

## **Value For Money Statement**

**Academy Trust Name: Ashby School**

**Academy Trust Company Number: 08126868**

**Year ended 31 August 2014**

I accept that as Accounting Officer of Ashby School I am responsible and accountable for ensuring that the academy delivers good value for money in the use of public resources. I am aware of the guide to the academy value for money statements published by the Education Funding Agency and understand that value for money refers to educational and wider societal outcomes achieved in return for taxpayer resources received.

I set out below how I have ensured that the academy trust's use of its resources has provided good value for money during the academic year.

The academy trust is committed to:

### **1) Raising student attainment**

The school has continued to make excellent progress with significant rises in outcomes in the last three years at both key stages and progress measures being consistently above national averages. In 2014 the ALPS grade at A2 was a grade 3 (our highest ever) and at AS was a grade 4. This is a further development from 2013 where we recorded our previous best scores with a grade 4 at both A2 and AS. We now need to improve student outcomes in subjects with an ALPS grade of 7 or below.

This year we also recorded our best ever KS4 A\*-C percentages in mathematics, science and literature and progress in Maths and Science was very strong and well above national averages. Science results placed us in the top 10% using FFT data. However, English Language results dipped in line with the high levels of turbulence and volatility anticipated by the examination boards, although the overall A\*-C figure remains well above the national average. Overall, our KS4 attainment measure against the national attainment profile has improved compared with last year.

A significant investment in our "alternative" provision and more targeted use of Pupil Premium funding has resulted in improved attendance rates, very low exclusion rates and some significant improvements in reading and spelling and very significantly, a re-engagement in the educational process for some students. However, through continued strong partnership working we must now add to this a continual improvement in academic progress across all subjects, particularly English and Maths for these students. The relatively low numbers of Pupil Premium students means that percentages are greatly affected by low numbers i.e. 5 students make a 10% difference. In 2014 a small increase in performance was evident in all key measures for Pupil Premium students.

The recently commissioned Pupil Premium review highlighted our practice as the best that he had seen and described our practice as “second to none”, inviting us to attend a regional seminar on Pupil Premium students that would showcase our best practice.

The leadership team judges the quality of teaching to be good and considering all observations are completely unannounced, bordering on outstanding. The observation data to July 2014 indicates 86% of lessons judged good or better and 20% of observations judged outstanding. Moving forward a key objective is to further improve the quality of teaching for vulnerable groups including Pupil Premium and SEN.

Student attendance has improved significantly although more work needs to be done to improve current KS4 persistent absence levels and ensure all vulnerable groups’ attendance is above comparative national attendance.

We have continued to invest significantly in new IT equipment and have used innovative and new teaching strategies to embed the technology into classroom practice.

## **2 Robust governance and oversight of the academy's finances**

The Finance and General Purposes Committee (FGPC) consists of a very experienced team of governors with appropriate business and financial skills to support and challenge the work of the academy leaders. The Chair of this Committee reports termly to the Governing Body on all financial matters aided by a comprehensive termly report by the Business Manager.

The Governing Body have approved the annual budget forecast of the academy and through the FGPC have reviewed our admission numbers/forecasts, cashflow forecast and a five year budget on a termly basis ensuring that we remain a 'going concern'. There is a clear strategy including limited earmarked reserves to address known future funding reductions, facilitating future financial stability. The FGPC have received and approved financial statements and the external auditor's management report and has taken action on any recommendations and have met termly to review the budget monitoring reports and to approve larger expenditure items and compliance with the tender arrangements.

The academy has appointed the Leicestershire County Council internal audit team who have undertaken system and accounting checks and reported the findings to the Governing Body. This process has been supported by the Business Manager's annual self-evaluation of a range of financial related procedures, and has been further strengthened by an external check by a member of the FGPC.

The internal audit undertaken in June 2014 concluded that the academy's financial management far exceeded the standards measured against and governance, financial processes and internal controls were judged to be exemplary.

## **3 Ensuring the academy demonstrate value for money and efficient and effective use of resources**

The academy has ensured a continual focus on best value and understands the value of our assets and how they can be used effectively to support student achievement.

The academy robustly supports fair competition through quotations and tenders, overseen by the FGPC in accordance with its Financial Regulations. This ensures that goods and services are secured in the most economic, efficient and effective way.

The Headteacher, Deputy Headteacher and Assistant Headteacher have been in a position to independently challenge expenditure transactions linked to all purchase orders for efficiency, through their role as cheque signatories. In turn the Governing Body have reviewed the functions of the school, and challenged how and why services are provided and set targets and performance indicators for improvement.

The Business Manager is a member of local and national discussion forums and regularly undertakes cost comparisons to ensure value for money. A comprehensive benchmarking exercise with other Leicestershire 14-19 academies has been completed for support staff costs, which is now used to facilitate informed decisions about the future of the support staff structure. The academy now needs to present governors with new benchmarking data available from the EFA to enable them to challenge expenditure patterns.

The academy is part of a formal partnership agreement between six local secondary schools and has benefited from discounted costs for a number of shared services through collaborative purchasing

powers and the pooling of resources. The group is now reviewing insurance provision across the schools following the introduction of the EFA's voluntary risk pooling scheme.

As part of the academy's five year budget planning and recognition of future reduced funding, a comprehensive curriculum audit has been completed to determine required teaching staff levels. This also addressed current educational priorities, for example additional staffing in English and Maths. Across the school, each vacant post is reviewed and this has resulted in several members of staff not being replaced where the post has been deemed to be no longer part of the staffing structure.

The academy has updated its written policy which underpins our approach to securing best value through the promotion of the four 'C' key principles of competing, challenging, consulting and comparing.

The academy is a member of the purchasing consortium Eastern Shires Purchasing Organisation, which is a non-profit making organisation providing an effective procurement service in a range of products and services including energy contract management. We will be exploring in more details the expanding range of ESPO frameworks available to ensure value for money is achieved in a wider range of procurement areas.

The academy has introduced a formal process to ensure that there is no automatic renewal of cyclic contracts and Service Level Agreements in excess of £500. Specific areas of saving this year have included vehicle insurance, IT contracts and maintenance expenditure.

An energy audit has been carried out to establish the value of introducing a system of sub-metering across the site. However governors felt this was not cost effective in the long-term. The school has now commissioned a further audit of the efficiency of numerous boiler systems.

The academy recognises the importance of the students' working environment in raising achievement levels, and has carried out a number of significant refurbishments including the Lecture Theatre and Library, the transformation of corridor areas and the completion of double glazing for the entire site.

#### **4. Maximising income generation**

The academy explores every opportunity to generate income via its catering arrangements, the hiring of facilities and by promoting positive links with local industrialists. Lettings income for the year was significantly higher than budgeted.

The academy has reviewed its arrangements for maximising income through the use of interest bearing accounts where there is no risk to the capital element. An additional savings account paying a higher rate of interest was opened during the year.

Receipts of additional income for specific purposes are communicated to the appropriate member of staff to ensure that expenditure is linked to the intended purpose.

This year the academy was successful in its application for grant funding for Core Maths Early Adopters Teaching Projects, a new initiative to raise post 16 participation rates in Mathematics.

## 5. Reviewing controls and managing risks

The Business Manager and Headteacher have regularly reviewed budget monitoring reports as part of their fortnightly meeting cycle, and considered expenditure against each budget cost centre and addressed any significant variances against the original budget. This has also been reviewed by the Leadership Team and checked on a termly basis by the FGPC. All budget holders have received a monthly statement to enable close monitoring of individual budgets.

All financial procedures have been reviewed in response to audit recommendations, the academy's self-evaluation process and policy changes instigated by the Education Funding Agency. Following a number of high profile cases of financial irregularity in academies recently, the EFA have updated their policies regarding connected party transactions and the need for tighter controls and greater scrutiny in this area. We have updated our processes and policies to reflect these changes.

Governors have approved all changes to the Financial Regulations and have considered the risks and the management of such risks via their annual review of the Risk Register. In addition the agreed responsibilities of the Governing Body and the individual sub committees have been reviewed through the Roles and Responsibilities Statement, and approved for the new financial year. There is full segregation of duties across all areas of financial management.

The academy is a member of the Leicestershire Academies Insurance Scheme and the Business Manager attends regular meetings to ensure a constant review of insurance provision against the identified risks and a more cost effective premium through shared services.

Health and Safety risks are identified through an annual health and safety audit and a number of other specific risk assessments including fire and security.

## 6. Future Objectives

The academy operates within an environment of continual change and is responsive to national directives and policy changes and also to local demands from our wider community. As such we acknowledge that there will always be valuable lessons to be learnt and a constant need to review our procedures and systems to ensure that value for money is at the heart of everything we do to enhance the learning opportunities for our students.

This statement refers to many examples of what we consider to be good practice to help us secure value for money at every opportunity. This in turn supports the work towards our School Development Plan which sets out clearly our specific objectives and the future direction of the academy. The SDP overview can be viewed on the academy's website.

Signed.....

Name: .....

Headteacher and Accounting Officer

Date.....