



Education
Funding
Agency

Investigation report: Perry Beeches The Academy Trust

Final report

December 2016

Contents

Executive summary	3
Key findings in relation to financial management	3
Key findings in relation to education management	4
Background	6
Objectives and Scope	7
Objectives	7
Scope	7
Investigation methodology	7
Detailed findings – financial management	9
Detailed findings – education management	14
Conclusions	18
Recommendations	20

Executive summary

1. In March 2016, the Education Funding Agency (EFA) received allegations that Perry Beeches The Academy Trust ('the Trust') had used public funds for irregular purposes. The allegations also centred on inconsistencies in terms of permanent exclusions, managed moves, examination practice and expert support for SEN/disadvantaged pupils. No timelines were specified in the allegations and trends over the previous three years were reviewed.
2. The EFA convened a multi-disciplinary team which included a Department for Education (DfE) education adviser and EFA colleagues. They undertook a visit to the trust between 14 April and 15 April to review documentary evidence and interview members of staff and directors.
3. References in this report to the board or accounting officer relate to those in post at the time of the investigation or prior investigations.

Key findings in relation to financial management

4. £15,236 had been spent since 1 September 2015 on legal fees relating to advice for the board and accounting officer regarding the prior EFA investigations in September, October and December 2015. It is reasonable for the trust to use public resources on professional legal fees and therefore no irregularity has occurred. However, the level of legal fees incurred on advice relating to the EFA investigations could be classed as contentious and in such cases EFA permission must be sought in advance. As EFA permission was not sought, this is a breach of the Academies Financial Handbook.
5. A public relations (PR) company had been engaged to assist the Trust with the media attention regarding the prior EFA investigations that took place in September, October and December 2015. This was at a cost of £450 per day for initially 4 days a month. At the time of the investigation (between 14 and 15 April) no invoices had been paid and there was no record of how many days' work had been undertaken by the PR company. It is reasonable for the trust to use public resources to purchase professional services support where required and therefore no irregularity has occurred.
6. The trust has breached Charity Commission regulations by providing £5,000 of sponsorship to the Labour Finance and Industry Group (affiliated to the Labour Party) in January 2014. Academies (as charities) are not permitted to give financial support to a political party. The trust has subsequently provided evidence that the £5,000 has been refunded by the Labour Finance and Industry Group.
7. The trust declared several related party transactions in the financial statements for the year ending 31 August 2015. All were reviewed with the exception of the contract with Nexus Schools Limited (that was reviewed in the prior investigations in September and October). Review of those transactions confirmed:

- The £5,000 payment made for consultancy to Lampsato Limited (a company controlled by the wife of a director of the trust) was in breach of the Academies Financial Handbook 2014.
- Salary payments to close family members employed by the trust and related to directors of the trust were in the same range as other non-related staff in a similar role. Interviews with 2 executive headteachers confirmed the related directors were not involved in the recruitment of family members. We found no evidence that the Academies Financial Handbook had been breached for close family member recruitment.
- Although there was no evidence that the accounting officer was involved in the recruitment of his nephew, there was evidence that the starting salary may have been influenced by the accounting officer. The accounting officer was unavailable for interview and so it is not possible to determine whether a breach of the Academies Financial Handbook has occurred. .
- The accounting officer's nephew receives 50% funding (£2,700 in 2015 to 2016 academic year) towards the costs of an Open University degree course. This is in keeping with the trust providing funding towards the continuing professional development of its employees and is not a breach of the Academies Financial Handbook.

Key findings in relation to education management

8. Each academy has a designated Special Education Needs Coordinator (SENCO) and Special Education Needs (SEN) team. There is a trust wide SEN Policy which is due for review in March 2017. SENCOs do not have control of or awareness of SEN budgets or funds available which is not a breach of the SEND Code of Practice, but does not follow good practice set out in the code. The SEND Code of Practice states that SENCOs responsibilities may include advising on the deployment of the school's delegated budget and other resources to meet pupils' needs effectively.

9. Individual SEN files for learners outline support in place for learners and contain Individual Learning Journeys. Details on progress, intervention and attendance are all held in SEN files. Input from internal staff such as mentors and external specialists are recorded in reports, visit notes and mentoring booklets.

10. Holiday sessions are run to support year 11 and sixth form students with exams. There is no obligation on pupils to attend nor on staff to deliver during the holidays. However, they are well attended by pupils and staff choose to deliver. There are compulsory enrichment sessions run in each academy from 3 to 3.30pm. The focus of these sessions are generally core subjects and tailored on need.

11. The number of Special Education Needs Assessment and Review (SENAR) requests received by academies within the trust has increased over the last 3 years from 11 in 2013/14 to 23 in 2015/16 but the number of accepted requests has not increased.

12. Examination officers manage examination co-ordination and exam conditions across the trust. The examination officers also recruit exam invigilators and train them to ensure compliance with Joint Council for Qualifications (JCQ) requirements. JCQ reports do not identify problems with exam procedures.

13. There is a trust wide exclusion policy but the policy does not make clear the responsibilities and duties of the headteachers and governors regarding informing parents, making representation, independent review panels and provision from the sixth day. Exclusions are used as a last resort. The final decisions on exclusions rest with the headteacher of each academy.

Background

14. The trust comprises 5 academies, including 4 Free Schools, based in the Birmingham area.
15. In 2014/15 the EFA provided £11.5m in mainstream funding for Perry Beeches I, II, III and IV. In 2013/14 £8.2m was provided for Perry Beeches I, II and III.
16. In March 2016, the EFA received allegations about the trust relating to:
 - whistleblowing malpractice
 - related party transactions
 - irregular expenditure
 - novel and contentious use of trust funds and assets
 - inconsistencies in terms of permanent exclusions and managed moves
 - SEN admissions and expert support for SEN students/disadvantaged students not being consistently provided

These allegations were new and separate to others investigated previously.

17. The chief executive at the time of the visit also fulfilled the role of accounting officer, and will be referred to as the chief executive throughout this report.

Objectives and Scope

Objectives

18. The objective was to investigate the allegations and determine whether there was any evidence to corroborate the allegations.

Scope

19. To review the allegations in relation to compliance with the trust's funding agreement and the Academies Financial Handbook, to include:

- trust policies and procedures (educational and financial)
- financial and educational records
- employee/recruitment records
- board and governing body minutes

Investigation methodology

20. Following receipt of the allegations the EFA, convened a multi-disciplinary team which included an Education Adviser and EFA colleagues trained through CIPFA standards to review documentary evidence and interview members of staff and directors.

21. Visits were arranged with the trust and took place as follows:

Date	Venue	Purpose
14 April 2016	Perry Beeches IV	To review financial and recruitment documents, to interview executive headteachers and the chair of the board
15 April 2016	Perry Beeches IV	To review SEN, exclusion, enrichment and examination policies and procedures. Also interviews of SENCO, examination officers, curriculum leads for mathematics and English and pastoral Leads.

22. The investigation undertook an assessment of the adequacy and effectiveness of governance, risk management and control, including propriety, regularity and value for money and the adequacy and effectiveness of educational policies and practises.

23. A full transaction list direct from the trust's financial system was extracted from 13 April 2013 to 14 April 2016 and relevant transactions to the allegations identified and reviewed. This included assessment of backing paperwork/invoices. Recruitment files for all related parties were reviewed.

24. Assessment was undertaken on SEN policy and records, exclusion policy and records, exam procedures/regulations, curriculum timetable including enrichment activities, KS4 attainment predictions.

25. It was agreed that if any further information was required it would be requested and as a consequence some additional data for each academy across the trust was requested, this included:

- exclusion data for fixed term and permanent exclusions for the last 3 years
- off roll data for the last 3 years
- requests for admissions for SEN statemented pupils/referrals from SENAR for the last 3 years (number of referrals and number of admissions/accepted pupils)

26. In undertaking this investigation, the EFA met and conducted interviews with the chair of directors (board), executive leadership of the trust (with the exception of the chief executive who was unwell) and the following:

- finance director
- examination officers
- pastoral leads
- SEN co-ordinators
- curriculum leads (mathematics and English)

Detailed findings – financial management

27. The trust has a whistleblowing procedure that was reviewed and approved by directors on 24 March 2015. Although the policy is consistent with what would be expected for an academy trust, it does not cover what staff should do in the event of whistleblowing against the chief executive.

28. Interviews with two executive headteachers confirmed that there has not been any instance of internal whistleblowing at any of the academies within the trust and consequently there was no log of whistleblowing concerns and actions taken.

29. Two executive headteachers and the chair of the board explained there is a culture of ‘family’ within the trust and staff are encouraged to resolve issues openly with each other, involving their line manager when needed. Although the whistleblowing procedure is accessible via the staff intranet, it was unclear how well publicised it is and whether staff would be aware of the procedure.

30. There is a current whistleblowing procedure in place at the trust. The policy does not confirm how staff should raise a whistle blowing concern regarding the Chief Executive. The policy is not formally communicated to staff on a regular basis to raise their awareness of procedures.

31. A total of £64,922 had been spent with legal firms between September 2014 and March 2016, as per the table below.

Reason	1/9/2014 – 31/8/2015 (12 months)	1/9/2015 – 31/3/2016 (7 months)	Total
In connection with the prior EFA investigations	£nil	£15,237	£15,237
Legal retainer	£12,300	£11,650	£23,950
Other	£20,179	£5,556	£25,735
Total	£32,479	£32,442	£64,922 (rounded up)

32. £15,237 was spent between December 2015 and March 2016. £6,737 of this was used to obtain advice on the prior EFA investigations and £8,500 covered advice on setting up the new free school. No detailed breakdown of costs was available. The expenditure was authorised by an executive headteacher. Interviews with two executive headteachers and the chair of the board confirm awareness of the expenditure and that it was incurred due to there being no legal expertise available within the trust to adequately review and respond to the EFA investigations.

33. The remaining expenditure was for a variety of purposes such as legal retainers, employee issues, property issues, governance re-structuring, the articles of association and funding agreement.

34. From evidence reviewed, it was not clear in all cases what the legal expenditure was for. There was no evidence of purchase orders being raised in advance of expenditure incurred.

35. It is reasonable for the trust to use public resources on professional legal fees and therefore no irregularity has occurred. However, the level of legal fees incurred on advice relating to the EFA investigations could be classed as contentious and in such cases EFA permission must be sought in advance.

36. Prior to the EFA investigation reports being published, there was no evidence of any PR firm costs being incurred. At the time of the EFA reports being published, the chief executive had engaged the services of a PR firm although no evidence was found to show that the trust's procurement process was followed. Evidence in the form of an email showed that agreement with the PR firm was reached on 14 April 2016 for a charge of £450 per day initially for 4 days per month. No evidence of a formal procurement exercise being undertaken was supplied. At the time of the investigation, there was no evidence of how many days work had been completed.

37. Interviews with the finance director and two executive headteachers confirmed the PR firm was brought in due to the media interest in the trust following the release of the EFA investigation reports. The executive headteachers were focussed on education attainment for pupils and did not have the time or expertise to deal with the media requests.

38. It is reasonable for the trust to use public resources to purchase professional services support where required and therefore no irregularity has occurred. Documentation on the PR firm arrangement (contract, purchase order, how many days work undertaken) requires improvement.

39. The trust spent £5,000 in January 2014 sponsoring the Labour Party indirectly via the Labour Finance and Industry Group (a society affiliated with the Labour Party). In addition, a further £1,990 has been spent between September 2013 and February 2015 for staff/director(s) to attend political party fundraising dinners or events. The trust has

subsequently provided evidence that the £5,000 has been refunded by the Labour Finance and Industry Group.

40. Accounting records show the trust were going to pay £5,000 sponsorship for a political fundraiser in January 2015, however records indicate this was not actually paid.

41. The two executive headteachers interviewed who went to the dinners confirmed they were not requested to contribute to the costs and had been invited to attend by the chief executive. They were unaware of any sponsorship or why Perry Beeches branding had been used at two of the dinners.

42. In 2009, the Charity Commission released a guidance document called "Charities and Political Donations".¹This guidance states:

"Charities must never support political parties. They cannot make political donations or give other financial support or resources. This is because it is a fundamental principle of charity law that it cannot be within the purposes of any charity to promote the interests of a political party."

43. There was no evidence that the trust passed any funds to Nexus Schools Limited for political purposes.

44. Using public funds for sponsoring and attending fundraising dinners is a breach of the Academies Financial Handbook as the expenditure would be considered contentious and so require EFA permission in advance. The trust (as a charity) has breached Charity Commission regulations which do not permit charities to financially support a political party. The £7,227 spent directly on political dinners/sponsorship/resources is irregular.

45. In the summer term 2015, board minutes show the audit committee commissioned Lampsato Limited to undertake a health and safety audit. Lampsato is owned by the wife of a director who was on the audit committee. The financial statements show £5,000 was paid to Lampsato Limited by 31 August 2015. Financial records show a further £15,000 has been paid to Lampsato since 1 September 2015.

46. There is no evidence of any procurement process being followed and there was no purchase order. It is unclear how the amount charged was calculated. No evidence that the amounts were 'at cost' and no evidence of any value for money assessment being undertaken.

47. The Academies Financial Handbook 2014 and 2015 has clear principles that apply when academies contract with a connected party (section 3.1.11).

¹ <http://forms.charitycommission.gov.uk/media/94791/gucharpol.pdf>

48. The finance director confirmed that the arrangement with Lampsato Limited has now ended with the last payment made on 21 March 2016.
49. The trust has breached the Academies Financial Handbook requirements in both the 2014/15 and 2015/16 academic years due to not complying with the connected party transaction requirements.
50. Note 19 in the financial statements for the year ending 31 August 2015 set out the remuneration of employees that are related to a director. A review of employee and recruitment records showed that salary levels for related parties are in line with people in similar posts within the trust.
51. The niece of the chief executive was recruited to the predecessor maintained school in 2009 through Birmingham city council. The employee record did contain some evidence of the recruitment process followed. The niece has either changed role or been promoted 6 times since starting at the trust. The employee record evidences that the chief executive was not involved with the promotion to assistant headteacher from 1 September 2014. For all other promotions, there is no evidence retained regarding the process followed.
52. The nephew of the chief executive was recruited as an academic mentor from 23 March 2014. The employee record evidences the post was advertised nationally and that the chief executive was not involved in the recruitment decision. The position was advertised with a salary between £18,000 and £22,000. A sticky note in the employee record read:
- “Confirm with LNO. Salary range £18,000 - £22,000.”*
“£21k”.
53. The “£21k” handwriting was not consistent with that asking for confirmation and is assumed to be the reply to the question posed. ‘LNO’ are the initials of the chief executive.
54. The actual starting salary was £20,000, rather than the £21,000 on the note. Although the salary is in line with similar roles in the trust, it is unclear why the starting salary was not at the bottom of the range. Evidence suggests the chief executive determined the starting salary; however, the chief executive was not available for interview to explore this query further.
55. The nephew receives 50% funding for an Open University degree ‘Reading and studying literature’. The cost of each unit is circa £2,700. The nephew is studying 2 units per year. The cost to the trust equated to £2,632 for the academic year 2014/15 and £2,700 for the academic year 2015/16.
56. The interview with executive headteachers and invoices reviewed both confirm that the trust provides the opportunity for different members of staff to study and gain

further qualifications. As a result, the nephew has not received any different treatment to other members of staff. Evidence viewed demonstrates that a non-related executive headteacher authorised the degree and 50% trust contribution.

57. An ex-relative of the chief executive was recruited as student welfare officer from 13 April 2015. There is evidence of the position being advertised and that the chief executive was not involved with the recruitment. There was no disclosure of this connected party in note 19 of the 2014/15 financial statements.

58. The finance director explained the non-disclosure was due to the student welfare officer no longer being a close family member of the chief executive according to the definition included in the Academies Financial Handbook 2015 section 3.2.2:

“...a close member of the family, or member of the same household, who may be expected to influence, or be influenced by, the person. This includes, but is not limited to, a child, parent, spouse or civil partner”.

59. A staff member appointed to the administration team in 1993 married a teacher who became a director of the trust in 2012. The job title of the wife of the director changed in March 2014 to personal assistant. The employee record does not provide any evidence to support this change of job title.

60. Employee records for related parties were insufficient to fully evidence that the related director had no involvement in the recruitment decision. Evidence suggests the chief executive was influential with the starting salary for his nephew.

Detailed findings – education management

61. There is a trust wide SEN Policy which was due for review in March 2017. Each academy has an identified SEN governor. In addition, each academy has a designated SENCO and SEN team made up of assistant teachers and mentors, one academy also has a Deputy SENCO. Each SENCO has undertaken or is in the process of undertaking the National Award for Special Educational Needs Co-ordination. Four of the 5 SENCOs are members of the SLT.

62. SENCOs do not have control of SEN budgets and are not aware of SEN funds available. Each academy has an SEN provision map which details the support available for each child identified with SEN. All 5 academies engage with a wide range of agencies including educational psychologists, Child Adolescent and Mental Health Services, Barnardo's, Communication Autism Team, Spurgeons, Women's Aid, Visual Impairment Team, and the School Nurses and Sexually Harmful Behaviours Team.

63. A range of in house support and intervention is delivered by the team. Staff are trained to deliver Toe by Toe, The Power of 2, Phonics intervention and academic mentoring. Assistant teachers deliver many of the specialist interventions on a one-to-one or small group basis. Reading Wise and Black Sheep Press have recently been brought in to support children with speech, language, and communication difficulties and low literacy levels.

64. Mentors are providing support for students with Social Emotional and Mental Health needs and at Perry Beeches IV the Elm Centre has been established to support the most emotionally vulnerable learners.

65. Individual SEN files for learners outline support in place for learners and contain Individual Learning Journeys. Details on progress, intervention and attendance are all held in SEN files. Input from internal staff such as mentors and external specialist is recorded in reports, visit notes and mentoring booklets.

66. The SEND policy is in place but the local offer/SEN information reports did not outline clearly how each academy provides for learners with SEND. The total resources available and deployment of each academy's delegated budget is not discussed at a strategic level.

67. Each academy operates a compulsory enrichment offer which they communicate to parents and students. Compulsory enrichment runs from 3 to 3.30pm and is delivered by whole staff teams. The focus for enrichment sessions is primarily core subjects and is tailored depending on need.

68. Staff are deployed to deliver one to one and small group intervention based on ability to ensure the most able are stretched and those with gaps are able to gain confidence and master particular skills. A few parents have questioned the long day for

year 7 children but recognise the benefits so continue to opt in. One headteacher identified that one parent chose to opt out.

69. Holiday sessions run to support year 11 and sixth form students with exams. It is not a contractual requirement of staff to deliver during holidays but they all choose to. Holiday sessions are optional but are well attended by students.

70. The trust does operate an enrichment programme across all its academies and whilst this is compulsory after school, for core subjects, no evidence was found that parents were unhappy with the programme. The enrichment activity during holidays is optional and no evidence was found that this was compulsory for pupils or that it is a staff contractual requirement.

71. Requests and consultations around SEND students from SENAR are handled jointly by SENCOs and headteachers.

72. The number of SENAR requests to the individual trust academies has increased over the last three years but the number of accepted requests has not increased.

73. Controlled assessments are led by faculty heads. Examinations officers disseminate information on controlled assessment from examination boards and emphasise the importance of it. JCQ guidance is followed by Heads of Department and controlled assessments are always conducted with two or more staff present to quality assure the process. External invigilators are commissioned to quality assure controlled assessments.

74. Examination officers liaise directly with subject leaders and the SLT to ensure that candidate and subject details are accurate before submission and then communicate examination timetables and JCQ requirements.

75. Examination officers recruit exam invigilators and train them to ensure compliance with JCQ requirements. During examination, examination officers lead on secure storage and dissemination of examination papers and exam conditions. JCQ reports do not identify problems with exam procedures.

76. No evidence was found of irregularity, across the trust, in regards to the examinations process or procedures.

77. Controlled assessments are led by faculty heads. Examination officers disseminate information on controlled assessment from examination boards and emphasise the importance of it. JCQ guidance is followed by the heads of department and controlled assessments are always conducted with two or more staff present to quality assure the process. External invigilators are commissioned to quality assure controlled assessments.

78. SENCOs undertake appropriate testing around access arrangements for learners needing additional support and time. Examination officers check this information and disseminate it to support and check provision of support during exams.
79. Some pupils who qualify for scribes or readers sit exams in separate rooms away from the examination hall. These rooms are checked by the examination officers and exam papers are delivered accordingly, by the officers.
80. There is a trust wide exclusion policy but it does not make clear the role of headteacher's and governor's responsibilities regarding informing parents, making representation, independent review panels and provision from the sixth day.
81. Pastoral leaders have devised exclusion letter templates in consultation with Birmingham city council's exclusion team which outline parental rights to make representation, their responsibilities for their child during school hours and contacts for advice and assistance. A number of pastoral leaders, across the trust, access support from the city council exclusion team which provides an oversight on exclusion letters and procedures.
82. Exclusion is used as a last resort where internal and external support mechanisms have been exhausted. The headteachers make decisions regarding exclusions after gathering evidence from pastoral leads and the SENCO. Re-integration meetings are held after fixed term exclusions which focus on bringing pupils back into the academy and reiterate the expectations when putting appropriate support in place.
83. The data provided by the trust shows that permanent exclusions are reducing across the trust, most significantly at Perry Beeches, The Academy. There is more fluctuation in fixed term exclusion data. Perry Beeches IV shows a worsening trend although the academy is still growing. Perry Beeches, The Academy and Perry Beeches II are relatively steady but not reducing.
84. There is an improving trend in exclusion data for statemented learners. There have been no permanent exclusion at the trust for statemented learners in the past three years and no fixed term exclusions for statemented students in 2016/17.
85. The number of pupils leaving academies across the trust is variable, 10 students have left to access elective home education (EHE) this academic year to date, compared to five in 2014/15 and 69 pupils leaving for new schools this year compared to the same number last year. Levels of mobility and the numbers of families opting to home educate are high across the city.
86. Pastoral leaders outlined that they actively discourage parents from EHE and follow Birmingham city council procedures.

87. Four of the five pastoral leaders attend or engage with exclusion/managed move panels where they might refer to or take children in from. The Perry Beeches academies also use managed moves within the trust to provide a fresh start to pupils.

88. The exclusions policy is not clear and does not fully satisfy or comply with the statutory exclusion guidance, 2015.

89. Exclusion practice varies considerably across the trust and strategies that are used to decrease exclusions are not shared across the trust.

Conclusions

90. There was evidence to support some of the allegations received. Although the trust has a whistleblowing procedure, it was unclear that staff are fully aware of it and it did not include what to do should someone want to raise a whistleblowing concern regarding the chief executive.
91. The expenditure on legal and PR costs regarding the prior EFA investigation reports are not considered to be irregular in nature due to the trust not having access to internal legal/PR expertise. However, there was a lack of evidence regarding procurement for these services. The legal costs could also be considered to be contentious and therefore prior EFA permission should have been sought.
92. The expenditure on political sponsorship and dinners is irregular and breaches Charity Commission guidance and the Academies Financial Handbook as it is considered an inappropriate and contentious use of public funds.
93. The trust has breached the Academies Financial Handbook regarding the related party transaction with Lampsato Limited, due to there being no evidence that any of requirements being adhered to or considered. However, the arrangement has now ceased.
94. Employee records were insufficient to evidence fully that directors were not involved in the recruitment of family members. The trust must be particularly careful to fully record and document the recruitment process followed and evidence that related parties play no part in the process. There was evidence suggesting the chief executive was involved in determining the starting salary of his nephew.
95. Each academy has an identified SEN governor and there is a trust wide SEN policy.
96. Each academy has a designated SENCO but SENCOs do not have control of the SEN budgets and are not aware of available SEN funds.
97. The local offer and SEND information reports do not clearly outline how each academy provides for learners with SEND.
98. The number of SENAR requests to individual academies within the trust has increased between 2013 and 2016 but the number of accepted requests has not increased.
99. JCQ guidance is followed by heads of department and controlled assessments are always conducted with two or more staff present to quality assure the process.
100. The trust policy on exclusion is not clear or consistent across the trust and does not identify strategies to decrease exclusions across the trust. In addition, the policy does

not comply with the 'Exclusion from maintained schools, academies, and pupil referral units in England' guidance.

101. The trust does operate an enrichment programme across all its academies and whilst this is compulsory after school, for core subjects, no evidence was found that parents were unhappy with the programme. The enrichment activity during holidays is optional and no evidence was found that this was compulsory for pupils or that it is a staff contractual requirement.

102. No evidence was found of irregularity, across the trust, in regards to the examinations process or procedures.

103. No evidence was found that excluded pupils are home educated as an alternative to being permanently excluded. The evidence collected showed that pupils are actively discouraged from being home educated. Discussions with pastoral leads confirmed that managed moves are catered for wherever necessary.

Recommendations

104. The trust must update its whistleblowing procedure to include what actions staff should take in the event of wanting to whistleblow regarding the chief executive.
105. The trust must ensure staff are made aware of the whistleblowing policy and understand what to do in the event of wanting to whistleblow. A confidential record of whistleblowing with action taken should be maintained.
106. The trust must ensure their new financial procedures are adhered to. For example, purchase orders raised and adequate records retained as to the purpose of expenditure.
107. The trust must consider when expenditure may be novel or contentious and ensure that EFA permission is sought in advance of incurring the expenditure (recognising that they are currently operating under a Financial Notice to Improve and until this is lifted all of the delegated authorities as identified in the Academies Financial Handbook are revoked and all transactions by the trust (regardless of size) must come to the EFA for approval.
108. The trust must immediately cease to provide any form of support for political events/fundraisers. Following the subsequent return of £5,000 from the Labour Finance and Industry Group the trust should prepare for the remaining irregular expenditure of £2,227 to be refunded to the EFA.
109. The trust must ensure compliance with the requirements within the Academies Financial Handbook with regard to procuring goods and services when trading with connected parties.
110. The trust must confirm with the EFA whether the transactions with Lampsato Limited were 'at cost'.
111. The trust must cease engagement activity with the PR company, undertake an appropriate procurement exercise and agree the expenditure with the EFA. In addition, the trust should be prepared to refund, to the EFA, for any expenditure made for PR activity since the publication of the Financial Notice to Improve, as this is in breach of the conditions.
112. The trust must comply with its own recruitment policy and the requirements set out in the Academies Financial Handbook to ensure fairness, openness and transparency in all appointments and avoid any conflicts of interest.
113. The trust must be fully open and transparent when recording related and connected party transactions in the audited accounts.
114. The trust should ensure That SENCOs within the trust are able to work strategically with the headteacher and governing body, in determining the strategic

development of SEN policy and provision as outlined in SEND Code of Practice 0-25 (Para 6.87). The trust should also ensure that SENCOs are part of the school leadership team to facilitate effective strategic development of SEND including deployment of the school's delegated budget and other resources to meet pupils' needs effectively as outlined in SEND Code of Practice 0-25 (Para 6.87 & 6.90)

115. The trust must revise its local offer and SEN information reports to make sure that reports detail how each academy provides for learners with SEND.

116. The SEND practice and provision across the trust must be reviewed to identify and disseminate strategies to successfully include the most vulnerable learners.

117. The trust must review the current exclusion policy to ensure compliance with and clear communication of the 'Exclusion from maintained schools, academies, and pupil referral units in England' guidance.

118. The exclusions practice across the trust should be reviewed and an improved inclusion strategy put in place to eradicate permanent exclusions wherever possible and to reduce fixed term exclusions within all academies.



Education
Funding
Agency

© Crown copyright 2016

This publication (not including logos) is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

To view this licence:

visit www.nationalarchives.gov.uk/doc/open-government-licence/version/3

email psi@nationalarchives.gsi.gov.uk

write to Information Policy Team, The National Archives, Kew, London, TW9 4DU

About this publication:

enquiries www.education.gov.uk/contactus

download www.gov.uk/government/publications



Follow us on Twitter:
[@educationgovuk](https://twitter.com/educationgovuk)



Like us on Facebook:
facebook.com/educationgovuk