

Meeting of the South Bank Academies Board

4.00 - 6.00 pm on Thursday, 19 July 2018
in 1A01 Board Room - 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 meetings <ul style="list-style-type: none"> • 22 March 2018 • 15 June 2018 	3 - 10	RF
4.	Matters arising <ul style="list-style-type: none"> • 22 March 2018 	11 - 12	RF
Items to discuss			
5.	CEO's Report	13 - 16	NL
6.	Governance <ul style="list-style-type: none"> • Change proposals – governance models • Report on UTC 	To Follow	NL
7.	Management accounts	17 - 22	NF
8.	Consolidation of bank accounts	Verbal Report	NF
9.	Budget 2018/19 and forecasts	23 - 34	NL
10.	Safeguarding update	35 - 40	NL
Items to note			
11.	Local Governing Body minutes	41 - 42	

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

Members: Richard Flatman (Vice-Chair, in the Chair), Adam Crossley, Tony Giddings, Nicole Louis, Richard Parrish, David Phoenix and James Stevenson

Apologies: Douglas Denham St Pinnock and Lesley Morrison

In attendance: Joe Kelly and Michael Broadway

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**Minutes of the meeting of the South Bank Academies Board
held at 4.00 pm on Thursday, 22 March 2018
University Academy of Engineering - Trafalgar Street, London SE17 2TP**

Present

David Phoenix (Chair)
Rao Bhamidimarri
Adam Crossley
Douglas Denham St Pinnock
Nicole Louis
Lesley Morrison
Richard Parrish
James Stevenson

Apologies

Richard Flatman
Tony Giddings
Michael Broadway

In attendance

Natalie Ferer
Joe Kelly

1. Welcome and apologies

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

2. Declarations of interest

The Chair declared an interest in the governance review discussed at minutes 5 and 12. No other directors declared any conflict of interest on any item on the agenda.

3. Minutes of last meeting

Minutes of the following meetings were approved:

- 12 January 2018 – Joint meeting of South Bank Academies Audit Committee and Board.
- 16 January 2018 – sub-committee meeting to approve accounts.

4. Matters arising

The meeting noted the matters arising from the meeting held on 12 January 2018.

5. Chair's business

Rao Bhamidimarri and Nicole Louis left the meeting

The Chair noted that the CEO's retirement created a vacancy for a trustee / director. Under clause 50A of the articles of association, the University sponsor may appoint up to 5 trustees / directors. To address current Board skills needs, particularly in brand marketing and recruitment of students and staff, the Chair proposed LSBU's Chief Marketing Officer (CMO), Nicole Louis. The Board welcomed the appointment of Nicole Louis as a trustee / director.

The Chair informed the Board that the CEO had requested to step down early from his post on 15 April 2018. The Chair proposed that LSBU's CMO act as Interim CEO (part-time to be agreed) until the role can be filled on a permanent basis. The Board approved the appointment of Nicole Louis as Interim CEO subject to a time limit of 31 December 2018.

The Chair noted that the CEO is currently the Accountable Officer for SBA. Subject to ongoing discussions with DfE, the LSBU Vice Chancellor will become the Accountable Officer for the LSBU Group during the period SBA has an interim CEO. As Group Accountable Officer, there would be a conflict of interest with his current role as Chair of SBA. It was proposed that the LSBU Vice Chancellor step down as Chair and be appointed as Interim Accountable Officer. The Board approved the proposal.

The Board requested that a note be circulated to the Board inviting nominations for Chair to the Secretary.

The Chair reported that James Stevenson would be resigning as a trustee / director.

Rao Bhamidimarri and Nicole Louis re-joined the meeting

6. CEO's Report

The Board discussed the CEO's report.

The Board noted that the MAT Business Manager had resigned and had left on 2 March 2018. The Board noted that roles and responsibilities for business managers in the MAT and schools are being reviewed in the context of LSBU group shared services.

The Board noted that improvements in financial record keeping, procedures and controls were progressing. Management accounts to the end of December 2017 will be presented later in the meeting and further monthly management accounts will be circulated to the Board before the next meeting.

The Board noted the challenges faced by the UTC in relation to curriculum and recruitment. The Board agreed to discuss strategic options at a strategy day for trustees / directors and local governors in May 2018.

The Board noted the UTC management responses to the Safeguarding report (January 2018), and that the UTC Principal and Vice Principal have been invited to the Audit Committee meeting on 30 April 2018 to discuss Safeguarding.

The Board noted that both schools are preparing their first cohort of students for national exams and that additional tutoring is available for students.

The Board noted that mock Ofsted inspections are commissioned termly. The inspection reports will be sent to the Principals and the Board.

The Board requested that the LSBU Health and Safety team do an audit of both schools. The audit report will be discussed at the Audit Committee meeting on 30 April 2018.

7. Safeguarding report

The Board discussed the Safeguarding reports. The Board noted the difference between the number of cases at the UTC and the Academy and requested that the MAT ensure a consistent approach to the definition and understanding of safeguarding levels.

The Board asked the Audit Committee to review the reporting requirements for Safeguarding at Board level.

8. KPI report

The Board reviewed the KPI report.

The Board noted inconsistencies in school reporting, e.g. Student Progress, Attainment and Success, and requested a consistent MAT approach.

The Board requested a review of the KPIs for the next school year, 2018/19.

9. Audit Committee minutes

The Board discussed the Audit Committee minutes.

The Board noted the updates on external audit actions and plans for an independent internal auditor. The Board noted that a review of roles and responsibilities in the MAT and schools will address the capacity necessary to embed the financial control processes.

The Board noted that PwC has been invited to submit an internal audit proposal for the MAT which will be considered by the Audit Committee.

10. Management accounts

The Board discussed the management accounts to 31 December 2017.

The Board noted that accounts to the end of March 2018 will be available by the end of April and that significant work was still required on reconciliations. The Board requested that updated accounts be circulated to the Board before the next meeting. The Board requested that the Audit Committee address any areas of concern at its meeting on 30 April 2018.

The Board queried a forecast surplus of £805k. The CEO reported that an initial £2M set up grant for specialist equipment at the UTC continued to be paid into the MAT general account. The Board requested that processes be put in place to provide accurate financial forecasting.

11. UTC update

The Board noted the UTC update, including a letter dated October 2017 from ESFA regarding transitional grant conditions. A draft lease for 124 years would be sought from the Department of Housing, Communities and Local Government as the direct landlord.

12. Governance review (internal)

The Board discussed the governance review.

The Board noted the proposal to review SBA sub-committees. The Board noted that the SBA audit committee function would continue as part of the SBA Board meetings until such times as financial processes and controls were working at the required level.

The Board noted the proposal to streamline operations by using LSBU Group shared services would enhance the capacity of the SBA Executive Team.

The Board agreed that school Principals should only attend Board meetings on a specific invitation.

The Board agreed to discuss the governance review at its strategy day in May 2018 and requested a definition of the Board and LGB roles and responsibilities at its next meeting. In principle, the Board approved the closure of the LGB sub-committees.

13. DfE governance effectiveness review scope

The Board noted the current DfE governance effectiveness review.

The Chair noted the engagement of the DfE in the review of UTC and MAT governance in the context of the LSBU Group. The Board requested that the DfE's recommendations be included as part of the strategy day agenda in May 2018.

14. Local Governing Body reports

The Board noted the reports from the local governing bodies.

**Date of next meeting
4.00 pm, on Friday, 15 June 2018**

Confirmed as a true record

..... (Chair)

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**Minutes of the meeting of the South Bank Academies Board
held at 10.00 am on Friday, 15 June 2018
1B16 - Technopark, SE1 6LN**

Present

Richard Flatman (Vice-Chair, in the Chair)
David Phoenix
Douglas Denham St Pinnock
Nicole Louis
Richard Parrish (by phone)

Apologies

Adam Crossley
Tony Giddings
Lesley Morrison
James Stevenson

In attendance

Joe Kelly

1. Welcome and apologies

The Chair welcomed members to the meeting.

The above apologies were noted.

2. Declarations of interest

No member declared a conflict of interest in the agenda item.

3. John Ruskin College - case for acquisition

The Board discussed LSBU's response to John Ruskin College's (JRC) invitation to tender (ITT).

The Board noted that the ITT was presented for information, Board input, and consideration of next steps.

The Board noted JRC had entered a Structure and Prospects Appraisal process to seek a partner organisation and strengthen its future viability. The Board noted financial challenges that on initial appraisal were judged to be manageable, and that full due diligence checks would be undertaken if LSBU is selected as the preferred partner. The Board noted the indicative timeframe for completion of January 2019.

The Board noted that JRC offered strong management and leadership, and aligned with the ethos of SBA MAT offering teaching and curriculum complementarity, particularly with the UTC. The Board noted that JRC's

location, while presenting some potential travel challenges, would offer opportunities for student recruitment in addition to those offered by the UTC and Academy. The Board noted JRC had significant assets covenanted for educational purposes.

The Board expressed its strong support of the application and subsequent next steps. The Board requested an update on LSBU's presentation (18 June 2018) and the formal SPA (19 June 2018).

[Secretary's note: LSBU was not selected as the preferred partner for John Ruskin College.]

**Date of next meeting
10.00 am, on Thursday, 19 July 2018**

Confirmed as a true record

..... (Chair)

**SOUTH BANK ACADEMIES BOARD - THURSDAY, 22 MARCH 2018
ACTION SHEET**

Agenda No	Agenda/Decision Item	Action	Date Due	Officer	Action Status
6.	CEO's Report	Send last H&S report to governance team		Rao Bhamidimarri	On agenda – CEO report
		LSBU H&S team to do audit of both schools		Nicole Louis	Completed
		Mock Ofsted inspection reports to be sent to the Principals and the Board		Rao Bhamidimarri, Nicole Louis	Completed
		Circulate monthly Management Accounts to Board as they become available		Natalie Ferer	Completed

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	CONFIDENTIAL
Paper title:	Chief Executive's Report
Board/Committee:	South Bank Academies Board
Date of meeting:	19 th July 2018
Author:	Nicole Louis, Interim CEO
Purpose:	For review and discussion

South Bank Academies Trust

1. Following a DfE governance review of the UTC and the Trust, a recommendation on a future governance model has been developed for review by the SBA Board. Consideration has been given to the recommendations made by the DfE, models existing at other MATs and consultation with school Principals, representatives from each LGB and LSBU group executives.
2. The Trust has received 2 resignations from LGB members, one from each school board and these positions will need to be replaced as part of the governance action plan following confirmation of the future operating model.
3. The UAE reported a break in UKVI (Tier 2 visa) compliance linked to the appointment of an overseas teacher in 2017. Action has been taken to normalise the position following legal advice provided by Judicium and Eversheds.
4. The UAE reported a break in recruitment compliance linked to the appointment of ~20 school staff in A/Y 2017/18 who had not been issued with employment contracts. Action has been taken to normalise the situation and contracts have now been issued.
5. The annual Health and Safety inspection has taken place at the UTC through 3rd party provider Judicium with the report expected imminently. Supported by LSBU, the Trust has commissioned additional reviews covering H&S, human resources, building maintenance and supplier contracts with reports expected end July. It is anticipated that a number of priority actions identified in the January 2018 annual H&S audit at the UAE remain outstanding and will need to be addressed as high priority.
6. With regards to GDPR compliance, the Trust has made arrangements for the role of Data Protection officer to be provided by 3rd Party Judicium who will provide services to support the school ensuring GDPR compliance.
7. An LSBU led steering group has completed development of a comprehensive student engagement programme for each school with the substantive range of activities commencing from September 18. Each programme is comprised of four stands including; Academic Enrichment, Raising Aspirations, Skills Development and sharing of Academic Resources. The programme will be supported by LSBU academic staff, outreach professionals and student ambassadors.
8. The Trust continues to receive support from the university's Financial Controller and an interim accountant and over recent months. Standard financial processes such as the provision of management accounts have resumed. Both schools are expected to close out the current year generating a surplus. Three year financial forecasts have been prepared for review by the SBA Board before submission to the ESFA. The Trust has recently finalised the appointed a permanent Business Manager who joins October 1 2018.

University Academy of Engineering (UAE)

Preparation for Exams

9. In 2017/18 the school implemented a number of interventions to prepare student for final examinations (Year 13 only) and identify predicted grades for current year 10 students who will compete GCSEs next year. Interventions for year 13s included extra maths tuition from an external tutor, extra individual support for BTEC engineering students and for all other subjects, intervention lessons with subject teachers through to final exams rather than grant students study leave.

Student Outcomes

10. The first set of external examinations for the cohort of 21 year 13 students included 7 A levels exams and a BTEC in Engineering. For A Levels, the prediction, based on mock examination results and course work for relevant subjects is for a value add score (L3VA) of 0.11. Predicted performance across the 7 A Level subjects is mixed with negative value add predicted for Product Design, Computer Studies and Physics. It is important to note that all but one A level subjects have tiny cohorts of between 1 and 3 students with only mathematics which applied to 9 students.
11. The Extended BTEC in Engineering is a Technical Baccalaureate and as such does not have standard methodology for predicting value add. A sample of students' work is sent to the examination board (Pearson's) for moderation and the feedback from moderation has been positive, with a particular focus on the quality of the work and the industrial links that have been formed. All students are predicted to achieve either merits or distinctions.

Student Recruitment

12. Applications are ahead of prior year for both entry points and the school is anticipating being full in year 7 and achieving a similar number of entrants for year 12.

	<u>Apps 2017</u>	<u>Enrol'd 2017</u>	<u>Apps 2018</u>	<u>Budget 2018</u>
Year 7	130	127	151	150
Year 12	41	36	61	35* (Expected to be higher)

Development

13. Plans have been approved for two capital funded school improvement projects including an expansion of the school dining facilities and the conversion of a hard surface play area to a multi-purpose games area (MUGA) through the overlaying of artificial grass. This will significantly enhance the school's sports provision.

University Technical College

Preparation for Exams

14. In 2017/18 the school implemented a number of interventions to prepare student for final examinations in Years 11 and 13. Interventions included external tutors in English, maths and sciences for GCSE for A level additional Yipiyap tuition supporting small group withdrawal for Year 11 and in-class support for Year 13, and wider initiatives aimed at promoting wellbeing and student welfare, with a breakfast provided free of charge for Year 11 and 13 students

Student Outcomes

15. The first set of GCSE outcomes are predicted to achieve a likely Progress 8 score of +0.36 which would place the school in the top 19% of schools nationally, and an Attainment 8 score of predicted at 50.7 versus 46 nationally (2017). The predictions are determined through a data analysis package which outlines Attainment 8 and Progress 8 comparators based on most recent professional prediction data.

16. Year 13 predicted outcomes are also positive according to the most recent data collection based on professional predictions. All A levels are predicting 100% pass (E+) rate, with all subjects other than physics at least on target for higher grades.

Student Recruitment

17. Applications and acceptances for year 10 are slightly above prior year but below for year 12. However this September the school will have its first internal intake into year 12 which means the sixth form and the school overall is expected to grow. The school is currently anticipating a total school roll of 231 in September in contrast to an ESFA funding allocation based on 184. The school is supporting recruitment with keep warm activities including taster days during the last weeks of term, a sixth form scholarship programme for Year 12 and regular communications during the school holidays.

Figures based on June 2017 v June 2018

	<u>Apps 2017</u>	<u>Sept Enrol'd 2017</u>	<u>Apps 2018</u>	<u>Predicted 2018</u>
Year 10	50	54	58	45
Year 12	176	57	128	85*

*Including internal entrants

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Agenda Item 7

Paper title:	May Management Account
Board/Committee	South Bank Academies Board
Date of meeting:	19 July 2018
Author:	Michael Okelola, Interim Accountant
Purpose:	To Note
Recommendation:	The Board is requested to note the attached management accounts and commentary

Summary:

The consolidated 2017/18 - year to date financial position for Academies Trust shows a surplus of £208k which is on budget.

The forecast full year out-turn is for a surplus of £289k which represents 3.5% of income. This full year position is being used as a starting point for the Trust's budget and 3 year plan being submitted to ESFA. It is forecast that the Trust will be holding £2m in the bank and the budget at 31/8/18

	YTD £'000			Full year £'000		
	Actual	budget	Variance	Forecast	Budget	variance
Income	5,180	5,013	166	6,812	6,647	165
Staffing cost	3,321	3,144	(177)	4,356	4,179	(177)
Operating Expenditure	1,650	1,661	12	2,168	2,117	(51)
Total expenditure	4,971	4,806	(165)	6,524	6,296	(228)
Surplus/(Deficit)	208	207	1	289	350	(61)

Background

The report attached shows the financial position for the periods from September 2017 to May 2018.

The Trust has taken necessary steps to ensure all income and expenditure are accurately recorded in the accounting system and timely management accounts produced, by introducing measures to improve financial controls and procedures with most of these new procedures in place since January 2018. Overall, the improvements in financial controls and procedures will provide assurance needed, that the accounting records at period end give a true and fair reflection of the financial position of the Trust.

Academy

The year to date financial position for University Academy of Engineering shows a surplus of £208k against a budget surplus of £340k. This is primarily due to overspend against budget on staffing and lower than expected catering and other income. The full year forecast is for a small surplus of £91k, a variance of £413k against budget.

Staffing cost spend to date is £2,287k compared to budget of £2,154k, representing an overspend of £132k. The overspend is as a result of agency teaching staff and support staff to cover vacancies and absence. Agency staffing cost for the rest of the year is not expected to be as high as it was in the first part of the academic year.

Operating expenses year to date shows an underspend of £57K compared to budget; this is mainly due to higher than expected budget for fixed assets and acquisitions and non-IT equipment cost, some of which will be reclassified as capital at year end. Other cost that impact the YTD figures includes, central management cost between the UAE and Trust included in the budget not charged until the end of the year.

UTC

The year to date financial position for South Bank Engineering UTC shows a surplus of £139k against a budgeted deficit of £61k. The full year forecast is a surplus of £130k against a budgeted deficit of £59k.

Forecast income for the year is higher than budget due to the additional £200k UTC transition funding with both staffing and other operational expenditure are in line with the full year budget. The full year surplus is before depreciation charge for the year

The ESFA one-off capital grants for the UTC establishment is not included in the income and expenditure data presented above as they are taken directly to reserves in the accounts, to be offset against associated capital expenditure. For this reason, there is also no depreciation charged as all assets purchased for the UTC are grant funded with depreciation charged directly to reserves.

Staffing cost spend to date is £805k compared to budget of £917k, representing a slight underspend of £23k. Agency staffing cost is tapering off and the full year agency staffing cost is expected to be well below the budgeted cost of £65k. Overall, staffing cost is expected to be close to budget for the full year .

Operating expenses YTD is £402k compared to budget of £424k, representing a £22K underspend. It is expected that operating expenses will be slightly below budget for the full year.

Capital Grant for UTC (one-off)

Total capital grant funding for the UTC is £1,560k and amount received to date from the ESFA is £1,158k (excl. VAT) to offset spend to date of £1,214k.

The remaining budget for FF/SE and IT is £272k and £80k respectively. However, there also commitments of approximately £42k and other contract quotes that further reduce amount remaining to spend by £150k.

	Capital Fund Amount	Spend to Date	Remaining Budget
Fixture Furniture / Specialist Equipment	£1,098,000.00	£826,000.00	£272,000.00
IT	£468,000.00	£388,000.00	£80,000.00
Total	£1,566,000.00	£1,214,000.00	£352,000.00

Recommendation

The board is requested to note the attached management accounts and commentary.

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May 2018 - Consolidated Management Accounts

	Consolidated												
	CURRENT PERIOD				YTD TOTALS				FULL YEAR			SPENT	
	PY Actual	Actual	ACA BUDGET 17-18	Variance	PY Actual	Actual	ACA BUDGET 17-18	Variance	PY Actual	ACA BUDGET 17-18	Forecast	(%)	
Income													
A0 - GAG funding	96,546	459,496	515,648	- 56,152	4,283,355	4,639,988	4,753,986	- 113,998	4,641,365	6,300,928	6,186,930	77.46 %	
A2 - Other Govt Grants	-	7,875	10,000	- 2,125	30,098	415,214	90,000	325,214	66,094	120,000	445,214	346.01 %	
A3 - Private Sector Funding	-	716	-	716	-	716	-	716	115,525	-	716	-	
A4 - Other Income	4,983	7,410	18,868	- 11,459	216,082	124,513	169,812	- 45,299	92,002	226,419	181,120	54.99 %	
Total Income	101,529	475,496	544,516	- 69,020	4,529,535	5,180,431	5,013,798	166,633	4,914,986	6,647,347	6,813,980	80.80 %	
Expenditure													
Staffing Expenditure													
B0 - Teaching Staff	147,870	216,654	232,633	15,979	1,216,479	1,944,771	2,133,704	188,933	1,642,962	2,831,603	2,642,670	68.68 %	
B1 - Educational Support Staff	21,700	54,358	29,262	- 25,096	187,444	422,148	263,358	- 158,790	156,951	351,144	509,934	120.22 %	
B2 - Premises Staffing	6,803	7,171	6,056	- 1,115	61,246	48,190	54,498	6,308	78,876	72,666	66,358	66.32 %	
B3 - Admin Staffing	35,350	61,828	45,930	- 15,898	266,494	452,781	413,370	- 39,411	623,335	551,160	590,571	82.15 %	
B5 - Agency Staff	29,259	46,867	31,025	- 15,842	381,547	453,658	279,233	- 174,425	586,631	372,508	546,933	121.78 %	
Total Staffing Expenditure	240,981	386,877	344,906	- 41,971	2,113,209	3,321,549	3,144,163	- 177,386	3,088,755	4,179,081	4,356,467	79.48 %	
Other Expenditure													
C0 - Maintenance of Premises	11,643	14,073	12,020	- 2,053	247,534	274,599	108,180	- 166,419	164,241	144,240	310,659	190.38 %	
C1 - Other Occupational Costs	5,734	6,628	30,010	23,382	205,596	246,537	276,096	29,559	252,817	366,123	336,564	73.94 %	
D0 - Educational Supplies and Services	14,849	35,630	52,188	16,558	212,976	360,856	469,708	108,852	283,781	626,271	517,419	57.62 %	
E0 - Other Supplies and Services	12,456	32,867	51,389	18,522	549,979	618,083	752,057	133,974	483,760	906,220	772,246	68.20 %	
F0 - ICT Costs (Non Capital)	902	2,349	-	- 2,349	19,198	43,143	-	- 43,143	41,643	-	43,143	-	
G0 - Staff Development	4,167	4,614	6,251	1,637	70,956	79,828	56,251	- 23,577	83,413	75,004	98,581	106.43 %	
H0 - Other GAG Expenses	- 43	18,379	-	- 18,379	195	26,972	-	- 26,972	45,469	-	26,972	-	
IO - Depreciation	-	-	-	-	-	-	-	-	262,685	-	62,781	-	
Total Other Expenditure	49,707	114,539	151,858	37,319	1,306,432	1,650,017	1,662,292	12,275	1,526,871	2,117,858	2,168,364	76.93 %	
Total Expenditure	290,688	501,416	496,764	- 4,652	3,419,642	4,971,566	4,806,455	- 165,111	4,615,627	6,296,939	6,524,831	78.30 %	
Surplus / (Deficit) excl. Capital	- 189,159	- 25,919	47,752	- 73,671	1,109,893	208,865	207,343	1,522	299,360	350,408	289,149		

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	CONFIDENTIAL
Paper title:	South Bank Academies Revised Budget 2018/9
Board/Committee:	South Bank Academies Board Meeting
Date of meeting:	19 July 2018
Author:	Natalie Ferer, Financial Controller, LSBU
Sponsor:	Nicole Louis, Interim CEO
Purpose	To approve
Recommendation	The Board is requested to approve the 2018/19 budget and 3 year financial plan.

Executive Summary

This paper sets out draft budgets for the South Bank Academies Trust as a whole and individual budgets for the Engineering Academy, UTC and central Trust expenditure. Income is based on ESFA estimates and, where actual student numbers differ, a budget revision will be brought to the board in the autumn term.

Income is budgeted to increase by 14.2% compared to 2017/18 as a result of increases in student numbers in both schools. Increases in both pay and non-pay expenditure result from increased student volumes, broadening of the curriculum as the schools expand and teaching and learning initiatives. Overall the draft budget is for a small surplus of £271k which represents 3.5% of income. A proportion of surpluses will be available for investment in the schools later in the year, as shown below under capital.

Academy

Income is budgeted to increase by 25% from a forecast of £4.8m in 2017/18 to £6.0m in 2018/19 and this reflects increases in GAG income, other government grants and catering income. GAG income is based on the ESFA estimate of 540 pupils in years 7-11 and 57 16-19 pupils. It assumes that the proportion of pupil premium funded students remains the same as in 2017/18 and on 10 students receiving £12,500 annual top up funding each. Other income is for catering and is offset against catering expenditure.

Staff costs increasing overall from £2.9m to £4.0m. Around 5% of this increase is due to staff moving up pay scales and for pay awards where an allowance of 2% has been included in the budget.

Teaching pay cost increases is volume related driven by an increase in students of 26%, with a correspondingly larger increase in SEN numbers which attract greater funding. There are also increases in staffing, such as the performing arts assistant and the careers leader, which are necessary as the school will have a year 11.

Increase in educational support staff is largely due to an increase in the numbers of students with EHCP's (which come with additional funding), support for students taking GCSEs and for support for progression to further education, apprenticeships and university. Also budgeted is the appointment of a specialist isolation manager, a role previously undertaking by Community Managers.

There is some increase in administrative staffing due to the higher workload of a larger school. This includes an examinations officer and a careers leader an enrichment manager and enrichment administrator.

Educational supplies and services

It is budgeted that the school will have to spend on tutoring to support individual students as they prepare for their GCSE examinations. We have also planned for an increased A level offer in the sixth form once the year 11 move into year 12. Heads of Department will be purchasing resources to deliver new A levels from this budget. Department budgets for consumables have also increased in line with the increase in student numbers. There is also a significant increase in the budget for examinations as we will be running a full programme of GCSE's examinations next year.

Other Operational Expenditure

Other non-pay spend is based on current year spend and contracts, adjusted for increases in pupil numbers. Contribution to central services cost is calculated at 3.5% of Income. The detail of the non-pay budget will be refined early in the autumn term.

UTC

The draft budget presented below returns a surplus of £2k, which is almost break even. The higher pupil number scenario returns 2.1% of income as a surplus.

Income

Two scenarios are considered for pupil numbers of 184 and 207. Although pupil numbers of 207 is thought at present to be realistic, the budget considered here is based on 184 and a budget revision proposed in October if confirmed enrolled

students are higher. Also included is start-up funding of £200k. Other income is catering receipts which are offset against catering spending.

Pay costs

The staffing budget assumes staff numbers remain the same and include an allowance for staff appraisal/scaling relating pay increase and a pay award. An allowance of £50k for growth has been included for the school to decide how this will be spent. On costs includes employers NI and pension, with the same level of pension scheme membership continuing.

These is no increase in headcount, just incremental drift and cost of living.

Non pay costs

Non pay expenditure reduces as expenditure funded from start-up grants is not included in 2018/19 or subsequent years. Plans for non-pay expenditure in the UTC will be further refined once pupil numbers are confirmed.

Trust.

Central Trust costs are budgeted to be no more than 3.5% of school income. Pay costs include the cost of two staff; the Trust Business Manager and an Administrator. Agency costs are to cover the Interim Financial Accountant for the first two months of the year until the Business Manager is in post.

Non pay expenditure includes professional fess such as audit and clerking, advertising and professional development for School Leaders.

Not included in this budget is the value of services donated by the University. These total £180k per year includes the following posts

Contribution	Role	FTE
Executive	Acting CEO	0.4
	Academic Business Partner & Programme	
Management	Lead	0.5
Management	Estates and Resources Business Partner	0.2
Management	Finance Controller	0.2
Management	HR Business Partner	0.2
Delivery	Outreach Programme Activity Delivery	0.4

Capital and Deprecation

A budget for capital replacement and deprecation is being prepared at Trust level and equipment purchase or replacement has not been included in the revenue budget presented here. A capital expenditure and reserves policy for the Trust will be prepared and brought to the Trust in due course.

Cashflow

At 31/8/18 it is forecast that the Trust will be holding £2m in the bank and the budget and 3 year plan presented here will result in that balance being maintained at the next 3 year ends. The cashflow forecast will be refined once a capital expenditure and reserves policy has been formulated.

3 year plan

In line with ESFA requirements, a 3 year plan is presented here for approval.

Income is based on a projection of student numbers prepared by each school. Pay costs are increased in years 2 and 3 by 5% to represent incremental increase and cost of living awards. Non pay costs have been uplifted by 2% to reflect inflationary increases. Projections are prudent in order to achieve around a 3.5% surplus for each year.

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	Draft Budget 2018/19					2017/18 May Forecast
	UAE	UTC	MAT	Consolidation Adjustment	Consolidated	
INCOME						
A0 - GAG funding	5,830,856	1,473,771	254,976	- 254,976	7,304,627	6,186,930
A2 - Other Govt Grants	118,035	200,000			318,035	445,124
A3 - Private Sector Funding					-	716
A4 - Other Income	114,835	45,000			159,835	181,120
TOTAL INCOME	6,063,726	1,718,771	254,976	- 254,976	7,782,497	6,813,890
EXPENDITURE						
Staffing Expenditure						
B0 - Teaching Staff (plus 1% cost of livir	2,468,911	931,895			3,400,806	2,642,670
B1 - Educational Support Staff	827,649	248,598			1,076,247	509,934
B2 - Premises Staffing	63,535				63,535	66,358
B3 - Admin Staffing	387,900	111,162	131,300		630,362	590,571
B4 - Other Staff (support staff overtime	82,947				82,947	
B5 - Agency Staff /Contingency staffing	205,000	55,000	13,000		273,000	546,933
Total Salaries Expenditure	4,035,942	1,346,656	144,300	-	5,526,898	4,356,466
Non-Staffing Expenditure						
C0 - Maintenance of Premises	100,500	-			100,500	310,659
C1 - Other Occupational Costs	230,285	76,500			306,785	336,564
D0 - Educational Supplies and Services	596,700	95,300	7,300		699,300	517,419
E0 - Other Supplies and Services	654,695	175,911	83,500	- 254,976	659,130	772,246
F0 - ICT Costs (Non Capital)	42,000		4,000		46,000	43,143
G0 - Staff Development	80,300	7,500	14,500		102,300	98,581
H0 - Other GAG Expenses /Contingency	-	15,000			15,000	26,972
I0 - Depreciation	55,000	-			55,000	62,781
Total Other Expenditure	1,759,480	370,211	109,300	- 254,976	1,984,015	2,168,365
TOTAL EXPENDITURE	5,795,422	1,716,867	253,600	- 254,976	7,510,913	6,524,831
Surplus / (Deficit) excl. Capital	268,304	1,904	1,376	-	271,584	289,059
suplus as % of income	4.4%	0.1%			3.5%	4.2%
Pay costs as % of income	66.6%	78.3%			71.0%	63.9%
Calculation of management charge						
central management recharge						
at 3.5% of GAG income	204,079.96	50,895.99				
		254,975.95				



Create your future

University Academy of Engineering

Draft Budget

May Forecast

2018/2019

2017/18

Pupil numbers

ESFA estimate 697

Actual 554

Income

A0 - GAG funding	5,830,856	4,695,453
A2 - Other Govt Grants	118,035	61,366
A4 - Other Income	114,835	95,263
Total Income	6,063,726	4,852,082

Expenditure

Staffing Expenditure

B0 - Teaching Staff	2,431,802	1,855,284
B1 - Educational Support Staff	827,649	331,149
B2 - Premises Staffing	63,535	62,105
B3 - Admin Staffing	387,900	338,520
B5 - Agency Staff /contingency staffing cost	205,000	405,034
Total Staffing Expenditure	4,035,943	2,992,092

C0 - Maintenance of Premises	100,500	294,793
C1 - Other Occupational Costs	230,285	258,886
D0 - Educational Supplies and Services	596,700	345,102
E0 - Other Supplies and Services	654,695	673,672
F0 - ICT Costs (Non Capital)	42,000	39,711
G0 - Staff Development	80,300	79,522
H0 - Other GAG Expenses		15,730
I0 - Depreciation	55,000	60,614

Total Other Expenditure	1,759,480	1,768,030
Total Expenditure	5,795,423	4,760,122

Surplus / (Deficit) excl. Capital

268,303 **91,960**

Surplus as % of income	4.4%	1.9%
Pay costs as % of income	66.6%	61.7%



University Technical College		
Draft budget	Proposed revised budget	May Forecast
2018/19	2018/19	2017/18

Pupil numbers		
ESFA Estimate	School Estimate - Higher Estimate	Actual
184	207	
pre: 86	pre: 87	187
post :98	post :120	

	Budget 2018 / 19	Budget 2018 / 19	2017/18 May Forecast
Income			
A0 - GAG funding	1,328,265	1,450,338	1,491,477
A2 - Other Govt Grants	345,506	345,506	384,564
A3 - Private Sector Funding	-	-	-
A4 - Other Income	45,000	45,000	18,006
Total Income	1,718,771	1,840,844	1,894,047
Expenditure			
Staffing Expenditure			
B0 - Teaching Staff	931,895	1,019,178	787,385
B1 - Educational Support Staff	248,598	161,315	178,785
B2 - Premises Staffing	-	-	4,253
B3 - Admin Staffing	111,162	111,162	191,941
B5 - Agency Staff +Contingency	55,000	55,000	68,920
Total Staffing Expenditure	1,346,655	1,346,655	1,231,284
Other Expenditure			
C0 - Maintenance of Premises			8,179
C1 - Other Occupational Costs	76,500	76,500	73,744
D0 - Educational Supplies and Services	95,300	95,300	168,233
E0 - Other Supplies and Services	175,911	180,919	243,907
F0 - ICT Costs (Non Capital)	-	-	128
G0 - Staff Development	7,500	7,500	15,634
H0 - Other GAG Expenses /Contingency	15,000	95,000	11,242
I0 - Depreciation	-	-	-
Total Other Expenditure	370,211	455,219	512,888
Total Expenditure	1,716,866	1,801,874	1,744,172
Surplus / (Deficit) excl. Capital	1,905	38,971	149,875
Surplus as % of income	0.1%	2.1%	7.9%
Pay costs as % of income	78.3%	73.2%	65.0%
non pay costs as % of income	21.5%	24.7%	27.1%

MAT Central Costs	
Draft Budget	May Forecast
2018/19	2017/18

Pay Costs

Pay costs (Business Manager plus PA)	131300	60110
Agency staff	13000	72979
	<u>144300</u>	<u>133089</u>

Non pay costs

Premises		7686
Educational Advise Serv	6,000	8028
student rewards	1,200	
stationery	100	
Advertising	15,000	4990
Photocopy /printing	3,000	1703
LSBU Clerking	15,000	44262
audit cost	30,000	22360
bank charges		270
Judicium Legal & Payroll	11,000	
Judicium Data Protection Officer -DPO	7,000	
Furniture and equipment	2,500	5335
PSF	4,000	
CPD - Staff development	10,000	3424
recruitment cost	2,500	
expenses travel	2,000	
	<u>109,300</u>	<u>98058</u>

Total expenditure	<u>253600</u>	<u>231147</u>
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Head office costs as % income	3.3%	3.4%
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Consolidated 3 Year Financial Plan		
Draft Budget 2018/19	Plan 2019/20	Plan 2020/21

INCOME

A0 - GAG funding	7,304,627	7,731,585	8,377,455
A2 - Other Govt Grants	318,035	200,000	-
A3 - Private Sector Funding	-		
A4 - Other Income	159,835	200,000	200,000
TOTAL INCOME	7,782,497	8,131,585	8,577,455

EXPENDITURE

Staffing Expenditure

B0 - Teaching Staff (plus 1% cost of living)	3,400,806	3,570,847	3,819,389
B1 - Educational Support Staff	1,076,247	1,130,059	1,186,562
B2 - Premises Staffing	63,535	66,712	70,047
B3 - Admin Staffing	630,362	661,880	694,974
B4 - Other Staff (support staff overtime +bonus payment to	82,947	87,094	91,449
B5 - Agency Staff / Contingency Staffing cost	273,000	286,650	300,983
Total Salaries Expenditure	5,526,898	5,803,242	6,163,405

Non-Staffing Expenditure

C0 - Maintenance of Premises	100,500	102,510	104,560
C1 - Other Occupational Costs	306,785	312,921	319,179
D0 - Educational Supplies and Services	699,300	713,286	727,552
E0 - Other Supplies and Services	659,130	672,313	685,759
F0 - ICT Costs (Non Capital)	46,000	46,920	47,858
G0 - Staff Development	102,300	104,346	106,433
H0 - Other GAG Expenses /Contingency	15,000	15,300	15,606
I0 - Depreciation	55,000	95,000	96,900
Total Other Expenditure	1,984,015	2,062,595	2,103,847

TOTAL EXPENDITURE

7,510,913	7,865,838	8,267,252
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Surplus / (Deficit) excl. Capital

271,584	265,747	310,204
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Ratios

Pay as % income	71.0%	71.4%	71.9%
Teaching staff as % of pay costs	61.5%	61.5%	62.0%
non pay as % income	25.5%	25.4%	24.5%
surplus as % income	3.5%	3.3%	3.6%

Pupil numbers

UAE	697	783	845
UTC	184	202	223

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	CONFIDENTIAL
Paper title:	Safeguarding Report
Board/Committee:	SBA Board
Date of meeting:	19 July 2018
Author:	Interim CEO and School Principals
Purpose:	For review
Recommendation:	<p>The Board is requested to review the report.</p> <p>The Board is requested to instruct the LGBs to appoint Link Governors for Safeguarding, to be in place for the start of the new term.</p>

Executive Summary

Both schools are required to produce a report on the safeguarding cases within their school, including the nature and the number of students in each category of intervention.

This document compares the safeguarding data from the previous Audit Committee Meeting to the current data.

Link Governor for Safeguarding

There is currently no Link Governor for Safeguarding at either of the schools due to the retirement of the previous CEO. It is recommended that the Board instruct the LGBs to appoint Link Governors for Safeguarding, to be in place for the start of the new term.

Terminology

MASH - Multi Agency Safeguarding Hub
 EHCP – Education, Health and Care Plan
 Early Help services (Local Authority support)

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South Bank Academies Trust
Safeguarding Data

South Bank Engineering UTC
Month/Year this related to: May 2018

Summary of Key Actions and Comparison of Data

UPDATED MAY 2018

Number of safeguarding cases currently dealing with		Number of cases		Number of students with statements and care plans		Summary of Key Actions
Level 1	8	MASH		Currently on EHCP	4	
Level 2	0			EHCP agreed		
Level 3	1	Early Help		EHCP application stage		EHCP interviews with new students ongoing
Level 4	1			EHCP yet to join school	3	

UPDATED APRIL 2018

Number of safeguarding cases currently dealing with		Number of cases referred to LA teams		Number of students with statements and care plans		Summary of Key Actions
Level 1	8	MASH	0	Currently on EHCP	4	
Level 2	0			EHCP agreed	-	
Level 3	1	Early Help	0	EHCP application stage	-	
Level 4	1			EHCP yet to join school	-	

South Bank Academies Trust

Safeguarding Data

A case conference was held for level 3 case in May 2018. Follow up meeting in June, where it is likely that the case will be closed.

A case conference and court hearing were held in May 2018 for the level 4 case. This case will continue to be at level 4.

No changes in main data. Level 1 cases will be reviewed in June.

South Bank Academies Trust
Safeguarding Data

University Academy of Engineering South Bank
 Month/Year this related to: May 2018

Summary of Key Actions and Comparison of Data

UPDATED MAY 2018

Number of safeguarding cases currently dealing with		Number of cases		Number of students with statements and care plans		Summary of Key Actions
Level 1	10	MASH	10	Currently on EHCP	7 (+1 with statement)	Being monitored closely by the school
Level 2	14			EHCP agreed	1	
Level 3	6	Early Help	22	EHCP application stage	4	
Level 4	4			EHCP yet to join school	4	

UPDATED APRIL 2018

Number of safeguarding cases currently dealing with		Number of cases referred to LA teams		Number of students with statements and care plans		Summary of Key Actions
Level 1	12	MASH	10	Currently on EHCP	5	
Level 2	12			EHCP agreed	1	
Level 3	7	Early Help	18	EHCP application stage	3	
Level 4	4			EHCP yet to join school	4	

South Bank Academies Trust Safeguarding Data

Overall the number of Safeguarding cases have come down from April across all levels. There have been more referred to Early Help which is the lowest form of severity concerning any safeguarding case. Our MASH (Multi Agency Safeguarding Hub – most severe cases) have stayed the same from April to May 2018.

Summary of LGB meetings

South Bank Engineering UTC LGB – 04 July 2018

The LGB discussed:

- Matters arising. The LGB noted that the Principal is awaiting DfE publication of their expectations on employers' partnership engagement before he prepares one for the UTC for the next academic year.
- Principal's report. On safeguarding, there have been no further DfE visits – the next is in autumn 2018, or Mock Ofsted visits. There is an upcoming review into HR practices in relation to overseas teachers, visa and identity checks. UTC working with LSBU Estates to ensure compliance and Health & Safety systems operate appropriately. The LGB requested that an in-house governors training on preparation for Ofsted visits be arranged.
- Personal development, behaviour and welfare. The LGB noted that conduct is good overall but there are challenges with some students from Durand Academy.
- Leadership and Management. The LGB noted that the UTC Day has been re-worked and the trial began on 2 July 2018 with shorter, more focused lessons and an earlier dismissal time, to enable more flexible time at the end of the day for interventions or other management activity to enhance capacity and drive student achievement.
- DfE governance review. The LGB noted the review and management responses.
- Management account to May 2018. The LGB noted that the UTC shows a surplus of £139k against a budgeted deficit of £61k. The full year forecast is a surplus of £130k against a budgeted deficit of £59k.
- 2018/19 draft budget. The LGB noted the draft budget.

University Academy of Engineering LGB – 11 July 2018

The LGB discussed:

- Matters arising: the LGB noted the school plan for improving attendance would be on the agenda for its meeting in September 2018.
- Principal's report: The LGB noted that a policy review for the Trust and schools would be actioned in September. The Principal reported the school would be introducing a new Sex and Relationship Education programme in line with DfE guidelines. The LGB noted that three staff are on bespoke support plans and that two others had resigned and a third (HoD) stepped down. The Principal reported the appointment of a careers leader and Enhancement Manager from September. The LGB noted the report from the School Improvement Adviser which was largely positive. The Principal reported that four students with EHCPs were joining Year 7 in September and that significant changes to SEN provision were being planned. The Principal reported that three staff had been assigned to patrol local streets to ensure student safety in the wake of recent violent attacks. The staff have received police training.
- Year-end examination report: the LGB noted that while analysis of the results from further mock exams had showed some improvement since Christmas, Year 10

students remained behind expectations for GCSE results and were approximately one grade below the national average. The Principal reported that a series of interventions were planned for Year 11 next year.

- DfE Governance audit: the LGB noted the DfE governance review of the UTC and that a review of SBA MAT governance was underway.
- Management accounts: the LGB noted a year-end forecast of £91k surplus.
- Draft budget 2018/19: the LGB noted the draft budget 2018/19 which showed a significant rise in income due to a full complement of year groups for the first time. The LGB noted that resources were available for Year 11 and SEN support.
- Student recruitment: the Principal reported an increase in applications to the 6th Form and Year 7, which is anticipating a full year intake of 150 students.
- Compliance: the LGB noted that a resource model for monitoring areas of compliance, e.g. health & safety, building contracts, HR, and using LSBU experts, as appropriate, would be discussed and developed with the SBA Board, the LGB and Principal.
- Day 10: the LGB received a presentation on Day 10 – programme aimed at enhancing students' social mobility. The programme will engage Years 7-10 from September.