

National Qualifications Authority of Ireland

Advice on Fees to be charged by the Awards Councils

Legal Background

1. Section 11 of the Qualifications (Education and Training) Act, 1999, sets out that the National Qualifications Authority of Ireland may pay a grant to the Further Education and Training Awards Council and the Higher Education and Training Awards Council.
2. Section 61 of the Qualifications (Education and Training) Act, 1999, sets out that the Further Education and Training Awards Council, the Higher Education and Training Awards Council and the National Qualifications Authority of Ireland shall charge fees in relation to the performance of their functions. The level of fees is to be set by the Minister for Education and Science, with the agreement of the Minister for Finance. The Authority may advise the Minister in respect of the level of fees to be charged and may review the level of fees. While the Authority has a role to review the level of fees and to make recommendations to the Minister for Education and Science, the Minister also has a statutory role to consult with the Councils directly in determining any arrangements for fees.
3. FETAC does not, at present, receive any charges in relation to awards previously made by FÁS, the National Tourism Certification Board, Bord Iascaigh Mhara and Teagasc. The Council continues to receive the fees that were previously charged by the National Council for Vocational Awards. HETAC has three sources of fee income – award fees, evaluation fees and recognition fees. These are detailed in the discussion paper issued by the Authority and referred to below.

Request from Department

4. The Authority was requested by the Department of Education and Science to conduct a review of the levels of fees charged by the Councils, as is provided for in Section 61 of the Qualifications (Education and Training) Act, 1999, at the earliest possible date in 2003, and to advise the Department accordingly subsequent to such a review. The Department of Education and Science initially wrote to the Authority on 22 December 2002 setting out that the Minister was planning that the National Qualifications Authority of Ireland would conduct a review of the levels of fees charged by the Councils, as is provided for in Section 61 of the Act, at the earliest possible date in 2003, and that the Authority would advise the Minister accordingly subsequent to such a review. The Department wrote again to the Authority on 3 February 2003, setting out in further detail the context for the Authority review. The key points made in the letter are as follows:

- it is considered useful that the review to be undertaken by the Authority would operate within a number of overarching parameters
- the most important issue is that the implementation of the Qualifications (Education and Training) Act, 1999, and the operation of the awards Councils, in particular, are part of a national endeavour with a view to the betterment of society in general and to the development of a national culture that fosters lifelong learning
- it is more than appropriate that significant State support would be in place to support the work of the Councils
- it is also of note that the Act requires the Councils to charge fees for the performance of their functions
- it is appropriate that there would be a balanced input from the State, on the one hand, and from those to whom the Councils are providing services, on the other

- over time, it would be hoped that the Councils would increase the provision of their services to a wide range of providers of education and training and it would be expected that the fees charged by the Councils for such services would help to fund the cost of any such increased service provision
 - the review to be undertaken by the Authority is not related to the review of support for students participating in higher education institutions which was being undertaken by the Department.
5. The letter also sets out that the aim would be that the Minister would consider the advice of the Authority with a view to putting in place new arrangements for the charging of fees which would impact on the budgets of the Councils for 2004.

Review Process

Decision on Nature of Review Process

6. At its meeting on 6 March 2003, the Authority agreed to publish a discussion paper which set out the background to the issue of the fees to be charged by the Councils, look at the issues involved and analyse possible ways forward. The aim would be to stimulate debate on the issue in order to assist the Authority in undertaking the tasks requested by the Department. The Authority also agreed that submissions would be invited on this paper and would be made publicly available on the website of the Authority. In addition, the Authority agreed that following the receipt of submissions, the Authority would host a workshop on the issues.
7. The overall approach was that the discussion paper, together with consultation processes, would constitute the review requested by the Department. The aim was that the Authority would then advise the Department on the nature and

level of fees to be charged by the two awards Councils. The discussion paper is attached at addendum 1.

Implementation of Review Process

8. The discussion paper was published on 14 April 2003 and circulated to stakeholders. Submissions were initially invited by 13 June and this date was extended at the request of stakeholders. The following stakeholders have now made submissions, which are attached at addendum 2.

- Council of Directors of Institutes of Technology
- Higher Education and Training Awards Council
- Teagasc
- Higher Education Colleges Association
- Further Education and Training Awards Council
- An Garda Síochána
- FÁS

9. These organisations, together with Fáilte Ireland, the Irish Vocational Education Association and the Union of Students in Ireland attended the discussion forum hosted by the executive on 24 September, 2003. A note on that meeting is attached at addendum 3.

10. At that meeting, the participants were invited to make further submissions or to supplement their existing submission if they so wished. This additional material was requested by Friday 3rd October 2003. No additional submissions have been received.

Principles for Authority Approach

11. In the initial discussion document published by the Authority, it was set out that there is a need to consider principles, in relation to the approach which should be taken by the Authority in recommending the level and nature of the fees to be charged by the Councils. Some initial suggestions were made in that paper. The Authority has now established the following principles:

- There is a need to have in place full and appropriate budgets necessary for the Councils to undertake their tasks
- The State has a duty to financially support the work of the Councils so as to support them in performing their functions as set out by the Oireachtas with the key aim of supporting their role in the development of a lifelong learning society
- There is a need for those providers and other stakeholders availing of the services of the Councils to pay fees to the Councils to make a contribution to the cost of performing those functions – the level of fees to be paid should be linked with the extent of the services provided
- There is a need to have regard to the interdependent work of the Councils and the need for the Councils to involve those providers who are availing of their services in their policy development
- Fees charged by the Councils should not stifle innovation and the increasing certification of learning
- Where a provider has a programme validated by a Council or authority delegated to make awards from a Council, all fees charged by a Council in relation to programmes or awards would be charges on the provider and any charge which is passed on to a learner would be a matter for the provider

- Where the State has put in place an arrangement whereby fees are not chargeable to certain groups of learners, there should be a clearly identified payment on behalf of the State in lieu of such fees to the Councils
- Arrangements for the payment of fees should be determined, as far as possible, and implementation appropriately planned
- New arrangements for the payment of fees should be introduced on a gradual basis having regard to the pace of change in the role of the Councils
- Arrangements for the payment of fees should be reviewed on a regular basis, and in any case at least once every five years
- Arrangements for the payment of fees should not differ depending on whether or not a provider is funded by the State
- Arrangements for the charging of fees should be as simple, transparent, easily understood and communicable as possible
- Where there is agreement between providers and a Council that the Council would provide administrative services to those providers it should be done on a full cost return basis
- There should be a full recovery of all costs associated with services of the Councils being made available outside the European Union.

12. It is considered useful to set out these principles in advance of the consideration of issues set out below. Much of the rationale in relation to the principles is outlined below.

Overview of Issues

13. The consultation process has indicated the complexity of issues involved in the charging of fees by the Councils for services. The structure used in the discussion forum is the format used in dealing with these issues.

The legal requirement on the Councils to charge fees for services.

14. Under section 61 of the Qualifications Act 1999 it is stated that “a relevant body shall charge, receive and recover fees, in relation to the performance of its functions”. While both Councils are to charge fees for certain services provided, there does not appear to be a requirement on the Councils to charge fees for each of their services. It is the Authority’s view that there is a need to determine the particular services for which fees are to be charged and this is addressed below. It is also the Authority’s view that there needs to be significant investment by the State in the work of the Councils and it is recognised that that this has been reflected in the context set by the Department for the review.

Fee arrangements for the two Councils - Should they be the same or different?

15. The issue of whether there should be the same general arrangements in relation to fees for each of the Councils is one of the key issues which has arisen in discussions with stakeholders. It has been stressed by many stakeholders that the two Councils are still in a transitional phase – this has meant that FETAC continues to use the certification services of FÁS, Fáilte Ireland and Teagasc, as well as operating the former services of the National Council for Vocational Awards itself. In relation to HETAC, the existing position is that it is operating the procedures of the former National Council for Educational Awards. HETAC is aiming to be fully operational in terms of validating programmes and making awards under the new standards for award-types determined by the Authority at an earlier date than FETAC.

16. It has been pointed out by providers that during this transition period many of them had been involved in the policy development processes of the Councils, and also of the Authority, to date and that this work is to continue. Providers have also pointed out that the Qualifications (Education and Training) Act

gives them the primary responsibility for their own quality assurance procedures and for assessing learners. As a result of this it has been argued that there are increasing costs on providers as a result of the implementation of the Act to date and that these costs may increase over time.

17. A further issue that has emerged in the consultation process is that the background and tradition of education and training is very complex. The establishment of the national framework of qualifications is a new departure and one that necessarily leads to some attention being drawn to the range of different support arrangements which currently exist for providers and learners across education and training.

18. The Authority considers that the concept of applying a formula to the calculation of fees across both Councils sounds attractive but could cause difficulties. There is a need to have regard to existing traditions and practices while planning for change in the short-term as well as in the long-term. In particular, some stakeholders have indicated that the number of students and the number of different providers in the Further Education and Training Awards Council system means that the scale and complexity of the fees issue may be different from that in the higher education and training area.

19. It is also of relevance that there are particular exemptions from fees for certain learners who are seeking to attain FETAC awards that were formerly made by the National Council for Vocational Awards. There is no mechanism at present for FETAC to be paid fees for these learners other than directly by the State, through the Authority within its annual grant. Some stakeholders have indicated that this means that other learners attending these courses may be subsidising these students. Some stakeholders suggested that the State should find a way of reimbursing FETAC for such fees, paralleling the way in which a

grant in lieu of free fees in undergraduate higher education is paid to higher education institutions. It was also noted by stakeholders, that where an award fee is payable for learners in the institutes of technology, this fee is incorporated into the registration charge and, as such, a learner in receipt of a State grant, scholarship or allowance also has the registration charge paid for by the State.

20. There are also particular issues that emerge where similar awards, perhaps at the same level, are being provided. Some stakeholders have indicated that it would be reasonable to suppose that where a similar course is being provided by a number of different providers and where providers are charging different fees (for whatever reason) that students will choose the provider charging the lowest fee.

21. There has been a general recognition in the consultation process that overall arrangements should be based on common principles but that this did not necessarily mean that the same fees would be charged by each Council. The Authority itself set out some draft principles in the discussion paper and has refined these below.

22. Some stakeholders indicated a view that it would be unfair if one of the Councils was funded to a significantly greater extent by fees than the other. On the other hand, other stakeholders indicated that the Further Education and Training Awards Council's awards tended to be made in greater proportion to learners from disadvantaged backgrounds and, therefore, in order to encourage people to enter the education system that the level of fees should not be a barrier to entry and should be lower than the level of fees for HETAC awards.

Public and Private Providers – Should the arrangements be the same or different?

23. The issue of whether publicly-funded providers and privately-funded providers should be treated in the same way in terms of the fees to be paid has arisen as a major issue in the consultation process. The existing arrangements for HETAC provide that fees are paid by all providers, whether publicly funded or privately funded. There has been some discussion about whether such fees are charged on an equitable basis at present and it would appear that any differences that have emerged are as a result of transitional arrangements while new arrangements are being put in place. However, there is no comparable position in relation to FETAC where fees are only paid in respect of former awards of the National Council for Vocational Awards.
24. Some stakeholders have recommended that the best approach would be that the State-aid to the Councils be adequate to cover the fees payable for services to public providers. This has been argued by a number of, but not all, public providers in particular. Were this to be done, the cost of fees could be worked out and this would form an identified element of the grant to the Councils. In this way, an element of this grant could be obtained by the Department of Education and Science from other Government Departments where such Government Departments fund particular providers. It was also argued that a number of publicly funded providers have no choice other than to avail of the services of the Councils as they are legally required to submit programmes for validation.
25. On the other hand, it has been argued that the law provides for the charging of fees by the Councils for their services and it is appropriate that all providers, whether privately or publicly funded, be treated in the same manner. In this

way, it has been argued, there can be confidence that the Councils are responding to the needs of their clients.

26. It is the Authority's view that, in principle, arrangements for the payment of fees should not differ depending on whether or not a provider is funded by the State. However, the Authority considers that such an approach cannot be implemented on an immediate basis. There is further discussion on this issue below.

Extent to which additional costs are passed on to the learner

27. As referred to above it has emerged in the consultative process that the establishment of the national framework of qualifications is a new departure and one that necessarily leads to some attention being drawn to the range of different support arrangements for providers and learners across education and training. There is currently a range of different student support systems throughout education and training. In such different student support systems different arrangements exist for charging learners some, all or, indeed, none of the costs. Without a clear picture of the diversity of such arrangements it is difficult to form a view on possible new fee arrangements..

28. Accordingly, the Authority is of the view that that the Department of Education and Science and the Department of Enterprise, Trade and Employment, in consultation with other relevant Departments, should consider taking an overview of the various student support systems across all learning, in the context of the implementation of the Report of the Task Force on Lifelong Learning. Such an overview would be relevant in that it would highlight the different arrangements which exist in the different sectors and within individual sectors and would also look at the rationale for these differences. It would help the State to focus on priority areas for State intervention.

29. Many providers have indicated that any additional costs arising from fees would have to be passed on to learners. Indeed, some public providers indicated that there would need to be negotiations with certain stakeholders should any additional cost via increased fees be passed to learners. Privately funded providers have indicated that they generally have no income other than from the fees charged to learners.
30. The formal engagement on this issue is one between the provider and the awarding body. The Authority considers that it is not appropriate for the Authority in these circumstances to set out whether increased fees should or should not be passed on to learners. The Authority considers that where the State has put in place an arrangement whereby fees are not chargeable to certain groups of learners, there should be a clearly identified payment to the Councils on behalf of the State in lieu of such fees.
31. Some stakeholders have indicated in the consultative process that it is not appropriate for disadvantaged learners to be charged any fees, whether they are in the public or private sector. It was noted that where there is no public support for the payment of tuition fees, private providers do not generally have arrangements in place to ease the burden of these fees on learners.

The changing role of the Councils over the next 5-10 years

32. As indicated above, there has been much discussion in the consultative process on the way in which the role of the Councils is to develop over the next five to ten years. At present, each of the Councils is in a transitional phase from the former awarding bodies. FETAC continues to use the certification services of FÁS, Fáilte Ireland and Teagasc, as well as operating the former services of the National Council for Vocational Awards. In relation to HETAC, the existing

position is that it is operating the procedures of the former National Council for Educational Awards. HETAC is aiming to be fully operational in terms of validating programmes and making awards under the new standards for award-types determined by the Authority at an earlier date than FETAC.

33. There are also many other role changes other than those relating to direct certification services. The Councils are to develop new policy approaches to setting standards for named awards and are responsible for their implementation. The Councils and providers are to agree the nature of the quality assurance arrangements to be put in place by providers and the Councils are responsible for reviewing these. The Councils' role in relation to ensuring fairness and consistency of assessment by providers is also linked to this. The full cost of implementing these new arrangements by the Councils is not yet clear.

34. Delegation of authority by the Councils to certain providers to make awards is also relevant. HETAC has a defined policy approach, including the agreement of criteria and procedures with the Authority, and it is in the process of being implemented at present. While FETAC has not yet defined its approach to delegation of authority, it may do so at any time and agree criteria and procedures with the Authority. All these changes collectively provide for developing roles for the Councils, the cost implications of which it is not possible to accurately predict at present.

Recommendations on Way Forward

If fees are charged for particular services to which services should they apply?

35. There was a detailed analysis in the discussion paper published by the Authority on the nature of the functions provided by the Councils. The paper suggested that there are certain functions of the Councils which are policy functions and are not services directly being provided to providers or learners. In the consultative process, a strong view emerged that a large proportion of the work of the Councils was policy related and, as such, fees should not be payable by providers for the performance of such functions. Indeed, many stakeholders stressed that they are engaged in this policy development work with the Councils without any additional resource being made available to them.

36. The Authority considers that the following are policy functions of the Councils which the State should fully and directly support and which need to be put in place and kept in place notwithstanding the extent to which the other services of the Councils are availed of. The policy functions are:

- determining standards for awards
- establishing policies and criteria for making awards
- establishing policies and criteria for validating programmes
- establishing policies and criteria for delegating authority to make awards
- establishing the policy approach to the agreement of quality assurance procedures with providers
- establishing the policy approach to ensuring fairness and consistency of providers' assessment processes
- promoting their awards

- facilitating and assisting the Authority
- consulting with and advising the Minister

37. It has also been argued in the consultative process that it is very important for the State to ensure that the functions which can be considered to be services provided by the Councils to providers and learners are provided effectively and efficiently by the Councils and supported to some extent by the State. The Authority considers that the State has a recognised need for the Councils to perform these functions and that society in general is the principal beneficiary from the performance by the Councils of such functions. Some stakeholders have indicated that this, in turn, creates an argument that such functions should not be funded by fees chargeable to either providers or learners.

38. The Qualifications Act clearly sets out that the key relationship the Councils have is with providers of further and higher education and training. In general, the Councils do not have a direct relationship with learners themselves, other than in actually making an award. All of the arrangements leading to an award being made concern the relationship between the provider and the Awards Council. A provider must submit a programme for validation, which is the process by which the Council satisfies itself that a learner may attain the standard of knowledge, skill and competence needed for that award. The provider is responsible for putting in place the quality assurance arrangements necessary for a programme that is validated or is to be validated. The provider is responsible for the assessment of learners. Indeed, while the Council does make the award itself, this happens following the validation process and linked quality assurance processes, together with whatever arrangements the Council needs to put in place to ensure that the assessment processes of the provider are fair and consistent in order to comply with the Council's standards.

Accordingly, the award made by the Council is the culmination of these processes.

39. There are also some functions of the Councils which relate directly to a group or groups of providers. Examples of these would be satisfying themselves in relation to arrangements for the protection of learners that some commercial providers would have in place or the review process in relation to the delegation of authority to make awards to certain providers.
40. There can be a direct relationship between a learner and the Council. This would involve, for example, the making of an award by the Council where a learner applies directly for an award. However, even in such an instance in the Act, it is envisaged that the Council would be assisted by the provider in forming an opinion as to whether the learner has achieved an appropriate standard of knowledge, skill and competence before making the award.
41. The discussion paper set out the services which it could be argued are provided directly to providers:
- Making awards (where a programme has been validated) – regular function provided by Councils through provider to learners
 - Validating programmes – regular one-off function provided by Councils for all providers seeking validation of programmes
 - Agreeing quality assurance procedures on an individual basis with providers and reviewing their effectiveness – regular one-off functions provided by Councils for all providers
 - Ensuring fairness and consistency of assessment processes – continuing function provided by Councils for all providers with validated programmes

- Satisfying themselves in relation to arrangements that providers would have in place for the protection of learners– regular one-off function in relation to commercial providers
- Reviewing the process in relation to the initial delegation of authority to make awards to certain providers and any subsequent reviews – regular one-off function for recognised institutions in the case of the Higher Education and Training Awards Council and FÁS, Fáilte Ireland or Teagasc in the case of the Further Education and Training Awards Council

42. While stakeholders have not agreed that it is appropriate to charge fees for all of these services, there has been a general acknowledgement that the nature of these functions does differ from the policy development functions of the Councils. The Authority considers that the possible charging of fees for the functions set out above merits consideration.

If fees are charged for particular services, what would the nature of the overall approach to fees be?

43. The discussion paper set out four possible options for consideration in relation to the nature of fees to be charged by the Councils. These options are as follows:

Option 1

Fees would be charged by the Councils on the basis of the real full cost of each of the services that they provide.

Option 2

Fees would be charged by the Councils on the basis of the additional costs of each of the services that they provide. This would, accordingly, not include the staffing costs or appropriate amounts of the overall administrative costs of the Councils.

Option 3

Fees would be charged by the Councils on the basis of the additional costs of a limited range of the services that they provide. This would, accordingly, not include the staffing costs or appropriate amounts of the overall administrative costs of the Councils.

Option 4

Particular weighting could be applied to each of the options set out above so that there would be increasing fees charged relating to the level of the award.

44. Where any preference has been expressed by stakeholders, it would appear that Option 3 is the most favourably considered – that fees would be charged by the Councils on the basis of the additional costs of a limited range of the services that they provide. This would, accordingly, not include the staffing costs or appropriate amounts of the overall administrative costs of the Councils.

45. This would recognise that the State has an obligation to ensure that the services are provided and that any fees would not amount to the full costs of providing all of these services. There was much discussion in the consultative process on

how the additional costs arising on the Councils should be calculated. There was also a view that providers would need some certainty in relation to what the fees would be and that there should not be a recalculation of costs arising on a continuing basis. There was also a strong concern that the Councils should not have the additional administrative burden of needing to put in place checks and balances to ensure that costs were accurately identified and appropriately charged.

46. The Authority recommends that, in principle, fees should be charged by the Councils on the basis of the additional costs of a range of the services that they provide and that the fees would not include the permanent staffing costs or appropriate amounts of the overall administrative costs of the Councils.

47. There are a number of issues which arise when considering what the precise nature of fees arrangements should be. The first key issue that arises relates to defining the precise services to which fees might apply. A strong view emerged in the consultative process that the solution should be as simple as possible. A related issue that emerged in the consultative process related to whether particular charges, e.g., validation charges, should be levied on the basis of the number of learners on a programme or on the basis of a single cost per application. The Authority is of the view that there are certain fees could be calculated on the basis of the number of learners and that there are other fees that arise per application.

48. Accordingly, the Authority recommends that, over time, the fees arrangements of both of the Councils would have the following elements:

- A **relationship fee** which would cover the annual relationship between the provider and the Council. The relationship would be defined as encompassing the following services - agreeing quality assurance

procedures on an individual basis and reviewing their effectiveness, and ensuring fairness and consistency of assessment processes. These are continuing functions provided by Councils for all providers. This fee should be calculated based on the number of learners registered on programmes leading to awards of the Council (or in relation to which the Council has delegated authority to make awards) and would apply both to providers with programmes validated and to providers with delegated authority.

- An **award fee** which would be an annual fee calculated depending on the number of learners registered on programmes leading to awards of the Council. This fee would not apply where there is delegated authority
- A **programme validation fee** which would be the same fee for all programmes. This fee would not apply where there is delegated authority

49. The Authority also recommends that, over time, one-off fees would be payable by providers for the following services:

- the review process in relation to the initial delegation of authority to make awards to certain providers and subsequent reviews of such delegation or its possible extension
- the assessment of arrangements for the protection of learners that providers would have in place. This requirement only applies to profit-making providers

50. The Authority also considers that there are three further areas where it is appropriate that, over time, fees could be charged by the Councils

- the making of an award by the Council where a learner applies directly for an award

- the recognition of an award
- the provision of defined administration services to providers where a provider and a council agree such provision.

How should the balance between fees be determined and the level of fees calculated?

51. The Authority has recommended above that, in principle, fees should be charged by the Councils on the basis of the additional costs of a limited range of the services that they provide and that the fees would not include the permanent staffing costs or appropriate amounts of the overall administrative costs of the Councils.

52. A key issue relates to the overall level of fees, the balance between the various fees and thus the level of each relevant fee.

53. There was much discussion in the consultative process about the appropriate balance between State-funding and funding through fees for the Councils. Many felt that the vast majority of funding for the Councils should be by way of State funding. The Authority considers that it is important that the State continues to invest significantly in the work of the Councils and recommends that at least 65% of the funding of the Councils should be through the State grant. Within this, the Authority considers that the level of fees should relate to the costs arising in each of the areas identified.

54. The Authority has examined the existing fees arrangements and considers that in implementing the policy approach in the short term there is a need to have regard to the diverse arrangements in FETAC and HETAC.

55. FETAC continues to use the certification services of FÁS, Fáilte Ireland and Teagasc as well as operating the former services of the National Council for Vocational Awards itself. The Authority considers that, in the short term, it is appropriate for FETAC to continue without charging fees other than in relation to the former services of the National Council for Vocational Awards. This is because the Council does not, as yet, provide significant services and is relying on the continuing input of FÁS, Fáilte Ireland and Teagasc in the transition period. It is further recommended that the Department of Education and Science should consider the fee levels of FETAC, in relation to its former National Council for Vocational Awards fees, as they have not been changed since 1994 – it is of note that the State Examinations Commission charges fees of €76 per Leaving Certificate. It is of note that since 1 February 2000 fees for particular learners were removed. As set out above that the Authority considers that where the State has put in place an arrangement whereby fees are not chargeable to certain groups of learners, there should be a clearly identified payment on behalf of the State in lieu of such fees to the Councils. Accordingly, the Authority recommends that such a payment should now be made on an annual basis to the Council, via the Authority as part of the annual grant, in relation to the payments foregone from these learners. This would be important as it would illustrate that the State had made a particular decision to waive fees payable by certain groups of learners.

56. The Authority recommends that FETAC would plan for the implementation of new fees arrangements as its new awards system is being put in place and that such arrangements would have regard to the costs arising as a result of the implementation of the policies on validation and quality assurance that are being developed by the Council. The precise nature of the policy approach of the Council in these areas will not be clear until 2005. Accordingly, the Authority recommends that it would further advise the Department on the

detailed nature of the fees arrangements for FETAC when such policies have been determined. Thus new fees arrangements may be in place by 2006.

57. In relation to HETAC, the Authority considers that it will be easier to move towards the recommended policy approach to fees as the Council implements arrangements relating to the new framework. There is already a tradition of fees being charged by the Council and previously by the National Council for Educational Awards. It is recommended that the existing fees levels would generally remain in place until the end of 2004. It is noted that if the Council ceases to employ external examiners, as it has done in relation to the institutes of technology, there may be a need to amend the existing fees arrangements for other providers. Furthermore, it is suggested that a delegation review charge would be introduced where a recognised institute is seeking delegation of authority to make awards or the extension of such delegation or where delegation itself is being reviewed. It is suggested that a charge for each of these of €20,000 be introduced. It is also recommended that, having regard to the developing HETAC policy approach, the Authority would further advise the Department on the detailed nature of the fees arrangements for HETAC by June 2004.

58. The recommendations made by the Authority relate to the charging of fees by the Councils to providers within the State. In line with European Union requirements, it is recommended that the same charges should apply in relation to any services that the Councils might provide within the European Union as a whole.

59. HETAC had been providing some services outside of the European Union, when a provider from within the State with HETAC awards, or delegated authority from HETAC, is providing programmes. In principle, the Authority

considers that any such services provided by the Councils should be on a full cost recovery basis, including staffing and administrative costs. This recommendation is made in the context of the establishment of an inter-Departmental Committee on the Internationalisation of Education Services.

60. The Authority recommends that the level of fees should be kept under annual review and that fee arrangements generally should be reviewed at least every 5 years.

Next Steps

61. Should the Department agree to the advice of the Authority, it will be necessary for the Department to consult formally with the two Councils in advance of any new arrangements being put in place or the level of any existing fees being changed.