

Date	04/11/2024	
Time	17:30 - 18:30	
Location	Microsoft Teams Meeting	
Present	Nasim Khan (NK)	Chair
	Paul Miller (PM)	Vice-Chair
	Steven Cochran (SCo)	Governor
	Amanda Priem (AP)	Governor
	Susan Kingman (SK)	Governor
	Keith Smith (KS)	Ex-Officio, CEO
	Shane Woodhatch (SW)	Chief Financial Officer
	Jo Withers (JW)	Chief of Business Strategy
	Jan Newbould JN)	Managing Director – Apprenticeships
	Yaseen Akhtar (YA)	Managing Director - West London IoT, Business Growth, Skills and Partnerships
Absent	Sunitha Cee	Governor
Clerk	Perry Perrott	
Note Taker	Natalia Tymkiv	

Agenda

1 - General disclaimer statement at start of meeting:

No objections were raised to the meeting being recorded for the purpose of the minuting.

2 - Apologies for absence

Sunitha Cee was absent at the meeting.

3 - Declarations of Interest

No declarations had been received in advance and none were declared during the meeting.

4 - Minutes of the last meeting dated: 23 September 2024

Minutes were reviewed, with a minor wording amendment suggested by SCo for clarity.

ACTION 1: PP to circulate the updated version to SCo and the NK for approval.

5 - Actions from last meeting

All actions from the previous meeting were marked as covered or scheduled for discussion in the current agenda.

6 - Apprenticeship - What is your Strategic Direction?

JN presented her strategic direction for apprenticeships, emphasizing the value she could bring and the routes to market. JN stressed the alignment of the curriculum with the strategic vision, creating clear progression pathways, and ensuring an exceptional learner experience through a learner management system.

JN discussed the significance of a robust people management process and sustainability, particularly in programs and structures that embed skills and knowledge needed by the community.

JN outlined the routes to market, focusing on new business with larger levy clients, maintaining core business with small-to-medium enterprises (SMEs), and exploring new sectors such as IT, data analytics, and food and drink manufacturing.

JN presented a phased approach to growth, including a robust business development team, quality and compliance team, and an operational structure.

JN provided a timeline for the strategic business plan, with significant growth expected by 2026-2027. The presentation concluded with a discussion on the importance of acquiring strategic accounts with employers and the potential impact of government reforms on the apprenticeship market.

KS reinforced that while HRUC's internal capacity is essential, maintaining a flexible approach to potential acquisitions could offer rapid growth opportunities. KS encouraged ongoing market analysis to identify acquisition targets that could expedite HRUC's growth strategy.

KS highlighted the transformational shift in JN's approach, transitioning from a reactive model with SMEs to a proactive, business-oriented model targeting large employers and creating a national footprint. KS recommended that the business plan will capture these strategic goals clearly.

SCo questioned the need for tangible financial projections and metrics within the business plan, challenging JN to include clear milestones and growth targets to improve the business plan. SCo challenged JN to ensure that the plan showcased HRUC's competitive advantage as an educational institution to leverage existing resources, teaching expertise, and geographic presence effectively.

PM expressed interest in reviewing an early draft of the business plan to assess alignment with HRUC's goals and provide feedback on learner outcomes, community engagement, and performance metrics.

AP questioned whether HRUC's apprenticeships strategy could prioritize key sectors and deliver comprehensive, employer-specific solutions, making it easier for large, levy-paying employers to engage with HRUC as a full-service partner for workforce development.

It was resolved that JN would present a draft business plan to the committee by December, with a final version to be reviewed at the February meeting before presenting it to the Governing Board.

ACTION 2: JN to draft and submit a preliminary business plan by 22nd January 2025 for committee review, followed by a comprehensive presentation in 3rd February 2025 Strategic Transformation Committee meeting and final presentation to Full Corporation on 25th March 2025. – JN

7 - WLIoT - Challenges and Focus

YA reported that current Higher Education (HE) enrolment numbers were below target, particularly in digital and construction sectors, which remain a primary focus for growth. For apprenticeships, however, there was notable progress, with new starts increasing from 33 to 72, reflecting effective outreach and onboarding efforts.

The marketing strategy aims to boost HE enrolments, particularly for the January intake, through an aggressive digital advertising campaign across various online platforms such as Google, Snapchat, TikTok, and Spotify, as well as exploring opportunities on UCAS media channels. This campaign targets career changers and promotion seekers.

YA acknowledged that despite these efforts, a plateau in growth had been observed, and there is a need for more impactful, flexible marketing approaches to attract new students.

YA highlighted efforts to use MIT online resources to attract more employers and meet their upskilling needs through executive training programs. These programs target new employers and are designed to provide tailored learning experiences for executive-level participants, which also serve to deepen relationships between HRUC and the employer community.

YA discussed the establishment of Industry Advisory Boards (IABs) to strengthen links with industry and ensure alignment with workforce needs. Additionally, technical innovation zones are under development to support hands-on learning and industry collaboration. The suitability of existing facilities for hosting these zones is being reviewed, with discussions on potential relocations for optimal industry engagement.

With the Labour government's prospective policy focus on technical excellence colleges, YA noted the importance of aligning WLIoT's strategic direction with these anticipated developments to ensure HRUC is positioned as a leader in technical education.

KS supported the broader strategic significance of WLIoT's capacity for HRUC. KS proposed the concept of "learning factories," where businesses and micro-businesses could operate within HRUC through live, on-site delivery models, allowing employers to interact with students and use college facilities. This model would go beyond simply fulfilling government targets by embedding businesses within the educational environment, making HRUC a hub for workforce development.

KS underscored the value of the MIT partnership, noting that it should not only boost student enrolment but also enhance HRUC's brand reputation, increase competitive advantage, and support student engagement through competitions and innovative programs. KS recommended creating a strategic impact map to showcase these benefits to the governors.

There was consensus by governors, on the need to explore new delivery models that would allow for more "drop-in/drop-off" opportunities for employers. YA acknowledged the traditional "long and thin" delivery model (running from September to June) limits flexibility, whereas more adaptable models could allow employers to enrol apprentices and students more easily throughout the year, this delivery model will be investigated for adoption.

SCo challenged the slow impact of marketing efforts, encouraging a more aggressive approach to external market engagement. YA concurred, acknowledging the need to drive further growth in digital and construction areas and adopt a more flexible delivery strategy.

PM recommended providing a comparative analysis of other Institutes of Technology to gauge HRUC's performance relative to national peers, which YA agreed to present at the next meeting for strategic context.

ACTION 3: Provide a comparative analysis of other Institutes of Technology to better understand HRUC's position. @Yaseen Akhtar 31/12/2024 (supplied offline to the committee)

ACTION 4: Map out strategic impacts of the MIT relationship and present this to the governors. - YA

ACTION 5: YA to explore adaptable delivery models and update the committee on potential options to increase employer engagement and provide an update by the next meeting.

8 - Barra Hall

SW opened with a positive report on recent community engagement, noting a successful event that included local stakeholders, council members, and the area's MP, John McDonald. Local community members voiced strong support for HRUC's acquisition and educational plans, yet they challenged HRUC to preserve specific historic architectural features of Barra Hall. SW acknowledged that meeting these heritage requests would add approximately £500,000 to the original budget, a significant cost increase, this raised concerns with Governors.

SW explained that while the additional £500,000 in costs was substantial, it could potentially be offset by a recent 3% increase in government funding, resulting in an overall 6% increase in college funding, which HRUC had not factored into the original budget. These funds would help maintain project's timeline without compromising the academic year start date in September 2025.

When SK scrutinised the timeline's feasibility, SW affirmed that the project remained steadfastly aligned with the 36-week completion window. SW elucidated that, if circumstances demanded, the team would strategically prioritise core functions and accelerate the concluding stages to ensure readiness for the September launch.

SCo challenged the necessity of fulfilling every heritage request, emphasizing that Barra Hall's primary function is educational. SW concurred, assuring the committee that restoration expenses would be closely monitored, and that non-essential aesthetic work would be limited to avoid financial strain. KS supported this approach, referencing his prior discussions with community members where he clarified that HRUC's primary focus was educational and offered to further engage with local representatives to align expectations.

PM advocated for a set cap on restoration spending to safeguard project viability. SW agreed, committing to a £500,000 limit and promising to consult the committee on any further adjustments. PP noted that HRUC's new Project Manager would provide monthly updates on the Barra Hall project, along with other major initiatives. These reports would cover budget adherence, milestone completion, and any emerging risks, allowing the committee to intervene if needed. SCo endorsed this structure, seeing it as essential for proactively managing potential issues.

ACTION 6: SW to bring back a track sheet of costs showing any variables off the original plan for Committee's oversight and approval.

9 - Fuzzy Logic Update

SW presented an update on HRUC's negotiations regarding the potential acquisition of Fuzzy Logic.

SW highlighted a key challenge: Fuzzy Logic's valuation of £4.6 million significantly exceeded HRUC's internal assessment of £1.3 million and an independent evaluation conducted by Athla Consulting, which provided an objective assessment of Fuzzy Logic's financial and operational value. Athla's analysis corroborated HRUC's internal valuation of £1.3 million, suggesting that Fuzzy Logic's proposed valuation was not substantiated by its revenue streams, market share, or future growth projections. This independent validation strengthened the committee's stance that the current Fuzzy Logic's proposal for acquisition was not tenable at Fuzzy Logic's valuation.

To facilitate further discussions, HRUC had extended its non-disclosure agreement (NDA) with Fuzzy Logic through November, setting a deadline to reassess the viability of the acquisition if the valuation agreement remained unresolved.

The committee was assured that if valuation terms remained untenable, HRUC would consider pivoting toward a commercial agreement.

PM questioned whether HRUC should focus on a full acquisition at all, suggesting that commercial model might maintain the strategic benefits Fuzzy Logic offered - such as access to its technology - while avoiding the financial risk of an outright acquisition. SW agreed that such options were being considering if the valuation gap could not be resolved during negotiations.

KS broadened the discussion by proposing that HRUC also explore in-house solutions to meet its digital learning objectives. KS suggested that following the 23rd of October Strategic Day which included IT Strategy, Alex Denley (AD), as Chief Technology Officer, will lead a feasibility study into whether HRUC could internally develop or adapt similar technology. KS argued that this approach could offer greater control and potentially cost savings in the long term while reducing dependency on external providers.

It was noted that the project would be concluded if Fuzzy Logic did not reconsider its valuation in line with HRUC's expectations, with an increasing emphasis on bringing internal initiatives to the forefront as a viable alternative.

It was noted that AD is working on the technology plan as a tactical response to the end of the Fuzzy Logic project, as well as a strategic approach the future of HRUC's technology plan. The belief is that teaching in the next 10 years + will be founded on different principles than current practices, necessitating investment in new capabilities.

The committee resolved to await Fuzzy Logic's response aimed to address the valuation by the November deadline.

SW will update the committee with any developments following the November deadline.

ACTION 7: SW to update the committee by the end of November on Fuzzy Logic's response and any revised financial projections.

ACTION 8: AD to lead on the technology plan as a tactical response to the end of the Fuzzy Logic project, as well as a strategic approach.

10 - College Online Invest or Not?

(for operational update only)

The committee discussed a revised proposal to cover the development costs (£250,000) for a new course, in return for an 8-year licence and a 5% royalty on income generated from the course across the College Online network.

This proposal replaces the previous one to take a share in the business.

The committee agreed that this royalty-based payback model is more appropriate and provides a clear return on the development investment.

The committee agreed to support this model with the understanding that it protects HRUC's development time and costs and aligns with strategic goals.

DECISION: The committee agreed to support the royalty-based payback model, contributing £250,000 in development costs for a new course in return for an 8-year licence and a 5% royalty on income generated from the course across the College Online network.

11 - Horizon Scanning

KS provided a verbal update on the strategic horizon, emphasizing the need to build bigger business opportunities in apprenticeships, optimize technology use, and focus on strategic elements rather than just operational aspects.

KS highlighted the importance of integrating employers and businesses into the college and maximizing the MIT relationship.

KS also addressed the growing workforce demand in digital literacy, data analytics, and green technologies. He proposed that HRUC prioritize these areas in its curriculum and training programs to align with industry needs and enhance student employability.

With potential policy shifts under the Labour government, particularly around technical excellence colleges, KS advised HRUC to stay adaptable to secure funding and comply with new standards.

The discussion also touched upon the need for a comparative analysis of other Institutes of Technology to better understand HRUC's position and potential areas for growth. These analysis will be brought to the next meeting for further discussion.

A notable concept introduced was the idea of "learning factories" which KS described as spaces where employers and businesses could collaborate directly with students in simulated work environments. This model would allow students to gain hands-on, practical experience while fostering stronger partnerships with industry. KS argued that such initiatives would not only enhance student learning but also deepen HRUC's engagement with employers, aligning its offerings more closely with workforce demands.

KS also highlighted an opportunity to strengthen HRUC's connection to the school sector, suggesting that HRUC could support schools by offering vocational pathways or STEM-focused initiatives, helping to build a pipeline of students transitioning into HRUC's technical programs.

NK supported KS observations stressing that new initiatives, such as partnerships with schools or the development of learning factories, must align with HRUC's core mission and deliver measurable outcomes. Nasim also reiterated the importance of maintaining flexibility to address shifting policy landscapes and educational trends effectively.

The discussion also touched upon the need for a comparative analysis of other Institutes of Technology to better understand HRUC's position and potential areas for growth. The committee agreed to bring this analysis to the next meeting for further discussion.

ACTION 9: Bring back the comparative analysis of other Institutes of Technologies to better understand HRUC's position and potential areas for growth. - YA

12 - Any Other Business (AoB)

The discussion briefly touched on the Uxbridge library business case, which will be taken to the Finance & Resources and Audit & Risk committees at the end of the month.

It was noted that this item was not due to be discussed in the current meeting.

Heads of Terms for a Purchase had been received, and SW was reviewing them to ensure there were no issues.

It was also mentioned that the building in question is listed, adding complexity to the purchase.

13 - Dates of the next meetings

The dates for the next meetings were confirmed as 3rd February 2025 and 19th May 2025, both to be held via Teams.