



Department for Education

Lord Digby Jones
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Rt. Hon. Robert Halfon MP
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3rd April 2017

Dear Lord Digby Jones,

I am writing to inform you of the Government's view of the position of Stratford-upon-Avon College following the recent assessment by the Further Education (FE) Commissioner's team. Following an urgent request for Exceptional Financial Support (EFS) in February, I asked the FE Commissioner to undertake an assessment of the College. This took place on 3rd and 6-7th March 2017.

Having read the FE Commissioner's report, it is clear to me that you and your staff are committed to driving success at the College and I am pleased to see this reflected in good quality provision. I would like to take this opportunity to thank you for your hard work to date, and I am grateful that you have agreed to remain in post until greater stability at the College is secured.

To achieve financial sustainability, leadership and governance need to improve. In the past, insufficient attention was given to College financial information, and as a result the College's financial forecasts were not adequately challenged and working capital risks were not identified. Going forward, the board should undertake regular and structured reviews of the management accounts and cash flow forecasts.

In the long-term, a strong and experienced Principal must lead the College. They will need to be effectively held to account by governors under the new arrangements recommended by the FE Commissioner.

I am aware that following the EFS request, you acted quickly to appoint an interim Principal. I recognise the need for strong leadership in such challenging times and it is important that you now empower the interim Principal to give them full responsibility for day to day operations. It is vital that their performance is rigorously monitored and that they are held to account to ensure that the College maintains quality provision and effective operations despite the ongoing financial challenge.

The scale of the challenge is such that structural change is required to ensure long term financial stability. As a matter of urgency, the FE Commissioner will now undertake a Structure and Prospects Appraisal to recommend a suitable merger partner for the College. A final merger partner should be confirmed by the College by 31st May 2017, with a target merger implementation date of no later than 31st December 2017.

I understand that it is your intention to stand down as Chair once a new merger partner is identified. I welcome your decision to remain in post during this transitional period, and I agree that it is helpful to bring in fresh governance for the next stage. Once again, I would like to express my gratitude for the commitment you have shown to the College.

Finally, I would like to highlight my commitment to working with the College and the FE Commissioner to identify a solution that will put the College on a stronger financial footing to allow for continued quality provision in Stratford-upon-Avon.

I have accepted all of the recommendations of the FE Commissioner and a summary of the initial assessment is provided with this letter. This document and my letter will be published on gov.uk.

If you have any questions or comments regarding the factual accuracy of the FE Commissioner's assessment, please contact the FE Commissioner (fe.commissioner@education.gov.uk) in the first instance.

I am copying this letter to MPs, Nadhim Zahawi, Dame Caroline Spelman, Jeremy Wright, Victoria Prentis, Robert Courts, Geoffrey Clifton-Brown, Nigel Huddleston, Karen Lumley and Sajid Javid.

A handwritten signature in black ink, appearing to read 'Robert Halfon', with a small mark at the end.

ROBERT HALFON MP