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Dear Mr Grieve,

I am writing to inform you of the Government's view on the position of City of Liverpool College in the light of the FE Commissioner's recent stocktake assessment, and the performance of the college over the last five years.

Nick Boles letter of 18 May made clear that it is not acceptable that the College has failed to deliver sustained improvement over a prolonged period, and has become the first institution to be re-referred to the FE Commissioner, following both long standing quality and more recent financial failings. Nick recognised there had been some recent progress and offered you an opportunity to demonstrate further how you were strengthening the college's position by the recent Commissioner's stocktake.

I am extremely concerned by the college's response since that letter was written. Rather than focussing on securing improvement you have sought to challenge the Commissioner process and spent college funds on engaging lawyers; notwithstanding that the Government has provided £2 million of Exceptional Financial Support to the college as a result of its failures of financial management this year. As a result the recent stocktake could not be completed – the first time this has occurred in any college since the intervention process was established in 2013.

In considering the College's position my priority must be the needs of the young people and adult learners in Liverpool. In 2009 City of Liverpool College was inspected by Ofsted and was rated Outstanding. The current principal was appointed in 2011. The College was re-inspected in 2013, and found to be Inadequate. Following Further Commissioner Intervention in 2013, and support from the Commissioner's advisers the College was assessed as 'Requires Improvement' in 2014, and subsequently maintained that grade in 2015. Since 2011 around 100,000 students have studied at the College and

the provision it has offered has not been good enough. This failure cannot be allowed to continue.

The College has also had severe financial problems, and the Commissioner's initial assessment in April indicated that the existing leadership had failed to exercise adequate financial oversight, and the recent, incomplete stocktake also found that the board had not properly managed senior post holders or held them to account. Financial mismanagement is not simply a matter of hitting annual budgets, but of proper financial planning which enables the college to invest in outcomes and quality.

I am therefore placing City of Liverpool College in Administered College status with immediate effect. This will mean that a member of the Skills Funding Agency's local team will now attend all board meetings as an observer, and that the College will be required to consult the Agency about any fundamental changes affecting its operations or finances.

I have asked the FE Commissioner to conduct a full unfettered assessment of the college's position in November, when the latest accounts become available. At that assessment I have asked the team to explicitly consider taking into account local stakeholder views of how the executive team and governing body can be strengthened. The assessment will both review recent progress, and consider the college's longer term record.

A core objective of the area review process is to strengthen collaboration between colleges and local authorities in order to improve delivery for learners. I have spoken with Joe Anderson the Mayor of Liverpool to inform him of the approach we are taking, and I know that the City are determined, in the context of the Combined Authority's leadership of the area review, to put the College on a much sounder footing going forward. I welcome the City's role in this respect, and stronger collaboration between the College and local partners should provide a sound basis for improvement.

I am copying this letter to Joe Anderson, Mayor of Liverpool, Louise Ellman, MP for Liverpool Riverside and Ian Maher, Chair of the Liverpool Area Review on behalf of the Combined Authority. It will be published on Gov.UK.



Rt Hon Robert Halfon MP
Minister of State for Apprenticeships and Skills