



Department for Business, Innovation & Skills

Fulfilling our Potential: Teaching Excellence, Social Mobility and Student Choice - Consultation

You can reply to this consultation online at:

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<https://www.gov.uk/government/consultations/higher-education-teaching-excellence-social-mobility-and-student-choice>

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The closing date for this consultation is 15/01/2016

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Please tick the box that best describes you as a respondent to this consultation.

	Alternative higher education provider (with designated courses)
	Alternative higher education provider (no designated courses)
	Awarding organisation
	Business/Employer
	Central government
	Charity or social enterprise
	Further Education College
	Higher Education Institution
	Individual (Please describe any particular relevant interest; parent, student, teaching staff etc.)
	Legal representative
	Local Government
	Professional Body
	Representative Body
	Research Council
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X	Other (please describe) University think tank

Introduction

A focus on quality, continuous improvement and the incentivisation of excellent teaching is at the centre of every university's ambitions for its students. The Green Paper, coming on the back of proposals to change the arrangements for quality assessment of higher education, is shining a light on this ambition of every university and enabling them to demonstrate the transformative power of diverse, high quality, excellent higher education. We welcome the recent focus this debate has enabled on the strengths and benefits of UK universities. However, the government must proceed with

caution and work with the sector to ensure that changes are in the interests of students, institutions, employers and the UK as a whole.

Much of what the TEF seeks to do as defined in the Green Paper is being done already. The development of any framework for teaching, and other regulatory changes proposed, will need to be progressed with caution to avoid duplication and diverting resources away from activities which are aimed at improving the student experience and learning outcomes.

Although focused on universities and higher education providers in England, the Green Paper has implications for universities throughout the UK and the UK's global reputation in the international market in which institutions across the sector and the UK engage. The government will need to consider carefully the impact its proposals for universities and higher education providers in England will have on those in Scotland, Northern Ireland and Wales. Higher education is devolved, and those administrations rightly take policy decisions that differ from the Westminster government. However, some of the proposals in the Green Paper may have consequences (possibly negative) on institutions in those three countries.

Students should have an entitlement to excellent teaching. The risk of linking fees to excellent teaching and creating a marketplace with differential fees is that this may end up excluding the very students that need to be attracted to and supported into universities; that is students from disadvantaged backgrounds who often the most debt-averse.

Public sector equality duty

Question 1:

- a) What are your views on the potential equality impacts of the proposals and other plans in this consultation?

The Green Paper is silent on part-time and older students and retains a focus on the young, full-time, traditional part of the HE market, studying at undergraduate level. There is a need to look at policies and proposals that will support these groups of students as meeting ambitions for social mobility and the highly qualified workforce of the future will not be delivered by the 18 year old market alone.

- b) Are there any equality impacts that we have not considered?

Yes No Not sure

Please provide any further relevant evidence.

In the event that these proposals result in the unit of resource declining in universities which educate the majority of students from socio-economic groups 4-7 then the Green Paper will potentially have a disadvantageous impact in socio-economic terms. These universities also educate the majority

of students from Black, Asian and minority ethnic backgrounds as well as students who enter university for the first time later in life. Of these mature students the majority are women.

The Green Paper therefore has potentially disadvantageous impacts in respect of the following protected characteristics: age, race and gender. Following the changes to the Disabled Students Allowance, we would also expect the government to include an analysis of the potential impact on disabled students of the outcome of the TEF.

Teaching Excellence Framework (TEF) (Part A: Chapters 1-3)

Question 2: How can information from the TEF be used to better inform student and employer decision making? Please quantify these benefits as far as you can.

A focus on quality, continuous improvement and the incentivisation of excellent teaching should be at the centre of every university's ambitions for its students. However, much of what the TEF seeks to do as defined in the Green Paper is being done already. The development of any framework for teaching will need to be progressed with caution to avoid duplication and diverting resources away from activities which are aimed at improving the student experience and learning outcomes. Students are already able to access information on degree outcomes, contact hours, learning environment and employability (among other information) via university websites and Unistats.

It is not clear how the introduction of the TEF will improve the amount and nature of the information that is available to potential students and other interested stakeholders. The consultation document states on page 20 paragraph 12 that many of the current measures are "...imperfect proxies rather than a robust assessment of teaching quality" but only proposes additional metrics that are, as admitted on page 34 paragraph 13, "...largely proxies rather than direct measures of quality and learning gain and there are issues around how robust they are."

A key issue is that, following the award of TEF based on successful quality review (which does look at teaching quality and learning outcomes), the next levels of TEF will initially be based on these imperfect proxy measures (employment, retention, satisfaction) with other, more direct measures possibly incorporated at later stages. The consultation states that other measures will be developed (e.g. learning gain) and incorporated into the TEF when possible, but gives no guidance on timing. Therefore, it is perfectly possible that the TEF will simply replicate the current measures available and assess institutions on the basis of these proxies leading to additional effort with little added value.

The risk is that the TEF creates a ranking order or league table that serves a media and public perception interest, rather the student interest. League tables are in the habit of sending imperfect signals that can skew decisions. They do not always encourage a deep, contextualised understanding of what a

university course has to offer the individual potential student. The risk of a league table produced according to TEF metrics as currently proposed is that students could be steered toward a university which is not best suited to providing the support and approach to learning required for them to be successful.

For that reason, the proposal for a more qualitative, narrative approach to some of the TEF criteria is welcome. Any future TEF should avoid creating additional excessive bureaucracy but it cannot be based purely on quantitative measures. Students learn in a variety of different contexts and through a wide range of experiences that contribute to learning outcomes. Universities must be able to offer context and narrative in a meaningful and qualitative way. The TEF cannot just focus on teaching and should take account of the complete learning environment which can be many and varied.

Examples of the broader learning environment, especially present in modern universities include academic support, peer support, bursary and emergency funding provision, learning resources, support for managing mitigating circumstances/life and health crisis. The need for this arises from having a diverse student population, and is essential to ensure success at university. This support is something that is done very well by modern universities as an integral part of their overall offer to students, and as such it is very difficult to disaggregate the impact of each of these interventions on overall learning gain given that these work best when integrated as a system rather than treated as separate entities. There is a risk that the TEF will not be able to judge this learning environment appropriately, or will translate it into something akin to an 'intervention ticklist' which would not enable an understanding of specific contexts or institutional diversity.

Question 3: Do you agree that the ambition for TEF should be that it is open to all HE providers, all disciplines, all modes of delivery and all levels?

Yes No Not sure

Please give reasons for your answers.

We have major reservations about the TEF in the form proposed in the consultation. However, should it be implemented in this or any form, we believe that it would be appropriate for it to apply to all providers for all courses.

All HE providers should compete on an equal basis, judged by the same quality standards and held to the same levels of accountability. That means that, whatever is introduced in terms of TEF criteria should be a) able to safeguard at least the current levels of quality in the HE sector and b) applied to any and all providers seeking to offer higher education courses to students, whether on UK or international campuses. It should also require the use of benchmarked data that reflects the diversity of the sector.

It will be important for the TEF to also be designed in such a way that it acknowledges and understands institutional differences and is able to judge success contextually. Universities have differences in funding, in size, in terms of the student population, course offerings and geographical locations – all of which will influence outcomes.

Question 4: Where relevant, should an approved Access Agreement be a pre-requisite for a TEF award? What other mechanism might be used for different types of providers?

If the TEF is to consider access, outreach, retention and progression as part of its assessment criteria, then it is logical to look at all efforts institutions make in those areas. An Access Agreement, and the work of Office for Fair Access more generally, are now vital and fundamental parts of the higher education sector, ensuring a stronger than ever focus on creating opportunities and enabling success for the widest possible number of students from a range of backgrounds. Assessing institutions on their success or otherwise in this area is probably of more importance and relevance than assessing them on the employment patterns of their graduates.

A key issue is whether to require ALL higher education providers to submit an Access Agreement, regardless of their fee levels, therefore providing the Director for Fair Access with a more coherent overview of the efforts of all parts of the sector in widening participation and increasing access. If the government is committed to enabling new providers to enter the market to provide more choice to all students, then it is right to judge these new providers by the same standards applied to universities. It would not be in the student interest for newer, private or for-profit providers to be able to escape scrutiny on issues of widening participation, increasing access, student mobility or, more importantly, outcomes and successes for students.

Question 5: Do you agree with the proposals on:

a) what would constitute a 'successful' QA review

Yes No Not sure

b) the incentives that should be open to alternative providers for the first year of the TEF

Yes No Not sure

c) the proposal to move to differentiated levels of TEF from year two?

Yes No Not sure

Please give reasons for your answer.

An effective way to achieve a TEF that assesses effectively the right outcomes, incentivises teaching excellence and addresses the question of fee income, would be to continue with the introduction in 2016 of Level 1 assessments linked with a successful quality assurance audit with inflationary increases being permitted for three years. This would provide institutions with opportunities to increase fees by inflation if they wished – which is a policy aim in the Green Paper – so long as they met the quality assurance criteria. This would have the added advantage of allowing institutions to demonstrate quality in line with other policy aims. Testing and piloting of any TEF process is essential both to achieve an understanding of, and agreement about, the most appropriate measures to use or develop. Time will also be required to review and test how institutions might provide narrative statements. Any award should be the outcome of a consistent process applied to all providers.

The suggestion that TEF in 2016-17 should be based on successful quality review and linked with an inflationary increase in fees from 2017 is welcome (as fees have been frozen since 2012, meaning a reduction in income in real terms). However, the proposal that further assessments should be added for TEF levels 2-4 (or 2 and 3) and linked to differentiated fees is highly questionable in principle and in practice. At this stage, no clear rationale for 4 tiers has been provided either at institutional or subject level. It is also unclear what the purpose of higher TEF levels would be and why they are required – if it is just to differentiate fees a simpler solution could be found that does not involve such disruption, bureaucracy and potential reputation damage to the higher education sector.

Over time any intended relationship between fee and ‘perceived quality’ will be diluted hence the fee and TEF should be decoupled at the outset. Unless the government introduces significant price differentials (which we would not support), different TEF levels are unlikely to lead to significant fee variability in the short or medium term. Different TEF levels will increase the administrative burden and make the modelling of the TEF even more complex, especially bearing in mind that Ministers have suggested that the TEF should operate at subject rather than institutional level.

Question 6: Do you agree with the proposed approach to TEF assessments on

Timing?

Yes No Not sure

Assessment panels?

Yes No Not sure

and process?

Yes No Not sure

Please give reasons for your answer.

Some of our comments in the answer to Question 5 apply here. As we noted there, we believe that there are many questions about the TEF (in principle and in practice) that require extensive work to develop, pilot and test. This requires time and evaluation. We think that the current timescales are too short to fully understand whether the proposals on assessment panels and process are appropriate. Assessment panels will need to consist of a broad, diverse group of experts, able to understand and distinguish between the different approaches taken by individual universities.

Additionally, the current proposals for how the TEF will work in practice are very limited. The only current example is in the way the Research Excellence Framework assess research outputs, environment and impact. The REF is a selective exercise, with only some academics and some research being submitted. It is difficult to see how, given the government's aims as stated, that the TEF could be anything other than comprehensive exercise, covering all teaching at all universities and HE providers.

This suggests an extensive, expensive exercise that will divert investment from developing and improving the quality of teaching to providing information to a centralised organisation. We are not convinced by the arguments as currently put that this will be a proportionate burden on universities. This is particularly true for small institutions and may lead to them being unable to apply. This will lead to inequalities. All institutions must be able to participate.

Question 7: How can we minimise any administrative burdens on institutions? Please provide any evidence relating to the potential administrative costs and benefits to institutions of the proposals set out in this document.

Without more information about how the TEF will be managed in practice, what the criteria will be, and how institutions will prepare and submit information, it is extremely difficult to offer a view on the costs and burdens. Again, the only reference point is the REF, which involves effort from universities over multiple years for the one exercise.

We are concerned that the costs of the TEF on the central body (likely the OfS) and individual universities could be prohibitive and will divert investment from improving the teaching and learning environment. The REF was recently evaluated as costing more than £200 million. This is a selective exercise, not focused on all staff or university research active. It is reasonable to assume that the TEF will cost more as it is designed to be an exercise that applies to all teaching provision, and as such must incorporate in some way all academics with a teaching role. We believe the government needs to undertake a full evaluation in to the potential costs of the TEF, particularly for institutions, before considering how to implement it.

Question 8: Do you agree with the proposed approach to differentiation and award as TEF develops over time?

Yes No Not sure

Please give reasons for your answer.

Whatever shape the TEF ends up taking, there should be no link with fees at all. Arbitrary price setting at multiple levels managed centrally by BIS (or some other organisation) is more likely to stifle innovation and competition rather than promote it. At current rates of inflation, significant fee differentiation will not happen for many years (possibly up to 20). Depending on when institutions cross the thresholds in TEF, the link with course fees will signal misleading perceptions of quality at an institution and lead to anomalies in respect of additional fee income.

Our responses to Questions 5 and 6 are also relevant here.

Question 9: Do you agree with the proposed approach to incentives for the different types of provider?

Yes No Not sure

Please give reasons for your answer.

The proposals suggested for incentivising alternative providers appear to add more complexity and bureaucracy to the market, which could increase the overall cost to certain providers. It also may mean more oversight and intervention from HEFCE/OfS. Logically, the approach available if the single route to HE is introduced, is a simpler mechanism to incentivise providers. However, this should not be taken as an endorsement of either the single route or the incentives proposals.

The focus of the TEF must be on providing improved information to students, employers and the general public that evidences the approach of institutions to ensuring high quality learning and teaching. It should not be focused on a link to fees.

Question 10: Do you agree with the focus on teaching quality, learning environment, student outcomes and learning gain?

Yes No Not sure

Please give reasons for your answer.

In principal, these are appropriate aspects of the overall student experience on which to focus. However, as we have pointed out earlier, the criteria proposed are unlikely to offer accurate assessments of quality, progress or success without much more development work to develop, pilot and review appropriate metrics.

In addition, many of the factors impacting on the measures chosen (for example, retention, NSS and employment) relate to the broader HE environment and the ‘additionality’ universities offer to students, such as placements. They are therefore not affected solely by teaching delivered by academics. The purpose and focus of the exercise is therefore confused and undefined.

The work being conducted by HEFCE on learning gain is important here. The development of the TEF should be influenced by the evidence available from those pilots, which means allowing a far longer timetable than the government currently proposes.

Question 11: Do you agree with the proposed approach to the evidence used to make TEF assessments - common metrics derived from the national databases supported by evidence from the provider?

Yes No Not sure

Please give reasons for your answer.

Our comments in our answers to Questions 2, 5, 6 and 7 are relevant here. Additionally, it is worth repeating that the measures currently proposed for inclusion in the TEF were developed for different purposes and are not indicators of teaching quality. For example:

- **It is not possible to use the DLHE to identify high quality teaching. A graduate’s ability to secure employment within 6 months of qualification is based on many other factors, including the local employment market. If a graduate secures a job, that does not mean that they have had excellent teaching; equally, if they fail to secure a job that does not mean that had poor teaching. DLHE success (in respect of ‘graduate’ jobs) is also based on inappropriate interpretations of what is and isn’t graduate employment, using outdated Standard Occupational Classifications. Often, an employer will seek graduates because they value to broad set of skills and attributes acquired, and because of potential. It is often the case that graduates will take ‘non-graduate’ employment as step along the way to a chosen career (or because that is what is available in their region).**
- **The National Student Survey is a measure of student opinion on their course, based on their satisfaction, rather than an assessment of the quality of teaching. There are many variables in play (student demographics, disciplines, teaching styles) that mean that NSS results need to be interpreted with care.**
- **The proposed use of HMRC data will not provide an assessment of teaching quality. There are many other reasons as to why someone earns a particular salary – high income may well have much more to do with social capital, networks and industry choice than it does the quality of teaching at university. Conversely, graduates in lower income jobs could**

well have had excellent teaching, but then have decided to, for many different reasons, pursue jobs that are not highly paid.

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We also believe that:

- Data needs to be benchmarked for the type of subjects offered and the characteristics of the students at each institution.
- Quantitative metrics are no substitute for academic peer review – both are necessary to inform a reasonable judgement
- Institutional statements should be equally weighted to the quantitative data
- Panels must have an understanding of institutional context and be able to interpret the qualitative statement rather than relying on the data.

Social mobility and widening participation (Part A: Chapter 4)

Question 12:

- a) Do you agree with the proposals to further improve access and success for students from disadvantaged backgrounds and black and minority ethnic (BME) backgrounds?

Yes No Not sure

Please give reasons for your answer.

It is important that we improve access and success for students from disadvantaged backgrounds, BME students, and disabled students. However, it is not clear that the proposals here are sufficient to achieve this. It is not just the responsibility of universities to achieve this – schools, employers and wider societal views are also important.

The proposals to situate the Office for Fair Access within the organisational structure of the new Office for Students may make it harder for Offa and the Director for Fair Access to provide the challenge and scrutiny to institutions in order to achieve the aims of improving access and success for all students. Ideally, Offa would remain a separate organisation, but if that changes then the Director for Fair Access should have the same powers and reporting accountability as is the case now.

Real attempts to improve social mobility are unlikely to be achieved by increasing fees, especially as those students from under- represented and under – achieving backgrounds are likely to need the best learning and teaching environment which, under the proposals, would be the most expensive. The cost of administering the TEF could be better used to provide additional support to students where necessary, whether through fee reductions, bursaries or other action by universities.

We also think it is worth reiterating the importance of Student Opportunity Funding in this regard, and the potential negative impact of removing this

important investment. This investment is needed in order to enable universities to support students from disadvantaged backgrounds, and to help meet the Prime Minister's commitments in this area.

b) Do you agree that the Office for Students should have the power to set targets where providers are failing to make progress?

- Yes No Not sure

Please give reasons for your answer.

Without further information on what these powers would be, what sanctions for missing targets could be applied, or how this would interact with the work and powers of Ofpa, it is difficult to comment fully. It may be more appropriate to extend the powers held by the Director for Fair Access, whether Ofpa remains an independent organisation as now, or is subsumed into the new OfS.

The consultation (page 38, paragraphs 15-20) discusses how TEF criteria will be used to promote work to improve access and success of students from all backgrounds. Although we fully endorse and support the overall principal of improving access and success of students, there is insufficient information available to form a final judgement about the policy proposals.

c) What other groups or measures should the Government consider?

The success, progress and challenges of all groups of students should be considered by government and by the new Office for Students. Given the amount of data available from institutions, there is no reason to exclude any particular identified group. It is important to analyse performance of all students to understand whether there is attainment and progress is lower than would be expected. In that way, measures can be introduced to encourage and support successful experiences for all students.

Question 13:

a) What potential benefits for decision and policy making in relation to improving access might arise from additional data being available?

Data available from various organisations such as HEFCE, HESA and UCAS, as well as analysis by individual universities, means that the sector has extensive evidence about all aspects of the higher education experience. Making additional data available will enhance understanding of the sector, but it needs to be done with care and expertise to ensure that data are robust and sufficiently scrutinised.

b) What additional administrative burdens might this place on organisations? If additional costs are expected to be associated with this, please quantify them.

Additional data requirements will require more work, and so potentially more cost. However, the sector has for many years had shared approaches to data collection and analysis (via HEFCE, UCAS and HESA for example) so it may be possible to minimise these costs. Any additional data requirements should be evaluated for cost before being introduced, and only continue if the costs are proportionate to the effort and the benefit.

Opening up the sector to new providers (Part B: Chapter 1)

Question 14: Do you agree with the proposed single route into the higher education sector?

Yes No Not sure

Please give reasons for your answer, including information quantifying how the potential cost of entry would change as a result of these proposals.

There is a benefit in having a single entry route for new providers, and for judging all providers according to the same criteria. However, this should not be achieved by lowering the current standards and thresholds applied to new entrants.

UK university title and degree awarding powers, whether for teaching or research, are highly valued and have been and should continue to be hard-earned. UK university title has been the descriptor of institutions which have interests and infrastructure to support teaching, research and knowledge exchange but which also make a social contribution to the wider community and public interest. These developments, together with an independent quality assurance system, have underpinned the UK's global reputation and market in higher education. They also align with the relevant Bologna definitions and processes that have been discussed and agreed over many years by Ministers as part of the EU HE zone.

UK university title is not a brand that should be sold 'on the cheap'. The Green Paper risks downgrading both the importance and value of university title in the UK and damaging the reputation of UK universities both at home and overseas.

Question 15:

a) Do you agree with the proposed risk-based approach to eligibility for degree awarding powers (DAPs) and university title?

Yes No Not sure

Please give reasons for your answer.

The timelines proposed for new providers in terms of maturity and the presentation of financial accounts are much too short to guarantee quality and are not in the interests of students or the reputation of the sector.

When Foundation Degrees Awarding Powers (FDAP) were debated in Parliament in 2007, the view, including of the then Conservative Shadow Ministers Boris Johnson and John Hayes, was that providers should only be able to obtain FDAP after they had demonstrated at least 6 years' experience as well as other quality criteria. It is difficult to see why these views should be set aside in 2015 when the incentives for new providers to enter the market have increased. This makes the case to retain the current criteria including the 6 year period more, rather than less, important.

More recently in 2015, the Public Accounts Committee of the Westminster Parliament reported¹ on the problems caused as a result of the relaxation of rules for new entrants into the HE sector in England. The PAC's report pointed out that an influx of private providers, some of which had misappropriated funds, led to a £1bn overrun of the student loans budget.

The importance of a provider having a minimum cohort of HE students is crucial to university title. The requirements and infrastructure required to acquire degree awarding powers cannot be achieved without a large cohort of students. The current qualification stands at 1000 full-time equivalent (FTE) students, 750 of whom must be studying for a degree, and with at least 55% HE provision. This should not be lowered.

Competition, diversity and innovation may well be important elements of validation, but the quality of the provision must be the first priority.

Universities have a track record of flexing to meet the demands of students and employers and are not afraid of competition but this should not be based on a reduction in standards. It is inevitable that 'risky' institutions without a clearly sustainable long-term model will be encouraged to enter the market if the entry requirements and criteria for university title and degree awarding powers are lowered. This would not be in the interests of students or taxpayers and would undermine the international reputation of UK universities.

- b) What are your views on the options identified for validation of courses delivered by providers who do not hold DAPs?

Higher education providers without direct degree awarding powers have a range of validation options, and as such there is competition in the market. Universities with degree awarding powers have achieved them after extensive scrutiny and quality assurance. They also have the scale to offer facilities and resources that newer providers will lack, and can offer developmental

¹ Public Accounts Committee Report 24th February 2015 <http://www.parliament.uk/business/committees/committees-a-z/commons-select/public-accounts-committee/news/report-financial-support-for-students-at-alternative-higher-education-providers/>

supporting, networking opportunities with other academics, and the possibility for joint teaching and research activity.

It is right that validation of degrees are carried out by teaching organisations, ensuring a high quality of education for students and rigorous oversight of staff input.

The strong tradition in the HE sector of diversity and autonomy of provision, offering different approaches to degrees depending on institutional experience, student demand and employer need is one of the bedrocks of the sector's reputation of high quality. Enacting legislation to offer a validation role to a regulatory body (as suggested with the Office for Students) would confuse responsibilities and lead to excessive burdens on the organisation.

There may be scope for reform of the current validation arrangements to ensure a better understanding of the available options and reasons for why a provider with degree awarding powers refuses to enter a validating relationship (for which they absolutely have the right to do). However, if an alternative provider is not able to provide assurance to a validating partner that they will be able to deliver degrees at the same quality, it seems odd that they should then be able to turn to a validator of last resort which may be of lesser quality and offer lower levels of scrutiny.

Question 16: Do you agree with the proposed immediate actions intended to speed up entry?

Yes No Not sure

Please give reasons for your answer.

As stated above in our answers to Question 15, the timetables proposed and the lowering of standards are inappropriate actions to address any concerns around the current processes for acquiring degree awarding powers and university title. New entrants to the HE market, who will benefit from the strong reputation the sector has at home and abroad and from the necessary public protections inherent in the system, should be judged by the same quality standards and rigour as existing providers.

There may be scope to review the arrangements and timetable for institutions that already have degree awarding powers and wish to acquire university title. However, to speed up the process for acquiring awarding powers will potentially mean that inexperienced and ineffective institutions are eligible to validate their own degrees before they have faced sufficient scrutiny regarding their quality and sustainability. The current 6 year timetable, allowing as it does for the assessment of two full cohorts of students / graduates, provides information and evidence with which to make a judgement about the institution.

The UK government's proposals to lower the bar for university title in England will have profound implications and repercussions for institutions in Scotland, Wales and Northern Ireland as well as those in England. The Green Paper makes no reference to the wider impact of these proposals on the devolved administrations. The government should specifically address these concerns in its response to the Green Paper consultation.

Provider exit and student protection (Part B: Chapter 2)

Question 17: Do you agree with the proposal to introduce a requirement for all providers to have contingency arrangements to support students in the event that their course cannot be completed?

Yes No Not sure

Please give reasons for your answer, including evidence on the costs and benefits associated with having a contingency plan in place? Please quantify these costs where possible.

It is important to protect students in the event of provider issues that mean a course cannot be completed – indeed HEFCE has acted as a coordinator in this area in the past. However, the proposals do not go into sufficient detail about the potential costs to existing institutions in the event of failure, or how / whether students will be transferred to those existing institutions.

The proposal will place significant burden on the majority of low-risk providers with very strong track records in order to ensure that higher risk providers put adequate arrangements in place. Established institutions have longstanding practices of putting arrangements in place which make provision for any such eventuality. There is a risk that existing, mature universities, with long standing and credible track records will be expected to bear the cost and responsibility of continuing educate students that have been failed by newer providers.

More information is needed in order to answer fully.

Simplifying the higher education architecture (Part C)

Question 18:

a) Do you agree with the proposed changes to the higher education architecture?

Yes No Not sure

Please give reasons for your answer.

The implication of the Green Paper is that the creation of the Office of Students (OfS) and the subsequent demise of the Higher Education Funding Council for England will result in the latter's role as a 'buffer' body, as defined in the 1992 FE and HE Act, being lost. This would be a retrograde step.

We believe that the new organisation should have a wider remit than simply acting only in the interests of students. It needs to look at the interests of the public, the taxpayer, providers, employers and government, as well as students – in the way that HEFCE does now. The current proposed name does not suggest that non-student interests will have a high priority in the new environment.

OfS should retain the Higher Education Funding Council for England's (HEFCE) role as an overarching body with oversight and the capacity to promote the connectivity between teaching and research which benefits the sector but also the ambitions of governments of different colours. Although governments are not able to direct universities or HEFCE under current legislation, the procedure of using Ministerial guidance and letters to promote policy and funding agendas has the benefit of preserving institutional autonomy and encouraging innovative approaches while avoiding centralisation and direction.

Any future OfS must continue to have a role as buffer body and as defined in the 1992 Act and retain the capacity to provide a critique of higher education policy. The retention of this relationship benefits institutions and students by providing a single reporting route for information about teaching, research and knowledge exchange. This, in turn, adds value in terms of oversight and connectivity which benefits the sector as a whole.

It follows that OfS should retain responsibility for residual teaching funding and quality-related research funding. To transfer the latter to ResearchUK and residual T-grant to a separate organisation or to BIS risks further bureaucracy and / or centralisation that would not serve government or the sector well.

Universities also have key roles to play in supporting productivity through enterprise and through support of local communities. All these elements are interrelated hence need to be overseen by the OfS in a holistic manner as is currently the case through HEFCE.

Transferring quality-related research funding to ResearchUK would also weaken the OfS's oversight over the whole sector and undermine the quality assurance regime. The latter has been co-owned and co-developed with the sector with the responsibility lying with HEFCE and quality assurance audits including postgraduate provision and research degrees. Notwithstanding the debate about the future of quality assurance and the QAA as an organisation, these arrangements should be carried forward into the new Office for Students. To transfer the core funding for research to ResearchUK makes little sense and would be of no significant benefit to students, the sector or government.

b) To what extent should the Office for Students (OfS) have the power to contract out its functions to separate bodies?

- Fully Partially Not at all

c) If you agree, which functions should the OfS be able to contract out?

If the new Office for Students takes on the powers currently held by HEFCE, then it is logical that it should have the same rights to contract out certain functions to separate bodies – e.g. quality assurance and data collection. This provides sufficient independence and autonomy to ensure that a key funder of institutions does not also retain extensive powers in other areas. This should continue; in particular quality assurance should remain under the auspices of an independent body – a point we made in our response to the HEFCE consultation on this issue (<http://www.millionplus.ac.uk/research-policy/reports/latest-reports/quality-assurance-in-england-key-principles>)

In that response we stated that the quality assurance system in England must be independent of the regulatory functions of the Higher Education Funding Council for England and that the principles of independence and co-regulation should continue to apply. Accordingly we see no place for the transfer of quality assurance functions to governing bodies which exercise valuable but different governance responsibilities. However, there is scope to improve the current quality assurance system to ensure that institutions see it as an enabler, and not as an obstacle and a burden. In addition, the quality assurance framework must be risk-based and proportionate in order to avoid unnecessary bureaucracy and costs.

Independent, external quality review and scrutiny of universities that is separate and distinct from the funding of higher education is a long-held tradition of the UK higher education system. It has lasted because it is effective, and does much to uphold the reputation, both at home and abroad, of the sector. While there is certainly scope for reform, particularly around ensuring proportionate, risk-based and appropriate review of institutions with strong track records, the credibility provided by external review is essential to ensuring the continued success of UK and, in relation to the specifics of this consultation, English universities.

d) What are your views on the proposed options for allocating Teaching Grant?

Option 1: BIS Ministers set strategic priorities and BIS officials determine formula.

- Agree Disagree Not sure

Option 2: BIS Minister sets strategic priorities and allocation responsibilities divested to OfS

Agree Disagree Not sure

Please give reasons for your answer,

Arguably, BIS Ministers have become more directive in guidance to HEFCE in recent years. Whether the OfS is established, or HEFCE remains, it is far more effective for decisions about funding and other matters to be made at a level removed from political considerations. These decisions will clearly be influenced by stated government priorities, but it is better that they are made independently of Ministers. The BIS Grant Letter should remain at the level of setting strategic priorities and allow HEFCE/OfS to make specific decisions about funding in consultation with the sector and on the basis of available evidence.

Question 19: Do you agree with the proposal for a single, transparent and light touch regulatory framework for every higher education provider?

 Yes No Not sure

Please give reasons for your answer, including how the proposed framework would change the burden on providers. Please quantify the benefits and/or costs where possible.

As we have stated elsewhere, all new providers should be judged to the same quality standards as are currently in place for universities. There should be no lowering of standards in order to encourage new entrants. With this in mind, it is therefore logical that there should be a single regulatory framework that takes into account experience and the long-standing of institutions when making judgements.

We do not see a contradiction between a cyclical approach (we do not envisage that this should be a ten year timeframe and prefer the current 5 years) and a reformed, more risk-based approach to quality assurance. We would emphasise that quality assurance needs to be independent and co-owned and we remain supportive in principle of the current approaches, though appreciate that there is scope to reform some elements.

Question 20: What steps could be taken to increase the transparency of student unions and strengthen unions' accountability to their student members?

We believe that students' unions are a vital part of the education landscape and powerful agents of positive change. They play a major role in supporting the welfare of students through advice and guidance and provide a wide range of cultural, developmental and social opportunities. Last year we supported the #LoveSUs campaign as part of our overall support for students' unions.

Students' unions are democratic independent organisations, and are regulated by law in terms of their activities, and have a range of policies and

procedures to ensure they are transparent and accountable to their members. We would be wary of any reforms that affected that democratic, independent status. We also believe that the consultation fails to identify what issues there are with the current levels of transparency and accountability in students' unions.

Question 21:

a) Do you agree with the proposed duties and powers of the Office for Students?

Yes No Not sure

Please give reasons for your answer.

Our answer to Question 18 is relevant here.

Without greater clarity of how the Office for Students will work in practice, it is impossible to offer a clear answer here. We have concerns that the many of the existing functions undertaken by HEFCE will no longer be a priority in the new Office for Students. We are also concerned that the proposals to separate oversight of teaching and research (the former to be the role of the OfS; the latter done by ResearchUK) will mean that there is no longer a holistic view of what universities are doing. It will also weaken the important connection between teaching and research. The proposed duties and powers of the OfS also has implications for the Office for Fair Access – we believe this needs to remain independent.

b) Do you agree with the proposed subscription funding model?

Yes No Not sure

Please give reasons for your answer.

Without further information it is difficult to offer a full answer to this question. However, we do not think a subscription model is appropriate. For instance, if the responsibility for quality-related research funding is transferred out of the Office for Students, will that impact on the level of subscription? If subscription is based on student numbers, then this potential means that research-intensive institutions with low student numbers would disproportionately benefit from the model as their subscriptions could be far lower as a percentage of overall income.

Fundamentally, a subscription model transfers the cost of providing accountability for public funding from general taxation – which is right because higher education offers a benefit to society as a whole – to individual student contributions. Students and graduates will end up being responsible, albeit indirectly, for the costs of the Office for Students.

Question 22:

a) Do you agree with the proposed powers for OfS and the Secretary of State to manage risk?

Yes No Not sure

Please give reasons for your answer.

There needs to be explicit instruction that the power given to the Secretary of State to direct OfS is limited to strategic direction of the sector and does not extend to individual institutions. The arrangements for the protection of institutional autonomy as currently framed do not provide assurance.

The proposed power to enter and ‘inspect’ higher education providers is a matter of particular concern and the proposed limitations on its use and the safeguards for providers need to be clarified. This might include the use of an organisation operating independently of BIS.

The government is introducing risk into the new system with its proposals to lower the entry bar for new providers. We do not believe it appropriate for the threshold for entry into higher education provision (and consequently access to public funding through tuition fee loans), as we state in our answer to questions 14, 15 and 16.

b) What safeguards for providers should be considered to limit the use of such powers?

Maintaining a high threshold for new entrants, and ensuring the high quality in the sector is maintained, will minimise the need for any such powers to be used. We do not agree with the proposals to change the entry requirements for new providers – if the entry requirements remain as they are, then as well as ensuring a high quality sector, it also reduces the need to implement additional safeguards.

Question 23: Do you agree with the proposed deregulatory measures?

Yes No Not sure

Please give reasons for your answer, including how the proposals would change the burden on providers. Please quantify the benefits and/or costs where possible.

There may be a case to revisit and reform some of the legacy issues created by the legal structures of some higher education providers. We would support these moves providing they do not reduce the quality or accountability of providers.

With regard to issues related to the Freedom of Information Act, we believe that the government needs to provide more evidence of the problem it is attempting to solve. Removing all higher education providers from the

requirements of the Freedom of Information Act because new providers may have concerns about the cost seems to be a disproportionate move. It may be more effective to consider how the Freedom of Information Act is interpreted and managed to ensure that the interests of students and the public are upheld at the same time as ensuring universities and other providers do not face high costs of compliance with the act.

Reducing complexity and bureaucracy in research funding (Part D)

Question 24: In light of the proposed changes to the institutional framework for higher education, and the forthcoming Nurse Review, what are your views on the future design of the institutional research landscape?

The retention of 7 separate councils focused on different disciplines is welcome. This will mean that disciplinary independence in administering research awards and grant funds will remain. The creation of a stronger overarching organisation with a single reporting officer may bring more focus on collaboration and multi-disciplinary research across the research councils. However, there are risks that this new role could reduce the calibre of people applying to lead the individual councils, as these roles will now effectively be deputies to the Chief Executive of ResearchUK. It is unclear if the proposals will necessarily reduce complexity, bureaucracy or cost in allocating research funding.

Quality-related research funding serves a distinct purpose which is rightly different from the awards and grants provided by the Research Councils on the basis of competitive application with the criteria set by the Research Councils themselves. Quality-related funding has the potential to support smaller and emerging areas of research and has the benefit of promoting and funding excellence throughout the sector.

While administrative costs of quality-related research funding could be reduced, the principle of allocating it as a block grant, awarded on the basis of peer reviewed assessments of past excellence and with the discretion of institutions to invest as they see fit has been beneficial. The delivery of the research assessment exercises, be they the RAE or the REF, by HEFCE with the subsequent allocation of quality-related funding to English institutions by HEFCE, has ensured that QR funding has not been subject to direct intervention by Ministers.

Responsibility for quality-related research funding should be transferred to the Office of Students (if it is established). Responsibility for PGR funding should also transfer, as they are dependent on wider environment and also need to include a clear development programme to support wider skills development. It is difficult to see how OfS would be able to exercise the same oversight over the sector as a whole if the principle of the block grant was eroded and the link between funding for teaching, research and related activities was broken. In order to reflect the relationship between teaching and research, it is better for the new Office for Students to retain responsibility for quality-related funding, along with direct grants related to teaching activity.

The transfer of QR funding to ResearchUK would place England out of line with the funding organisations and arrangements in Scotland, Wales and Northern Ireland. If QR were to become the responsibility of a UK-wide organisation, the government would need to outline how the resulting research architecture and specifically ResearchUK would guarantee that the funding organisations in the devolved administrations would continue to exercise sole responsibility for the allocation of QR to universities in their respective devolved governments.

Question 25:

- a) What safeguards would you want to see in place in the event that dual funding was operated within a single organisation?

Dual support funding, with the quality-related element distributed via formulaic allocation, has by and large served the sector well. We believe this should remain a fundamental element of overall research funding policy.

If quality-related research funding does transfer to the new ResearchUK, then safeguards need to be in place to ensure that the current approach to allocating funding – according to excellence and provided as a block grant for institutions to use as they wish – remains. It should not be allocated according to particular government priorities, aside from the one that excellent research should be funded wherever it is found. A full consultation should be carried out if the government does propose transferring quality-related research funding to the new ResearchUK.

- b) Would you favour a degree of hypothecation to ensure that dual funding streams, along with their distinctive characteristics, could not be changed by that organisation?

Yes No Not sure

Please give reasons for your answer

The current arrangements for dual support – with responsibility for allocating funding resting with different organisations – prevents any transfer of funding in line with new government priorities or high demand. Ensuring stability in quality-related research funding, and protecting it from being transferred to project-based funding requirements will be vital if it becomes the responsibility of ResearchUK. Quality-related research provides valuable investment for universities engaged in smaller levels of research activity, or for those working in areas that are less resource-intensive (e.g. do not require significant capital investment) such as humanities, social sciences and some creative disciplines. There is a risk that pressure to investment in STEM and medical research will be a reason to divert funding away from

quality-related research and towards project-based research. Without the protection of this investment being in two different organisations, that pressure will be harder to resist.

Similarly, the current funding arrangements for HEFCE-allocated funding for teaching and research allow for institutional autonomy in deciding how best to invest this funding. This system – the block grant principle – should continue.

Question 26: What are the benefits of the REF to a) your institution and b) to the wider sector? How can we ensure they are preserved?

Research assessment (through RAE and REF) has identified that excellent research is taking place in every university in the UK. It has supported the development of emerging areas of research and ensured that all universities can offer a learning environment influenced by high quality research and teaching. This has had a significant positive on the reputation of the sector.

Since 2008, however, research funding policy has served to concentrate funding into a smaller number of institutions. This has the potential to reduce capacity of the overall research base, and make it harder for businesses (especially SMEs) to access high quality research and knowledge exchange in their region.

We believe that any reforms to the REF should not detract from the principles of identifying excellent research across the sector. We also believe that the government should maintain its commitment to funding excellent research wherever it is found. We do not support any further concentration of research funding and believe that the government should do more to invest in translational research to support universities in working with businesses to grow and add value to regions around the country.

Question 27: How would you suggest the burden of REF exercises is reduced?

Our answer to this question is informed by the announcement in December 2015 about the plans for Nicholas Stern to review the research excellence framework.

While supportive of the need for review, we are disappointed in what appears to be the relatively narrow membership of the Panel, which may mean that it fails to consider all of the issues surrounding the REF.

The REF is UK but also sector wide. As such the Review would have benefited from a panel that was more balanced in order to reflect these interests. Vice-Chancellors from across the sector, including Vice-Chancellors of modern universities have backgrounds as eminent researchers in their field and are appointed to their posts having often previously exercised significant responsibilities in respect of the research assessment exercise and more recently the REF. These institutions have seen significant growth in international output and have been key in delivering the impact agenda. We

believe the Panel would have benefitted from their expertise and that this would have provided access to a wider cross-section of interests and just as importantly given a greater sense of sector ownership. It would be useful if the Panel could give an early indication of commitment to seek cross sector input to the process

The Research Excellence Framework and the funding of excellent research

The REF and previous research assessment exercises have helped drive growth in internationally recognised research across the sector to the great benefit of industry, the professions and society at large. These exercises have demonstrated a growth in excellent research but have also confirmed that excellent research is found in every university.

Following the completion of REF2014, and the publication of a series of evaluation reports, it is clearly appropriate for the government to consider the purpose, effectiveness and efficiency of the REF prior to any decisions being made on the shape of the next exercise in 2021. However, in the same way as the government has committed to the principle of dual support (in the proposals contained in the Green Paper), we would hope that it would also could re-commit to the principle that excellent research will continue to be funded wherever it is identified. This would help to secure confidence in the Review.

Impact

The review must be tasked to consider the relationship between the three key elements of REF i.e. the quality of outputs, the environment in which research is conducted, and the impact of that research. In order to support the government's aim that its investment in research should deliver impact, there is certainly scope to consider whether the proportion of the final assessment related to the latter should be changed from the current 20% of the final assessment. This could for example include a stronger emphasis on the valuable translational research carried out by institutions to support businesses and not-for-profit organisations. The pros and cons of such an approach need some consideration by the panel.

Consultation and evidence

The terms of reference for the review recognise the importance that any recommendations should secure the confidence of the higher education sector as a whole. In this respect we would emphasise again that this needs to be secured on a UK-wide and cross-sector basis. We are concerned that the body of work e.g. Rand and Wilsden on which the Review may be relying, focuses on evaluation of the 2014 REF exercise rather than taking evidence about the system in the future. We understand that external contractors have been engaged to provide a synthesis of this work and further, that the Review intends to rely on structured telephone interviews.

We believe there are three ways in which confidence in the Review might be enhanced:

1. It would be beneficial to expand the membership of the steering group working with Lord Stern to include representative(s) from modern

universities and representative(s) from industry, or other users of research.

2. The review panel should invite written submissions from the sector and consider taking evidence in open sessions, much like select committees do (and as the Browne Review of HE Funding and Student Finance did when it conducted its work in 2009/10).

3. In keeping with the traditions of policy and funding reform in higher education and in line with good practice, the recommendations and proposals that arise from the review should be the subject of formal consultation.

Question 28: How could the data infrastructure underpinning research information management be improved?

Do you have any other comments that might aid the consultation process as a whole?

Please use this space for any general comments that you may have, comments on the layout of this consultation would also be welcomed.

Thank you for your views on this consultation.

Thank you for taking the time to let us have your views. We do not intend to acknowledge receipt of individual responses unless you tick the box below.

Please acknowledge this reply

At BIS we carry out our research on many different topics and consultations. As your views are valuable to us, would it be okay if we were to contact you again from time to time either for research or to send through consultation documents?

Yes No

BIS/15/623/RF