

## **Financial Management Standard in Schools (FMSiS)**

### **1. Purpose of the Report**

The purpose of this report is to update members on the schools that have passed the standard.

### **2. Recommendation**

- 2.1 The Forum note the report

### **3 Background**

- 3.1 Achievement of the Standard shows that a school is financially well managed. FMSiS aims to give formal recognition for the level of financial and budget management that is present in schools. FMSiS is a mandatory requirement to provide assurance to the Department, HM Treasury, National Audit Office and Local Authorities that schools have adequate arrangements in place to manage their resources effectively. All schools were legally required to meet the Standard by March 2010.
- 3.2 Meeting the standard demonstrates effective financial management. This is essential for schools as they need to exercise proper control and stewardship over the significant amounts of public funding entrusted to them and allocate and deploy resources effectively to meet school priorities for development and improvement.

### **4 Details**

- 4.1 The attached appendix gives the details of all our schools and when they were assessed against the standard.
- 4.2 Only Forest Hill has failed the standard, at the time of the assessment the school had not agreed a licensed deficit budget agreement with the Local Authority. The recovery plan has been presented and is being considered by the Local Authority and will need the delegated approval of the Executive Director.

### **5 Conclusion**

- 5.1 A Notice of Concern introduces an intermediate step where schools have failed to address, for whatever reason, financial management concerns, but where withdrawal of delegation may not be appropriate at that time. A Notice of Concern will be issued where, in the opinion of the Chief Financial Officer a school has persistently failed to comply

with any provisions of the Scheme of Delegation. The Notice of Concern will set out the LA's concerns and could impose a number of requirements on the Governing Body which will address those concerns.

- 5.2 It is not proposed to do this for Forest Hill as the school currently continues to work with the Local Authority to address the budget deficit.

Dave Richards

Group Finance Manager – Children and Young People  
Contact on 0208 3149 442 or by e-mail at [Dave.Richards@Lewisham.gov.uk](mailto:Dave.Richards@Lewisham.gov.uk)