

**Submission from HECA to the  
Expert Group on Future Funding for  
Higher Education in Ireland**

**Facilitating the continuing and future contribution which  
privately funded colleges can make to Irish Higher  
Education**

**November 2015**

## 1. Introduction

1.1 The Higher Education Colleges Association (HECA) is an association of sixteen privately funded higher education colleges<sup>1</sup>, providing QQI accredited programmes at higher education levels in a flexible, cost effective and focused manner. Some HECA members have been in existence for 40 years, with a well-established and credible tradition of responding to third-level educational needs of full and part time students over this period. The inclusion of these colleges in the development of Government policy responses to the challenges facing Higher Education in Ireland has been and remains a key objective of the association.

1.2 The Expert Group on Future Funding for Higher Education has been tasked with identifying and considering the issues relating to the long term sustainable funding of Higher Education in Ireland and to identify options for change.

1.3 This submission, (i) outlines the current contribution of HECA colleges to Irish higher education, (ii) addresses the capacity challenge to Irish higher education already identified by the Expert Group and, (iii) proposes how HECA colleges can on an equal basis contribute to meeting this challenge.

## 2. Purpose of this submission

2.1 The purpose of this submission paper is to ensure that the recognised and established private higher education sector is an integral part of any new national funding model for higher education.

The inclusion of this sector was envisaged in The National Strategy for Higher Education<sup>2</sup>, which recommended (Recommendation 21):

*In respect of private institutions (independent colleges in receipt of no direct funding), it should be open to the HEA to **commission teaching and learning activity** (our core competency) on an economic cost basis to meet priorities that may be identified within a cluster.  
Independent providers, including those in the 'for-profit' sector should be free to tender for provision on this identified needs basis.*

*Such public funding to these institutions will be allocated through the HEA*

## 3. What we are proposing

3.1 The increase in capacity and funding mechanisms chosen should recognise the entitlement of learners and the imperative of cost effectiveness. Learners on QQI approved courses should not lose their registration fee funding, maintenance grants or disability grants merely because their chosen course is provided by a private college. In this respect it is incumbent on the learner to choose a course within the private sector at no less cost to the State than a similar course in the public sector.

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<sup>1</sup> HECA Colleges: College of Computing Technology (CCT), Dorset College, Dublin Business School, Galway Business School, Griffith College, Hibernia College, IBAT College, IICP Education and Training, Institute of Physical therapy & Applied Science, Irish College of Humanities & Applied Sciences, SQT Training Ltd., Irish Institute of Purchasing & Materials Management, Newpark Music Centre, Open Training College, Setanta College, St. Nicholas Montessori College Ireland.

<sup>2</sup> National Strategy for Higher Education to 2030, Hunt

Alternatively the principle of cost effectiveness can be implemented through a tendering process similar to the Springboard initiative. A Springboard tendering process could be used as advised in the Hunt report to address excess demand situations or skills shortages.

3.2 The Institutes of Technology and HECA Colleges share a similar vision of the type of higher education they provide. This represents awards that are clearly linked to the economic development of the State. As a result, when determining the current contribution of HECA Colleges to Irish Higher Education, this submission concentrates on comparing HECA with the Institutes of Technology, and the significance of HECA's contribution is clear despite being smaller in terms of overall numbers. One of the reasons that continue to limit growth in the private higher education sector, is the fact that students are required to pay tuition fees. However, increases in recent years in the student contribution fee in public higher education have begun to reduce the difference between the private and public sector costs to the learner.

3.3 It is likely from the consultation documents produced by the Expert Group on Future Funding for Higher Education that a contribution from students to the overall costs of their education will continue. But, it is also likely that some level of state subvention will continue to apply to such students.

3.4 In the interests of equity for all learners seeking higher education in the future, it would appear logical that this mixture of support would extend across both public and private provision, and that state subvention would follow the student to whichever programme on which they choose to enrol. HECA would envisage that accreditation of all HEIs to participate in such a new funding model would be adjudicated by the HEA, and would include metrics of success. For example, maintenance of quality (in accordance with QQI standards and guidelines), value for money, and completion rates.

## 4. The ongoing contribution of the Private Colleges sector

4.1 HECA, in a previous submission, and at a presentation to the Expert Group, provided a detailed statistical breakdown of provision in the sector and of its position in Irish Higher Education<sup>3</sup>.

4.2 Headline conclusions from this statistical analysis show:

1. With the development of the National Framework of Qualifications (NFQ), colleges in HECA have moved progressively over the last decade to validate an increasing number of their awards under QQI. This provides the necessary assurance to stakeholders as to the quality of programme design and delivery, and the comparability with state funded HEIs and international benchmarks. Programmes not validated by QQI, accredited by professional bodies make up the bulk of the remaining provision (Fig 1).

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<sup>3</sup> Statistical Profile of Student Population in HECA Colleges (October 2014 period)

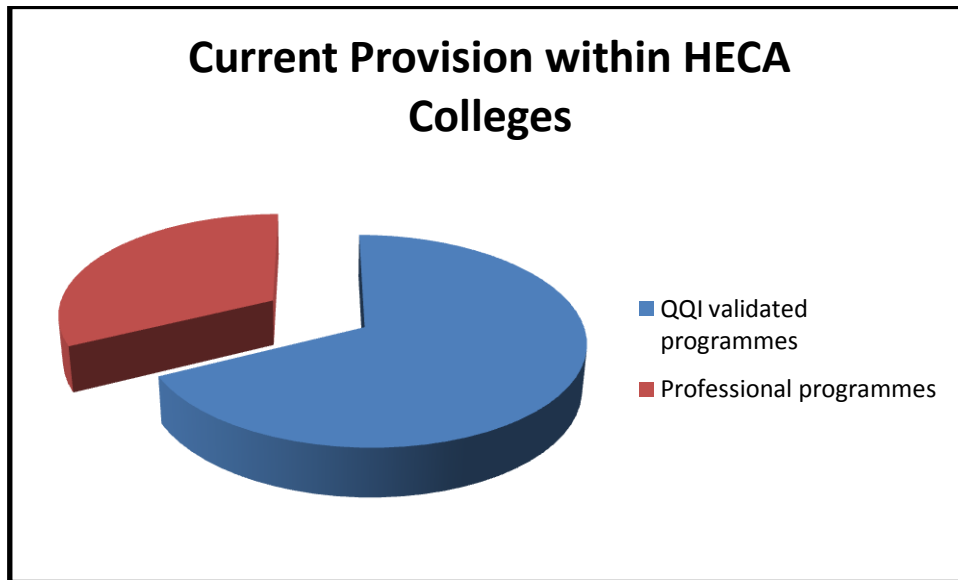


Figure 1. Level of provision of QQI validated programmes in HECA institutions.

2. The HECA<sup>4</sup> college sector is growing. Overall student enrolment on programmes aligned to the NFQ grew to 13,930 by 2014/15.
3. 9,430 students are enrolled on QQI validated higher education programmes;
4. This represents 5% of all taught higher education programmes in Ireland.
5. HECA Colleges account for 9.3% of all taught Postgraduate activity in Ireland;
6. 53% of the undergraduate cohort are mature learners.
7. 70% of the postgraduate cohort are mature learners.
8. This data illustrates the capacity of privately funded colleges to offer specialised programmes and professional instruction in small sized classes, and to rapidly and flexibly respond to the changing requirements placed on higher education and to the evolving demands of those seeking higher education.

4.3 Flexible and credible part-time provision that provides for development of initial knowledge and skills, re-skilling and up-skilling is essential to a developing economy. Much of this type of provision in Ireland is provided by the Institutes of Technology and by the private higher education sector. Both of these sectors offer QQI quality assured qualifications.

Figure 2 below shows that private colleges provide the major portion of undergraduate education and training, while the IoTs provide the bulk of postgraduate education and training.

<sup>4</sup> There are 16 private colleges in HECA

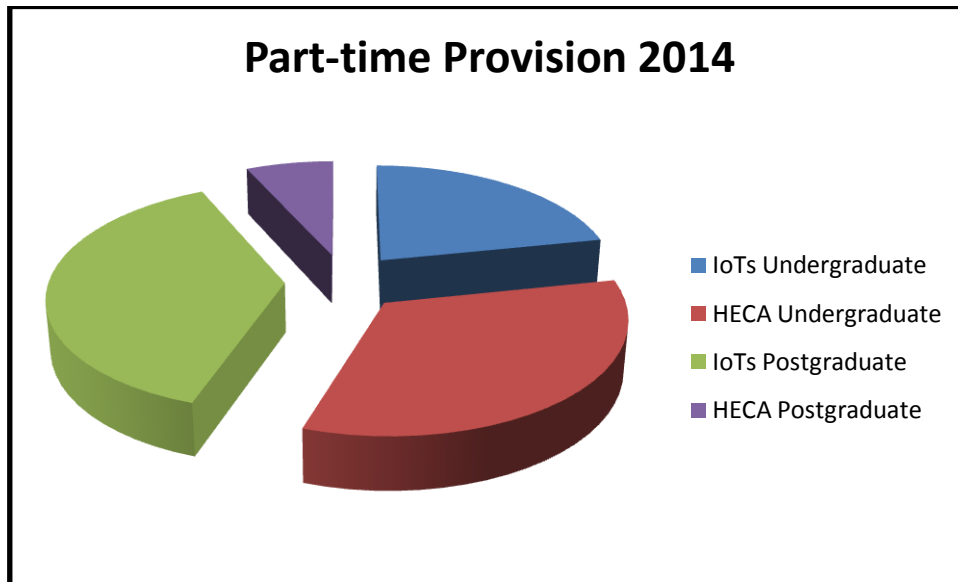
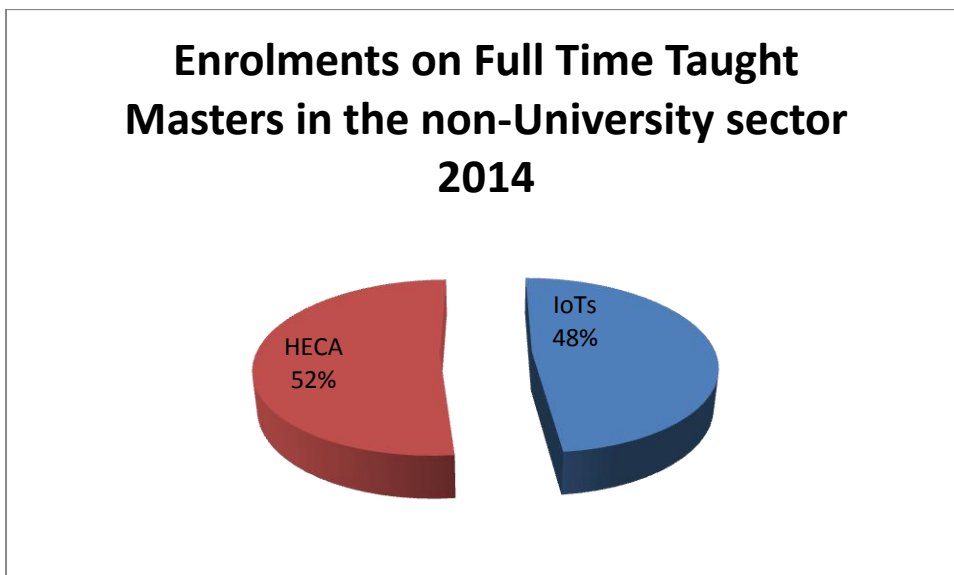


Figure 2. Undergraduate and postgraduate enrolment in part-time QQI validated programmes in HECA Institutions and IoTs.

4.4 Private HEIs currently provide a significant number of Postgraduate and Masters level programmes which address the skills and capacity needs of employers, in areas such as Finance, ICT, Montessori Education, Counselling and Psychotherapy, Law, and Strength and Conditioning. These programmes provide opportunities to people in employment, or seeking to change their employment, to up-skill or re-skill. They are developed by experts in their field who draw on individual professional, and research experience. Many are interdisciplinary or cross-disciplinary, in their teaching approach, facilitate learners to hone transversal skills, such as collaboration, critical thinking, problem solving research, and leadership. It is of note that when compared with the Institute of Technology sector, private HEIs provided more full time taught Masters programmes in 2014 than the entire IoT sector.



4.5 Other innovative examples of how the private sector has contributed well to higher education in Ireland in recent years are:

- The highly innovative Dublin Business School / LIDL Bachelor of Business Retail Management degree programme

- Griffith College Law degrees were the first non-university law degree programmes to be recognised by the Honourable Society of King's Inn in Ireland for the purposes of exemptions. Griffith College also launched the Irish Innocence Project.
- Hibernia College has provided education and qualifications to approximately 35%+ of the Primary level teachers in Ireland.
- Some of the niche programmes provided by HECA Colleges are the only ones of their kind within the country, or for the field of study (for example, areas of Physical Therapy, and Montessori Education)

## 5 The Capacity Challenge within the System

5.1 The National Strategy for Higher Education to 2030 report, together with publications of the Expert Group project that the total demand for higher education will almost double over the next twenty years; with significant growth coming from non-traditional students such as mature students and international students, as well as increased postgraduate activity. The need for lifelong learning, part time - flexible learning, and up-skilling among the workforce will also contribute to growth. Increased demand will be very good for higher education, but it will also bring serious challenges in terms of capacity (e.g. infrastructure, human resource practices, funding streams, modes of learning etc).

5.2 The deterioration in overall capacity within the HE sector has been well documented, and a case for urgent action is supported by the following key pressure points in the system:

- Since the downturn in 2008, the per capita state funding for HEIs has dropped by 25%. Associated with this, has been a drop of almost 30% in the number of staff employed largely as a result of the Employment Control Framework. This is juxtaposed against a 12% growth in student numbers over the period 2008 - 2014.
- In the recent past, HECA Colleges have grown in enrolment and in the number of graduates produced, with 46,358 graduates across higher education levels 6 - 10, between 2010 - 2015<sup>5</sup>. This is underscored by the fact that, although Ireland has one of the highest participation rates in Higher Education within the OECD, the number of applicants who did not get a place between 2008 and 2014 has increased by 15%.
- Given the upcoming increase in applications for Higher Education in Ireland to 2030, it is clear that the public sector alone will not be able to cope with predicted increasing demands.
- The scale and pace of public funding reductions means that some of Ireland's higher education institutions are now falling into deficit;
- Overcrowded and mixed quality facilities—such as lecture halls, classrooms and libraries—arising from increased student numbers in a context of limited investment and a shortage of income for maintenance of capital stock;
- Further increases in student numbers due to demographic growth is likely to result in a 29 per cent increase by 2018;
- Increasing ratio of students to staff resulting in ever larger classes;
- High non-progression rates in parts of the higher education system;
- Growing pressure on student support funding, leading to reduced resources available to support maintenance and living costs;
- The significant reduction in higher education grant supports for postgraduate students, creating the real risk that the social class gradient that once characterised all of higher education could reappear at postgraduate level;
- Increased need for life-long learning, part-time and more flexible higher education, which is still not sufficiently supported within Ireland's system of higher education funding.

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<sup>5</sup> QQI Statistical Graduate QBS information

5.3 An analysis of CAO<sup>6</sup> new entrants figures over the period 2008 - 2014, reveals that since the onset of the economic downturn in 2008 the number of CAO applicants who did not receive a place in a HEI increased from **26,692** in 2008 to **31,400** in 2014, this despite the fact that the overall number of acceptances of a college place over the same period grew by **4,885**.

5.4 An examination of demand and supply curves over the period from 2008 (Figure 4) indicates a system in stasis as an average of 39% of applicants each year fail to get a place.

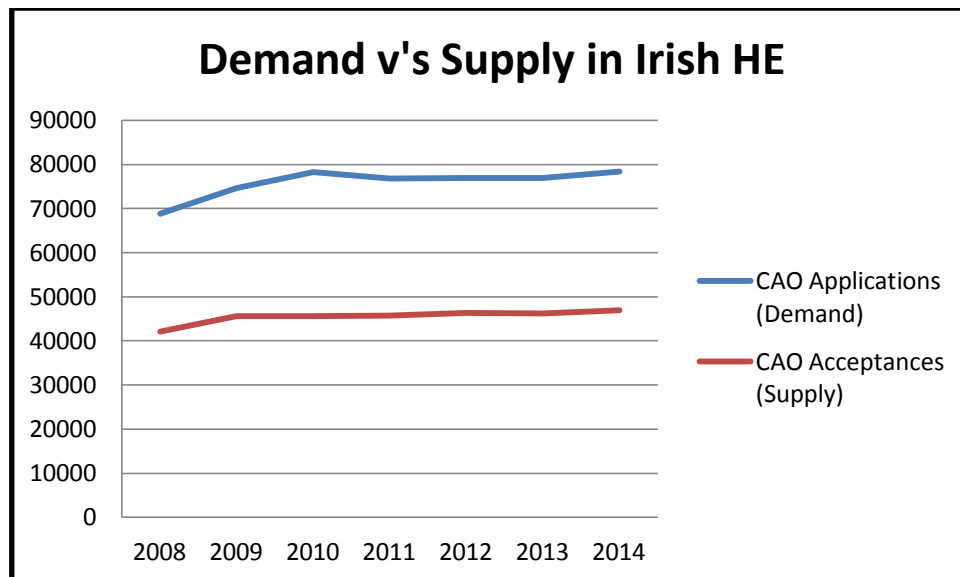


Figure 4. Demand and supply trends in Irish Higher Education 2008 – 2014

## 6. How HECA Colleges can Contribute to Meeting the Challenge

6.1 The contribution that HECA Colleges make to Irish higher education is not inconsiderable. In order to replicate current HECA provision, the State would have to open a minimum of three medium sized IoTs. In addition, HECA Colleges provide 25% of the total part time places available between HECA and the IoTs. This is significant, particularly when it is taken into account that a majority of HECA Colleges are located in Dublin.

6.2 It is also worth noting that HECA Colleges play a significant role in providing opportunity for mature applicants. Some 53% of HECA colleges' students on undergraduate programmes, and 70% of HECA colleges' postgraduate students are mature students (over 23 years of age). This contrasts with an average undergraduate and postgraduate enrolment in the Institutes of Technology of 33%.

The National Strategy for Higher Education report also highlights the importance of flexible Adult Education and Lifelong Learning....

*Over the coming years, the demand for higher education opportunities from the adult population will increase. Their needs can be met only by an increase in flexible learning opportunities, part-time provision, work-based learning and short, intensive skills programmes. To ensure greater flexibility and responsiveness from the higher education system, flexible learning will need to have full parity within Irish higher education funding policy, and this would begin the broader transformation that is urgently needed in the responsiveness and accessibility of higher education to the needs of adults in the labour force.*

<sup>6</sup> CAO Annual reports - [www.cao.ie](http://www.cao.ie)

The figures highlighted above indicate a capacity deficit that public higher education will find extremely challenging to satisfy. If we are to address increasing population levels, increased application for higher education and constrained funding into the future, then it is clear that private higher education institutions will need to play a more significant role.

HECA institutions welcome such a challenge. Our view is simple. Funding should follow the student. Once learners have a guarantee that the higher education awards they seek are fully quality assured under QQI, and HEA have endorsed that a provider is eligible to accept such students, then learners should be able to choose the programme that best suits their needs. Ability to participate should be competitive and involve both public and private institutions making a bid to the HEA for the number of students they propose to accommodate. Continued participation could be contingent on meeting clear and agreed objectives and outcomes.

6.3 This is not a novel proposal. A good precedent of what is being proposed is present in the **Springboard Programme**. This government initiative is managed by the HEA on behalf of the Department of Education and Skills. It provides thousands of free part-time education programmes (at Levels 6 to 9) and training opportunities in 42 public and private educational institutions nationwide for people who are actively seeking employment or who are in employment and are seeking to upskill to technical positions in the area of ICT.

6.4 The HECA Colleges viewed the **Springboard and ICT Conversion initiatives** as an opportunity to demonstrate their commitment to contribute and respond in the national interest. This scheme sets a good precedent in terms of state funding for higher education programmes, allocated for the first time to the independent colleges sector. HECA Colleges have excelled in provision of these funded programmes with a high focus on quality, excellent levels of student support and responsiveness, and impressive rates of graduate progression to the job market. Private provider institutions have experienced increased funding allocations year on year over the life cycle of these initiatives (Table 1)

Year	Total HEA approved numbers	HEA approved numbers (Private Providers <sup>7</sup> )	% success by Private Providers
2013/2014	6103	1945	32%
2014/2015	6059	2878	47%
2015/2016	9054	4044	45%

Table 1. Success of Private Providers in securing Springboard funding

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<sup>7</sup> Private providers in this case includes a number of non HECA members



## 7. Conclusion

7.1 HECA Colleges have evidenced their capacity to deliver accredited programmes, underpinned by quality assurance processes which have been accredited by QQI. The stated strategy of all the HECA Colleges is to increase student capacity, achievable through onsite and online provision.

Some colleges have focussed on niche disciplines, complementing the activity within State-aided institutions, while others have grown to numbers which match, if not exceed, many of the State-aided institutions. The hallmark of each college has been a very clear demonstration that the commitment to deliver a quality student learning experience is not compromised by sustainability of its business model. They, of their nature, have shown themselves nimble in response to demand increases and fluctuations.

7.2 The private sector colleges can assist in meeting the national capacity challenges. It shares the concerns of the Expert Group to present realistic and sustainable solutions to Government to address these challenges. Its role is complementary to State-aided institutions its provision hallmarked by key principles such as quality, industry-relevant programmes, an innovative and flexible approach, positive student experience, and an efficient and cost-effective approach providing value for money for the State.

7.3 HECA Colleges are committed to working with all stakeholders to address the challenge of increasing capacity of higher education in Ireland.

7.4 HECA Colleges, with appropriate public policy supports, are determined to work in partnership with Government and State-aided institutions to ensure the right response is delivered to those aspiring to higher education.

7.5 HECA is requesting the Expert Group to recognise the imperative of equity in the treatment of all learners (public and private) in order to improve the overall learning experience, in a modern, learning environment with increased capacity.