

SCHOOL ACCOUNTS INVESTIGATION

Unspent funding at Whitehaven school

Cumbria police pass probe to fraud squad

A police investigation into alleged fraud at one of the worst run academies in the country remains ongoing.

Founded by venture capitalist Michael Dwan, Bright Tribe Trust, a 16 school multi-academy trust, took over the running of Whitehaven Academy in 2014, only to withdraw four years later.

In 2016, Julie Rayson, herself a former pupil at Whitehaven whose son was studying there, founded the Whitehaven Academy Action Group (WAAG). Members were concerned about the quality of children's education and why public funds totalling £321,774 had been obtained for building work, lighting and fire safety improvements that remained unfinished or had never started.

Request dismissed

Two-thirds of the Whitehaven site was closed in 2017, which is when Rayson first raised her concerns with Cumbria Constabulary. Rayson had a year earlier asked to discuss parents' worries with the Department for Education's (DfE) Regional Schools Commissioner for Whitehaven Academy. But her request was dismissed "with a response that the DfE were in ongoing discussion with the trust", said Rayson, who began taking her concerns to town council meetings and then won a seat on the council.

In 2018 a *Panorama* programme alleged Bright Tribe Trust (BTT) had received hundreds of thousands of pounds in grants for improvement works at its schools that were never completed. Bright Tribe also received £1 million in 2015 to establish a "northern hub" of schools. Academies minister



Parent Julie Rayson first raised concerns about Bright Tribe Trust in 2015

Lord Agnew revealed that the majority had been spent by the end of 2016 on hiring senior staff.

Another BTT school, Manchester UTC, which closed in September 2017 three years after opening, left behind a £526,000 deficit that had to be paid off by the government.

In 2018, BTT announced it was withdrawing from running schools, all of which have been transferred to new sponsors.

BTT accounts for the year ended 31 August 2018, published in June 2019, show that £212,032 of the £321,774 grant for works at Whitehaven had been repaid. Some £1.5 million was put aside for any potential claims for improper use of these grants from the DfE, which said it would not take any action to claw back any money until 27 December 2019.

"Clearly the need to pay back over two-thirds of a £321,774 grant indicates it was handed out generously without robust checks to ensure it would be spent

on genuine projects," said Rayson.

"Where was the £1.5 million from? Most academy trust funds are accumulated from DfE government funding anyway, so are the DfE actually paying themselves back?"

Formal investigation

Rayson also suggested £35,000 BTT reclaimed in VAT for paying a contractor for work not completed at Whitehaven should be investigated by HM Revenue and Customs.

Cumbria Constabulary has passed on its investigation to the City of London fraud squad, whose spokesperson said that as it had begun a formal investigation it could not comment at this stage. The DfE was also unable to comment on the investigation but did state: "The £212,000 is a repayment of Conditional Improvement Funding, which is public money."

In November 2018 Rayson was a key witness at a Commons Public Accounts Committee inquiry into academy schools accounts

and performance. Its report said that Whitehaven was one of the worst run academies in the country and that academies needed to be more accountable about spending.

Following BTT's collapse, Whitehaven Academy was re-brokered to be run by the Cumbria Multi-Academy Education Trust. Rayson and other parents had wanted other options explored, including a return to local authority control.

Liabilities

Rayson said she was pleased a police inquiry was underway and is encouraged by the school's progress.

"There's been a turning point in the learning environment for the students, with some interim repairs to the current buildings also already completed. This can only lead to a better quality of education and ultimately improved exam results.

"It might be too late for those children educated under the sponsorship of Bright Tribe but the future is looking positive."

Parents are also happy that the DfE has provided funds for a new-build school that should be opened by next year.

BTT was placed under interim leadership in spring 2018 and is now in the process of liquidation. A BTT spokesperson told *Big Issue North* it could not comment on the police investigation into "historic matters" while the £1.5 million set aside to meet liabilities has yet to be reclaimed by the DfE.

The spokesperson claimed that by working with the DfE "the interim leaders have done an outstanding job to ensure the BTT's schools, including the Whitehaven Academy, were swiftly transferred to strong new academy trusts, providing children with a first-class education, and so that creditors were paid."

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