

**Higher Education Authority****Report of 405<sup>th</sup> Meeting held on 3<sup>rd</sup> March 2020 in Dundalk Institute of Technology**

Present<sup>1</sup>: Mr Tony Donohoe (agenda items 1-10)  
Dr Judith Eaton (agenda items 1-10)  
Professor Orla Feely (agenda items 1-10)  
Dr Sharon Feeney (agenda items 1-10)  
Ms Lorna Fitzpatrick (agenda items 1-10)  
Mr Michael Horgan, Chairperson (agenda items 1-10)  
Ms Darina Kneafsey (agenda items 1-10)  
Dr Deirdre Lillis (agenda items 1-10)  
Dr Ronan Lyons, by teleconference (agenda items 1-10)  
Dr Jim Mountjoy (agenda items 1-10)  
Dr Sinéad O’Flanagan (agenda items 1-10)  
Mr Pól Ó Móráin (agenda items 1-10)  
Dr Lynn Ramsey (agenda items 1-10)  
Dr John Wall, by teleconference (agenda items 1-10)

Apologies: Dr Bahram Bekhradnia

In attendance: Dr Alan Wall (agenda items 1-10.1)  
Ms Orla Nugent (agenda items 1-9)  
Mr Padraic Mellett (agenda items 1-9)  
Mr Tim Conlon (agenda items 1-9)  
Ms Pearl Cunningham (agenda items 1-9)  
Ms Caitriona Ryan (agenda items 1-9)

The Chair thanked Dundalk Institute of Technology for agreeing to host the HEA’s Board meeting. Members noted the need to declare any conflicts of interest in relation to items under consideration.

**1. Report of 404<sup>th</sup> Meeting held 28<sup>th</sup> January 2020**

1.1 The minutes were approved.

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<sup>1</sup> The quorum for HEA Board meetings, six members, was met.

## 2. Matters arising

### 2.1 Human Capital Initiative<sup>2</sup>

Members were advised that the DES has confirmed that staff appointments under the HCI Pillar 3 must be on the basis of fixed purpose contracts, whose term shall not exceed the scheme/award duration. Such contracts must also include a specific clause providing for early termination before the specified expiry date of the contract in the event of the envisaged funding stream being terminated or reduced.

Members enquired as to arrangements to assess the proposals and the oversight responsibilities, if any, of the HEA Board. Members were advised that the evaluation process was set out in the HCI Pillar 3 Call document. The role of the Board vis a vis such initiatives will be considered under item 9 – Governance Ireland report.

## 3. Executive Report

### 3.1 IT Tralee<sup>3</sup>

Members were advised that the Institute has submitted a Sustainability plan and Deloitte due-diligence is completed and a final set of discussions regarding a sensitivity analysis of student numbers is completed. The Board decided that the plan should be forwarded for consideration to the Finance & Governance Committee. The plan offers a way forward for the Institute to achieve financial sustainability, key to it will be securing approval for a voluntary redundancy package from the Department. Members considered correspondence from the DES seeking assurances as to the financial sustainability of the Institute in advance of consideration of a revised Munster TU application. The CEO updated members on consultations between CIT and IT Tralee in advance of a new Munster TU application. Ms Nugent advised that in the current context the HEA is considering providing advanced funding, within the overall envelope, to assist the Institute in managing their cashflow.

**Decision:** Members agreed to delegate to the Finance & Governance Committee consideration of the Institute's plan and a response will be provided to DES. If necessary, the Committee may refer the matter back to the Board for consideration.

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<sup>2</sup> Dr Feeney, Dr Lillis and Mr Donohoe declared conflicts of interest, the former two being involved in the preparation of submissions on behalf of their University, the latter advising a consortium working on proposals. As no decision was being made by the HEA on this item the conflict of interest raised by the three members was noted.

<sup>3</sup> Dr Lillis absented herself from this item

### *3.2 Governance Forum*

The CEO advised that a governance forum involving representatives from IUA, THEA and TU Dublin has been set up. They will explore any gaps between the exiting sectional Codes of Governance and the 2016 Code of Practice for the Governance of State Bodies.

### *3.3 HEA Staff Resources*

The level of staffing of Communications and IT was raised. The CEO acknowledged the particular difficulties around communications at this moment, he anticipated additional resources being provided in the current interim period acknowledging the need in particular for the HEA to have a greater digital presence. Mr Mellett advised that the HEA has sought an additional post at APO level for IT under the HEA's workforce plan.

### *3.4 Student Accommodation*

It was agreed that there was a need to see if there was an innovative way of addressing this issue. Facilitating HEIs to increase the provision of student accommodation would enable them to generate much needed additional revenue. Concern was expressed over the recent decision of the universities to increase rent levels. The risk the cost of student accommodation poses both to access students and international students was noted. It was suggested that expanded provision together with commercial summer lettings should enable HEIs keep rent increases for students to a minimum. It was proposed by the Board that a project could be considered where the HEA would seek data from the interdepartmental working group led by the Department of Housing and Local Government.

### *3.5 Disability Act*

Mr Mellett outlined the background to the decision of the National Disability Authority (NDA) in relation to the NCAD. The IoTs and the NCAD are required to report on their attainment of a target of 3% employment target of persons with a disability. The universities, other Colleges and the HEA submit reports on a voluntary basis. The NDA issued a certificate to the NCAD as it failed to meet the target two years in a row, 2015 and 2016. It was noted that the College has now met the 3% target. The target is set to increase to 6% by 2024. It was agreed that this matter will be taken up with the College at its strategic dialogue meeting.

The Fund for Students with Disabilities was raised. Members were advised that a review of the fund was undertaken two years ago. The Executive is in a position to provide a report on the number of students supported through the fund. Ms Ryan agreed to consult the HEI Access Offices to explore the possibility of preparing a booklet on the fund to include a number of case studies.

### 3.6 Other issues raised

- Role of HEA on capital projects – The CEO advised that the DES is happy to provide the clarifications requested by the HEA
- Rolling review on pay, pensions, travel & subsistence and leave – Members were advised that some institutional responses remain outstanding, this is down to the timing of Governing Body meetings. An update will be provided at the April Board meeting.
- Possibility of providing some performance funding in 2020 towards environmentally sustainable initiatives. It was noted HEIs have responsibilities under the Government’s Climate Action plan.
- The Chair and Members congratulated Ms Cunningham and Mr Conlon on their recent appointments.

## 4. Approval of 2019 Financial Statements

4.1 It was agreed to refer this matter in the first instance to the Audit and Risk Committee.

## 5. Formal Approval of the 2020 Recurrent Grant

**Decision:** Members endorsed the proposed allocation as approved by the Finance and Governance Committee.

## 6. Approval to delegate to the Finance and Governance Committee approval to allocate the Third Level Access (TLA) Fund

**Decision:** Members approved the delegation to the Finance and Governance Committee authority to allocate the TLA Fund. HEIs will be notified of their provisional allocation in Q1 2020.

## 7. Technological University Research Network (TURN) and TU Transformation Fund

7.1 Discussion on this item was included under item 9 below.

## 8. Irish Research Council Stipends

8.1 Discussion on this item was deferred to the next meeting. It was agreed in the interim to arrange a meeting involving the CEO, Deputy Chair/Chair of the Research & Graduate Education Committee, the Chair and Director of the Council.

## 9. Governance Ireland Report on Board Evaluation

9.1 The Chair welcomed Mr Donal Keane and Mr Paul Whyte who made a short presentation. The presentation focused on the following;

- Scope of review and approach
- Overall findings by theme and standing Committee
- Findings under each of the 11 themes
- Recommended action points under each theme and for the Committees

Members had an open and detailed discussion on the Governance Ireland findings and recommendations.

**Decision:** The Board accepted all 23 recommendations in principle and undertook to return to them throughout the year.

1. Dedicate specific time within the Board's Agenda for Board discussion on strategic issues – issues that align to and are consistent with the strategic objectives as set out under the Authority's Strategic Plan.

2. The Board to hold a formal Board review of the current strategic plan, by way of dedicated meeting, when the plan hits mid-term in 2020 – with particular focus on the strategy's fit, vision and implementation performance measures. Thereafter one meeting a year should be allocated within the Board's workplan for a full review of the Strategic Plan.

3. The Authority led by the Board should continue to engage fully with the development of the new legislation governing the remit of the HEA.

4. The Board should consider development of a Board Manual to have a single governance handbook to consolidate governance roles and defined processes into a single framework document which defines and includes: compliance with and alignment to the Code of Practice for the Governance of State Bodies; the roles and responsibilities of the Board and its Committees; execution of meetings; governance oversight procedures and processes within the HEA; matters reserved for decision; and the division of responsibilities between Board and Management.

5. Starting in 2020, arrange for 1-2 formal meetings between a HEA grouping that includes Board members (including the Chair) and the Department, through the Oversight and Performance Review process.

6. Prepare a schedule setting out the Division of Responsibilities between the Chair/ CEO and the Board/Executive. The delegated and reserved powers of the Board should also be reviewed as part of this process. The schedule should be signed off by the Board and form part of the general suite of governance documentation.
7. The Board Agenda to be reviewed with consideration being given to:
  - a. including standing items for Disclosures, Quorum and Conflicts of Interest;
  - b. allocating a time duration, as well as a time slot to individual agenda items.
8. An action list to be maintained for tasks emanating from Board meetings. The outstanding action list to then be reviewed at each Board meeting.
9. The Board should, in consultation and agreement with the CEO, consider a reduction in the number of Executive representatives that attend a full Board meeting. Other Executives and Managers should then attend only those agenda items which they are presenting or which they lead.
10. Develop a succession plan for the CEO, and, in consultation with the CEO, develop a succession plan for key senior management positions within the HEA.
11. Consideration should be given to preparing a dedicated Conflicts of Interest Policy document for Board members. The Policy document should clearly set out what constitutes a conflict of interest, the procedure to be followed for notification of the conflict, and the procedure for handling the conflict issue at Board and Committee level. The Board should maintain a register of conflicts reported, recording the date and details of the reported conflict and the process that was followed.
12. The addition of notes to the Management Accounts explaining any significant or material variance in the actual numbers Vs budget.
13. To align to Best Practice and adhere to code provision 7.2 (ii) of the 2016 Code of Practice, Risk should be placed as a standing item on the Board's agenda. The Board should reach a consensus on the top 5-6 corporate risks from its risk register and then consider focusing on one risk per meeting. The discussion on risk should be supported by a brief report from the CEO/Executive in terms of the current mitigation of the risk and from the Audit & Risk Committee in terms of its view on risk exposure and the effectiveness of the management of the risk.

14. The Risk Management Framework document should be revised to include a direct reporting line between the Risk Officer and the Board. Provision should also be included for an independent review of the effectiveness of risk management in the HEA once every 3 years. We suggest that the Risk Framework should be reviewed annually by the Audit & Risk Committee.

15. A one-page executive summary to be included with papers submitted by management to the Board and its Committees, setting out in clear and understandable terms the salient points, what is expected of the Board in terms of the particular submission and how it aligns to the objectives of the Strategic Plan.

16. Once a new set of KPIs have been agreed these need to be aligned to the Strategic Plan. The Board might require that all future performance reports to the Board are structured and presented in a form that aligns to objectives, target outcomes, KPIs and timelines as set out in the Strategic Plan.

17. The Board should agree a date and formal process with the CEO and the Board, for evaluation of the CEO's performance. The process to be followed should be set out in the Board's Terms of Reference. The Board should be formally briefed and advised of the outcome of the evaluation, following the review.

18. Development training in 'effective Board engagement' to be offered to both members of the Board and the Executive. This might be best delivered by way of engaging a trainer that will customise the training to the workings and needs of the HEA.

19. Committee composition should be reviewed, with a view to reducing the membership of Committees to 4-5 Board members, plus external members where required.

20. There should be a discussion at Board level as to how the Chairs of Board Sub-Committees are selected and appointed and the procedure should be included within the Terms of Reference documents.

21. The Terms of Reference Documents for Committees should be revised, with consideration being given to adopting the template components as set out in Appendix 1 of this document. The same template should be applied across the ToR for all Committees. Particular attention should be given to defining clearly:

- a. The type of Committee – (Standing or Temporary committee)
- b. The authority of the Committee

- c. The right to engage external advice
- d. Reporting and deliverables
- e. Evaluation of the Committee
- f. Date when Terms of Reference formally approved by the Board
- g. Date of the next ToR review

The role and responsibilities of the Systems Development & Performance Committee should be more clearly defined, along with its delegated authority and expected deliverables.

The responsibilities of the Audit & Risk Committee are extensive and it might be considered to list the responsibilities under the following headings:

- Financial Statements
- Internal Audit
- External Audit
- Risk Management
- Other

22. The Chairs of those Committees that have some overlap (Finance & Governance Committee and Audit & Risk Committee, Policy & Planning Committee and System Development & Performance Management Committee) should meet annually when preparing their work plan for the forthcoming year, to ensure overlap is minimised.

23. Given that all Committees report directly to the Board, Board Committees should not be chaired by the Chair of the Board, other than that committee commissioned to conduct an evaluation of the performance of the CEO.

## **10. New Finance System for the HEA**

10.1 Members were advised that it was decided to run a new tender process.

## **11. Members only session**

11.1 Discussion focused on issues arising from the Governance Ireland Report.

## **Next Meeting**

28<sup>th</sup> April, via teleconference due to Covid-19 restrictions.

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Chairperson

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Date