



## VC-NET

***The news service for the network  
of Vice-Chancellors and Presidents  
in membership of the  
Association of Commonwealth Universities***

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### **International transfers**

In VC-Net 46 we described the growing competition between some Commonwealth countries in providing infrastructure funds for research. The same competitive ethos is developing as regards people.

Australia has just announced the names of its Federation Fellowships for 2004. These posts bring with them indexed salaries of AUS \$235,000 for five years and aim to recruit the world's leading researchers to Australia. Thirteen of the 24 Fellows just announced are moving to Australia from the USA and the UK (three from Oxford). The Fellowships programme is an annual one and is part of Australia's current drive to strengthen national research activity. What this means for the next five years has been summarised in "Backing Australia's Ability - Building our Future through Science and Innovation", a package of measures that continues some of the activities in a similar 5 year programme. This continuation is not enough according to the Australian Vice-Chancellors Committee, which points out that Australia's national investment in R&D lags behind most OECD competitors, and suggests it should be at least 2 per cent of GDP.

In Canada the international transfer market of leading researchers has been fuelled by the massive Canada Research Chairs programme - 1,164 have been awarded so far and 41 per cent of the holders of new chairs created have come from abroad. The terms are reasonably generous in that each university receives CAN\$200,000 a year for seven years towards the cost if the researcher is regarded by peers as outstanding and a world leader in their field. Canada's aim through this and a related Canada Research Chairs Infrastructure Program is to be one of the world's top five countries in research and development.

Sources: AV-CC and DEST media releases, 18<sup>th</sup> and 16<sup>th</sup> June and *Beyond "Backing Australia's Ability": the AV-CC Response. June 2004.* Canada Research Chairs details on [www.chairs.gc.ca](http://www.chairs.gc.ca)

### **The end of a dream**

A terse statement from a Board meeting of the Higher Education Funding Council for England in June signalled the end of the UK's plans to have an e-University serving the world. In VC-Net 42 we mentioned that the poor student numbers after the first year – a total of 900 – were causing anguish. Shortly after the figure was announced a team of consultants was sent in to advise the funders what to do. It was their diagnosis that led to the conclusion to end the project in March 2004. There appear to be several reasons for the failure:

\* first was the investment of GBP 13m of the GBP 62m budget in the development of a radical new learning platform still under development by Sun Microsystems. A former staff member of the UKeU writing in the Guardian describes this as a serious mistake when there were existing platforms such as Blackboard and Web CT in widespread use in institutions.

Even though these did not do all the things that the UKeU needed, it would have been sensible to use them and adapt them in the short term.

\* second was the marketing, which the consultants thought was unfocussed and lacking in strategy. This had also probably been influenced by high numbers targeted in the original business plan which had raised the expectations of funders and then dashed them when they proved to be optimistic.

Some things can be salvaged from the failure. The first and most important are the e-learning programmes themselves which will continue to be delivered by the universities that developed them through their own channels and platforms. The UKeU's investment of GBP 7.7m on this has not been wasted. The second are two of the by-products from the venture, an e-learning programme with China and a national research centre on e-learning; both are being continued. The latter has one interesting project on the stocks – a compendium of the early reports and studies relating to the UKeU; to be published of course when things have quietened down.

What is unlikely to be salvaged is the Sun platform. Universities were all invited to tender to buy it during May and June and, despite heavy pressure on some of the potential purchasers, no bids were received by the closing date.

Sources: HEFCE News and events, 23 April and 18 June 2004. [www.hefce.ac.uk/news](http://www.hefce.ac.uk/news) Guardian April 27, May 26<sup>th</sup> and June 8<sup>th</sup>, three articles by Donald Macleod. <http://education.guardian.co.uk/> Also, personal conversations.

## **Lobbying parliamentarians**

It is nothing new for associations of Vice Chancellors to lobby their funding bodies or ministries for more funding, but a recent trend has been for them to go around those to whom they are accountable and lobby directly with members of parliament. The AV-CC has mastered this art for some time (see VC Net 39) and the direct approach is now being copied by South African Vice Chancellors.

Their main concerns relate to the decline in funding and to the way a new funding method would work. The Ministry in Pretoria has been advised in the past by the English Funding Council and has, it seems, adopted some of their methods. Instead of an allocation method that is related to the historical cost of provision and allows institutions to recruit as many as they can, the future method will set approved student numbers for each institution and then allocate the available pool of funds formulaically in a way that is unconnected to costs. This is exactly the model that the English body is aiming at after several years of gradual transition.

Since 1994 tertiary education in South Africa has received a fluctuating share of the financial cake, ranging from 2.5 percent to 3 percent of the State budget. Student numbers have risen from 328,000 FTEs to an estimated 454,000 FTEs today and institutions are awarded a subsidy that has kept pace with the official rate of inflation. However, any funding set aside for capital has been raided to keep recurrent funding relatively constant and as a result the sector has received no capital funding since 1997/98.

Source: SAUVCA's Presentation to the Parliamentary Committee on Education. 1<sup>st</sup> June 2004. at [www.sauvca.org.za](http://www.sauvca.org.za)

## **Less burdensome accountability, more happiness?**

The British are developing a curious new science - that of measuring what the burden of accountability is on universities. Cynics would say that the main objective seems to be to allow reports to be produced at intervals showing how much lighter the touch of government is becoming. One such statistic has just emerged with a consultant's report citing the cost of accountability as being GBP 211m in 2004 or 2 percent of university income. This represents,

they claim, a fall of 25 percent from the figure four years ago. Universities are still 100 percent accountable, but at 25 per cent less cost!

The main ways in which government has been less demanding are by reducing the style and frequency of the external quality assurance of the Quality Assurance Agency (VC-Net 26) and by cutting back on the number of top-sliced funds and projects that require bidding and tendering processes to be followed. However some of these cuts have been offset by a general trend towards stronger governance and the introduction of risk management, which have reporting implications.

Source: "Better Accountability Revisited: Review of Accountability Costs 2004. A Report to HEFCE by PA Consulting" available on [www.hefce.ac.uk](http://www.hefce.ac.uk)

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The editor, Svava Bjarnason, and author, John Fielden, are always pleased to receive comments on the usefulness and content of this briefing service. News from other Commonwealth countries, which might be of wider interest, is also most welcome. They can be contacted by e-mail on [vcnet@acu.ac.uk](mailto:vcnet@acu.ac.uk) or by fax on +44 (0)20 7387 2655.

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