



education
training
collective

**Minutes of a Special Meeting
of The Education Training Collective (“Etc.”) FE Corporation
held using remote meeting technology (MS TEAMS)
on 10th February 2022 at 5.30 pm**

Present: Rachel Beeken, Sam Beel, Stuart Blackett (Corporation Vice Chair), Subhash Chaudhary, Phil Cook (Chief Executive and Group Principal), Louise Davies, Martin Gray, Katy Ludgate, Rob Mitchell, Dot Smith, Anne Vickers, Mark White (Corporation Chair), Mark Wilson and Gary Wright

Apologies: Fabienne Bailey

In Attendance: Phil Blewitt (Managing Director NETA), Phil Hastie (Group Executive Director Planning and Infrastructure), Fiona Sharp (Group Executive Director Finance), Kay Taylor (Group Director of HR), Sarah Thompson (Clerk to the Corporation) and Sam Young (Governance Support Officer)

22/7 Agenda Item 1 - Welcome, Apologies

As Chair of the FE Corporation, Mark White took the chair for the meeting.

The Chair noted that a quorum was present and proper notice of the meeting and of the matters to be discussed had been given.

The Chair therefore declared the meeting open.

22/8 Agenda Item 2 - Declarations of Interest

In accordance with Instrument 10 of the Etc. Instrument and Articles of Government, Phil Cook and Mark Wilson disclosed an interest as directors of NETA Training Trust.

IT WAS RESOLVED that, whilst these governors could not vote on the resolution, they would not be required to withdraw from the meeting.

Subhash Chaudhary also disclosed an interest as Director Strategic Developments, FujiFilm Diosynth Biotechnologies, an organisation holding contracts for education and training with NETA Training Trust. Members noted the interest but were of a view that this did not constitute a personal or pecuniary interest requiring withdrawal from voting or the meeting.

22/9 Agenda Item 3 - Acquisition of NETA Training Trust

Discussion: The Chair reported that the meeting had been convened to consider and if thought fit to approve proceeding with arrangements and negotiations in relation to the possible acquisition by Etc. of certain of the business and assets of NETA Training Trust (the “**Business**”) from NETA Training Trust (the “**Subsidiary**”) (the “**Transaction**”) and all matters ancillary to the Transaction, including an asset sale agreement to be drafted, agreed and entered into between (1) the Subsidiary and (2) the Etc. setting out the terms of the Transaction.

The Managing Director NETA summarised the position and recommendations outlined in the circulated report and the governors present considered the following matters:

Dormant entity: The Managing Director NETA confirmed that NETA Training Trust would remain registered with Companies House and an annual report and accounts would be submitted each year; this would allow retention of the NETA brand and its associated reputation.

Timescales: The Group Director HR confirmed that the timeline would be achievable; the Group Head of HR was leading on the Transfer of Undertakings (Protection of Employment Regulations 2006) (TUPE) arrangements and, as the HR information for all applicable staff was already held internally by Etc., due diligence was expected to be straightforward.

Possible implications, including financial, of novation of agreements: The Group Executive Director Planning and Infrastructure confirmed that the process would be similar to that undertaken on merger with Redcar and Cleveland College and that, having taken appropriate legal advice, no concerns had been flagged. [REDACTED]

Communication with stakeholders such as employers, local authorities and Tees Valley Combined Authority: Members agreed that this should be referred to the Group Director of Marketing for possible inclusion in the communications plan.

Engagement with unions: The Group Director of HR highlighted that this was already included in the timeline plan and a consultation project plan was in place.

[REDACTED]

Pensions risks: Governors noted that, having taken advice from Teesside Pensions Fund (LGPS), it had been confirmed that the additional membership, equivalent to 18 full-time employees, would have no significant impact on the long-term liability of the pension scheme and agreed that this risk did not need to be included in the risk register.

Resolutions

Those present at the meeting having carefully considered the potential Transaction and their duties to Etc. including the duty to ensure the effective and efficient use of resources, the solvency of the institution and the Corporation and safeguarding their assets, in particular the likely long term consequences of the potential Transaction for the Etc. **IT WAS RESOLVED:**

- a) that proceeding with the Transaction would support the strategic priorities of the Etc. Group and ensure effective and efficient use of resources, the solvency of the institution and the Corporation and safeguarding their assets and specifically:
- b) that the TUPE transfer of 24 members of staff from NETA Training Trust to the Etc. be undertaken by 31 March 2022;
- c) that the transfer of the NETA Training Trust business and assets to the Etc. be undertaken by 31 July 2022;
- d) that NETA Training Trust cease to operate as a registered charity and as a trading entity by 31 July 2022;
- e) that the Chair or Vice Chair of Etc. be authorised and instructed to execute on behalf of Etc. any document requiring execution under hand and the Chair or Vice Chair and any

other governor be authorised and instructed to execute in the name of the Etc. any document requiring execution as a deed in connection with the Transaction by affixing the common seal of the Corporation (in line with the Corporation's Instrument and Articles of Government); and

- f) that the Chair or Vice Chair of Etc. be authorised to do all such acts and things and execute under hand for and on behalf of Etc. or (with any other governor of Etc.) execute and deliver as a deed in the name of the Etc. by affixing the common seal of the Corporation, any other agreement or document which may be considered necessary or desirable in connection with the Transaction (in line with the Corporation's Instrument and Articles of Government).

22/10 Agenda Item 4 - Any Other Business

The Clerk advised governors that all matters discussed at the meeting remained confidential to the Corporation.

22/11 Agenda Item 5 - Approval of Documents for Public Inspection

It was **agreed** that the agenda and approved minutes would be made available for public inspection once the Transaction had been formally announced. Supporting documents were all deemed confidential for reasons of commerciality.

22/12 Agenda Item 6 - Date, Time and Venue of Next Meeting

Thursday 10th March 2022, 5.30 pm, Redcar and Cleveland College H202

The meeting ended at 5.50 pm.

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Mark White OBE DL
Chair of the Etc. FE Corporation

Approved at a meeting held on 10th March 2022