



Department
for Education

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www.gov.uk/contact-dfe

Email enquiry form:

www.education.gov.uk/contactus/dfe

Date: 18 June 2025

Martin Foulger
Chair of Governors
South Devon College
Vantage Point
Long Road
Paignton
TQ4 7EJ

Sent by email

Dear Martin

Financial Notice to Improve: Financial Health

- a) Any new provision of emergency funding at any time**
- b) Serious cash flow pressures identified at any time**

The Department for Education is issuing this Financial Notice to Improve to South Devon College following the serious cashflow pressures facing the college and the consequential provision of an Emergency Funding facility from the Department. This means South Devon College is now placed into intervention.

This letter and its schedules constitute a Financial Notice to Improve (Ntl) in line with clauses within the [Accountability agreement 2024 to 2025 \(colleges\)](https://publishing.service.gov.uk) (publishing.service.gov.uk).

- a) Where new emergency funding is provided, we will usually place a college in intervention.
- b) Where serious cash flow pressures are identified, we may decide to place a college in intervention.

It sets out in the attached schedule additional conditions of funding that South Devon College is required to comply with in order that the DfE can continue to fund the college. The conditions set out in the schedule(s) of this Ntl are in addition to the conditions of funding set out in the Funding Agreements (i.e. accountability agreement and contracts).

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

Referral to the FE Commissioner

This Ntl aligns with DfE's published policy, [College oversight: support and intervention](#). It also brings South Devon College into scope for referral to the FE Commissioner for an independent assessment of the college, and the capacity and capability of its leadership and management, and governing body to bring about the required changes and improvements.

Once the FE Commissioner's team have undertaken this assessment, we reserve the right to vary the terms of the Ntl to reflect any recommendations made. These recommendations would be included in an additional Schedule to, or reissue of, this Ntl. The FE Commissioner's office will contact you regarding the arrangements for the assessment.

DfE may consider this Ntl when determining any eligibility for growth funding and/or it may also affect your ability to be successful in tendering for other funds, and other competitive tendering processes for new provision.

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 South Devon 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 South Devon 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.

When the DfE places a college in intervention and issues a Ntl, the FE Commissioner will undertake an independent assessment of the college's capability and capacity to make the required changes and improvements. The summary report will be published on GOV.UK.

You will be required to also publish the summary report on your website within 14 days of it being issued and retain it on the website until the Ntl is lifted.

Reviews

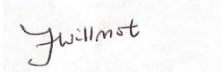
DfE will regularly review this Ntl with you. It is likely that the Ntl will be revised, at least annually to ensure the terms and conditions remain relevant. DfE reserves the right to revise at any point should circumstances significantly change.

Action required

Please acknowledge receipt of this letter and the schedule below by writing to me within five working days of the date of this letter.

This Ntl is being copied to Ofsted, your local authority, Office for students, and the FE Commissioner.

Yours sincerely

A handwritten signature in black ink that reads "F Wilmot". The signature is written in a cursive style with a large initial 'F'.

Fiona Wilmot
Deputy Director, Intervention PBT Central and Southwest, Department for Education

Cc: Laurence Frewin Chief Executive / Principal
FEandSkillsData@ofsted.gov.uk, Ofsted
Nancy Meehan, Director of Children's Services, Torbay Council
Office for Students
FE Commissioner

Schedule: South Devon College - Intervention

This schedule sets out the additional conditions required through this Notice to Improve (Ntl). The DfE is issuing a Ntl as a consequence of South Devon College being in intervention for financial health related to serious cashflow pressures and provision of emergency funding.

Timescales

The additional conditions outlined within this schedule must be addressed. The additional conditions outlined within this schedule must be addressed swiftly. Once the FE Commissioner has completed the assessment, amendments may be issued to confirm any additional conditions that are required.

In addition, where it is evident that sufficient improvement is not or cannot be achieved within the timescales specified, the DfE 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 DfE's Place-based Team (PBT) and the FE Commissioner team. The frequency of these meetings will be confirmed by DfE.

Specific conditions

1. The college must continue to work with DfE's PBT and the FE Commissioner and her advisers to undertake an independent assessment of the college's capability and capacity to make the required changes and improvements. This will include supplying all necessary information to the FEC or her Advisers by the agreed deadline/s so the assessment can be made.
2. The college governors and leadership team must work with the FE Commissioner's team and the PBTs to develop a Single Improvement Plan (SIP). The SIP must set out the priorities and actions needed to improve the college's financial health grade from inadequate to at least requires improvement and address all areas for improvement identified in FE Commissioner's recommendations and Ntl. The college must share a draft SIP with DfE who will review and assess whether the proposed activities will secure the college's financial position.
3. The SIP should then be approved and finalised by the college Corporation Governing Body/Governing Body after DfE's PBT and FEC advisers' comments have been received by the college. The FE Commissioner team adviser will provide a SIP template to use.

The SIP will need to detail specific, measurable, achievable, realistic (SMART) and timely activities and milestones, and should cover but not be limited to:

- detailed financial planning tables, including supplementary narrative to explain assumptions in the planning
- the outcomes of exploration into further staff savings for 2025/26 and 2026/27, which should include a thorough review of curriculum areas

- student number projections and staff planning assumptions, and a detailed sensitivity analysis on these assumptions; for both in year savings and moving forward with a mind to any future structural solutions
- actions to implement savings you have identified, manage expenditure and maintain or increase income, including specific measurable objectives for how you will ensure financial sustainability
- governance and governor ownership and monitoring of the actions within the plan
- the management of any risks to the delivery and quality of education provision

DfE PBT and the FE Commissioner will monitor progress against the SIP to ensure that sufficient progress is being made and agreed milestones are being reached.

4. The college must attend regular case conferences with DfE's PBT and FE Commissioner's team advisers. Attendees should include, as a minimum, the Accounting Officer (CEO/Principal) and the Chair or other governor to represent the Corporation/ governing body i.e. Chairs of appropriate committees. The meetings will focus on the college's progression against the milestones in the plan, where the college will be expected to provide information to demonstrate proper oversight and timely implementation of the plan. The PBT will determine the regularity of, and arrange these meetings.

5. The college should continue to undertake a regular review of potential cash flow requirements, and the college is required to supply DfE with a rolling 13-week short-term cashflow forecast, reconciled to your bank, and a copy of monthly management accounts by 20th of each month.

6. The DfE reserves the right to request that the college procures and pays for an external independent review of its financial, management and governance control environment, with a duty of care to the DfE and the scope of the work to be agreed with the DfE.

7. This Ntl may be revised and updated after the date of issue to reflect progress and/or any change in circumstances including, following the FE Commissioner's intervention report and recommendations. The DfE will formally review this Ntl 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 may take further action. 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.

9. DfE will determine when the college has made sufficient progress for the Ntl to be lifted. Working with the FEC, DfE will determine when the college has made sufficient progress for the Ntl to be lifted. This will be based on assurance of the college's long term financial stability evidenced through the Finance Record and / or CFFR. In addition, the college will need to ensure that all recommendations from FEC visits have been addressed. When the college complies with the actions within the timescales set out DfE will lift the Ntl and confirm this in writing.