

BUSINESS COMMITTEE

THURSDAY 5 MARCH 2015

Report: Minutes of the meeting held on Wednesday 28
January 2015
Author: Clerk
Action: Approve
Status: Open



GATESHEAD COLLEGE

Present: Robin Mackie (Chair)
Judith Doyle
Nadine Hudspeth
Ivan Jepson
John Holt
Mick Brophy
Chris Toon

In attendance: Emma Moody (Clerk)

B/18 Chair's Welcome, Apologies, Introductions

The Chair welcomed everyone to the meeting.

Apologies were received from David Mitchell.

B/19 Declarations of interest

The Chair noted his potential conflict of interest through his introduction of the Five Dragons Group, a company with which he had been engaging with through Smith, to the College for possible apprenticeship support.

B/20 Minutes of the Meeting dated 13 November 2014

The Minutes were approved as a true record.

B/21 Matters Arising

In relation to Gazelle, we would discuss this later on in the Agenda.

B/22 Update in relation to Malaysia

THE FOLLOWING SECTION IS CONFIDENTIAL AND NOT FOR PUBLICATION

B/23 KPI's for the Business Committee

The report and the discussion 'are closed to the public' until such time as they are no longer commercially sensitive

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B/24 Financial Implications

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B/25 Subsidiary Consolidation

A verbal report was given by Chris Toon.

He summarised the position as the College having four subsidiaries, with two encompassing ZCF. ZCF was making a contribution to the College. However, there were opportunities and threats for all organisations. Chris Toon had joined the board of ZCF.

The international subsidiary was sitting there waiting for the international work to come in, it did have some money in the account, but was not yet particularly active.

Then there was Amacus which did contribute to the College's business.

The biggest threat to Amacus was the decrease of government funding and the demand for high quality provision.

The Chair asked how the subsidiaries would monitor new business coming in. He also wanted to know what quality control the College had over the subsidiary enterprises. He was not clear on the synergy between the various companies.

There was a need for governance controls to ensure alignment. The Clerk said that governance controls would be enforced not only through the Articles of Association (with rights reserved to the College as the parent), but also through what would be akin to a shareholder/operating agreement defining what the relationship between the College and its subsidiary entities was, what information had to be passed to the College, what quality controls were in place, policies and procedures and possibly reserved matters which required the College's approval in order to be undertaken. It was noted by the committee that whilst there may be operating documents in place, these needed to be reviewed. John Holt would dig out the agreements that were currently in place.

The Principal agreed that there was need to have better and more effective oversight of the subsidiary entities. She wanted to create clarity and identify what contribution the companies were making to the College and whether or not work allocation was at the right level. There was a need to look at the sustainability of the subsidiaries and contribution to the College's business.

The verbal report was noted.

B/26 Any Other Business

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B/27 Date of next meeting

The date of the next meeting is 5 March 2015 at 4.30pm.