

# Value for Money Statement

**Academy trust name: Plymouth CAST**

**Academy trust company number: 08438686**

**Year ended 31 August 2014**

I accept that as Accounting Officer of **Plymouth CAST** 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.

As the full multi Academy Trust did not become a functional educational entity until April 2014, the organisation was unable to derive specific performance measures from the prior year against which to report. Indeed, of the 5 months of operation to date, more than seven weeks have been school holidays. Thus it is not possible to report e.g. pupil performance achievements on the basis of this 5-month period. However, the Trust has not been standing still and key achievements are summarised below:

## **Improving Educational Results**

The principal object of the Trust is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Catholic schools which shall offer a broad and balanced curriculum and shall be conducted in accordance with the principles, practices and tenets of the Catholic Church and in particular in relation to arranging for religious education and daily acts of worship and having regard to any advice and following directives issued by the Bishop of Plymouth.

In accordance with this object, Plymouth CAST's aim is to become a network of schools:

- where every parent would want their child admitted;
- where every school sector employee would want to work;
- where children of all abilities and backgrounds flourish;
- where all look to for good practice and innovation;
- where vulnerable educational institutions look for support;
- where 'the gospel is preached at all times; using words if necessary' (after St Francis).

In order to enable effective performance monitoring, the 35 schools in Plymouth CAST are grouped into 3 different areas, each of which has an Area Adviser that interfaces directly with the schools and is relied upon by the Directors. The recruitment of the Area Advisers is undoubtedly the critical achievement to date. As this is a new role nationally, there was no pre-existing pool of such professionals from which to draw. We have recruited education professionals of significant calibre who are already fully engaged with their Area schools.

These skilled individuals each work closely with a group of 11 or 12 schools and are relied on to be the means by which the Board knows how each school is performing and secures the support each one needs for continuous improvement in all aspects of their work. Together, the three Area Advisers are advocates, analysts and problem solvers for the schools. They work closely with the head teachers and governing bodies to ensure everyone concerned has a full and accurate picture of each school's strengths and weaknesses. They support the schools in identifying robust strategies for improvement and brokering the support required to implement those strategies.

When others might be unsure how to progress, the network looks to the Area Advisers for pastoral support, motivation, incisive analysis and innovative responses. As well as their professional experience and analytical and interpersonal skills, Area Advisers also require self-confidence, emotional control and a deep commitment to serving others. Finally, they themselves are people of personal faith as they need to understand that all this work is done in the context of the mission of the Catholic Church.

The Area Advisers are responsible to the Chief Executive of Plymouth CAST and it is his job to ensure that they are well supported by himself and other members of CAST's central support team; especially the HR and Finance Managers. Each Area Adviser is allocated to one of the 'Area Councils' of Plymouth CAST. These are the West Area Council (Cornwall & Plymouth schools), the Central Area Council (Torbay & Devon schools) and the East Area Council (Dorset, Poole & Bournemouth schools). They are given administrative support through, and office space at, CAST's central offices in St Boniface's House and are expected to support one another and deploy their shared resources across the whole of Plymouth CAST, despite focusing predominantly on one or other of the geographical Area Councils.

While the Area Advisers are not themselves managing a team of other staff, they require a highly developed set of professional knowledge and skills and personal attributes. In addition, they carry a very high level of accountability. For example, if a school of theirs is reported to be faring well and subsequently turns out to have serious concerns, they are as exposed professionally as the head teacher would be. Their accurate and in depth knowledge of all aspects of the wellbeing of each school is absolutely critical to the success of the CAST model. Area Advisers do not have authority over the head teachers and governing bodies. However, authority is retained by the Board of Directors who can choose to direct interventions at individual schools if the Area Advisers report that a

particular school is vulnerable in ways that are not being effectively addressed by the local governing body.

A further step to ensure value for money is the development of CAST's 'Information Matrix' (IM). The IM is an essential tool in CAST's systems as it is: the summary of required standards; the focus of on-going evaluation of schools against those standards; the basis for monitoring at Local Governing Body, Area Council and Board level; and, therefore, an essential element in CAST's Risk Register. While this document's structure has not been finalised, both external agencies within the DFE and the Regional Schools Commissioner have complimented the Academy Trust on this innovative approach.

Intervention Monitoring Groups have been established at all the sponsored academies and have been meeting regularly to identify development needs, allocate resources and monitor progress. All government grants for both capital works and school improvement have been allocated and their impact is being assessed. Where appropriate, partnership support for vulnerable schools has been secured from within the CAST network, from within Local Authority teams, from external consultancy companies and from networked partnerships with e.g. Edison Learning and The Learning Institute.

### **Financial Governance and Oversight**

The Board has met on average monthly since April 14. Board members have developed a much greater understanding of their roles and of the Academy Trust as a whole. Its committees are fully constituted and have met regularly in accordance with their areas of responsibility.

Our governance arrangements include regular monitoring by the Board of Directors and its committees, including the Finance Committee and Audit & Risk Committee. They receive regular financial reports and ask relevant questions as evidenced in the minutes. There is one accountants and a number of experienced finance specialists on the Board of Governors.

The Trust, as part of the mission of the Catholic Church, implicitly and explicitly recognises the fundamental principles of Catholic Social Teaching (the dignity of the individual, subsidiarity, solidarity and the common good). Whilst these principles inform the Trust's aspirations and strategy, they are also implicit in the organisational concept and structures. In the latter regard, 'subsidiarity' determines that within the Trust, decisions should be taken as near as possible to their point of impact. Hence the default position within CAST of high levels of autonomy for Local Governing Bodies. However, applied to organisational structures, 'solidarity' requires that where local decisions have a wider impact, they should be elevated to the level of the Trust that has the relevant strategic or operational perspective. Thus, if a decision made by a single school could have clear ramifications for other CAST schools, subsidiarity dictates that the decision should be taken collaboratively by all affected schools e.g. at Area Council level. In the

same way, because the Trust employs all the staff at all the schools, terms and conditions cannot be determined in isolation at school level, even though school staff are appointed and managed by their own Local Governing Body and management team.

In summary, while the Trust has what might be considered as three tiers of authority (school, Area Council, Board of Directors) it is the *principles* of the organisation (reflected in its documentation) that determine where authority for any particular decision will rest and supposed 'higher' levels cannot simply dictate to 'lower'.

The CAST Board, individual school Governors and Academy Officers always apply the principles of *best value* when making decisions about:

- the allocation of resources to best promote the aims and values of the trust.
- the targeting of resources to best improve standards and the quality of provision.
- the use of resources to best support the various educational needs of all students.

The pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important or valuable areas. Therefore Trustees and Governors:

- will not waste time and resources on investigating minor areas where few improvements can be achieved
- will not waste time and resources to make minor savings in costs
- will not waste time and resources by seeking tenders for minor supplies and services

To ensure the support and development of administrative staff within individual schools training will be an on-going need but CAST has already offered training for all Administrators in the new finance and payroll systems. Training has been provided centrally, at Area levels and also one-to-one in schools. Key administrators have received additional training and are acting as 'Facilitators' among their peers to provide a point of contact and develop networking at administration levels in line with the 3 "areas" mentioned previously.

The CAST portal remains in beta-phase but has become the first port of call for guidance and other information for people within the CAST network. It is now accessible to every member of staff and governor at all CAST's schools.

### **Better Purchasing**

Plymouth CAST has already benefited from economies of scale when purchasing goods and services, these will develop further as a greater understanding of the needs of the various areas become clear meaning that resources can be targeted as necessary.

Collaboration between schools is encouraged to achieve alternative purchasing options within "areas" and across the trust as a whole. The Financial Handbook includes clear

tendering arrangements, to maximise value for money on large contracts/purchases; however, there are plans to further develop procurement processes in general in order to maximise 'purchasing power'.

Evidence of better purchasing to date are as follows:

**Insurance:** the benefit of having 35 academies has resulted in a saving on insurance costs in the region of £7 per pupil, this works out to be in the region of £54k.

**External Audit:** a significant saving has been achieved through the engagement of an audit firm and process that negates the need for visits to individual schools.

**IT systems:** having a single provider of the financial software and support has enabled efficiencies to be met in resourcing and supporting the chosen system, updates and structures are consolidated across all schools.

**Payroll services:** as with the IT systems Plymouth CAST has a single payroll provider where there was previously 7. This has resulted in financial and resource savings due to there now being a single point of contact.

### **Reviewing controls and managing risks**

A draft risk management strategy and policy is being considered by the Audit & Risks Committee. Within the policy is a structured process for identifying and scoring risks, which are now contained in a risk register. We are now working towards monitoring the risks vis-à-vis our business objectives, based on an agreed information matrix that has been discussed at board level.

The level of risks that we are willing to accept in pursuit of our core objectives will become clearer as we develop the CAST risk scoring and risk evaluation process. The CAST Central Team will work in conjunction with the Audit & Risks Committee so that a proposals can be developed and submitted to the Board.

**Name:** John Mannix

**Academy Trust Accounting Officer**

**Date:** 8<sup>th</sup> December 2014