

**Digest of the special meeting of the Governing Body of Cork Institute of Technology held on Thursday 6 December 2018 in the Council Room, 2<sup>nd</sup> Floor, Administration Building at 3.00 pm.**

**Present:** Mr Bob Savage (Chair)  
Dr Barry O'Connor  
Mr Bernard Allen  
Mr Aaron Buckley  
Ms Mary Cooney  
Mr Eoin Deane  
Ms Emelie Fitzgibbon  
Ms Maura Fitzgibbon  
Cllr Mary Hegarty  
Cllr Michel Hegarty  
Capt Dave Hopkins  
Ms Stephanie Kelly  
The Mayor of the County of Cork, Cllr Patrick Gerard Murphy  
Mr Cilian Ó Súilleabháin  
Mr Ted Owens  
Ms Ann Piggott  
Ms Katherine Walshe

**In Attendance:** Dr Orla Flynn, Mr Paul Gallagher, Dr Áine Ní Shé and Ms Ann O'Mahony, Recording Secretary.

Mr Brian O'Brien, Director, PwC Cork (for part of the meeting)  
Ms Caroline Daly, PwC (for part of the meeting)  
Prof Hugh McGlynn, MTU Project Director (for part of the meeting)

*Apologies were received from Mr John Higgins, and Mr Declan O'Leary.*

*The Chairman welcomed all to the meeting and outlined proceedings as follows:*

- (i) Item One – will be taken by the Chair of the GB MTU Sub-Committee, Mr Bernard Allen.*
- (ii) Item 2 - A presentation on the Business Case will be given by PwC. He advised that Q & A will be taken after the presentation.*
- (iii) Item 3 – Resolution and discussion on the MTU Submission document.*

*The Chair invited the Chair of the GB MTU Sub-Committee to take Item One.*

**S1 1812.1 TECHNOLOGICAL UNIVERSITY:**

**1.1 Signed Minutes of the Governing Body MTU Sub-Committee meeting held on Monday 3 September 2018** were circulated with the Agenda.

*Mr Allen referred to the signed Minutes of the MTU Sub-Committee meeting of 3 September 2018 which he had reported on at the 4 October 2018 Governing Body meeting.*

*Having sought confirmation that no changes were made to the Minutes he sought Governing Body approval for them.*

*Governing Body APPROVED the minutes as presented.*

**1.2 Signed Minutes of the Governing Body MTU Sub-Committee meeting held on Tuesday 2 October 2018** were circulated with the Agenda.

*Mr Allen referred to the signed Minutes of the MTU Sub-Committee meeting of 2 October 2018 which he had verbally reported on at the 4 October 2018 Governing Body meeting.*

*Having sought confirmation that no changes were made to the Minutes he sought Governing Body approval for them.*

*Governing Body APPROVED the minutes as presented.*

**1.3 Signed Minutes of the Governing Body MTU Sub-Committee meeting held on Wednesday 17 October 2018** were circulated with the Agenda.

The Chair of the GB MTU Sub-Committee commenced the meeting by thanking fellow Governors for their attendance at the meeting and conveyed apologies for the slightly later start of 11.30am. Apologies were noted from Mr Bob Savage. Due to the delay in the commencement of the meeting, the President also conveyed the apologies of Prof Hugh McGlynn, CIT MTU Project Director as he had to travel to Ballyvourney for an MTU related meeting.

**Agenda Item 1 – Approval of the Draft Minutes of the GB MTU Sub-Committee Meeting held on Tuesday 2 October 2018**

The Minutes of the GB MTU Sub-Committee Meeting held on Tuesday 2 October 2018 were approved and signed.

**Agenda Item 2 – Matters Arising**

While the Sub-Committee noted that there were matters arising from the last minutes, they agreed that these would be dealt with by the President in his briefing.

**Agenda Item 3 – Briefing from Dr Barry O’Connor, President –**

An update from the President since the last Sub-Committee meeting.

The President discussed the meeting with the HEA and the DES held on Friday 12 October in the DES Office in Dublin regarding an update on the MTU process, including the capital development requirements to bring MTU to fruition and IT Tralee’s financial deficit.

The following attended the meeting:

DES

1. Mr William Beausang, Assistant Secretary General
2. Mr John McDermott, Skills Development Division

HEA

1. Ms Orla Nugent, Deputy CEO
2. Ms Sheena Duffy, Interim Head of System Funding
3. Mr Tim Conlon, Interim Head of System Governance and Performance Management

CIT

1. Mr Bob Savage, Chair of Governing Body
2. Dr Barry O'Connor, President
3. Mr Paul Gallagher, Vice President for Finance & Administration

IT Tralee

1. Mr Lionel Alexander, Chair of Governing Body
2. Dr Oliver Murphy, President
3. Ms Brid McElligott, Vice President for Research and Development

The detail in terms of the academic criteria was discussed and it was confirmed that MTU are over the threshold in all academic criteria. Both Institutes discussed “the ask”.

**Agenda Item 4 - AOB**

The Sub-Committee noted with thanks the final meeting report from the MTU Programme Oversight Board Meeting which took place on Thursday, 30 August 2018.

No further items were discussed.

The meeting concluded at 1.00pm.

*Governing Body APPROVED the above signed Minutes as presented.*

**1.4 Draft Minutes of the Governing Body MTU Sub-Committee meeting held on Wednesday 7 November 2018** were circulated with the Agenda.

The Chair of the GB MTU Sub-Committee commenced the meeting by thanking fellow Governors for their attendance at the meeting this afternoon. The President conveyed the apologies of Prof Hugh McGlynn, CIT MTU Project Director and Mr Paul Gallagher, Vice President for Finance & Administration (VP for F&A) as they were both attending an MTU related meeting in Ballyvourney. Mr Eoin Deane wished to also convey his apologies for not attending the last meeting.

**Agenda Item 1 – Approval of the Draft Minutes of the GB MTU Sub-Committee Meeting held on Wednesday 17 October 2018**

The Minutes of the GB MTU Sub-Committee Meeting held on Wednesday 17 October 2018 were approved and signed subject to the following amendment:

Page 3: Insert the following after the 2<sup>nd</sup> paragraph (top of page):

**Agenda Item 2 – Matters Arising**

The Sub-Committee noted that there were matters arising, however, they agreed that these would be dealt with by the President in his briefing.

**Agenda Item 3 – Briefing from Dr Barry O'Connor, President –**

An update from the President since the last Sub-Committee meeting.

**Agenda Item 4 – Business Case**

As there was no final Business Case available to the Sub-Committee, this item was deferred to the next meeting on 4 December 2018.

**Agenda Item 5 – Submission Schedule**

The Sub-Committee noted with thanks the draft Submission Schedule.

The President discussed the proposed approach for the forthcoming viewings. The final draft MTU Submission document will be available for viewing to the Executive, Senior Management, Academic Council and Governing Body over a number of days – dates and times to be communicated to all involved. There will be a commentary sheet provided for any feedback/observations on the document. Protocols in terms of viewing are as per the HEA's requirements for confidentiality with respect to the TU application process.

A special Governing Body Meeting will be held prior to the document being submitted.

The Sub-Committee were hesitant in terms of the timelines, they did not give much time for viewing the document.

**Agenda Item 6 - AOB**

The meeting concluded at 6.15pm.

*Governing Body NOTED the above draft Minutes as presented.*

**1.1 Draft Minutes of the Joint meeting of the Governing Body MTU Sub-Committee and the Governing Body Finance Sub-Committee held on Friday 30 November 2018 were tabled at the meeting.**

The Chair of the GB MTU Sub-Committee commenced the meeting by thanking fellow Governors for their attendance and welcoming the Vice Presidents, the MTU Project Director and our PwC visitors. Apologies as recorded above were noted. Mr A Buckley joined the meeting at 12.40pm.

**Agenda Item 1 – Presentation of the Business Case by PwC**

An updated version of the documentation was circulated to Governors. Mr E Deane wished to convey that he had not received his documentation by taxi yesterday evening and had only received it in the internal post prior to the meeting. While Governors welcomed the updated document, it was unfortunate that they were now going to be reviewing another version.

The Chair invited Mr O'Brien to commence his presentation, stating that questions would be taken at the end of the presentation.

Mr O'Brien commenced the presentation by confirming the agenda to be as follows:

1. Update since the last presentation
2. Revised IT Tralee Financial Projections
3. CIT Financial Projections
4. Revised MTU Financial Projections (merged scenario)
5. Risk Analysis
6. TU Submission
7. Next Steps

The meeting concluded at 2.50pm.

*Governing Body NOTED the above draft Minutes as presented.*

*Mr Allen gave a short briefing as follows:*

*He referred to Items 1.3 and 1.4 and advised that a lot of the content was repetitive and most of the discussions were contained in Item 1.5 – Draft Minutes of 30 November 2018 which were tabled.*

*Mr Allen concluded by saying that the above are still outstanding issues which have to be dealt with sooner rather than later.*

*The Chairman thanked Mr Allen for his briefing.*

*The Chairman asked Mr Gallagher to bring in PwC to join the meeting to take Item 2. Prof Hugh McGlynn, MTU Project Director was also invited to join the meeting at this juncture.*

**2. MTU:**

The following items were circulated under separate cover.

- 2.1 Revised Business Case**
- 2.2 PwC Slide Presentation on the Business Case**
- 2.3 Revised Chapter 10 of the MTU Submission Document which included supporting sensitivity analysis**

## **2.4 Sheet outlining differences between the original and revised Chapter 10**

*Mr Brian O'Brien, Director, PwC Cork and Ms Caroline Daly, PwC joined the meeting for this item as did Prof Hugh McGlynn, MTU Project Director.*

*The Chairman welcomed them to the meeting and asked that they give the Presentation on the Business Case and that there would be an opportunity for Q & A afterwards.*

*Mr O'Brien advised that they have been working supporting the MTU Project from a financial perspective with the finance teams both in CIT and IT Tralee. He advised that he would take Governors through the assumptions behind the projections, the revised IT Tralee projections and CIT projections and then look at the impact of the MTU overhead presenting a picture of the University over the next two academic cycles.*

*In terms of the presentation he referred Governors to the following pages:*

- Page 3 - Agenda*
- 1. Update since last presentation*
  - 2. Revised IT Tralee Financial Projections*
  - 3. CIT Financial Projections*
  - 4. Revised MTU Financial Projections*
  - 5. Risk Analysis*
  - 6. TU Submission*
  - 7. Next Steps*

### **Section 1 – Update since last presentation**

- Page 5 - Update since last presentation to CIT GB Sub-Committee*

### **Section 2 – Revised IT Tralee Financial Projections**

- Page 7 - This outlined three scenarios explored by IT Tralee in relation to the first academic cycle which were presented by IT Tralee at a recent workshop with CIT.*

- Page 9 - IT Tralee Growth in Student Numbers – targeting certain groups i.e. apprenticeships, bespoke programmes, sharing modules and attracting national/international students.*

- Page 10 - IT Tralee Revised Financial Projections (for first academic cycle)*

- Page 12 - Outlined IT Tralee's Assumptions for the second academic cycle.*

- Page 13 - Outlined IT Tralee's Revised Financial Projects for two academic cycles.*

- Page 15 - *Outlined IT Tralee's Financial Metrics excluding impact of pay restoration and including impact of pay restoration.*
- Page 16 - *Outlined IT Tralee's Projected Capital Expenditure on their current projects and planned developments.*

**Section 3 – CIT Financial Projections**

- Page 18 - *CIT Programmes & budgets extrapolated to second academic cycle.*
- Page 19 - *Outlined Assumptions for CIT Financial Projections.*
- Page 20 - *Outlined student number projections, income and expenditure extrapolated out to academic year 2026-2027.*
- Page 23 - *Outlined CIT's Financial Metrics excluding impact of pay restoration and including impact of pay restoration.*
- Page 24 - *Outlined CIT's Projected Capital Expenditure for current and planned developments.*

*Mr O'Brien handed over to Ms Daly to take Section 4 who brought Governors through the following pages.*

**Section 4 – MTU Financial Projections**

- Page 26 - *Outlined the profile of the University in academic year 2026-2027 in terms of students, total income and size of the University.*
- Page 27 - *Outlined the MTU Financial Projections.*
- Pages 28 & 29 - *Outlined the MTU Overlay Assumptions.*
- Page 30 - *Outlined the MTU Financial Projections on student numbers, income and expenditure.*
- Page 31 - *Outlined the MTU Projected Student Numbers (CIT and IT Tralee) growing from academic year 2019-2020 to academic year 2026-2027.*
- Page 34 - *Outlined the Analysis of MTU Student Numbers (FTEs) which reflected an increase in student numbers from academic year 2018-2019 to academic year 2026-2027.*
- Page 35 - *Outlined the MTU Financial Metrics excluding impact of pay restoration and excluded research income and expenditure and excluded certain other incomes.*

*Page 36 - Gave the analysis of the MTU Financial Projections.*

*Page 37 - Outlined the MTU Projected Capital Expenditure for current and planned developments.*

*Ms Daly handed over to Mr O'Brien to take Section 5 who brought Governors through the following pages.*

**Section 5 – Risk Analysis**

*Page 39 - Gave the MTU Risk Analysis.*

*Page 40 - Outlined the Sensitivity Analysis.*

*Page 41 - Outlined the Sensitivity Analysis.*

**Section 6 – Chapter 10 Submission Document**

*Page 43 - MTU Submission (Chapter 10 Financial and Economic Impact of MTU).*

*Page 45 - Outlined the next steps*

- (i) Presentation to ITT Governing Body*
- (ii) Presentation to CIT Governing Body*
- (iii) Finalisation of Submission*
- (iv) Approval*
- (v) Submission to the HEA*

*The above concluded the presentation to Governing Body.*

*The chairman thanked both Mr O'Brien and Ms Daly for their comprehensive presentation and he opened the floor to Governors to respond.*

*Governors took the opportunity to probe and question the student and financial projections and assumptions in terms of IT Tralee and their annual and accumulated deficit. They sought clarity on aspects of the presentation given. A lengthy dialogue ensued*

*The Chairman thanked PwC for their comprehensive presentation and both Mr O'Brien and Ms Daly left the meeting.*

*The Chairman referred to Chapter 10 and asked Prof McGlynn to brief Governors on the amendments.*

*Prof McGlynn advised that Chapter 10 had been revised on foot of the comments that were made in terms of the 28% assumption. PwC revised that accordingly. We also did include seven post -merger projects of work. Those projects are outside of the ask -*

- (i) Governance & Administration in a Multi-Campus University*
- (ii) Defining the MTU graduate*
- (iii) Developing the University Staff*
- (iv) Digital by Default*
- (v) An International TU*
- (vi) Equality, Diversity & Inclusion*
- (vii) Nurturing the Research Ecosystem*



*These are key projects that we will run after merger and will be above and beyond implementation costs. They will be led by competitive funding and we have broken the funding down in detail. The only major difference in Chapter 10 is the assumptions going from 28% to 20%, the economic impact that has, the economic analysis therein and the post-merger implementation projects. Prof McGlynn drew Governors attention to the Crib Sheet comparing the old and the new Chapter 10 which has been included in the pack which had been circulated prior to the meeting.*

*We have engaged with additional viewing sessions for staff, TUI, TASS Union and Students Union and Prof McGlynn had met with Senior Staff today and got their views and comments back which will be fed back into the document.*

*The Chairman concluded this discussion. Before Item 3 – Approval of the MTU Submission Document was taken Governors took a five minute break.*

*Governors returned to the meeting.*

*The Chairman thanked Prof McGlynn for being here today, for the time and effort he gave to Governors and for going the extra mile which has to be noted and appreciated. He also acknowledged the time and effort given by the Vice Presidents. Before he took Item 3 he again asked if Governors had any comments and questions to make.*

*There were no comments made and the Chairman requested the three Vice Presidents and Prof McGlynn to leave the meeting.*

### **3. Approval of the MTU Document.**

*The Chairman asked that copies of a Resolution be distributed to Governors. He had been informed that Mr O Súilleabháin and Ms Cooney had a Resolution of their own which they wished to be considered also.*

*He read out the Resolution as follows:*

*“that Cork Institute of Technology together with its schools Crawford College of Art and Design, Cork School of Music and National Maritime College of Ireland jointly apply with Institute of Technology, Tralee to the Minister for Education and Skills under section 29 of the Technological Universities Act 2018 for an order establishing a technological university.”*

*For clarification, the President advised that the Resolution was drafted by the Institute’s Legal Advisors, O’Flynn Exhams. The Governing Body in IT Tralee will meet next week to consider the MTU Submission document. We have been engaged with the TASS Union and the TUI since last September. Under the WRC Agreement with the TUI an MOU had to be established between the*

*consortium and the two TUI branches. This MOU has to go to the National Executive of the TUI for viewing. The deal that the consortium will strike with the TUI will not be better or worse than what was agreed with TU4D. Our understanding with the TUI is that they will be holding a ballot providing it goes through the National Executive on 17, 18 and 19 December 2018 and we await the outcome of that ballot.*

*The Chairman invited Ms Cooney to read out her Resolution. She circulated copies at the meeting.*

*“Governors recommended that the document be revised before they can consider whether to go ahead with the MTU application submission. The following items to be addressed within the revision:*

- 1. Completion of full due diligence not just financial issues.*
- 2. Incorporation of IT Tralee accounts for 2016/17 and 2017/18.*
- 3. IT Tralee most recent student numbers and total enrolment, 2016/17 and 2017/18.*
- 4. Analysis of figures and assumptions would be reviewed by an independent consultant and supporting documentation provided.*
- 5. Other sections ought to be reviewed in light of the above”.*

*After much consideration, it was proposed that a second Resolution be adopted.*

*“That Governing Body will review the progress of the MTU Project at every meeting including the establishment of a Risk Register and that the GB MTU Sub-Committee will continue its remit to provide oversight for Governing Body on the MTU application and merger process.”*

*At this juncture, the Chairman asked Governors to vote.*

*In terms of the 1<sup>st</sup> Resolution – “that Cork Institute of Technology together with its schools Crawford College of Art and Design, Cork School of Music and National Maritime College of Ireland jointly apply with Institutes of Technology, Tralee to the Minister for Education and Skills under section 29 of the Technological Universities Act 2018 for an order establishing a technological university.”*

*Twelve Governors passed the 1<sup>st</sup> Resolution and the following five Governors were against, Mr Aaron Buckley, Ms Mary Cooney, Ms Stephanie Kelly, Mr Cilian Ó Súilleabháin and Ms Ann Piggott.*

*In terms of the 2<sup>nd</sup> Resolution – “That Governing Body will review the*

*progress of the MTU Project at every meeting including the establishment of a Risk Register and that the GB MTU Sub-Committee will continue its remit to provide oversight for Governing Body on the MTU application and merger process.”*

*All seventeen Governors present unanimously passed this Resolution.*

*The Chairman thanked all for attending today’s meeting which concluded at 6.30 pm. Governors made their way to the Restaurant for the annual Christmas Dinner.*

*The next ordinary meeting of the Governing Body was fixed for Thursday 13 December 2018 commencing at 3.00 pm in the Council Room, 2<sup>nd</sup> Floor, Administration Building.*

Signed: \_\_\_\_\_

Date: \_\_\_\_\_