



**Choices and Responsibilities:
Higher Education in the Knowledge Society**

Programme on Institutional Management in Higher Education (IMHE)

Higher Education in Ireland

A policy perspective from the Higher Education Authority (HEA)

Summary of policy positions and proposals

The role of higher education

1. The higher education sector should continue to develop students to their full potential and pursue knowledge for its own sake. In addition to these roles, higher education is increasingly expected to also be a means of achieving important public policy objectives in respect of enhancing skills levels, promoting social inclusion and citizenship, and economic, regional and cultural development.
2. Policy changes in the areas of institutional governance, management, institutional autonomy and finance are central to equipping Ireland with a higher education sector relevant to current needs and challenges. Important issues also need to be addressed in relation to research and development policy, quality assurance, lifelong learning, access and social inclusion.

Role of the State

3. The state does not, and should not, need to 'control' higher education institutions. The focus of the state must be on outcomes, where public investment in institutions includes a focus on the institutions achieving public policy outcomes, in the context of a limited and specified number of national goals. National goals can more efficiently be achieved by the higher education institutions (HEIs) themselves, operating autonomously, while supported by an appropriate funding framework.
4. National goals should be revised by Government on a five yearly basis and should be regularly reviewed.

Funding

5. The achievement of national goals by the institutions must be supported by an appropriate funding model, the development and implementation of which would be a key task for the Higher Education Authority (HEA). Funding would be allocated by the HEA on the basis of

this model. Funding would be allocated using three criteria – core funding would be student led; strategic funding would support the institution in contributing to national goals as well as institutional development; and major new initiatives would be allocated on a competitive basis. Where appropriate, in respect of the performance-related elements in the funding, allocations would be underpinned by agreements between the HEA and individual institutions in regard to the delivery and achievement of specific outcomes.

6. In developing the funding framework, appropriate performance and output measures should be put in place to assess the extent to which institutions have achieved specified targeted outcomes. The HEA would report on these to the Minister for Education and Science.
7. While the core Exchequer financial allocations would be determined by the Authority, other agencies, including Science Foundation Ireland (SFI), the Health Research Board (HRB), the Research Councils and Enterprise Ireland would continue to allocate funding to the HEIs in accordance with their missions.

AUTONOMY AND ACCOUNTABILITY

8. It should be exclusively the responsibility of each institution, consistent with its statutory and strategic mission, to decide how best to allocate the funding it receives through the HEA so as to ensure that agreed outcomes are achieved.
9. The institutions should, in addition to assessment on the basis of outcomes, be accountable for their actions, both internally to their students and employees and externally to government and the public. They should also be transparent in their operations.

DIVERSITY OF PROVISION

10. National goals can best be achieved through the creation of a range of strong, flexible, innovative and responsive institutions, with a variety of missions and strengths and with a deep commitment to quality.
11. The binary system should be retained. Within that system, the institutions should have clear strategic missions. A range of institutions with a diversity of mission will be required to achieve national goals.
12. Both sectors within the binary system should be subject to broadly similar resource allocation, governance and quality assurance regimes. The funding system should incentivise inter institutional co-operation both within and between the sectors.



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13. The higher education sector should, in general, have the capacity to evolve as the social, cultural and economic factors in the environment in which they operate change. This could include individual “public” institutions evolving into private institutions, where this would ensure greater benefits to the sector and society. Any such institution would then have contractual relationships with the state.
14. The process by which institutions would become private should be provided for in legislation which should, at a minimum, provide for international evaluation, guarantees in respect of quality of teaching and research and protection of the public interest.

Institutional Governance

15. Governing bodies are too large.
16. The membership of governing bodies should reflect the main internal stakeholders, and a much greater outward perspective, bringing expertise and experience to bear in areas which directly reflect the challenges facing the institutions.
17. The role, function and inter-relationships of the governance structures in the HEIs needs to be more clearly defined in legislation to remove any confusion of roles between the executive and the governing roles.

The Higher Education Authority

18. There is a continuing need for the provision by the HEA of an intermediary function and role between the Department of Education and Science and the HEIs. The role of the HEA is twofold -
 - o **The policy review and advisory role;** to review policy in higher education and to provide policy advice to the Minister and Department.
 - o **The funding role;** to manage the distribution of institutional level funding, to monitor and evaluate outcomes, to ensure as far as possible that national goals are achieved and to advise the Minister accordingly.
19. The policy advice role can best be carried out through an Authority with a broad base of membership, drawing on the expertise of individuals from the HEIs, relevant state agencies, and the private sector, and, ideally, including distinguished international membership.

20. Within the Authority, particular attention needs to be paid to the funding role. It is essential that the resource allocation function be carried out rigorously and objectively and not be driven by the agenda of particular interest groups, or be perceived to be so. This could be achieved by a separate membership within the HEA, composed of 3 or 4 members with considerable experience in the areas of higher education and research, business and public policy. These members should, with the support of the Executive, have sole responsibility for the funding of the HEIs. They should not, during their terms of office, be members of the staff or governing bodies of any of the HEIs funded through the Authority.

Research & Development

21. The HEIs are a critical part of the national research capacity.

22. The key organisational building blocks for building up the required national research capacity in knowledge production are now in place through a number of key funding instruments and organisations, including the HEA/ Programme for Research in Third Level Institutions (PRTL), SFI, the Research Councils and the HRB.

23. There is a need for the development of State-funded systemic support for knowledge transfer and development at the level of individual HEIs, through the allocation of funding on a competitive basis by the HEA.

24. Present shortcomings, in respect of research, in the areas of policy oversight and consistency and medium-term financial commitment should be addressed by the establishment of a Cabinet Committee for Research and Development and the establishment of a statutory fund (“the Knowledge Ireland Fund”) for research and development.

25. Not every HEI can be research-led and focused on basic research. Research investments must be based on the most rigorous assessments of quality and strategic capacity.

26. Institutions which are not research-intensive, and the staff in them, can play a part in the research agenda through alliances with research-intensive institutions, engagement in applied research and through secondment and transfer opportunities.

Finance

27. The future development of the higher education sector will require increased finance – not all of which is likely to come from the State.



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28. It is unlikely that Ireland will be able to sustain internationally competitive third-level institutions without increased private financing. It is critical therefore that HEIs are incentivised to increase non-Exchequer income. Success in increasing income from private sources should not lead to the risk of reductions in Exchequer support.
29. Active consideration should continue to be given to the issue of the individual's contribution to the cost of higher education. The mechanisms through which such a contribution could be made include fees, vouchers and loans. The development of policy in this area should be on a carefully planned basis and should have regard to the development and application of policy in other countries and the consequences for social inclusion, access, increased overall participation, ensuring a robust financial base and ensuring that the sector contributes to national policy goals.