Briefing Paper
for the Northern Ireland Assembly’s
Committee for Employment and Learning

“Impact of Higher Education in Northern Ireland”

24 November 2010
Executive Summary

1. There is a consensus that higher education is a key contributor to the Northern Ireland economy. In an uncertain economic climate, the need for continued investment in higher education is crucial if Northern Ireland universities are to maintain their competitive advantage across these islands, help to underpin the local economic infrastructure and support the strategic priorities set out in the Programme for Government.

2. Universities UK (UUK) estimates that higher education has a direct multiplier effect on job creation and that for every £1m of university output a further £1.38m is generated in other sectors of the economy. In Northern Ireland the multiplier effect can be seen in two ways: both universities lever funds additional to their direct government grant, with Queen's leveraging an additional £166, and the University of Ulster an additional £119, for every £100 of direct grant. Furthermore, both universities generate additional economic activity beyond their core income: from a combined income of almost £500m, Queen's generates an additional £400m and the University of Ulster an additional £275m in economic activity.

3. Higher education also contributes to our skills base through the education of undergraduates and postgraduates. Entrepreneurship and employability skills are key attributes of the Queen's student experience and are embedded in the curriculum across the University: 93% of Queen's graduates are in employment or further study six months after graduation.

4. The entrepreneurial spirit is evident in our success in translating ideas into commercial product. Queen's spin-off companies have created over 1,000 high value jobs and have a collective turnover in excess of £100m annually, with over 90% of output being exported. The Knowledge Transfer Centre at Queen's is now the most successful in the UK. Successful collaboration with the University of Ulster in the Northern Ireland Science Park and through 'NISP Connect' has established a model to promote innovation and business expansion in high-tech industries. Queen's has also attracted major investment from the global corporate sector to bring money and jobs to Northern Ireland.

5. Healthcare touches everyone and is inextricably linked with economic development. Major investment in the new Health Campus is bringing about transformational change: in addition to the Medical School, Queen's has opened Centres for Cancer Research and Cell Biology, Vision and Microvascular Sciences, and Excellence in Public Health. These developments connect scientific discovery in research laboratories with clinical trials and ultimately, the delivery of new treatments and patient care. The creation of Queen's Sub-Deaneries in each of the Health Trusts will ensure that medical education is provided in partnership with hospitals and healthcare providers across the whole of Northern Ireland.

6. These achievements are built on a foundation of academic excellence and advanced through a commitment to inspire participation. As a magnet for talent, Queen's encourages the brightest and best amongst our young people to stay in Northern Ireland, while attracting the brightest and best from across the world to study and work here. Queen's delivers on its commitment to widening participation and student retention levels are above the national average.

7. These successes are important, but Queen's remains committed to continuous improvement. Realising the full benefits of higher education will only be achieved, however, if Northern Ireland maintains levels of investment in higher education. Given current budgetary pressures this may require a rebalancing of the graduate and taxpayer contribution.
Impact of Higher Education in Northern Ireland

1. Introduction

1.1 Growing a dynamic, innovative economy has been highlighted as a primary focus of the Northern Ireland Executive Programme for Government and Budget. The programme states:

*Our primary focus over the lifetime of this Programme for Government will be on growing the economy. Sustainable economic growth and increased prosperity will provide the opportunities and means to enhance quality of life, reduce poverty and disadvantage, increase wealth, health and wellbeing and build stronger, more sustainable and empowered communities.*

1.2 In being shortlisted for the University of the Year in 2007, the Sunday Times University Guide said that *no other university in the UK has had such a direct influence on the region it serves* and described Queen’s as a casebook study of how a university can help drive the regeneration of the region in which it is located.

1.3 Queen’s University welcomes the invitation to meet with the Employment and Learning Committee and this brief paper highlights the benefits to the region of an outstanding higher education sector and how universities can help drive regeneration. On entering an uncertain funding climate, it is important to highlight the need for continued investment to protect and enhance the higher education sector in Northern Ireland, recognising that the two universities play a critical role in achieving the goals set out in the Programme for Government.

2. Impact of Higher Education on the Economy

2.1 The role of higher education in the economy, through innovation and knowledge exchange to the wider society, is regarded as vitally important for economic development and growth. A recent Universities UK\(^1\) report states that:

*At a time of global economic crisis governments across the world are looking to their universities to support national and regional economies, through the development of new ideas, products and services from research as well as through continuing to raise the education levels of citizens and increase the national capacity to innovate and adapt.*

2.2 The reports adds that, in the UK, it is increasingly recognised that the higher education sector forms a core part of the economic infrastructure, generating employment and output, attracting export earnings and contributing to the gross domestic product (GDP). In the current economic climate, the strength of the HE sector and its effectiveness in generating economic activity has become all the more important. In addition to its direct output and employment, universities’ expenditure generated additional output and employment in other sectors of the economy through secondary or ‘knock-on’ multiplier effects. The UUK report estimates that for every 100 full-time jobs within a university, more than 100 other full-time equivalent jobs are generated through knock-on effects and for every £1m of university output a further £1.38m is generated in other sectors of the economy.

2.3 In Northern Ireland, the two universities have a combined income of almost £500m (details provided in Table 1). Based on the research by UUK, Queen’s contributes an additional £400m and the University of Ulster £275m to the local economy through the multiplier effect. In terms of employment, the two universities provide 6,500 jobs, and generate a further 6,500 in Northern Ireland. Thus Higher Education is a major player in supporting and sustaining employment in the region. A significant proportion of this employment is generated in the construction industry, with Queen’s having invested an average of £35m per annum over the last five years in its capital programme with major projects such as the McClay Library providing much needed support for construction.

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\(^1\) The impact of universities on the UK economy - 4th report Universities UK November2009
Table 1 Key Financial and Staffing Figures for NI Universities 2008-09

<table>
<thead>
<tr>
<th>Type of Income</th>
<th>Queen’s £m</th>
<th>UU £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding body grants</td>
<td>109</td>
<td>92</td>
</tr>
<tr>
<td>Tuition fees &amp; education contracts</td>
<td>60</td>
<td>46</td>
</tr>
<tr>
<td>Research grants &amp; contracts</td>
<td>60</td>
<td>21</td>
</tr>
<tr>
<td>Other income</td>
<td>52</td>
<td>42</td>
</tr>
<tr>
<td>Endowment &amp; investment income</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL INCOME</strong></td>
<td><strong>289</strong></td>
<td><strong>202</strong></td>
</tr>
<tr>
<td>Total Number of Staff</td>
<td>3,476</td>
<td>3,063</td>
</tr>
</tbody>
</table>

Source: Higher Education Statistics Agency (HESA) 2008-09

2.4 The ability of universities to lever further income in addition to core government funding is an important characteristic of a strong higher education sector. The two universities lever almost £300m in addition to core funding, with Queen’s attracting £166 per £100 of core funding and the University of Ulster £119 per £100.

3. **Impact of Queen’s**

**Supporting the Skills Base**

3.1 In today’s challenging economic climate, regions such as Northern Ireland must identify and build on their strengths if they are to emerge from recession as a strong global player. A clear strength of Northern Ireland is its people and their talent. Northern Ireland must, therefore, retain and develop that talent and build on its reputation as a region that values and invests in this most important asset, human capital.

3.2 Queen’s makes an immense contribution to the skills resource and economic capability of Northern Ireland through the education of undergraduates and postgraduates in both vocational and non-vocational subjects. Many of the skills fostered and developed in our students not only underpin and encourage self-development and personal fulfilment, but are transferable and relevant to serving the needs of an adaptable, sustainable, knowledge-based economy at local, regional and national levels. Providing high quality graduates and ensuring an outstanding student experience remain key priorities for Queen’s. The importance of protecting and maintaining that skills base cannot be overestimated. A number of recent major inward investment announcements have cited Northern Ireland’s talent pool and highly skilled graduates as the main reason for investing in the region. In explaining CitiGroup’s decision to invest in Northern Ireland, their Chief Executive Officer stated that it was the quality of graduates and their loyalty to Northern Ireland, which underpinned such a compelling case for investment.

3.3 Entrepreneurship and employability are key themes of the student experience at Queen’s and are embedded in the curriculum across the University. David Gibson of Queen’s University Management School, was named one of the top three enterprise educators in the world by the United States Association of Business Educators. He is the first person in Europe to receive this honour which recognises his work introducing entrepreneurship education (or the “E-factor” as he calls it) into all courses at Queen’s. Now ALL undergraduate students arriving at Queen’s this autumn will receive not only their degree certificate when they graduate, but also a Queen’s Certificate in Entrepreneurship Studies. This model of enterprise teaching has been adopted by the European Training Foundation to enhance the employability of graduates right across the EU.
3.4 The Students' Union at Queen's is committed to supporting the enterprise agenda. Enterprise SU is a dedicated space in the Union building which regularly hosts CV workshops, interviews skills sessions and social enterprise events. It also hosts talks from entrepreneurs and business leaders (many of whom are Queen's alumni) and links to other local or national initiatives such as the Head Start programme or Belfast City Council's "My Wok Rules!".

3.5 The University's investment in entrepreneurship is continually reflected in the achievements of its students. For example, three students have recently developed an innovative patio heater aimed at reducing harmful carbon emissions. Collectively known as My Ecosy, the trio scooped the $25,000 prize in the VT KnowledgeWorks Global Student Business Challenge in Virginia in the United States.

3.6 The Times Higher Education awarded Queen's the prestigious 2009 'Entrepreneurial University of the Year' title last Autumn. In awarding the title, the judges provided the following feedback: Entrepreneurship was evident and embedded in every part of Queen's University Belfast, from its leadership through to its teaching and student impact. It demonstrated excellence in all areas of the award: strong leadership at all levels; tremendous engagement with students in a diversity of learning opportunities; and a clear, tangible impact on staff, business and the local community.

3.7 Ensuring the employability of students remains a key priority at Queen's, with work experience now embedded in many undergraduate and postgraduate programmes. Examples include the undergraduate degree programme in Actuarial Studies, with students spending the third year of the programme with an appropriate company, and the Masters in Legislative Studies and Practice, which includes work experience in the Northern Ireland Assembly as an integral part of the programme. The support of the Assembly Commission is gratefully acknowledged.

3.8 Recent figures from HESA indicate the success of the Queen's investment in employability. The employment indicator (provided in Table 2) is based on the Destinations of Leavers from Higher Education (DLHE) survey. The most recent indicator relates to the survey of students, six months after their graduation, in 2008-09.

Table 2 Employment Rates by University 2008-09

<table>
<thead>
<tr>
<th>Institution</th>
<th>No. First Degree Graduates</th>
<th>No. Respondents</th>
<th>No. in Employment or Further Study</th>
<th>% in Employment or Further Study</th>
<th>% Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Queen's</td>
<td>2,610</td>
<td>2,175</td>
<td>2,030</td>
<td>93.4</td>
<td>92.1</td>
</tr>
<tr>
<td>UU</td>
<td>3,410</td>
<td>2,620</td>
<td>2,345</td>
<td>89.5</td>
<td>90.0</td>
</tr>
</tbody>
</table>

Source: HESA 2008-09

Supporting Innovation, Wealth Creation and Inward Investment

3.9 Queen's has a long established strategy of fostering an entrepreneurial culture and promoting the successful transformation of good research into good business through innovation and commercial development. In December 2009, the University's venture spin-out company, QUBIS Ltd celebrated its 25th anniversary. QUBIS companies currently have an annual turnover in excess of £100m and sustain 1000 high value jobs in Northern Ireland. Some 90% of QUBIS companies' products and services are exported. Despite the economic downturn, QUBIS has created five new high-tech companies in the last three years. One of the most successful spin-out companies is Andor Technology plc. Andor was set up in 1989 and now employs over 260 people in 16 offices worldwide and distributes its products to 10,000 customers in 55 countries. Andor was admitted to AIM (the London Stock Exchange's Alternative Investment Market a global market for smaller, growing companies) in December 2004, and has now surpassed market capitalisation of £100m.

3.10 Small and medium sized enterprises (SMEs) in Northern Ireland have benefited considerably from technology transfer, whereby the research and knowledge within the universities is transferred to business with a view to developing commercially viable products or services. The Knowledge Transfer Centre was established at Queen's in 1993 to provide a focal point
for the promotion and support of knowledge transfer activities, in particular to increase the involvement of SMEs with the University, by developing collaborative projects through Knowledge Transfer Partnerships (KTPs). KTPs allow young graduates to be employed by business, but continue to be supervised by academics from the relevant university department, providing a very useful bridge between academic departments and businesses, and facilitating the transfer of expertise from the universities and colleges to the private sector. There are currently 70 KTP programmes in NI: 40 are led by Queen's, 17 by UU and 13 by the Further Education Colleges.

3.11 The following two examples demonstrate the value of successful Queen's KTPs:

- Macrete ‘Flexi-Arch’ bridge, developed as a result of a KTP partnership between the company and the School of Planning, Architecture and Civil Engineering. The company has seen a boost in profits of over 11% and the establishment of new export markets. The bridge was displayed as a key exhibit in the UKTI UK Innovations event in Shanghai in September 2010.

- A partnership between Queen’s University's Polymer Processing Research Centre and Mallusk-based Canyon Europe Ltd., a manufacturer of trigger sprayers and dispensers, helped boost turnover from £9.5m to £12m.

3.12 Queen's also works in partnership with the larger companies in Northern Ireland, such as Bombardier, Wrightbus, FG Wilson, Randox and Almac, all of whom value the University's research strengths and mention them as a key factor in their continued commitment to investment in the province. The current development of the Northern Ireland Advanced Composites Engineering Centre, a collaboration between Queen’s, UU and Bombardier is just one example.

3.13 It is stated in the Regional Innovation Strategy “Think/Create/Innovate”\(^2\) that a modern, competitive economy is driven less by natural resources, physical capital and low-skill labour, and more by the access to, and quality of, knowledge within a region. In Northern Ireland, the universities are the main source of knowledge as they constitute a significant element of the research activity in the region. Queen’s acts as a magnet for inward investment and is central to the development of a sustainable high-technology industrial base in Northern Ireland.

3.14 Queen’s and University of Ulster are co-founders of the Northern Ireland Science Park (NISP). The recent development of the NISP ‘Connect’ Programme encourages innovation and enables fledgling companies from the universities and beyond to avail of the much needed support in services and finance to underpin company growth.

3.15 Research undertaken by the universities has a critical role to play in inward investment. If Northern Ireland is to be successful in attracting and retaining hi-tech, high-value inward investment, then it is essential that a high priority is given to protecting the existing skills base and ensuring that Northern Ireland has the internationally recognised research infrastructure it needs. Investment follows excellence and companies at the cutting edge want to be located close to centres of excellence.

3.16 Three examples from Engineering and Physical Sciences where Queen’s has attracted significant inward investment are:

- Selection as the UK Innovation and Knowledge Centre for Secure Information Technologies (CSIT) in a £30m award, led by Professor John McCanny, to the University’s Institute for Electronics, Communications and Information Technology (ECIT), the anchor tenant on the NISP.

- Securing a £7.5m investment from Seagate Technologies to the School of Mathematics and Physics to establish ANSIN - a thriving new international research hub underpinning major advances in computer hard drives, new and improved sensors and a host of advanced coatings.

\(^2\) Think/Create/Innovate The Regional Innovation Strategy for Northern IrelandDepartment for Enterprise, Trade and Investment, 2003
• Securing a £6m research contract from Petronas, the Fortune 500 oil and gas corporation owned by the Malaysian government, to further enhance the world-leading research undertaken in Queen’s University Ionic Liquid Laboratories (QUILL).

3.17 Both universities demonstrate continued success in high quality research activity and in securing significant research funding. Table 3 below provides a breakdown of research income secured by the two universities in 2008-09. It is important to highlight the success of the universities in terms of using core research funding to lever additional funds. Queen’s, with core government funding for research of almost £33m in 2008, secured a further £59m, equating to £181 for every £100 of government funding, while the University of Ulster, with £17.5m of core research funding, secured a further £20m, equating to £119 for every £100.

Table 3 Queen’s and UU Research Grants and Contracts by Source of Funding 2008-09

<table>
<thead>
<tr>
<th>Source of Funding</th>
<th>Queen’s £m</th>
<th>UU £m</th>
</tr>
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<tbody>
<tr>
<td>Total BIS Research Councils, Royal Society &amp; British Academy</td>
<td>14.7</td>
<td>6.1</td>
</tr>
<tr>
<td>UK-based charities</td>
<td>7.2</td>
<td>1.6</td>
</tr>
<tr>
<td>UK central government bodies/local authorities, health &amp; hospital authorities</td>
<td>19.6</td>
<td>7.9</td>
</tr>
<tr>
<td>UK industry, commerce &amp; public corporations</td>
<td>2.9</td>
<td>0.4</td>
</tr>
<tr>
<td>EU</td>
<td>7.2</td>
<td>3.2</td>
</tr>
<tr>
<td>Other sources</td>
<td>7.7</td>
<td>1.4</td>
</tr>
<tr>
<td><strong>TOTAL RESEARCH GRANTS &amp; CONTRACTS</strong></td>
<td><strong>59.3</strong></td>
<td><strong>20.6</strong></td>
</tr>
</tbody>
</table>

Source: HESA 2008-09

Supporting Healthcare in Northern Ireland

3.18 Healthcare touches everyone and is inextricably linked with economic development. In some areas, improved healthcare outcomes can stimulate economic development, and then economic development is a pre-requisite to support healthcare development.

3.19 The Programme for Government recognises that Northern Ireland’s general health record is not good. Death rates from coronary heart disease and some cancers are amongst the highest in Western Europe, while life expectancy is lower than many other developed countries and disability rates are higher. Northern Ireland falls behind the rest of the UK in terms of its higher than average waiting lists for certain services. With such a poor health record it is not an option for Northern Ireland to do nothing when it comes to investigating the factors underlying illnesses such as cancer and coronary heart disease, and developing innovative new treatments. Equally important is the provision of a high quality student experience for the region’s future healthcare professionals and scientists.

3.20 The School of Medicine at Queen’s deservedly enjoys a distinguished reputation at home and abroad. Significant investment and restructuring in recent years has created a combined School of Medicine, Dentistry and Biomedical Sciences - an innovative collaboration that will create a Health Sciences Campus focused on becoming a global player in medical and biomedical research, teaching and compassion in quality patient care. The mission envisages truly transformational change in healthcare. One of the world’s renowned experts in cancer research, Professor Patrick Johnston, is driving this change.

3.21 Medical Research Centres recognised externally for the quality of their work include:

• The Centre for Cancer Research and Cell Biology (CCRCB) is recognised as a Centre of Excellence by both Cancer Research UK and the National Cancer Institute (USA). Partnership with the Belfast Clinical Cancer Centre establishes Northern Ireland as one of the key cancer centres nationally and internationally. Most importantly, it plays a major role in translating scientific breakthroughs into improved cancer patient care – connecting
scientific discovery in the laboratory through clinical trials to treatment at the patient’s bedside.

- The Centre for Vision and Microvascular Sciences, which was recently awarded £4.8m from the Wellcome Wolfson Trust, builds on Queen’s heritage as one of the foremost clinical centres for the treatment of chronic eye disease.

- The £5m UK Centre of Excellence in Public Health funded by the Research Councils UK provides the evidence base for policy and other interventions to improve public health in Northern Ireland and beyond.

3.22 Queen’s values its partnerships with hospitals and healthcare providers across Northern Ireland. In order to further develop and enhance these partnerships, the University is introducing a Sub-Deanery structure in each of the Trusts. The purpose of these Sub-Deaneries will be to co-ordinate and implement the delivery of the undergraduate clinical educational programme across Northern Ireland. The creation of these Sub-Deaneries, and their visible partnership with the Medical School, will ensure that the NHS providers, Trusts and NHS consultants across Northern Ireland, who contribute significantly to healthcare education are valued and recognised. The Sub-Deaneries will be based at Altnagelvin, Antrim, Craigavon, Ulster, Royal and City Hospitals.

**Inspiring Participation and Progression**

3.23 The University is acutely aware of the need to ensure a high quality university education is accessible to all Northern Ireland citizens. For this reason the University is fully committed to ensuring widening participation and working with local primary and second level schools to raise the aspirations of children from areas with a tradition of low participation rates in higher education. Discovering Queen’s is just one of over a dozen initiatives over the past decade through which we have engaged and inspired 20,000 pupils to consider higher education as an achievable goal.

3.24 It is important to highlight that providing a world class educational experience and widening access are not conflicting objectives. The evidence suggests that Queen’s is delivering on its commitment to widening participation - 41.7% of our students receive a bursary under the University’s Access Agreement. As part of the University’s Widening Participation Strategic Assessment to DEL in 2008-09, £8.9m was identified as University investment in Widening Participation activities in 2008-09 and £9.2m identified for 2009-10. The HESA 2008-09 performance indicators demonstrate that with 32.9% of young, full-time, first degree entrants from the low socio-economic groups (SEC 4-7), Queen’s exceeds its benchmark of 25.8%.

3.25 It is essential that Northern Ireland students can attend a leading university without having to leave the region. Student flows and demographics have changed dramatically in Northern Ireland over recent years. The DEL report “After School: Attitudes & Perceptions of NI School leavers towards higher and further education, training and employment” (Osborne, Smith and Gallagher, 2008) highlighted a reduction from 40% to 25% of students leaving Northern Ireland to study in Great Britain and concluded that the clear majority of current leavers were “determined leavers”.

3.26 The performance indicators from HESA indicate that student retention is a major problem for the Northern Ireland universities. The figures for non-completion of first year full-time undergraduates are provided in Table 4.

**Table 4: Non-Completion Rates for First Year Full-Time Undergraduate Degree Entrants**

<table>
<thead>
<tr>
<th></th>
<th>2005-06</th>
<th>2006-07</th>
<th>2007-08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Queen’s</td>
<td>7.5</td>
<td>6.3</td>
<td>7.1</td>
</tr>
<tr>
<td>UU</td>
<td>15.2</td>
<td>12.4</td>
<td>13.2</td>
</tr>
<tr>
<td>UK Average</td>
<td>8.6</td>
<td>9.0</td>
<td>8.6</td>
</tr>
</tbody>
</table>

*Source: HESA*
3.27 The University has a responsibility to its students and the region to understand and deal with the issue of student retention. Queen’s is, therefore, investing significant time and resources in determining the reasons for student non-completion and introducing appropriate corrective actions, including:
- the provision of personal tutors for all first and second year students;
- a Student Guidance Centre, bringing together all support services, such as welfare, student finance, disability and counselling;
- a Learning Development Service, providing one to one support for students with particular needs.
A key objective of these measures is to identify, at an early stage, students at risk of dropping out and provide them with the necessary support and guidance to make a full and informed decision on their future.

3.28 In challenging economic times, Northern Ireland’s workforce must have access to continuous professional development programmes which can ensure a highly skilled and innovative workforce. Queen’s will be opening a dedicated Postgraduate and Executive Education Centre incorporating the Queen’s University Management School and a bespoke Leadership Institute to meet the needs of global and local business. This Centre, based in Riddel Hall, will have a leading role in providing market-attuned education and training programmes to support the economic growth of Northern Ireland as well as providing the focal point of a business education model comprising executive education, work-based training programmes, continuing professional development and cutting-edge research. This Institute will deliver high-level programmes across the private, public and voluntary sectors - locally and globally, and will draw upon and add to an established body of learning within the Queen’s University Management School.

4. Future Funding of Higher Education in Northern Ireland

4.1 It is well recognised that higher education provides both public and private benefits. This briefing paper has concentrated on the public benefits and added value that society gains from investment in higher education. There are also considerable private benefits. Graduates will have access to jobs and career paths which would not be open to them without a university education, and graduates continue to enjoy a significant income premium over their career.

4.2 It is well recognised that the universities must remain competitive with other institutions on these islands if they are to continue to underpin the Programme for Government in the many ways outlined in this paper.

4.3 In the current financial climate, the Committee should note that, in advance of budget settlements, the University has suffered significant reductions in Government funding – examples include reduction in capital funding of £7.5m, 10% reduction in places for student nurses, a reduction of 14 places for medical students and indicative reductions in social work.

4.4 Following the Comprehensive Spending Review (CSR), the University is aware that there are pressures on budgets and that this will have an impact on allocations across all departments. The case for continued public investment in higher education is underpinned by the evidence presented in this paper.

4.5 Having made the case for ongoing public investment in higher education, the University recognises that the post-CSR budget in Northern Ireland may lead to further reductions in public funding of higher education. It will be necessary for any resulting shortfall to be addressed by increased contributions from private sources, thus rebalancing the public/private funding of higher education. The current graduate contribution in Northern Ireland is £80m with a taxpayer contribution through the DEL HE budget of £630m, of which £372m (58%), is a direct taxpayer contribution to student support.
4.6 The interim report of the Stuart Independent Review of Variable Fees and Student Finance Arrangements in Northern Ireland and the Independent Reviews of Funding of Higher Education and Student Support conducted by Lord Browne have concluded that deferred fees remain the most appropriate way of meeting the private contributions to the funding of higher education. This model reflects the University’s principles that higher education should be free at the point of entry, that graduate contributions should be linked to earnings not levels of debt, and that there should be a substantial threshold in earnings before graduate repayments begin.

4.7 It is a matter for the Minister for Employment and Learning, the Northern Ireland Executive and the Northern Ireland Assembly to determine the level of private contributions which will be required to maintain the competitiveness of the Northern Ireland universities, and how any such changes impact on student flows and on the opportunities for the students of Northern Ireland.

4.8 Queen’s University will work with the Minister and all stakeholders to determine a framework of higher education funding and student support which meets the needs of Northern Ireland.