

National College Creative Industries (the "Corporation")

1. BACKGROUND AND APPROVAL OF PUBLICATION OF PROPOSED MERGER RESOLUTION

1.1 **IT WAS NOTED** that the Corporation had been considering a new legal form and business model ("**New Model**"). The New Model would require:

1.1.1 the set up of a new joint venture company between the Corporation of South Essex College and Access to Music Limited to be called National College Creative Industries Limited. This new company would hold the Corporation's branding and intellectual property;

1.1.2 the transfer of the Corporation's current apprenticeship provision to Access to Music Limited;

1.1.3 the transfer of all of the Corporation's other assets and liabilities to the Corporation of South Essex College; and

1.1.4 the dissolution of the Corporation.

1.2 **IT WAS NOTED** then that the New Model would require the transfer of the Corporation's property, rights and liabilities before the Corporation dissolved on 31 January 2020 as set out below:

1.2.1 all of the Corporation's property, rights and liabilities would be transferred to the Corporation of South Essex College using the statutory transfer/merger process set out in the Further and Higher Education Act 1992, immediately before the dissolution of the Corporation;

1.2.2 the Corporation of South Essex College would then immediately transfer the Corporation's apprenticeship delivery contracts and associated staff to Access to Music Limited using an asset transfer agreement; and

1.2.3 the Corporation of South Essex College would then immediately transfer the Corporation's intellectual property, trademarks and goodwill to National College Creative Industries Limited using an asset transfer agreement.

1.3 **IT WAS NOTED** that, in accordance with best practice in the further education sector, the Corporation should publish its draft resolution to dissolve at least one month before its proposed date of dissolution.

1.4 **IT WAS RESOLVED** that the Clerk arrange for the following draft resolution to be published on the "Transforming the National College" section of the Corporation's website before 31 December 2019:

1.4.1 *The Corporation of National College Creative Industries is publishing the draft resolution below (which it intends to pass at a Corporation meeting to be held on 30 January 2020) in accordance with best practice in the further education sector:*

IT WAS UNANIMOUSLY RESOLVED that:

following:

- publication of the results of a statutory consultation exercise undertaken by the Corporation of National College Creative Industries (as required under the Further Education Corporations (Publication of Proposals) (England) Regulations 2012);
- the carrying out of legal and financial due diligence exercises in respect of the Corporation of South Essex College and Access to Music Limited; and

subject to the passing, by the Corporation of South Essex College, of a resolution to:

- acquire the property, rights and liabilities of the Corporation of National College Creative Industries, such acquisition to take effect immediately prior to 5.00pm on 31 January 2020 ("**Main Transfer**");
- transfer the apprenticeship delivery contracts and associated staff of the Corporation of National College Creative Industries to Access to Music Limited immediately following the Main Transfer; and
- transfer the intellectual property, trademarks and goodwill of the Corporation of National College Creative Industries to National College Creative Industries Limited immediately following the Main Transfer,

the Corporation of National College Creative Industries hereby **RESOLVES** to merge with the Corporation of South Essex College, with the Corporation of National College Creative Industries dissolving at 5.00pm on 31 January 2020 and its property rights and liabilities transferring immediately before that time to the Corporation of South Essex College in accordance with sections 27A and 27B of the Further and Higher Education Act 1992.