



Ms Sue Berelowitz
Chair of Governors
Greater Brighton Metropolitan College
Pelham Street
Brighton
BN1 4FA

30 September 2021

Dear Sue

Updated Financial Health Notice to Improve

This letter and its schedule constitute an updated Notice to Improve (NTI) in line with clauses within the Funding Agreements between the Secretary of State for Education (DfE) acting through the Education and Skills Funding Agency (ESFA) on behalf of the Crown and Greater Brighton Metropolitan College.

It sets out additional conditions of funding that Greater Brighton Metropolitan College is required to comply with in order that ESFA can continue to fund the college. The conditions set out in the schedule of this NTI are in addition to the conditions of funding set out in the Funding Agreements and replace those in previous versions of the NTI.

I am re-issuing this as part of a yearly review of the NTI, to ensure its terms and conditions remain relevant.

This NTI is in place as a result of the college requesting emergency funding in June 2020 and a grade of inadequate for its financial health in 2018/19, 2019/20 and 2020/21. As set out in the College Oversight: Support and Intervention Policy; a post-moderated grade of inadequate and any request for emergency funding to continue the running of the college will always result in a college being put into intervention and we will always issue a Notice to Improve. Therefore, Greater Brighton Metropolitan College is in **intervention**.

Schedule 1 attached sets out the action required under this NTI.

Referral to the FE Commissioner

This NTI aligns with the Department's published policy, *College Oversight: Support and Intervention* (July 2021). The issuing of this NTI also brought Greater Brighton Metropolitan College into scope for referral to the FE Commissioner (FEC) for an independent assessment of the college's capability and capacity to make the required changes and improvements within a reasonable period of time.

This assessment was carried out in August 2020 and recommended an FEC led Structure and Prospects Appraisal to determine the future of the college. The result of this process, concluded in March 2021, was a recommendation for the college to

merge with Chichester College Group, this was then endorsed by both college's governing bodies.

Where an NTI is issued, the ESFA may take it into account when determining any eligibility for growth funding and/or it may also affect your ability to be successful in tendering for other funds and other competitive tendering processes for new provision.

Monitoring

ESFA will closely monitor progress made towards meeting the additional conditions through scheduled monthly case conferences and will work with you and wider agencies to secure the best outcome for learners, employers and the local community.

Compliance

If Greater Brighton Metropolitan College does not comply with the additional conditions within the specified time period, ESFA will pursue one or more of a range of options outlined in, or incorporated into, the funding agreements.

In all cases, the removal of the additional conditions will occur when Greater Brighton Metropolitan College receives a letter from ESFA indicating that the additional conditions have been met.

Complaints

If you consider that ESFA has acted unreasonably or not followed a proper procedure in issuing the additional conditions, you can make a complaint under the procedure for [dealing with complaints about the ESFA](#).

Publication

ESFA publishes all NTIs on gov.uk.

Reviews

ESFA will regularly review this NTI with you. It is likely that the NTI will be re-issued, at least annually to ensure the terms and conditions remain relevant. ESFA reserves the right to re-issue at any point should circumstances significantly change.

Action required

Please acknowledge receipt of this letter and the schedule below by writing to me within 5 working days of the date of this letter.

This updated NTI is being copied to Ofsted, your local authorities and the FE Commissioner.

Yours sincerely



Steve Bagley
Interim Deputy Director, FE Territorial Team London and South East, ESFA

Cc:

Andy Cole, Interim CEO, Greater Brighton Metropolitan College

Jos Parsons, Ofsted

Paul Wagstaff, Director of Education, West Sussex County Council

Jo Lyons, Assistant Director Education and Skills, Brighton and Hove City Council

Frances Wadsworth, Interim FE Commissioner

Hannah Caldwell, Head of Territorial Team Kent and Sussex, ESFA

Schedule 1: Inadequate Financial Health and Cash Related Concerns - Greater Brighton Metropolitan College

This schedule sets out the additional conditions relating to the improvement of the overall services. It has been issued because ESFA has assessed Greater Brighton Metropolitan College as having inadequate financial health and cash related concerns resulting in a request for emergency funding.

Timescales

The additional conditions outlined within this schedule must be addressed swiftly.

In addition, where it is evident that sufficient improvement is not or cannot be achieved within the timescales specified, the ESFA reserves the right to take further action open to it at any point.

Monitoring and Progress

All conditions will be reviewed at case conference and monitoring meetings with the ESFA Territorial Team and the FE Commissioner, these meetings will be scheduled on a monthly basis.

Specific conditions

1. The college must continue to work with Chichester College Group (CCG), ESFA and the FE Commissioner and her advisers towards merger with CCG by the planned date of August 2022, whilst other parties also continue to do so
2. The college must continue to work with the FE Commissioner and her advisers and support regular stocktake visits monitoring the recommendations in the report of the capacity and capability review conducted in August 2020 and any subsequent recommendations from stocktake visits.
3. The college must keep updated and continue to follow its financial recovery plan originally submitted to the ESFA on 30th October 2020. ESFA and the FE Commissioner will continue to monitor progress against the plan to ensure that sufficient progress is being made and agreed milestones are being reached.
4. The ESFA reserves the right to procure a third-party firm to undertake an Independent Business Review and that the college co-operates in full with this process.
5. The college must attend regular meetings with ESFA. Attendees should include, as a minimum, the CEO, Principal, COO and Chair or other appropriate Governor to represent your Corporation. The meetings will focus on the college's progression against the milestones in the plan, where the college will be expected to provide information to demonstrate proper oversight and timely implementation of the plan.

ESFA will arrange these meetings and your first point of contact is Ben Payne, Senior Territorial Team Manager.

6. The college should continue to undertake a regular review of potential cash flow requirements and the college is required to supply ESFA with monthly management accounts and a monthly cash flow.

7. This NTI may be revised and updated subsequent to the date of issue to reflect progress and/or any change in circumstances including, following any further FE Commissioner recommendations. It will be formally reviewed with you, at least annually, to ensure it remains appropriate and current.

8. If, in ESFA's view, the college fails to take the necessary actions (in whole or part) within the timescales set out, or if evidence of progress is not appropriate or not available, the ESFA will take further action.

9. ESFA will determine when the college has made sufficient progress for the NTI to be lifted. This will either be when:

- the college merges with CCG
- or there is no reliance on further emergency funding for the entire financial plan duration
- or a longer-term agreement is secured for an appropriate repayment plan for the emergency funding
- or the college's audited accounts and finance record demonstrate financial health of at least requires improvement for two full successive years.

When the college complies with the actions within the timescales set out, ESFA will lift the NTI and confirm this in writing.