



Department
for Education

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8 May 2026

Mr Gary Hindmarch
Acting Chair of Governors
Tyne Coast College
St George's Avenue
South Shields
Tyne and Wear
NE34 6ET

Sent via email to:

Dear Gary

Financial Notice to Improve

This letter and its schedules constitute a Financial Notice to Improve (FNtl) under the Accountability Agreement 2025–2026 for colleges [DfE education and skills agreements and accountability agreements: 2025 to 2026 - GOV.UK](#) and in line with the published [College oversight policy](#).

It sets out in the attached schedule the reason for intervention and additional conditions of funding that Tyne Coast College is required to comply with in order that the DfE can continue to fund the college. These conditions are additional to those in the Funding Agreements (Accountability Agreement and conditions of funding).

Schedule 1 attached sets out the action required under this Notice to Improve (Ntl).

In addition, and due to the nature of our concerns with South Tyneside College campus capital development, the college is also placed in Supervised College Status. The requirements of this status are also included within the schedule.

Referral to the FE Commissioner

This Ntl aligns with DfE's published [College oversight policy](#). It also brings Tyne Coast College into scope for referral to the FE Commissioner (FEC) for an independent assessment of the college, and the capacity and capability of its leadership and governance to bring about the required changes and improvements.

Once the FEC's team has 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, and reissue of this Ntl. The FEC'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 regular meetings, led by the FEC team. We will work with you and wider agencies to secure the best outcome for learners.

In line with our published policy, we do not want colleges to remain in intervention for longer than is necessary and will assess when Tyne Coast College has made the necessary progress for this Ntl to be lifted.

Compliance

If Tyne Coast 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 Tyne Coast College receives a letter from DfE indicating that the additional conditions have been met.

Publication

DfE publishes all NtIs on GOV.UK.

When the DfE places a college in intervention and issues a Ntl, the FEC will always 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 also be required to 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 it 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, South Tyneside Council, North East Combined Authority, Office for Students and the FEC.

Yours sincerely

Karen Allen OBE (nee Sherry)

Deputy Director – Northern Division

Regional Performance Directorate, Skills Group

Cc: Dr Lindsey Whiterod CBE, DL, Chief Executive Officer, Tyne Coast College

Ellen Thinnesen OBE, Further Education Commissioner, Department for Education

Chief Executive, South Tyneside Council

Chief Executive, North East Combined Authority

Ofsted

Office for Students

Schedule 1: Financial Management and other controls

The DfE is issuing a Notice to Improve to Tyne Coast College. The reason for the intervention is weaknesses in the oversight and governance of the college's major capital project at South Tyneside College, and associated financial risks to the college, which meets our intervention trigger for financial management and other controls in our [College oversight policy](#).

This schedule sets out the additional funding conditions that apply as part of the intervention.

Monitoring and Progress

All conditions will be reviewed at monitoring meetings, which will be led by the FEC's team. The frequency of these meetings will be confirmed by DfE.

Specific conditions

1. The college must work with the FEC and her team 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 team by the agreed deadline/s so the assessment can be made.
2. The college governors and leadership team must work with the FEC's team to develop a Single Improvement Plan (SIP). The SIP must include priorities and actions needed to address issues and risks on the South Tyneside College campus capital development across all four connected sites. The college must share a draft SIP with the FEC's team who will review and make an assessment of whether the proposed activities will maintain the college's financial position.
3. The SIP should then be approved and finalised by the college governing body no later than 1 week after the FEC advisers' comments have been received by the college. The FEC adviser will provide a SIP template to use.
4. The college must provide evidence that the SIP has been approved by the governing body. The governing body should review the frequency and arrangements with which it and/or its committees monitor implementation of the actions in the SIP to ensure effective oversight of progress.
5. The SIP will need to detail specific, measurable, achievable, realistic (SMART) and timely activities and milestones including those related to delivery of South Tyneside College campus capital development, and should cover but not be limited to:
 - detailed financial planning tables, including supplementary narrative to explain assumptions in the planning
 - actions to implement savings you have identified, manage expenditure and ensure the capital project cashflow is managed, and early identification of any risks, 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 of the capital project and maintaining the quality of education provision and financial sustainability of the college
6. The FEC team will monitor progress against the SIP and other related college improvement plans as part of South Tyneside College campus capital development improvements to ensure that sufficient progress is being made and that agreed milestones are being met.
 7. The college must access support from the FEC through the DfE intensive support programmes. This may include engagement by the Accounting Officer (Principal/CEO) with a National Leader of Further Education. In addition, the governing body must also engage with the National Leaders of Governance for Further Education programme in line with timescales agreed with the FEC to make use of expertise available to raise standards in board operations.
 8. The college must attend regular meetings, which will be led by the FEC and her team. Attendees should include, as a minimum, the Accounting Officer (CEO/Principal), Chair of the Capital Project Board and the Chair or other governors to represent the governing body i.e. chairs of appropriate committees. The meetings will focus on the college's progression against the milestones in the SIP. The college will be expected to provide information to demonstrate proper oversight and timely implementation of the plan. The FEC's team will determine the regularity of and arrange these meetings.
 9. The college must undertake a regular review of potential cash flow requirements resulting from the South Tyneside College campus capital development, and the college is required to supply DfE's Regional Performance Team and the Deputy FEC with monthly management accounts with a 12-month rolling cashflow forecast, reconciled to your bank by dates agreed in advance with DfE.
 10. The college must produce an updated College Financial Forecasting Return (CFFR), income and expenditure assumptions and sensitivity analysis by 31 July 2026, in line with published, mandated requirements for the further education sector. The CFFR must include detail of the impact of the South Tyneside College campus capital development on the college's overall financial position.
 11. 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.
 12. As a requirement of the college being placed in Supervised College Status related to the South Tyneside College campus capital development, DfE will have a representative observing governing body meetings, strategy events and other committee meetings as deemed appropriate, including South Tyneside College campus capital development meetings, until it is satisfied that there is sufficient oversight and challenge of the capital project developments. In addition, the college must supply, in advance, copies of agendas for board meetings, strategy events, other committee meetings and South Tyneside College campus capital meetings, and DfE must receive all papers, both confidential and non-confidential.

13. The college must also consult the FEC or regional Deputy FEC on decisions that affect the long-term future of the college. These could include, but are not limited to:
- the appointment of any senior staff posts including the appointment of any staff or contractors involved in delivering the South Tyneside College campus capital development
 - the appointment of governors including a new chair of governors
 - significant changes to the South Tyneside College campus capital development design or financial commitments
 - significant asset disposals and/or developments
 - any plans for structural change
 - any decision in relation to the South Tyneside College campus capital development which would have a material impact upon the college
14. The college must undertake a review of future chairing of the governing body with the FEC or Deputy FEC in line with timescales agreed with the FEC's team.
15. The college must engage in a DfE led capital review of the status across each of the four South Tyneside College campus capital development sites in line with timescales agreed with DfE to inform understanding of the issues, risks and subsequently inform improved contingency planning and support needs.
16. The college must review and take steps to strengthen the expertise of the current senior postholder structure by July 2026, ensuring job descriptions clearly define accountability responsibilities for statutory safeguards and decisions that affect these for example funding, estates, health and safety, safeguarding learners, quality and compliance.
17. The governing body must commission an external review of the effectiveness of governance by January 2027 including, but not exclusive to, risk and assurance work of the governing body, and the effectiveness of the finance and resources and audit committees; this review should lead to a clearly documented 'governance improvement roadmap'.
18. The college must engage with the FEC's team to review the full costs, assumptions and impact of alternative financial scenarios for each of the four South Tyneside College campus capital development sites in line with timescales agreed with the FEC's team, and highlight further financial support or mitigations that may be possible or required.
19. This Ntl may be revised and updated after the date of issue to reflect progress and/or any change in circumstances including, following the FEC's intervention report and recommendations. The DfE will formally review this Ntl with you, at least annually, to ensure it remains appropriate and current.
20. 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.

21. DfE will determine when the college has made sufficient progress for the Ntl to be lifted. This will be subject to DfE assurance that financial management and other controls have improved to a standard sufficient to ensure that South Tyneside College campus capital development will not impact on the college's longer-term financial sustainability and viability.
22. When the college complies with the actions within the timescales set out, DfE will lift the Ntl and usually place the college into post-intervention monitoring and support (PIMS) and confirm this in writing.