

Value for Money Statement

Organisation name: Faringdon Academy of Schools

Company number: 7977368

Year ended 31 August 2014

I accept that as accounting officer of Faringdon Academy of Schools 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.

Context - In my inaugural value for money statement last year, I commented that our Academy had been through a period of continual change since its inception on 1st Apr 2012. The pace of change accelerated during the course of last year as we prepared for a further 5 local primary schools to join our MAT. The conversion took place seamlessly on 1st Nov 2013 and since then the focus has been to understand the unique needs of each school whilst seeking opportunities to consolidate processes and procedures. Whilst all 5 new schools were from the same local authority, it became clear that over time they have developed individual approaches to the way in which they operate. In some cases, this individuality is a strength; for example ethos and values and engagement with their immediate communities. However, in other areas such as financial controls or procurement, there is clear scope for improvements and genuine benefits to be gained by adopting a more centralised approach. Whilst we have already made significant progress in this respect, it will no doubt remain a focus for the next reporting period.

Financial Governance & Oversight – the expansion of the Academy also heralded the change to a new governance structure with new sub-committees. The new structure was deemed necessary to manage the complex requirements of 8 schools comprising a successful secondary school, 4 primary schools and 3 voluntary controlled Church primary schools. The Board of Directors was reduced from 15 to 12 directors thereby enforcing the need for the Board to operate at a more strategic level. This underlines the requirement to retain our Local Governing Bodies and to ensure they are empowered and trained to robustly challenge the schools they serve. Within this new structure, the Academy Resources Committee was also revised to enable it to take better oversight of academy financial controls, each individual school budget, the central budget as well as the consolidated performance reporting requirements as a MAT. The Board also introduced a new Business Planner to provide an improved structure to the flow of information into and from the Board; this also provides a framework for sub-committees and Local Governing Bodies to work to. Our new governance processes have started well and we look forward to refining them during the next period.

Reviewing Controls and Managing Risks – with the expansion of the Academy, we introduced a new independent Audit Committee. The committee comprises chartered accountants and professionals with a wide experience from both the public and commercial sectors. The Committee reports directly to the Board and to the Academy Resources Committee as required. Using the Academies Financial Handbook as the baseline, the Committee determined their work programme for the year; in this reporting period, their focus has been to review the effectiveness of our academy financial systems, through scrutiny of our control of risk and delivery of statutory and legal obligations and the assessment of our internal controls. To enable the Audit Committee to conduct this activity, we also appointed a Responsible Officer (RO) to work directly to them.

Over the past year the RO has undertaken visits to 7 schools, Faringdon Community College, Faringdon Infant and Junior Schools, Watchfield, Longcot & Fernham, Buckland and John Blandy Primary Schools (Shrivenham is due to receive a visit in the Spring Term – we directed our external auditors to look at Shrivenham during their review). The Audit Committee asked the RO to focus on three key areas within the visits: payroll; purchasing; and, reporting. The Audit Committee presented their inaugural report to the Board on 27th Nov 2014. The formation of the Audit Committee and the appointment of the RO represent a step-change in our ability to reassure the Board that we are meeting the requirements of the Academies Financial Handbook and delivering value for money.

The Academy risk register is contained within the Academy Strategic Plan. It is a standing agenda item on the Resources Committee and the top level risks are discussed routinely by the Board. Our main risks are also articulated in our Annual Report.

Improving Educational Outcomes – one of the immediate strengths of the expansion of the Academy was the formation of the Academy Leadership Team (ALT) which comprises every Head Teacher, our Academy Business & Finance Director and our Academy Director of School Improvement. The group has met every 3-weeks with the specific focus of improving educational outcomes; this provides the operational means to deliver coherent improvements across our academy schools. In addition to the ALT, we established a school improvement team, headed by a trained Ofsted inspector (both primary and secondary); the team also includes outstanding key stage 1 and 2 teachers. Together they deliver a programme of improvement across all of our schools funded by contributions made by each school. As maintained schools, this service was only provided by the Local Authority if/when a school failed; our intention is that we will routinely provide this service to all schools to contribute to our continuous improvement programme. Moreover, we have delivered 3 mock Ofsted inspections at our primary schools to prepare them for a full inspection; the programme for this work is agreed and prioritised by the ALT.

A further example of achieving value for money within the context of improving educational outcomes has been the development of joint schemes of work. Our initial project was to complete this for mathematics to ensure that we had a consistent approach from key stage 1 to key stage 5. We were able to produce this exciting piece of work by setting-up a working group comprising some of our best teachers from across the key stages. This scheme of work has now been implemented across all 8 schools (produced by a small working group, shared across 8 schools). We have since embarked on further working groups to deliver joint schemes of work for other curriculum subjects and specifically spelling, punctuation and grammar.

At ALT level we collate and analyse the performance data for all of our schools, thereby providing us with a detailed knowledge of achievement and progress at each school. This allows us to share best practice and target areas for improvement. We are building on the foundations outlined above as the means to deliver effective and efficient improvements in education. Initiatives for the future include sharing the expertise of some of our secondary school departments, for example ICT, to assist curriculum development and delivery within our primary schools.

In addition to formal academic improvements, we have been able to introduce extra-curricular events such as an Academy Art Project; an activity which enabled pupils from every school and every year group to contribute. We have also continued with our successful Saturday School Programme, making use of the outstanding facilities at the secondary school to offer a range of activities from animation, technology clubs, cooking and music for all academy pupils.

Better Purchasing – our focus over the last year has been to drive consistency into our processes to enable us to take advantage of joint procurement. We have achieved economies of scale in a number of areas, but most notably through IT contracts including broadband, Management Information Systems and servicing. We were also able to secure efficiencies in our catering contracts and a number of premises related contracts including health & safety via better ways of working. Over the coming year, we are exploring options to review telephone contracts, stationery and staff absence insurance. We are able to use the expertise of our central support staff to deliver these efficiencies for the benefit of all schools thereby providing a further service previously unavailable to our smaller primary schools.

However, the area with the most potential to deliver efficiencies is our support staff structure. By further centralising specialist activity, such as finance, we may have the opportunity to reduce staff costs and provide greater consistency in our outputs. We are currently exploring opportunities to make changes ready for September 2015.

Lessons Learned – expanding to become an 8 school academy has been a real challenge presenting both threats and opportunities. The threats have mostly stemmed from the considerable increase in workload to meet the demands of being a medium sized company with over 400 staff and an annual turn-over of ~£11.5M and the concomitant legislative and statutory requirements. Ever reducing funding from the EFA combined with escalating costs forces an enduring commitment to delivering value for money. However, these threats are balanced by opportunities to deliver genuine educational improvements by harnessing the collective experience of our highly motivated and capable staff.

In the next year, we will look at options to evolve our financial structures and support staff organisation to deliver a more streamlined and coherent service. These changes will deliver efficiencies and improved ways of working. We will also seek to take even greater advantage of procuring centrally to deliver savings for all of our schools.

Name: Mr David Wilson
Academy Trust Accounting Officer

Date: 16 Dec 2014