

## Higher Education Authority

### Report of the 379<sup>th</sup> Meeting held on 26<sup>th</sup> July 2016 in Brooklawn House, Dublin 4.

Present: <sup>1</sup> Mr. Bahram Bekhradnia  
Dr. Mary Canning  
Dr. Stephen Kinsella, Acting Chair  
Dr. Jim Mountjoy  
Mr. Gordon Ryan  
Dr. Brian Thornes

Apology: Ms Siobhán Harkin  
Ms Annie Hoey  
Mr. Declan Walsh

In attendance: Mr. Tom Boland (items 1.2-13)  
Dr. Anne Looney (items 1.3-13)  
Mr. Padraic Mellett (items 2-13)  
Mr. Andrew Brownlee (items 2-13)  
Mr. Fergal Costello (items 2-13)  
Dr. Gemma Irvine (items 2-13)  
Dr. Vivienne Patterson (items 2-7)  
Mr. Stewart Roche (items 7-9)  
Dr. Abigail Chantler (item 10)  
Mr. Tim Conlon (item 11)

#### **1. Members only session**

1.1 Members discussed the following;

- Departure of new CEO
- Responsibilities of Interim CEO, handover
- Recruitment of New CEO
- HEA Governance Processes

1.2 The outgoing CEO, Mr. Boland attended this part of members only session to consider the role and remit of the incoming interim CEO, Dr. Anne Looney.

1.3 The incoming interim CEO, Dr. Looney attended to discuss Board priorities for the duration of her appointment including arrangements for the recruitment of a new CEO. The Board requested that a review be undertaken of the documentation

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<sup>1</sup> Members present for all items unless otherwise indicated.

associated with the last recruitment process. Dr. Looney agreed to initiate such a review on her appointment, 1<sup>st</sup> August.

## **2. Reports of meeting held 24<sup>th</sup> May 2016 and special meetings held 17<sup>th</sup> May, 22<sup>nd</sup> June and 5<sup>th</sup> July.**

**Decision:** The minutes were approved subject to the minutes of 24<sup>th</sup> May being amended as follows (1) par. 6.1 should include some reference to the comments made by the Gender Equality Review Team on evidence outlined from the on-line survey (2) clarification in relation to the meetings with the six consortia outlined in section 7.4, this will be outlined in a new paragraph 7.5 with the previous paragraph 7.5 renumbered as paragraph 7.6.

Members approved the minutes of the three special meetings subject to the addition of the word “process” to the 1<sup>st</sup> bullet point of par. 3.1 of the 5<sup>th</sup> July minutes.

## **3. Matters Arising & Follow-up actions**

3.1 Item 5 – System Performance Report – The importance of there being clarity as regards the message the HEA wished to convey in the report was noted.

3.2 Item 6 – Gender Review – The CEO briefed members on the launch of the report. Dr. Irvine outlined the next steps – negotiate with the DES on inclusion of the report’s recommendation within a new system performance framework, meet both the HEIs and funding agencies. The possibility of arranging a conference is still under consideration. The point was made that the HEA needs to be very certain as to the causes of gender inequality and the feasibility of the recommendations if progress on achieving gender equality is linked to performance funding. The team was congratulated on the launch and the quality of presentations at the event.

3.3 Item 7 – Report of Finance and Governance Committee – Mr. Brownlee provided an update on the financially vulnerable institutions. The Executive was requested to provide more details on current performance and actions being taken to address the financial issues in each case. Mr. Brownlee indicated that summary dashboard reports on vulnerable institutions were currently being produced for the Finance and Governance Committee and these would be circulated.

3.4 Special Meeting of 5<sup>th</sup> July – Members were advised that the Executive was working on a proposal for the September meeting.

#### **4. Report of the Chief Executive**

- 4.1 UL Protected Disclosures – The CEO briefed members on work of Ms Jane Williams who has had preliminary discussions with both the University and three people who made protected disclosures. She will report back to the CEO to advise whether a mediated settlement can be reached.
- 4.2 Board vacancies – The CEO advised that he anticipated an announcement shortly on the appointment of Chair and ordinary members.
- 4.3 Strategic Dialogue – Mr. Costello outlined a proposal for the involvement of members as observers in the strategic dialogue meetings which will take place in September. It was agreed that members from Irish HEIs should not be involved. Members were advised that the duration of meetings with each HEI should be no more than two hours. Members will be provided with a schedule of the meetings as soon as possible.
- 4.4 Call for Proposals for Access Funding – Members were advised that the call has not issued yet.
- 4.5 Funding of Higher Education – Members were briefed on a meeting the Minister had with University Presidents and on the comments made by the Minister at the launch of the Cassells report. Members were also briefed on a meeting the Executive had with the Fianna Fáil spokesperson on Education and Skills, Thomas Byrne T.D.
- 4.6 Legal Services Regulatory Authority – Members were advised that one of the HEA’s nominees to the new Authority, Dr. Don Thornhill, has been appointed Chairperson.
- 4.7 SFI Review – Members were advised that SFI was undertaking a governance review of research centres it funds in the HEIs. The HEA has made a submission to SFI noting that these centers operate under the control of the relevant HEI and as such the institution’s President is the accountable person in relation to their operation. The CEO acknowledged that these centers had considerable day to day autonomy. Neither the HEA nor the HEIs were consulted in relation to the terms of reference. The HEA has sought a meeting with the chair of the review team, Dr. Alastair Glass.
- 4.8 HEA Staffing – Mr. Mellett advised members that most of the HEA and IRC vacancies have been filled. The positions of Database Manager and IT Manager remain to be filled.

4.9 Strategic Dialogue Process, Cycle 3 – Mr. Costello made a presentation on the process to date focusing on;

- Overall System Performance
- Key enrolment metrics by sector and level – there has been some rise in level 6, a slight drop in level 7 with level 8 numbers up particularly in the IoTs. PhD numbers are showing some signs of recovery after several years of no growth.
- Access numbers – there has been a sharp drop in mature numbers probably due to the economic upturn. The number of students with a disability are stable while there has been a modest increase from students from disadvantaged SEG.
- International numbers – more or less on track with growth focused on non EU numbers.

Members were advised that further analysis on geographical location can be provided. Dr. Patterson noted that the HEA was working with SUSI to enhance our data analysis capacity.

4.10 Mr. Costello noted that the object at this stage was to ensure that the system as a whole was moving in the required trajectory rather than focusing on specific institutional targets. Overall student numbers have grown by 9%. It could be argued that this was down to institutions seeking to grow numbers having regard to the €3000 fee per student and the need to maximize their share of available state funding.

The point was made that the English Higher Education Funding Council and many other similar international funding agencies cap numbers to protect the level of funding per student. A numbers of members questioned whether the HEA should recommend a cap on numbers to protect quality. The question was also raised whether institutions were spending reserves in order to ensure quality was being maintained. Mr. Costello noted that growth in numbers varies by sector with some universities already effectively capping undergraduate numbers. Members agreed on the need for robust data before a decision could be made whether to cap intake. It was agreed that the Finance and Governance Committee should review this when it meets in November.

## **5. 2016 Work-plan mid-year review**

5.1 The CEO introduced this item noting that the work-plan was broadly on target. In addition, the HEA recently met the DES to review progress on implementation of the SLA. The Department was happy with progress to date. He noted that the HEA needs to develop a new strategic plan and suggested that finalisation of this should await the appointment of a new chair, members and CEO. Dr. Irvine

outlined work the Executive plans to undertake in the meantime. She noted the need to engage extensively with stakeholders.

5.2 The following issues were raised;

- Does the HEA require legislation to underpin performance funding? The CEO indicated that ideally the HEA would like performance funding to be underpinned by legislation. He did not envisage such legislation being enacted in the near future. So far no institution has suffered a cut. Mr. Brownlee noted that the HEA concludes a financial memorandum with each HEI. Mr. Costello noted that even without funding penalties the reputational impact of HEA findings was also important.
- Progression study – Dr. Patterson noted that progress on this was held up due to the post of Database Manager being vacant. She confirmed the intention was to focus on full-time students. It was noted that completion rates for part-time students tended to be lower.
- Response to the Cassells Report – Mr. Brownlee indicated the Executive has had initial discussions with the DES. A first step will be to undertake a review of how the HEA funds the HEIs. Proposals will be brought to the Board in September. The acting chair welcomed this initiative noting it would be useful to carry-out simulation exercises of the RGAM using different weightings. Mr. Brownlee indicated this was included in the terms of reference, however it would not be desirable to change the weightings frequently. Mr. Bekhradnia indicated he could provide information on weightings used in other countries. The CEO indicated that the HEA would be available to assist the Oireachtas Committee on Education and Skills who will shortly be considering the Cassells report. The Committee might also be provided with an anonymised version of the IoT Financial Review.
- The current status of the TU Bill. The CEO indicated that the Government plans to reintroduce the legislation. The legislation will be considered by the Oireachtas Committee and is expected to be enacted by the middle of next year. Issues that may arise include the terms and conditions of existing IoT staff and whether institutions will need to merge to be eligible to apply for TU status. The proposed Universities Bill does not appear to be a priority.

**Decision:** Members noted the progress report.

## **6. Report of Finance and Governance Committee**

6.1 Mr. Brownlee presented the Committee's report. The Executive have held budget meetings with 28 organisations in total with 11 anticipating deficits for 2016. He focused on the Universities and smaller Colleges as the funding position of the IoTs would be addressed under the next item. Two of the Universities, UCC

and TCD, have been asked to submit declarations of deficit under Section 37 (5) of the Universities Act due to a projected deficit position. The financial position of St. Angela's College may become a cause of concern if its merger does not happen as scheduled. The financial position of NCAD has improved following a positive decision to realign its fees and some internal re-structuring. DCU and MU continue to grow their student numbers strongly. The following challenges were listed by the HEIs;

- Capital and ICT infrastructure
- Research overheads
- HR constraints

6.2 Members raised the following issues;

- Invitation to vulnerable HEIs to meet the Finance Committee. The CEO noted the importance of pitching this as a communications exercise rather than a sanction.
- Engagement with DES re capital funding. Mr. Brownlee indicated the HEA had raised two immediate priorities. Firstly, a request was made for early release of the devolved capital grant. Secondly a request was made for a targeted STEM capital funding programme for the IoTs. While the DES was sympathetic, it was suggested that the best approach was to make a case to D/PER for additional capital funding. Members were advised that the universities have the capacity to borrow for capital projects and a number currently have borrowed from the EIB, while the IoTs do not currently have this capacity.

**Decision:** Members approved the minutes of the Committee meetings held 5<sup>th</sup> July.

## **7. Report of Financial Review of the IoTs**

7.1 Mr. Brownlee advised that the review was conducted with the support of a working sub-group of IoT Secretary/Financial Controllers and that IoTs had been very open about existing financial performance and projections. It was noted that the Finance and Governance Committee recommended that it should be made publicly available subject to sensitive data being redacted. The CEO indicated it was planned to submit the report without redaction to the DES and possibly a redacted version to the Oireachtas Committee. Having regard to the sensitivity of the data it was agreed that the Executive should develop a communications strategy before it is circulated. It was agreed in the first instance to consult the IoT working group to verify the data using a hard copy of the report to avoid the risk of distribution before any formal launch. Issues which the review raised included;

- Management information systems and wider management capacity.
- Adequacy of capital resources.
- Accuracy of budget forecasting – members noted in particular the deviation between budget and outturns for a number of IoTs detailed in table 8 of the report. It was agreed a similar exercise should be carried out for the universities and smaller colleges.
- Need for a voluntary redundancy scheme, championed by the HEA at a sectoral level.
- Significant deterioration in revenue reserves and cash balances putting the viability of the sector at risk.

7.2 Members noted the importance of timely management information such as that set out in the report to inform the HEA on appropriate action. It was noted that the report would benefit from insertion of an action plan after the Executive Summary to highlight how the HEA will respond to the findings. It was noted that the report would be re-circulated when this was inserted and further final amendments made.

**Decision:** Members welcomed the report, noted that the Executive would finalise it and develop a communications strategy before it is released.

## 8. Report of Audit Committee

8.1 Mr. Mellett introduced the report noting the key items for consideration were an update on the 2015 accounts which were certified by the C&AG and the CEO's report on risk management. He outlined the content of the C&AG's management letter, no issues of serious concern were raised. It was agreed to circulate the letter to the Audit Committee once the C&AG confirmed its acceptance of management's response to the issues raised. The CEO flagged a new risk which has emerged in 2016, the capacity of the HEA to adequately address issues raised under the Protected Disclosures Act.

**Decision:** Members approved the minutes of the Committee meeting held 5<sup>th</sup> July 2016.

## 9. HEA 2015 Annual Report

**Decision:** Members approved the draft report.

## 10. Review of the National Forum for the Enhancement of Teaching and Learning

10.1 Dr. Irvine introduced this item noting the forum has been in place since 2012.

The Executive has discussed the proposed review with the DES which was of the view that the review should be carried out before the end of the current year.

The Department had originally considered including the forum in a wider review on quality.

10.2 Members raised the following issues;

- The timeframe seems very ambitious. Might the review be more impactful if overseen by a working group? Dr. Irvine indicated that consideration was given to having the review overseen by a working group, however it was felt that using a single reviewer would be more effective in terms of time. Ultimately the extent to which the review will be impactful depends on decisions to be made by the DES and HEA on the review's recommendations.
- It will be a challenge to measure the impact of the work of the forum. Dr. Irvine acknowledged this was the case but noted that any hard analysis would assist the DES and HEA formulate decisions on the future of the forum.
- Who is responsible for teaching and learning policy? The CEO indicated that each institution sets its own policy and procedures. One of the objectives of the forum would be to achieve some coherence as regards national standards. It would be reasonable to expect the DES to have an interest in the quality of teaching and learning. It was noted that the Department's performance framework includes excellence in teaching and learning as one of HE system objectives. A number of HEI compacts have outlined some good examples of innovative practices in teaching and learning. The reference to policy in the terms of reference covers broader policy issues and not just policy on teaching and learning.
- The terms of reference should include some reference to international developments in teaching and learning. This should enable some benchmarks to be set.
- Funding arrangements of the forum. Members were advised that a three year funding commitment to end 2016 was originally put in place for the forum. It was agreed that interim funding arrangements for one year can be considered at the November Finance and Governance Committee meeting while the outcome of the review is being considered. It would help if interim findings could be made available to the Committee.
- Drs Irvine and Chantler outlined the names of possible candidates who could undertake the review.

**Decision:** Members approved the proposal that an independent review of the forum be carried out.

## **11. Proposal to undertake a thematic review of engineering**

11.1 Mr. Costello introduced this item noting that this review will take place against a background where we have moved from an oversupply to a situation where we need to plan for growth. Further consultations on the scope of this review with QQI and Engineering Ireland are planned over the next couple of months. Assuming it is agreed following these consultations that a review is timely, a more detailed proposal will be submitted to the Board in September.

11.2 Members raised the following;

- IBEC should be included in the consultation process to ensure the views of all engineering disciplines are considered.
- Consideration should be given to exploring the potential for delivering engineering courses within regional clusters.
- A review of a sample of engineering courses should be undertaken to see the extent to which there was duplication.
- It was noted the HEA had carried out previous reviews including Initial Teacher Education and the Creative Arts in Dublin. Should we indicate in the terms a reference guidance as to desired outcomes such as rationalisation, elimination of duplication within clusters or enhanced quality?
- The review should look at the outcomes between broader entry courses in institutions such as UCD and NUIG and more specialist courses.
- Links with post-primary schools are important for engineering studies.

**Decision:** Members approved the process as outlined in memorandum A 28/16.

## **12. Brexit**

12.1 The CEO introduced this item. Consideration was being given to holding a round table in September involving the HEIs and state agencies, with a larger conference being organised in November. While it was important that the HEA leads the discussions on the impact on higher education, there would need to be consultations with the Department of An Taoiseach who has overall responsibility for Brexit policy.

12.2 Members raised the following;

- The RIA should be involved, they organised a conference in Belfast last March.
- The implications for the forthcoming International Strategy. Dr. Irvine briefed members on the status of the strategy. It was suggested that publication of the strategy should wait until there was more clarity as regards Brexit.

- Implications for collaboration between Irish and UK HEIs on Horizon 2020 activities. There was anecdotal evidence that UK HEIs have been frozen out of applications and networks breaking down. This will have a negative impact on many UK institutions, it may however be an opportunity for Irish HEIs.

**Decision:** Members noted that the paper had been prepared at the request of the DES. Members requested the Executive review the paper further before it is shared.

### **13. Any other business**

13.1 Speaking on behalf of the Board, the Acting Chair, Dr. Kinsella thanked the CEO for his distinguished work for the HEA over the past 12 years. The CEO thanked members for their good wishes and noted his time with the HEA was the happiest of his career.

#### **Next Meeting**

27<sup>th</sup> September 2016

Padraic Mellett

9<sup>th</sup> August 2016