

IReL: born of the Celtic Tiger – its survival through economic crisis

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IREL – THE BACKGROUND



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Growing Research Investment

- Growing Irish government investment in research from 2000, especially in ICT and Biotechnology!
- Recognition of insufficient information resource access to support growing research community
- Lobbying by senior researchers and university librarians for funding of a shared research eLibrary for all the Universities as an essential piece of research infrastructure



IReL is born!

- Funding secured from Science Foundation Ireland (SFI) for resources in Science, Technology & Medicine from 2004
- Higher Education Authority (HEA) agreed to share the funding and funding guaranteed for 2004-2009
- **IReL – the Irish Research eLibrary – was born!**



What about us?

- Pressure grew from Humanities researchers for a similar resource library
- HEA agreed funding for IReL for Arts, Humanities and Social Sciences 2006-2009
- Funding extended to include Royal College of Surgeons in Ireland from 2008



IReL Core Principles

- Centrally funded
- Strictly online resources only
- Access to ALL resources for ALL staff, students and researchers of the seven Universities and Royal College of Surgeons in Ireland
- Resource selection based on consultation across research community
- Resources included reflected greatest demand across all eight members
- Value for money was key from the outset
- Impact and usage analysed from beginning



What was included?

- **STM**
 - 70 resources/journal bundles
 - 38 single journal titles
- **HSS**
 - 46 resources
 - Included greater variety of resource types: databases, e-book packages, etc.
 - Included some one-off archival purchases



Governance Structure

- **IUA Librarians Group**
 - oversight, relationship to funders
- **IReL Steering Group**
 - negotiations, consultations, budgeting
- **IReL Monitoring Group**
 - usage analysis, impact analysis, surveys & advocacy
- **Negotiating Agent**
 - Content Complete, now JISC



IReL Progress

- Annual monitoring reports showed excellent use of most resources
- Survey of researchers showed good awareness of IReL and great appreciation of it:
 - *“IReL has transformed research support in Ireland. It is indispensable.”*
 - *“IREL keeps my research in Ireland, without access to literature I would leave the country”*
- Despite wealth of resources provided – researchers always want more!



IReL – a great success!

IReL usage 2005-2009



ECONOMIC CRISIS!



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Irish Economic Situation

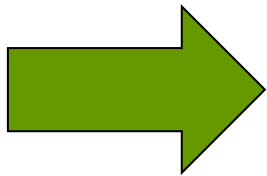
- Early signs of trouble in first half of 2008: with US and global economic downturn coinciding with Irish housing bubble bursting and banking crisis
- Sept 2008 – Recession confirmed and has been deepening into a depression ever since
- Banking crisis emerges from Autumn 2008



Trouble Brewing!



- Drastically reduced tax take
- Increasing number of unemployed
- Rising cost of bank bailouts



serious government budget deficit



Government Response

- **Autumn 2008 – early 2009 budget:**
 - Flagged as “toughest budget ever”
 - Immediate and urgent need to cut public expenditure
 - Public sector bodies required to seek immediate 8% reduction in cost of all contracts
- **April 2009 – supplementary budget:**
 - further “expenditure reducing measures”, i.e. more significant budget cuts across public sector
 - Non-pay budgets significantly cut
 - pay cuts for all public sector workers and ban on recruitment
 - Even greater future budget cuts flagged



McCarthy Report

- Special Group on Public Service Numbers and Expenditure Programmes reported in July 2009
- McCarthy proposed policies and options for achieving savings of €5.3bn in annual public expenditure
- No part of the public sector safe from scrutiny in the report



McCarthy Proposals

- Rationalisation of third level institutions
- Merging of HEA into Dept of Education & Science
- Reduction of grant support
- Creation of single funding stream for all Science, Technology, Innovation activities – including merging of Science Foundation Ireland into a Government Dept



McCarthy on Research Funding:

- “There has been a proliferation in the number of bodies involved in the formulation and delivery of STI in addition to the involvement of six Government Departments. Overall, there are in excess of 90 schemes and some 60 of these involve the funding of PhDs.
- This approach is resulting in some displacement of private-sector funding and deadweight costs, and the production line of PhDs is outpacing industry’s absorptive capacity. The largest verifiable output to date appears to be the publication of articles as opposed to more concrete measures of economic returns.”



2009 - A TIME OF UNCERTAINTY!



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The only certainty was change!



- Major concern that funding bodies might be dissolved
- Would their role be continued elsewhere:
 - New funder?
 - Would they understand the value and impact of IReL?
- Even if funding bodies continued – would they continue to support IReL given level of cuts across the board?
- Cuts were inevitable, but how severe would they be?



University Budgets



- Significant cuts to non-pay budgets, year after year from 2008/2009 and further severe cuts expected in future years
- Research and well-educated (graduate) workforce seen as the foundation of future return to economic growth
- Requirement to cut expenditure while protecting continuous quality improvement in research and teaching – challenging!!
- Loss of IReL would pose crisis of catastrophic proportions.



First Impacts

- IReL HSS allocation for 2009 cut by 8%
- Planned addition of resources ceased immediately
- IReL STM cost projected to exceed current allocation by 33% in 2010
- Essential to curtail STM to at least current allocation
- No clarity or certainty of future of IReL past December 2009



PREPARING FOR ALL EVENTUALITIES



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Preparing the Armoury

- Annual usage analysis and cost-benefit reports brought up to date
- Started to gather likely future costs so that projected future cost per use reflected any upcoming price hikes or likely cost reductions
- Cancellations sub-group set up to prepare options based on variety of possible future funding scenarios



Cancellations Criteria

- Cancellations subgroup analysed all resources and categorised as high risk, medium risk and low risk based on cancellation criteria:
 - Value for money (cost per use)
 - Usage (extent and trends)
 - Discipline (avoiding unfair focus)
- Consideration also given to Impact Factor of journals
- Resources with no Usage Stats automatically considered High Risk since value couldn't be measured



First Cuts

- To bring projected cost at least to past allocation:
 - Two resources with highest Cost per Use cancelled
 - No. of concurrent users reduced in another
 - All contracts that were continuing into 2010 were asked to reduce the contracted price increase



Lobbying

- Discussions with funding bodies from Spring 2009
- Reports of value and impact
 - 6.3m uses of IReL resources in 2008
 - Excellent average cost per use
- Discussions with University Presidents and Vice-Presidents for Research to elicit their support
- Awareness that University budgets come from same pot!
Potential for conflict of interest!
- All massively supportive and positive about IReL



Institutional Response

- Very real possibility of having to locally fund the most important IReL resources
- Institutional renewals held up ... just in case!
- Budgetary planning – impossible!
- Similar value analysis happening locally – to ensure we'd know what to cancel
- Attempts to make savings in 2008/9 to underwrite possible loss of IReL resources in 2010.



Communications

- Difficult balancing act of communication
- While we knew nothing, we really had nothing to say!
- But, needed users to be aware of risk to IReL
- Publishers sought clarity we couldn't provide
- Licenses that required notice of non-renewal were told it was a distinct possibility



First News!

- November 2009 – funders requested business plan for two scenarios:
 - Total allocation of 40% of original budget
 - Total allocation of 23% of original budget
- Noted that allocation *“if any”* would depend on Government budget for 2010
- The words ‘if any’ prepared us all for the worst
- Scenarios presented were grim!



Negotiating in a Vacuum

- Quotes for 2010 had been requested
- Negotiations commenced on initial offers
- Pressure from Funders and University Presidents to achieve serious price reductions
- Perception that publishers had seen IReL as a pot of gold!
- Hoped that we could reduce cost NOT content
- Still no guarantee we would have ANY funds!



Publisher response

- Response was very varied:
 - Disbelief from some publishers – some thought we were just playing hard-ball to get better pricing
 - Supportive response from others but still best early offers were for price freezes or 3% increases!
- Grace access requested and most kept access going while we negotiated and waited for news on funding – for which we were hugely grateful



**SANTA BRINGS NEWS... AND A
VERY THIN SACK!**



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Santa arrives with a depleted sack!



- December 22nd 2009 – finally news of a definite allocation for 2010 and 2011.
- Better than worst case scenarios but still grim
- Reduced allocation equated to losing 28% of resources at 2009 prices and 800,000 uses
- Hoped by funders and Presidents that negotiations could yield sufficient price cuts to minimise cut to content!



Immediate Action

- Negotiations now started in earnest
- High and Medium Risk resources considered for cancellation
 - 26 resources cancelled immediately
 - Content of 2 resources cut by 50% and 33%
- Cancellations were those delivering *least* value for money
- The level of cost per use of the medium risk would in the past have been considered quite good value!



Academic Reaction!

- Massive amount of feedback received by all libraries re cancelled resources
- Web-based petition started for one resource!
- Feedback showed a good sense of the financial reality faced, but nonetheless ...
- Noteworthy how little reaction there was to cancellation of some resources



Library Response

- Data gathered on level of reaction per cancelled resource
- Desire to start thinking about whether we could fund local subs
- However, strong mandate from Presidents not to take out local subs until overall picture was clear
- No action taken in the hope that IReL funding would stretch to include some, once all negotiations were complete
- Discussions commenced re local subs and how they'd be funded ... just in case



Publisher response to new reality

- Publishers all informed of our new financial reality and asked to provide significant price reductions on existing rates
- Response varied greatly:
 - One publisher offered one year free access to help us through “our difficult period” – THANK YOU!
 - **Reductions** offered by many others - up to 23%
 - Others continued to seek price **increases** of as much as 29% ! These were rejected out of hand!



Publisher Reaction

- Some publishers took our non-acceptance of price increases very personally and were irate, disbelieving and singularly unhelpful!
- Another publisher bragged incorrectly on their website about having maintained their deal with us with no cut in price or content and waxed lyrically and entirely incorrectly about how we had made our cancellation decisions!



Final Outcome



- Period of intense negotiations
- Funding stretched to cover all low risk titles
- Indeed some cancelled resources could be saved
- Resources saved selected based on academic reaction in all seven universities
- Final figure for cancellations:
 - 21 resources
 - 15 single titles



Follow up Actions

- Mini-consortia set up where several libraries wished to re-establish access to cancelled resources
- In some cases local subscriptions were taken at one or two libraries
- Dilemma for each library was how to fund these new subs when local budgets had been similarly cut
- Local cancellations were required, so knock on affect



Post-cancellation access

- Establishing post-cancellation access proved difficult
- Delivery of content on DVD – not ideal when you're eight institutions!
- Payment required for access - could we justify or afford the expenditure?
- Portico based access – ideal, but took some time to enable



Keys to our Success

- Proven track record of providing excellent value for money
- History of annual impact and usage reports
- History of cutting resources that weren't performing to ensure value for money
- Support from all stakeholders
- Mandate from IUA Presidents to negotiate as hard as needed to get required price reductions – even to extent of loss of access to key resources; very helpful in coping with academic reaction
- Sticking together and holding strong! Ní neart go cur le chéile



Future Outlook



- These budget cuts are not a temporary anomaly
- This is a permanent down-sizing of Irish public expenditure to more sustainable levels
- Future of IReL remains uncertain past end of 2011
- New government, new priorities – will we be amongst them?
- Budgetary situation disimproving nationally
- Reasonably optimistic – but nothing is certain!

