



Department
for Education

**3 Glass Wharf
Temple Quay
Bristol
BS1 0EL**

26 June 2023

Mr Robert Lasseter
Chair of Governors
Kingston Maurward College
Dorchester
Dorset
DT2 8PY



Dear Robert

Financial Health Notice to Improve – updated to include Supervised Status

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 Kingston Maurward College is required to comply with in order that DfE / 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.

The FNTI is being revised from the version issued on 29 September 2021 where the assessment of financial health was considered Inadequate. That assessment remains Inadequate but following the Further Education Commissioner Stocktake visit to the college on 10 May 2023 it was recommended in addition that the college be moved to Supervised College Status to;

- Improve DfE oversight of decisions made on expenditure.
- Facilitate closer working with college governors to observe decision making and financial oversight.

[College oversight: support and intervention - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/collections/college-oversight-support-and-intervention)

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

Monitoring

DfE 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, the local community.

Compliance

If Kingston Maurward College does not comply with the additional conditions within the specified time period, DfE will pursue one or more of a range of options outlined in, or incorporated into, the funding agreements. This may include the use of further education statutory intervention powers as set out in section 56A of the Further and Higher Education Act 1992.

In all cases, the removal of the additional conditions will occur when Kingston Maurward College receives a letter from DfE indicating that the additional conditions have been met.

Complaints

If you consider that DfE 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 DfE](#).

Publication

DfE publishes all NTIs on gov.uk

Reviews

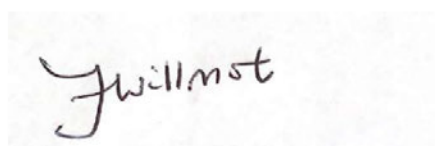
DfE will regularly review this NTI with you. It is likely that the NTI will be re-issued, at least annually, to ensure the terms and conditions remain relevant. The DfE reserves the right to reissue at any point should circumstances significantly change.

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, your local authority, the Office for Students and the FE Commissioner.

Yours sincerely



Fiona Willmot, Deputy Director, South West and South Territorial Team, DfE

Cc: Luke Rake, Principal Kingston Maurward College luke.rake@kmc.ac.uk

Jos Parsons, Ofsted Jos.Parsons@ofsted.gov.uk

Theresa Leavy, Executive Director of People, Dorset Council

theresa.leavy@dorsetcouncil.gov.uk

Office for Students, regulation@officeforstudents.org.uk

FE Commissioner - fec.operations@education.gov.uk

Schedule: Inadequate Financial Health Kingston Maurward College

This schedule sets out the additional conditions relating to the improvement of the overall services. It was issued because the ESFA assessed Kingston Maurward College as having inadequate financial health following the review of the CFFR submitted in July 2021. That position has not altered.

In addition, the College is now placed within Supervised Status to;

- To improve DfE oversight of decisions made on expenditure
- To working more closely with the college governors to observe decision making and financial oversight.

Timescales

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

Monitoring and Progress

All conditions will be reviewed at case conference and monitoring meetings with the DfE Territorial Team and the FE Commissioner, initially to take place monthly.

Specific conditions –

1. The college must continue to work with DfE and the FE Commissioner and her advisers (Meredydd David and Becky Edwards) to complete all actions already set out in the reports from their visits (of November 2020, April 2021, July 2021, June 2022, November 2022 and May 2023) to provide assurance on the college's capability and capacity to make the required changes and improvements.
2. The college must attend regular case conference meetings with the DfE. Attendees should include, as a minimum; the Principal, Director of Finance and Chair or other appropriate Governors to represent the Corporation. The meetings will focus on the college's progress against the activity set out above. The DfE will arrange these meetings and your first point of contact is Mell Cossey – melanie.cossey@education.gov.uk
3. The college is required to submit a set of management accounts with a revised cash flow forecast by the 20th of each month to cover the period up to the end of the previous month. In addition, in line with the requirements of Supervised Status, the College is required to submit a 90-day rolling weekly cash flow forecast that is reconciled to bank statements.
4. KMC to provide details of planned expenditure on the following basis;
 - To share a list of all provisional expenditure on a monthly basis in advance of implementation for all items in excess of £30,000 not set out within the annual budget / cashflow forecast.
 - To share, in advance of implementation, details of all capital expenditure, including planned maintenance, and purchase of capital items, or lease arrangements, in excess of £5,000.
 - In addition, on a monthly basis, a running breakdown of expenditure is required to ensure oversight of DfE capital allocations.

- To share, on a monthly basis, in advance of implementation a list of all agreed staff appointments.
5. The DfE / 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.
 6. Board and sub-group meetings –
 - KMC to share with the DfE Territorial Team all papers relating to full board meetings and other sub-group meetings, to be specified.
 - DfE TT representative to be permitted to attend meetings as an observer.
 7. This NTI may be revised and updated subsequent to the date of issue to reflect progress and/or any change in circumstances 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.
 8. If, in DfE'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 DfE will take further action.
 9. DfE / 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 (150 points or more) for a period of 2 years as evidenced through the Finance Record and / or the CFFR. When the college complies with the actions within the timescales set out the DfE will lift the NTI and confirm this in writing.