

Value for Money Statement

Outwood Grange Academies Trust

Company number 6995649

Year ended 31 August 2014

I accept that as Accounting Officer of Outwood Grange Academies Trust (“OGAT”) 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.

Strategy

The vision for OGAT is to put ‘Students First’ and achieve world class status. This applies to all aspects of the organisation and at every level. The academies place students at the centre of everything they do, with a focus on maintaining a culture of success, a positive climate for learning and student attainment, achievement and social and emotional development. In raising standards for its own students the Trust contributes to the raising of educational standards and achievement generally across the communities we serve through the mutual sharing of knowledge, expertise and resources across the education, business, industry and voluntary sectors in the wider regional, national and global context.

The whole purpose of schools is that children come first and everything that is done must reflect this single goal. The Trust’s mantra is an all-encompassing ‘Students First’. It is an absolute priority that every student, irrespective of their starting point, succeeds and achieves. In order to do this, a high quality educational experience is an entitlement for every student at the academies, with all parties – students, staff, parents/carers and the wider community working together to achieve these goals for young people. Students with special needs are fully included and benefit from the focus on personalised learning and individual plans.

The Trust Board’s whole purpose is to raise standards for all students by sustaining and enhancing performance and to develop the whole child, whilst at the same time engaging and

Strategy (continued)

collaborating with other schools to help improve the life chances of all young people, locally, nationally and globally.

Actions

Value for Money depends on managing inputs, processes and outputs to achieve the best possible outcomes. Appendix I sets out in diagrammatic form how this works for a school. As can be seen, Value for Money is not about reducing cost per se; rather it is about the chain of inputs and processes which lead to good outcomes for our students and a positive impact on their communities.

Process

In relation to the process of teaching and achieving good outcomes for students, OGAT uses a model developed over several years. This has been shown to achieve excellent results, as demonstrated in the section Improvement in Educational Results below. The model is constantly being refined and updated. One of the benefits of being a Multi Academy Trust is the ability to draw on a wide pool of teachers to enhance best practice.

Teaching Costs

The largest single element of cost is the payroll cost of teaching and educational support staff. OGAT uses a curriculum-led planning model to optimise the numbers of such staff required in each academy. The parameter we use is 0.79 contact ratio with less than 8 % curriculum bonus.

The national average teaching staff cost as a percentage of total cost per student is about 68%: for OGAT the average is closer to 60%.

Non-pay costs

The refinement of our support systems continues. The Trust continues to drive the streamlining of our finance and administration systems. The Trust has a single finance system that operates across our academies and we integrate as much administration as possible into this system. We operate electronic ordering, electronic payslips, on line expenses and an integrated HR/payroll system.

Despite the majority of our costs being payroll, the Trust continues to drive cost reductions in non-pay areas. In year, the Trust has implemented a single office and stationery supplier that will save £62K per annum.

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A review of the insurance has saved £41K and moving to the RPA will generate a saving of £359K per annum against the £25/pupil benchmark.

A review of photocopiers has been undertaken which once fully implemented will save £134K per annum.

Improvement in Educational Results

Sir Michael Wilshaw, HMCI quoted in Her Majesties Chief Inspectors Annual report “Successful MATs include The David Ross Education Trust, The Diocese of Westminster Academy Trust, the Harris Federation and **Outwood Grange Academies Trust**, all of which had GCSE results that were well above the national average in 2013.”

A summary of this year’s results is set out below, together with comparative figures for 2013. There has been a change in the measurement of results so the national average dropped by 5%. So in this context, and measured against the national averages, our Academies performed well.

Both City and Acklam joined the Trust in the year and showed a substantial improvement in a short period of time and we expect this trend to continue.

Academy	5+ A*-Cs including English & Maths	
	2014	2013
Outwood Grange Academy	80%	84%
Outwood Academy Adwick	59%	61%
Outwood Academy Brumby	58%	61%
Outwood Academy Portland	76%	75%
Outwood Academy Ripon	63%	71%
Outwood Academy Valley	73%	78%
Outwood Academy Acklam	48%	32%
Outwood Academy City	54%	42%

Notes : From 2014 only performance tables approved qualifications are counted, hence the dip in national performance. Acklam and City joined the Trust during the year and were not accountable for previous results.

To put these results into context, the national averages for all state-funded secondary schools are as follows:

National	5+ A*-Cs including English & Maths	
	2014	2013
National Average	55%	60%

Improvement in Educational Results (continued)

The percentages of pupils achieving level 4 or above at Key Stage 2 results for the 2013/14 academic year are summarised as follows:

Primary Academy	Reading, writing and maths.	
	2014	2013
Outwood Primary Academy Kirkhamgate	88%	82%
Outwood Primary Academy Ledger Lane	90%	94%
Outwood Primary Academy Lofthouse Gate	97%	84%

Expected levels of progress are excellent in all three Primaries.

Similarly, the national averages for all state funded primary schools are given below:

National	Reading ,writing and maths	
	2014	2013
National Average	79%	76%

Conclusion and Lessons Learned

OGAT does not seek to be a large MAT for the sake of it. It does, however, wish to benefit as many students as possible but only on the basis that they are provided with a high-quality educational experience. The limiting factor is the availability of suitable senior staff trained in the OGAT methodologies.

There is still plenty of room for improvement, both in the classroom and in the management of back-office costs.

There is also improvement to be made in our take-on processes for new academies. At present taking on a new academy requires significant up-front input from senior staff. Lessons are being learned as to how to do this more efficiently for the future.

Signed:



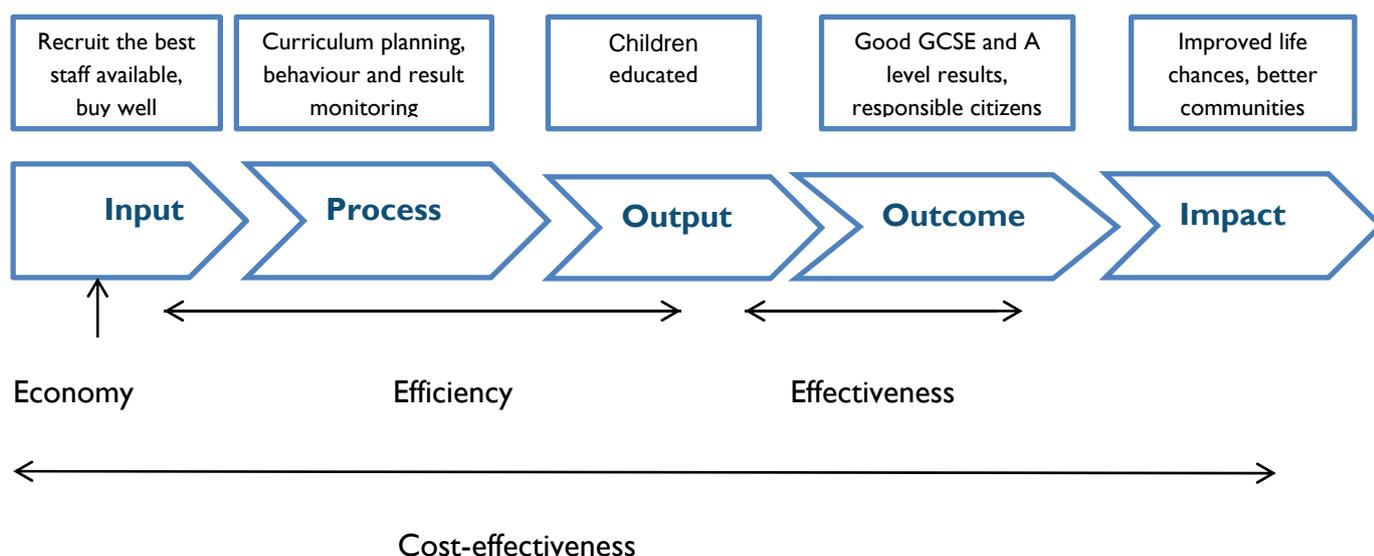
Michael Wilkins

Accounting Officer
17 December 2014

Appendix I What is Value for Money?

Value for money is about achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of all the resources in our charge. Together, economy, efficiency and effectiveness are often known as the 3Es.

How this works in practice is demonstrated in the diagram below:



- **Economy** Are we buying inputs of the appropriate quality at the right price? (Inputs are things such as staff, education materials, overheads, buildings and IT equipment used to produce outputs)
- **Efficiency:** How well do we convert inputs into outputs? (Outputs are results delivered by us to our students. We exercise strong control over the quality and quantity of outputs)
- **Effectiveness:** How well are the outputs achieving the desired outcomes on children's education and life chances?
- **Cost-effectiveness:** How much impact on children's education and future life chances do our education processes achieve relative to the inputs that we invest in it?
- **Results:** The 3Es framework shows that Value for Money is not just about cutting costs. It is also about how our processes turn inputs into outcomes. We focus on being crystal clear what outputs and outcomes we should realistically expect from our activities. These results are not just short-term tangibles in terms of GCSE and A level results but also longer-term sustainable benefits for the communities in which we operate.