

## **Mr Dwan's Private Office have supplied the following statement**

In 2013 Mr Dwan, a businessman based in the North West of England, made a decision to fund and sponsor the formation of initially one, but later two, multi-academy trusts (MAT).

Mr Dwan had been approached by the Department for Education (DfE) to use his business resource and skills to assist with the Academy programme. He was encouraged to support the Academy programme aiming to make real progress and change. Mr Dwan was informed that few sponsors were willing to risk taking on particularly challenging schools as the resource and reputational exposure often viewed as too great.

Mr Dwan was persuaded to donate his business skills and resources to try to help. It was never guaranteed or even likely that his efforts would succeed where others had failed but Mr Dwan was convinced that he had to try.

In many schools great strides have been made thanks to the work put in by the schools with support from the Trust. However, for Whitehaven the Trust could not find the answers.

The record which follow aims to describe what has been tried so that in future those working to help the most difficult schools are equipped with information and learning about what has been tried, the circumstances and the efforts that have met with success or failure.

The first Trust, Bright Tribe converted its first school in January 2014. Over the next 3 years Mr Dwan supported the activities of Bright Tribe and Adventure Learning Academy Trust (ALAT) in converting 14 schools into Academy schools.

In addition, 11 of these schools were amongst the poorest performers in England and all required intensive activity to create a stable and improving educational offer for each community. Most schools were also operating in financial deficit and this created an additional challenge as a MATs are required to balance the books on an annual basis.

Mr Dwan presented a business case to the DfE in which he proposed using his own employed teams and his money to fund and resource this new organisation for the initial start-up period. This start-up period was estimated as being 3-4 years.

He made it clear that the majority of this resource would be people based and these individuals would be seconded at cost to each Trust for the required period but that one of their objectives would be to create a self-sustaining organisation as soon as possible.

From 2014 to 2017 Mr Dwan provided people and financial support to both Trusts. Mr Dwan in this period made donations totalling £2.430m. These donations are all recorded correctly and are referenced in the annual accounts of the two Trusts.

All payments received in this period by Mr Dwan's companies, properly registered and recorded, were at cost, or less than cost and the vast majority (greater than 90%) related to secondees or TUPE transfer staff brought across from the schools as they became members of the Trusts. These costs are not discretionary and would have been incurred within the Trust in any event. All resources are fully declared and this information is freely available.<sup>1</sup>

Mr Dwan's priority was to supply urgently required resources for schools and his motive in this was not commercial or profit driven and no profits were made.

Both Trusts now operate using an in-house resource and no longer need or receive substantial support from Mr Dwan or any of his companies.

This model was adopted from January 2016 in line with the business plan agreed with the DfE.

The Trusts have only worked with schools that the DfE encouraged the Trust to take on. Each school conversion involved a detailed long-term strategy to turn around and improve its situation. Save for at Whitehaven, most schools are in line with expectations with some impressive improvements achieved.

Whitehaven was never intended to be a school in isolation in Cumbria and initially it was to be a cluster of three schools.

There have been many promises of support from authorities and it is clear that there needs to be a fundamental change for Whitehaven.

The Trust has not been blind to the problems at Whitehaven and from 2014 onwards it has argued for change. Many proposals have been made including new buildings, a vocational led curriculum, a merger with the UTC, the options of closing or relaunching as a new school have also been considered. By early 2016 it was clear to the Trust that the DfE were unable to support any of these proposals and at that time, following a review the DfE declared the buildings as adequate.

With a lack of community support for the Trust in Whitehaven and the DfE unable to support capital investment the school remained in isolation.

Alongside understandable community frustration a small number of individuals began campaigning against the Trust and blamed 15 years of failure on the Trust, despite being a relative newcomer. Some claims became disingenuous, counterproductive and dangerous.

The Trust decided at this point (2016) to ask the DfE to invite a new sponsor to take on the challenges at Whitehaven.

Having completed his original philanthropic objective Mr Dwan resigned as the sponsor representative for both Trusts in September 2017.

Over the previous five years Mr Dwan had provided close to £5m of financial support to educational causes with some significant success.

Mr Dwan said: "Despite real success in 13 schools I am very sad and sorry that the Trust which I started in 2013, with great philanthropic aspiration, did not meet its objectives at Whitehaven. There is entirely understandable strength of feeling in the Whitehaven community and I would like to let the community know that I am sorry. The failure to turn around the quality of teaching and learning and an inability to secure a new school was not for want of trying.

The school's deterioration over previous decades meant that the Trust spent a huge proportion of its annual budget making improvements and providing intensive resource and support. However, despite the problems at Whitehaven the Trust and schools elsewhere are

succeeding and I believe they should be celebrated and congratulated for the positive changes they have made for children in some of the poorest communities.”

Notes

1. Any representation of the payments outlined in p1 as commercial income for Mr Dwan is a gross misrepresentation of the facts.
2. Mr Dwan has not been a Trustee of either Trust and has not run either Trust. He is not a Person of Significant Control. Mr Dwan attended board meetings when appropriate as an observer representing the Sponsor.

**10 July 2018**