



Oireachtas Joint
Committee Education,
Further and Higher
Education, Research,
Innovation, & Science

Technological Higher Education Association

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Speaking Draft

Indicative focus and title as provided by the JCEFHERIS

'To Discuss the expansion of the Technological Universities'.

Meeting date: 16 February 2021

THEA Delegation	
Prof Vincent Cunnane	President LIT & Chair of THEA
Dr Patricia Mulcahy	President of IT Carlow & Deputy Chair of THEA
Prof. Maggie Cusack	President of MTU
Mr Paul Hannigan	President of LyIT
Dr Joseph Ryan	CEO THEA

Introduction

Chairman, members of the Joint Committee, we appreciate this opportunity to discuss the expansion of the Technological Universities. We'll not retrace the recent Covid-19 discussion other than to say that we are working closely with relevant stakeholders to negotiate our way through this in a manner that supports learners and protects our communities. Our desire is to realize some managed and early limited return of identified cohorts.

Our institutions have offered their facilities and expertise to support the scaling of the vaccination programme. We are also working with the HSE locally to put in place whatever additional logistical framework is required.¹

I'm pleased to introduce our delegation led by the Chair of THEA, Prof. Vincent Cunnane. He is joined by the Deputy Chair, Dr Patricia Mulcahy; Munster Technological University President, Prof Maggie Cusack; and President of Letterkenny Institute of Technology, Mr Paul Hannigan. With the recent commencement of MTU, we anticipate having five technological universities in the coming year.

Context

The pathway to Technological Universities was set out in the 'National Strategy for Higher Education to 2030'.² It recommended that a network of Technological Universities (TUs) should be established within the higher education landscape.³

Following the enactment of the statute in 2018, THEA worked with stakeholders to craft the TURN Report.⁴ It can be argued that this report documents more thoroughly the objects and character of a technological university than does the Act itself. It was a strength that the consideration was located within the integrated policy context framed by *Project Ireland 2040* and the *National Development Plan 2018 – 2027*. These envisaged the role of the TUs in responding to government priorities and societal challenges through deepening of the talent pool and driving applied research and innovation. As provided in the TURN Report, these strategies highlight the central role of developing digital literacy, skills, and expertise across the entire workforce as a prerequisite for adaptation to and mainstreaming of digital technologies across all sectors of the Irish economy.

Investment

This Committee will soon weigh the economic advice from the European Commission on the Cassells Report.⁵ Determining a sustainable solution for the future funding of higher education at a level that

¹ Specifically and as requested in respect of administration, IT, and general support.

² Published by the Department of Education and Skills in January 2011.

³ Ibid, 96. It was precisely the regional significance of the initiative that led the report to reject the call for the creation of a single federal national technological university.

⁴ The 2019 Report of the Technological Universities Research Network ("TURN Report"). The TU Research Network (TURN) was established in February 2019 and reported in October of that year.

⁵ The formal title is "Investing in National Ambition: A Strategy for Funding Higher Education" (2016); the expert group was chaired by Peter Cassells. The work underway currently is expected to be complete towards the latter part of Quarter 2 2021.

can reflect the demographic demand and meet the ambitions laid out for the sector remains the major challenge. The TURN Report has resulted in an injection of €90m over three years and continuing this scale of investment will be required to ensure the integration and development of these universities.

In a recent Dáil reply, Minister Harris reaffirmed *the centrality of higher education to our progress as a country*.⁶ All of the options within the Cassells Report foresee a significant lift in exchequer funding. Given the current pandemic and the anticipated consequences for the economy, it is not envisaged that there can be any increase in the student contribution in the foreseeable future. We have consistently advised against the introduction of student loans on grounds of equity and practicality. Central to that argument is the passionate belief that access to higher learning should be available for all who would benefit. The final leg of the funding stool is the contribution from enterprise through the National Training Fund.⁷ While disbursements from this in the 2021 budget have fuelled the July Stimulus and the Skills package, there remains a sum of some €700m. Utilizing a portion of this to invest in the infrastructure of a TU sector, equipping laboratories, and facilitating digital technology, would respond to the recommendations within the TURN Report and better position a growing sector to compete globally.

Reform of the funding model

The landscape change we are experiencing will necessitate further reform of the funding model (RFAM).⁸ Building on TURN, the most recent THEA pre-budget submission proposed a ten-year research and innovation capacity-building fund.⁹ A sum of €5 million was made available in 2019 and again in 2020. The HEA Review of the Allocation Model recommended that this be increased over time to 5% of the overall recurrent grant funding for the sector.¹⁰ For comparison, the comprehensive university sector receives 10%. The THEA submission sought a phased increase in this allocation to €40m in 2023.¹¹ Committee support would be significant in realizing the step change in high quality research concentrations, developed with a particular focus on industry collaboration and innovation.¹²

⁶ Dáil Éireann questions Wednesday, 10 February, 2021. Minister Simon Harris, D/FHERIS, in a reply to a question from Independent Deputy Carol Nolan (question 578 on the implementation of the Cassells Report). The minister's reply was in the context of the criticality of the development of a sustainable funding model for higher education.

⁷ Established by the National Training Fund Act 2000 to raise the skills of those in employment, to give jobseekers relevant skills, and to facilitate lifelong learning.

⁸ The most recent Review of the Allocation Model for Funding Higher Education Institutions, chaired by Brid Horan, was commissioned and published by the HEA in December 2017. RFAM refers to the recurrent funding allocation model.

⁹ To come through the TUTF (the Technological University Transformation Fund), a fruit of the TURN Report and managed by the HEA. This fund comes with an estimated cost of €67m for the first three years.

¹⁰ This would align with the THEA proposal realizing an annual investment of some €40 million.

¹¹ The THEA pre-budget submission sought a phased increase in this allocation to €15 million in 2021, €25 million in 2022, with the final increase to €40m in 2023.

¹² It might be noted that accelerated reform of funding models and the establishment of university career frameworks to build capacity and scope for higher research and enhanced academic performance is the first documented key action in the TURN Report.

In this context, it is worth reflecting on the baseline position. In October 2016 the HEA published a Financial Review of the Institutes of Technology.¹³ That review stated:

*The sector has faced significant challenges, with the state grant falling by 34% between 2008 and 2015 while student numbers grew by 24%. This has led to total income per student contracting by 25.5% over the same period.*¹⁴

Capital Investment and the Borrowing Framework

This spoke to an unpromising foundation for the embrace of the scale of change envisaged. Over the last decade there has been a dearth of capital investment available from the state coffers. But this is not a level playing field: the traditional universities have access to the borrowing framework as provided for in their legislation; we have similar facility, but it has not been enacted. As of 30 September 2019, the borrowings of the seven universities amounted to some €741m, provided predominantly and cost-effectively by the European Investment Bank.¹⁵

On a positive note, the state has a Public Private Partnership (PPP) programme that is providing for 11 buildings in the technological sector.¹⁶ It cannot be stressed sufficiently how vital these projects are. We ask that these continue to be given priority from the government to ensure timely delivery.

Research

Research is identified as the key signifier of the step change demanded of the TU. Building capacity enabling a transformation of research performance is the prerequisite to positioning the TUs as major engines of innovation and economic growth. This entails developing human capital, facilitating research activity and opportunities for existing staff, and implementing a new career development and employment framework. Linking this to a focus on societal challenges of the 21st century consistent with the objectives of Innovation 2020 and its successor, and the Climate Action Plan 2019, is what can be expected of modern and dynamic centres of learning and research. This is consistent with equipping Ireland to compete for funding from Horizon Europe, helping to deliver on the Sustainable Development Goals, and leveraging the opportunities that are there post-Brexit.

Regional connectedness

Our institutions are grounded in their communities. The detailed socio-economic profile data published by the HEA provides a valuable insight.¹⁷ In the most recent data set, our institutions demonstrate a negative deprivation index score.¹⁸ The HEA states that *“institutes of technology are*

¹³ HEA: Financial Review of the IoT Sector, 2016.

¹⁴ Ibid, 5.

¹⁵ Oireachtas source 14th October 2020, as at 30th September 2019.

¹⁶ Estimated at a capital value of approximately €220 million, subject to tender. The first phase (bundle 1) which includes 6 projects, went to tender in late 2020, and the other 5 are anticipated to go to tender shortly.

¹⁷ See for example, Socio-Economic Scatterplots, 2018/19 Enrolments | Statistics | Higher Education Authority (hea.ie).

¹⁸ Nine out of 11 (then) institutes of technology have a negative deprivation score according to the HEA data. LyIT is recorded as the lowest in the country, reflecting the profile of the Donegal region

effective in providing higher education to the population profile of their regions".¹⁹ Indeed, the overall profile of students enrolled in the sector matches the national population profile more closely than any other set of institutions. It points the role of the technological sector in support of equity, opportunity, and social cohesion.

The sector has been recognized for its close links to Further Education and for building pathways for progression; the integrated nature of the new department should assist further in this. A goal of the TUs is to facilitate regional lifelong learning system with seamless transitions and pathways from a range of different starting points, transfer and progression within and between TUs and other HEIs, and progression to employment, further learning, and participation in society. TUs will become centres of recognized quality and the focus for regional lifelong learning where people can learn at their own pace, anywhere, anytime without barriers.

Challenge and ambition

We will work closely with legislators, government, and its agencies to identify and agree a sustainable funding model for higher education. We will contribute to the development of legislation to realize what is likely to be the Higher Education Commission. Related to this is the consideration to be afforded reform of governance which Minister Harris has signalled as a priority. Equipping our universities with appropriate organizational design and a suitable academic career framework will be essential to fulfilling the ambition invested in technological universities and is consistent with the implementation of TU-apposite career structures which is the seventh in the focused recommendations from the TURN Report. This technological sector with its links to enterprise, its unique balance between research, pedagogy, and skills, and its regional connectedness will be central to our collective national endeavour to recover from the ravages of this pandemic. With targeted investment we can deliver on the government's Resilience and Recovery Plan.²⁰

In passing back to you chair, we highlight and recommend to you three priority areas for focus:

1. Sustainability: to deliver on the recommendations as set out in the TURN Report. Critically, this includes reconfiguration the existing HE landscape funding arrangements so that a dedicated funding stream is put in place to support TU development and organizational change management.
2. Solidarity: this is a sector that is cohesive and with institutions closely integrated into their communities and key to broadening access thereby affording opportunity to all. There is a well-documented ambition for this sector set out in national policy. But first as a society we have to negotiate a period of recalibration and recovery. With targeted investment, our institutions can be central to this. We can assist you to achieve national goals.
3. Support: To deliver on the capital investment through such as the PPP projects and to afford our institutions access to the borrowing framework. Allied to this research capacity should be enhanced through increased funding directed at developing researcher human capital in TUs.

¹⁹ For HEA data maps and socio-economic data sets see <https://hea.ie/statistics/data-for-download-and-visualisations/socio-economic-data-and-maps/>

²⁰ Resilience and Recovery 2020-2021: Plan for Living with COVID-19. See <https://www.gov.ie/en/publication/e5175-resilience-and-recovery-2020-2021-plan-for-living-with-covid-19/>

Dr Joseph Ryan

On Behalf of the Council of THEA