

Meeting of the South Bank Academies Board

2.00 pm on Thursday, 11 October 2018
in 1B16 - Technopark, SE1 6LN

Agenda

<i>No.</i>	<i>Item</i>	<i>Pages</i>	<i>Presenter</i>
1.	Welcome and apologies		RF
2.	Declarations of interest <i>Directors are required to declare any interest in any item of business.</i>		RF
3.	Minutes of last meeting	3 - 6	RF
4.	Matters arising	7 - 8	RF
Items to discuss			
5.	CEO's Report	9 - 12	NL
6.	Finance update <ul style="list-style-type: none"> • Full year result: management accounts (August 2018) • Budget update 2018/19 • SBA Business Manager • Bank mandates 	To Follow	NF, NL
7.	Governance <ul style="list-style-type: none"> • Scheme of Delegation and Governance Agreement • Recruitment of Chairs for Board and LGBs • Management arrangements • Accounting Officer 	To Follow	DP
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10.	UTC Transitional Funding 2018/19	43 - 46	NL
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No. Item

Pages

Presenter

**Date of next meeting
3.00 pm on Thursday, 6 December 2018**

Members: Richard Flatman (Vice-Chair, in the Chair), Douglas Denham St Pinnock, Tony Giddings, Nicole Louis, Lesley Morrison, Richard Parrish, David Phoenix and James Stevenson

Apologies:

In attendance: Michael Broadway, Natalie Ferer and Joe Kelly

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**Minutes of the meeting of the South Bank Academies Board
held at 4.00 pm on Thursday, 19 July 2018
1A01 Board Room - Technopark, SE1 6LN**

Present

Richard Flatman (Vice-Chair, in the Chair)
Tony Giddings
Nicole Louis
Richard Parrish
David Phoenix
James Stevenson

Apologies

Adam Crossley
Douglas Denham St Pinnock
Lesley Morrison

In attendance

Joe Kelly
Michael Broadway
Natalie Ferer

1. Welcome and apologies

The Chair welcomed members to the meeting. The above apologies were noted.

The Chair informed the Board that Adam Crossley had submitted his resignation as a Director / Trustee of SBA with immediate effect. The Board recorded its appreciation of his significant contribution to South Bank Academies.

2. Declarations of interest

No members declared any interest in any item on the agenda.

3. Minutes of last meetings

The Board approved the minutes of the meetings held on 22 March 2018 and 15 June 2018.

4. Matters arising

The Chair reported the recommendation of the Audit Committee to re-appoint the auditors, Kingston Smith LLP, for the external audit of year end 31 August 2018.

The Board approved the re-appointment of the auditors for 2017/18.

5. **CEO's Report**

The Board discussed the Interim CEO's report.

The Board noted the need to review membership of the LGBs and ensure Link Governors are appointed for key areas, e.g. Safeguarding. (Linked to the governance review in minute 6 below.)

The Board noted that the member of teaching staff, dismissed for not having a valid work visa, has obtained a three-year visa extension and, further to legal advice, been employed under a new contract at the Academy. The Board noted a full audit of recruitment files was being conducted and a report to the Audit Committee.

The Board noted that the health and safety audit is underway and will report in July. The Board requested a review of process and reporting of outstanding issues and a report to the next Board meeting.

Richard Parrish joined the meeting.

The Board noted that SBA now has a contract with Judicium for data compliance and a Data Protection Officer has been appointed. Judicium will conduct a data audit by September and report to the next Board meeting.

The Board noted a Business Manager has been appointed and will take up post on 1 October 2018.

The Board noted the preparations for exams and the significant number of interventions to support exam performance, including extra tuition, health and wellbeing opportunities, and Homework and Breakfast Clubs.

The Board noted the Academy was predicting a Year 7 intake of 150 students – a full year group – and applications for Sixth Form are also higher than last year. The Board noted that UTC was also predicting Sixth Form growth. The Board noted that staff are available over the summer to deal with and respond to enquiries once results are released.

The Board noted the need to provide positive communications to students, staff, and local communities, once results are released.

6. **Governance**

The LSBU Vice Chancellor and SBA Board director gave a presentation to the Board on SBA Governance options.

The Board noted the evolution of SBA MAT within the LSBU Group and the challenges in defining the roles of the LGBs and their relationship with the Board.

The Board noted a number of potential options in moving forward.

The Board supported the option to remain part of the LSBU Group within a more clearly defined governance agreement between LSBU and SBA, setting out the level of control of LSBU as member, and scheme of delegation, and with a clear management structure – a part-time Executive Principal and full-time Business Manager. The Board noted that governance proposals would require support from DfE.

The Board agreed next steps:

- Finalise Scheme of Delegation and review Board and LGB remits (summer) and confirm DfE approval.
- Develop skills matrix and seek appointments to Board and LGBs (summer)
- Finalise governance agreement (autumn)
- Agree and implement management structure (autumn)

7. Management accounts

The Board noted the management accounts to the end of May 2018.

The Board noted the auditor's confidence in the income and expenditure figures, and noted a full-year forecast surplus of £221k. The Board noted a predicted surplus of £91k for the Academy, which was slightly below budget due to use of agency staff in the early part of the year, and of £130k for the UTC which was within budget.

8. Consolidation of bank accounts

The Board noted the migration of banks accounts to the main South Bank Academies account is in progress. Payroll and UTC transactions are now all via the main account. The Board agreed the following accounts should be closed in due course:

- South Bank Academies – Trading as UAE South Bank
- South Bank Academies – Trading as South Bank UTC
- South Bank UTC Trust.

9. Budget 2018/19 and forecasts

The Board noted the draft budget 2018/19 and consolidated 3-year financial plan. The Board noted these were likely to change in October as student recruitment numbers (income) are confirmed.

The Board noted that budgets include assumptions for public sector pay awards during 2018/19, and that both school budgets are required to have a surplus and are equally top-sliced for SBA MAT central funds.

The Board noted the high capital budget line and requested clarification on the status of UTC start-up funding. The Board noted the new Business Manager would revisit the budget and forecasts in October once student recruitment figures are confirmed.

The Board approved the budget and consolidated 3-year financial plan.

10. Safeguarding update

The Board noted the Safeguarding reports.

The Board noted there was no material change in the profile of students on EHCPs and that the number of cases is proportional to school size.

The Board noted issues in relation to behaviour, attendance and external safety at UAE. The Board noted that three staff members have been trained by the police to patrol streets around UAE until 5.30pm to support student safety.

The Board noted that detailed Safeguarding reports are received by the LGBs.

11. Local Governing Body minutes

The Board noted the reports from the Local Governing Bodies.

**Date of next meeting
4.00 pm, on Thursday, 11 October 2018**

Confirmed as a true record

..... (Chair)

SOUTH BANK ACADEMIES BOARD - THURSDAY, 19 JULY 2018
ACTION SHEET

Agenda No	Agenda/Decision Item	Action	Date Due	Officer	Action Status
4.	Matters arising	Finalise re-appointment of auditors		Natalie Ferer	Completed
5.	CEO's Report	Review membership of LSBs and appointment of Link Governors H&S - review of process and reporting of outstanding issues. Report to Board Judicium data audit report to Board		Nicole Louis Nicole Louis Nicole Louis	Ongoing On agenda Verbal update
6.	Governance	Finalise SoD, governance agreement and management structure		Nicole Louis	On agenda
9.	Budget 2018/19 and forecasts	Clarification on UTC start-up funds		Natalie Ferer	On agenda

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	CONFIDENTIAL
Paper title:	Chief Executive's Report
Board/Committee:	South Bank Academies Board
Date of meeting:	11 October 2018
Author(s):	Nicole Louis
Purpose:	For Information
Recommendation:	The Board is requested to review and note the report.

South Bank Academies Trust

Compliance & Audit Matters

1. In response to the identified issue with UKVI (Tier 2 Visa) compliance at the UAE, (now resolved), the Trust commissioned Judicium to carry out a full audit of the single central register at both schools (SCR). The audit will be undertaken in the first week of October and findings will be shared with the Board.
2. To ensure future recruitment compliance, the Trust re-drafted the internal policy and processes relating to staff recruitment in consultation with external and LSBU HR professionals. Both schools are now working to the revised processes.
3. The Trust arranged for LSBU professional services experts to conduct detailed audits on Health and Safety, HR and Building/Maintenance across both schools. The full reports are included with the Board papers. The audits identified a number of areas which required attention including:
 - A deficiency of resource for on the ground HR support (UAE)
 - Slow pace in the follow up of actions identified in previous Health and Safety audits (UAE) and a gap in oversight at an LGB level in relation to health and safety and HR matters (both schools)
 - Gaps in specialist knowledge and training for relevant staff for some aspects relating to H&S

To start to address the main findings of the three audits, a number of actions have already taken place or are planned:-

- A H&S action plan has been drawn up for each school including timelines for completion of actions and associated accountable staff. These plans will going forward form part of the LGB agenda
- As part of the changes to governance, the Chair of the LGB will look to appoint a link governor in relation to H&S and HR
- Agreement to appoint a site manager (PT) at the UTC where previously this role has not existed. Recruitment is underway
- Agreement to extend the role of the HR manager at the UTC to cover both schools, transferring the remit to a Trust level position.
- Agreement to provide access to relevant H&S training available at LSBU to Trust personnel

Both schools would benefit from the introduction of a shared services support model where they can leverage the expertise of LSBU professional services for some functions. Conversations are ongoing with the University leadership to identify the specific areas where the schools can leverage LSBU support.

4. Internal Audit – PWC have begun their Internal Audit Work, reviewing Key Financial Systems and Safeguarding. Field work will be completed this week and final report by 9th Nov.
5. Accounts and Audit – Kingston Smith begin their audit of the accounts this week. There has been a short delay of a week for draft Accounts and supporting schedules to be ready, but it is expected that these will be ready by the end of this week. Kingston Smith carried out an interim audit in July and are already aware of the progress that has been made in bringing the accounts up to date following the problems the Trust had during the 2016/17 audit.
6. The data audits to support GDPR compliance will now take place in November, provisionally w/c 22nd November.

Finance Matters

7. Year-end position – draft accounts show surplus of £272k, however, we are awaiting the FRS102 pension valuation from the actuaries which may impact on the overall surplus, although it is not likely that this adjustment will be material.
8. The UTC 2018/19 budget has been revised to reflect additional GAD income and will support priority staffing requirements with the following revisions: - i) site manager (pt), ii) marketing assistant and iii) 1% staffing contingency. The central management charge has also been increased from 3.5% to 4.7% of GAG funding and the revised budget now reflects an operating surplus of 4.9%.
9. The UAE budget has been revised and whilst projected income is in line with the earlier draft budget, a staffing contingency of 1% has been included and the central management charge has been increased from 3.5% to 4.7% of GAG funding, The budget now reflects an operating surplus of 3.6%

People Matters

1. The newly appointed Trust Business Manager Clym Cunnington will take up his post on 15th October.
2. The Trust has commenced the recruitment for the position of Executive Principal and interviews are expected to take place on the 16th October. The position is initially open to internal candidates. Interview are by panel selection.
3. The Trust plans to change the outsourced provision of employee benefits from Perkbox to Sedexo which will enable staff to access the same benefits as LSBU employees at a reduced cost.
4. The annual appraisals for both school Principals are scheduled to take place in October and will be led by the CEO with the support from Lambeth School Services Education Advisor (Rachel Norman) and members of each LGB.

University Academy of Engineering (UAE)

Student Outcomes

This first cohort of Year 13 students comprised two main pathways: Academic route (A levels and a small BTEC in Engineering)

- BTEC Engineering:

Performance in the Engineering BTEC was very strong with all but one of the 17 students achieving the award. Of the 16 students who passed, 13 were awarded * distinctions or distinctions, 3 were awarded a combination of merits and distinctions.

A Levels

- A level performance was disappointing with all subjects excluding biology reflecting negative value add scores. The biggest concerns are Maths, Product Design and Computer science where the negative value add was below -1.5 and the school is currently putting in interventions to address performance.

Student Recruitment

Student recruitment is in line with expectations. The estimated number of students used in the calculation of ESFA funding for 2018/19 was 697 and to date, the school has enrolled this number. Estimated funding based on the enrolment numbers is £5.8m which matches the budget previously approved by the SBA Board.

University Technical College (UTC)

Student Outcomes

This first cohort of Year 13 students comprised two main pathways: Academic route (A levels and a small BTEC in Engineering) and Technical route (Extended Diploma BTEC in Engineering), both with Maths and potentially with EPQ. Results were very mixed. The school also delivered its first cohort of GCSE students.

- **BTEC Engineering:**

Performance in Engineering was strong with 100% Pass+ rate, and significant proportions of students achieving top (Distinction and Distinction*) grades, which map across to A level grades in terms of the UCAS process.

- **A Levels**

A level performance was below par overall, although there were some encouraging performances in A level Maths. A significant number of entries failed to achieve an E (Pass) grade with 22 U grades achieved out of 47 entries. The most challenged subjects were Physics and Computer Science. For context, many of the A levels were in their first cycle, including chemistry, biology, physics and computer science, with only Maths an established course.

- **GCSE**

All key measures of attainment were above or very close to national averages for 2017 (2018 figures are not yet published), with the UTC outstripping the 2017 national average on Attainment 8 overall (44.7 v 44.6).

Student Recruitment

Student recruitment was positive. The 2018/19 budget previously approved by the SBA Board reflected GAG income from 184 students and associated income, whereas actual enrolments to date reflect an additional 31 students (H/C 215). The increase in student numbers is expected to generate additional income of approximately £222,000.

Building Handover

Phase 2 of the UTC building is scheduled for completion and handover on Monday 8th October which is two weeks ahead of schedule. With the full building in operation, the school will benefit from four new engineering workshops on the ground floor, a double height lecture theatre, additional outdoor play area and shared use of sports hall.

DfE Advisor Visit

The school has a full DfE Advisor visit scheduled from Monday 8th October. The Advisor will meet with the Principal, various members of the school staff and the CEO.

	CONFIDENTIAL
Paper title:	Health & safety audit of the Academy and UTC
Board/Committee:	South Bank Academies Board
Date of meeting:	11 October 2018
Author(s):	LSBU Health & Safety Team
Sponsor(s):	Nicole Louis, Interim CEO
Purpose:	For Review
Recommendation:	The Board is requested to review the reports.

Executive Summary

A Health & Safety audit of both schools was requested by the Board at its meeting on 22 March. The audit was carried out by LSBU's Health & Safety Team and is attached as a detailed report

The attached documents are:

1. Summary of review with RAG rating of risks.
2. Summary of recommendations.
3. Detailed report.

The Board is requested to review the reports.

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South Bank Engineering UTC Health and Safety Management Review.

1.0 Background and Purpose

The Chair of the Board of Governors requested an assurance audit of the schools health and safety management system to be carried out by the Health and Safety Manager of London South Bank University. He is a Chartered Member of IOSH and has twenty years of experience providing health and safety advice to schools, having worked for two London local authorities. He has also twice been the Chair of the IOSH Education Group and was a member of the committee for over 12 years.

2.0 Report

The school management are aware of need to improve and update policies, many of which are going to be revised this summer break. The Principal has also identified the need for improved Health and Safety knowledge and has appointed the School Business Manager as the lead for this. It is advised the SBM should complete the IOSH Managing Safely Certificate as a minimum to improve her competence.

- 2.1 Policies have not been tailored to meet the actual needs of the school, e.g. the health and safety policy covered minibus use even though the school does not have a minibus. Further, there needs to be consistency between policies and risk assessments, e.g. Educational Visits and acceptable staff / student ratios are different.
- 2.2 The school building is coming out of the defects period and the school management need to identify suitable contractors to take on the planned maintenance of plant and equipment. The school also need to ensure a suitable and sufficient Water Risk Assessment and risk controls are in place. There are no staff at the school with the technical knowledge to manage these risks effectively.
- 2.3 The school must instigate weekly testing of the fire alarm system and record in a suitable log, all call points should be tested within a thirteen week period. If there are more than thirteen call points at the school this will require testing of more than one per week.
- 2.4 The Principal is considering sharing resources with Trinity Academy to help spread costs. It was advised this was covered by a comprehensive SLA to ensure value for money.
- 2.5 Design and Technician staff are working to BS4163: Health and safety for design and technology in educational and similar establishments – Code of practice. The Head of D&T provided a DATA certificate of competence for the equipment currently being used.
- 2.6 Model risk assessments (from CLEAPSS) for design and technology were received, but no specific COSHH assessments for hazardous substances. I have advised of the need to make the model assessments school specific.

Recommendation

- 1 The Board of Governors puts measures in place to ensure the issues identified in the risk table are resolved.**

3.0 Risk table for issues identified

Risk Rating	Issue	Action Required	Action completed
High	Unclear communications between the school and the Local Governing Board (LGB) resulting in key issues not being identified and actioned appropriately.	<p>A governor is given specific responsibility for H&S with suitable training to understand the role requirements.</p> <p>The full Judicium reports /risk assessments & reviews are provided to the LGB, to be discussed at the next available meeting after they are received.</p> <p>Termly report to LGB for discussion of health and safety management</p>	
High	School management and staff do not have the necessary knowledge to undertake H&S duties.	<p>Management and Staff are appropriately trained to understand legislative requirements, especially relating to building fabric.</p> <p>Consider additional resources to support the school in ensuring an adequate maintenance regime is in place and appropriate records kept.</p> <p>School Health and Safety Committee set up to meet termly for communication between staff and management with notes sent to LGB</p>	
High	School is coming out of the defects period	<p>Management need to have in place appropriate contracts, procedures and records to manage high risk maintenance issues, e.g. Fire alarm and emergency light testing, water risk assessment including temperature checks and flushing requirements, maintenance and testing of lifting equipment, testing of local exhaust ventilation to comply with COSHH.</p>	
High	Computer workstation assessments for office staff have not been carried out	<p>Carry out individual workstation assessment for office staff to ensure the computer workstation is set up correctly with the appropriate reasonable adjustments for each member of staff</p>	

Risk Rating	Issue	Action Required	Action completed
Medium	Limited resources to carry out internal maintenance and checks	The Board of Governors support the Principal in maximising the use of resources through partnership working with Trinity Academy and Lambeth College.	
Medium	Policies are not up to date or relevant to the school	Policies, especially the health and safety policy need to be amended to meet the needs of the school and not cover irrelevant areas, e.g. minibus. There needs to be consistency between policies and risk assessments, e.g. Educational Visits and acceptable staff / student ratios.	

Risk Rating	Definition
High	Urgent action require to ensure significant hazards are adequately controlled
Medium	Action required should be carried out before use of the equipment / within 3 months

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2018.08.22 Multi Academy Trust Report: Summary of recommendations

This summary should be read in conjunction with the reports (attached) which cover the South Bank Engineering UTC and the UAE South Bank. These reports were prepared as a high level overview of the current situation which would allow the Multi Academy Trust (MAT) to identify the areas of concern and determine the next steps.

The immediate concerns are the ongoing property maintenance including compliance and safety issues, the resourcing of these activities, and a wider property management strategy focussing on the MAT's capacity to maintain and develop the property to meet the current and future needs.

Property and Facilities Management Services

At present the MAT and the Academies do not have a comprehensive range of Property Management and Facilities Management (FM) measures in place and consequently the ability to manage the property safely and efficiently in the short, medium and long term is compromised. To address this challenge a combination of strategic and operational measures are proposed.

Property Management

Property management matters should be drawn into the MAT's strategic planning processes which would ensure that the aspirations, risks and obligations are fully managed. To achieve this it will be necessary to undertake a strategic review of the current property portfolio.

Activity	Outputs	Timescale	Resource	Risk
Legal: Property ownership, obligations and responsibilities.	A digest of the existing terms of ownership or occupation together with current and future obligations and leasehold events.	Accommodated within strategic planning processes.	Internal	Amber
Finance: Investment, operating costs, procurement and insurance.	Ensuring that adequate finance is available and that the associated processes are in place.	Accommodated within strategic planning processes.	Internal	Amber/Green
Risk: The existing property and the level of risk that the MAT is exposed to.	Part of the risk management processes for the MAT. Covers areas such as reputational risk, operational risk and financial risk.	Accommodated within strategic planning processes.	Internal and external resource	Amber/Green
Condition: Existing property condition with future maintenance events and the associated costs.	A condition report outlining existing condition, including remedial works together with a plan detailing lifecycles and investment profiles.	Outputs will be important for future planning purposes.	External	Green
Strategy: The existing property and its capacity to meet the future requirements of the occupants in the short, medium and long term.	Part of a wider strategy for the MAT. This activity could be a response to particular aspirations or a mechanism to provide reassurance that the property portfolio meets the needs of the MAT by reporting against strategic objectives.	Accommodated within strategic planning processes.	Internal and external resource	Green

Facilities Management

FM is best understood as the processes and services which, at an institutional level, contribute to the delivery of strategic and operational objectives and on a day-to day level provide a safe and efficient working environment. At present neither of the academies has a vehicle for the delivery of a range of services which vary in skill and complexity and allow the buildings to be safely and efficiently operated. The approach taken may require a combination of resources and skills, some of which are already available to the academies and others which may need to be commissioned or resourced.

Activity	Outputs	Timescale	Resource	Risk
<p>FM Services: Maintenance services cover a variety of services from reactive first line response to preventative maintenance services.</p> <p>Maintenance services will cover a number of areas which include life safety and other compliance issues which are a major consideration.</p>	<p>Schedule of assets and services to allow contractors to tender.</p> <p>In the immediate term seek an extension of the existing LSBU contracts to cover the relevant services.</p>	Immediate	Internal and specialist external consultancy	Red
<p>Utilities: Procurement and supply</p>	<p>A better understanding of the relationship with the London Borough of Southwark.</p>	Immediate	Internal	Amber
<p>Building Management Systems: Activity tracking and management information.</p> <p>Components of management information are available at both sites but not fully utilised.</p>	<p>Job and fault tracking information. The management information is of use for financial and compliance status reporting.</p> <p>Identify the capacity of existing systems and make further recommendations.</p>	Autumn	Internal	Amber
<p>FM Services: Cleaning services</p>	<p>Schedule of services and standards to be determined.</p> <p>There may be an advantage in aligning this with LSBU arrangements.</p>	Autumn	Internal and specialist external consultancy	Green
<p>FM Services: Security services</p>	<p>These services do not appear to have been properly specified and are an add on to the cleaning services.</p>	Autumn	Internal and specialist external consultancy	Green
<p>FM Services: Logistical services</p>	<p>These services do not appear to have been properly specified and are an add on to the cleaning services.</p>	Autumn	Internal and specialist external consultancy	Green

Recommendations

Given that the need for an FM vehicle to ensure compliance for the MAT buildings is a priority it is suggested that a similar approach to the LSBU maintenance contracts for the Southwark and Havering campuses is explored. A full specification of the services is needed and many of the areas are covered by mandatory frameworks and other codes of practice. As a consequence specifying the services should be relatively straightforward, however it will be a technically complex process. It is likely that specialist consultancy will be required to ensure that both the buildings themselves and the associated operational services meet the appropriate standards.

With immediate compliance issues resolved the MAT may take a period of time to determine an approach to property management. A review of the institutional needs will determine the level and types of service required and clarify the need for resource. A particular problem is that the contractual situation appears to have been led by the contractors rather than by the MAT and if this is the case it should be rebalanced as a matter of good practice.

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Multi Academy Trust Report

Summary

The report consists of two sections to cover each of the academies. These are presented in a similar format. The reports are a high level and are based on an initial review of the documentation available and a number of fact finding sessions with colleagues at the academies. The report is intended to complement the other initiatives being carried out by the LSBU which have concentrated on areas of detail.

As matters stand there are significant issues that need to be addressed at each academy both to ensure that the respective estates are compliant with statutory requirements and that they are not exposed to operational risk. These are highlighted below.

Once these issues have been addressed the next stage is for the Multi Academy Trust to determine a strategy for the future delivery of Facilities Management (FM) and other operational services to these sites and how this may be best achieved in the most efficient and value for money manner.

Immediate Actions Required

UAE

- Lift inspections
- Lightning conductors
- Fire Risk Assessment
- District Heating services

UTC

- Air conditioning, ventilation and extract systems
- Pressurised systems and vessels
- Emergency Lighting systems
- Fire Alarm maintenance and testing
- Fire Safety equipment (dry risers, fire extinguishers, fire blankets etc.)
- Gas and gas appliance safety inspections
- L8: Legionella Risk Assessment and monitoring regime
- Lift inspections
- Lightning conductors

Future Strategy Options

The academies should establish regimes to cover the following areas:

- Preventative and Planned Maintenance
- Cleaning Services
- Fire Alarm Systems
- Firefighting Equipment
- Lift Maintenance
- Catering Services

When considering how best to procure these services consideration will need to be given to the following points:

- Use of LSBU framework arrangements to procure these services.
- Outsourced and/or self-delivered options?
- Standalone or combined service contracts? .
- London Living Wage?
- Co-operation with other parties?

The requirements for each of the academies are broadly similar and it would be possible to share specifications and other relevant information.

In the longer term a Forward Maintenance plans will be required. These plans would give an indication of future maintenance interventions and the likely costs over a period of time.

Next Steps

It is recommended that the MAT meet to consider and decide on future steps which would then allow a properly costed and resourced project to be established. This would include establishing a specification and the costs for services as well as a procurement approach.

University Academy of Engineering South Bank

Site

The UAE South Bank is located to the west of the Aylesbury Estate on Trafalgar Street with a frontage onto Dawes Street. The area is being redeveloped as part of the Aylesbury Area Action Plan (AAP). Victorian properties predominate on Trafalgar Street and are within the Liverpool Grove Conservation Area. Dawes Street is more fragmented, with four storey 1960's blocks (due for demolition and rebuilding as part of the AAP) on the east side and a short terrace of three storey properties on the west side. The site previously provided teaching accommodation for the Walworth Lower School, which relocated to the Walworth Academy.

Building

The site comprises a large Victorian building along Trafalgar Street, and an extension dating to 2014. The Assessment of Special Interest prepared for the planning application for the redevelopment concluded that the main school building and (former) school keeper's house were of significant architectural interest although neither were included on the List of Buildings of Special Architectural or Historic Interest. It was however recognised that the school and its buildings formed an important element of the social history of the area as well as being a local landmark contributing to the character of the neighbourhood.

The planning statement argued that the UAE was an important component in the wider regeneration plans, being a community asset, and building on the positive legacy of educational development in the area.

There are a set of operation and maintenance manuals covering the building project, however it has not been possible to identify a set of as built drawings. There is no information on areas within the building. The building operational services are arranged by the occupier and comprise a mixture of self-delivered and outsourced approaches.

Condition

The building was completed in September 2014 and no significant defects are apparent. On this basis the building can be considered to fall within property *Condition A – As new condition*. The first maintenance intervention is due to take place in 2019 and will involve the testing of electrical fixed installation.

The overall condition of the building appears to be in good condition, with little sign of defects or post-construction alteration. As the building is now five years old some thought should be given to the preparation for a forward maintenance plan which details the condition with a cash flow and the likely timings of maintenance interventions.

Maintenance Regimes

There are maintenance regimes in operation for the following areas of compliance. These are

- Air conditioning, ventilation and extract systems
- Pressurised systems and vessels
- Emergency Lighting Systems
- Fire Alarm Maintenance and Testing

- Fire Safety Equipment (dry risers, fire extinguishers, fire blankets etc.)
- Gas and Gas Appliance safety inspections
- L8: Legionella Risk Assessment and monitoring regime

There are a number of operational and compliance issues which should be addressed in the immediate future and these are summarised below:

- Lift Inspections
- Lightning Conductors
- Fire Risk Assessment

These areas were identified from a high level assessment of the building and should not be considered an exhaustive list. A more detailed document is in preparation by Estates & Academic Environment.

Steps to attend to these issues should be prioritised to ensure that significant issues of non-compliance do not emerge.

Facilities Management Services

The Facilities Management Services are delivered via two contracts, one for cleaning and one for catering services. These contracts are shared with the South Bank Engineering UTC.

Contract	Contractor	Term	Value (plus VAT)
Cleaning Services	AIM Commercial Cleaning	1 year	£ 69,696
Catering Services	JPL School Catering	1 year	£ 158,743

Table 1: Service contracts.

The UAE have expressed some reservations about the performance of these services.

District Heating Services

The UAE is connected to the London Borough of Southwark's (LBS) district heating services, which serve the Aylesbury Estate adjacent to the site. The agreement is termed a Non-Residential Connection Agreement dated 3 August 2016. The agreement notes that the commencement of the supply is 1 August 2014. There is anecdotal information suggesting that for a period the heat was supplied free of charge and this appears to relate to an initial two year period in which LBS retained responsibility for the site.

There is no record of any invoicing or payment associated with these services, nor is there evidence that the quarterly meter readings required under the contract have been obtained. The agreement makes provision for occasions where by meter readings are not available and sets a consumption figure of a maximum of 1,000,600 kWh per annum for heat and hot water. There are additional costs for maintenance and administration.

An inspection of the site has identified heat meters associated with the heating and hot water services. These are not connected to the BMS, however they do appear to be recording consumption and it is possible that they will hold historical data.

It is recommended that it is established what outgoings are associated with these services and whether there were any periods where the services were free of charge. If no information is available it will be necessary to approach the LBS.

Future Maintenance and Facilities Management Regimes

The UAE should establish a maintenance and FM strategy to cover these functions for the future. The service streams are as follows:

- **Preventative and Planned Maintenance:** Arrangements to cover the routine and reactive maintenance of plant and associated infrastructure. This could cover a number of statutory regimes. There would also be the opportunity to incorporate a general maintenance function and an emergency call out service.
- **Cleaning Services:** Arrangements to cover cleaning services. These contracts can frequently be augmented to provide logistic support or general maintenance services.
- **Fire Alarm Systems:** Depending upon the system it may either be preferable to use the manufacturer to service the system or to use a third party system maintainer. Third party maintainers may be more economic however consideration should be given to the availability of components, resource and technical knowledge which will usually be greater with the system manufacturer.
- **Firefighting Equipment:** There are numerous specialist companies which provide these services.
- **Lift Maintenance:** Specialist area which is covered by a number of manufacturers and specialist companies.
- **Catering Services:** Services provided a catering contractor.

When considering how best to procure these services consideration will need to be given to the following points:

- **Use of LSBU framework arrangements to procure these services.**
- **Outsourced and/or self-delivered options?** There are merits in both approaches and given the amount of discussion around self-delivered services establishing a clear rationale for the approach is important.
- **Standalone or combined service contracts?** There would be the opportunity to combine different service streams which may have an economic benefit and streamline management services but on the other hand may compound unsatisfactory service issues.
- **London Living Wage?** Does the trust wish to pay the London Living Wage and if so what are the circumstances for its application and the payment of any increases. London Living Wage is a significant expense but it has been argued that there are significant benefits to paying it including staff retention and wellbeing, and reputational benefits to the organisation. LSBU is committed to paying the LLW to those employed by third party providers as part of the FM arrangements.
- **Co-operation with other parties?** There are opportunities to collaborate with other members of the Trust or neighbouring institutions. This may offer economies of scale and contribute to a more resilient service (for example shared resources which can be redeployed across different sites).

In the longer term a Forward Maintenance plan will be required. The plan would give an indication of future maintenance interventions and the likely costs over a period of time.

Next Steps

The following steps are recommended to ensure that the UAE remains compliant with prevailing legislation:

- Lift inspections
- Lightning Conductors
- Undertake any other inspection or tests which emerge from the LSBU EAE audit.

The following should be dealt with as soon as practicable:

- Lift inspections
- Establish current and historical costs for the district heating services ahead of the heating season.

An indicative list of activities and a programme have been included as Appendix B.

Appendix A

Property Conditions

Property is assessed and given a condition code of A, B, C, D. Condition codes of A and B reflect property in the best condition, whereas codes C and D reflect the need for planned or immediate action.

Occupant	NIA
Condition A	As new condition
Condition B	Sound, operationally safe, and exhibiting only minor deterioration
Condition C	Operational but major repair or replacement needed in the short to medium-term (generally 3 years)
Condition D	Inoperable or serious risk of major failure or breakdown

Table 2: Condition codes

Appendix B

Activity	July			August			September	
	Beginning	Middle	End	Beginning	Middle	End	Beginning	Middle
Term dates								
End of term 2017/18		◆						
Start of term 2018/19							◆	
Immediate Actions								
District Heating System		■						
As built drawings		■						
Fire Risk Assessment	■	■	■					
Fire Doors		■	■	■	■	■		
Firefighting and fire suppressant equipment		■	■	■	■	■		
Gas Safety		■	■	■	■	■		
Emergency Lighting Systems			■	■	■	■		
Fire Alarm Systems			■	■	■	■		
Review Water Risk Assessment			■	■	■	■		
Lifts inspections				■	■	■		
A/C and Extract Systems				■	■	■		
Gas Appliance Safety				■	■	■		
Fire Dampers					■	■		

Chart 1: Indicative activities and programme

South Bank Engineering UTC

Site

The South Bank Engineering UTC is situated to the south of Brixton town centre on Brixton Hill. The site is relatively flat with a slight fall across the site towards Brixton Hill. The site is bounded to the front by Brixton Hill, with Rush Common on the other side of the road. To the south is Horsford Road; and the Grade II* listed Corpus Christi RC church and the associated primary school. The rear of the site is bounded by the rear gardens of two/three storey residential properties in Torrens Road. To the north the site is bounded by Brixton Hill Court which comprises buildings of six storeys in height arranged around a central courtyard.

Building

The building has been developed on the site of Lambeth College, and emerged in response to an Education Needs Assessment. The ENA identified the importance of improving post-14 vocational education and training provision in Lambeth and providing high quality, modern training facilities. The construction activities are in two phases with the second phase still underway. The balance of the building has been occupied for less than twelve months. The building is well presented and where viewed the construction and fit out was of a high standard and used components of a recognised good quality.

The building has three occupants, the South Bank Engineering UTC, Lambeth College and Trinity Academy. The Trinity Academy is the leaseholder although this will revert to the Department of Education at the completion of Phase II.

Occupant	NIA (m ²)	Percentage
South Bank Engineering UTC	4,100	37.4
Trinity Academy	4,757	43.4
Lambeth College	2,108	19.2
Total	10,965	100

Table 1: Occupation split.

The building operational services are either provided by the occupiers or via arrangements with the Trinity Academy who organise some central services. The method for apportionment of these costs requires clarification¹.

Condition

The building was completed in September 2017 and no significant defects are apparent. On this basis the building can be considered to fall within property *Condition A – As new condition*². In the absence of any significant defects emerging the first maintenance intervention will take place in 2022³.

¹ A proportion of 37.5% is being applied to utility costs. This proportion is derived from the floor area.

² See Appendix A

³ See Appendix B

Maintenance Regimes

There are no maintenance regimes in operation. To date the building and its associated infrastructure has remained within its warranty period and as the construction contractor has remained on site while undertaking the second phase works they have been willing to deal with issues as they arise. Although this has not dealt with the issues of compliance it has ensured that major maintenance items or defects have been dealt with and that the building has remained in good repair.

There are a number of operational and compliance issues which should be addressed in the immediate future and these are summarised below:

- Air conditioning, ventilation and extract systems
- Boilers
- Emergency Lighting Systems
- Fire Alarm Maintenance and Testing
- Fire Safety Equipment (Dry risers, fire extinguishers, fire blankets etc.)
- Gas and gas appliance safety inspections
- L8: Legionella Risk Assessment and monitoring regime
- Lift inspections
- Lightning Conductors

These areas were identified from a high level assessment of the building and should not be considered an exhaustive list. A more detailed document is in preparation by Estates & Academic Environment.

Steps to attend to these issues should be prioritised to ensure that significant issues of non-compliance do not emerge.

Facilities Management Services

The Facilities Management Services are delivered via two contracts, one for cleaning and one for catering services. These contracts are shared with the UAE South Bank.

Contract	Contractor	Term	Value (plus VAT)
Cleaning Services	AIM Commercial Cleaning	1 year	<i>To be provided</i>
Catering Services	JPL School Catering	1 year	<i>To be provided</i>

Table 2: Service contracts.

The UTC have confirmed that these services are being performed satisfactorily.

Future Maintenance and Facilities Management Regimes

The UTC should establish a maintenance and FM strategy to cover these functions for the future. The service streams are as follows:

- Preventative and Planned Maintenance: Arrangements to cover the routine and reactive maintenance of plant and associated infrastructure. This could cover a number of statutory regimes. There would also be the opportunity to incorporate a general maintenance function and an emergency call out service.
- Cleaning Services: Arrangements to cover cleaning services. These contracts can frequently be augmented to provide logistic support or general maintenance services.

- Fire Alarm Systems: Depending upon the system it may either be preferable to use the manufacturer to service the system or to use a third party system maintainer. Third party maintainers may be more economic however consideration should be given to the availability of components, resource and technical knowledge which will usually be greater with the system manufacturer.
- Firefighting Equipment: There are numerous specialist companies which provide these services.
- Lift Maintenance: Specialist area which is covered by a number of manufacturers and specialist companies.
- Catering Services: Services provided a catering contractor.

When considering how best to procure these services consideration will need to be given to the following points:

- Use of LSBU framework arrangements to procure these services.
- Outsourced and/or self-delivered options? There are merits in both approaches and given the amount of discussion around self-delivered services establishing a clear rationale for the approach is important.
- Standalone or combined service contracts? There would be the opportunity to combine different service streams which may have an economic benefit and streamline management services but on the other hand may compound unsatisfactory service issues.
- London Living Wage? Does the trust wish to pay the London Living Wage (LLW) and if so what are the circumstances for its application and the payment of any increases. LLW is a significant expense but it has been argued that there are significant benefits to paying it including staff retention and wellbeing, and reputational benefits to the organisation. LSBU is committed to paying the LLW to those employed by third party providers as part of the FM arrangements.
- Co-operation with other parties? There are opportunities to collaborate with other members of the Trust or neighbouring institutions. This may offer economies of scale and contribute to a more resilient service (for example shared resources which can be redeployed across different sites).

In the longer term a Forward Maintenance plan will be required. The plan would give an indication of future maintenance interventions and the likely costs over a period of time.

Next Steps

The following steps are recommended to ensure that the UTC remains compliant with prevailing legislation:

- L8: To discharge all requirements for water hygiene
- Check and maintain all firefighting equipment and systems
- To ensure that the fire alarm system has been maintained and is fully operational
- Undertake any other inspection or tests which emerge from the LSBU EAE audit.

An indicative list of activities and a programme have been included as Appendix B.

Appendix A

Property Conditions

Property is assessed and given a condition code of A, B, C, D. Condition codes of A and B reflect property in the best condition, whereas codes C and D reflect the need for planned or immediate action.

Occupant	NIA
Condition A	As new condition
Condition B	Sound, operationally safe, and exhibiting only minor deterioration
Condition C	Operational but major repair or replacement needed in the short to medium-term (generally 3 years)
Condition D	Inoperable or serious risk of major failure or breakdown

Table 3: Condition codes

Appendix B

Activity	July			August			September	
	Beginning	Middle	End	Beginning	Middle	End	Beginning	Middle
Term dates								
End of term 2017/18		◆						
Start of term 2018/19							◆	
Immediate Actions								
Fire Risk Assessment	█							
Fire Doors		█						
Firefighting equipment		█						
Gas Safety		█						
Emergency Lighting Systems			█					
Fire Alarm Systems			█					
Water Risk Assessment			█					
Lifts inspections				█				
Boilers and Pressure Vessels				█				
A/C and Extract Systems				█				
Gas Appliance Safety				█				
Fire Dampers					█			

Chart 1: Indicative activities and programme

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Agenda Item 9

	CONFIDENTIAL
Paper title:	Safeguarding update
Board/Committee:	South Bank Academies Board
Date of meeting:	11 October 2018
Author(s):	School Principals
Sponsor(s):	Nicole Louis
Purpose:	For Review
Recommendation:	The Board is requested to review the reports.

Executive Summary

The School Principals have provided up to date reports on Safeguarding in the Academy and UTC. The Board is requested to review the reports.

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South Bank Academies Trust
Safeguarding Data

Name of Academy/School: UAE South Bank
Month/Year this related to: 2018/19

October 2018 Update						
Number of safeguarding cases currently dealing with		Number of cases/referrals made (2018/19)		Number of students with statements and care plans		Summary of Key Actions
Level 1	10	MASH	2	Currently on EHCP	12	PLP, assigned key worker, intervention in place
Level 2	4			EHCP agreed	12	(same as above.)
Level 3	6	Early Help	2	EHCP application stage	3	Khirm Igbinedion Rio Bent-Phipps – rejected going to appeal. Ayden Clarke
Level 4	5			EHCP yet to join school	TBC	

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South Bank Academies Trust
Safeguarding Data

Name of Academy/School: South Bank Engineering UTC
Month/Year this related to: Sept 2018

October 2018 Update						
Number of safeguarding cases currently dealing with		Number of cases		Number of students with statements and care plans		Summary of Key Actions
Level 1	6	MASH	0	Currently on EHCP	5	
Level 2	1			EHCP agreed	0	
Level 3	0	Early Help	0	EHCP application stage	0	
Level 4	1			EHCP yet to join school	0	

Summary of Key Actions and Comparison of Data with Previous Update
<p>2 students added to level 1 in September 2018. One due to involvement with the police and one due to a drug related disclosure</p> <p>4 removed from level 1 as they have left the school.</p> <p>1 student added to level 2. Work with agencies such as Social work and the Police is ongoing to determine the level of need. The student had good attendance and appears to be settled at the school. The UTC will be hosting the next meeting for this student.</p> <p>1 student still at level 4 and on a CP plan. This student has been on CP since she joined us. We await an update on a recent court hearing that occurred from social services.</p> <p>1 student on a Section 47 referral due to neglect and housing issues. A Case conference has been planned for 18th Oct 2018 by Lambeth Social Services to determine if a CP or CiN plan needs to be put in place.</p>

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	CONFIDENTIAL
Paper title:	UTC transitional funding
Board/Committee:	South Bank Academies Board
Date of meeting:	11 October 2018
Author(s):	Joe Kelly, Governance Officer
Sponsor(s):	Michael Broadway, Deputy University Secretary
Purpose:	For Information
Recommendation:	The Board is requested to note the transitional funding arrangements and associated conditions.

Executive Summary

South Bank UTC is eligible to receive additional, discretionary transitional funding from the Department for Education which is made available to UTCs in their early years to support their establishment and early development. The funding is up to £200,000 per annum and is subject to meeting annual conditions which are set by the Department.

In 2018/19 South Bank UTC will receive £193,438. This represents £200,000 minus £6,562 of PNA (Pupil Number Adjustment) owed to the ESFA.

The Board is requested to note the transitional funding arrangements and associated conditions.

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6 September 2018

Dan Cundy, Ian Brixey, Richard Flatman, Nicole Louise
South Bank Engineering UTC

By email

Dear Dan, Ian, Richard, Nicole,

Transitional funding for UTCs 2018/19

I am writing to you regarding transitional funding in 2018/19 and to set out the conditions attached to this year's funding.

Additional, discretionary transitional funding is issued to support UTCs in their early years as they establish themselves. The funding is up to £200,000. This funding is subject to meeting conditions each year, which are set by the Department.

The exact funding you receive each year will be net of any debts owed to the ESFA for pupil number adjustments (PNA) and/or advanced funding. As you will owe £6,562 of PNA to the ESFA in November 2018, you will receive £193,438 as additional funding in this year.

This is discretionary additional funding and this year's grant is subject to the trust agreeing to the following conditions:

- To work with an ESFA School Resource Management Adviser (SRMA) to be deployed to the UTC in Autumn 2018.
- Submit a three-year financial plan on the attached template, to the ESFA within six weeks of the SRMA sharing their final report, which reflects the SRMA's recommendations. This should demonstrate maintenance of a debt free position. This should also take into account repayment of any 2018/19 PNA, which can be estimated using the [PNA Calculator](#).
- To confirm in writing by October half term if you have at least one person on your local governing body that has recent secondary leadership experience. To provide their name and brief description of their experience. If you do not, to agree to have somebody in place by Easter 2019 at the latest and to send their information once they are.

The Department will review whether you have met the conditions for this year. Failure to meet any conditions will lead to the Department taking steps to recover the funding.

You will also continue to receive regular DfE education adviser (EA) visits as now. Following these visits, we expect all UTCs to write an action plan that addresses any issues the EA has identified, either added to your existing School Improvement Plan (SIP) or referenced from the SIP, so that governors can actively monitor progress with those

actions. Subsequent EA visits will include a focus on progress with SIP actions and impact on your UTC's self-evaluation form (SEF).

I would be grateful if the trust could confirm in writing that it is happy to accept the funding for this year on the basis of agreeing to the conditions above. Please write to me by no later than midday on Monday 1 October. Funding will then be paid in November as part of your monthly payment.

Please let me know if you have any questions regarding any of the above.

Kind regards,

A handwritten signature in black ink that reads "Will Day-Brosnan". The signature is written in a cursive, slightly slanted style.

Will Day-Brosnan
UTC Open lead

Mr Brendan Collins
Education & Skills Funding Agency
Great Smith Street
London
SW1P 3BT

2 August 2018

Dear Mr Collins

South Bank Academies Trust: Accounting & Internal Control Systems

Thank you for your letter dated 26 July 2018.

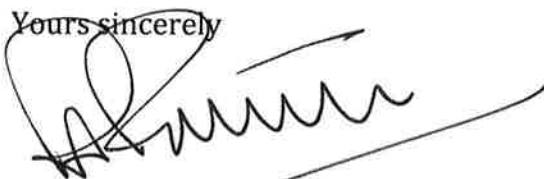
As noted in my letter dated 16 January 2018 to Mike Pettifer, the Board and Audit Committee of South Bank Academies Trust has taken the control breakdown experienced last year very seriously. A detailed action plan was agreed and has been monitored closely thereafter. A copy is enclosed as requested, which hopefully provides the assurance you are seeking that appropriate action has been taken; not just on the high priority actions but on all actions agreed.

A couple of actions are still outstanding as follows:

- High priority recommendation 7 – Land & Buildings
The target date has been extended because we have been advised to wait for the DfE to update valuations rather than to engage a surveyor ourselves. This is scheduled for Autumn 2018, and
- Medium priority recommendation 9 – LGPS Pensions
The work will be completed in accordance with the original deadline, i.e. before September 2018.

Other than as noted above, there are no unresolved matters.

Yours sincerely



Richard Flatman
Acting Chair of Trustees
South Bank Academies Trust

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High Priority

	Matter Arising	Management Response	Latest Update
1.	<p>Roles and responsibilities It was noted that there is a lack of clarity over individuals' roles and responsibilities within the finance team, particularly in respect of the accounting system, once the former finance manager had left the Trust.</p>	<p>Agreed. A monthly checklist will clarify responsibilities and ensure all accounting tasks are completed by month end. Roles and expectations will also be reviewed and training arranged as required. Training is planned for the end of January and further training will be organised as required.</p> <p>Target date: 31 Jan 2018</p>	<p>Roles and responsibilities now included in the Trust Financial Controls Policy.</p> <p>In addition, the month end checklist documents all month end tasks and who has completed them and this has been implemented.</p> <p>Staff at the Academy and the UTC have received training and their work is more closely supervised.</p> <p>Status: Closed</p>
2.	<p>Cash management Bank reconciliations were not performed during the year. This has resulted in material adjustments being required as prompted by auditors. As this work is being done long after the date of transactions, there is increased risk of misstatement and does not reflect timely bookkeeping or management.</p>	<p>Agreed. Bank accounts will be reconciled at least monthly and reconciling items investigated. The reconciliation will be independently reviewed by a member of the University Finance team.</p> <p>Target date: 31 Jan 2018</p>	<p>Bank reconciliations are up to date, now produced monthly and are reviewed by the University Financial Accountant.</p> <p>Status: Closed</p>
3.	<p>Accounting system Through discussion with management, and review of the financial data presented for audit, it is apparent that those in charge of the finance function are not fully conversant in PS Financials and inadequate training was provided.</p>	<p>Agreed. Roles and expectations of staff responsible for maintaining accounting records will be reviewed. Training is planned for the end of January and further training will be organised as required (recommendation 1). In addition members of the University Finance team will be trained in the use of PS Financials and we will consider buying additional consultancy services from the software supplier to use when further support is required.</p> <p>Target date: 28 Feb 2018</p>	<p>Some training has already taken place.</p> <p>Monthly bank reconciliations and closer scrutiny of transactions has led to an improvement in the quality of accounting records maintained on PS Financials.</p> <p>We are also in the process of recruiting a new Trust Business Manager and they will be tasked with assessing future training needs on an ongoing basis.</p> <p>Status: Good progress, training ongoing</p>

4.	<p>Management information It is clear from the information viewed that full management information has not been prepared and reviewed on a regular basis during the year.</p>	<p>Agreed: Management accounts will be circulated to Management each month and a schedule of LGB, Committee and Trust board meetings will make it clear which month's management accounts go to each meeting. Management accounts will include a balance sheet and a section reconciling figures to the ledgers.</p> <p>Target date: 28 Feb 2018</p>	<p>Management accounts are now produced monthly and are up to date.</p> <p>The accounts are produced directly from PS Financials so there is no need to reconcile to the General Ledger.</p> <p>Status: Closed</p>
5.	<p>Control accounts Control accounts are not being utilised properly, reviewed nor reconciled, such as net wages, PAYE/NI, pensions, trade debtors, trade creditors.</p>	<p>Agreed. A formal process will be put in place for the payroll to be signed off in line with the bank mandate before the payroll BACS are sent. Reconciliations will be completed monthly and be included on the monthly check list (recommendation 1). A formal process for recovery of overpayments will be put in place.</p> <p>Target date: 31 Jan 2018</p>	<p>A formal reconciliation of the payroll report with the postings as per the financial system is now carried out each month and reconciled with the payments made. This is done by carrying out checks before the payroll is finalised and after posting payroll transactions through control account reconciliations.</p> <p>Status: Closed</p> <p>If it is discovered that any staff have been overpaid, the Trust will follow processes established in the University to recover over payments.</p>
6.	<p>Supplier transactions The supplier ledger within PS Financials is not being utilised, and management have confirmed that they do not have a complete listing of liabilities as at 31 August 2017, with the year end position being ascertained based on post year end payment of physical invoices located.</p>	<p>Agreed. Payments to suppliers will only be made against invoices that have been entered on the accounting system. Outstanding and debit balances will be investigated and resolved monthly and statements will be obtained from key suppliers and reconciled at least every 3 months.</p> <p>Target date: 31 Mar 2018</p>	<p>Invoices are now being booked on the purchase ledger as they are received and payments can only be made against invoices recorded.</p> <p>Supplier payments are only made once posted to PS Financials and bank batches must be supported by a payments listing before authorisation.</p> <p>Further work to reconcile supplier statements is ongoing.</p> <p>Status: Closed (with further work reconciling supplier statements ongoing).</p>

7.	<p>Land and Buildings As at 8 January 2018 a 125-year lease for the land and buildings of UAE was made available to us as the external auditors. Being dated in August 2016, this represents a material prior year adjustment to recognise the long leasehold property controlled by the Trust, and this information should have been made available to us during the year.</p>	<p>We had already disclosed information regarding the lease to the auditors. We will obtain a professional valuation.</p> <p>Target date: 30 Apr 2018</p>	<p>We have been advised that we should wait for DFE to update their valuations. This takes place in the Autumn each year and should be available by the time the 2017/18 accounts are finalised.</p> <p>New target date: 31/10/2018</p>
8.	<p>Unidentified provisions Upon querying the accruals balance, there is an unsupported general provision for energy costs of £111,000, and unidentified accruals of £42,325. Total energy costs recognised within expenditure for the year however only amounts to £58k.</p>	<p>Agreed. Payments to suppliers will only be made against invoices that have been entered on the accounting system. Outstanding balances will be investigated and resolved monthly and statements will be obtained from key suppliers and reconciled at least every 3 months. At year end the reasons for accruals will be clearly documented.</p> <p>Target date: 30 Sept 2018.</p>	<p>Supplier payments on Lloyds now must be linked to a report from PS Financials to evidence that invoices being paid are supported by an authorised invoice on the system.</p> <p>Status: Closed</p> <p>Further work may however still be required at 2018 financial year end regarding old accruals.</p>
9.	<p>Related party transactions There is not an appropriate process in place whereby related parties and pecuniary interests of key management personnel are recorded on a timely basis.</p>	<p>There is a formal register of related parties maintained by the University Governance team.</p>	<p>This action has already been implemented by the Governance Team.</p> <p>Status: Closed</p>

Medium/Low Priority

Matter Arising		Management Response	Latest Update
1.	<p>Central recharges Where internal bank transfers are made, there is not always supporting documentation available.</p>	<p>Supporting documentation will be checked before any accounting entries are made, including receipts, payments and journals. The completion of regular internal recharges will be included on the monthly check list (recommendation 1) and bank Reconciliations will be completed and reviewed monthly (recommendation 2). Inter-company balances will be reconciled monthly and the Trust</p>	<p>Supporting documentation is now checked before any accounting entries are made. The completion of regular internal recharges is included on the monthly checklist and has been brought up to date. Bank and inter company account reconciliations are up to date. The Trust will consider reducing the number of bank accounts from 3 to 1 to simplify the accounting entries in future.</p>

		will consider reducing the number of bank accounts from 3 to 1 to simplify the accounting entries. Target date: 28 Feb 2018	Status: Closed
2.	Fixed asset register A complete fixed asset register was not available at the time of the audit	The register currently details IT equipment only. A full fixed asset register is being prepared. Fixed asset transactions and depreciation will be posted to the ledger monthly and reconciled to the fixed asset register. Target date: 31 Mar 2018	A more detailed fixed asset register has been created. This also includes an analysis of capital grants received to ensure that expenditure and depreciation is accounted for correctly. Status: Closed
3.	Expenditure vs budgets The budget for the year (as approved by Governors) had not been uploaded onto the PS Financials system. Therefore, the current financial position cannot be properly monitored or managed as compared to the budgets set.	Budgets will be loaded onto PS financials. Management accounts will be circulated to Management each month (recommendation 4) with variances to budget investigated and explained in the commentary. Target date: 28 Feb 2018	Monthly management accounts have been produced from December 2017 and variances investigated and commented on. Status: Closed
4.	Members and directors It was noted that the appointed members and trustee directors of the trust were not reflected accurately and on a timely basis at the getinformation-schools.service.gov.uk website (previously known as Edubase) - (the DfE's register of educational establishments).	We are in the process of updating the register to reflect the current position. We will update the register to show the new directors and governors. Target date: 31 Jan 2018	The register is now up-to-date. Status: Closed
5.	Payroll records As a result of the testing performed, an instance was noted where we could not locate a staff leaver's supporting documentation to confirm their leave date from UAE.	A formal process for checking starters, leavers and variations will be put in place and signed off before the payroll is finalised. A formal process will be put in place for the payroll to be signed off in line with the bank mandate before the payroll bacs are sent. Target date: 28 Feb 2018	A checklist and authorisation sheet are now in place and were used for the first time for checking and authorising the March Payroll. Status: Closed

6.	<p>Accruals based reporting The accounting records were being maintained on a cash accounting basis instead of an accruals and prepayments basis. A number of adjustments had to be processed to recognise the appropriate accruals, creditors and accrued income.</p>	<p>The monthly checklist and actions in response to high priority recommendations 6 (supplier transactions) and 8 (unidentified provisions) will ensure that management and year end accounts are prepared on an accruals basis.</p> <p>Target date: 30 Sept 2018</p>	<p>The monthly checklist has been implemented and good progress has been made against high priority actions 6 and 8.</p> <p>Status: Closed</p>
7.	<p>Agency staff The agency staff costs in the year of £587k is extremely high compared to other trusts, and indicates a potential staffing and budgeting issue which should be closely monitored.</p>	<p>A staff budget and recruitment strategy will be prepared as part of the 2018/19 budget process.</p> <p>Target date: 30 June 2018</p>	<p>The budget for 2018/19 has been approved by Board and includes agency staff costs of £273k.</p> <p>Status: Closed</p>
8.	<p>VAT receivable Throughout the account period, we note that only 2 VAT 126 returns have been processed and submitted. The UTC VAT balance per PS Financials is £56k overstated compared to the draft claim workings. The VAT balances have not been reconciled during the period.</p>	<p>VAT 126 returns will be prepared, reconciled to ledgers and sent to HMRC monthly. The monthly check list will evidence that this task has been completed.</p> <p>Target date: 31 Mar 2018</p>	<p>VAT returns have now been brought up to date and submitted to HMRC.</p> <p>Status: Closed</p>
9.	<p>LGPS pensions We identified discrepancies between the amounts showing on the actuarial reports for employer contributions received, and the trust records of employer contributions paid to the scheme.</p>	<p>We will review the documentation received by the actuaries and reconcile contributions paid to internal records, with discrepancies investigated and resolved directly.</p> <p>Target date: 30 Sept 2018</p>	<p>This will be completed before the agreed implementation date of 30 Sept 2018.</p>

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	CONFIDENTIAL
Paper title:	Public benefit statement
Board/Committee:	South Bank Academies Board
Date of meeting:	11 October 2018
Author:	Joe Kelly
Sponsor:	Michael Broadway, Deputy University Secretary
Purpose:	To note
Recommendation:	The Board is asked to note the guidance.

Executive Summary

As South Bank Academies is a charity, the directors of the company are also charity trustees.

Charity trustees must have regard to the Charity Commission's public benefit guidance in carrying out their duties.

As a charity trustee, 'having regard' to the commission's public benefit guidance means being able to show that:

- you are aware of the guidance
- you have taken it into account when making a decision to which the guidance is relevant
- if you have decided to depart from the guidance, you have a good reason for doing so.

For your information, the Charity Commission's guidance is provided [here](http://www.gov.uk/guidance/public-benefit-rules-for-charities):
www.gov.uk/guidance/public-benefit-rules-for-charities

In addition, the annual report and accounts for charities must contain a public benefit statement on how the charity has carried out its purpose for the public benefit and whether the trustees had 'due' regard to the commission's public benefit guidance when exercising their powers. The draft public benefit statement for South Bank Academies is contained in the annual report and accounts.

Please let the governance team know if you require any additional information.

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Public Benefit

South Bank Academies is an exempt charity within the meaning of the Charities Act 2011 and is regulated by the Secretary of State for Education on behalf of the Charity Commission.

Charity Commission guidance on Public Benefit

The members of the Board of Directors are the charitable trustees of the company. In undertaking its duties the Board of Directors has regard to the Charity Commission's guidance on public benefit.

Charitable objects

South Bank Academies receives the majority of its income from the Department for Education to provide educational services to children and to ensure a broad and balanced curriculum across its schools.

The charitable objectives of the company as set out in its articles of association are restricted to the following:

“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 schools offering a broad and balanced curriculum which includes provision for technical education”.

The company's objects are applied solely for the public benefit, as follows.

The company advances education for the public benefit by:

- establishing and running two academy schools which offer a broad and balanced curriculum. Both schools have an engineering focus and have provision for technical education;
- each school providing teaching to its students; and
- setting and marking assessments and giving feedback to students.

Beneficiaries

In carrying out its objects the company benefits its students and future students through teaching and learning activities.

The trustees affirm that the opportunity to benefit is not unreasonably restricted. The schools are committed to open, fair and transparent admissions arrangements and act in accordance with the School Admissions Code.

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	CONFIDENTIAL
Paper title:	School Advisory Board reports
Board/Committee:	South Bank Academies Board
Date of meeting:	11 October 2018
Author(s):	Alex Enibe, Governance Assistant
Sponsor(s):	Michael Broadway, Deputy University Secretary
Purpose:	For Information
Recommendation:	The Board is requested to note the reports

Executive Summary

The Board is requested to note the reports from the School Advisory Committees:

- University Academy of Engineering, 19 September 2018
- South Bank UTC, 4 October 2018 (to follow)

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Summary of LGB meetings

South Bank Engineering UTC LGB – 19 Sep 2018

The LGB discussed:

- The student recruitment update & financial implications. The UTC enrolled an additional 38 students at the beginning of the new academic year 2018/19. The increase will result in additional income of £222,000 and revised net surplus of £148,000.
- The examination results analysis. The LGB noted the strong performance in English and BTEC Engineering but that there is more work to be done to improve maths and computer science results. The Principal to prepare a response to the outcomes in the form of an action plan to improve students' outcomes.
- The school development plan. The focus areas of discussion were:
 - Offer an outstanding education with high academic standards in a technical context;
 - Recruit, develop and retain excellent staff;
 - Maintain financial sustainability; and
 - Foster strong and progressive partnerships.

The LGB requested that the Principal should prepare the school development plan and update the LGB at the next meeting on 7 November 2018.

- The health & safety / HR audit report. The LGB noted that there are a number of red risks and these should be addressed urgently.
- The governance update. The LGB noted that the SBA Board has approved a new governance model. Also, that the LGB committees will be discontinued, link governors appointed and the LGB will now be called School Advisory Board (SAB).

University Academy of Engineering, 4 October 2018 (to follow)

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