



Education & Skills
Funding Agency

Education and Skills Funding Agency
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Cumberland Place
Nottingham
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www.gov.uk/esfa

14 February 2020

Sean Lyons
Chair of Governors
West Nottinghamshire College
Derby Road
Mansfield
NG18 5BH

Sent via email to: Sean.Lyons@wnc.ac.uk

Dear Sean

Financial Health Notice to Improve

This letter and its schedules constitute a 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.

It sets out additional conditions of funding that Vision West Nottinghamshire College is required to comply with in order that ESFA can continue to fund. The conditions set out in the schedule(s) of this NTI are in addition to the conditions of funding set out in the Funding Agreements.

I am re-issuing this NTI (first issued 24 July 2018) following review to reflect updated policies and new processes and requirements for the submission and timing of financial data are now in place. Vision West Nottinghamshire College is still classed as being in formal intervention.

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

Supervised College status

As confirmed at the case conference meeting on 24 January 2020, the ESFA has approved the removal of Vision West Nottinghamshire College from Supervised College status due to the rapid and significant improvement in leadership and governance. As agreed at the meeting, the ESFA will continue to attend Board meetings and Finance Committee meetings as an observer due to the mutual benefit that this brings to both the Agency and the college.

The college will no longer need to inform ESFA of purchases or expenditure, including capital, over £20,000.

Monitoring

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

Compliance

If Vision West Nottinghamshire College does not comply with the 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 Vision West Nottinghamshire 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 reissue 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 NTI is being copied to Ofsted and the FE Commissioner.

Yours sincerely



Karen Riley
Deputy Director
FE Directorate Territorial Team (Midlands and East)

Copy to: Andrew Cropley, Chief Executive and Principal
Jos Parsons, Ofsted
FE Commissioner's Office

Schedule: Inadequate Financial Health Vision West Nottinghamshire College

This schedule sets out the additional conditions relating to the improvement of the overall services. It has been issued because ESFA has assessed Vision West Nottinghamshire College as having inadequate financial health.

Timescales

The additional conditions outlined within this schedule must be addressed swiftly. Where it is evident that sufficient improvement is not or cannot be achieved within the timescales specified, the EFA 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.

Specific conditions

1. The college must continue to share with ESFA any amendments to or risks associated with the financial recovery plan that has been approved by the college Corporation. ESFA and the FE Commissioner will monitor progress against the plan to ensure that sufficient progress is being made and agreed milestones are being reached.
2. The college must continue to work with ESFA and the FE Commissioner and his advisers prior to and during the scheduled Stocktake Visits. These visits will continue to assess the college's capability and capacity to make the required changes and improvements. This will include supplying all necessary information to the FE Commissioner or his advisers so the assessment can be made.
3. The college must continue to fully engage with ESFA in the bksb sale process. ESFA will attend the bksb Sale Steering Group meetings and also will discuss progress and related risks at other regular meetings including case conference meetings and monthly meetings with Lloyds bank.
4. Vision West Nottinghamshire College must develop a repayment plan for ESFA funding clawback and Exceptional Financial Support. The plan will be monitored at each formal case conference, and progress assessed against the criteria set out in paragraph 11 of this schedule.

The plan should include:

- historic apprenticeship clawback (Spring 2020)
- early partial EFS repayment (pre the sale of bksb)
- remaining EFS repayment (post the sale of bksb)

The repayment plan must be approved by the ESFA.

5. The college is required to consult with the ESFA prior to any asset disposal or inter-company financial transfer.

6. The college is expected to share with the ESFA, in a timely manner, accurate and up to date management accounts and any other relevant financial and cash flow information including a supplementary narrative covering planning assumptions.
7. The college must attend regular meetings with ESFA. Attendees should include, as a minimum, the Principal, Director of Finance and Chair or other appropriate Governor to represent your Corporation. The meetings will focus on the college's progression against the milestones in the recovery plan, where the college will be expected to provide information to demonstrate oversight and timely implementation of the plan. ESFA will arrange these meetings and your first point of contact is Julia Brooks.
8. Although the college has been removed from Supervised College status, the ESFA will continue to attend governing body meetings and finance committee meetings until it is satisfied that there is sufficient oversight and challenge of the recovery plan or until the college achieves an improved financial assessment. In addition the college must supply in advance copies of agendas and papers for these meetings.
9. This NTI may be revised and updated subsequent to the date of issue to reflect progress and/or any change in circumstances including, following the FE Commissioner's intervention and recommendations. It will be formally reviewed with you, at least annually, to ensure it remains appropriate and current.
10. 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 EFA will take further action.
11. ESFA will determine when the college has made sufficient progress for the NTI to be lifted. This will be when the college's financial health grade has improved from inadequate to at least requires improvement for two subsequent years evidenced by the audited financial record. The actual point score between the two years must show an improving trajectory. The ESFA will confirm the lifting of the notice in writing following the assessment of the appropriate financial statement.