

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

Future Funding for Higher Education
THEA opening statement

February 2022

Chairman, members of the Joint Committee, on behalf of THEA I appreciate this opportunity to discuss future funding for higher education: I also commend and refer members to our earlier written submission.

This is the critical conversation. An agreed sustainable funding approach is the essential prerequisite for a healthy system of higher education.

Minister Harris has signalled an openness to a reduction in the student contribution. Members will recall that THEA advised against any increase in the contribution and argued against the introduction of student loans. The arguments were made on grounds of sustainability but also because our experience was that the contribution was proving a barrier to access for individuals and families.

However, in introducing this topic, the minister has signalled the opening to the future funding debate. With the student contribution capped or even reduced; the employer contribution having reached the 1% and realizing a billion in available funding; the only advance can be in the direct exchequer investment in higher education.

This points to prioritization. Ireland has many assets: we are well located, anglophone, enjoy a temperate climate, and a stable democracy. But our greatest asset, and our native genius lies in our people. Investing in human capital is critical to our wellbeing, our culture, and our future prosperity.

As Minister Donohue stated recently:

Our Further and Higher Education and Research systems represent a critical national asset which can be an engine for economic growth and support the future success of our citizens¹.

The major challenge remains; determining a sustainable solution for the funding of higher education at a level that can support the demographic demands and meet the ambitions laid out for the sector. The transformation to technological universities is the biggest educational change of our times. We have an excellent design, a commendable ambition, willing and talented staff; let's match that with the necessary and sustained investment.

As we state in our submission, our system is a critical national asset; it needs to be prioritized for

¹ Speech ibec, 24 January 2022.

direct and sustained investment as it will repay this greater economic activity and in the enhanced wellbeing of our citizenry.

The lack of sustainable core funding is becoming increasingly obvious in the area of research and innovation, where time-limited capacity-building funding is being used to support initiatives that would more sustainably be funded from core. THEA has repeatedly stated that the R&I allocation through the Recurrent Grant must increase initially to 5% of total Recurrent Grant as was recommended by a HEA Review in 2017, rising to the 10% allocation as is the case in the traditional universities.

The recent announcement on a capital programme of €450m over four years is welcome; it comprehends both FET and higher education and we urge continuation of this investment to ensure the ability of the sector to satisfy the ambitions as referenced.

The increase in student numbers is creating an unprecedented demand for suitable, affordable student accommodation which has been exacerbated by the wider societal housing need. TUs have long sought access to the borrowing framework; the investment metrics have changed and direct government investment and reform of the cost-rental model is required.

A further challenge relates to the learnings from Covid-19. Students appreciated flexibility and the ability to learn online, and access lectures. The NextGenerationEU package and our resulting National Recovery and Resilience Plan emphasise the power of the latest digital and online technologies. This digitization challenge has been a consistent feature of recent THEA Budget submissions.

Covid has highlighted inequalities in terms of housing, income, and cultural capital. Students shouldered more than a fair share of the impact. Considerable support was furnished by government and is acknowledged. The lesson is that we need to build additional capacity and resilience in our caring services with a view to providing more comprehensive and equitable support for learners.

The publication last week by the HEA of the Deprivation Index Scores provides a rich data set that should be mined to inform policy making and targeted investment. This is revealing about the character and added value of the technological sector. The overall deprivation index score for our

member institutions is -1.3 compared to a national average of 2.0. THEA member institutions represent 8 of the 11 HEIs with the highest proportion of students from disadvantaged areas. The data also shows that our member institutions have a distinctively local geographic footprint in terms of student profiles, that they serve their regional local community and provide access to higher education to some of the country's most socio-economically disadvantaged areas. This has consequences for pedagogy and both learning and pastoral supports and needs to be reflected in the funding model.

In any given academic year, up to half of all first-year entrants have gained a place on a basis other than Leaving Certificate attainment acquired in that year and our advanced entry agreements with the FET sector maximise the potential of those entry routes for students. In 2020-21, 25% of students from institutions represented by THEA are enrolled part-time compared to 17% in other institutions. Some 12% of students are registered as 'remote' compared to 3% in other institutions. These figures highlight an issue more prevalent in our institutions than elsewhere. Students facing particular challenges - due to lower prior attainment, or attendance that is not full-time - frequently benefit from additional teaching / learning support, or additional time to complete their studies.

The total number of students enrolled in THEA member institutions increased by 23.7% from 2014/15 to 2020/21 compared to an increase of 15.6% for other institutions. Data available to the D/FHERIS show that despite the focus in technological higher education sector on small group teaching and focussed support for students with lower prior attainment, the student staff ratio in these institutions has, for more than 10 years, been significantly higher than in other higher education institutions. Notwithstanding, the most recent analysis of completion rates demonstrates a comparative success.

To summarise therefore, we advocate for increased direct exchequer investment commensurate with the ambitions for the system. We believe that the current funding model does not adequately address the diversity of needs. There is insufficient weighting for student access, and no weighting for the smaller student groups that our pedagogical model uses to help these students.

Technological universities don't enjoy well-established pipelines of philanthropy and alumni support. At a time, therefore, when higher education is under huge financial pressure, the impact on TUs is even greater and in this formative stage they require targeted support to deliver on balanced economic and regional development and access to education for all.