

Higher Education Authority**Report of the 395th Meeting held on 11th December 2018
HEA Offices, 3 Shelbourne Buildings**

- Present¹:
- Dr Bahram Bekhradnia
 - Ms Síona Cahill
 - Mr Tony Donohoe
 - Professor Orla Feely
 - Dr Sharon Feeney
 - Mr Michael Horgan
 - Ms Darina Kneafsey
 - Dr Deirdre Lillis
 - Dr Ronan Lyons
 - Dr Jim Mountjoy
 - Dr Sinéad O’Flanagan
 - Mr Pól Ó Móráin
 - Dr Lynn Ramsey
 - Dr John Wall
- Apologies: Dr Judith Eaton
- In attendance:
- Mr Paul O’Toole
 - Ms Orla Nugent
 - Mr Padraic Mellett
 - Dr Gemma Irvine
 - Ms Caitriona Ryan
 - Dr Vivienne Patterson
 - Ms Mary Farrelly
 - Ms Sheena Duffy
 - Mr Tim Conlon
 - Mr Peter Brown
 - Dr Padraig Walsh (item 4)
 - Ms Valerie Harvey (items 7 and 13)
 - Mr Victor Pigott (item 12)
 - Dr Denise Frawley (item 13)

Members at the start of the meeting considered any potential conflict of interest.²

¹ The quorum for HEA Board meetings, six members, was met.

² Dr John Wall, an employee of WIT recused himself from the discussion on WIT (par 2.7 and 2.8), Dr Deirdre Lillis former employee IT Tralee did not participate on discussion on ITT (par. 2.2-2.4)

1. Report of 394th Meeting

1.1 The minutes were approved subject to one sentence being moved from section 4 to section 12.1.

2. Matters arising

2.1 The Chair noted that a number of items scheduled for this meeting will be addressed at the January 2019 meeting.

2.2 The CEO updated members on the IT Tralee (ITT) financial position. The HEA has now received a response from the Institute to Dr Love's letter issued in October. The Institute has indicated it is requesting the HEA's assistance to address the following;

- The underlying deficit position which will crystalize between now and next September.
- An immediate cashflow issue, which to some extent has been caused by a delay in securing funding from other sources for the Kerry Sports Academy (KSA).

2.3 Given the importance of the matter the Board decided to address these issues at this meeting rather than at the Finance and Governance Committee meeting scheduled for this afternoon.

The Board had an extensive discussion regarding the current financial position of IT Tralee, the circumstances that have led to this position and the matters/options for consideration by the HEA in this regard. The CEO confirmed that the institute had advised him of its likely deficit as at the end of September 2019. This comprises of an operating deficit and a capital shortfall in respect of the KSA. The Institute is seeking funding for both (in the event of the other sources of capital funding for the KSA materialising, this would reduce the amount sought from the HEA). The Board were concerned to ensure that the Institute's Governing Body were both aware and at idem with the Executive of the Institute on the current financial position and its implications. It was agreed that the Chair or CEO would contact the Chair of the Institute's Governing Body to clarify this query.

2.4 The Board agreed the need to separate its consideration of the operating deficit from the KSA capital deficit. The Board discussed the process whereby the Minister would appoint an Inspector to an Institute of Technology. The Minister may, following consultation with the HEA, appoint an inspector. The Board agreed that recommendations of this nature would represent a serious step and would not be considered immediately in the case of ITT. Nevertheless, it may require further serious consideration if the situation in Tralee is not resolved. The Board agreed that the HEA would seek to assist ITT in the short term by advancing whatever funds it could for the specific purpose only of discharging payroll and related expenditure (net pay, PAYE, PRSI etc.) for December 2018. A firm commitment would be required from ITT in this regard before proceeding.

Decision: Members expressed their serious concern over the Institution's funding situation. They requested the Executive to explore the legal process that the Board must follow in arriving at a decision to recommend that the Minister appoint an inspector. The Board supported the provision of whatever recurrent funding could legitimately be provided to the Institute on receipt of an undertaking from ITT that it would be used for payroll and related costs only. The Board did not favour at this stage the provision of bridging funding. If the Executive, following completion of due diligence, is of the opinion that such funding is appropriate before the year end, a decision could be taken by the Board electronically.

2.5 The reference in paragraph 9.2 to institutions focusing on international students was raised. The CEO advised members that when the compacts have been finalised the Executive will be able to advise the Board of the projected total growth in domestic and international intake and the extent to which this meets demand arising from anticipated demographic growth.

2.6 The revised governance documents posted on the Governance section of the Board sharepoint facility were agreed subject to one amendment to the Matters reserved for Board Decision document dealing with compliance with statutory and administrative requirements in respect of staff appointments.

2.7 The CEO updated members on governance reviews since the last Board meeting. He advised members that the C&AG has completed special reports on WIT and UL/IT Sligo. These are likely to be the subject of discussions at a meeting of the PAC in Q1 2019. He updated on developments relating to Mr McLoone's report into IP commercialization matters at Waterford Institute of Technology.³ The HEA has now been provided with a summary of the Attorney General's advice on the powers of the HEA regarding investigations of this nature. Members were reminded that the HEA received representations from 6 parties referred to in Mr

³ Dr Wall recused himself for this item.

McLoone's report who raised issues relating to his findings and process. A solicitor acting on behalf of one of the 6 has written to the HEA reserving their rights to initiate legal action if the report is published in its current format. Against this background there is likely to be an expectation on the part of the PAC that a report will be published for consideration with the C&AG's report. The Executive will have a further meeting with the HEA's solicitor and senior Counsel to consider the AG's findings and the representations made by the 6 parties to see whether the report can be published fully or in a redacted form.

2.8 Members raised the following issues;

- The amount of time the CEO is spending on this and other governance reviews and the legal cost being incurred? The CEO confirmed these reviews were quite time consuming. He advised that Mr Mellett would be undertaking a tender for legal services in the new year.
- What work was required on foot of the UL/IT Sligo report? The CEO advised that the Executive will be following up on the actions agreed with UL. A letter from UL outlining how it planned to address the excess pensions paid is awaited.
- Members were advised that the McLoone report was the subject of a Freedom of Information request currently under review by the OIC. Members agreed the possibility of FoI requests should be built into the terms of reference of future such reviews.
- The status of the CIT protected disclosure. Members were advised this was ongoing.
- The Executive should provide an indicative date for completion of this matter, this should be as soon as possible, preferably by mid-February 2019. The CEO undertook to keep members advised of the legal advice he receives and to expediate the conclusion of the issues while cautioning that this may be outside the HEA's control to some degree.

3. CEO's Report

3.1 The CEO drew the Board's attention to the following;

- A new process for capital project appraisals is being developed in consultation with the DES. Key to this will be clarity around the respective roles of the HEA Board, HEA Executive and the Department. Members were advised that the list of projects previously presented to the Board, though not approved by the Board, is currently being assessed. A small number of additional projects were added to the list.
- The summit with MIT will take place on 10th January 2019, there have been 101 acceptances to date.

- An additional paper presented to the Board seeking approval for a programme of governance rolling reviews costing €141k. This was approved by the Board.
- RFAM review group – Members were informed by Ms Nugent that the HEA is responsible for convening meetings of the group which consists of representatives from the HEA, DES, D/PER, IUA and THEA. They will continue to meet into 2019. Any matters arising from this group will be presented to the Board via the Finance and Governance Committee for approval.
- Review of HEA legislation – Mr Mellett advised that the Department indicated at its consultation session held 23rd November that it hopes to secure approval for the heads of a bill by the end of Q1 2019 with the legislation to be enacted by the end 2019. It was agreed that the Policy and Planning Committee would keep a watching brief on developments.

4. Presentation from Dr Pdraig Walsh, CEO, QQI

4.1 Dr Walsh noted that his presentation was being made in accordance with the HEA-QQI MoU. He focused on the following in his presentation;

- 7 year quality reviews programme – Reviews of IT Sligo and LyIT have been completed and published. He outlined the key findings emerging from these reviews. Three further reviews are near completion – DCU, DkIT and MU.
- Completion of a review of QQI validation and revalidation processes
- Difference in approach taken by Universities and IoTs – the former tend to undertake quality reviews of Departments/Units while the IoTs are more likely to undertake reviews of programmes.
- Impact of cuts on quality, he noted there can be a time lag between the cuts and how this might manifest itself in terms of quality.
- HEA-QQI Executive engagement, Mr Conlon recently presented on the HEA's strategic dialogue process. He noted that joint HEA-QQI strategic dialogue meetings would help to reduce the administrative burden on HEIs.

He recommended that HEA Board members visit the [QQI website](#) where the outcome of quality reviews are published and other published reports and bulletins are available. It should provide considerable reassurance to the HEA Board.

4.2 Members raised the following issues;

- Proposal that a registration system be introduced under a revised HEA Act. Dr Walsh outlined the QQI's process noting there were institutions with their own award making powers, others who have delegated powers to make awards and other institutions who offer programmes that lead to QQI awards. He noted that the QQI Act is currently being amended. QQI does not operate a

licence system but it can refuse to validate programmes in particular institutions.

- The number of students in private institutions who receive QQI awards. The proportion of students undertaking studies in private colleges remains steady at 10%. Dr Walsh indicated that QQI can track the number of students who enrol and graduate in institutions. QQI would like to develop a progression report for private colleges along the lines of that published by the HEA for its funded institutions. He noted that there are some state funded programmes in private colleges which are validated by QQI. QQI is looking at how more smart monitoring could apply to these programmes.
- To what extent is QQI considering the inclusion of gender and broader equality in its reviews? Dr Walsh noted that currently its review teams are gender balanced, QQI would be happy to work with the HEA on building gender equality into its reviews.
- Approach of QQI to quality in the Technological Universities. Dr Walsh indicated he looked forward to the IoTs moving away from a system of delegated authority and take more ownership for their own QA processes. He noted that ITTD and ITB are scheduled to undertake their quality reviews in 2020 but suggested that Dublin TU undertake its own quality review within 18 months of its establishment.

5. Report of Finance and Governance Committee

5.1 The Chair introduced the Committee's report. Members were advised that the proposed allocation for additional demographic places was broadly in line with the overall current level of recurrent funding. Members noted that the amount of expenditure on research and consultancy from funds such as the Landscape call was recently the subject of a PQ. Mr Conlon indicated the capacity for HEIs to progress such complex projects without the assistance of external consultants varied. The HEA does not set a ceiling on how much of such funding could be used for consultancy. Ms Nugent indicated this would be kept under review.

Decision: The Board approved the Committee's report and recommendations. Members also agreed to delegating to the Committee responsibility for the provisional allocation of the 2019 recurrent grant and the Innovation and Transformation call, which will include funding left over from the 2018 Performance Funding. The HEIs can be advised of their provisional allocations.

6. Report of Audit and Risk Committee

6.1 Dr Feeney introduced the Committee's report. She indicated that the Committee met the C&AG's Senior Auditor in charge of the HEA's audit. She outlined the findings as set out in the C&AG's management letter, all low findings but which

nevertheless should be followed up and actioned. The Committee proposes to schedule a meeting to review these further. She also referred to the report carried out by the internal auditors on the System of Internal Controls. A revised risk management framework was prepared following the earlier internal audit review on risk management.

Decision: Members approved the Committee's report, noted and approved the review of the System of Internal Controls and approved the revised risk management framework.

7. Report of the System Development and Performance Management Committee

7.1 Mr. Donohoe introduced the Committee's report. He referred to the performance funding allocation noting that it was not possible, through no fault of the HEA, to allocate the performance funding, this will now be rolled into the Innovation and Transformation call. The Committee also requested the Executive to prepare a paper dealing with performance funding for future years. Ms Nugent indicated she hoped to get a paper out next October to enable performance funding to inform the 2020 grant. Members raised the following queries;

- Will decisions on performance funding be informed by the work of the Expert Panel, balanced as appropriate with other sources of evidence? Mr Conlon confirmed this would be the case.
- Consideration needs to be given how penalties can be applied without impacting on students. The focus should be on assisting such institutions improve their performance possibly through specific programmes. The point was made that South Africa has a system which provides for both penalties and performance improvement. Mr. Donohoe noted this is addressed in the Executive's memorandum.
- It was confirmed that the HEIs were not be held accountable for delivery of all the metrics set out in the system performance framework.

7.2 Ms Harvey updated on developments relating to the Sahlberg report on teacher education. The DES is preparing an overarching paper on teacher education. Mr Conlon updated on actions to increase teacher supply. The HEA has been allocated two additional staff to assist with the various initiatives in place to address the shortage of teachers.

Decision: Members approved the Committee's report and agreed that the CEO should write to the DES outlining the HEA's reflections on the first TU process.

8. Report of Research and Graduate Education Committee

8.1 Professor Feely introduced the Committee's report. One of the items considered was the Irish Research Council's development of a new strategy. Mr Brown advised that the Council was still at consultation stage but plans to present the strategy to the Board in 2019. Members were advised that both the HEA and IRC made a submission to the Innovation 2020 review.

Decision: Members approved the Committee's report.

9. Report of Policy and Planning Committee

9.1 Ms Kneafsey introduced the Committee's report – there were three key items – A presentation on Student Success, a paper on Higher Education Rankings and the HEA's draft Communications Strategy. It was suggested that the paper on rankings might be revised and considered by the Board at a future meeting. The paper is required to allow the Board develop a position on University Rankings.

The Committee will consider a revised Communications Strategy at its next meeting.

Decision: Members approved the Committee's report

10. Business Planning

Decision: Members noted developments since the HEA Strategic Plan was approved last June, agreed the high level plan as presented by the Executive and noted a more detailed plan will be presented to the Board in January.

11. Board self-evaluation exercise

11.1 Members noted that the questionnaire used was different from the previous year. It was agreed that this questionnaire should be issued next year, the findings to be forwarded to the firm undertaking the external Board evaluation exercise. The following issues were raised;

- Whether there are plans to undertake evaluation at individual member level. The Chair indicated that he had no plans to undertake this at this stage, but it may form part of the external review.
- Impact on the work of the Board for the Executive? Mr Mellett indicated that previous external evaluation exercises included provision for input from the Executive.

- Are there issues arising from the evaluation that could be addressed quickly? Mr Mellett indicated that one of the highest areas of concern was the need to identify the HEA's top risks, it is planned to present a corporate risk register to the Audit and Risk Committee and Board early in 2019. The other key area of concern was clarity around the role of the Committees. In this regard it was suggested that a review of Committees' terms of reference be carried out.

Decision: It was agreed that the Audit and Risk Committee would review the outcome of self-evaluation exercise and report back to the Board with any suggested first steps.

12. A study on completion in Irish Higher Education

12.1 Dr Patterson introduced the report pointing out that the report tracks new entrants from the A/Y 2007/08. Mr Pigott outlined the key findings at sectoral level and by institution, level and discipline. He highlighted the relationship between leaving certificate attainment, performance in Mathematics and to some extent English and completion rates. By contrast there was no relationship between distance travelled and completion rates.

12.2 The following issues were raised;

- A student who entered one institution and graduated from a different institution will be recorded as having completed.
- How do Irish completion rates compare with other countries? Mr Pigott advised that this was difficult to answer as methodologies vary, Dr Bekhradnia indicated the rates appear similar to those of the UK.
- A concern was expressed over the relatively high non-completion rates for level 6-7 ICT courses. When the report is published the HEA needs to have a communications narrative around this, are there other avenues for such students such as a lifelong learning approach to study. The relationship between attainment in leaving cert maths and progression in ICT courses was particularly noteworthy. It was noted that many larger ICT firms enable employees to undergo certified training without the need to attend HE.
- The point that 66% of students with the lowest leaving certificate points still managed to progress to a HE award needs to be highlighted. The relative success of the IoTs when variable factors have been allowed for was noteworthy. Members were advised that is proposed to invite journalists in for a briefing just before the report is published so that these positive messages can be outlined.

12.3 Dr Patterson outlined work involving the HEA, SOLAS and the CSO which will enable us to map the progression of further education students into higher education.

Decision: Members approved the publication of the report.

13. 2017/18 Student Numbers

13.1 Ms Harvey made a presentation which focused on the following;

- Growth in student numbers between 2013/14 and 2017/18 by mode, level and programme type across the university, IoT and Colleges of Education sectors.
- International student numbers – EU and non-EU across the three HE sectors over the past four years
- Participation rates over the past 4 years for the 3 HE sectors – flexible/remote learners, mature students, students with a disability and socially-economically disadvantaged new entrants
- Graduate data for the universities, IoTs and Colleges of Education

Members noted that the most striking statistic was the fall in mature numbers although it was noted that Springboard courses offered another avenue for mature learners.

14. Members only session

14.1 The Board did not hold a Members only session.

Next Meeting

29th January 2019, HEA Offices

Padraic Mellett

21st December 2018