31 July 2019

Dear Meg

I am writing to inform you that Greenwich School of Management (GSM) London, a private higher education provider whose degrees are validated by the University of Plymouth, has been placed into administration and Matthew Tait and Tony Nygate, partners in BDO LLP, have been appointed as the Joint Administrators (‘the Administrators’) as of Tuesday 30 July 2019.

Background

GSM has been struggling since a BBC Panorama investigation into its recruitment practices in 2017. In June this year, GSM informed us that the college had been unable to recruit and retain sufficient numbers of students to be sustainable. As GSM explored its options, we have worked with them and a range of partners to ensure a focus on supporting students.

The provider currently has circa. 3,500 students enrolled and circa. 300 jobs will be affected. GSM and the Administrators have informed students and staff this morning.

Student support strategy

To ensure students are provided with options and support throughout the administration process, we are working with a range of partners - including GSM London, the Administrators, the University of Plymouth, the Office for Students, the Student Loans Company, UCAS and the Office of the Independent Adjudicator - to implement a protection plan for all students. This focuses on providing clear communications and tailored support to students; minimising any disruption to students’ studies and providing students with options for transition to an alternative higher education provider.
Higher Education Policy

This situation has occurred before the transition to the Office from Students so the Department for Education has remained in the lead, keeping the provider under enhanced monitoring since last year. As GSM had not been registered by the Office for Students, it does not lead to any reduction in confidence in the robustness of the new regulatory framework which comes into effect from 1 August 2019.

Under the new framework, all registered providers must meet a set of conditions, which aim to ensure they are financially viable, sustainable and well-managed organisations, delivering high-quality HE and protecting the interests of their students. As the independent regulator, the Office for Students will continually monitor compliance with the registration condition on financial sustainability and work closely with any provider that shows increased risk so action can be taken before a provider faces major financial difficulties.

However, we cannot rule out provider failure in a competitive market which enables student choice and neither the Office for Students nor the Department for Education will bail out failing providers. Under this new regulatory framework, registered providers must have a student protection plan, approved by the Office for Students, the core purpose of which will be to protect students and ensure continuity of study.

Next Steps

We recognise this is a difficult time for staff and students at GSM and we will work with partner bodies to ensure the administrators and GSM provide support. In the first few weeks, we would be grateful if you could direct your questions to the team in the Department for Education who will seek answers through our regular communications with the Administrators and partner organisations. It is important given the limited timescale that the Administrators and GSM are not distracted from their work. Please contact Jenny Bradley, DfE Deputy-Director, at:

Yours ever,

[Signature]

RT HON JO JOHNSON MP