

Media Statement

“GSM London Limited (‘GSM’) 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 30th July 2019.

“The Administrators are working with GSM to enable all tuition, classes and exams to continue as planned for this semester, in accordance with the published timetable. Teaching services will cease at both the Greenwich and Greenford campuses at the end of the current semester, which is due to conclude at the end of September 2019.

“Our students will be supported as far as possible while efforts are made to provide them with informed options for where they may be able to continue their studies beyond the end of the current teaching semester. Discussions are underway with other higher education providers to identify alternative courses for our students and we will be supporting them in the application process. We have had enthusiastic responses from a number of London-based institutions and we will be able to provide students with more information on transfer opportunities in the next two weeks.

“GSM and the Administrators are engaged in proactive discussions with GSM’s validating partner, the University of Plymouth, as well as the Department for Education and the Office for Students, to implement a protection plan for all students. The Student Loans Company, UCAS, and the Office of the Independent Adjudicator are also supporting these plans. This student protection plan is focused on minimising any disruption to students’ studies.

“As operations at GSM will eventually be brought to a close, all roles within GSM are at risk of redundancy. Staff have been informed and a consultation process is underway. 274 jobs will be affected.

“GSM has had capital injections totalling some £22m since the end of 2016 but, despite that, due to highly challenging market conditions, the college has not been able to recruit and retain sufficient numbers of students to generate enough revenue to be sustainable.

“Within this context, in spring 2019 the GSM Board took the decision to seek a new owner to ensure the college’s longer-term future through an intensive sales process. Unfortunately, a sale of GSM was not possible to achieve and, given the Board’s concerns over the future viability of the college, it became necessary to seek the protection afforded by a formal insolvency procedure.

“As a result, the GSM Board resolved to appoint Administrators to GSM in order to provide a suitable framework to ensure, as far as possible, that all teaching obligations could be fulfilled until the end of the current semester and appropriate support provided to students to find alternative study options before the orderly wind-down and closure of the college.”

ENDS

Notes to Editors:

1. GSM London was established in 1973. The College currently has 3,571 students who study a range of business-related degrees. The college has had a longstanding commitment to widening access to and participation in higher education, seeking to provide a route to degree-level study for students from a wide range of non-traditional academic backgrounds.
2. For any further media enquiries about GSM London please contact gsm@wacomms.co.uk or 0203 102 3621.
3. For any media enquiries about BDO LLP please contact bdoinsolvency@headlandconsultancy.com or 020 3805 4803.