

# Surrey College fraud probe leads to housing plan

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Warnings a failed subcontracted apprenticeship scheme was a “major risk” were ignored leaving a Surrey college with a £25million financial time bomb that it now hopes to solve by selling land for 320 homes.

**Brooklands College** in Heath Road, Weybridge, borrowed a large sum from the Education and Skills Funding Agency (ESFA) with the money given to SLC Security to run apprenticeship programs at the school between 2011 and 2019.

When SLC Security collapsed, a formal review was launched by the Department for Education’s further education commissioner – and soon after Scotland Yard began its own three-year fraud investigation which closed in May with no arrests – leaving the college holding the can.

The school’s solution has been to look to sell land to developers Cala Homes for a £45 million project to cover the money it owes to the ESFA and a modernisation of its campus. The planning application is due to be decided by Elmbridge Borough Council in November, potentially drawing the saga to a close.

In the months leading up to SLC’s collapse concerns of the school’s financial health had already caught the attention of the Department for Education and the college’s “capacity and capability” to get out of the mess, questioned.

The commissioners said the subcontract was a “major risk” and recommended the college “undertake further work to understand the risk associated with this contractor and to immediately review subcontracted provision”.

The school’s governors, on the other hand, told commissioners they had been given “numerous assurances” by the principal and chief executive over the college’s financial stress testing and auditing of its subcontractors which “showed no issues regarding eligibility, existence of learners or their employment status”.

At no point had any thought had been given by governors to develop a Plan B should the investigation find the college financially liable for any failings, the report read.

The college’s senior leadership team and governors at the time believed “they had undertaken all necessary and appropriate checks and due diligence on all sub-contracted SCL Security provision and from the work they have done, believed that the risk of clawback was low” according to the commissioners’ report.

A spokesperson for the Department for Education said it does not comment on individual cases but that colleges are required to ensure any education subcontractors adhere to regulations.

They added: “In all cases where apprenticeship provision does not meet the funding regulations it is standard procedure to recover those funds.”

A liquidators’ statement for SCL Security published on January 4, 2023, revealed that colleges and the ESFA have claims worth £22.5 million against the company. However, it shows there is only about £6.5m available, far short of how much the college must return to the ESFA.

Brooklands College also plans to seek damages for breach of contract, although this will require “further work” to adjudicate.

A spokesperson for the Metropolitan Police said: “In June 2020, the Metropolitan Police received an allegation of fraud relating to a college based in Heath Road, Weybridge, Surrey. The allegation related to financial transactions between 2011 and 2019. An investigation was undertaken which included assessing all available evidence and speaking to staff at the college. No arrests were made in connection with the investigation. In May 2023 a decision was taken to close the investigation and the college has been informed of this outcome.”

A three-year repayment plan is now in place between the college and the ESFA. The college has also put in place a new leadership team and is working with Cala Homes on a joint planning application. The £45million scheme, the college says, will enable its Grade II listed mansion to be refurbished and restored, open 12 hectares of woodland to the public, provide a community-accessible sports centre, as well as the 320 homes – 128 of which will be classed as affordable housing.

The public consultation into the plans closed on October 23 with 235 people voicing their support for the project against 22 letters of objection.

A spokesperson for the college said: “A new leadership team and a revitalised Board of Trustees have been focussed on putting the college on a solid, long-term, financial footing and have developed a plan to repay the debt and safeguard the college’s future. Our plan will upgrade our teaching facilities to create a modern learning environment that will meet future educational needs, inspire the next generation of students, and secure a sustainable future for Brooklands College in our community.”

Image: Visualisation of completed Brooklands College campus site (Cala Homes/Elmbridge BC)