart Below details the split of funding streams. [Source Data: CFR Report at xx/xx/xxxx.]

[Enter chart here]

This comparator demonstrates the split of income. This should indicate the nature of dependency of funding i.e. main Schools Block Funding supplemented by lettings etc.

3 Year Analysis – past performance.

The Chart below details year on year trends. [Source Data: CFR Report for last 3 year and Balance Sheet at xx/xx/xxxx.]

[Enter chart here]

Benchmarking and Outliers (Analysis):

The School has/not completed their SFVS and this was sent on xx/xx/xxxx. This met/did not meet the deadline of xx/xx/xxxx.

The School has/not conducted Integrated Curriculum Financial Planning this was completed on xx/xx/xxxx.

Future Risks/Opportunities – Continuing as a Growing Concern

The School do not /have a 3 – year budget plan this was completed on xx/xx/xxxx

The Chart below details trends

[Enter chart here]

Factors that have been made in the School's 3 Year Budget Plan include the following:

[Input any applicable information i.e material fall in rolls, loss of income, loan repayments etc.]

FURTHER ADVICE FOLLOWS BELOW:

School's Finance Advice:

We maintain that the Finance Health Check is a broad review and analysis of your School's current financial position. Whilst School's Finance cannot always offer cast iron solutions through this process - it can give a general idea of your direction of travel and pick out "obvious" issues. For a more detailed evaluation referring to your SFVS and conducting an Integrated Curriculum Financial Planning review is recommended to benchmark your schools against statistical neighbours to pick out any outliers and encourage inward reflection to find solutions.

Your Schools overall rag shows you are a: [Input findings of checklist]

[Further detailed findings and recommendations will be provided here based on the review of the above items, the checklist and information provided by School]

To conclude you are/not eligible for free support from the Schools in Financial Difficulty Programme. If you wish to access this free/traded service offer support, we will book a time to discuss next steps. We can also refer you to external colleagues that can provide bought in additional support.

This information can also be used as further evidence of collaboration and partnership working with the LA and with Schools Finance Team in particular. The information if appropriate could be used in License Deficit Applications / Restructure requests or any other reporting where your Schools Finances are concerned.

THE FINANCIAL HEALTH CHECK PROCESS IS SUBJECT TO CHANGE AS WE RESPOND TO SCHOOLS NEEDS AND CHALLENGES.