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Joint General Secretaries

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Ms Lisa Osofsky
Director
Serious Fraud Office
2-4 Cockspur Street
London SW1Y 5BS

21 January 2020

Dear Ms Osofsky,

Collective Spirit Free School and Manchester Creative School

We write to ask you to open a criminal inquiry into what appears to be prima facie evidence of fraud at the above-named free schools which were closed in 2017 and 2018 respectively. Their closure followed a catalogue of educational, safeguarding and governance failings.

The Education and Skills Funding Agency (ESFA), an executive agency of the Department for Education (DfE), has investigated these schools and published its report in May 2019, available [here](#). Findings from the visit and subsequent enquiries identified a number of significant failings in both the governance and financial control arrangements, including several breaches of the regulatory framework governing academy trusts. However, the ESFA also stated that the lack of any robust financial control system, adequate financial oversight and relevant documentation to support contractual management and financial transactions by the trusts, had impacted upon its ability to reach any conclusion on some key aspects of its investigation (see the report's Executive Summary).

Subsequent investigations by the press suggest that the scale of the alleged fraud could be far greater than that identified by the ESFA. See, for example, this recent article in [Schools Week](#).

Given the serious allegations against key personnel at these schools and the inability of the ESFA, by their own admission, to get to the bottom of this matter, we believe it is in the public interest for the SFA to step in. We support the request from Jim McMahon MP that the SFA should conduct its own investigation.

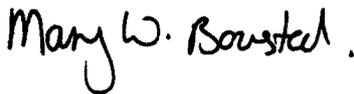
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The public must have confidence that taxpayers' money is being wisely spent by schools, particularly academies and free schools that are independent of local authorities and have no oversight except for that provided by the DfE and its agencies. The public is entitled to be assured that when concerns arise, the Department and its agencies investigate thoroughly and take robust action where the evidence supports it. This has not occurred in respect of these schools and therefore we believe an independent inquiry is necessary.

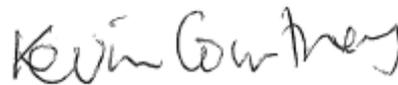
In view of the above, we would ask you to instruct your officials to conduct an investigation so that any perpetrators of fraud can be brought before the courts and to ensure that lessons can be learned by the DfE and its agencies.

We look forward to hearing from you.

Yours sincerely



Mary Bousted
Joint General Secretary



Kevin Courtney
Joint General Secretary