

Value for Money Statement

Academy trust name: Creative Education Academies Trust

Academy trust company number: 7617529

Year ended 31 August 2014

I accept that as accounting officer of **Creative Education Academies 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.

1. Guiding principles

The Board of the Creative Education Academies Trust ("CEAT") and all employees subscribe to its mission to improve standards of education, knowledge and skills for children and young people across the UK, equipping them to be successful adults and active citizens in the competitive, globalised world of the future. In carrying out its educational mission, the Trust aims to adhere to the highest standards of integrity in public life and to provide responsible custodianship of and value for money with the public and charitable funds put at its disposal to enable it to realise these purposes.

A large proportion of the operating funds of the Trust comes from the public purse. All Trustees, academies and Head Office budget holders and other staff are required to maintain the integrity of these funds by following the general principles of:

- **Probity:** it must at all times be demonstrable that there is no corruption, private gain or conflict of interest in the awarding and management of contracts, the appointment and promotion of staff, and the use or disposal of assets by CEAT. All Trust executive and non-executive personnel must be aware of and be guided in their actions at all times by the Nolan Principles for standards in public life.
- **Accountability:** CEAT is publicly accountable for its expenditure and the conduct of its affairs. Expenditure should at all times be guided by the Education Funding Agency Financial Handbook, which is reflected in the Trust's policies, budgeting, accounting, control and reporting procedures and its delegated schedules of spending authorities.

- **Fairness:** All those who are dealt with by CEAT and its Trustees and employees should be dealt with in a spirit of fairness and on an equitable basis consonant with the principles of a publicly funded body with charitable status.

2. Governance, oversight and training

Robust governance and oversight of the Trust's finances are designed to ensure Value for Money. The CEAT Board acts as steward of the principles articulated above. On a day-to-day basis the Board has delegated accountability to the Executive Directors at Head Office, in particular to the Chief Executive Officer (who is also the Accounting Officer) and to the Group Finance Director. The Board's detailed and regular scrutiny of the financial management and effective deployment of resources is exercised mainly through its sub-committees, especially the Finance Committee, the Audit Committee, the Remuneration Committee and, in respect of capital works, the Estates and Property Committee. The members of these committees are all senior and respected professionals and their names and brief biographies may be found on the Trust's website at www.creativeeducationacademies.org.uk. The nature of these responsibilities and an account of how Trustees and the Executive have exercised them in any particular year may be found in the relevant narrative pages of the Trustees Report and Financial Statements.

Every academy is directly responsible for its financial decisions and conduct to the CEAT Trustee Board through the line management of the Principals and Headteachers by the Chief Executive Officer, and through the supervision of budgeting, controls and reporting by the Group Finance Director and his team. In addition, the Local Governing Body of each academy receives regular management accounts and has a devolved obligation to monitor spending against the agreed budget on a regular basis and to report any significant variances or other concerns to the Head Office Finance team.

All academies and Head Office are governed in financial matters by the Trust Financial Handbook, which follows the stipulations of the Education Funding Agency's Academies Financial Handbook. There is in place a schedule of delegated spending powers, which is reviewed regularly, as well as a clear set of rules governing expenses. The Trust has developed an effective central financial planning, financial control and financial reporting function under the direction of the Group Finance Director. The central team works closely with senior leaders and financial staff in the academies to develop an annual budget that supports the delivery of the agreed Academy Development Plan.

The Head Office finance team has designed and delivers a regular programme of professional development to the academy finance teams. This training combined with the work of the Trust's internal auditors, Smith Cooper, ensures that internal controls are constantly improved, and that newly joined academies are brought up to Trust standards as rapidly as possible.

The Board of Trustees receives and approves the Financial Statements and the External Auditors' Management Report. The External Auditors – Mazars - have indicated once again that they will be signing the Trust's accounts and that their report will be unqualified.

3. Management of resources, procurement and tracking of assets

The Trust's Director of Education is involved in assuring that the budget supports the educational strategy of each academy during the annual planning cycle. He and his team continually assess the quality and effectiveness of teaching, progress towards academic targets and other aspects of the academies' educational offer through the course of the year to ensure that Value for Money is being achieved.

Monthly management accounts for each academy and for Head Office are compiled and reviewed by the Head Office finance team. Any significant variations or concerns are discussed by the Chief Executive Officer and the Group Finance Director at their regular meetings. The Local Governing Bodies receive management accounts for their academy regularly. In addition, regular summaries of the management accounts together with a group consolidation and commentary are provided to the Finance Committee of the Board.

Procurement is still largely done at local level and must be in accord with the rules set out in the Trust Financial Handbook and Schedule of Delegated Spending Powers. Higher value procurements are subject to Head Office scrutiny and agreement and must be made according to the Trust's rules for competitive tendering. Those of the highest value are subject to EU procurement protocols. As the Trust expands in size, central procurement is being investigated in order to capitalise on prospective economies of scale.

With a rapidly growing estate, a review of estates and facilities management is being planned to achieve best value in the future. A review of utilities across the Trust has already been undertaken and it is envisaged that savings will be achieved as current contracts expire and group-wide or regional ones can be substituted. The Trust's expert Estates and Property Committee has issued guidelines on how to achieve value for money and fitness for purpose in capital projects. With Head Office support, individual academies have been successful in bidding to the ACMF for funds to repair inherited neglect and a sinking fund has been established for each academy this year.

The Trust has just concluded an investigation of portable asset tagging and asset management software. It will shortly sign a contract with an experienced service provider. In the past 12 months the Trust has been rolling out a Trust-wide ICT strategy and Cloud-based common platform. It has centralised the management of ICT provision and servicing under a newly-appointed Group ICT Lead. The Trust is taking steps so that it will achieve savings in salaries and procurement costs for hardware, software and

licences as soon as is feasible. In the current year the Trust will explore centralised payroll and will be moving to a single HR provider nationally.



Signed:

Name: Marc Jordan

Academy Trust Accounting Officer

Date:11 December 2014.....