



Minutes of the Meeting of the Governing Body of
The City Literary Institute held on 9 March 2021, 5-7pm
Via Zoom video (Covid-19)

Governors Present:

Penny Allen	Colin Jones
Tim Bolderson	Simon Judge
Edward Breen (Staff Governor)	Christine Kinnear
Jane Cooper (Deputy Chair)	Mark Malcomson (Principal)
Jon Gamble	Michael Simmonds
Clancy Gebler Davies (Student Governor)	Paula Smith
Moira Gibb (Chair)	Jill Westerman

In attendance – Phil Chamberlain (Executive Director, External Engagement); Paul Evans (Chief Financial Officer/Co-Managing Director); Wendy McKaig (Vice Principal/Co-Managing Director)

Clerk: Katrina O’Sullivan

Standing items

21/01 Apologies for absence
No apologies for absence were received.

21/02 Declarations of Interest
Interests were declared by Penny Allen, Tim Bolderson, Colin Jones and Michael Simmonds for *item 21/19* pertaining to governor succession. Those governors and Management ‘in attendance’ would leave for that item. Jon Gamble made his usual declaration as a WEA Trustee, but there was no conflict of interest to record.

21/03 Minutes of the Meeting
The minutes of the meeting held on 1 December 2020 were approved as an accurate record. All minutes would be signed when it was physically possible to do so.

21/04 Matters Arising Not Appearing Elsewhere
There was one matter arising not appearing elsewhere from the minutes of the previous meeting regarding the staff cost ratio analysis report due at the March Board. It had been subsequently agreed in the Committees that this report be brought to the June Committees/July Board instead due to the anomalies in the current figures caused by the furlough scheme, pension, and other P&L irregularities triggered by the pandemic. However, as part of the budget work, the staff income/revenue relationship would be addressed for the coming year and be brought as part of the 2021/22 budget work for Board scrutiny.

21/05 Presentation: Skills for Jobs White Paper
Phil Chamberlain presented to the Board on the Skills for Jobs White Paper. *[For governors’ information the presentation has been appended to the minutes]*. Governors thanked Phil for his useful presentation and were mindful to keep a close eye on further guidance which would present City Lit with both opportunities and challenges. Governors suggested that the Institutes for Adult Learning (IAL) start to mark out the differences (as well as the similarities) of the IALs as a different part of the FE sector and evidence the value that it brings. Phil confirmed that the IALs were discussing this and how to be given a platform.

21/06 Principal’s Update
This item was taken together with agenda item 21/07.

21/07 College Update – December 2020-March 2021
The Board reviewed and noted the College Update report for December 2020-March 2021. The governors had been kept up to date with the additional end of December lockdown and its implications via regular emails from the Principal, however, formally the Principal gave governors

a short overview of what had taken place. He expressed that he was proud of the response of the Schools' staff to the latest lockdown; the areas that were doing well online continued to do so – with some Schools outperforming the 'in the building' enrolments. Performing Arts continued to battle against difficulties as it did not lend itself well to online. The latest lockdown had not affected the College financially as much as anticipated – one reason for this was that the in person courses taking place had been socially distanced so there still had not been that many students in the building.

Looking forward, in England schools and colleges returned yesterday (8 March 2021) and City Lit would be going back in person on 12 April – for the practical courses - which was the Government's next milestone and City Lit's official start of term. The building would continue to be used taking into account social distancing; but it was hoped that those numbers could be raised when allowed to do so, hopefully after the 21 June Government milestone. If allowed, the College would look to offer a Summer School. Management was assuming that in September 2021 all the practical courses that needed to be in the building would return and then those courses, such as, Languages and Humanities would remain online for that period whilst City Lit grew back into the College in a safe and sustained way. The Board agreed with this cautious approach given the learnings of the past year.

The Principal reported that the FE Commissioner's team revisit was due in March 2021, however, this was timetabled before the additional lockdown and with the expectation that the College would continue to grow and the finances be more stable. Therefore, due to the additional lockdown the ESFA agreed with the FEC team that it was pragmatic to move the monitoring visit to mid-June when the 2021/22 budget work had been undertaken and there was more information about the end of year. He had also recently had an update meeting with the DfE/GLA/bank and they seemed pleased with the College's progress.

Governors enquired how Management was engaging with students to hear their feedback regarding online learning. Wendy McKaig expressed that an early course survey would be going out to students to ascertain how their holistic experience of online learning with City Lit had been; additionally feedback was sought from the Student Panel group and all students were able to use the GetInTouch email to send in any comments. Management was also looking at various Government milestone dates as to when students could be permitted to meet socially in the building as this aspect was important to City Lit students, and when the Learning Centre could be used again as it was useful for specialist software – City Lit would communicate the reopening of these important spaces to students when able to do so.

The Chair thanked Management for showing the same vigour and imagination it demonstrated at the beginning of the pandemic.

21/08 FE Commissioner's Termly Letter and Dashboard

The Board discussed the FE Commissioner's Termly Letter and Dashboard. Governors noted that the financial benchmarks had been updated and the new benchmarks will be used going forward by the FEC team for Diagnostic Assessments, intervention and stocktake visits. It was noted in the FEC's letter that he encouraged all colleges to take these into account when setting budgets and financial objectives, albeit on the basis that they serve as a reference point that may need to be adjusted to suit the individual circumstances and financial profile of each college. To that point, governors commented that the College could never achieve the 65% staff cost ratio benchmark, nor was it appropriate to do so – but the Board should continue to advise on what it believed to be appropriate for City Lit's business model. Furthermore, it was important that the College was properly understood by national funders and policy makers as a niche within the wider FE sector.

Reports

Items from Committees

21/09 Finance & Commercial Committee Chair's Key Points – 27/1/21 and 8/3/21 - oral
The Finance & Commercial Committee (FCC) Chair updated governors on the highlights from the 27 January meeting. There had also been an additional 'one item' meeting called on 8 March 2021 to scrutinise the Estates Plan and FE Capital Transformation Fund – which the Committee felt was a sensible plan and supported the bid submission. The FCC Chair

confirmed that significant focus remained on the serious financial situation of the College, however, the Committee had been assured that despite the latest lockdown the figures remained in line with the October forecast, in part, because of the pay/non-pay cost savings and the College having most of its provision online anyway. The FCC Chair reported that the Committee had reviewed a Sales and Marketing report and conveyed that Black Friday/Cyber Weekend had been very successful. The impact of national students was discussed, currently this did not impact on the College's funding but it would need to be revisited when appropriate. He confirmed that, as agreed at the December Board meeting, the FCC had agreed a procedure for receiving the monthly management accounts (the same accounts sent to the ESFA) for even greater financial oversight.

21/10 Estates Plan and application to FE Capital Transformation Fund report:
- Estates Plan

Paul Evans spoke to his reports regarding the Estates Plan 2021-24 and the application to the FE Capital Transformation Fund with a project value estimated at £4.438m - with City Lit contributing £443k over three financial years. Paul highlighted aspects of his detailed report and explained that a detailed Estates Plan has been developed, following in-depth estates condition surveys by Academy Consulting (building fabric) and Furness Green (mechanical and electrical aspects). The plan set out, on a floor-by-floor basis, proposed work in response to the condition surveys, but also responded to current and future changes in curriculum and student needs in a post-pandemic world. Estimated costs for the works had been developed, based on the cost estimates from the consultants. Detailed costings had been obtained specifically in relation to the creation of a 'Skills for Work Learning Hub' on the Mezzanine and a new Ceramics Studio. Total estimated costs of for all of the works was £4,437,522.

Additionally, the Department for Education (DfE) had opened up applications for their FE Capital Transformation Fund, where £1.5billion was available for them to spend over the course of the current Parliament. City Lit had already been awarded £388k from this fund which was being used to refurbish the second floor. The fund was focused on items assessed in condition B to D, from the DfE's own surveys, conducted at the end of 2019. It could also be used to reconfigure space to meet changes in student needs. All of the proposed projects were geared towards these elements.

Governors discussed that it was proposed that City Lit apply for the projects outlined in the Estates Plan. The minimum project value was £500k, a threshold that City Lit meet. Initial applications needed to be made by 15 March 2021, and the College would be informed if it was successful to proceed to the next stage on 14 May 2021. Paul explained that, if successful at Stage 1, City Lit would need to submit the final bid by 30 July 2021. Governors acknowledged that the College would undertake more work on the costings for the final submission, and projects would need to be developed to RIBA Stage 2 (where applicable). Colleges would be notified of the outcome during week commencing 27 September 2021. All works would need to be completed by September 2024 and in contract for the works by September 2022.

The Board discussed the application guidance stating that colleges should match fund up to 50% of the project value. However, it did allow for colleges to suggest a lower amount, if the circumstances warrant it. Governors agreed with Management's proposal of a 10% contribution, resulting in an investment of £443k over three financial years. Given the impact of Covid-19 on the College's cash position, the Board and Management believed that this was the maximum amount that could be afforded.

A lengthy and robust discussion ensued and governors were pleased that the work would involve the reconfiguration of spaces where, in the past, the spaces had been restricted by the limited money available – this would allow the opportunity to rethink some of the spaces, such as the mezzanine space/Learning Centre as this was an important area for students. Additionally, during the pandemic some changes had been undertaken on a piecemeal basis and this would allow further research to be undertaken with the tutor group about the appetite for particular ideas, such as broadcasting pods, classroom technology for a hybrid model (in person/online) of teaching. Governors acknowledged that the shock of the pandemic had changed City Lit and the Estates Plan/Fund money would substantially help the College move to the next phase of its development of, potentially, a hybrid model (in person/online). The Board

also discussed the options if the College was unsuccessful in the bid as the work needed to be undertaken; more consideration was needed around this but one option could be to think about factoring it in to the possible long term loan.

Governors commented that the Estates Plan and bid report was an enormous piece of work which was comprehensive, cohesive and exciting. The Chair confirmed that this stage was just the submission of the bid and there would be the opportunity for iterations of the bid for consideration. The Board agreed that it was a fantastic opportunity to undertake significant work on the building which had suffered the effects of time. To that end, the Governing Body was content to approve the Estates Plan and application to FE Capital Transformation Fund with a project value estimated at £4.438m, with City Lit contributing £443k over three financial years.

21/11 Refund and Credit Policy and Terms & Conditions of Sale report:
Refund and Credit Policy; Individual Consumer Terms & Conditions;
Business to Business Terms & Conditions

The Governing Body reviewed the Updated Student Refunds & Credit Policy, Terms & Conditions of Sale for individual consumer and business customers, as recommended by the Finance & Commercial Committee at its 27 January 2021. Paul Evans explained that the Board had approved the revised Refunds and Credit Policy at the December 2020 meeting, although there had been discussions regarding the restrictions around the courses being only for individual consumers rather than business consumers in the Terms & Conditions of sale. To that end, Paul had met again with DWF LLP who devised Terms & Conditions for business transactions, and one for individual consumers.

Governors discussed that individual consumers had stronger rights compared with business consumers; such as the right to a refund within 14 days if the course was purchased online and this had been reflected in the updated Refunds & Credit Policy. The Governing Body acknowledged that the Terms & Conditions created a formalised contract when selling the courses and tightened the rules as to when students needed to pay/City Lit's right to remove them from courses if they did not. It was agreed that the process would help limit bad debt which was cleared up in 2020.

The Governing Body was content to approve the updated Refund Student Refunds & Credit Policy, Terms & Conditions of Sale for individual consumer and business customers

21/12 Quality Committee Chair's Key Points – 2/2/21

The Quality Committee Chair highlighted from his report that the Committee spent a lot of time discussing the online transition and how Wendy McKaig and her team were concentrating on the quality, framework for quality, ways to continually improve classroom delivery, and her team undertaking classroom visits - the Committee was impressed with the work undertaken. The Committee also 'deep dives' one area at each meeting and this time had a presentation from the Head of Languages regarding how the online transition was progressing. The Committee had felt assured and impressed with the scale, speed and agility in which the School was forging ahead with whilst using the data to guide the decisions for the School. Finally, the Committee had a discussion regarding Diversity, Equality and Inclusion – Management spoke about the questions/thought processes they had whilst beginning to progress with this important agenda.

21/13 Ofsted Report

Wendy McKaig shared the final report from the Ofsted Interim Visit as reviewed by the Quality Committee at its 2 February 2021 meeting. Governors acknowledged that the purpose of these visits was to help learners, parents, employers and government understand how providers have responded to the pandemic to meet the needs of their students. Interim visits were also being used to research and report on the wider picture of remote education across England. During the visit the Ofsted team met with governors, senior and middle managers, tutors and students and reviewed high level headline data and, although the visit had taken place a mere few weeks following the FE Commissioner's Diagnostic Assessment visit, it had been a positive experience and subsequent final report, which had been published on Ofsted's website on 5 January 2020. The interim visit report also gave the Board and Management further assurance that the College had responded exceptionally well in adapting to the changed circumstances of the pandemic, that the steps being taken to ensure that the approaches used for building knowledge and skills

were appropriate to meet the reasonable needs of learners. The Board thanked Wendy and her team for the work in preparing for the visit.

21/14 Internal Verification (IV) Policy

The Governing Body reviewed the amendments to the IV Policy as recommended by the Quality Committee at its 2 February 2021 meeting. Governors noted that the main change in the policy was clarification of the criteria the Internal Verifier needed to take into account when selecting sample work; these changes reflect the guidance published by awarding bodies. Governors agreed that the guidance in the policy supported best practice in sampling, standardisation and internal verification practice where expectations had not been stipulated by an awarding body. The Board was content to approve the recommended amendments to the Internal Verification Policy.

21/15 Audit & Risk Committee Chair's Key Points – 18/2/21

The Audit & Risk Committee Chair highlighted items from her report including that the Committee had reviewed the Risk Register and agreed that when there was more normality in the future the Risk Register needed a refresh, but it was not at that stage yet. She noted that some of the audit recommendations were past their due date due to staff being on furlough, however, these were getting back on track now and there was nothing significant that the Committee was concerned about in the meantime.

21/16 Annual Risk Register Strategy review

At the 18 February 2021 Audit & Risk Committee, members reviewed the proposed changes to the updated Risk Management Strategy. This included minor internal committee membership changes due to staff changes within the college in the past 12 months. The Governing Body reviewed the Risk Management Strategy and was content to approve the recommended updates.

21/17 GDPR policies: 1) Data Protection Policy; 2) Privacy Policy; 3) ICT and Digital acceptable use policy

The Governing Body reviewed the updates to three compliance policies – Data Protection Policy, Privacy Policy, and the ICT & Digital AUP Policy - as recommended by the Audit & Risk Committee at its 18 February 2021 meeting. The Board acknowledged that there were two main categories of changes: one to remove references to Europe and update references from GDPR to UK GDPR and, secondly, to extend scope to adequately capture the change of College focus to online learning and home working which had a much higher impact than previous versions of these policies captured. The Governing Body was content to approve the updates to the three compliance policies.

21/18 Governance & People Committee Chair's Key Points – 11/2/21

The Chair highlighted from her report the items that were not already on the Board agenda. She reported that the Committee had received an informative update from Julie Gilbert which covered the HR issues her and her team were working on which also included Equality, Diversity and Inclusion (EDI). The Committee had applauded the work on diversity which Julie and her colleagues had kept going even in the midst of the extra work that Covid had brought. The Committee would continue its oversight of the EDI work and report to the Board appropriately.

The Committee also discussed how best to expand the Board's knowledge and understanding of EdTech. In order for the Board to steer the way through the considerable number new risks regarding the online arrangements, uncertainty about future demand and the offer City Lit should make to meet it, it needed to seek knowledge and understanding beyond the Board's combined expertise. Therefore, the Committee proposed that the Deputy Chair work with Julie Gilbert to find the people to help undertake that learning through a series of Board development seminars/workshops for the Board and Executive. As always, the College did not have the financial resources for this so it would need to use contacts that Board members already had and calling in favours. The proposed time frame was starting as soon as possible, and continuing until the Board Away Day session on 11 May 2021. The Deputy Chair reported that there were two potential speakers lined up and the Clerk would send a Doodle Poll to governors regarding dates, although as the College was not paying for the speakers it would need to be flexible on suitable dates. The sessions were not compulsory and the learning would

be shared with those unable to attend. The Board agreed with the proposal and looked forward to the Board development sessions.

The Chair discussed that, following on from the December 2020 meeting, the timescale for the formation of the Task & Finish Group (T&FG) was slightly behind due to the volume of Management's workload. However, it was at the stage of setting up a small governor group (consisting of the Chair, Tim Bolderson, Michael Simmonds, Jill Westerman) to support Management in developing the best possible arrangements post-Covid for the Board to consider. The T&FG would include, but not be restricted to, the implications of a large digital offer. Terms of Reference were being developed and the aim of the T&FG work would be working towards a revised strategy in light of the pandemic. Management was also working with Ron Meeks, Executive Consultant, who had also agreed to facilitate the Away Day.

21/19 Succession recommendations

The Chair reported that the Governance & People Committee had discussed and proposed the following succession recommendations:

The extension of Penny Allen's end of term from 12 May 2021 to 14 July 2021 – with the future aim of aligning the end of governor terms of office with the end of an academic year or term (rather than often mid-year) where practically possible.

Sadly, due to other commitments, Tim Bolderson had expressed that he would not stand for a second term of office. Therefore, the following was proposed:

- Tim continue as Chair of Quality Committee until the end of the academic year when he would step off the Committee.
- Jill Westerman be appointed as the Chair of the Quality Committee for the new academic year (2021/22).
- Tim continue on the Board, and as a member of the newly formed Task and Finish Group, until the end of December 2021. Tim's first term end date would be extended to the end of December 2021, rather than October 2021.

Again, unfortunately - due to work commitments - Michael Simmonds requested to step down from chairing the Finance & Commercial Committee and the following was proposed:

- Michael's last meeting as Chair to be 20 April 2021; but he would continue as a member of the Committee.
- Colin Jones be appointed as Finance & Commercial Committee chair from 21 April 2021.

Governors expressed sadness that Tim and Michael would be stepping down as Committee Chairs but understood the time commitment required. The Chair congratulated the incoming Chairs for taking on the roles. To that end, the Board agreed that the recommendations proposed were sensible in order to maintain good governance, and was content to approve all the succession recommendations as set out by the Governance & People Committee in this item.

21/20 Gender Pay Gap Report

The Governing Body noted City Lit's Gender Pay Gap Report for 2020 as reviewed by the Governance & People Committee at its 11 February 2020 meeting. Governors were encouraged by the small improvement achieved during such a challenging year with a reduction in the gap from 2.87% to 2.49%. The Board agreed with Management's continued endeavour to aim for 0% and, although few colleges had achieved this, positive moves had been made as demonstrated in the report to strive for this. Governors enquired about benchmarks and Julie confirmed that no other colleges had posted their reports yet so it was too early to draw any comparison.

The Governing Body supported the uploading of the Gender Pay Gap report to the Government site by the 30 March 2021 deadline and sharing it on City Lit's website.

21/21 Date of the next meeting:

The date of the next meeting was confirmed as Tuesday 11 May 2021. This would be a Board meeting followed by a virtual away day. Diaries were being held from 12pm and firmer timing details would follow.

Chair.....

Date.....