



Minutes of the meeting of the Governing Body of
The City Literary Institute held on 18 May 2023, 12:30-1:50pm
Room 105, City Lit

Governors Present:

Donna Birkett Baida	Simon Judge	Lindsay Nicholson (Chair)
Edward Breen (Staff Governor)	Christine Kinnear	Alison Pike
Jon Gamble	Mark Lever	Jill Westerman (Deputy Chair)
Clancy Gebler Davies (Student Governor)	Mark Malcomson (Principal)	Hayley White
Colin Jones		

In attendance: Paul Evans (Chief Financial Officer); Julie Gilbert (Executive Director, People); Wendy McKaig (Vice Principal).

Clerk: Katrina O'Sullivan

The Chair welcomed everyone to the meeting and reminded governors that the Board meeting would be shorter and the agenda covered essential business only. The remainder of the afternoon would form the *Annual Governors' Away Afternoon*.

Standing items

23/31 Apologies for absence

There were apologies for absence received from Lucy Arnold-Courtney.

23/32 Declarations of Interest

Jon Gamble made his usual declaration as a Trustee of WEA but there were no conflicts of interest to record.

23/33 Minutes of the previous meeting

The minutes of the meeting held on 14 March 2023 were **approved** as an accurate record subject to a minor typographical error.

23/34 Matters Arising Not Appearing Elsewhere

There were no matters arising not appearing elsewhere.

23/35 Principal's update

The Principal expressed that he was pleased that even with the additional challenges of the cybersecurity incident, ONS reclassification work and Ofsted Inspection, there continued to be a good atmosphere in the College - the array of student events, exhibitions and stakeholder events/visits had gone from strength to strength.

Reports

23/36 Feedback from the Ofsted Inspection (9-12 May 2023)

Wendy McKaig gave feedback to governors on the recent Ofsted Inspection. She reminded the Board that the College had not been inspected since December 2016 and had been in scope since December 2021. Since then, the team had been preparing for an inspection. The inspection team had comprised of seven inspectors, and they conducted deep dives in 13 curriculum areas. Additionally, an inspector also looked at the College's contribution to meeting the skills needs. The inspection went very well and she wanted to thank those governors – the Chair, Deputy Chair, Jon Gamble and Lucy Arnold-Courtney - who took part in meetings with the inspectors. Currently the College was not permitted to share the outcome with others, but the report should be received from Ofsted within 28 working days. The Board wished to record its thanks to Wendy McKaig and her team for the outstanding work carried out which allowed the College to achieve the great result.

23/37 Audit & Risk Committee Chair's Key Points

The Board reviewed the Audit & Risk Committee Chair's Key Points from the 23 March 2023 meeting.

23/38 Annual Risk Management Strategy review – update

• College Risk Register

The Governing Body reviewed the Risk Management Strategy and acknowledged that minor text changes had been made since it was last reviewed in December 2021, but the overall strategy remained unchanged. The College Strategic Risk Register had also been included for the Board's attention. The Chair of the Audit & Risk Committee added that when the Strategy had been reviewed by the Committee, they had noted a number of ways in which the recent IT incident had tested the College's approach to risk management and disaster recovery, and that the College's culture, capabilities and skills had responded well. The Board agreed that this should be celebrated.

With regards to the College Risk Register, the Chair of Audit & Risk Committee informed governors that there would likely be further additional risks created by the ONS reclassification decision and these would need to be reviewed following the publication of the DfE's new financial handbook for Colleges planned for August 2024. He would also be discussing with Paul Evans about creating a useful one-page visual summary of the strategic risk landscape.

The Board was content to **approve** the updates to the Risk Management Strategy as recommended by the Audit & Risk Committee.

23/39 Board Assurance Framework

Paul Evans took governors through the updated College Board Assurance Framework which covered the areas of City Lit's operations and informed governors how the College was working according to the strategic direction set, it was also aligned with the College's overall management of risk. The assurance lines clearly set out what specific parts governors played in doing this, as a Governing Body, and through the various Committees. The Chair of Audit & Risk Committee added that the Committee had suggested some extra 'third line' assurances and members would review these when the framework was next reviewed.

The Board **approved** the updated Board Assurance Framework as recommended by the Audit & Risk Committee.

23/40 Governance & People Committee Chair's Key Points

The Board reviewed the Governance & People Committee Chair's Key Points from the meeting held on 2 May 2023.

23/41 Finance & Commercial Committee Chair's Key Points

The Board reviewed the Finance & Commercial Committee Chair's Key Points from the meeting held on 25 April 2023.

23/42 Finance KPIs

Paul Evans took the Board through each KPI and governors questioned whether 11 was still a sensible target for face to face 'average enrols per course' when the average currently was 9.65. Paul stated that it was as some areas were still building back slowly to pre-pandemic numbers rather than instantly being able to achieve this. Wendy McKaig added that Management was continually rationalising and scrutinising the curriculum, there were peaks and troughs - but teams were planning and responding in-year and for the next academic year.

Governors also added that it would be useful to have a KPI around recruitment ie '% of new students', and Paul confirmed that the Director of Marketing and Communications would be working on Marketing KPIs for the Finance & Commercial Committee, which would then in turn come to the Board.

23/43 ESFA financial health dashboard

The Governing Body reviewed the ESFA's Financial Statements Review of City Lit which confirmed that the financial health score from the last financial year (2021-22) was 'requires improvement'. Governors acknowledged that this health rating was two years ahead of the original recovery plan.

Paul Evans added that if the DfE approved the loan then he would suggest revisiting the Finance KPIs and including '25 cash days' as a KPI.

Paul expressed that for the current financial year he would speak to the ESFA about excluding the 'exceptional costs' of the cybersecurity incident from the financial health score rating. Governors added that, due to City Lit's unique funding model, when the pandemic greatly affected the College's finances, other colleges improved – as demonstrated in the ESFA dashboard. As previously recognised by the FE Commissioner, the quick response to the implications of the pandemic by City Lit was impressive; and this should continue to be celebrated and these facts be persistently highlighted to the ESFA.

23/44 Draft Accountability Statement 2023-24

Governors discussed that, as a consequence of the Skills for Jobs White Paper, colleges were now required to produce an Accountability Statement as part of the funding requirement. Management expressed that they had followed the DfE's guidance when producing the statement.

Governors acknowledged that the statement was a concise public statement of the College's key aims, targets and outcomes for the year; and set out what City Lit would deliver in return for DfE funding. It included a small number of outcome targets which contributed to skills priorities outlined in the DfE accountability framework and Local Skills Improvement Plans (LSIPs). This was meant to reflect the national, regional and local priorities of the college. Governors enquired how the outcome targets would be monitored by the DfE and Paul confirmed that these would be checked as part of the funding requirement.

The Principal added that Management had spent time within the document explaining the College's reach/curriculum and how it was not a GFE - and governors agreed that it needed to be explicit in the document as not everyone would understand what a Specialist Designated Institution (Institutes for Adult Learning) was and personnel at the ESFA changes. Additionally, City Lit received 10% of its funding from the ESFA nationally and 90% of its funding from the GLA for London and governors suggested that narrative be included about how this was a small proportion of total activity of the College – and Paul agreed he would review this.

The Chair directed governors to send any typographical errors to Paul Evans, and subject to those amendments, the Governing Body was content to **approve** City Lit's Accountability Statement 2023-24, for submission to Department for Education (DfE) as a draft by 31 May 2023.

23/45 Date of the next meeting:

The date of the next meeting was confirmed as **4 July 2023 at 5pm.**

Chair.....

Date.....