



Pound Plus Policy

July 2023

Pound Plus Policy

1. Introduction and Purpose

Pound Plus refers to additional income generated by the College, which is over and above core income from the ESFA's Adult Education Budget. It is a term used to describe how learning providers can show how they are maximising the value of public investment.

Pound Plus is important because generating additional income and revenue is central to the objective of driving up participation within a very constrained public funding environment.

Pound Plus includes income generated or savings made through course fees, donations, contract income, financial sponsorship, the use of volunteer workers, donations of equipment or consumable items, access to other funding sources or grants, etc.

The responsibility for implementing Pound Plus policies lies with all members of the College, they have the responsibility to ensure the money saved or created by these policies are used for the benefit of other learners, particularly priority groups and those who might otherwise not be able to engage in the learning activity.

City Lit is unique in its offering and operates within a business model where we generate fee income at a similar level to government funding.

2. Policy Statement

The Pound Plus Policy helps the College to generate additional income above core funding and to maximise value through effecting spending at use of resources. All members of the College community have the responsibility to ensure that the money generated through additional income and effective spending is used for the benefit of all learners.

Our **social enterprise business model is one of cross-subsidy**. By growing our income from fee-paying students to supplement our funding, we are able to build on our extensive Social Provision and continue to offer a range of support services. The contribution made in fees by those who can afford to pay, allows us to provide more education for each £ of government funding.

Definitions:

Pound Plus – the generation of additional income or value through effective use of core funding.

ESFA – Education and Skills Funding Agency, provider of funding to the College.

GLA – Greater London Authority, through devolution is a funding provider to the College with increased involvement from 2019/20.

Added value – or value added is the improvement or addition that the College makes through its activity.

Additionality – this is often used when multiple funding sources are used to achieve an outcome for a larger project. The funding from one sponsor makes it possible to seek funding from other sponsors.

Value for Money – often referred to as VFM, this term is used to assess whether funding has been used based on the optimal use of resources to achieve the intended outcomes. This is typically broken down into the three Es of Economy (spending less), Efficiency (spending well) and Effectiveness (spending wisely).

Impact – Funders want to see impact from their investment as this is the final stage and provides the evidence of successful use of their funds. Impact may be clearly measurable statistics or evidence of knowledge exchange and effective communication of the outcomes.

3. City Lit's social and community approach

For City Lit, Pound Plus is not just about money, but it is about how we provide the highest quality learning and deliver more than just knowledge and skills, as we also 'bring people together': working to build communities and enhance physical and mental wellbeing. We believe that the opportunity City Lit gives for individuals to learn and mix with people from a wide range of backgrounds and life experiences is a key part of the way in which we enrich lives; the value of this positive experience of a diverse community is so important. We create social and community wealth as well as giving an outstanding educational experience.

In terms of how we achieve that there are multiple strands.

a) Making education accessible for as many students as possible

We endeavour to ensure students from all backgrounds have access to, and can benefit from, learning at City Lit through numerous support mechanisms we have put in place, such as the college bursary and discounted senior fees and concessions.

b) Our approach to community and communities

'Bringing people together' creates new communities. We believe that City Lit in its entirety is a community with many smaller communities built around individual classes. We see how these communities are interdependent: some of our more disadvantaged students benefit from the additional income generated by fees, which enable us to cross-subsidise some of our provision; groups of individuals who would never normally interact in London, get together in a class around a shared interest or passion. City Lit's approach and expertise is more than an educational experience; it creates community for those who are Deaf, hard-of-hearing, live with a stammer or have a learning disability, as well as those who had a less than ideal educational experience earlier in life or have come to the UK to start afresh and need the skills to live, work and thrive in our country. But these communities are not isolated; students at City Lit can and do mix with people outside their own usual social group. Bringing people together is part of the social wealth we create.

c) Mental and physical wellbeing

Wellbeing is a core part of our curriculum: the Health & Movement and Psychology & Counselling departments are fundamental to the School of Skills, Employment and Wellbeing and all academic areas of the college contribute to our students' wellbeing.

d) **Enhanced approach to education**

City Lit has areas of expertise such that our role in the national discussion and dialogue around certain communities goes beyond the provision of courses.

Within the Deaf and hard-of-hearing communities, City Lit is considered to have national importance. Our annual Deaf Day, which celebrated its 25th year in April 2023, is the most important day in the calendar for the Deaf community and takes over the whole college.

4. Funding requirements

A Pound Plus Policy, alongside the Local Fee Remission Policy, is a requirement of the Adult Education Budget which the College receives from the Education and Skills Funding Agency (ESFA).

5. Policy Objectives

The table below demonstrates how the policy objectives can be mapped to the policy aims:

Core funded activities	Apply the Pound Plus Policy across all activities
Applications for additional funding	Include details of the College approach to economy, efficiency and effectiveness of spending as well as emphasising the outcomes and the impact as well as the benefits that the funding will deliver
Monitoring funded projects	Ensure all spend and activities are within the scope of the funding and follow the principles of this policy. Ensure that the sponsor's rules or guidance for the funding are followed
Business Planning and budget setting	Consider opportunities to improve the economy, efficiency and effectiveness of activities and routes to achieve this

6. Scope of the Policy

Pound Plus Policy applies to all staff as all activities of the College are at least part funded by organisations requiring the College to achieve the requirements of a Pound Plus Policy from the use of their funding to the College. This policy is intended to ensure the broad requirements of Pound Plus are embedded across all activities of the College.

7. Procedure

How to Deliver Pound Plus

Across the College, all Adult Education Funded activities are expected to demonstrate the following Pound Plus improvements:

Activity	Expectation
Increase in fee income	To set fees at an appropriate level to reflect the value and benefits of the course
Reduced fees & student bursary	We offer reduced fee places (concession and senior fees) and bursary support, to help those who cannot afford to pay attend City Lit courses
Increase in donations, contract income and support via contributions in kind	To seek other funding sources to enhance the learning experience and the College environment
Increased income from external bids	To identify and bid for resources which support new and emerging activities
Rationalisation, enhancing and re-focusing of the curriculum offer	To review all parts of the curriculum for each term to ensure the course meets the student need and is financially viable
Improved efficiency of administration and support services	To review systems and processes to ensure that the College support infrastructure provides best value to the College
Greater social impact of learning on the wider community such as health, wellbeing, employability	Ensure the curriculum and the processes of the College ensure learning can benefit the whole College community
Partnerships	Working with other learner providers and organisations, to deliver courses or events
Other measurable indicators developed by the College	To apply the principles discussed in this paper to all activities of the College

How to build Pound Plus into our planning

In planning all new activities within the College, the planning process should consider:

- What level of fee income can we generate?
- What other funding opportunities are available?
- What resources in kind can we source?
- Can we work with partners and stakeholders?
- What is our ambition for growth in pound plus value from the activity?
- Can we identify the broader benefits of the new activity to the College and its community?

The concept of Pound Plus, as described above, is part of the everyday activities of the College and can equally be described as value for money, additionality and efficiency. Monitoring of Pound Plus is therefore a part of all monitoring of activities of the College. This includes business planning, self-assessment reports and financial monitoring against budgets. The principles should be established in all decision making from Senior Management team through to detailed course planning discussions.

8. Communication and training

The Pound Plus policy will be stored with in the Policy library on the HR system and accessible to all staff. Finance staff will promote the expectations of the policy when working with all staff involved in the financial reporting and transactions of the College.

Particular focus will be applied during budget setting, variance monitoring and supporting applications for new and additional funding.

Outcomes and impact will be included in communications to staff, governors and stakeholders; this will include success stories within the annual financial report.

9. Monitoring

Monthly reporting of the financial performance will include an increased focus on the Pound Plus benefits and outcomes. This will include monitoring the three Es of Value for Money; Economy (spending less), Efficiency (spending well) and Effectiveness (spending wisely).

10. Related References, Policies, Procedures, Forms and Appendices:

- Financial Regulations
- [Fee Remission Policy](#)
- [Refund and City Lit Credit Policy](#)

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