

Between Accountability and Institutional Autonomy:

The Role of the University Grants Committee in the Development of Hong Kong's Higher Education Sector



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Academic freedom, autonomy and accountability in British universities

In exploring autonomy issues, it is helpful to know whether the Government is intervening in procedural or substantive matters.

The former (e.g. pre-audits, controls over purchasing, personnel, capital construction) can be an enormous bother to academe and sometimes even counter-productive to efficiency, but still do not usually prevent universities from ultimately achieving their goals.

In contrast, Governmental actions that affect substantive goals affect the heart of academe. What is needed in this sensitive area, then, is a suitably sensitive buffer mechanism which can reconcile the Government's legitimate need for accountability and the universities' vital need for maximum autonomy consonant with that accountability.



8 UGC-funded Universities

- **City University of Hong Kong**
- **Hong Kong Baptist University**
- **Lingnan University**
- **The Chinese University of Hong Kong**
- **The Education University of Hong Kong**
- **The Hong Kong Polytechnic University**
- **The Hong Kong University of Science and Technology**
- **The University of Hong Kong**



History of UGC

1965

- Establishment of the UGC

1972

- UGC was retitled as University and Polytechnic Grants Committee (UPGC) to reflect the inclusion of the then Hong Kong Polytechnic within its purview

1983-91

- Hong Kong Baptist College (1983), City Polytechnic of Hong Kong (1984), HKUST (1991) and Lingnan College (1991) was brought within the ambit of the UPGC

1994

- The Committee's name reverted to UGC after the adoption of university titles by the two Polytechnics and the Hong Kong Baptist College

1996

- The Hong Kong Institute of Education, as the 8th institution, came under the remit of the UGC



Key Statistics on Post-secondary Education

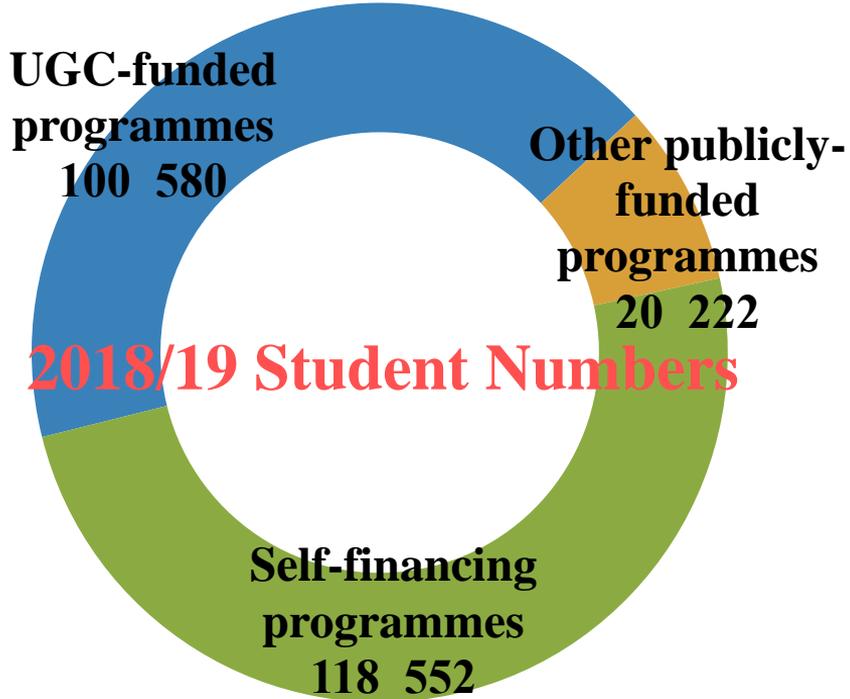
- Over 70% of young people have access to post-secondary education
- 2018-19 public expenditure budget on education:
 - \$113.7B [US\$14.6B] (20.0% of total budget/4.0% of GDP)
 - Post-secondary education: about 1.49% of GDP
- Grants of UGC sector in 2018-19 (0.7% of GDP)
 - \$18.6B [US\$2.4B] recurrent grants
 - \$921M [US\$118M] capital grants
- Student numbers (2018/19)
 - All UGC-funded programmes: 100 580 (headcount)
 - 15 000 FYFD places



Post-Secondary Sector Landscape

- ▶ **Publicly funded institutions (Eight UGC-funded universities & Hong Kong Academy for Performing Arts)**
- ▶ **Self-financed institutions (e.g. Open University of Hong Kong, Hong Kong Shue Yan University, etc.)**
- ▶ **The Vocational Training Council with 13 member institutions, provides full/part-time vocational and professional education for school leavers.**

Distribution of Student Numbers in Post-secondary Sector





Role of UGC and Funding Characteristics

- **Allocate funding to its funded universities**
- **Offer impartial expert advice to the Government on the strategic development and resource requirements of higher education in Hong Kong**
- **Funding by the triennium (2016-19, 2019-22)**
- **Provide predictability and stability in resources**
- **Block grants to UGC-funded universities**
- **Provide maximum flexibility**
- **Comprise of teaching portion (~75%), research portion (~23%) and professional activity (~2%)**



UGC Members

- Appointed by the Chief Executive, in their personal capacity
- As at 1 June, there are 24 members (including Chairman), with local and non-local members, lay members as well as academics:

| <i>(As at 1.6 2019)</i> | Local | Non-local |
|--------------------------------|--------------|------------------|
| Academics | 7 | 9 |
| Lay Members | 8 | N/A |



2016-19 and 2019-22 Triennium Approved Grants of UGC-funded Universities

| | 2016-19 | 2019-22 |
|--|--|--|
| ➤ Recurrent Grants <i>including block grant and others</i> | HK\$53.6B (US\$6.9B) | HK\$60.5B (US\$7.8B) |
| ➤ Capital Grants (provision) | HK\$2.2B (US\$284.7M) | HK\$2.2B (US\$284.8M) |



Ideas Behind the UGC

**Academic
freedom**

**Public
accountability**

**Policy driven
initiatives of
Government**

**Institutional
autonomy**

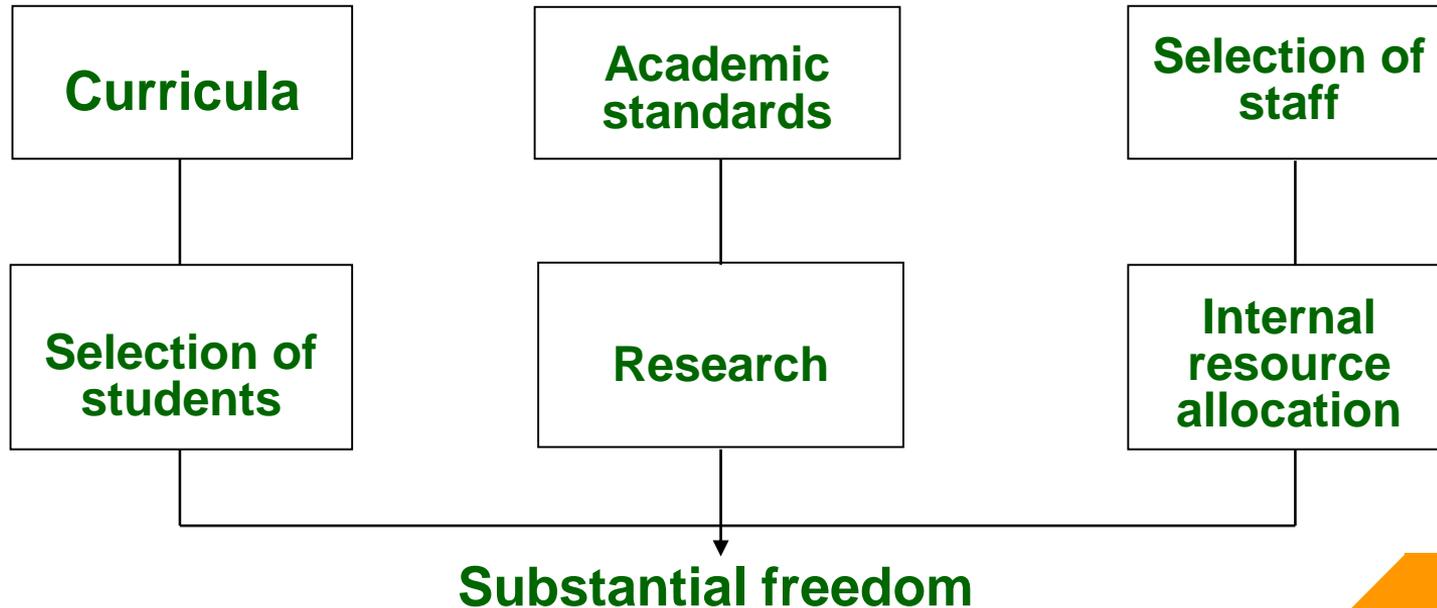
**Value for
money**

UGC



Institutional Autonomy

Universities are set up under their own Ordinances.
Universities (not UGC) control :



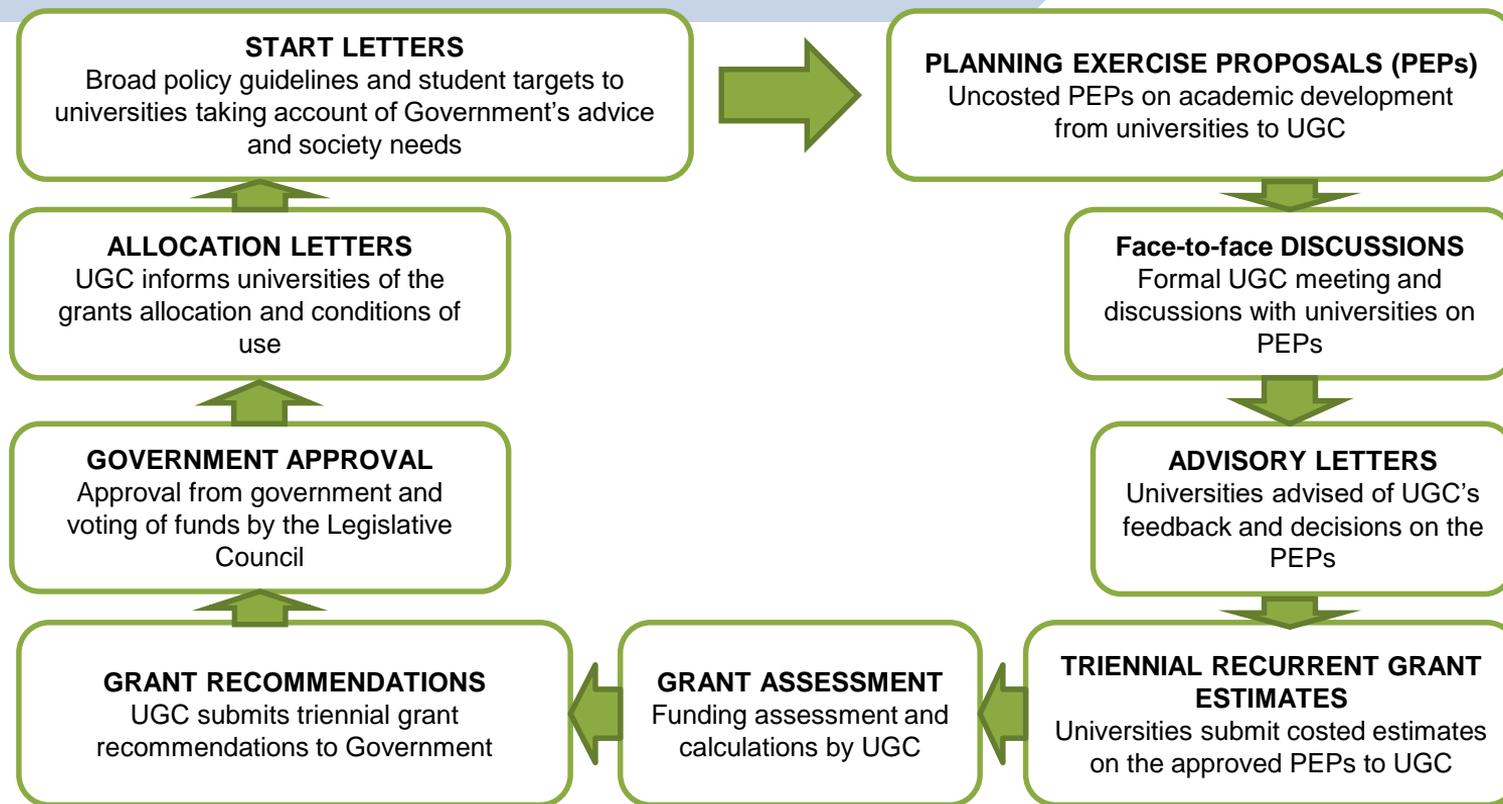


Policy Environment

- **Executive Council:** Assist the Chief Executive in policy-making; the Chief Executive shall consult the ExCo before making important policy decisions, introducing bills to the LegCo, making subordinate legislation.
- **Education Bureau:** Formulate, develop and review policies, programmes and legislation in respect of education from pre-primary to tertiary level and oversee the effective implementation of educational programmes
- **LegCo Panel on Education:** Monitor and examine government policies and issues of public concern relating to education
- **LegCo Finance Committee:** Scrutinize and approve public expenditure proposals put forward by the Government

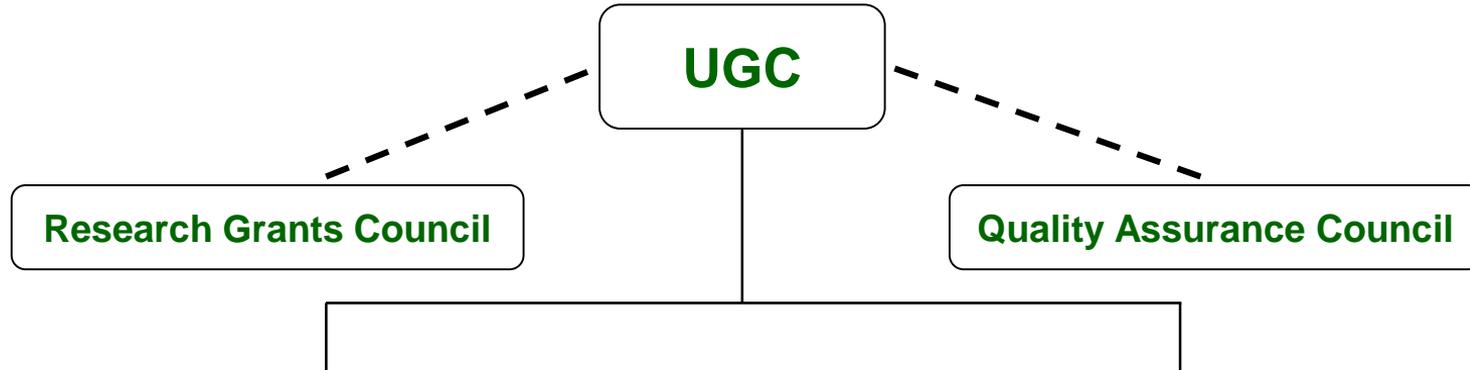


Recurrent Grant Cycle





UGC Structure



Standing groups on:

- *Strategy*
- *Research Policy*
- *General Administration & Communications*
- *Financial Affairs*

Ad hoc groups as required:

- *Planning Exercise*
- *Research Assessment Exercise*
- *Review of Research Portion*

Research Grants Council



Research Grants Council (RGC)

- **Established in 1991, a non-statutory advisory body operating under the aegis of the UGC**
- **Role and Functions**
 - ▷ **To advise Government, through the UGC, on the needs of the higher education institutions in the field of academic research**
 - ▷ **To invite and receive, through the institutions of higher education, applications for research grants from academic staff and for the award of studentships and post-doctoral fellowships; and to monitor their implementation**



Competitive Research Funding Schemes

Schemes for UGC Sector

Individual research schemes

1. General Research Fund
2. Early Career Scheme

Collaborative research schemes

3. Theme-based Research Scheme
4. Areas of Excellence Scheme
5. Collaborative Research Fund
6. Research Impact Fund

Fellowship Schemes

7. Humanities and Social Sciences Prestigious Fellowship Scheme
8. Hong Kong PhD Fellowship Scheme

Joint Research Schemes

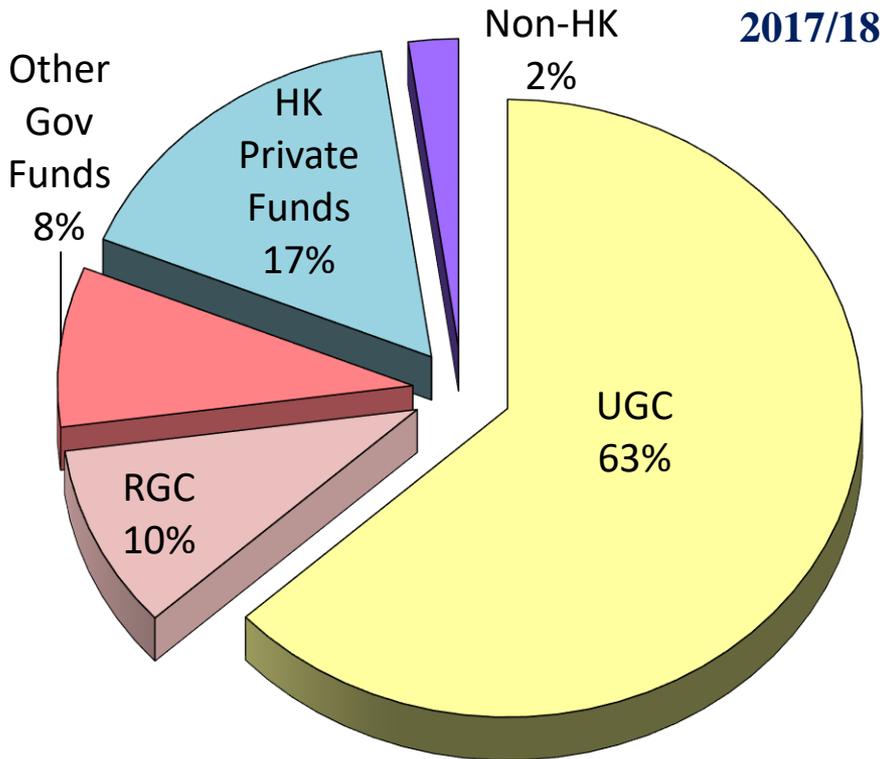
9. National Natural Science Foundation of China
10. European Union (Horizon 2020)
11. French National Research Agency
12. Consulate General of France
13. German Academic Exchange Service
14. Fulbright - RGC Hong Kong Senior Research Scholar / Research Scholar Award Programmes

Schemes for Local Self-financing Degree Sector

1. Faculty Development Scheme
2. Inter-Institutional Development Scheme
3. Institutional Development Scheme



Research Expenditure



| Source of Funding | Amount | |
|-------------------|-----------------|------------------|
| | (HK\$M) | (US\$M) |
| UGC | 6,848.6 | (878.0) |
| RGC | 1,045.9 | (134.1) |
| Other Gov Funds | 906.9 | (116.3) |
| HK Private Funds | 1,789.7 | (229.4) |
| Non-HK | 246.0 | (31.5) |
| Total | 10,837.1 | (1,389.4) |

Figures may not add up to the total due to rounding

Quality Assurance Council



Quality Assurance Council (QAC)

- **Established in 2007, a non-statutory, semi-autonomous body under UGC**
- **Role and functions**
 - ▶ **To assist the UGC in assuring the quality of educational experience in all programmes at the levels of sub-degree, first degree and above (however funded) offered by UGC-funded universities**



QAC Audit

- **QAC Audit is an external quality assurance process with an independent peer review system**
- **Periodic quality audits of UGC-funded universities**
- **The first and second audit cycles covering first degree and above programmes were completed in 2011 and 2016 respectively**
- **The sub-degree audit cycle has commenced in end 2016**



QAC Audit

- **“Fitness for purpose”**
- **Assess the extent to which universities are fulfilling their stated mission and purpose**
- **Confirm the procedures in place for assuring the quality of the learning opportunities offered to students and the academic standards**
- **Examine the effectiveness of a university’s quality systems**



Stakeholder Engagement

- **Aim: Help stakeholder better understand the role and work of the UGC; and for the UGC to know the stakeholders' views on its policies and decisions**
- **University community:**
 - ▷ **Close engagement with different formats – regular and ad hoc, formal and informal activities / meetings – with the Council Chairmen, Heads, faculty and students of universities**
 - ▷ **Exchange and discuss thoughts and suggestions on various subjects of mutual concern**
- **Press and the Public**
 - ▷ **Enhancing transparency of UGC's work by publication (e.g. major reports, newsletters, press release, etc) and responding to media enquiries**



Case : Prof Tsui's Taskforce on Research Review

Task Force on Review of Research Policy and Funding

- ▶ As announced in 2017 Policy Address, the task force was set up under the UGC to conduct a holistic review on the existing research support strategy and the level and allocation mechanism of research funding for the higher education sector
- ▶ Interim Report was published for consultation from 6 June to 10 July 2018
- ▶ The recommendations received widespread support based on the feedback received during the consultation process.
- ▶ Submitted in Sept 2018, the final report was accepted by the Gov't
- ▶ Wide media coverage throughout the exercise and implementation of recommendations



Thank you!