

Value for Money Statement

Academy trust name: The Two Counties Trust

Academy trust company number: 07972029

Year ended 31 August 2016

I accept that as accounting officer of The Two Counties Trust I am responsible and accountable for ensuring that the Multi-Academy Trust delivers good value for money 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 Multi-Academy Trust's use of its resources has provided good value for money during the academic year.

- This statement will demonstrate how the MAT has used its public funding for the core purpose of achieving the best possible educational and wider social outcomes for the students in its care.
- The MAT and each academy understand that 'Best Value' does not mean that there should be any compromise in quality and that best value should not always focus on price alone.
- As Accounting Officer for the MAT it is my responsibility to ensure the economic, efficient and effective use of all of the Academy's resources, the overall success of this is measured by student outcomes.

Financial Controls, Governance and Risk:

- The MAT has sound internal spending controls. The Financial Procedures set out the correct use of the systems in place which ensure internal spending controls and authorisation levels are adhered to. The Finance Team are well qualified, experienced, and committed to their procedural duties.
- The MAT operates robust financial governance. The Responsible Officer holds regular Audit meetings and each LGB receive regular reports from the Academy Finance Team. All spending decisions are checked and approved by the Finance Committee / LGB in line with the Scheme of Delegation.
- Tight controls are in place regarding spending of Public Funds. A robust accounting package is managed effectively and budget holders have online access to their budget statements, allowing them the freedom to plan within their spending limits.
- Mechanisms are in place to consult stake holders, especially parents and students.
- The Academy embraces competition as a means of securing efficient and effective services as well as challenging how and why a service is provided.

- The Board has put in place a plan to develop a central services team with relevant experience and expertise for all the business functions of the Trust. The Chief Financial Officer is responsible for the day to day management of the Trust's finances and to provide both a technical and leadership role, including ensuring sound and appropriate financial governance and risk management arrangements are in place, preparing and monitoring of budgets, and ensuring the delivery of annual accounts to the Accounting Officer and the Board of Trustees.
- The Trust delegates financial management through a scheme of delegation, appropriate to the context of each Academy. The Scheme is reviewed annually by the Trustees.
- Local Governing Bodies approve appropriate financial policies and procedures and specific delegation of levels of financial authority. These LGBs also approve under those procedures full annual budgets, receive regular reports on actual spending and variances and review and formally approve variances at least termly. The CEO and CFO review budgets set and Trustees of the Trust receive and approve the annual Statutory Accounts after each LGB has approved their annual full management accounts. In this way, scrutiny is applied to financial management and performance both at a local and Trust level.
- Large capital projects are managed centrally to provide expertise in forecasting, procurement, expenditure control and reporting. LGBs approve any capital plans funded from within their own budgets, with guidance and support from the Trust
- When other significant expenditure is due to take place at any Academy, schools are required to liaise with the CFO so that different options can be appraised and competitive quotations (usually 3) sought to ensure the best value for money and that the investment will generate the best possible results
- Headteachers and governors receive regular management accounts to track, and hold to account, the finances of each Academy. These reports are used to make informed decisions about the best use of funds.
- The CFO and External Auditors perform checks on processes and finances at the academies. The outcomes of these reviews are used to inform plans to address weaknesses identified. Progress against those plans is independently monitored
- Staffing structures and the effective deployment of staff are reviewed annually by each LGB
- The Trust deploys staff across the schools effectively and brings economies of scale in ICT, Catering, Finance, HR and caretaking

Assessing value for money

- The overall effectiveness of Value for Money is demonstrated by the successful results of our students. The MAT is committed to the continual improvement of educational standards for all our students.
- The MAT has addressed the needs of individual students through a variety of initiatives. We run a Summer School programme for transition students; one to one tuition; catch up and revision sessions.
- The MAT has met the needs of students who are in receipt of the Pupil Premium funding through a variety of curriculum and support interventions both in school and through working with families to increase their engagement with the school.
- The MAT has a thriving programme of external activities, both sporting and creative to support student's aspirations and help them to achieve their goals.
- The MAT collaborates with a number of organisations sharing good practice and is committed to the professional development of all staff. These collaborations provide cost effective training. The MAT academies actively collaborate with local secondary schools enabling them to share our vocational facilities and sporting facilities and we also actively support all our feeder schools.
- Through our membership of the George Spencer Teaching School Alliance the MAT contributes towards the training and development of a wide range of professionals from the wider region.
- As a LLE the Headteacher of Ashfield School supports the leadership teams in local schools in order to secure improvements in their leadership capacity.

Improving outcomes within the MAT

To ensure that standards are continually raised, systems and process have been put in place across the Trust for half-termly monitoring of attainment and progress. All Academies within the Trust closely evaluate performance in all outcomes. THE CEO carries out the Performance Management of each Headteacher / Principal in the MAT. We maintain the main elements of the Ofsted Self-Evaluation Form which is the distillation of a self-evaluation process now deeply embedded in all aspects of school life. We carry out annual Partnership Review QA on each school that is judged by Ofsted to be at least 'Good'. For schools Requiring Improvement or Inadequate regular half termly QA is carried out to bring about rapid change and improvements. The use of assessment data, target setting and tracking is a key feature of the Trust's approach to improving learning.

Staff Deployment

All Academies within the MAT deploy staff efficiently to deliver an innovative curriculum, which meets the needs of all students. The curriculum is reviewed annually to ensure that statutory requirements are met and progress towards accountability measures are maximised. Within the MAT we are beginning to appoint staff who can work across different schools in order to reduce salary costs e.g. cover supervisors. Faculty teams across the MAT meet to share the

Meeting the needs of individual students

- Within our academies we invest in staffing to provide a Nurture Group to support individual needs students with effective intervention. This approach reflects our commitment to highly inclusive schools which sets high expectations for all of its pupils. Vulnerable pupil groups are identified on each school's tracking system and their progress is regularly monitored and discussed to determine appropriate interventions. A wide range of interventions are all rigorously evaluated. As a result of close links with its partner primaries, the school is alert to potentially vulnerable children from a very early stage. Reading fluency, spelling and oracy have all improved and pupils feel safe, happy and more socially competent; they are proud to have been members of the group.' The use of Hackney Literacy Project has been praised by external professionals.
- Each academy has a tracking system which ensures that appropriate interventions are made in order to maximise progress and outcomes. As the MAT develops and grows this is an area where we know we need greater consistency across all our academies so that more robust and consistent data can be presented to the Board of Trustees on a termly basis. Appropriate guidance and support is provided at each point of transfer and timetables are compiled directly from student choices with the vast majority of students getting their first choice of subjects.
- Teacher's expectations of all pupils across the Trust are consistently high and this is confirmed by student survey feedback.
- Leaders at all levels drive the improvement – building on rigorous systems for tracking progress, identifying underperformance and ensuring timely intervention strategies to ensure students achieve their best.
- Pupil premium students' progress improved.

Quantifying improvements

As the Two Counties Trust has only been in place since April 2016 it is difficult to quantify any year-on-year improvements. However in two of the four schools the Progress 8 measure was positive and above local averages. At Ashfield School the Ofsted inspection in March 2016 rated the school as 'Good' and highlighted the good progress being made by current students. Most students with SEND achieve their potential and are successfully prepared for the world of work (0% NEET). At KS5 attainment is improving, particularly at A*-B grades, and the majority of Year 13 enter Higher Education.

Better purchasing and Economies of Scale

As a Multi-Academy Trust, some services are necessarily and beneficially provided at Trust level, for example payroll provision, banking and Insurance.. These contracts and means of service delivery are subject to review and market-testing regularly. Where appropriate, longer term contracts are selected if better value can be achieved. In the case of HR services, following reviews of price and quality and the growth of the Trust, those services will be brought in-house this next year to provide more controllable service levels and improved efficiencies.

Within the framework of local financial accountability provided by the Schemes of Delegation, suppliers capable of delivering Trust-wide services are regularly approached to provide competitive quotations to enable the Trust to secure better value. Examples of this include grounds maintenance, water monitoring and security. Other services are assessed at Academy level and local governing bodies promote best value in all financial decision making. Academies are encouraged to take advantage of resources and expertise available at a local level, for example, selecting cleaning contracts offered by the Academy's Local Authority in some cases and bringing the service in-house in others.

Benchmarking

The Trust benchmarks costs against similar organisations and also uses the FD Forum and market specialists such as Energy Brokers as a source of market data.

Options appraisal

The Governors and Senior Leadership Team recognise the principles of best value when making decisions about:

- allocation of resources to best promote the aims and values of the school.
- targeting of resources to best improve standards and the quality of provision.

The Trust is developing its approach to obtaining goods and services which provide "best value" in terms of suitability, efficiency and sustainability. Measures in place include:

- competitive tendering procedures
- procedures for Local Governing Bodies to review and approve "best value" quotes, which are not necessarily the cheapest
- procedures which ensure efficient use of office time to provide appropriate approved authorisation processes for purchases.

Better income generation

Significant additional income has been generated across the Trust. This includes Ashfield School running its own nursery provision, both Ashfield School and Manor Academy running leisure centres and the Academy Café at Ashfield School. Manor Academy organises its own grounds maintenance which generates further income. Since Academy conversion, a clear focus on the selection of appropriate projects and high quality bid writing has generated approximately £3million of Capital Funding across the Trust.

Reviewing controls and managing risks

The Trust has adopted and refined financial procedures setting out internal controls which have been scrutinised many times in different audit regimes. This is a continually evolving process, particularly with the growing nature of the Trust. It may be different in application at each Academy but essentially it ensures that management receive appropriate and timely financial information to enable them to

discharge their financial responsibilities. Monthly management accounts and budget reports are a standard feature whether provided in paper form or electronically. All Academies have both current and deposit bank accounts with automatic “sweep” facilities ensuring that the necessary liquidity is provided whilst maximising the potential for investment returns.

Insurance cover and claims levels are reviewed each year to provide the necessary cover in a cost effective manner. Risk is assessed and appropriately managed within this framework.

For the financial year to 31 August 2016, the Trust had appointed an independent Chartered Accountant to act as Responsible Officer and to report back to the Finance Committees of each Academy. That arrangement has now changed with an Audit / Risk Committee being formed for the MAT as a whole, to manage the internal audit function and accommodate the changing size and nature of the Trust.

Lessons Learned

- Greater clarity of communication at all levels when improving and introducing systems and procedures.
- Maintain effective feedback systems to ensure relevant information is communicated appropriately and is used effectively.
- Review of infrastructure to ensure systems are able to support new initiatives.
- The Trust continues to balance the two principles central to the Academies concepts of independence and accountability of Local Governing Bodies. The Trust aims at all times to provide a response that is efficient and effective and demonstrates consistency and quality assurance in providing structured support to the Academies.
- Working together provides opportunities including professional development, efficiencies and engagement that the Trust will actively promote and support.

The Two Counties Trust has invested time and energy to ensure that value for money has been achieved without compromising on the values the MAT stands for. As is evidenced, teaching and learning will always be at the forefront of all our initiatives.

Signed:



Name: Richard Vasey

Academy Trust Accounting Officer

Date: 22 December 2016