



Education
Funding
Agency

**Education Funding Agency
Sanctuary Buildings
Great Smith Street
London
SW1P 3BT**

Tel: 0370 000 2288
[efa-enquiry-form](#)

26 January 2016

Mrs Breda Bowles
Accounting Officer
The Dominic Barberi Multi Academy
Company
St Gregory the Great Catholic School
Cricket Road
Oxford
OX4 3DR

Financial notice to improve – ref: FNTIDBMAC260116

Dear Mrs Bowles,

I am writing to you in your capacity as the Accounting Officer for The Dominic Barberi Multi Academy Company (“the Trust”).

As you are aware, the Education Funding Agency (EFA) has been monitoring the Trust’s progress towards meeting the conditions set out in the letter issued by Jane Cunliffe on 6 November 2015. I recognise the cooperation and extensive discussions that have taken place with the Trust and officials, however my concerns remain in relation to the weak financial position and financial management at the Trust. Having considered all of the evidence and representations, I am now writing with a final decision to issue a Financial Notice to Improve to the Trust.

This letter and its annex serve as a written notice to improve financial management, control and governance at the Trust. It reflects the weak financial position of the Trust and continued concerns on governance and oversight of financial management by the Board.

The Trust is required, pursuant to the provisions of the Academy Financial Handbook (AFH) and the Funding Agreement (FA), to comply with the terms of this Financial Notice to improve (“the Notice”). These terms are set out in Annex A.

Upon receipt of this Financial Notice to Improve (“the Notice”), all of the delegated authorities as identified in the AFH will be revoked, and all transactions by the trust previously covered by these delegations (regardless of size) must come to the EFA for approval. These delegated authorities shall be returned to the trust providing that the terms set out in the Notice have been complied with and continue to be complied with, to the satisfaction of the Secretary of State.

We will monitor progress made towards meeting the requirements associated with this Notice. We will lift the Notice when the requirements set out in the annexes have been met. In the event that the Trust fails to meet the requirements of this Notice, to the satisfaction of the Secretary of State, the Trust will be considered to have failed to comply with the terms of the AFH, which all academies must comply with by virtue of the terms of the FA. As a

result of this breach of the AFH, and therefore also of the FA, the termination process in the FA may be triggered. Depending upon the severity of the breach, this may be considered a material breach of the terms of the FA and lead to termination.

In parallel, colleagues will continue to liaise with the Trust in relation to educational capacity and improvement plans at the Trust.

I should be grateful if you would acknowledge receipt of this letter by email and within three working days of the date of this letter to [REDACTED].

I am copying this letter to Mr David Forster, the Chair of the Trust and Mr Martin Post, the Regional Schools Commissioner (RSC) for North West London and South Central England (NWLSC).

I look forward to hearing from you.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Sue Baldwin', written in a cursive style.

Sue Baldwin

Director: Academies and Maintained Schools

CC: Mr David Forster (Chair)
Mr Martin Post (RSC for NWLSC)

The Dominic Barberi Multi Academy Company

Ref:FNtIDBMAC260116

Conditions

1. The Education Funding Agency (EFA) has decided to issue a Financial Notice to Improve (the 'Notice') as a consequence of The Dominic Barberi Multi Academy Company ("the Trust"):
 - accruing a significant deficit
 - experiencing cashflow difficulties which have required advances of GAG funding from EFA at short notice
 - failing to provide adequate financial governance oversight and challenge through the Board of Trustees

Governance

2. The Trust is required to revise its recovery plan and undertake further actions to strengthen governance and leadership. Specifically, this should include:
 - conducting an external review of governance and leadership, the scope of which should be agreed with the EFA, to ensure that the necessary controls and procedures are in place. This review should consider whether the governing body has the right mix of skills and experience to oversee the financial recovery and ensure value for money in the Trust's operations. The findings of that review should be shared with the EFA, together with an action plan for implementation of the review's recommendations
 - ensuring that proper arrangements are put in place whereby the governing body is able to hold to account independently the Accounting Officer and other members of the executive management team
 - ensuring all governors are aware of their responsibilities as directors under the Companies Act and as trustees under Charity Commission guidance
 - ensuring strong processes are in place for the Trust to monitor adequately financial performance and the financial risks to its operations

Financial Management

3. Although the Trust has a recovery plan in place, this needs to be revised and improved to:
 - undertake an external review of costs to help significantly further reduce costs and the forecast deficit position
 - ensure that funding advances can be fully repaid
 - set out the improvements you propose to make and when in order to: (1) strengthen the forecasting of individual academy financial performance, and

(2) ensure that systems for challenging academy financial performance have maximum impact in practice

The plan will need to deliver a sustainable educational and financial position for the school, ensuring a good educational offer for the pupils of the schools within the Trust.

4. The Trust is also required to:

- comply with the funding agreement requirement to submit all audited financial statements to the EFA on time by 31 December, without qualification
- contact the EFA at an early stage if it believes that performance is falling behind the schedule set out in their action plan and, if necessary, engage external financial and educational support to recover the position

Please note however:

- the Trust is responsible for its own financial management, control and governance and is expected to take appropriate action to strengthen the control weaknesses identified
- the Trust should take all appropriate actions to ensure the recovery plan and internal control action plan is fully implemented
- the EFA must be satisfied that the Trust is doing everything it can to rectify the weaknesses identified

Timescales

5. The Trust must submit the revised recovery plan to the EFA by 1 February 2016.
6. We will agree further milestones as part of the finalisation of the Trust's recovery plan actions and in line with the recommendations from the external review of governance and leadership.

Monitoring and Progress

7. The Trust is required to meet the specific conditions outlined above to enable the EFA to monitor compliance and progress.
8. The Trust must supply the EFA with monthly financial monitoring information by the 20th working day of each month for one year from the date of this Notice. The frequency of the financial monitoring information will be agreed with the Trust after this.
9. Should it become evident that the Trust is unlikely to fulfil the conditions and / or requirements set out in this Notice and / or within the above timescales, the EFA will begin to consider and explore the contractual intervention options available.

Compliance and the End of the Notice Period

10. Compliance with this Notice will be demonstrated when:

- the EFA receives financial information clearly demonstrating that no further financial support will be required and that any advances of funding can be repaid in line with agreed terms
- the EFA receives audited financial statements with an unqualified audit opinion, which confirm that the Trust is performing, at minimum, to the standards agreed in the recovery plan
- the EFA receives an auditors' management letter which does not raise concerns

11. When the Trust meets the conditions outlined in this annex, the Notice will no longer apply and the EFA will write to the Trust again to confirm that the Notice has been lifted.