



Minutes of the Meeting of the Governing Body of
The City Literary Institute held on 19 October 2021, 4:45-6pm
Via Zoom video (Covid-19)

Governors Present:

Lucy Arnold-Courtney
Donna Birkett Baida – *not for item 21/74*
Edward Breen (Staff Governor)
Jane Cooper (Deputy Chair)
Jon Gamble
Clancy Gebler Davies (Student Governor)
Moira Gibb (Chair)

Colin Jones
Simon Judge
Christine Kinnear
Mark Malcomson (Principal)
Alison Pike - *not for item 21/74*
Paula Smith
Jill Westerman

In attendance (*not for item 21/74*) – Phil Chamberlain (Executive Director, External Engagement); Paul Evans (Chief Financial Officer/Co-Managing Director); Julie Gilbert (Executive Director, People), Wendy McKaig (Vice Principal/Co-Managing Director)

Clerk: Katrina O’Sullivan

Standing items

21/72 Apologies for absence

Apologies were received from Paula Smith. The Chair thanked governors for meeting at the slightly earlier time and reminded members that it was a shorter agenda than usual, with the aim of predominantly focussing on the Term 1 financial situation.

21/73 Declarations of Interest

Jon Gamble made his usual declaration as a Trustee at WEA but there was no conflict of interest to record.

21/74 Membership

The Board reviewed the Governance & People Committee’s recommendation report and accompanying CVs for Donna Birkett Baida and Alison Pike. The Board agreed that both Donna and Alison’s CVs were strong and was pleased to **ratify** their appointment to the Governing Body from 19 October 2021 for a term of four years - with the opportunity to serve a second term. Donna would be invited to join the Finance & Commercial Committee and Alison the Quality Committee.

The Chair added that the Committee considered the recruitment of governors as an ongoing process and were, ideally, seeking dual skills in potential governors; she welcomed names of possible candidates from members’ networks/sectors. An initial approach had been made by the Chair to a potential governor who was a Professor in the HE sector.

Management, Donna and Alison joined the meeting and the new governors were welcomed to City Lit’s Governing Body.

21/75 Minutes of the previous meeting

The minutes of the meeting held on 13 July 2021 were **approved** as an accurate record.

21/76 Matters Arising Not Appearing Elsewhere

There was one matter arising regarding the Chair’s recruitment process. The Deputy Chair gave an update to the Board explaining that the process had gone live and governors had been sent the candidate brief and recruitment microsite link. She acknowledged that it would be a challenge to find a worthy successor to the current Chair, but the Search Committee was committed to undertake this. She reminded the Board that with regards the agreed governance process, the Search Committee would feed into the Governance & People Committee who, in turn, would make recommendations to the Board. The search company, Minerva, was on schedule to filter a long list of candidates for the Search Committee to review towards the end

of November/early December 2021 – with the aim to hold interviews between December 2021-late January/early February 2022. She thanked governors for names already received of potential governors and asked them to continue to consider potential candidates for exploratory conversations.

21/77 College Update report and Principal's oral update: July-October 2021

Members noted the contents of the College Update report. The Principal additionally highlighted that the summer had been about preparing for the new academic year. He felt that there was a definite change in feel within the College as Performing and Visual Arts, Learning Disabilities and Wellbeing returned to the building. It was a phased return as the majority of the Languages and Humanities provision was being kept online for Term 1; they were performing well and Management did not want the building to become overly pressured by having all students back at once. As detailed in the College Update, the Principal was pleased that the College had been able to, cautiously, start hosting events with its fellows/patrons - and these had been enjoyed by the attendees and positively created a sense of momentum in the building. The Principal stated that there were also more staff back in the building and Management had set the expectation that staff return to the College for 50% of their working week – some staff were more/some were slightly less and HR were working with them on this.

The Principal expressed that it was the third best term that City Lit had had in its history, however, the problem that the College faced was that it ran at a tight budget and if there were problems with revenue it affected the finances quickly. Two particular challenges currently facing the College were: firstly, regarding the longer, one year courses as these were a bigger commitment for students time-wise/financially during a pandemic. Also, the feeder/pipeline courses for the longer courses had not all taken place last year due to Covid. Governors enquired further about this and the Principal advised that the feeder courses were taking place this year, and doing well so far, so it was envisaged that the longer courses would see a greater uptake during the next academic year. Secondly, there was a general online fatigue in the population – and although online was performing well, it was not as well as was hoped and that was causing a strain financially, but he was expecting this to pick up. Positively, the demand for Visual Arts was high and it was performing well being back in the building. The Principal assured governors that he was not relying on the expectation that online would pick up again and Management was currently working on a deficit reduction plan which would be presented to the November Finance & Commercial Committee.

Governors questioned the Principal further about the online fatigue aspect and he commented that Management had been working with an online education specialist and she had confirmed that this 'fatigue' was happening within the general population and her research across her clients supported that it was predicted to pick up again, particularly in later autumn/winter as people were based more inside again. Courses like Art History performed exceptionally well over lockdown but people resumed visiting galleries during the summer/early autumnal months.

Governors queried whether two different marketing strategies were needed for online and in person and how had the recruitment shifts impacted on class size. The Principal explained that what the College had seen during the lockdowns were that students who would normally do one or two courses had taken far more courses than usual during those periods, so it was not a loss of students but more that they were going back to their usual quota or slightly less; an important metric that Management were monitoring was enrolments per student. The College was not cancelling a large amount of classes but, due to the drop in enrolments per student, many classes were down on the lockdown class sizes and this loss goes straight to the bottom line. Management was currently viewing this data, as it was the settling in part of term for students, and would have a clearer view on this by the Quality Committee in November.

As per the graph in the College Update, the Board enquired if the Principal could quantify the proportion of enrolments (for online courses) that were out of the ESFAs compliance area and whether the ESFA would allow that to be sustained and at full cost. The Principal added that, for the benefit of the new governors, historically, 90% of City Lit's funding was devolved to the Mayor's office, with 10% being able to be outside the London area – with that 10% mostly being students who worked in London but commuted home to outside the GLA area (so London related). However, now the proportion of national numbers, which were truly national and not London based, was 20% and the Principal was pleased with this. With regards to full cost, Management would be discussing this with the ESFA when appropriate.

The Board's student governor counselled that targeting people in the local area, who would be happy walking to City Lit, may be helpful - whilst some learners were still unsure about travelling - as often students come in for one course and organically sign up for many more. She added that it was important for the Student Centre (library) to open again for access to expensive software/resources and for the social network/support. The Principal agreed that he wanted the Student Centre to reopen, however, it was due to health and safety that it needed to remain closed currently; the ventilation on the mezzanine floor was not sufficient enough to be able to open up safely due to Covid. The CFO added that a bid had been submitted to the DfE and part of that was for ventilation, but he was waiting to hear whether that was successful. It was agreed that it was a positive that the café had been able to reopen as a communal space.

Governors asked about the quality of teaching online now the College was much further down the journey of digital. The Vice Principal answered that the focus, from the beginning of the pandemic, had been on training for tutors. Initially, training had been about the fundamentals of teaching online, then advancing to more advanced features of digital, the next phase had been about the pedagogy of promoting learning and the different strategies to try – this would be an iterative process, but now Management was in the stage of focussing on good quality teaching and learning and the range of communities of good practice within the College regarding online, with curriculum areas being set higher targets in 2021/22 for class visits/drop ins.

Reports

Items from Committees

21/78 Finance & Commercial Committee Chair's Key Points: 14 October 2021 - oral

The Finance & Commercial Committee (FCC) Chair informed governors that the Marketing Strategy, which was initially planned for the October meeting, would instead be reviewed at the November 2021 Committee. This would enable the Marketing team to focus on assisting with driving enrolments, and also allow them more time to work on the strategy using up-to-date numbers. The FCC Chair expressed that the Committee had focussed on financial matters at the October Committee, including the agenda items in the confidential section. However, within this agenda, the key points he wished to highlight were that the Committee had scrutinised the FRS 102 Pension Assumptions. He stated that these were the underlying assumptions for the FRS 102 calculations leading to the disclosures in the Annual Financial Statements, however, the assumptions used in the accounting valuation drove the numbers in the annual report but not the funding requirements of the pension plan. The increase in the rate of inflation from 2.20% to 2.80% had contributed the increase in the liability and it had offset improvements from the return on scheme assets and changes in demographic assumptions. He confirmed that the Committee was content to recommend the FRS 102 Pension Assumptions to the Board to be approved at the December Governing Body where it would be taken in conjunction with the financial statements approval at that meeting.

Additionally, although – governance structure wise - the Audit & Risk Committee would recommend the Going Concern, financial statements and Report & Accounts document, the Committee also reviewed those reports and discussed the uncertainties due to Covid and the evidence/assurance given about how these were being managed; with the Committee agreeing that they demonstrated a robust defence of the College's finances. The Committee looked at the messaging of the Report & Accounts in relation to the pandemic and gave some suggested amendments to be included before the document was scrutinised by the Audit & Risk Committee.

21/79 Date of the next meeting:

The Clerk would email the date of the December meeting to governors. The Chair added that she hoped the December meeting could take place in the College as she acknowledged the desire to meet face-to-face and for the new governors, who had not experienced a City Lit meeting in person, to be able to do so. Government guidance and health/safety advice would be monitored.

Chair.....

Date.....