

**An Roinn Breisoideachais agus Ardoideachais,
Taighde, Nuálaíochta agus Eolaíochta**
Department of Further and Higher Education,
Research, Innovation and Science



Ms Sarah Cremin
Committee Secretariat
Committee of Public Accounts
Leinster House
Dublin 2

Your ref: S0628 PAC33

6 December 2021

Dear Ms Cremin

I refer to your correspondence of 22 November in which the Committee requests information on details of capital funding being withheld from the University of Limerick (UL), pending assurances from it in relation to capital management procedures.

Against the background of governance concerns relating to the acquisition by UL of a site in Limerick city centre in 2019, and following consultation with the Higher Education Authority (HEA), I took the decision in July of this year to pause the payment of the 2021/22 core devolved capital grant to UL. The payment was paused pending the provision of assurances by UL to the HEA on its capital governance processes. I did authorise payment of a smaller capital funding allocation to facilitate an increased student intake in September last and to procure additional laptops for students in the current academic year.

For context, the devolved capital grant provides higher education institutions with flexible capital funding that allows them to progress small scale capital works and to procure equipment, including ICT equipment. An expanded devolved capital grant of €40 million for the sector was allocated for the 2021/22 academic year. The core model for allocation of the devolved capital grant across institutions is based on weighted student numbers. As mentioned, for the 2021/22 academic year, additional funding was provided to allow institutions to make investments to support the creation of additional student places and, where required, to procure additional laptops that could be provided under loan schemes to disadvantaged students.

The total grant amount calculated for UL for 2021/22 was €2,447,809. €757,809 was approved for release in August to support time sensitive payments relating to additional places and ICT supports for disadvantaged students, with a decision on the balance currently pending.

The HEA has had a number of engagements with UL in relation to governance issues over recent months. Following a meeting in August, it was agreed that the UL Governing Authority would undertake a process which would provide the HEA with assurances that

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the Governing Authority was satisfied that the governance improvements instituted during the lifetime of the current Authority were functioning as intended and were subject to regular and robust checks. A report detailing the governance assurance processes undertaken by the Governing Authority since 1 December 2017 has now been submitted to the HEA. I am currently considering the position with regard to the balance of the devolved capital grant in light of the assurances provided to the HEA.

The report of the review in relation to the purchase of the Limerick city centre site has not yet been finalised; however, the Governing Authority has confirmed that it will act to address any issues, findings or recommendations that are highlighted by that review in due course.

I trust the above provides an update to the Committee in relation to this issue.

Yours sincerely

Jim Breslin
Secretary General