

**Higher Education Authority****Report of 414<sup>th</sup> Meeting held on 27<sup>th</sup> April via teleconference**

Present: Mr Tony Donohoe (agenda items 1-11)  
Dr Judith Eaton (agenda items 7-11)  
Professor Orla Feely, Deputy Chair (agenda items 1-11)  
Dr Sharon Feeney (agenda items 1-11)  
Ms Lorna Fitzpatrick (agenda items 1-11)  
Mr Michael Horgan, Chairperson (agenda items 1-11)  
Ms Darina Kneafsey (agenda items 1-11)  
Dr Deirdre Lillis (agenda items 1-11)  
Dr Ronan Lyons (agenda items 1-10)  
Dr Jim Mountjoy (agenda items 1-11)  
Dr Sinéad O'Flanagan (agenda items 1-11)  
Mr Pól Ó Móráin (agenda items 1-11)  
Dr Lynn Ramsey (agenda items 7-11)  
Dr John Wall (agenda items 1-11)

Apology: Dr Bahram Bekhradnia

In attendance: Dr Alan Wall (agenda items 1-11.1)  
Ms Orla Nugent (agenda items 1-10)  
Mr Padraic Mellett (agenda items 1-10)  
Mr Tim Conlon (agenda items 1-10)  
Ms Caitriona Ryan (agenda items 1-10)  
Ms Pearl Cunningham (agenda items 1-10)  
Dr Vivienne Patterson (agenda items 1-10)  
Dr Deirdre Quinn (agenda item 3)  
Ms Linda Rose (agenda item 3)  
Mr Gary Comiskey (agenda item 7)

**Conflicts of Interest**

The Chair reminded all Board members of potential conflicts of interest and asked members to highlight any items that may require attention.

**Quorum**

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

## Disclosures

No disclosures were raised.

### 1. Report of 413<sup>th</sup> Board meeting

1.1 The minutes were approved subject to a minor amendment to the attendance record.

### 2. Matters arising

2.1 The Chair advised he received a letter from Dr Tony Holohan thanking the HEA for its letter of condolences.

2.2 Committee terms of reference – the Chair advised that it was his intention to have a common template for all committees with the only exception being the specific remit for each committee. Issues to be considered are the number of external members that may be appointed, their selection and the specific skill set for each committee.

2.3 The Chair suggested that the proposed education summit might be organised in tandem with an event to mark the HEA's 50<sup>th</sup> anniversary. The CEO indicated the Executive will revert back with proposals.

### 3. Committee Reports

#### *Audit and Risk*

3.1 Dr Feeney introduced the Audit and Risk Committee's report. The Committee received a report on procurement, an update on the status of the internal audit report recommendations and an update on the status of the HEAnet advisory reports recommendations. Both status reports outlined satisfactory progress was being made on the recommendations. The executive confirmed that the incidents of procurement non-compliance relating to agency staff previously identified by the C&AG will not reoccur as a framework has been put in place. The Committee was advised that the audit on the Erasmus programme is now complete and a report will be available for consideration at the Committee's next meeting.

3.2 Mr Mellett reported that the DPC had submitted its final report in relation to the breach notified by the HEA. The DPC made 14 recommendations, 12 were already actioned with the remaining 2 to be completed by Q3. He also advised that the contract for the provision of internal audit services has been signed with Deloitte. Dr

Feeney advised that the Committee has requested a report from the Executive on its engagement with the internal auditors.

### 3.3 Draft Financial Statements 2020

Members were advised that the surplus for the year related to the HEA and IRC administration activities and could not be used for other purposes. The executive will review the reference in page 2 of the statements relating to the appointment of members.

**Decision:** Members approved the 2020 financial statements subject to audit and acknowledged the work of the executive in getting the accounts ready for audit.

Members approved the Committee's report.

#### *Finance and Governance Committee*

3.4 The Chair introduced the Committee's report. He advised that on foot of the sample audit results and on the recommendation of the Chief Executive, an audit of the Covid 19 support payments to all HEIs has commenced. The Committee noted the key findings arising from the C&AG audit of HEIs (1) high level of non-compliant procurement across the higher education system with eight institutions highlighted by the C&AG as having significant non-compliance and (2) going concern issues were highlighted for three institutions that have accumulated deficits. NCAD and WIT are working to reduce these deficits. A sustainability plan for IT Tralee is currently under consideration by the Department and will form part of the strategy for Munster Technological University.

The Chair advised members that the HEA was unable to secure the agreement of IP Pragmatics and Knowledge Transfer Ireland to changes to their report on a Review of Implementation of IP Policies within HEIs. The HEA will accordingly look at an alternative way of addressing the need for HEI Board oversight of the sale of a campus company or spin-out.

3.5 Concern was expressed over the ongoing level of non-compliance with procurement in HEIs. Ms Nugent advised that this issue is being raised at annual budget and accountability meetings with the HEIs. The Chair advised that it was his understanding that significant efforts had been made to minimise non-compliant procurement following the HE Procurement summit.

3.6 IRC Programme Outturn 2020 and Budget 2021.

**Decision:** Members approved the IRC programme outturn for 2020 and the programme budget for 2021

### 3.7 2021 HEA and IRC Administration Budgets & 2020 Outturns

**Decision:** The Board noted the 2020 outturns and approved the HEA and IRC 2021 Administration budgets.

### 3.8 IRC programmes – commitment of funding Government of Ireland suite of programmes

**Decision:** The Board approved the funding commitment under the 2021 Government of Ireland Postgraduate and Postdoctoral award programmes.

### 3.9 IRC programmes – commitment of funding Enterprise suite of programmes 2021

**Decision:** Members approved the funding commitment under the 2021 Enterprise Partnership Scheme and Employment-Based Postgraduate Programme.

### 3.10 Proposed Increase to 2021 e-journals allocation

**Decision:** The Board approved an increase in the B4 2021 provision for e-journals as set out in Memorandum F18/21.

### 3.11 Unreasonable Conduct Policy

**Decision:** Subject to further consideration of the appeals mechanism contained within the policy, the Board approved the Unreasonable Conduct Policy for implementation across the HEA and the IRC.

**Decision:** Members approved the Committee's report.

## 4. Task force on HEI Financial Positions

4.1 The CEO updated members on developments. DFHERIS is looking at appropriate ways of providing additional funding to the HE sector in the light of the significant impact of COVID. Items being considered are COVID Support costs, compensation for loss of accommodation income and payment of pension funding due to the universities and specialist colleges. Ms Cunningham advised that based on the information currently available to the HEA that no individual institution was in immediate danger to end 2021, The HEA is however assessing cashflow projections and HEI annual budget submissions and are in the process of holding budget

meetings with all HEIs. An update will be provided to the next F&G committee meeting.

**Decision:** Item noted

## 5. Nominations to the Minister for a Technological University Panel

5.1 Mr Conlon advised that four additional people are being proposed to widen the expertise on the preciously approved panel and to ensure gender balance. One person was removed from the previous list.

**Decision:** Members approved the updated list of persons for selection as nominees to the Minister for Further and Higher Education, Research, Innovation and Science, for appointment to advisory panel(s) in respect of applications under the Technological Universities Act 2018 in 2021.

## 6. Action Plan for Apprenticeship Education

6.1 Dr Patterson outlined the background to the development of the new action plan for apprenticeship education. The HEA have been engaged at meetings with DFHEIS and SOLAS in progressing matters to date. The Board's approval was requested for the approval of a process to establish a National Apprenticeship Office. She outlined the benefits of the Action Plan from a HEA perspective noting it will be underpinned through forthcoming HEA legislation:

- A single national identity for apprenticeship education in Ireland spanning both further and higher education provision. The HEA will, through the national office, have greater input into the operation and development of apprenticeship education therefore giving HE the recognition for the vital role it currently plays in the operation and development of apprenticeship in Ireland.
- Single point of contact for all stakeholders including potential apprentices, employers and schools.

6.2 Members welcomed the new Action plan. The following issues were raised:

- Status of the Industrial Training Act, 1967. The CEO noted that the issue was raised by the HEA however DFHERIS indicated that the current Act would not be amended. The status of apprenticeship in higher education will be included in the forthcoming HEA legislation.
- Different funding models for the provision of further and higher education. Dr Patterson advised it is planned to have a full review of the funding of

apprenticeship education. The HEA Board will continue to be responsible for apprenticeship funding allocated to the HEIs.

**Decision:** Members approved the draft proposal for an approach to the establishment of a National Apprenticeship Office outlined as a key deliverable in the Action Plan for Apprenticeship 2021-2025.

## 7. EY Business Processing Exercise

7.1 The Chair welcomed Mr Gary Comiskey, Associate Partner EY. The CEO outlined the background to this exercise which follows earlier work undertaken by the HEA in resetting its relationship with DFHERIS and the HEIs. EY was requested to look at the HEA's processes, structures and resources and make recommendations for improvement.

7.2 Mr Comiskey noted that the organisation as currently structured was out of line with similar State agencies with large budgets. His presentation focused on the following;

- Outline of project – 'As is' phase, 'To be' phase and report to the HEA.
- Key observations – HEA processes and structures have evolved over time and there has been significant underinvestment in people, systems and processes.
- Current state assessment – there is a significant gap in resourcing levels between the HEA and other similar State agencies. Based on comparisons to other similar organisations and the increasing responsibilities of the HEA, it is clear that investment in additional resourcing, skills and capabilities will be required to allow the HEA to successfully deliver on its remit.
- Key risks and challenges with the current state
  - Organisation structure and resources
  - Data collection, management, and optimisation
  - Query response time due to inadequate systems – potential to address with proposed CRM
  - Management of relationships with key contacts– potential to address with proposed CRM
  - Decentralised funding monitoring– potential of FMS, Grant Management systems
  - Transactional activities are dispersed across the HEA teams and would benefit from automation – potential of FMS, and CRM
  - Duplicate processes – opportunities to standardise
  - Opportunities to standardise approval processes for funding streams
- Opportunities for improvements
  - Increase the strength and depth of the HEA.

- Strengthen the current organisational structure in line with remit (€1.6bn funding)
- Streamline and standardise processes
- Centralise certain areas of skills and experience in the organisation
- Implementation of/upgrade systems to support knowledge and data management services, analytics and relationship management – the HEA’s plans as regards FMS and CRM were noted
- Knowledge management systems – Enhance steps already taken to centralise response to routine queries through the use of standardised internal data for response
- Development of KPIs with clear ownership
- Governance and approval processes - identify and map key external stakeholders and understand the impact on HEA timelines
- Transformation roadmap – short, medium and long-term

7.3 Members strongly welcomed the recommendations, the Chair noting that the Board has for some time been of the opinion that the HEA needs further investment in systems and human resources. The following issues were raised;

- Might the HEA in the near future have a single system in place that would trace all correspondence? The CEO indicated an FMS will shortly be implemented and plans are underway for a CRM.
- The pandemic is a good time for the HEA to embark on the changes proposed by EY. Mr Comiskey agreed noting in particular the importance of a knowledge management system for staff working remotely.
- Further detail on the roadmap would be welcome, given the scale of change envisaged it was important that priorities were identified. The CEO noted that the EY report demonstrated the need for additional resources, if anything it may have underestimated the scale of work performed in the organisation. The need is even greater as the organisation gets ready to assume the responsibilities of a regulatory body. The question of priorities will be a matter for the HEA to decide. The report will however enable the HEA to make a compelling case for additional resources.
- Was the comparison with other organisations based on funding unduly narrow? Mr Comiskey noted that the size of funding (€1.6bn) managed by the HEA was in the top 4-5 States agencies. EY also looked at other agencies such as SOLAS and SFI with smaller budgets. The CEO noted the role of the HEA was broader than funding and this is set to widen as the HEA assumes regulatory responsibilities. These are matters which DPER will have regard to when assessing requests for additional resources.
- What is the assumption on working arrangements post Covid 19? The CEO advised that the SMT will work through arrangements but he anticipated staff continuing to work from home 2-3 days per week.

- What will success look like once this project is complete? The CEO suggested that a key outcome will be the capacity of the HEA to seamlessly provide trusted data to DFHERIS in a manner that does not disrupt the HEA or the HEIs.
- To what extent are staff on board? The CEO advised that he and Mr Mellett will meet SIPTU in the coming weeks. He envisaged it will create more opportunities for staff to progress within the organisation.
- What level of training has been provided or planned? The CEO advised that this has been limited to date, he envisaged a scaling up of training to underpin the change management required. The Chair noted the Finance & Governance Committee had recommended the executive increase its staff development budget.
- Has consideration been given to streamlining the large number of discretionary funding streams? It was noted that a large portion of these calls are outside the HEA's ability to control but that the introduction of the FMS coupled with the centralisation of finance activities would generate efficiencies.
- It was noted that additional resources are also required by the HEIs and it would be beneficial for all if a joined- up approach was taken. The Chair noted the HEA had previously recommended additional funding be provided to the HEIs to enhance their systems to address the recommendations set out in the Deloitte report on Pay and Pensions. However, it was noted that this was a matter for each individual institution, through priorities set by the leadership teams and approved by their Governing Bodies.

**Decision:** Members adopted the EY recommendations and encouraged the executive to develop a business plan and proposal for the additional resources required to implement the EY recommendations.

## 8. OECD proposal for a review of Technological University organisational structures

8.1 The CEO introduced this item noting that the HEA does not have a central role as regards IR matters in the Technological universities. The HEA has taken this step so that a conversation can take place as to the appropriate structure.

8.2 The following points were made;

- The OECD will need to be fully briefed on the current practices and the background leading to the establishment of the Technological Universities, including mergers. The CEO advised that he and Mr Conlon planned to do this. One meeting has already taken place and another is planned.
- The timescale for completing this exercise given the fact that a formal management structure has not yet been agreed for the two TUs currently in



place. Mr Conlon indicated this exercise will take 6 months. It was noted that both institutions are functioning with lines of accountability notwithstanding the absence of formal structures.

- Concern was expressed that the Technological Universities were being expected to scale up their research capacity to compete with the older universities without the necessary resources. The Chair noted that the management structure in the traditional universities has evolved over time with the appointment of new vice presidents for research, EDI etc. New Presidents in these universities have had to work with the structures they inherited. What the TUs required were capable, well trained people who could lead their university.
- The OECD should focus in particular on institutions which were established as a result of mergers and have a mandate to scale up their research capacity.
- The HEA should ensure that training to enhance the leadership capacity of HEIs should be targeted at leadership at the highest level (President, VP level)

**Decision:** Members agreed to the proposal that the HEA should commission the OECD to undertake a review of Technological University organisational structures.

## 9. Correspondence with THEA

9.1 The CEO advised that this matter was at this stage being brought to members for their information, however moving forward it would not be the HEA's wish to have to engage with each individual TU on system wide issues. The HEA has already asked the smaller non-aligned Colleges to act together on certain matters. The HEA may accordingly have a role to play at a future juncture.

**Decision:** Item noted.

## 10. Executive Report

10.1 The following issues were raised;

- The extension of the appointment of President IT Sligo – it was noted that the HEA was consulted in accordance with the statutory provisions.
- HR annual report – it was agreed that this would be considered by the Finance and Governance Committee.
- Expansion of student numbers – the HEIs are seeking approval for an increase in staff numbers to assist with the planned increase in student numbers. Discussions are ongoing with the HEIs and DFHERIS.

- The HEA may have to manage two TU applications over the Summer period, this may necessitate involving staff from Ms Nugent's section as well as those from Mr Conlon's section.
- The increase in staff numbers will necessitate an increase in office space. Mr Mellett has made enquiries with the HEA's landlord in the context of the rent review. Members agreed to support the executive's proposal that additional office space be progressed.
- It was agreed that members will be notified of the new date for the HEA's appearance at the PAC.
- It was agreed to revert back to members in relation to the arrangement whereby the Irish Research Council offers internships to IRC postdoctoral fellows.
- Plans for a return to campus next September. The CEO advised members that DFHERIS has established a working group to progress this.
- The integration of the National Forum for the Enhancement of Teaching and Learning into the HEA. Mr Conlon advised that the matter has been discussed with the DFHERIS and progress in being made.
- What is the HEA's planned approach in relation to the National Strategy on Education for Sustainable Development to 2030? Mr Conlon noted that the HEA has already started work on this. He referenced the public event organized by the HEA last December and advised that a working group will work on the HEA's submission. It was agreed that Dr Lillis, Mr Ó Móráin and Dr Ramsey will be consulted in the preparation of the HEA's submission.

**Decision:** Item noted.

## 11. Members only session

No items to report.

## Next Meeting

8<sup>th</sup> June 2021

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Chairperson

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Date