

**Istituto Marangoni Limited
Board of Directors Minutes**

Minutes of the exceptional meeting of the Board of Directors of Istituto Marangoni Limited (Company) held on 30 September 2020 at 09.00 by videolink

Members	Ms Stefania Valenti Ms Charlotte Gorse Prof Mark Hunt Prof David Vaughan Mr Salvatore Sivari	Director and Managing Director Istituto Maragnoni (Chair) Director and London School Director (Vice Chair) Non-Executive Director IM Ltd Non-Executive Director IM Ltd Istituto Marangoni Group Head of Finance and Company Secretary
In attendance	Diane Rainsbury	London School Registrar and designated minute taker

1. Welcome and purpose of the meeting

The Chair reported that due notice of the meeting had been given and that a quorum was present. Accordingly, the Chair declared the meeting open. The purpose of the meeting was as set on the agenda to consider the School's updated reopening plans in response to the latest government guidance. It was noted that Tower Hamlets was in the medium tier and therefore not at immediate risk of a local lockdown.

2. Declarations of Interest

There were no declarations of interest.

3. Minutes of the previous meeting held on 8 August 2020

Subject to the correction of some typographical errors the minutes of the previous meeting held on 8 August were confirmed as an accurate record.

ACTION

4. Matters arising

The Board noted the report of matters arising and completed actions from the previous meeting.

The School Director and Chair were in the process of revising the briefing information and notice to GGE on the PSC and UK Companies House requirements to improve its accessibility.

BOD/ 20/8 The recruitment and appointment process for the NED was being prioritised following completion of the implementation of the School reopening plans.

BOD/19/5.1 The review and any updating of the terms of reference would be completed in conjunction with the findings from the Board and Committee's Annual reports.

BOD/19/11.5 The development of a communication strategy was in progress and was being led by the Communication Manager.

BOD/20/9.2 The completion of the accounts and external audit by EY was underway with EY scheduled to present at the next Audit Committee.

BOD/20/5 & 12 A replacement for Yannick Laniel was still being sought following his resignation and the School Director was continuing the search process.

The Chair also reported on the recent acquisition of Regents University by GGE and commented on the anticipation of further acquisitions in the future. She assured the Board that from a governance and business model perspective there was no immediate impact for IML.

5. School Reopening Plans and management

The School Director outlined the completion of the various stages in the School's phased reopening plans incorporating staff and tutor consultation, the phased return to work, the reopening of facilities including the implementation of onsite teaching for returning Term 4 and Foundation students. The School had also been actively preparing for the start of the new academic year on 12 October but had modified its earlier plans in response to the new government guidance. The Plan continued to operate a hybrid/blended learning model while also retaining flexibility for students to defer their start date and study remotely initially.

It was generally recognised that the partial reopening during the summer period had been helpful in planning the preparation for the broader reopening plan. Staff had been working voluntarily two days a week in their bubbles. During this period private transport had been provided for those staff requesting it.

The major change in the reopening plans related to the organisation of the staff bubbles distinguishing between student and non-student facing roles and those at high risk. This would provide the necessary cover to maintain adequate health and safety and social distancing measures while also providing a reserve pool of staff. There would be a five day break period to allow for the change over in staff bubbles. All students would be taught over three days each week including Saturdays depending on their particular bubble. Saturday working would be on a voluntary basis.

Financing private transport definitely was not financially sustainable long term and therefore only key staff would continue to be offered this service from Term 1. Remaining staff would be expected to stagger their arrival and departure times to coincide with off peak travel times in accordance with the government travel guidance. It was confirmed that Graduation remained on hold with little student demand for a digital alternative. It therefore appeared increasingly likely that graduation would be rescheduled as part of a combined event with the subsequent cohort.

The Board complimented the School Director on the meticulousness of the Plan which maximised the proportion of face to face teaching while maintaining relevant health and safety and social distancing. The use of reserve bubbles would also ensure that business continuity would be maintained without the need to close the School due to staff absence or illness. It also approved the proposal to revert to the previous model based on operational need.

The School was also in the process of developing its Outbreak Plan in accordance with the latest government guidance but was still awaiting the necessary feedback and guidance from Tower Hamlets Public Health. In the meantime, in common with practice across the higher education sector the School had also launched a Code of Conduct that would apply to both students and members of staff. The risk assessment would also be updated prior to the start of the new academic year.

The Chair reported that overall student recruitment against target continued to remain resilient with design continuing to be an area of growth. There continued to be potential in interior and visual design. The flexibility of offer for returning students was proving successful with particular demand from Chinese applicants to defer until February. Tuition fee collection remained strong with

both fee collection and student recruitment comparing favourably with the other Schools.

In response to a question about how additional costs were featuring in the accounts it was established that such items were not classified as exceptional because the School continued to work within its existing budget. Some of the additional expenditure associated with the new building had also been assigned to the following financial year. The various efficiency savings to retain the overall budget was being achieved through day to day rather than year on year savings with revenue expenditure having been transferred to capital equipment. The Board recognised that due to the pandemic cost burdens were likely to continue to vary by comparison to earlier forecasts and this was likely to continue for some time and beyond December 2020.

6. Master Revenues Bank Account

The Board considered and discussed the opening of the BNP bank account for the purpose of cash pooling including the necessary resolutions set out in the Company Bank Account. The Chair explained the rationale and scope of the cash pooling project that would enable the movement of cash across the different entities with the first phase of the project being limited to the European Schools namely Italy, London and Paris. The arrangement would also lower bank costs through a single bank partner. Cash management would be centralised at Group level rather than by the individual entities concerned. The Board noted that the proposal would enable the Corporation to have more direct knowledge of the overall cash position of the Company in real time and provide access to cash without the need to generate loans. The individual schools would also benefit from credit available to the Corporation as a whole.

The Board requested it be provided with a clear description of how the arrangement would work including a flow diagram showing the designated accounts for each School. The Board agreed that subject to the completion of the relevant due diligence checks and requisite legal advice the Board could be presented with the relevant notice to consider the formal resolution authorising the use of cash pooling and opening of the bank account for this purpose. Subject to the Board's subsequent consideration and approval of the relevant notice the School Director would be authorised as signatory within the limit specified in the Company's Scheme of Delegation.

ACTION

Further legal advice would be sought from Penningtons from the perspective of both the Company's legal requirements and those of the Office for Students(OfS). The Board also requested the process management Chart be provided to the Chair of the Audit Committee.

ACTION

Any Other Business

7. Although the Board expressed a clear preference for having an in person away day it recognised that this was highly dependent on the progression of the pandemic and any lifting of the social distancing measures limiting indoor meetings. It was agreed that further consideration would be given to some form of virtual event if this were no longer possible.

ACTION

The School was also about to launch a fashion design showcase with Vogue Italia which was a very innovative project aimed at showcasing Marangoni talent and the development of a strong network community. This initiative would be further complemented by the Elle decor event to mark the opening of the new building on 22 October.

Date of next meeting
18 November 2020

Signature
Chair

[Handwritten signature in blue ink]