Department for Education
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www.gov.uk/contact-dfe

27 July 2026

Penny Wycherley
Chair of Governors
Havant and South Downs College
College Road
Waterlooville, Hampshire
PO7 8AA

Dear Penny,

Notice to Improve: Financial Health

This letter and its schedule constitute a **revised Notice to Improve (NtI)** in line with clauses within the Accountability Agreement 2025 to 2026 for colleges and in line with the Department for Education's (DfE) published college oversight policy.

Schedule 1 below sets out the reason that Havant and South Downs College (HSDC) is in intervention and the additional conditions of funding that HSDC is required to comply with in order that the DfE can continue to fund the college. These conditions are in addition to those set out in your funding/accountability agreement.

This NtI revises the previous one issued on 29 January 2026, which itself replaced one issued on 8 April 2025. The main change to the schedule in this NtI is that the college is no longer subject to supervised status. The college, however, still remains in intervention as a result of a financial health grade of 'inadequate' for the years ending July 2024 and July 2025.

DfE may consider this NtI when determining any eligibility for growth funding and it may also affect the college's ability to be successful in tendering for other funds, and other competitive processes for new provision.

Referral to the FE Commissioner

In line with the DfE's college oversight policy, the NtI issued on 8 April 2025 referred HSDC to the FE Commissioner's (FEC) team for an independent assessment of the college. The team looked at the capacity and capability of its leadership and management, and its governing body to bring about the required changes and improvements. A follow up stocktake review was undertaken on 12 March 2026.

We acknowledge that the college has continued to engage positively with the FEC and their team.

Monitoring

DfE will continue to closely monitor progress made towards meeting the additional 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 we will assess when HSDC has made the necessary progress for this NtI to be lifted.

Compliance

If HSDC 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 HSDC 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, and this revised NtI will also be published.

A summary report of the FEC findings and recommendations was also published, and the college is required to retain the summary report on its website until the NtI is lifted.

Reviews

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

Action required

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

This NtI is being copied to Ofsted, your local authority, and the FEC.

Yours sincerely

Fiona Willmot
Deputy Director, Regional Performance - London, Southeast & East of England Division
Department for Education

Cc: Kurt Hintz: Interim Principal & Chief Executive Officer, HSDC
Steph How: Director of Children's Services, Hampshire County Council
Ellen Thinnesen: FE Commissioner
Ofsted **[REDACTED]**

Schedule 1: Inadequate financial health

This schedule sets out the additional conditions of funding relating to intervention action.

Timescales

The additional conditions outlined within this schedule must be addressed during the period to be agreed between the Department for Education (DfE) and the college.

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 monitoring meetings which will be led by the FE Commissioner's (FEC) team. The frequency of these meetings will be confirmed by the DfE.

We acknowledge the progress achieved to date in meeting certain conditions and implementing some of the recommendations. However, continued and demonstrable improvement remains essential to ensure full compliance.

Specific conditions

1. The college must continue to work with the FEC, the Regional Deputy FEC and their advisers as well as the DfE's Regional Performance Team (RPT). This will include supplying all necessary information to the FEC or their advisers by any agreed deadline/s, following the capability and capacity assessment which took place on 1 May 2025, and the follow up stocktake review on 12 March 2026.

2. The college governors and leadership team must continue to engage with the FEC's team and the RPT on the agreed priorities and actions needed to improve the college's financial health and secure a financial health grade of at least 'Requires Improvement' as well as addressing all areas for improvement identified in the FEC's recommendations and this NtI.

   The SIP sets out specific, measurable, achievable, realistic and timely (SMART) activities and milestones, which cover but are not 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.

The FEC team will monitor progress against the SIP to ensure that sufficient progress is being made and agreed milestones are being reached.

3. The college must attend regular meetings which will be led by the Regional Deputy FEC and team. Attendees should include, as a minimum, the Accounting Officer (CEO/Principal) and the Chair or other governor 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 plan, where 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, and your first point of contact is **[REDACTED]**

4. The college will undertake a regular review of potential cash flow requirements, and the college is required to supply DfE with a monthly cash flow forecast for two years, reconciled to your bank, and a copy of monthly management accounts by the 20^{th} of each month.

5. 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.

6. This NtI may be revised and updated after the date of issue to reflect progress and/or any change in circumstances. The DfE will formally review this NtI with you, at least annually, to ensure it remains appropriate and current.

7. 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.

8. DfE will determine when the college has made sufficient progress for the NtI to be lifted. When such progress has been made and the college complies with the actions in the SIP within the agreed timescales, DfE will lift the NtI and confirm this in writing.