

Value for Money Statement

Academy Trust name: The Dean Trust

Academy Trust company number: 08027943

Year ended 31 August 2014

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

Educational Results

The public examination results at GCSE, Advanced Level and in Key Stage 1 and 2 SATs were pleasing overall with significant improvement noted in a number of the academies within the Trust. Headline results are summarised in the table below (figures in brackets relate to the 2013 results).

	Ashton on Mersey School	Broadoak school	Lord Derby Academy	Forest Gate Academy
Percentage of pupils gaining 5+ A*-C GCSE grades including English and Mathematics	62 (58)	38 (48)	44 (35)	N/A
Key stage 1 measure. Percentage of children attaining at least L2 in Reading, Writing and Maths.	N/A	N/A	N/A	Reading 95 (74) Writing 84 (57) Maths 95 (96) Y1 Phonics 94 (84)
Key stage 2 measure. Percentage of children attaining at least L4 in Reading, Writing and Maths.	N/A	N/A	N/A	Reading 94 (75) Writing 72 (75) Maths 89 (81) Combined 72 (63) EGPS 72 (50)

Key Stage 5		N/A	N/A	N/A
A-Level	A*-E 100 (100) A*-C 56 (65)			
AS Level	A*-E 91 (88) A*-C 55 (39)			
Vocational (BTEC)	MMM+ 100 (98) DDD+ 94 (73) D*D*D* 43 (43)			

The academic performance on key indicators and measures showed for the majority of academies within the Trust, an upward trajectory which in many instances bucked the national trend. This shows that educational outputs benefit from the resources and budgets afforded by the Trust and that value is being achieved within headline results. Where results have shown a dip in performance these have been critically analysed and corrective actions implemented.

Collaboration

The Trust commissions support from the Teaching School operated by Ashton on Mersey to ensure standards continue to rise across all schools. This facilitates consistency in good practice across the Trust, whilst encouraging the building of capacity for school to school support. The Teaching School also undertakes a variety of activities which promotes, develops and shares good teaching practice with other schools both nationally and regionally.

The Trust has also developed various subject strategy groups across all of the Academies. This allows education professionals to share best practice, improve self-evaluation, cross pollenate strategy, data and resources and to be each other's critical friend.

New initiatives

Ashton on Mersey School is now an accredited provider of School Centred Initial Teacher Training, and the Teaching School was also selected by the DfE as 1 of 30 'mathematics

education strategic hubs'. These initiatives will ensure that the Trust continues to feature prominently at the forefront of national and regional developments in education.

Quantifying improvements

The key indicators that quantify the effect of the Trust's strategies include the following:

- Performance in formal examinations and all intermediate assessment/testing stages,
- Student attendance as a proxy measure for the quality of the curriculum and the learning environment. In the academic year to August 2014 attendance was 96.4% (95.7% 2013) for Ashton on Mersey, 94.5% (93.3% for 2013) for Broadoak, 95.3% (93.0% for 2013) for Forest Gate, and 92.8% (90.9% for 2013) for Lord Derby Academy. This represents significant improvement year on year and compares favourably with both local and national averages.
- Financial performance. The actual surplus was more favourable than the budgeted position and the balance of financial reserves held is comfortably in line with the Trust Reserves Policy. When taken together with academic performance this demonstrates good financial management and targeting of resources. The trust was also successful in attracting funds from the ACMF which has value for money as one of the criteria for assessing bids.
- Academic resources and environment. The Trust has made significant improvements to the fabric of the estate at all of its school sites. These improvements were supported by capital grants to the value of £1.2m at two sites and have enabled replacement boiler systems and upgraded kitchen and dining facilities to ensure that Forest Gate Academy was able to deliver the Universal Infant Free Schools Meal policy.

Financial governance and oversight

The Trust's system of financial governance includes strong oversight by the Trustees and the Accounting Officer. The Accounting Officer is provided with monthly updates of financial performance and is involved in recommending any corrective action that may be required via the cycle of Governing Body meetings.

The Board of Trustees are provided with detailed quarterly financial management reports and other appropriate reports e.g. the annual report and audited accounts. The Chair of the Trust has extensive experience within the education sector and Local Government, both of which have embedded the principles of VFM in their operations over a number of years.

The chair of the West Trafford Learning Partnership Finance Committee is a practising chartered accountant and the Trust finance team includes suitably qualified staff. Minutes of all meetings confirm that spending is monitored robustly with appropriate challenges from committee members and Trustees.

The Audit Committee provides rigour and scrutiny of the Trust's financial governance, financial management, financial planning and control systems. It also analyses the financial and business risks facing the Trust to enable the Board to make careful and considered decisions around all Trust business and development.

Reviewing controls and managing risks: The Trust has a system of internal controls in place to minimise financial risks. These controls are kept under constant review by the management team and the finance department but it is also subject to regular testing by the Responsible Officer and external auditors, whose findings are reported to the Audit Committee, Trustees and Governors.

The senior management team and the accounting officer receive regular financial management reports with narrative explaining variances and key areas of income and expenditure. Similar reports are also provided to the Trustees and Governors who then make decisions on corrective actions or budget virements to address areas of concern or to prevent unnecessary waste.

Following a competitive procurement process the Trust has secured insurance policies to cost-effectively manage the major risks to the organisation

Better purchasing

The Trust has a group purchasing officer who is responsible for reviewing and developing all areas of procurement practice to enhance best value / value for money. For example:

- **Fitness for purpose:** Some services and contracts were appraised and renegotiated to get the best mix of quality and effectiveness for the least cost. For example, extensive negotiations led to significant savings being secured on the acquisition of IT equipment and infrastructure which exceeded £0.5m in value.
- **Benchmarking:** The trust has undertaken benchmarking activity to identify areas where review of best value can be targeted and savings can be achieved, for example it has examined the cost of building services across 3 of the sites and restructured estates staffing levels and skill sets to bring a number of these services in house. This is forecasted to not only bring greater control into the hands of the Trust but realise financial savings over time compared to expensive bought in skilled labour from 3rd party contractors.
- **Options appraisal:** The Trust has considered different options before making purchases, including an assessment of the costs and benefits of the alternatives over the longer term. For example, the Trust carefully evaluated the options available to accommodate the additional pupil numbers at Forest Gate Academy and implemented a clear strategy that will secure value for money into the future.
- **Best practice.** Subject to limits specified in the financial procedures manual the trust obtains quotes or carries out competitive tendering activity as part of the procurement process. This helps to ensure that we secure competitive prices. In addition the trust operates a “preferred supplier” system for regular purchases which again aims to ensure that we secure competitive prices and value for money.
- **Economies of scale:** The Trust has expanded and continues to explore further expansion opportunities which provide a good fit with our vision and objectives. Naturally such expansion presents the Trust with opportunities to secure greater economies of scale as our purchasing power increases. The group purchasing officer role includes processes to secure the economies of scale, and by operating at the group level also reduces and shares the administration and procurement costs.
- **Additional income generation:** The Teaching School business helps the Trust to capitalise on its excellent reputation and draws in additional grants and income. Surplus funds are reinvested into the core business which enhances the education of our pupils and the outcomes that they achieve.

Lessons learned

- As a successful organisation, the Trust is in high demand both as an Academy Sponsor and as a provider of support through its Teaching School business. This has occasionally led to resources and capacity being stretched. The Trust is refocussing in certain areas to ensure that future growth is manageable
- The Trust is reviewing the mechanisms for the support provided from its central service function. This has arisen following the addition of Lord Derby Academy, the Trust's first academy in a different Local Authority area, in order to ensure that the services remain coherent and fit for purpose in the different settings

Signed: 

Name: Tarun Kapur CBE

Academy Trust Accounting Officer

Date: *1st December 2014*

