



Ollscoil  
Teicneolaíochta  
an Atlantaigh

Atlantic  
Technological  
University

## Minutes of the 13<sup>th</sup> ATU Governing Body Meeting Held on Monday 27<sup>th</sup> March 2023 at 10.30 a.m. ATU Sligo and MS Teams

### Present:

Maura McNally (Chairperson) – in person	MMcN
Dr Orla Flynn (President) – in person	OF
Ursula Cox – in person	UC
Dr Brian McCann – in person	BMcC
Mary McGinley – in person	MMcG
Felim McNeela – in person	FMcN
Oonagh Monahan – in person	OM
David Minton – in person	DMT
Dr Martin Robinson – in person	MR
Gareth Roe – online	GR
Dáire Martin – in person	DM
Dara Foyne – in person	DF
Colin Kearney – online	CK
Patricia King – online	PK
Michael Gilvarry – in person	MGil
Michael Geoghegan – online	MG
Edward Grant – online	EG
Séamus Hughes – in person	SH
Anne McHugh – in person	AMcH

### In attendance:

Jim Fennell (Secretary) – online	JF
Dr Des Foley – in person – Agenda item 4.2	DFol
Sean Duffy – in person – Agenda item 6.2	SD
Seamus Given (Arthur Cox) – online – Agenda item 7	SG
Elizabeth McCabe – in person – Agenda item 9.2	EMC
Henry McGarvey – in person – Agenda item 10	HMcG
Michael Henehan – in person	MH

### Apologies:

Dr Mary Kelly	MK
Prof. Rachel Ashworth	RA

### **GB 013.01 Declaration of Conflicts of Interests**

There were no conflicts of interest declared at this meeting.

### **GB 013.02 Minutes of the meeting of 20<sup>th</sup> February 2023**

The minutes of the meeting of the 20<sup>th</sup> February 2023 were reviewed by the members. The members requested a note explaining the difference between the Audit and Risk Committee (ARC) and the Finance Sub-Committee in terms of responsibilities with respect to financial matters, and that an action list be implemented for action items raised at GB.

A proposal to update the members on Cyber Security across the University was noted for the next scheduled meeting

**Decision:** The minutes were approved on the proposal of UC and seconded by OM.

**Action items:** Secretary to GB to implement an “Action Items” list to be updated following each meeting;  
Secretary to GB to circulate a note outlining the key differences between ARC and FSC;  
IT Managers to prepare a briefing for the members on Cyber Security across the University for the next scheduled meeting.

### **GB 0013.03 Matters arising and Correspondence**

The members reviewed the list of Sub-committee members. It was noted that the Finance Sub-Committee was short a member and that membership of that committee would be dealt with under agenda item 9.4.

### **GB 0013.04 President's Report**

#### **GB 0013.04.1 President's Update to Governing Body**

The President shared a presentation highlighting recent activities across the University. The University Planning Team held four meetings since the last GB meeting in February including a very productive strategy day with the Strategic Planning Facilitator, Dr Des Foley. Internal meetings have been continuing, including University Planning Team (UPT) and meetings with groups of staff and social partners via IR fora. Work on integration across the University is ongoing and consultants have been appointed to assist with change management and organisational structure (KPMG).

The University met with the Higher Education Authority (HEA) on 9<sup>th</sup> March 2023 in relation to its submissions for the delivery of Veterinary medicine and Pharmacy. Strategic Planning Council meetings continue and Strategic Planning (Round 2) Lunchtime Sessions for all staff have continued from January to March, including training for senior staff, multi-disciplinary sessions in a neutral venue, and face to face sessions on every campus.

There has been some initial engagement with external stakeholders re Strategic Planning, including IBEC NW, IBEC West, Northern and Western Regional Assembly (NWRA) and Chambers Ireland. International Women's Day events were held across all campuses and Maynooth University hosted all six female Presidents of Irish Universities in a panel event opened by Minister Simon Harris.



#### **GB 0013.04.2 Strategic Plan**

DFol, Strategic Planning Facilitator, joined the meeting and provided an update on the ATU Strategic Planning Process, presenting on activities in January to March, where there has been extensive consultation covering ATU and the sustainable development goals, the University's values, the University's role in regional development, expectations from ATU (student consultation), environmental scanning, values and purpose (Deans and Vice Presidents). The Strategic Planning Council met 3 times between January and March to review activities and will continue to meet monthly.

The presentation also covered the themes emerging from review of the University's purpose and values and from the environmental scanning exercise. The review will next move to a session with the Governing Body which will cover Process to date, Key themes, Vision, Purpose, Values, Big Ideas and External Consultation.

In discussion, the members discussed the need to include Education within the organisation purpose, the importance of sustainability in the University's operations, collaboration with external stakeholders in the FE and other related sectors such as industry and the importance of accessibility and socio economic factors in what the University offers. The point was also made that it can be as important to define what we do not do as an organization in order to define ourselves.

DFol left the meeting.

#### **GB 0013.04.3 UPT minutes**

The President briefly took the members through the UPT minutes which had been circulated for the information of the members.

#### **GB 013.05 Report from Academic Council**

The President briefly took the members through the report from the Academic Council meeting of 17<sup>th</sup> February 2023.

The members noted the election of Chairs and Deputy Chairs of Academic Programmes, Academic Planning and Strategy, Academic Standards and Policy, and the Teaching Learning and Assessment Committee, and the appointment of new members to committees.

#### **GB 0013.06 Integration of St Angela's College**

##### **GB 0013.06.1 Due Diligence Reports**

Michael Henehan (Secretarial, Governance and Compliance Manager) presented to the members on the due diligence which had been performed on St Angela's College CLG.

The Financial, HR and Taxation due diligence had been performed by Deloitte and their report dated 14th March 2023 had been included in the papers for the meeting. While there were no red flag items reported MH drew the members' attention to the opinion of the Directors of St Angela's College CLG which was quoted "...that the College requires a significant infrastructure investment going forward to ensure a long term sustainable financial footing" and the emphasis of matter issue (re pensions) noted by the C&AG in their last audit report. In discussion it was clarified by the Secretary that while the overall exposure noted in the C&AG's report is large, the exposure will reduce considerably when the

staff join ATU as they will automatically become part of the Education Sector Superannuation Scheme which is managed by the Dept of Education. The exposure then will be limited to those with preserved benefits and to those retirees currently being paid by St Angela's on the pensions payroll which is currently funded by the Dept. The letter from the Department of Further and Higher Education, Research, Innovation and Science (DFHERIS), dated the 27<sup>th</sup> October 2022, was also highlighted, which sought to lay out the Dept's position and the guarantees given by them. As regards the capital investment required it was noted that it has been known for some time the buildings in St Angela's require investment to bring them to a more acceptable standard.

The Legal due diligence was performed by Holmes O' Malley Sexton (HOLMES) and no red-flag issues were noted, however the review of property issues had also necessitated obtaining two barrister's opinions due to issues arising from the relationship with the Student Residences Management company. In respect of the opinion dated 8<sup>th</sup> February 2023 the members noted that the barrister had not received access to all of the documents (pleadings and settlement terms on some cases taken) they required to issue a full opinion. Accordingly it was requested that HOLMES be asked to contact the advisers for St Angela's and the Ursuline Union to obtain those documents for the barrister so they could revisit their opinion.

It was also noted that while St Angela's could benefit from obtaining some rights of way/easements from the Student residences, the Student Residences had some issues particularly with its boundaries which would require cleaning up, in a legal sense, and there may be some grounds for co-operation on this front.

The final part of the presentation covered the site survey conducted by Brannigan Associates, Chartered Building Surveyors. While again no red flags were identified, the survey highlighted the state of estate/buildings. The surveyors noted that 2 buildings were protected (Gate Lodge and St Ursula's) and the buildings in general were in mixed condition with the older buildings being in need of extensive repair. They also noted boundary and right of way issues as also highlighted by HOLMES.

MH summarised the biggest issues as being the condition of the buildings and the pensions issue and noted no red flags were issued by any of the advisers doing due diligence. Lastly he thanked the management of St Angela's for supporting the due diligence process which had been a lot of work for them.

**Action item:** MH to contact HOLMES and arrange for them to obtain the necessary pleadings and settlement terms required for the barrister to issue a revised, full opinion (refers to the opinion originally issued on 8<sup>th</sup> February 2023).

## **GB 0013.06.2 Legal Agreement**

SD joined the meeting and provided an update on the integration of St Angela's College. He explained to the members that the legal agreement with St Angela's was to be reviewed and approved by the Minister before they would seek the approval of the Oireachtas for the incorporation. This approval of the Oireachtas could potentially take 6-8 weeks. Once this was secured the Minister would then sign the order for incorporation. The draft legal agreement has now been presented to the members for their review and approval. However the agreement as presented has not been fully agreed between the parties.

The President (OF) further explained that there had been challenges with section 6 (Governance Structure) and section 7 (Merici Centre). The Merici Centre is proposed as a research centre established to commemorate the legacy of the Ursulines. Issues with the original proposal as regards the role of the Ursuline Union and the control structures being proposed have since been resolved.



Section 6.1 as proposed by St Angela's seeks guarantees about the final management structure of the University to include St Angela's. This is not something the University is able to provide as there is a significant ongoing body of work in ATU to address this issue for all of ATU. It is therefore not possible to provide guarantees on this to St Angela's and the Ursuline Union.

The management of St Angela's have written to the HEA requesting that professorial roles be committed to St Angela's however, this is a matter for the HEA.

Lastly OF explained that if all outstanding matters are not resolved by the 1st May there is a risk to the incorporation timeline.

Members queried if a delay in the incorporation would affect the delivery of St Angela's courses as listed in the CAO system for 2023/24. It was pointed out that linked provider status would continue to apply to St Angela's and their courses and there would be no issue for the recruitment of students to St Angela's.

OF proposed to the members that the agreement is approved for signing by the Chair and President on the basis that there are no substantial changes in the final agreement from the wording already provided to the members in the draft agreement supplied and the associated wording for section 6 put forward by the President.

**Decision:** The agreement for the incorporation of St Angela's, as amended by the insertion of the wording of section 6 suggested by the President, is approved for signature by the Chair and President subject to the proviso that any changes in the final agreement are not substantial. Proposed BMcC, seconded OM.

#### **GB 0013.07 Regulations for the selection, election, nomination & appointment of Members to the Governing Body**

Seamus Given (Arthur Cox) joined the meeting to advise the Governing Body on the changes required to the Governing Body due to the relevant provisions of the HEA Act 2022.

It was agreed that the members would review regulations for the nomination, selection and election of members of the Governing Body and a documented process for the nomination, selection, election and appointment of GB members at their next meeting.

The regulations and process would then require to be approved by the Minister before they would be put into effect. The importance of the timely approval of the process and regulations was noted as under the Act there are 12 months to put in place the new Governing Body (November 2023 deadline).

It was also noted that under the Act the current members could see out their term if not reselected/elected to the GB. However while they could attend meetings it was not clear whether or not they would have a vote. The members also acknowledged the potential difficulties with achieving overall gender balance (not less than 40% of either gender) under the Act.

SG was asked to draw up draft regulations which would comply with the provisions of the Act by 1<sup>st</sup> May. These would then be considered by the Governing Body at a special meeting on 8<sup>th</sup> May (9am).

The Chair thanked Seamus for his work and he left the meeting.

**Decision:** It was agreed to have a special meeting at 9am on 8<sup>th</sup> May to consider a proposed process and regulations for the appointment of GB members.

**Action items:** Secretary to GB to send invites for a special online meeting of GB, 9 a.m. 8<sup>th</sup> May, to consider a proposed process and regulations for the appointment of GB members, to be drafted by A Cox (Seamus Given).  
Secretary to provide the Chair with a draft template letter to the external members of GB enquiring if they wish to continue their membership of GB ahead of appointment of the new GB.

## **GB 0013.08 Corporate Governance**

### **GB 0013.08.1 Report from ARC Meeting 14<sup>th</sup> March 2023**

The Chair of the Audit and Risk Committee (ARC) (AMcH) took the members through the report of the 14<sup>th</sup> March meeting of ARC. At this meeting the members reviewed the Governance Statement for the University covering the period 1<sup>st</sup> April 2022 to 31<sup>st</sup> August 2022 and the Protected Disclosures Reports of the legacy Institutes covering the period 1<sup>st</sup> January 2022 to 31<sup>st</sup> March 2022 and the Protected Disclosure Report for the University covering the period 1<sup>st</sup> April 2022 to 31 December 2022. The members of ARC resolved to recommend the Governance Statement and the Protected Disclosures reports to the Governing Body for approval.

### **GB 0013.08.2 Governance Statement for the 5 months ended 31<sup>st</sup> August 2022**

The members reviewed the Governance Statement of the University for the 5 months ended 31<sup>st</sup> August 2022 which had been approved by UPT on the 13<sup>th</sup> of March, ARC on the 14<sup>th</sup> of March and was now presented for the review and approval of the Governing Body.

The members queried the description of the Statement as an "Annual" statement. While it was explained this was the title conferred on the document by the Code of Governance it was agreed to change the title of the document to "ATU Governance Statement 1<sup>st</sup> April 2022 to 31<sup>st</sup> August 2022".

**Decision:** The Governance Statement for the 5 months ended 31<sup>st</sup> August 2022, with the amendment noted above, was approved for signature. Proposed MMcG, seconded BMcC

### **GB 0013.08.3 Protected Disclosures Reports year ended 31<sup>st</sup> December 2022**

The members reviewed the Protected Disclosures reports for the legacy Institutes covering the period 1<sup>st</sup> January 2022 to 31<sup>st</sup> March 2022 and the report for the University covering the 1<sup>st</sup> April 2022 to 31<sup>st</sup> December 2022. It was noted that there were no protected disclosures received by any of the Institutes or the University in these reporting periods.

**Decision:** The Protected Disclosures reports were approved. Proposed OM, seconded MMcG.

## **GB 0013.09 Finance**

EMC joined the meeting.

### **GB 0013.09.1 Reports from Finance Subcommittee Meetings 24<sup>th</sup> February and 16<sup>th</sup> March 2023**

FMcN (Chair), provided an update from the Finance Subcommittee (FSC) meetings of 24<sup>th</sup> February and 16<sup>th</sup> March. The FSC reviewed and approved a workplan for the committee on 24<sup>th</sup> February. At the meeting of the 16<sup>th</sup> March the TOR was reviewed and a change was approved by



the members for recommendation to GB - "Recommend to the Governing Body transfers to and from the Capital Development Reserve" as section 2 (iii) of the TOR.

The proposed 2023 budget for the University was reviewed at the meeting on 16<sup>th</sup> March. The members noted issues with pay costs and the funding of recent pay increases granted by the Dept and also retention issues with full-time student numbers decreasing. Cyber Security is high risk and high priority and while a balanced budget is desirable, the FSC is recommending the proposed budget to the GB for approval which includes provision for €2M of cyber costs as a potential exceptional item below the line.

### **GB 0013.09.2 University Budget 2023**

The Vice President for Finance and Corporate Services (VPFCS) responsible for Finance, EMC, presented the proposed 2023 budget to the GB. The budget for 2023 is challenging as in real terms there is a 1% reduction in the core grant from the HEA coupled with a projected €1.8M reduction in fees (arising in the main from the student retention issue common across the sector).

The actual out-turn for 2022 showed a €4.3M surplus versus a budgeted surplus of €2.7M, a €1.5M positive variance from budget to actual.

For 2023, pay restoration has absorbed all of the core grant (recurrent grant) increase. The University received €2.6M for pay restoration in 2022 against a cost for this of €4.5M. As there were no additional funds provided in the core grant for 2023 to cover increments or inflation on non-pay costs the net result is a 1% reduction in core funding, in real terms.

The 2023 budget has been prepared at a college level (as systems are not yet integrated). Utilising the "Funding-the-Future" funding in the budget and accepting a freeze on recruiting with aggressive cuts to non-pay has allowed a balanced budget to be presented. The budget has also been framed with the assumptions that Technological Universities Transformation Fund (TUTF) funding ends on 31<sup>st</sup> August 2023, and ATU will not be able to use the "Funding-the-Future" income on additional posts.

Other initiatives to increase income or reduce costs which will be looked at during the year will be overhead allocation across the University, increases in Online, Distance Learning and Part-time fees, a minimum fee for all full-time courses of €150 to cover course materials, and improving student retention.

The 2023 budget also covers projections for the next 3 years. For the following years (after 2023) an increase of 5% per annum in core funding with an increase of 2% in full time students (0% increase in Online and Distant Learning and Part-time) will see the University return to a surplus of 3% of income in 2024/25.

In discussion the members expressed some misgivings as to how staff would perceive the proposed budget. While a balanced budget would satisfy the HEA and the Dept, and enable compliance with the Act, staff might not be as positive about this. Another issue raised was the risk of allocating the "Funding-the-Future" to the core activity and how this would affect the University's future capacity-building. The ability of the University to increase student numbers in future years by 2% per annum given the current retention issues was also questioned.

OF responded to the issue of the balanced budget by informing the members that while a balanced budget was normally a stipulation of the HEA, compliance with the TU Act itself was the main

concern in this regard. As regards the "Funding-the-Future" fund, the reality is that staff numbers across the University had already increased significantly in the last 12 months. OF also explained that Galway had turned away prospective students with 500 points last year due to space issues.

OF assured the members that their frustrations with the funding provided would be conveyed to the HEA at the annual budget meeting. OF noted that the core budget funding did not address the longer-term issue of funding multiple campuses which is an issue for ATU.

One member (DM) asked that their concern about the potential introduction of higher fees for students in a country where 3<sup>rd</sup> level costs are already high be noted.

A presentation on retention was requested from the Vice President with responsibility for Academic Affairs and Registrar (VPAAR) at the next scheduled GB meeting (15<sup>th</sup> May 2023).

**Decision:** The budget proposed for 2023 was given a qualified approval. Proposer FMcN, seconded DF.

**Action:** VPAAR to present on retention at the GB meeting on 15<sup>th</sup> May.

#### **GB 0013.09.3 Terms of Reference (TOR) Finance Subcommittee**

The revisions to TOR as approved by the members of FSC for recommendation to GB - "Recommend to the Governing Body transfers to and from the Capital Development Reserve" as section 2 (iii) of the TOR were reviewed and approved by the members.

**Decision:** The revised TOR for FSC as outlined above was approved unanimously by the Board.

#### **GB 0013.09.4 Appointment of Governing Body Member to Finance Subcommittee**

**Decision:** Deferred to the next meeting

EMC left the meeting.

#### **GB 0013.10 Capital Projects**

HMcG joined the meeting.

##### **GB 0013.10.1 Galway Campus Science Labs Refurbishment**

HMcG presented the Stage III report on the Galway Science Labs refurbishment (from MKO) which recommended the award of the contract to Kilcawley Construction Ltd with a contract sum of €2,355,008.48 including Vat.

**Decision:** Award of the contract for refurbishment of the Galway Science Labs to Kilcawley Construction Ltd was approved. Proposed BMcC, seconded AMcH.

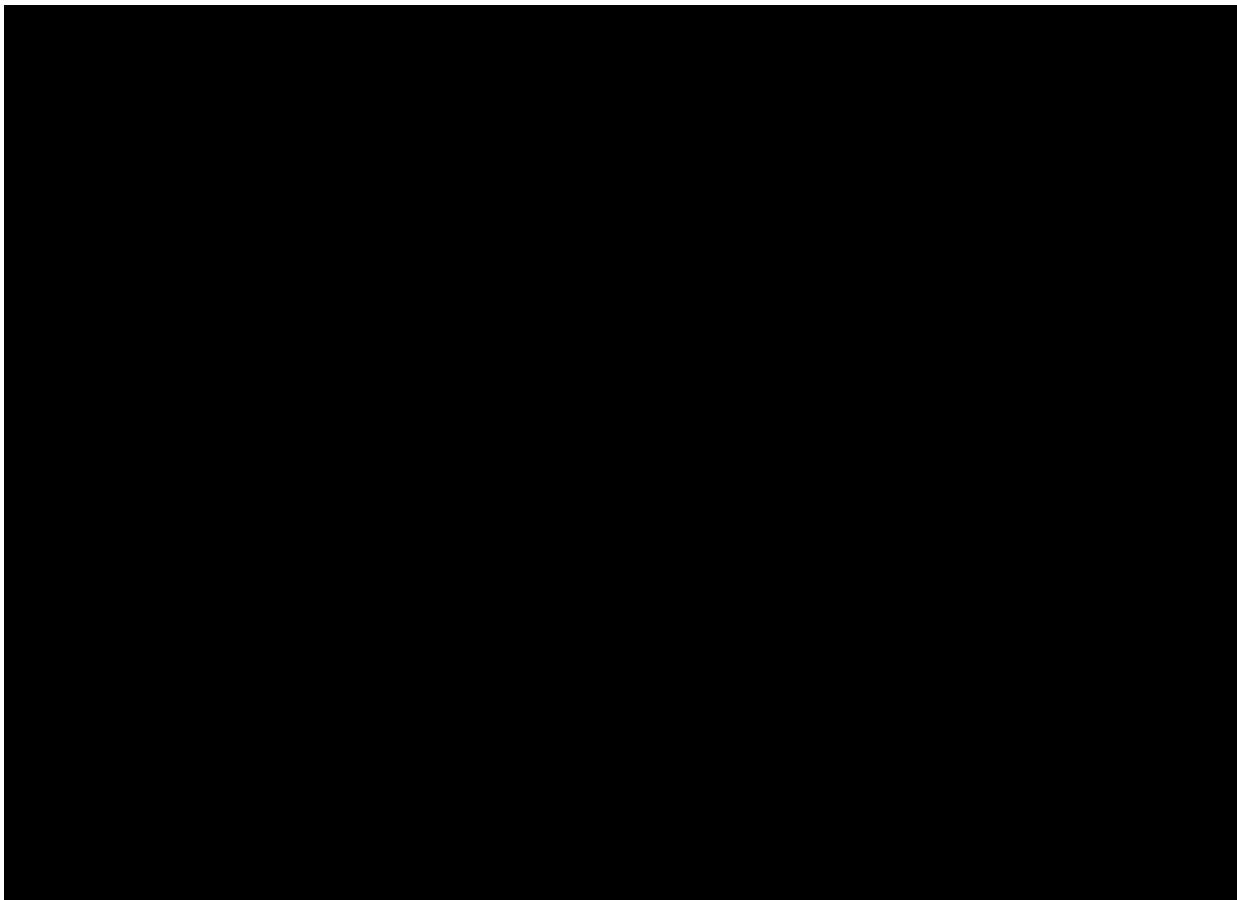
##### **GB 0013.10.2 Galway Campus Student Building**

HMcG advised the members that a team from the University had met with Galway City Council to look at options to proceed with the Galway Student Building. The Council have suggested to move ahead with the original plans while also progressing a possible joint project. The team from the University have indicated their willingness to work with them on this basis.



HMCG left the meeting.

#### **GB 0013.11 HR Matters**



#### **GB 0013.12 Appointment of Governing Body members to EDI Subcommittee**

**Decision:** Deferred to the meeting on 15<sup>th</sup> May 2023.

#### **GB 0013.13 Meeting of the Members without the Executive**

The staff of the University and staff members of governing body left the meeting.

#### **GB 0013.14 AOB**

AOB was dealt with ahead of item 0013.13. There were no items brought up under AOB and the members moved to a meeting without executive/staff members present (agenda item 13.13).

The next meeting will take place online on 8<sup>th</sup> May 2023. The following meeting is at ATU Mayo on 15<sup>th</sup> May.

Signed:

  
Chairperson

Date:

