



Financial Notice to Improve (“Notice”)

Issued to Barrow Sixth Form College on 6 January 2016

1. This Notice is issued in accordance with Clause 5.5.1 of the College’s Funding Agreement because Barrow Sixth Form College has been assessed as inadequate by the EFA for its Financial Health.
2. This Notice sets out actions that constitute additional conditions of funding that Barrow Sixth Form College is required to comply with in order that provision can continue to be funded (subject to compliance with the entirety of the 2015/16 EFA Conditions of Funding, including these additional conditions) by EFA.
3. The Principal, as the Accounting Officer of the College, or the Chair of Governors should acknowledge receipt of this Notice in writing to me within five working days of the date of the Notice.

Action Required

4. The College shall:
 - a. Prepare and share with me by no later than 30 November 2015 a Financial Plan which should be approved by the College Corporation, and which demonstrates, in EFA’s assessment, that its implementation will ensure that the college remains in satisfactory financial health through 2015/16 in readiness for the planned structural change at the end of that period. The Financial Plan should include:
 - the contextual background to your financial health judgement for each year
 - your planning assumptions including student number projections and staff fte, and a detailed sensitivity analysis on these assumptions
 - monthly cashflow projections to at least the end of July 2016
 - income and expenditure account, cashflow and balance sheet projections covering the period to the end of 2015/16 academic year
 - actions you will take to manage expenditure and maintain or increase income
 - actions you will take to implement savings you have identified
 - your plans for the governance and monitoring of the College’s finances
 - b. Prepare and share with me by no later than 30 November 2015 a review of the strategic options for the College which demonstrates how the College Corporation will secure the appropriate post-16 provision for Barrow and the surrounding South Lakes area. The options appraisal should include the two options of remaining as a standalone institution and closure of the College, plus your own options. The options appraisal and College’s decision making must be concluded by the end of 2015 so that implementation can be secured by the end of this (2015/16) academic year. The appraisal should include a timeline for the review of options and the implementation.

The Governor approved Implementation Plan will need to be submitted to the EFA by 19

February 2016 and will need to detail your plans for the governance and monitoring of its delivery, and the key risks and mitigation.

c. Attend meetings with EFA. Attendees including, as a minimum, the Principal, Director of Finance and chair or other appropriate governor determined by the College, to discuss the progress and pace of your financial recovery. The College will provide information to demonstrate the implementation of the recovery plan as requested by EFA. The EFA will arrange these meetings and your first point of contact is [REDACTED] on [REDACTED] or [REDACTED].

5. The Sixth Form College Commissioner will visit the College on 07 January 2016 to discuss your draft Implementation Plan and, subject to the College's circumstances at that time, may make an assessment of the College's position.

6. This Notice may be revised and updated subsequent to the date of issue to reflect progress and/or any change in circumstances.

7. If, in the EFA'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.

8. This Notice reflects the College's stated intention to secure a structural solution (merger, academisation and membership of a MAT, e.g.) to be implemented following the end of the 2015/16 academic year. Should the College change its intention then we will review whether any changes are required to the Notice.

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