

Minutes
GB Commercial Operations Committee
Governance

Date: 22/01/2024

Time: 17:00 - 18:30

Location: Online

Present:	Steven Cochran (SC)	Governor (Chair)
	Vincent Neate (VN)	Governor (Vice Chair)
	Alasdair Macleod (AM)	Governor
	Sunitha C (SC)	Governor
	Nicholas Davies (ND)	Chair of Governors
	Keith Smith (KS)	Chief Executive (ex Officio member)

In attendance:	Dylan McTaggart (DM)	Deputy CEO, Group Principal & Principal UC
	Shane Woodhatch (SW)	Chief Finance Officer
	Jo Withers (JW)	Principal Harrow College
	Gavin Hughes (GH)	Principal Richmond upon Thames College
	Mark Burey (MBu)	Group Director – PR, Marketing & Communications
	Asif Khan (AK)	Assistant Principal – IoT, Engineering & Technologies
	Mark Byerley (MBy)	IoT Project Manager
	Yaseen Akhtar (YA)	Managing Director – WLIoT, Business Growth, Skills & Partnerships

Governance:	Perry Perrott (PP)	Chief of Staff & Governance
	Rekha Kaul (RK)	Senior Governance Manager

Absent: None

22nd January 2024

ACTION LOG:

No.	Action:	Who:	By When:
1.	Governance to provide further information about the Extraordinary Recruitment company, including the reporting lines, to be presented at the 26 th March GBC.	Governance	26 th March GBC
2.	Governors' would like to see the detailed planning that goes behind the powerpoint presentation as shown today, at a future committee meeting or separate update.	YA	29 th April GB CO
3.	Arrange meeting with SC (Chair) and VN (Vice Chair), for further support and guidance on how to progress the HRUC MIT partnership activity to the next phases.	YA	4 th Mar GB CO
4.	Provide enhanced detail, including detail of how the risk of HRUC's reputation will be mitigated at 26 th March GBC.	YA	26 th March GBC
5.	International Commercial activity in the management accounts (to be cross charged to the International Teams who bring in the international learner numbers).	SW/YA	26 th March GBC
6.	Formal proposition - acquisition of a training provider, to form the Agenda at 29 th April GB CO Committee.	KS/JW /YA	29 th April GB CO
7.	YA (in conjunction with support from SC and VN) to develop the IoT Business Plan and bring it to the 26 th March GBC, for full ratification.	YA	26 th March GBC
8.	JW's two information papers (included in today's meeting pack) to form the start of the Agenda at 29 th April GB CO Committee.	JW	29 th April GB CO
9.	Deep dive review of the highest risks 12 and 14 to form the Agenda at 4 th March GB CO Committee.	JW	4 th March GB CO

22nd January 2024

MINUTES OF MEETING:

1.	Declaration of Recording for Data Protection Purposes:
1.1	Recording: meetings are recorded for the purposes of minutes.
1.2	Commercial confidentiality: was noted by all present.
2.	Election of Chair / Vice Chair:
2.1	SC was nominated as Chair.
2.2	VN was elected as Vice Chair.
2.3	<i>SC joined the online meeting at 5.10pm.</i>
3.	Changes to Committee membership:
3.1	IV (Vice Chair) has resigned from the Board (effective 19 th January 2024). IV was thanked for Governance work at HRUC. IV has been offered the role of Chair of Governors at Croydon College and he is wished well in this new endeavour.
3.2	One year sabbatical: AP has commenced a one year maternity leave; AP will not be an active Governor for a period of one year, but may join adhoc meetings in coming months, if able/well to.
3.3	Welcome new Committee Member: Sunitha C (Co-Opted Governor).
3.4	Mark Brough, Group Director – Estates & Properties (post elect) has been appointed into role and will attend this committee as a permanently invited guest, to provide updates on Estates & Property.
4.	GB Commercial Operations Terms of Reference:
4.1	GB CO ToR were circulated one week in advance of the meeting.
4.2	The GB CO ToR were APPROVED .
5.	Apologies for absence:
	None.
6.	Declarations of Interests and Hospitality:
	No declarations were received from Governors or EMT/SLT.
7.	Minutes of 11th September 2023 committee:
	Minutes were APPROVED .
8.	Action Log of 11th September 2023 committee:
8.1	Actions 1 – 2: completed in today's meeting.
8.2	Actions 3 – 11: completed.
ACTON 1:	Actions 12: Further information about the Extraordinary Recruitment company will be provided at the 26th March GBC, including the reporting lines.
9.	MIT update:
9.1	YA talked to a detailed powerpoint presentation, which had been shared in advance of the meeting.
9.2	HRUC are the first and only FE College in the country to be in partnership with MIT.
9.3	This demonstrates a clear and bold statement of intent within the FE sector, of wanting to partner with the best institutions in technology advancement.
9.4	Previously, MIT have worked with Higher Education institutions: <ul style="list-style-type: none"> a. Cambridge University in 2008 for a three year period b. Loughborough University on a specific project involving hologram technology for members of staff to deliver a microteach.

9.5	A governor requested clarification of Year 1 set up arrangements.																										
9.6	YA shared an example of a menu of ways that other institutions could engage with HRUC, including the MIT student exchange programme: MISTY, which would be exclusive to members of the IoT programme.																										
9.7	HRUC are reviewing the appropriate price point for this engagement.																										
9.8	<table border="1"> <thead> <tr> <th>Item</th><th>Overview</th></tr> </thead> <tbody> <tr> <td>1</td><td>Members only website access for latest innovative developments</td></tr> <tr> <td>2</td><td>Access to free CPD courses</td></tr> <tr> <td>3</td><td>Startup Exchange through MIT connected startups</td></tr> <tr> <td>4</td><td>15% Online Programme Discount and 20% Books Discount</td></tr> <tr> <td>5</td><td>Access to annual report and research papers</td></tr> <tr> <td>6</td><td>Curriculum subject delivery (e.g. enrichment)</td></tr> <tr> <td>7</td><td>Conference / Industry Speakers</td></tr> <tr> <td>8</td><td>Attend live and virtual conferences and seminars*</td></tr> <tr> <td>9</td><td>Staff Exchange and Departmental Engagement*</td></tr> <tr> <td>10</td><td>Research requests and opportunities *</td></tr> <tr> <td>11</td><td>Student Exchange Programme (MISTI)*</td></tr> <tr> <td>12</td><td>Bespoke Staff Training and Executive Development*</td></tr> </tbody> </table> <p><small>*May incur additional costs</small></p>	Item	Overview	1	Members only website access for latest innovative developments	2	Access to free CPD courses	3	Startup Exchange through MIT connected startups	4	15% Online Programme Discount and 20% Books Discount	5	Access to annual report and research papers	6	Curriculum subject delivery (e.g. enrichment)	7	Conference / Industry Speakers	8	Attend live and virtual conferences and seminars*	9	Staff Exchange and Departmental Engagement*	10	Research requests and opportunities *	11	Student Exchange Programme (MISTI)*	12	Bespoke Staff Training and Executive Development*
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9.9	In Year 2, due to projected increased growth, there is likely to be a requirement for an Events Management Officer/Account Manager to oversee the increased workload and conferencing activity.																										
9.10	A governor enquired about the MIT expectations/demands of HRUC in the partnership.																										
9.11	MIT focus is on large and predominantly US based corporations.																										
9.12	HRUC offers access to the UK market and wider exposure to UK industries and educational establishments..																										
9.13	MIT are keen for their visiting lecturers to UK, to use HRUC as an educational circuit.																										
9.14	MIT would get access to the UK based opportunities at a cost effective arrangement.																										
9.15	A governor enquired how the 17 additional students would be identified and measured.																										
9.16	a. Marketing Strategy – 3 months marketing campaign to students “if you want to work and study with the best institutions, come to HRUC WLIoT”.																										
9.17	b. MBu will be using Web Analytics to track student recruitment to track individual students coming through.																										
9.18	c. Student surveys will be used to ascertain whether working with a prestigious US research based University institution would sway a students decision to enrol at WLIoT.																										
9.19	d. Kiran Rami is also running a student school liaison campaign.																										
9.20	ND (Chair of Governors) confirmed his support of the HRUC / MIT partnership.																										
ACTION 2:	Governors’ would like to see the detailed planning that goes behind the powerpoint presentation as shown today, at a future committee meeting/update event.																										
9.21	A governor enquired about the exclusivity arrangement with HRUC.																										
9.22	YA confirmed HRUC are the first FE College to partner with MIT.																										
9.23	HRUC is keen to retain FE sector exclusivity for as long as possible. However, it is difficult to confirm that HRUC will retain exclusivity indefinitely, as MIT may enter into new arrangements with other institutions over time.																										
9.24	HRUC would always remain as the first FE college to engage with MIT and HRUC does have a marketing and competitive edge over other institutions.																										
9.25	KS added further clarification – the type of membership HRUC would be joining is as a “HRUC MIT Consortium”, which enables HRUC to be the lead consortium and bring other institutions into the relationship.																										

9.26	HRUC would be looking for a membership arrangement for other institutions to join our consortium, which gives access to the benefits as outlined in YA's presentation.
9.27	KS added further clarification – the UK FE IoT market is relatively small, there are approximately 20 IoTs in the UK.
9.28	The exclusivity element could be de-risked, by bring in more IoTs into HRUC MIT consortium.
9.29	SC (Chair) summarised the HRUC MIT control arrangement would be as a level of brand ownership.
9.30	The HRUC MIT consortium is a two year arrangement, to be reviewed in two years time.
9.31	SC (Chair) concluded that the HRUC MIT endeavour is exciting. The 17 students sets the context and the generated level of income is modest.
9.32	KS confirmed that a small delegation would be arranged to go to USA to meet with MIT, who are keen to host HRUC for 1-2 days in the near future.
9.33	A formal VOTE was taken and FULL RATIFICATION was APPROVED .
9.34	Verification and approval has been achieved on the spend and the HRUC / MIT consortium business case to proceed. The HRUC MIT formal partnership arrangement documentation can be signed.
ACTION 3:	YA to arrange meeting with SC (Chair) and VN (Vice Chair), for further support and guidance on how to progress the HRUC MIT partnership activity to the next phases.
ACTION 4:	YA to provide enhanced detail, including detail of how the risk of HRUC's reputation will be mitigated at 26th March GBC.
10.0	IoT Business Plan:
10.1	YA talked to a detailed powerpoint presentation, which had been shared in advance of the meeting.
10.2	SC (Chair) thanked YA for a comprehensive update.
10.3	Governors' request to see further information on the how the initiatives will be put together: <ul style="list-style-type: none"> a. How will HRUC market to the niches and specialisms that have been identified in the report as being critical to success. b. How does HRUC connect that to the MIT branding association? c. Linked to the financials that will drive the learner numbers.
ACTION 5:	SW/YA to reflect the International Commercial activity in the management accounts (to be cross charged to the International Teams who bring in the international learner numbers).
10.4	CFO provided assurance that the mid year contribution will demonstrate this clearly.
10.5	A governor enquired about the confident levels of the growth in number of students e.g. Apprenticeships numbers are doubling, is that realistic?
10.6	DM advised Apprentice 16-18 numbers are confident, with HRUC projecting further growth and achieving 103% AEB.
10.7	HE has grown 29%, predominantly through internal progression.
10.8	JW concurred IoT carries high value apprenticeships. Confidence in growing in IoT and this is now bearing fruit.
10.9	Engineering department transfer Engineering students into IoT.
10.10	YA is in early conversations with British Airways, Thames Water and Mars.
10.11	If we can keep on this trajectory, coupled with Apprenticeship review, the future direction is positive.
10.12	JW also confirmed HRUC are underdoing a Business Review, how to engage and optimise sales. The drive and focus is on Quality.
10.13	KS commented on: <ul style="list-style-type: none"> a. Increasing sales effectiveness b. acquisition – short list of small number of organisations.
ACTION 6:	Intention is to bring a formal proposition, acquisition of a training provider, to 29th April 2024 GB CO committee.
10.14	We are hopeful for this to be an outstanding provider. Exciting time. Cautious due to amount of work to be done.
10.15	A governor commented on £8.5m spent on the Estate and reminded of the depreciation charge, to be borne in mind/reflected on.
10.16	YA has been looking closely at the Apprenticeship numbers and are closely being reviewed.
10.17	Online blended approach would benefit this style of modern learning. Good opportunities for Netflix style high quality teaching, at pace and available that learners want it.
19.18	SC (Chair) we have many good opportunities over years – keen to narrow down to key opportunities/strategy and core focus.

10.19	MBy commented that following his recent trade mission to Malaysia and Indonesia, he had received positive feedback and conversations from international opportunities with universities, polytechnics and employers that are willing to work with HRUC on the T Levels skills agenda. Mark By is following up on now.
10.20	SC (Chair) would like to see clear strategy and focus of IoT.
10.21	There was a discussion about suitability of Fujitsu as an anchor partner linked to the IoT.
10.22	Members' concurred that Fujitsu has not shown strong partner engagement with IoT in recent years.
10.23	It is a good time now to review status of Fujitsu as an anchor partner, given Fujitsu's: <ul style="list-style-type: none"> a. recent track record of not being engaged in IoT activity b. concern about brand association issues linked to IoT
10.24	JW explained position on re-licencing: HRUC are within their gift to adjust anchor partner organisations at any time. DfE are to be informed. This current IoT contract ceases end July 2024.
10.25	KS commented this is a question of how HRUC presents itself to DfE.
10.26	HRUC can remove Fujitsu as anchor partner on the grounds that they have: <ul style="list-style-type: none"> a. not engaged well in recent years b. HRUC strives for association with prestigious brands that provide excellent opportunities for the learners.
10.27	All AGREED for Fujitsu to be removed as HRUC's anchor partner.
10.28	Fujitsu can continue to add value to HRUC students in other areas of college activity.
10.29	Fujitsu as an anchor partner had been naturally aligned to Computing and Technology. There is no expectation from DfE of certain brands. DfE are happy with local and appropriate brands that are the right employer at right stage of the IoT process for learners.
10.30	YA has previously worked with Microsoft, albeit there had been some historical challenge with levels of engagement. It is a good to test waters and engage a good/local employer that will support HRUC IoT.
10.31	SC (Chair) agreed it is good to have powerful strong brand.
10.32	HRUC does have other partners that have been supporting HRUC students e.g. SISCO partner.
10.33	PP provided verbal update – he has met with Decisions (based in Norway) who have expressed an interest as a key partner for HE and FE. This is a potential big offer with development of software and licensing.
ACTION 7:	YA (in conjunction with support from SC and VN) will develop the IoT Business Plan and bring it to the 26th March GBC, for full ratification.
11.0	Any Other Business (AoB):
ACTION 8:	JW's two information papers (included in today's meeting pack) to form the start of the agenda at 29th April GB CO committee.
11.1	Dates of the next meetings:
11.1.1	Dates of forthcoming GB Commercial Operations Committee meetings were AGREED :
11.1.2	Monday 04/03/24 @ 17:00 - 18:30 online Monday 29/04/24 @ 17:00 - 18:30 online Monday 24/06/24 @ 17:00 - 18:30 online
12.0	Risk Register update – Commercial Operations extract:
12.1	An Excel version of the risk register had been provided in advance of the meeting. The top risks have been identified, linked to the strategic pillars with a risk owner, implications, mitigations and the level of risks.
12.2	SW (CFO) will work with colleagues to make further developments of the risk register: <ul style="list-style-type: none"> a. to quantify the risk with net position and cost of the mitigation b. MIT partnership to be added c. Commercial operations to be added
12.3	SC (Chair) requested for a keen eye of sight to show: <ul style="list-style-type: none"> a. Highest risk areas b. Movement of risk (increasing or decreasing)
ACTION 9:	Deep dive review of the highest risks 12 and 14 to form the Agenda at 4th March GB CO Committee.
12.4	A governor enquired about row 15 - what would cause "poor quality"? and what we doing about this.
12.5	JW will take this point away and reflect upon this.

12.6	A governor enquired whether HRUC are still looking to acquire, as neither organisation looks financially strong on Companies House. Interested in how acquire and risks?
12.7	JW confirmed that a company has been instructed today, to look closely at wave 2 and detail above.
12.8	Governance team confirmed that the Decisions App has now moved to artificial intelligence (AI) and now provides a Clock countdown timer to keep attendees on track throughout the meeting and types up a form of Minutes.
	Meeting closed at 6.30pm

Signed: *Steven Cochran*

Date: 04 / 03 / 2024