

Higher Education Authority

Report of the 364th Meeting held on 28th January 2014, in Brooklawn House, Dublin 4.

Present ¹

- Mr. Bahram Bekhradnia (items 1-6, 11-12)
- Dr. Mary Canning
- Professor Maeve Conrick (items 5-15)
- Mr. Paddy Cosgrave (items 1-6, 12)
- Mr. John Dolan
- Mr. Eamonn Grennan
- Ms Siobhan Harkin
- Professor Eileen Harkin-Jones
- Mr. John Hennessy, Chairman
- Dr. Jim Mountjoy (items 1-6, 12)
- Mr. Joe O'Connor (items 1-9, 11-13)
- Mr. Gordon Ryan
- Professor Anthony Staines
- Dr. Brian Thornes (items 1-6, 12)
- Professor Marijk van der Wende (items 1-14)

Apology:

- Cllr. Brendan Byrne
- Dr. Maria Meehan

In attendance:

- Mr. Tom Boland (items 2-15)
- Ms Mary Kerr (items 2-15)
- Mr. Pdraic Mellett (items 2-15)
- Mr. Pat Harvey (items 2-15)
- Mr. Muiris O'Connor (items 5-13)
- Mr. Fergal Costello (items 6, 10-13)
- Dr. Eucharía Meehan (item 5)
- Ms Jennifer Gyax (item 6)
- Ms Jane Sweetman (item 6)
- Mr. Tim Conlon (item 7)
- Ms Sarah Dunne (item 11)

1. Members only session

Members discussed the following;

- Need for further financial expertise on the Finance Committee
- The perceived conflict and non- declaration of interest issue with An Cheím
- Procedural issues relating to the appointment of consultants

The Board having reviewed the participation of the full Executive at future Board meetings agreed to retain the status quo and that the Chair would reflect and come back to the board.

¹ Members present for all items unless otherwise indicated. The meeting concluded at 3.50pm.

2. Reports of meeting held 26th November 2013

Decision: The minutes were approved subject to minor amendments to paragraph 3.7.

3. Matters Arising

- 3.1 Item 2.2 WIT (Ms Harkin absented herself from this item) – It was confirmed that the €10m grant the DES is to provide to WIT will have to be paid back to the Department over a period to be agreed.

Concern was expressed as to the impact the consolidation of companies may have on student services and other expenditures arising. The Executive agreed to contact the Institute in relation to this matter.

- 3.2 Item 3.9 and 7.2 Student Assistance Fund –The Executive to prepare for the Board a report detailing the response from Institutes to the HEA's request to HEIs that they provide additional support to students facing financial hardship. The Executive noted that there is an increased demand on the SAF and the level of bad debts faced by institutions is understood to be increasing. Information on the latter to be updated.
- 3.3 Item 11 Audiology and AIT– Members were updated on developments since the last meeting. It was confirmed that the Institute has appointed an external Professor to evaluate the course. The Executive will work with the Institute to ensure that the report as agreed at the High Court is finalised. The Executive confirmed that it was in discussion with the Institute in relation to the funding of the course and had regard to the statutory role of the QQI.
- 3.4 Item 13.1 An Cheím – Members were advised that the Executive inadvertently omitted to disclose that Ms Mary Kerr is a member of the Board of An Cheím at the last meeting. The proposed VFM exercise of An Cheím was held up while discussions on a possible merger with HEAnet were ongoing. Members were advised that HEAnet Ltd. was a separate body from the HEA with its own Board and CEO. The HEA is one of the members of HEAnet. The CEO of the HEA is currently the chair of HEAnet Ltd. although arrangements are being made for him to step down and be replaced. While the Audit Committee had previously considered HEAnet Ltd. the CEO agreed to provide the Committee with a briefing note on the inter-company relationship between HEAnet and HEA.

4. Report of the Chief Executive

- 4.1 The CEO briefed members on the Science without Frontiers Programme. The Brazilian authorities have agreed to allow just under 1000 students apply for places in Irish HEIs this year – an increase of 60% over 2013.
- 4.2 Correspondence has received from the DES concerning a request from the RCSI to use the word 'University' in its title for the purposes of international marketing under S. 52 (1) of the Universities Act, 1997. The DES, however, subsequently indicated that they will first explore a legislative route to addressing the issue in a more generic way.

A number of policy issues do arise, including the capacity of an overseas university to call itself a university in Ireland or the mechanism to enable a privately owned institution to become a university. Members raised the following points;

- Private sector higher education is not as regulated as the private hospital sector. The quality assurance provisions in place were noted.
- Private providers may become more important in the context of the sustainability of the system.
- In some countries the decision to approve a foreign provider may rest with another Ministry. It should be possible to regulate private providers in Ireland, it was important that those undertaking such regulation were familiar with higher education and applied the regulation in a consistent manner.
- uVersity. Members were advised that it has become a recognised College of the NUI. It has reached agreement with most universities, a number of institutes of technology and colleges of further education which will offer modules. These modules will be subject to the institutions' own QA procedures.

The CEO indicated the Executive would include the role of private and international providers in its work programme for this year.

- 4.3 Item 22 – Re-organisation and staffing –.Consideration to be given to communicating internationally Professor Hazelkorn's new policy advisory role with the HEA having regard to her international standing.

The CEO assured the Board that appropriate procurement process was followed in putting the arrangements in place and that it will not give rise to conflicts of interest.

- 4.4 Appendix to CEO's report – Purchase Orders – It was agreed that the Executive would provide further detail on the schedule, in particular detailing the period the schedule applies, the duration of the contract, a short description of the service provided and the budget category. The CEO confirmed that the HEA complies with public sector procurement guidelines. A decision to issue a tender for the provision of consultancy services requires the prior approval of the CEO and would have regard to the following;

- Availability of internal expertise and capacity

- Cost and HEA budget
- Requirement having regard to the HEA's work programme

5. Role of the HEA in Research

5.1 Dr. Meehan made a presentation. She noted that the Board had approved a Research Strategy in November 2012 which was submitted to the DES. The Department was planning to develop its own strategy but little progress has been made to date. Following a discussion by the Standing Committee on Research and Graduate Education last November, the Executive wrote to Ministers Quinn and Sherlock in relation to a possible review of the National Research Strategy. She indicated that Minister Sherlock has committed to reviewing the implementation of current policy. Work is unlikely to commence until the second half of this year. Her presentation focused on the following;

- Higher education research landscape;
- Policy domain focus of the DES and Department of Jobs, Enterprise and Innovation (D/JEI);
- Research objective as set out in the Higher Education Performance Framework;
- High level research performance indicators;
- Role for HEA – fostering the environment of excellent research, how this can be achieved;
- Developments in Irish research funding – there has been a clear shift towards applied research in the targeted STEM areas;
- Role of the Irish Research Council – it focuses on early stage career researchers across all disciplines;
- An outline of areas where the various research agencies might focus.

She concluded her remarks by noting that Ireland has set a very ambitious target for funding under Horizon 2020. This will be a challenge as Ireland's research priorities are not fully aligned against the EU's three streams, in particular pillar 3 – Societal Challenges. The chair noted that the Standing Committee will be considering the Irish strategy for Horizon 2020 at its next meeting.

5.2 Members complimented Dr. Meehan on her excellent presentation and raised the following;

- The risk inherent in a short term focus to the funding of research.
- The importance of ensuring that teaching and learning across all disciplines is informed by research. Concern was expressed over the level of funding for basic research and research in the AHSS disciplines. The HEA should provide leadership in this matter. It was noted that the Executive has recruited a Research and Innovation Manager. The HEA should also draw on the expertise available in the system.
- The recently approved Horizon 2020 budget was an opportunity for Ireland. The degree of mobility of ERC funding, however, offers both potential and vulnerability as successful bidders can carry their grant to

other jurisdictions. It was important therefore that our institutions continued to be attractive locations for researchers.

Decision: Members approved the presentation as a basis for further consideration and reference framework for future discussion and actions. While wishing her well, Members also urged close liaison with Dr. Meehan in her new role as Director of the Research Council.

6. Report of Finance Committee

6.1 Ms Kerr presented the report of the Finance Committee. Members were advised that the 2013 outturn was in accordance with the approach agreed by the Finance Committee. In relation to the 2014 grant the overall allocation represented a net reduction of 1% having regard to additional student contributions and pay savings under the Haddington Road Agreement. This was in line with expectations. It was clarified that the €10m set aside for SIDF/Performance Funding included provision for performance funding (€4m), carry-over costs of SIDF allocations made in 2014 (this includes funding for the National Teaching and Learning Forum in respect of the development of digital teaching and learning platforms - a briefing note on the funding to be allocated to the Forum would be provided to members), and funding for a further call under SIDF 2. It was confirmed there would not be a further call under SIDF 1. In relation to the €4m performance funding, it was clarified that this funding was being provided to areas of best practice in the regional clusters.

6.2 Issued raised;

- The response of institutions to the provisional grant notification. Some of the smaller Colleges are facing some pressure.
- The decision to continue the €25m cash adjustment until 2015 will have an impact on the core funding for institutions in 2014. The decision suggested that there was a misunderstanding as to the financial position of the higher education sector.
- It was confirmed that the Executive will meet each institution in March/April to review their budget and accounts.
- Those institutions which were benefitting from positive funding transfers under the funding model should be seeking to build up their reserves rather than just presenting balanced budgets.
- The effective use of existing funds is an important element in the sustainability of the system.
- The agreement of a Framework to enable university staff be paid by University Corporations for additional work would support the raising of own resources.
- The Board will be provided with data on HEI non-exchequer income.
- As part of the reform of the RGAM, the Executive is considering a number of initiatives including the way the free fees grant was allocated, revision in the metrics for the university 5% research top-slice, introduction of a research/enterprise engagement top-slice for the IoTs and an incentive mechanism for course rationalisation.

- The level of exchequer funding per student was now well below the levels in place in the UK and Australia.
- In relation to the ECF, a decision has not been made yet on targets for the sector.

6.3 Mr. Mellett presented the HEA's administrative outturn for 2013 and budget for 2014. He noted that the 2013 outturn was better than anticipated. The budget for 2014 would see a further reduction in the HEA's accumulated surplus and the Executive would accordingly need to discuss its future funding requirements with the DES later in the year.

Decision: Members approved the Committee's report.

7. Draft Outline for Enterprise Engagement

7.1 The Chief Executive introduced this item noting that Ms Ryan and Mr. Conlon have led on developments to date. He noted that engagement was one of the three pillars of the National Strategy. While the range of activities under this pillar was quite wide, it was decided to focus on enterprise in the first instance. The development of a framework for enterprise engagement offered the opportunity to develop a national framework within which the very substantial initiatives currently operating in the sector could operate within a national framework.

7.2 Mr. Conlon outlined the approach and timetable proposed. Members welcomed the initiative and suggested the Executive undertake a mapping exercise of current initiatives. Mr. Conlon noted that Enterprise Ireland have signalled their interest in co-operating with such an exercise. It was noted that a number of the regional clusters have identified the potential of collaboration in this area. The need to have a clear definition as to what was covered by enterprise was noted. Members were requested to forward any observations to Ms Ryan or Mr Conlon.

Decision: Members approved the proposed approach towards the development of an Enterprise Engagement Strategy.

8. Purchase of Land by Galway-Mayo Institute of Technology and Limerick Institute of Technology

8.1 Mr. O'Connor absented himself from this item as he previously served on the GMIT Governing Body.

Decision: Members approved the recommendations of the Executive as set out in memoranda A 4/14 and A 5/14.

9. New Bank Account for Erasmus + Programme

Decision: Members approved the opening of a new bank account for the Erasmus + Programme.

10. HEA Work-plan and Service Level Agreement with the DES

- 10.1 The Chief Executive introduced this item. He advised members that the 2014 work programme incorporated suggestions made by members at their last meeting.

The SLA agreed with the DES incorporates the key features of the memorandum of understanding previously concluded. The work-plan and SLA are challenging but achievable. The Board will be provided with a mid-year review in July.

Reviewing 2013, he noted that the Executive had met most of the objectives set out in the work-programme. The chair suggested that the Executive include reform of HR in the HEIs on the work programme. The importance of ensuring the capital needs of HEIs in the current climate was also noted.

Decision: Members complimented the Executive on the outcome for 2013. The revised work-programme and SLA with DES was noted.

11. Strategic Dialogue Process

- 11.1 The CEO reported that there was a good level of engagement with the process from the HEIs with each meeting attended by the President and members of the senior management team. The CEO also received feedback from one of the members of the advisory panel, Mr. John Randell, who has experience of a similar process in Hong Kong. He found the process to date very successful with a clear baseline set for each institution.

- 11.2 Mr. Costello made a presentation which focused on the following;

- Two distinct sectors have emerged, but with limited distinctiveness within the sectors.
- Other high level issues
 - ✓ Very limited external benchmarking
 - ✓ Limited prioritisation – a high number of objectives set by many institutions especially in the technological sector.
 - ✓ Room for improvement as regards coherence between the different elements of strategy e.g. the access strategy did not always inform the teaching and learning strategy.
 - ✓ Participation – sector on target to meet increased demand.
 - ✓ Access numbers increasing but not at the same level as overall increase – changes to the postgraduate grant schemes raised.
- Teaching and learning – engagement with transitions agenda evident, significant investment in staff development, evidence of student engagement.

- Research and innovation – significant variation in growth projections with targets on the technology sector more ambitious albeit from a low base in many cases.
- Engagement with enterprise and community – strong evidence of commitment to engagement with enterprise and jobs. Evidence of good practice with community.
- Internationalisation - some concern over the level of ambitions of some institutions. Management of risk an issue.
- Satisfactory progress in consolidation developments.
- Regional Clusters – all reported engagement in the process, some more advanced in their discussions.
- Next steps – SGPM Committee meeting 25th February, Finance Committee early March, Board to sign-off on report to Minister – 25th March.

11.3 Members raised the following;

- The extent to which the objectives were underpinned by hard data. Mr. Costello advised that there was a mixture of qualitative and quantitative targets.
- How to ensure targets set by clusters are achieved. This would be done through the participating institutions reporting through their individual compact. The intention was to allow each cluster to agree its own governance arrangements. Two models has so far emerged, one with an independent chair, the other envisaged one of the cluster Presidents serving as chair. The HEA intends to work closely with the clusters. Mr. Pat Harvey will be the key link person for the executive.
- The importance of consulting staff and students was emphasised.
- The extent to which any institution demonstrated that they were making real choices about their strategic direction.
- Issues of funding. In outlining financial projections for 3 years, a number of HEIs included specific caveats.

11.4 The draft report to the Minister and compacts will be circulated to members of the Committee on System Governance and Performance Management in advance of their next meeting on 25th February.

Decision: Members noted and thanked the Executive for the significant progress made.

12. Sustainability Strategy

12.1 The CEO briefed members on discussions with the DES in relation to the updated terms of reference for the strategy. Much of what is in the current draft terms of reference is readily available, although the DES require more depth and analysis. Among the areas where more work is required is an analysis of the economic benefits of investment in higher education across a range of indicators. Some further analysis of the cost base is also required including a more detailed profile of HEI staff and potential for efficiencies from shared

services. A key challenge will be to ascertain the potential efficiencies through closer engagement with the further education sector. The HEA has also been asked to review and update the 2009 report on fees and loans. He agreed to circulate the terms of reference to members once it is finalised.

12.2 The following issues were raised;

- Some of the issues raised by the DES such as the economic benefits of higher education should be readily available. The OECD has done considerable work in this area. In this context, the USI has commissioned work from the Nevin Institute. The HEA in its report needs to contextualise the value of higher education investment and its potential beneficial impact on other areas of government expenditure such as health and social protection.
- In relation to international benchmarks consideration should be given to seeking the agreement of the DES to restricting this to 2 or 3 countries.
- The HEA in its submission to the DES needs to highlight the trade-off between unfunded growth in numbers and quality.
- The role of private providers in meeting increased demand.
- The timescale proposed – Q4 2014. Concern was expressed that this exercise was being long-fingered. The HEA should aim to finalise its submission at the July meeting.

Decision: It was agreed that the Executive would undertake further work on the strategy having regard to the final terms of reference agreed with the DES (these will be circulated to Members). A special meeting of Members and the Executive would be scheduled in April. The objective will be to finalise the submission at the July meeting.

13. Higher Education Legislation

13.1 The General Scheme of Technological Universities Bill has been published. It provides the legislative underpinning for institutional mergers and Technological Universities. The Executive provided reassurance that the TU designation criteria as recommended by the HEA remain DES policy and will be provided through Ministerial regulation.

13.2 Mr. Costello made a presentation detailing the main provisions set out in the draft legislation. The presentation addressed the following;

- Process for enacting the legislation
- Purpose of the Bill
- Key features – mergers and process for designation as TUs
- Timing for designation process
- Functions, governance and QA arrangements for TU
- Implications for HEA.

Decision: It was agreed to consider the draft legislation further at the March meeting.

14. Follow-up actions

Decision: item noted.

15. Any other business

- 15.1 The CEO briefed Members on developments at GMIT in relation to an investigation into alleged plagiarism.
- 15.2 (Ms Harkin absented herself from this item) Mr. Costello briefed Members on developments relating to WIT Inspector's report. He indicated that the Minister was satisfied with progress to date. The HEA is continuing to engage with the Institute in relation to this matter. The Executive will provide a verbal report at the next meeting.

Next Meeting: 25th March 2014

Padraic Mellett
Secretary to the Board
4th February 2014