



SILVER BIRCH ACADEMY TRUST
BOARD OF TRUSTEE RESPONSE TO
OUTCOME OF
EFSA FINANCIAL AND GOVERNANCE REVIEW

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1. Board of Trustees Declaration

The board of Trustees of Silver Birch Academy Trust hereby make the following declarations in response to the Financial Management and Governance Review Report by ESFA:

1. Silver Birch Academy Trust is fully committed to complying with the Academy Financial Handbook and Safeguarding of Children and most importantly, committed to working in partnership with ESFA to quickly address issues raised to have a robust and compliant Financial and Governance arrangement in place, safeguard all children and ensure the highest quality of Education.
2. We strongly believe:
 - That children's life experiences are not an excuse for poor performance. That a child's history does not determine their future
 - That every child is expected to achieve at the very least, the national expected standard
 - That every member of staff plays a key role in developing the experiences children have and are entrusted to promote our highest values
 - That relationships between children and staff are of the highest quality
 - Our curriculum is geared to equipping children for a global contribution
3. The key functions of our Trust Board are:
 -) Each of the findings in the draft reports are interrogated at school and Trust level so that the root cause of each issue can be ascertained and measures put in place to ensure errors are not made again. If intentional breaches of rules and regulations by staff and/or leaders are identified, disciplinary action will be taken
 -) The Trust has begun to address some of the serious weaknesses in the governance as evidenced in the response sent to EFSA on 16 April 2018
 -) The Trust Board is developing a comprehensive action plan to address all the weakness and setting out appropriate remedial measures
 -) All staff and Trustees are being re-trained on procedures and practice in all areas relating to Financial Control and Governance
 -) As a minimum The Silver Birch Academy Trust Board will assure themselves that:
 - a. All policies are fully reviewed and in line with current guidance and legislation
 - b. The Trust complaints and whistleblowing policies are evaluated and shared once again with all stakeholders, so that concerns can be raised easily and these matters can be addressed quickly and effectively
 - c. All staff are re-trained on procedures and practice in all areas relating to safeguarding
 - d. A positive working relationship between the Trust and the LBWF is forged so that all issues can be addressed positively and so that there is open dialogue moving forward
 - e. LBWF, LBR and other national bodies will hold SBAT's policy and practice in high regard once all requisite improvements have been made.

The Board of Trustees and Members of the Silver Birch Academy Trust assures the Education Skills and Funding Agency of its commitment to urgently address all the weaknesses within its system.

We attach herewith the Trust's action plan to immediately address the issues identified within these reports and we are confident that our re-structured executive team will deliver.

Anna Layman
Chair of Trustees

2. Plan of Action

Step	Immediate considerations	What changes we will expect to see	How the Trust will ensure sustainable improvement
1.	The Trust Board and Executive Team meets with the Education Skills and Funding Agency to discuss the draft report and immediately start working together to address issues raised. EFSA accepted the Plan of Action on 1 st May, 2018		Central to the Trust's communication strategy is regular update with EFSA.
2.	<p>Convene a Board meeting to:</p> <ul style="list-style-type: none">)] consider the recommendations of Local Authority and EFSA)] Consider the constitution of each board/committee and their ToR; and)] Appoint a Finance and Audit Committee (FAC))] Policies and Education Standards Committee)] Safeguarding Committee)] Delegate implementation of plan to most appropriate committee, most likely AC¹. 	Implementation of all recommendations from LA and EFSA, including additional actions to ensure best practice and sustainable improvements.	Highly effective clerking, regular evaluation of efficiency and surveys will contribute to Trust self-evaluation; including evaluation of impact of committees on Board decision-making processes.
3.	Most appropriate committee accepts responsibility for the implementation of the plan.	Terms of reference provide clear guidance to each committee's contribution to the implementation of the plan.	Regular governance reviews identify recommendations to committees including additional committees and/or adapting terms of references to include wider and/or varied brief.
4.	<p>Appoint an ESFA approved supplier to conduct an Independent review of financial management and governance. Terms of Reference to be agreed with EFSA.</p> <p>This review will be an in-depth review of the Trust's</p> <ul style="list-style-type: none">)] policies and procedures)] Scheme of Delegation 	<p>Sustained improvements in financial management and governance.</p> <p>Best practice moving forwards.</p> <p>EFSA have strong confidence in Trust processes and procedures and are assured of the Board's effectiveness.</p>	Ensure that regular reviews become a feature of our governance structure and that self-evaluation is key to securing sustainable improvements.

¹ Audit Committee, or committee which fulfils the role of an audit committee (at FGB level).

	<ul style="list-style-type: none">) Interviews and surveys of all Board Members/Trustee) Interviews and surveys of Heads and Local Governing Board Members) Test of Board effectiveness through observations of Board meetings 		
5.	Board of Trustees to appoint an independent clerk of governors trained as per the Governance Clerking Development Programme	Minutes of all sub committees and full Board meetings are sufficiently detailed to ensure transparency and public accountability.	Review provision of clerking arrangements so that the Board is assured of the effectiveness of this provision.
6.	Appoint nationally recognised provider to Undertake Section 11 Audit	<p>Strong familiarisation with all aspects of the S11 by all senior leaders, local governors and Trust governors.</p> <p>S11 provides the framework for the Trust's work in securing safeguarding effectiveness.</p>	Aspects identified in S11 audit become a familiar checklist and guidance document for all senior leaders to use in ensuring safeguarding is highly effective.
7.	<p>Board has approved Supplier for Independent Financial and Governance</p> <p>Board has commissioned independent S11 Pre-Audit and now working with LA on S11 Audit</p>	Actions are understood by all board members and discussions demonstrate clear engagement and challenge.	Effective working of Finance and Audit and Safeguarding Committees, including high quality recommendations to Board to ensure strong processes adopted remain at the forefront of the Trust's work.
8.	Restructure and Strengthen the Executive Team	Clearly identified roles and responsibilities which are distinctive to each role in the executive team so that their contribution to the Trust's vision is clearly defined.	Strong performance management processes ensure that each member of the executive team is working effectively against performance indicators and that there is no overlap in responsibilities.
Finance and Governance			
9.	<p>Maintaining Financial Strength and compliance with Academies Financial Handbook</p> <ul style="list-style-type: none">) Address all recommendations from EFSA review) Financial Handbook review meetings set up each month) Reduce consultancy costs) Remove all expansion consultants 	Trust Financial Handbook is clearly aligned to AFH and is consistently applied.	AFH review meetings are a mechanism for identifying any risks to consistent application as well as identifying best practice across the Trust.

10.	Agree the RO's programme of work and extend to the Trust's central functions.	RO Programme of work is extensive and fit for purpose.	Review of RO Programme of work forms part of CFO report to Trust so that any changes that need to be made are discussed at board level and Trustees are able to challenge the impact of the RO programme.
11.	Appoint a permanent CFO in post	Permanent CFO identified.	This post remains a permanent post in line with AFH recommendation.
12.	Appoint a permanent COO after the term of current Interim COO	Permanent COO identified.	This post remains a permanent post in line with AFH recommendation
13.	Re organisation of the Executive team to ensure efficiency and effectiveness		Continuous update of SBAT EL Pillar to ensure no overlap of roles.
14.	<p>Establish a detailed and comprehensive procurement policy/procedures are produced and ensure it is regularly reviewed.</p> <p>Ensure:</p> <ul style="list-style-type: none"> consultants or services are not engaged without a robust contract being in place. The contract must ensure fairness in terms and conditions for the trust. If applicable, professional advice should be gained where needed; All procurement must comply with trust financial regulations, applicable frameworks including the AFH and also OJEU (where necessary). 	Robust Internal controls in place – a combination of financial procedures and actions of staff with procurement responsibility to ensure the continued reliability of our policy and procedures	<p>Trust's procurement policy and procedure must be continually updated to be in line with AFH and OJEU</p> <p>All Trust Finance Staff and Business Managers are up to date with AFH OJEU and Trust Procurement Policy and Procedures</p>
15.	Ensure procurement policy covers the acceptable use of bank cards, the pre- authorisation of purchases and the subsequent reconciliation of the statement to receipts/invoices.	<p>Purchase Orders will be raised to pre-approve every transaction in accordance to the Trust Procurement Policy.</p> <p>All purchases will be made via supplier account and invoiced</p>	Non- usage of bank-cards for payment
16.	Update the risk register for SBAT overall.	Risk Register is updated in line with S11, which includes actions taken to mitigate against risks.	Risk Register is reviewed regularly at board level and is strongly aligned to S11 recommendations. New risks are identified, if and when they arise.
17.	Maintain/update the register of interests.	Register of Interests is maintained up-to-date at all times.	Identified processes for ensuring accurate recording and maintaining of website information.
18.	Formulate a programme of risk review, based on the risk register and ensure that the Register is discussed at each	Challenge and high quality informed discussions of risks are evident in minutes.	Regular Board review of Register; in addition, committees and senior leaders to provide feedback to

	board meeting (particularly the high risks).	New and changes to risks identified will reflect quality discussion and informed decision making.	potential risks and/or change in level of risk. High risk are prioritised in discussions.
19.	<p>Conduct an independent Governance review, in addition to areas noted above,</p> <ul style="list-style-type: none">) Governors, Trustees and Members' skills check) Training; and) Awareness/ promotion <p>Recruit New Trustees and Governors Via Academy Ambassadors and Inspiring Governors</p> <p>Move to DfE preferred M & A Model</p>	<p>Full complement of Governors in line with DfE recommended structure;</p> <p>Skills base of trustees and members demonstrate that the Board is well equipped to challenge and hold the executive team to account and are well informed to make decisions.</p>	<p>Independent formal governance reviews are a regular feature of the Trust's work to ensure systems and processes continue to be effective and continual self-evaluation is integral to continued improvement.</p> <p>A comprehensive training programme ensures skills and knowledge are up to date and relevant to enable governors to carry out their roles effectively.</p>
HR and Recruitment			
20.	Establish Trust's own recruitment and selection policy	We recognise that the success of any organisation is dependent on the quality of its workforce. The R&C policy will be developed on this premise.	The Policy will include core standards that reflect the Trust's values. These will be used to evaluate the effectiveness of the Policy.
21.	Ensure Trust recruitment and selection processes do not discriminate, in line with the Equality Act 2010	<p>A consistent approach to quality recruitment is evident across the Trust.</p> <p>A full equality and diversity statement is evident in all recruitment documentation</p>	All selection decisions will be justifiable and based on the fair and objective assessment of candidates against the skills, attributes, knowledge and experience required for the job.
22.	Develop a robust performance management process	Clear and consistent assessment of the overall performance of all Trust staff is evident in documentation and from feedback from staff surveys.	The Acting CEO and COO will be responsible for monitoring the performance management process to ensure fairness and consistency of approach. This will include reviewing a sample of performance management documentation and pay and performance decisions.
23.	Review and approve Executive Pay Policy and ensure that Executive Teams are not rewarded excessive pay	<p>Benchmarking evidence is used to approve executive pay (for all salaries above 100k)</p> <p>There are distinct roles and responsibilities for the CEO and Acting CEO.</p>	Benchmarking evidence is used in approval of executive pay. The FAC will incorporate a sub-committee which will look specifically at executive pay.

Abbreviations

Chair	Chair of Trustees
COO	Chief Operating Officer
EID	Education Improvement Director
CFO	Chief Finance Officer
FAC	Finance and Audit Committee
SC	Safeguarding Committee
FGB	Full Governing Body
PESC	Policies and Education Standards Committee
ToR	Terms of Reference

