

# National Strategy for Higher Education to 2030



Report of the Strategy Group  
January 2011





# The vision for higher education in Ireland

In the decades ahead, higher education will play a central role in making Ireland a country recognised for innovation, competitive enterprise and continuing academic excellence, and an attractive place to live and work with a high quality of life, cultural vibrancy and inclusive social structures. At its heart, however, it will still be about people and ideas: higher education institutions will have a strong engagement with individual students, communities, society and enterprise, will give students a sense of Irish place and identity, and will equip them with the skills to play a strong part on the world stage; they will be the source of new ideas through excellent research.

The nature of the learning community and the modes of teaching and learning will also change significantly over the coming years. These changes will be supported through innovative approaches to research-led teaching and learning, programme design, student assessment and a quality assurance system – all of which will reflect a new emphasis on nurturing creative and innovative minds. Irish higher education will have a strong international presence, attracting overseas students and academics, and across all disciplines it will engage in high-quality research that will distinguish Ireland internationally.

## High-level objectives

The following high-level system objectives will underpin the realisation of this vision:

Ireland will have an excellent higher education system that will attract and respond to a wide range of potential students from Ireland and abroad and will be fully accessible throughout their lives and changing circumstances.

Students will experience an education that is excellent, relevant and responsive to their personal development and growth as fully engaged citizens within society.

Research activity in Irish higher education will continue to increase. It will be characterised by its international level quality, by a strong and broad base across all disciplines, as well as significant focus in niche areas that are aligned with and are a significant support for Irish national economic social and cultural needs.

Institutions will be autonomous, collaborative and outward looking, effectively governed and fully accountable for both quality and efficiency outcomes. They will respond flexibly to the changing needs of the economy and of society. Higher education institutions will recruit, develop and retain high-quality staff, fully accountable for their performance to a strong and dynamic leadership.

Higher education will accommodate a diversity of institutional missions that will be clearly articulated and defined. Together, the institutions will form a coherent and inter-related system and collectively will have the requisite critical mass for optimal quality and efficiency.

The policy framework for higher education will make national expectations clear. The objectives and operations of the institutions and those of the funding and quality agencies will be mutually aligned, and will be underpinned by a sustainable funding model and clearly defined structures for system governance and accountability.

# Executive summary

## Context for change

Ireland's higher education system has played a major role in the development of Irish society and the economy, and has an even more critical role to play in the coming decades as we seek to rebuild an innovative knowledge-based economy that will provide sustainable employment opportunities and good standards of living for all our citizens. Its role in enabling every citizen to realise their full potential and in generating new ideas through research are and will be the foundation for wider developments in society.

The development of the higher education system in the years to 2030 will take place initially in an environment of severe constraints on public finances. Demand to invest in education to support job creation and innovation, and to help people back into employment is increasing. In the wider world, globalisation, technological advancement and innovation are defining

economic development, people are much more mobile internationally as they seek out career opportunities, and competition for foreign direct investment remains intense.

Higher education is central to the economic renewal we need to support individual well-being and social development. But it also plays a fundamental role in fostering a spirit of inquiry and a strong sense of the value of learning among students; it is the positive engagement that students have with higher education that stimulates the imagination and makes innovation possible. The quality of their learning experiences and the environment in which students learn will shape the future development of our society. The people who enter higher education in the coming decades are the job creators, policy-makers, social innovators and business leaders of the future. They are also citizens who will add to the richness of society – as parents, community leaders and teachers – and in their chosen area of work they will be the productive engine of a vibrant and prosperous economy.

Irish higher education has seen exceptional development in the recent past – moving from a system that was confined to a social

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elite to one of widespread participation. Our graduates are highly regarded and are among the most employable in Europe. The scale of investment in research has expanded considerably and the quality and reputation of Irish research is now achieving impact internationally. These developments have all had an enormously positive impact across all social groups, to the benefit of individuals, society and the wider economy.

This strategy is framed against a range of new challenges that are facing higher education. The capacity of higher education has doubled over the past twenty years and will have to double again over the next twenty. Those entering the system now and in the future will have very diverse learning needs, and many will be ‘mature’ students. Higher education itself will need to innovate and develop if it is to provide flexible opportunities for larger and more diverse student cohorts. It will need to do this while simultaneously enhancing quality and relevance, and connecting better with the wider needs of society and the economy, while operating in a more competitive globalised environment.

## Vision

In the decades ahead, higher education will play a central role in making Ireland a country recognised for innovation, competitive enterprise and continuing academic excellence, and an attractive place to live and work with a high quality of life, cultural vibrancy and inclusive social structures. Higher education institutions will have a strong engagement with individual students, communities, society and enterprise, will give students a sense of Irish place and identity, and will equip them with the skills to play a strong part on the world stage. It will also be the engine for new ideas through research, and many of these ideas will translate into the sustaining innovative enterprises of the future.

Higher education will support these changes through innovative approaches to research-led teaching and learning, programme design, student assessment and a quality assurance system – all of which will reflect a new emphasis on nurturing creative and innovative minds. Irish higher education will have a strong international presence, will be attractive to overseas students and will engage

in high-quality research that will have a vital impact on regional, national and global needs.

## Participation

If Ireland is to achieve its ambitions for recovery and development within an innovation-driven economy, it is essential to create and enhance human capital by expanding participation in higher education. The scale of the projected widening and growth in participation over the period of this strategy demands that Ireland's higher education system become much more flexible in provision in both time and place, and that it facilitates transfer and progression through all levels of the system. There remains significant challenges in this area: successive reports have recognised the relatively poor performance of our system in the area of lifelong learning, while the requirement for upgrading and changing of employee skills and competencies is becoming ever greater. Changes to system funding and operation will be needed in order to enable the institutions to respond to these needs by increasing the variety and diversity of their provision and improvements in the interface between higher education and further education and training will be

necessary to support enhanced progression opportunities.

## Quality of the student experience

A high-quality student experience should equip graduates with essential generic foundation skills as adaptive, creative, rounded thinkers and citizens – in addition to a comprehensive understanding of their relevant disciplines. This will require a commitment to specific improvements in the teaching and learning environment in respect of the breadth of curriculum and skills assessed as well as in the quality of teaching itself.

All students must have access to teaching that has been kept up to date and relevant through scholarship, research and professional development. Academic staff should make full use of the range of pedagogical methodologies available to them and be qualified as teachers as well as in their chosen discipline. All research and scholarship in higher education institutions should enhance the quality of undergraduate and postgraduate teaching. The structure and design of PhD programmes should incorporate generic skills and be

formulated with direct engagement with employers and enterprise where appropriate. Critical mass in PhD programmes is of the highest importance if quality is to be maintained.

## Quality of teaching, scholarship and external engagement

The quality of teaching, scholarship and external engagement of academic staff must be continuously reviewed in all institutions as part of a robust performance management framework. Reliable and consistent data on the outcomes of higher education from the perspective of both students and employers should be publicly available and feed into a process of continual development.

## Research and innovation

Continued investment in research and innovation is essential to national development. Investment in research creates a range of benefits – improving the quality of education for all students, developing a cadre of highly trained PhD students, producing new knowledge to address national and international problems, enhancing

international competitiveness, and informing public opinion.

To meet Ireland's social and economic objectives, Ireland's higher education institutions need to continue to break new ground in research of the highest standards across the spectrum of disciplines and activity. The recent transformation of Ireland's research landscape must now be built upon by further refining our concentration of resources and investment to build on developed strengths. We must continue to identify key selected domains in which Ireland can make a real impact on the international stage and on which investment priorities should be focused, while sustaining research excellence across a broad base of disciplines.

The choice of priorities will be informed by the potential for national, economic and social returns and will remain under review to ensure continuing responsiveness to global developments. Higher education research will need to connect to enterprise and society in new and imaginative ways to harness its potential for economic and social well-being, including a more effective approach to knowledge transfer and commercialisation.



Higher education institutions will need to develop sophisticated review mechanisms, performance metrics and promotional criteria to ensure parity of esteem for differentiated research missions. A consistent quality framework for PhD education should be developed based on critical mass.

Future research funding should be allocated according to these principles, and a new focus on the impact of that funding is now necessary. Higher education institutions need to focus on transferring knowledge as quickly and effectively as possible which may involve exploitation by others with a better expertise to do so.

### **Engagement**

Higher education institutions should have open engagement with their community and wider society and this should infuse every aspect of their mission. Outward-facing systems and structures should be embedded into institutional activity, so that there are inward and outward flows of knowledge, staff, students and ideas between each institution and its external community.

Higher education has the capacity to engage more intensely than heretofore with wider society by providing intellectual leadership and authoritative opinion across a range of academic disciplines, the arts, business and areas of public discourse. Working in our higher education institutions, we have a great number of people who can make very valuable contributions to the community and to wider civic life in many different ways. These include scientists, engineers, artists, and expert practitioners in the humanities and social sciences. We need to ensure that the intellectual autonomy that makes such engagement possible remains in place.

### **Internationalisation**

Our higher education system is part of a global endeavour. While higher education in Ireland is already characterised by flows of students and staff to and from other countries, it is essential that this be broadened and deepened. Internationalisation provides important new opportunities for Irish higher education, but equally, and as other countries also compete for talent and resources, Ireland cannot afford to be left behind.

## System changes

The ambitious vision and objectives set out for the development of Irish higher education are necessary if the system is to address Ireland's broader national development needs and priorities over the period of this strategy. The scale of our ambitions for the quantum, breadth and quality of Irish higher education over the coming decades demands more coherence, greater complementarity and the most efficient operations throughout the organisation and financing of the system. The key parameters of quality, quantity, and the level and sustainability of funding will have to be creatively and expertly managed to ensure balanced development in pursuit of national objectives. A number of changes to the operational framework of the system have been identified to ensure that this happens. These are in the areas of governance and leadership, the overall structure of the system, and sustainable funding.

### Governance and leadership

At the heart of this strategy is the recognition that a diverse range of strong, autonomous institutions is essential if the overall system

is to respond effectively to evolving and unpredictable societal needs. Funding and operational autonomy must be matched by a corresponding level of accountability for performance against clearly articulated expectations. This requires well-developed structures to enable national priorities to be identified and communicated, as well as strong mechanisms for ongoing review and evaluation of performance at system and institutional levels.

A new contractual relationship or service level agreement between the State and the higher education institutions should be established, as part of a wider strategic dialogue, and this should be used to ensure that the requirements for performance, autonomy and accountability are aligned. Through this process, institutional strategies will be defined and aligned with national priorities.

Appropriate cross-government structures should be used to develop the national priorities for higher education and to oversee their implementation. A reformed Higher Education Authority should have responsibility, on behalf of Government, for engaging with institutions to enable them

collectively to meet the national priorities, without wasteful duplication. This will be supported by the collection of full, transparent and comparative data across the system which will form the basis for enlightened engagement with the institutions. The quality assurance system overseen and regulated by the new Qualifications and Quality Assurance Ireland agency will also inform this engagement. Funding decisions should be made in the context of the institutions' performance against identified and agreed targets as part of the service level agreement or contract.

The new roles and relationships will require enhanced institutional capacity for system oversight, leadership and institutional governance. This will involve changes in the size and composition of the HEA Board and of its executive structures, and in the size and composition of the governance structures of the individual higher education institutions.

### **Structure of the system**

The structure of higher education is already evolving as institutions seek to respond more effectively to Ireland's innovation requirements. These developments have

the potential to create new system strength through the pooling of expertise, knowledge and resources, and through the exploitation of synergies to realise the full potential of Irish talent and innovation. This energy now needs to be harnessed to address the goals of this strategy. The system needs to evolve within a clear framework that is aimed at developing a coherent set of higher education institutions, each of significant strength, scale and capacity and with complementary and diverse missions that together meet individual, enterprise and societal needs.

The system should be strengthened by the development of regional clusters of collaborating institutions (universities, institutes of technology and other providers), and by institutional consolidation that will result in a smaller number of larger institutions. There should be a particular focus on encouraging the emergence of stronger amalgamated institutes of technology. Central to the envisaged regional cluster model will be universities and amalgamated institutes of technology operating as collaborative partners to deliver on jointly agreed strategic objectives. The diversity of mission that

has served Ireland well to date should be maintained.

The development and evolution of institutes of technology into a smaller number of stronger amalgamated institutes should be promoted in order to advance system capacity and performance. Performance criteria for these amalgamated institutes should focus on their distinct mission, and, based on demonstrated strong performance against mission-relevant criteria, it is envisaged that some could apply for redesignation as technological universities. However, there is no case for approval of any new universities within the meaning of the Universities Act 1997. Any such move would reduce the diversity in the overall system and have a negative impact on its ability to respond to the country's innovation needs and development opportunities.

### Funding

Developing the Irish higher education system to meet the identified need for increased capacity and improved performance raises the major issue of funding. The required growth in capacity cannot be achieved without compromising the equally necessary quality objectives, unless it is aligned with efficiency

reforms, a broadening of the funding base, and reforms in funding approaches.

Consolidation, economies of scale, greater productivity and commercial activity can help to make the current levels of funding go further, but international experience suggests that their impact would be relatively minor. Nor, given the scale of our ambitions and current budgetary constraints, can we reasonably expect the required level of costs to be met solely by increased exchequer funding. The only realistic option to support growth in participation is to require students or graduates to directly share in the cost of their education, reflecting the considerable private returns that they can expect to enjoy. A direct student contribution, based on a combination of upfront fees and an income-contingent loan scheme, is recommended as an essential element of future funding arrangements for the system.

Higher education institutions need to identify and engage with a broader base of funding sources, and reduce their strong relative reliance on exchequer funding while improving the relevance and quality of their education and research. This should be linked

to a more responsive and open engagement with key stakeholders, particularly students and enterprise, and a drive to find new ways to link higher education research and innovation capacity to the needs of the public and private sectors.

To enable institutions to meet participation, quality and sustainability objectives, it will be necessary to reform the core grant funding model for higher education institutions. In future, all higher education institutions should be funded through an allocation formula that provides core funding for all students – full- or part-time, on- or off-campus. This should be complemented by more flexible working arrangements and an annualised delivery of contracted work loads by academics as a means of advancing both responsiveness and efficiency.

Continued expansion of student numbers should be contingent on the introduction of additional revenue streams and new ways of working. The faster the pace of delivery of the required reforms, the stronger will be the prospects of maintaining quality while growing enrolment. An increase in non-exchequer funding through student

contributions will alleviate this pressure; but before the introduction of such a model, it is very important to ensure the overall sustainability of the system and to manage growth in such a way that the quality is maintained in the educational and research outcomes and in the student experience.

## The importance of implementation

The higher education system is not separate from the rest of society – it is integral to it. The standard of living enjoyed by Irish citizens is intimately bound up with the development of the higher education system. The implementation of the recommendations set out in this document will ensure that the Irish higher education system is enabled to make its full contribution to the tasks of improving the quality of life for Irish citizens, and of tackling the world's major social, economic and environmental challenges.

# Summary of recommendations

## Teaching and learning

**1 Higher education students of the future should have an excellent teaching and learning experience, informed by up-to-date research and facilitated by a high-quality learning environment, with state-of-the-art learning resources, such as libraries, laboratories, and e-learning facilities.**

**2 Higher education institutions should put in place systems to capture feedback from students, and use this feedback to inform institutional and programme management, as well as national policy.**

- A national student survey system should be put in place and the results published.
- Every higher education institution should put in place a comprehensive anonymous student feedback system, coupled with structures to ensure that action is taken promptly in response to student concerns.

**3 Every student should learn in an environment that is informed by research, scholarship and up-to-date practice and knowledge.**

- The roles of teaching and research should be afforded parity of esteem. This should be reflected in resource allocation, in promotion criteria, and in the metrics used to assess performance at individual, institution and system level.

**4 The Irish higher education system must continue to develop clear routes of progression and transfer, as well as non-traditional entry routes.**

- In the coming decades, the delivery of higher education in Ireland must be characterised by flexibility and innovation.
- All students, whether full-time or part-time, on-campus or off-campus, should be equally supported by the funding model used to allocate resources to and within institutions.
- Undergraduate students should be encouraged to spend some time in a work or service situation, and formally acknowledge such work through accreditation or inclusion in the student's Diploma Supplement.
- Routes of progression should be flexible into, within and across higher education institutions.
- A national framework for the recognition of prior learning (RPL) must be developed and recognised by all higher education institutions.

## Teaching and learning

**5 Higher education institutions should prepare first-year students better for their learning experience, so that they can engage with it more successfully.**

- Higher education institutions should expand the provision of induction and preparation programmes for first-year students.
- Higher education institutions should offer broad-based courses and more interdisciplinary learning opportunities for students in the first year of their undergraduate studies.

**6 Both undergraduate and taught postgraduate programmes should develop the generic skills needed for effective engagement in society and in the workplace.**

- Undergraduate and postgraduate education should explicitly address the generic skills required for effective engagement in society and in the workplace.
- In the design of courses and programmes, higher education institutions should ensure alignment and balance between learning outcomes, pedagogy and assessment.

**7 In light of the scale of transformation in teaching and learning that is under way in Irish higher education, the quality assurance framework must be reviewed and further developed.**

- Subject guidelines should be developed to support the National Framework of Qualifications. This work should be progressed by subject experts from the academic community and coordinated by the new Qualifications and Quality Assurance Ireland agency.
- A full and comprehensive review should be undertaken of the external examiner system and the grading system more generally.

**8 All higher education institutions must ensure that all teaching staff are both qualified and competent in teaching and learning, and should support ongoing development and improvement of their skills.**

## Research

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### **Investment in R&D should be increased.**

- Investment in R&D target should be increased to 3 per cent of GDP, in line with the renewed Programme for Government, and the Innovation Taskforce report, which recommends a timeframe for delivery of investment in an updated SSTI for the 2014–2020 period.

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### **The researcher's role should be afforded a wider focus, better mobility and increased career opportunities.**

- A clear career path should be established for researchers that develops their talents and rewards them appropriately.
- In addition to all research-active staff normally participating fully in undergraduate teaching, researchers should, where possible, be afforded opportunities to participate in teaching such as laboratory supervision and tutorials.
- Greater mobility of staff should be facilitated between higher education on the one hand and enterprise and the public service on the other, to promote knowledge flows and to capitalise on the expertise within higher education for the benefit of society and the economy. This could be through full-time or part-time secondments for up to six months at a time or by consultancy by academics where this is of mutual benefit to the individual, the institution and society.
- To ensure a more effective level of collaboration with enterprise, funding agencies and higher education institutions should develop review mechanisms, performance metrics and promotional criteria to ensure parity of esteem for differentiated research missions across disciplines and across types of research and innovation activities, including knowledge transfer and commercialisation.

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### **A consistent quality framework should be developed for Irish PhD education, based on critical mass.**

- A demanding framework that meets or exceeds international standards for PhD education should be applied consistently across all higher education institutions, as an essential underpinning of the Irish PhD brand. This should lead to greater consolidation and collaboration among providers, with stronger offerings for students.



## Research

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**Public research funding should be prioritised and better coordinated and underpinned by effective foresight, review and performance measurement systems.**

- Research across all disciplines should be supported both to inform teaching and to ensure a platform for strong research in strategic priority areas.
- Focused research funding should be based on national priority-setting exercises. Such exercises identify a number of thematic areas in which Ireland can excel, make its mark internationally and maximise economic and social return. Priorities should be reviewed and modified to ensure Ireland's research system remains responsive to the changing national and international environments.
- In selecting priorities, particular attention should be paid to the opportunities for research spanning AHSS and STEM.
- Structures for delivering research funding should be reformed in order to:
  - Fully coordinate funding across all government agencies;
  - Ensure that funded research has an identified funding pathway and a single lead responsible agency, underpinned by commercialisation supports; and
  - Ensure a balance between different types of research from fundamental to strategic and applied, and from single investigator to large multi-disciplinary teams working in partnership with other relevant players

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**Knowledge transfer should be better embedded into institutional activity and rewarded accordingly. The commercialisation of intellectual property from publicly-funded research should primarily provide a gross return to the economy.**

- A national IP protocol should be developed and structures agreed to facilitate speedy commercialisation of IP from all higher education institutions.

## Engagement with the wider society

**14 Engagement with the wider community must become more firmly embedded in the mission of higher education institutions. To achieve this, higher education institutions will need to take the following actions:**

- Encourage greater inward and outward mobility of staff and students between higher education institutions, business, industry, the professions and wider community.
- Respond positively to the continuing professional development needs of the wider community to develop and deliver appropriate modules and programmes in a flexible and responsive way.
- Recognise civic engagement of their students through programme accreditation, where appropriate.
- Put in place structures and procedures that welcome and encourage the involvement of the wider community in a range of activities, including programme design and revision.

**In addition to these actions, a national survey of employers should be taken by the HEA on a regular basis and used as part of an assessment of quality outcomes for the system.**

## Internationalising higher education

**15 Higher education institutions should set out their international vision in an institutional strategy that:**

- Is related to their institutional mission and to wider national policy goals; and
- Considers internationalisation and global engagement in the widest perspective.

**16 Higher education institutions should put in place appropriate supports to promote the integration, safety, security and well-being of international students.**

## System governance

### 17 **Ireland's autonomous institutions should be held accountable for their performance to the State on behalf of Irish citizens.**

- The Minister for Education & Skills will articulate the Government's national priorities for higher education.
- To ensure that the national priorities for higher education are informed by a whole of government approach, the Minister for Education & Skills should chair a cabinet committee on higher education. A network of all agencies that interact with higher education will be convened by HEA.
- The HEA should continue to be accountable to the Minister for the funding and oversight of the sector, and a new process of strategic dialogue should be introduced to enhance accountability and performance, while respecting institutional autonomy.
- The accountability framework for the system should be underpinned by the availability of a fully comparable system database with data on student and staff profiles, efficiency and other indicators that will aid in research on and evaluation of public policy in higher education and inform the HEA during the strategic dialogue process.

### 18 **Governance structures should be reformed at both institutional and system levels.**

- The size of the governing authorities of higher education institutions in Ireland should be reduced to no more than 18; the majority of members should be lay members with expertise relevant to the governance of higher education; and
- The Board of the HEA should be reduced in size to 12 members; its composition should be reformed to ensure that it contains the appropriate blend of expertise and experience to undertake its mission.

## Coherent framework

### 19 **A framework should be developed to facilitate system-wide collaboration between diverse institutions.**

- Collaboration between autonomous institutions within a region will be promoted in order to:
  - Improve responsiveness to local economic and social needs;
  - Encourage progression pathways for students; and
  - Facilitate academic interchange and exchange of ideas.
- Rational collaboration beyond regional boundaries will also continue to be supported.
- There will be no new universities on the basis of Section 9 of the Universities Act.

### 20 **The institute of technology sector should commence a process of evolution and consolidation; amalgamated institutions reaching the appropriate scale and capacity could potentially be re-designated.**

- A process should be put in place to allow institutes of technology that have emerged from a process of consolidation to apply for designation as a technological university.

### 21 **Smaller institutions should be consolidated to promote coherence and critical mass.**

**In the case of institutions in receipt of core grant (partial or full) and free fees funding, the overall framework of incentives should operate to achieve the incorporation or merger of such institutions into existing universities or institutes of technology or into technological universities.**

- Funding for institutions in receipt of free fees only funding should not be extended beyond institutions currently in this category.
- In respect of private institutions (independent colleges in receipt of no direct funding), it should be open to the HEA to commission teaching and learning activity on an economic cost basis to meet priorities that may be identified within a cluster. Independent providers, including those in the 'for-profit' sector should be free to tender for provision on this identified needs basis.
- Such public funding to these institutions will be allocated through the HEA.

## Sustainable and equitable funding model

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**The current employment contracts for academic staff must be reviewed with a view to recognising academics' professional standing and requiring comparable levels of accountability to those in place in the wider public and private sectors.**

**Such a review will require the following outcomes:**

- Contracts that are transparent and deliver accountability for appropriate workload allocation models to ensure that priorities around teaching and learning, research and administration can be managed and delivered;
- In the case of institutes of technology, contracts should specify a minimum number of hours to be delivered on an annualised basis;
- Contracts that reflect a much broader concept of the academic year and timetable; and
- Greater flexibility, adaptability and mobility of staff to meet new demands from structural and other changes arising from the strategy.

23

**Over the lifetime of the strategy and in the context of a reducing reliance on the exchequer, individual higher education institutions will progressively take on greater responsibility for key human resource functions.**

**Such responsibility will require institutions to:**

- Take on the powers to recruit and set terms and conditions for staff, within agreed parameters;
- To maintain balanced budgets and to budget for the full costs of recruitment, including pension costs;
- Work within an appropriate framework for HR management that ensures:
  - Adequate consultation with staff interests; and
  - Transparency as regards levels of staffing and rates of pay.
- Accept clear accountability for overall delivery on agreed outcomes.

## Sustainable and equitable funding model

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**The funding base for higher education must be broadened through the reform of student financing, including a new form of direct student contribution based on an upfront fee with a deferred payment facility.**

- Implementation of this will require the Department of Education & Skills to establish an expert group (with international representation) to design the appropriate loan system for Ireland, taking into account the attendant implementation issues.
- The setting of fee rates should occur within a national framework that will regulate the maximum level of fees, with periodic review.
- Future growth and improved quality delivery in Irish higher education will not be possible without such a contribution.
- The reform of financing must also include a reform of the procedures for means testing for students' maintenance grants. This should be more streamlined and timely, and should be delivered through a single agency.
- In situations where there are identified skills shortages that need to be addressed or where there are specific upskilling priorities within the workforce, the State should consider alternative funding arrangements, such as:
  - Using the NTF to support students in meeting the required student contribution; or
  - Defined funds or bursaries for which public or private higher education institutions could compete for onward disbursement to students following particular programmes of study; or
  - Discounted fees.

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**The growth of higher education must be sustainable and resourced with an appropriate funding base. Growth and quality improvement must be progressed together.**

- In particular, the HEA must be charged with keeping institutions under close review in relation to the sustainability of their ambitions for growth, as measured against the financial resources available to underpin that growth.

## Sustainable and equitable funding model

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**Public investment in higher education must be aligned with national policy priorities, including widening of access, enhanced performance outcomes, and greater flexibility in provision.**

**This will involve:**

- Widening access to higher education by people from lower socio-economic backgrounds or other under-represented groups (by additional weighting);
- Recurrent grant allocation that achieves parity between all students, whether full- or part-time, on- or off-campus;
- An element of reward to match private donations sourced through philanthropy;
- Recurrent grant allocation for all institutions based on the current unit cost model (RGAM) operational in the university sector;
- Service level agreements, as part of a strategic dialogue, with higher education institutions establishing the key outputs, outcomes and levels of service to be delivered and the resources allocated to achieve them.

# Terms of reference

The Strategy Group was established with the following terms of reference.

- 1** To consider the role of Irish higher education in the context of higher education's role in modern societies and, in particular, in the modern knowledge society.
- 2** Describe and analyse the current environment of Irish higher education including:
  - the current system in terms of its student numbers, funding, funding models, organisational arrangements and the roles of the different public and private entities involved in the higher education and research domain;
  - the existing policy objectives;
  - identification and assessment of external factors likely to influence change in the sector (e.g. demographics, student mobility) and;
  - the international environment in which the Irish higher education system operates including the benchmarking of the system against relevant international comparators and higher education systems, processes and outcomes in other countries.
- 3** Having regard to the issues arising from 1 and 2 above, and from the process of consultation on those issues, to develop a vision and related set of national policy objectives for Irish higher education for the next 20 years with more focused targets for the sector for the next five years.
- 4** Having regard to the outcomes of 3 above, and taking into account best international practice, identify the operational framework of the higher education system including the number and roles of institutions within it which will enable it to deliver on these policy objectives; recommend any changes required in the system of oversight and accountability that will support achievement of objectives; determine the level of resources required to achieve the stated objectives, look at the effectiveness of use of current resources, identify any potential for rationalisation or change to maximise the use of those resources and identify how any additional resource requirements can be met having particular regard to the difficult budgetary and economic climate that is in prospect in the medium term.



# Membership of the Strategy Group

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