May 2012/11

**Policy development**

**Purpose**

Responses should be made online by Tuesday 31 July 2012

This publication consults on the development of a more risk-based approach to the quality assurance of higher education in England.

# A risk-based approach to quality assurance

**Consultation**

HIGHER EDUCATION *hefce* FUNDING COUNCIL FOR ENGLAND

# Contents

# Foreword

**Internationally, UK higher education is regarded as being of the highest quality. External and internal quality assurance schemes have played their part in making this so.**

Changes to the quality assurance arrangements in England over the past 20 years have enhanced the strong reputation of higher education. Under the previous method of reviewing academic standards and quality in higher education institutions, known as Institutional Audit, no higher education institution received a judgement of 'no confidence' over the five-year cycle which ran from 2005-06 to 2010-11.

We propose to build on more recent changes, arising from a sector consultation in 2010, which made the quality assurance system more robust, public-facing, explicit in terms of outcomes and responsive to the current changes in higher education. We recognise that institutions have strong internal quality assurance and enhancement processes in place and that they take responsibility for assuring the quality and standards of the awards they offer. The proposed introduction of a more risk-based approach to quality assurance, applying greater scrutiny where it is most required, can be seen as an evolution of the process of quality assurance in autonomous higher education institutions.

Our intention is to move to a lighter-touch approach where track record and type of provision warrant such a change. We propose that our guidance to the Quality Assurance Agency (QAA), following the consultation, will direct attention and effort where it will have the most benefit in the development, enhancement and protection of quality and standards.

Our approach is based on three fundamental principles:

- We will retain a universal system for higher education providers which continues to promote enhancement, based on continuous improvement and the effective dissemination of best practice.

- We will adopt an approach which is robust and rigorous, enabling us to carry out our statutory duty to secure assessments of quality for higher education providers that have access to public funding.

- We will ensure that students continue to play a prominent role in assessing their own academic experiences. The National Union of Students is successfully working on this with a number of agencies and higher education institutions have taken numerous steps to improve student representation and engagement on quality assurance.

Working from these principles, this consultation proposes changes to the nature, frequency and intensity of the QAA's engagement with institutions.

The approach we have set out applies in England and will encompass all higher education providers with access to public funding and other providers subscribing to the QAA. The risk-based quality assurance system would also apply to an expanded sector if future legislation results in a wider range of providers being brought within HEFCE's quality assessment remit.

We are grateful to the QAA for its support and involvement in the development of these proposals. Following the consultation, the guidance we develop for the QAA will influence their consultation and the resulting risk-based approach to quality assurance, to be in place from academic year 2013-14.

This consultation is the start of a process that will assist higher education in England to embark on the next stage of enhancing and assuring quality – focusing effort where it is most needed and improving efficiency and effectiveness where possible. I encourage you to respond with your views.

Sir Alan Langlands
Chief Executive
Higher Education Funding Council for England (HEFCE)

# A risk-based approach to quality assurance

## Consultation

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|---|---|
| To | Heads of HEFCE-funded higher education institutions |
| | Heads of HEFCE-funded further education colleges |
| | All other subscribers to the QAA in England |
| Of interest to | Staff responsible for quality assurance, quality enhancement and the student experience (England and Northern Ireland) |
| | Planning, Governing bodies and Academic boards |
| | Student union officers and student representatives |
| | Department for Employment and Learning (NI) staff responsible for quality assurance of higher education in Northern Ireland |
| | Heads of universities in Northern Ireland |
| | Alternative providers of higher education |
| | Other organisations with an interest in the quality assurance of higher education, including employer bodies, professional, statutory and regulatory bodies (PSRBs), Department of Health, the UK Border Agency and other government stakeholders |

## Executive summary

### Purpose

1.     This publication consults on the development of a more risk-based approach to the quality assurance of higher education in England.

### Key points

2.     In the English higher education White Paper, Students at the Heart of the System published by the Department for Business, Innovation and Skills (BIS) in June 2011, the Government stated that it wished to introduce a risk-based approach to quality assurance, 'focussing Quality Assurance Agency effort where it will have the most impact and giving students power to hold universities to account'.

3.     This consultation, drafted with the support of the Quality Assurance Agency for Higher Education (QAA), sets out proposals for the further development of the quality assurance system, in particular Institutional Review in England. The aim of the proposed approach is to put the interests of students first, both undergraduate and postgraduate and to contribute to a reduction in the external regulation of those higher education providers with an effective track record of assuring quality and standards. We propose that in future the nature, frequency and intensity of external quality assurance will be guided by each higher education provider's record

in quality assurance and the nature of its provision. This approach will be applied transparently in accordance with established principles of better regulation (see paragraph 53).

4.      This more risk-based approach will apply to the wider quality assurance system and not simply to institutional external review. All providers with access to public funding and others who subscribe to the QAA will fall within the remit of this approach. Institutional Review will remain as the basis of the new system, though the method will be revised.

5.      We intend that the move to a more risk-based approach will incorporate a more rigorous process for instigating QAA investigations outside the regular, but changed programme of reviews.

6.      From its launch in 2011-12, Institutional Review has had a stronger emphasis on enhancement activities. This consultation seeks views on how these sector-wide activities may be continued and given greater prominence.

7.      We are consulting on:

- how providers' engagement with the quality assurance system would vary in nature, frequency and/or intensity, depending on their track record on quality assurance and the profile of their provision

- how providers would undergo a core Institutional Review and additional Institutional Review modules, for example, on collaborative provision, if it is offered in their portfolio

- whether and how the QAA should investigate the possible reduction or streamlining of its engagement during review with those providers which have a substantial proportion of their provision accredited by professional, statutory and regulatory bodies (PSRBs)

- how HEFCE would put in place a more rigorous and robust process for instigating 'out-of-cycle' QAA investigations, when concerns about quality and standards arise between formal reviews.

8.      We are also making proposals to ensure that:

- the enhancement element of review is further strengthened

- student engagement in quality assurance and enhancement processes is further promoted.

We will update our policy for dealing with unsatisfactory quality in institutions (HEFCE 2011/36), in the light of decisions taken as a result of this consultation.

9.      This consultation formally applies to England only. The Department for Employment and Learning (Northern Ireland) (DEL) will determine whether to apply any policy changes to the quality assurance process in universities in Northern Ireland as it takes forward its new strategy: 'Graduating to Success: A Higher Education Strategy for Northern Ireland'. We have, however, addressed this consultation to the higher education sector in Northern Ireland and while the of

views of such institutions will be welcomed, they may not be included in the formal analysis of responses to avoid the risk that they influence a system in which they do not ultimately participate.

10.     We are grateful to the QAA for contributing its expertise in enabling us to make these proposals. The proposals, however, are our own and have been developed to enable us to exercise our statutory duty to secure the assessment of the quality of higher education in publicly funded institutions (see paragraph 47). The outcomes of the consultation will form the basis of guidance to the QAA so that it can consult on, and take forward detailed aspects of the future approach.

11.     All enquiries should be directed to HEFCE, e-mail qualityconsultation@hefce.ac.uk.

## Action required

12.     Responses to this consultation should be made online by **Tuesday 31 July 2012** using the online form which can be accessed alongside this document at www.hefce.ac.uk/pubs.

13.     This is an open consultation and we welcome views from anyone with an interest in the quality assurance and the quality enhancement of higher education. We particularly encourage responses from students.

# Introduction

14.     In the English higher education White Paper published in June 2011, 'Students at the Heart of the System'[1], the Government stated that it wished to introduce a more risk-based approach to quality assurance, focusing QAA effort where it would have the most impact, giving students power to hold universities to account.

15.     The Government's desire is to 'put in place a new regulatory system that protects standards and quality, gives power to students to trigger quality reviews where there are grounds for concern, yet cuts back the burden of review for high performing institutions'[2].

16.     In both the higher education White Paper and the subsequent Technical Consultation, 'A new fit-for-purpose regulatory framework for the higher education sector'[3] published in August 2011, the Government invited HEFCE to consult on 'the criteria against which overall risk should be assessed and the frequency of review, with a view to achieving very substantial deregulatory change for institutions that can demonstrate low risk; [and] a set of ad hoc triggers which would prompt QAA to carry out a full or partial review when this was not otherwise expected'[4]. Annex B of this document sets out the relevant extracts from the higher education White Paper and Technical Consultation.

17.     Our Business Plan for 2012-15[5] refers to the development of a more risk-based approach to quality assurance as a key priority for the coming year. It is also highlighted in the annual grant letter to HEFCE from the Secretary of State and Minister for Universities and Science[6].

18.     The Government's goal is to reduce regulation and minimise administrative burden for those higher education providers who can demonstrate track record in assuring the quality and standards[7] of their provision.

19.     In this consultation we are proposing a more risk-based approach to quality assurance, which enables flexibility and recognises the diversity of the sector. Our approach proposes two different routes through the quality assurance system, varying in nature, frequency and intensity. The route by which a provider will be reviewed will be determined by its track record – as

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[1] BIS higher education White Paper: http://c561635.r35.cf2.rackcdn.com/11-944-WP-students-at-heart.pdf . See Annex B of this paper for relevant extracts from higher education White Paper and Technical Consultation.

[2] BIS higher education White Paper, paragraph 14, page 6, see footnote 1

[3] BIS higher education Technical Consultation: http://c561635.r35.cf2.rackcdn.com/11-1114-new-regulatory-framework-higher-education-consultation.pdf

[4] BIS higher education White Paper, paragraph 3.19 page 37, see footnote 1

[5] HEFCE Business Plan 2011-2015: Principles, Priorities and Practices, Page 8: www.hefce.ac.uk/about/howweoperate/businessplan/

[6] See: www.hefce.ac.uk/media/hefce/content/news/news/2012/fundingforhighereducationinenglandfor2012-13/grantletter1213.pdf

[7] See the glossary for further information on 'standards' and 'quality'.

demonstrated through institution-wide external review of its quality and standards – and the nature of its provision.

20.     We are not proposing to create a categorisation or traffic light system in which newer providers might receive an amber or even red 'traffic light' warning for quality because they have only undergone one review – which might indeed have resulted in a 'commended' judgement. We consider that our proposals are better suited to the higher education system than this more conventional red/amber/green style of risk assessment or high risk labels. The system of judgements in the new review method is clear as to meaning and in our view does not need supplementing with any further risk categorisation. Also, our commitment to transparency will be demonstrated through the publication of a rolling programme of reviews. All the outcomes from Institutional Reviews and, as appropriate, information indicating where out-of-cycle QAA engagement is needed, will be made available.

21.     Throughout, we have attempted to ensure that students' interests underlie the proposed approach, while aiming to find ways to reduce the demands made of institutions wherever possible. We are also clear that the commitment to improvement and the adoption of innovative approaches to learning and teaching should be continued. Indeed, these are essential in ensuring that our higher education system remains world-class and attractive to a diverse student population.

## Risk-based approach to quality assurance – building on progress to date

22.     This consultation follows on from work undertaken over recent years by national and representative agencies, and by institutions to secure the quality and standards of publicly funded higher education provision in England. In particular, this consultation builds on the report of a sub-committee of HEFCE's Teaching, Quality, and the Student Experience Strategic Advisory Committee (TQSE) on HEFCE's statutory[8] responsibility for quality assurance. While this report concluded that there were no systemic failures in quality and standards in English higher education, it indicated that challenges to quality and standards are serious issues and that the sector should not be complacent. It called for the Quality Assurance Framework to be revised and, in particular, for the review method used by the QAA to be made more flexible and responsive to keep pace with changes in English higher education.

23.     An ensuing sector-wide consultation in 2010 resulted in a set of agreed principles for the quality assurance system (see Annex C of this consultation) and the development of a new method of reviewing quality and standards, known as Institutional Review in England and Northern Ireland (IRENI) (hereafter, the term 'Institutional Review' will be used). Institutional Reviews were introduced at the start of 2011-12[9]. These principles were agreed, after

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[8] See paragraph 47.

[9] For further information on Institutional Review, please see the glossary.

consultation, by the representative bodies for higher education (Universities UK [UUK] and GuildHE) and funders (HEFCE and DEL), with the advice and guidance of the QAA[10].

24.     In meeting these principles, Institutional Review:

- is more public-facing, with clearer and simpler reports which help maintain public confidence in the quality and standards of higher education

- introduces a new clearer and more explicit system of judgements in quality, standards, enhancement and information

- is more flexible, in order to adapt to the constantly changing external context in which the sector now operates

- moves away from a 'cycle' approach to review to a continuous improvement approach

- introduces themed reports capable of addressing specific areas of concern.

25.     It was also agreed that these principles should apply to the new method for reviewing higher education provision in further education colleges (FECs) which is called the Review of Higher Education in Further Education (RHEFE). RHEFE, which is due to replace Integrated Quality and Enhancement Review (IQER)[11] for the start of 2012-13, aligns closely therefore with Institutional Review.

## Consultation outline

26.     This consultation comprises the following sections:

**Section one:** Key principles for the development of a more risk-based approach to quality assurance.

**Section two:** Detailed information on proposals to vary providers' engagement with the quality assurance system in nature, frequency and/or intensity, depending on their track record on quality assurance and the profile of their provision; details of how the new approach will continue to include a strong enhancement focus.

**Section three:** Triggers which might instigate an out-of-cycle investigation.

**Section four:** The anticipated impact of this approach; how it encompasses collaborative provision; and transition from the current method of Institutional Review.

**Section five:** Proposed timetable for the implementation of a more risk-based approach to quality assurance.

**Section six:** How to respond to this consultation.

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[10] For further information, see: 'Future arrangements for quality assurance in England and Northern Ireland' (HEFCE July 2010/17) www.hefce.ac.uk/pubs/year/2010/201017/

[11] For further information on RHEFE and IQER, please see the glossary.

**Our proposals**

27.  As indicated above, our proposals continue to build on past efforts to assure sector-wide quality and standards, while recognising that most institutions have successfully demonstrated responsibility for assuring high-quality provision.

28.  Over recent years the sector has demonstrated strong performance in assuring the quality and standards of its provision. From the 27 QAA Institutional Audits of higher education institutions undertaken in 2010-11, 85 examples of good practice were identified. Over the same period, of the 75 Summative Reviews undertaken in further education colleges under IQER, 382 examples of good practice were identified. And, as indicated in the Foreword, over this cycle of Institutional Audit, no provider received a judgement of no confidence. This strong performance suggests that the move to a more risk-based approach is appropriate.

29.  Our proposals are, therefore, amendments and adjustments to the current approach, rather than a new system developed from scratch. We intend that our proposals will result in a system which continues to be robust and rigorous, yet proportionate to circumstances and recognises the self-regulation and internal mechanisms that institutions have in place.

30.  Our proposed approach, to be applied across the quality assurance system, will – depending on the nature of provision – result in less frequent and less intensive engagements for institutions with a longer track record. Equally, it will result in a proportionate level of engagement for those providers who are newer to the quality assurance system.

31.  Our specific objectives are:

- to address the policy aim set out in the White Paper, while ensuring that we continue to carry out our statutory quality assurance duty effectively

- to ensure that the quality assurance system remains fit for purpose in assuring the reputation of English higher education

- to recognise and build on the sector's progress to date

- to ensure that a more risk-based approach to quality assurance continues to promote innovation and enhancement activity

- to adhere to the various sector-agreed principles for quality, standards and regulation that guide developments in this area, as set out in Annex C

- to balance effectively the needs of students, institutions and other key stakeholders.

32.  In building on Institutional Review, we are seeking to develop a risk-based approach which is proportionate, targeted and transparent. It will encompass all types of provision at both undergraduate and postgraduate levels and will apply to the whole of the current quality assurance system. Among other elements, this system includes:

- institutions' own internal quality assurance processes, including periodic review[12]

- the universal development and support activities as underpinned by the agreed higher education Quality Code[13]

- QAA external review of quality, including mid-cycle monitoring

- QAA procedure for investigating concerns about standards – the Concerns Scheme[14]

- HEFCE's policy for addressing unsatisfactory quality in institutions[15].

33.    It is important to emphasise that, under this new approach, common core expectations will remain for all providers, those existing and those newer to the sector: all will be obliged to meet national requirements. Higher education will be reviewed using the same core method and according to the same criteria wherever it is provided. As stated above, the methods for reviewing higher education institutions and further education colleges are already being aligned and this consultation sets out how we will build on this.

34.    In this consultation, we are seeking views on:

- how providers' engagement with the quality assurance system would vary in nature, frequency and/or intensity, depending on their track record on quality assurance and the profile of their provision (**section two**)

- how providers would undergo a revised core Institutional Review and additional Institutional Review modules, for example, on collaborative provision, should it be included in their portfolio (**section two, part iii**)

- whether and how the QAA should investigate the possible reduction or streamlining of its review engagement with those providers which have a substantial proportion of their provision accredited by professional, statutory and regulatory bodies (PSRBs) (**section two, paragraph 99**)

- how HEFCE would put in place a more rigorous and robust process for instigating out-of-cycle[16] QAA investigations, where concerns about quality and standards arise between formal reviews (**section three**).

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[12] The UK Quality Code for Higher Education (see below) invites higher education providers to periodically undertake a broader review of the continuing validity and relevance of programmes offered. For further information see the glossary.

[13] The UK Quality Code for Higher Education gives all higher education providers a shared starting point for setting, describing and assuring the academic standards of their higher education awards and programmes, and the quality of the learning opportunities they provide. Individual education providers use the Quality Code to design their policies for maintaining academic standards and quality. The Quality Code is currently being developed, and replaces the set of national reference points known as the Academic Infrastructure from the 2012-13 academic year. Further information is available at: www.qaa.ac.uk/ASSURINGSTANDARDSANDQUALITY/QUALITY-CODE/Pages/default.aspx

[14] See paragraph 103.

[15] HEFCE 2011/36, available at: www.hefce.ac.uk/pubs/year/2011/201136/

35.    In this consultation, we are also making proposals to ensure that:

- the enhancement element of review is further strengthened (**introduction** and **section two**, part iv); and that

- student engagement in quality assurance and enhancement processes is further developed (**introduction** and **section three, paragraphs 104-106**).

36.    While we seek to reduce administrative demands on providers and to be deregulatory in terms of quality assurance requirements for long-standing, well-reputed providers, it is important that necessary assurance activity is not interpreted as unreasonable burden. As with previous developments in quality assurance, we are committed to reducing administrative demands and indeed cost, as demonstrated through the new Institutional Review method from 2011-12[17]. We consider however that some degree of oversight will always be required to safeguard the quality and provision of higher education supported by public investment and to provide public assurance about the standards of qualifications.

37.    This consultation applies to England only. While the UK Higher Education Quality Code[18] will set out the expectations which all providers of higher education in the UK are required to meet, the proposed introduction of a more risk-based approach will apply only to providers in England. DEL will monitor any policy changes in England in regard to quality assurance. It will determine whether it would be beneficial to maintain the current review structure or apply any policy changes introduced in England to universities in Northern Ireland in line with its publication, 'Graduating to Success: A Higher Education Strategy for Northern Ireland'[19].

## Increased focus on student engagement in quality assurance and enhancement activities

38.    HEFCE already acts in the student interest and the 2011 higher education White Paper indicated that HEFCE would take on a greater role as the 'student champion'. We interpret this role as being about promoting and protecting the collective student interest (as distinct from individual interests, which are the remit of other organisations and institutions themselves). We recognise however that students are not a homogeneous group. Students must be able to retain confidence in the quality assurance system, knowing that their concerns and suggestions will be listened to and acted upon.

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[16] It is proposed that higher education providers would be reviewed according to a published programme identifying review cycles. Where concerns about quality and standards arise when a review is not due, the QAA would investigate these with more immediacy, outside the published review programme, through its Concerns Scheme – see paragraph 103.

[17] Costs have been reduced, for example, through greater use of videoconferencing and teleconferencing for meetings, and electronic document submission. Through shorter/fewer meetings in the risk-based approach to quality assurance, we hope costs can continue to be reduced.

[18] See footnote 13.

[19] See www.delni.gov.uk/hestrategy

39.    An important development in recent years has been the recognition that students should be informed partners in the decisions which shape their learning experiences. As a result, students have become actively involved in quality enhancement activities, including: contributing to the development of learning and teaching in their subject areas; participating in university or college decision-making processes; representing student views through a students' union or other representative body; and by participation in course committees.

40.    Institutional Review was designed to embed the principle of full student engagement in quality assurance. A number of changes were made to this external review method to ensure that quality assurance both benefits students and engages them as partners in the development and management of their learning experience. As a result, Institutional Review and the new method of RHEFE encapsulate ways for students to take part in the review of their university or college[20]. Student engagement[21] is also a key determinant of whether an institution is given a 'commended' grading in the judgements related to public information quality and enhancement of student learning opportunities.

41.    HEFCE, the QAA and the Higher Education Academy (HEA) are already working with the NUS to promote student engagement[22]. We will take active steps to ensure that the learning from this work is disseminated and that it makes it easier for students to contribute to improvements in quality.

42.    Through this consultation, we will ask the QAA to continue to review student engagement in internal and external quality assurance activities so that we can ensure that the risk-based approach to quality assurance will have a continued focus on student experience and engagement. In particular, we intend to promote the ability of students to initiate out-of-cycle QAA investigation (see paragraphs 104-106).


## Strengthened role for enhancement activities

43.    As part of the proposed approach, universal engagement with the UK-wide reference points for quality, standards, enhancement and information – through the new UK higher education Quality Code – will be essential. This is necessary for providers to continue to take responsibility for the ongoing improvement of their provision and for a shared sector-wide understanding of good practice. Institutional Review already applies a greater focus on enhancement than its predecessor, Institutional Audit[23] and includes a judgement on this aspect[24]. We are clear that the review method itself must be one that encourages and awards autonomous institutions who take forward their own enhancement agendas.

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[20] See glossary for further detail on student engagement in Institutional Review.

[21] See glossary.

[22] See: www.hefce.ac.uk/whatwedo/lt/enh/studentengagement/

[23] See glossary.

[24] A judgement is made on an institution's enhancement of students' learning opportunities. See page 34 of the Institutional Review Handbook for further information:
www.qaa.ac.uk/Publications/InformationAndGuidance/Documents/IR_Handbook_March12.pdf

44.     We propose that enhancement will continue to feature strongly in the new approach to quality assurance. For example, the revised Institutional Review will continue to make a judgement on the enhancement of student learning opportunities. Importantly Institutional Review will also continue to include a thematic element[25]. Thematic enquiries within Institutional Review would continue to ensure sharing of good practice and special thematic reviews would act as a mechanism to address perceived concerns (see paragraph 93).

45.     We also anticipate that the QAA will continue to work closely with the HEA. The Academy has a broader role supporting the higher education community, in order to enhance the quality and impact of learning and teaching. The Academy does this by recognising and rewarding excellent teaching and through bringing together people and resources to research and share best practice on pedagogy. By facilitating networks of practice, it works directly with academics and professional staff who are involved in developing higher education provision and practices.

## Risk, quality and the wider regulation framework

46.     Risk-based regulation is a feature of today's regulatory environments. Many forms of regulation, both statutory and industry-led, are risk-based. In respect of education provision in England, Ofsted and some PSRBs[26] apply a risk-based approach to their assessment. The Welsh higher education system has elements of a risk-based approach to quality assurance, and the US and Australian higher education systems apply risk-based approaches to varying degrees[27]. HEFCE's Assurance Service also employs such an approach in respect to institutional engagement, which results in fewer interventions with demonstrably successful HEIs.

47.     HEFCE's statutory responsibility for quality assessment is set out in the 1992 Further and Higher Education Act, which requires us to make provision for the assessment of the quality of provision which we fund. We do so through contract with the QAA, which applies Institutional Review to higher education institutions in England. As indicated above (see footnote 17), Institutional Review is a more streamlined review process than its predecessor, Institutional Audit, with shorter visits and more efficient use of documentation. Institutions are already benefiting from these modifications.

48.     The current quality assurance system in England and Northern Ireland already features risk-based elements. For example under Institutional Review, the QAA teams consider an institution's ability to manage the quality and standards of its provision in the future. More specifically, the QAA's follow-up activity with institutions varies depending on the judgements' grades[28]. Conditional or failing judgements entail a greater degree of QAA oversight, as set out

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[25] Institutional Review includes a thematic element which does not lead to a judgement. Each theme spans one year of review and forms the basis of a report with sector-wide conclusions and recommendations on an issue of public interest. For further detail see glossary.

[26] The General Social Care Council (GSCC) has applied a risk-based approach, for further information, see glossary.

[27] See glossary for further information on these risk-based quality assurance approaches applied in education.

[28] See page 15, QAA Institutional Review Handbook:
www.qaa.ac.uk/Publications/InformationAndGuidance/Documents/IR_Handbook_March12.pdf

in an agreed action plan. Progression to a more risk-based approach to quality assurance is a further move in this direction.

49.    We believe that the approach set out in this consultation will help to ensure high standards and quality in higher education provision, while continuing to enable institutions to be innovative for example, through the development of new partnerships.

# Future regulatory framework

50.    In its higher education Technical Consultation (2011), the Government proposed that HEFCE should act as independent lead regulator, overseeing a proposed single regulatory framework for all higher education providers for designation for student support and HEFCE teaching grant[29]. While this will be dependent on future legislation, such a role may bring a wider range of providers within HEFCE's quality assessment remit. Potentially, this may mean that designated providers, as a condition of designation for student support and/or HEFCE teaching grant, would be required to subscribe to the QAA and be subject to the English higher education quality assurance arrangements. This consultation, which takes place prior to such legislation being passed, applies to higher education providers with access to public funding and others who subscribe to the QAA.

51.    For private providers which have received degree awarding powers (DAP)[30], it is proposed that the renewal processes for such powers should continue to be treated separately from risk-based Institutional Review. The BIS Technical Consultation made a number of proposals for the process and the criteria for acquiring DAP, which may be the subject of future legislation[31]. HEFCE and the QAA may then need to consider in future how the processes for renewal, where relevant[32] and external quality review might be sufficiently aligned so as to minimise demands on institutions.

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[29] See paragraph 2.1.3, higher education Technical Consultation:
http://c561635.r35.cf2.rackcdn.com/11-1114-new-regulatory-framework-higher-education-consultation.pdf

[30] DAP are currently granted indefinitely to publicly funded higher education institutions in all parts of the UK. In England, taught degree awarding powers (TDAP) are only granted on a six-yearly renewable basis to alternative providers and in the case of foundation degree awarding powers (FDAP) for six years initially and then indefinitely upon renewal.

[31] See Section 4 Technical Consultation and footnote 29.

[32] See the glossary for further information.

# Key features of a more risk-based quality assurance approach

## Section one: Development of a more risk-based approach to quality assurance – key principles

52.    In seeking to introduce a more risk-based approach to quality assurance, we will adhere to two sets of principles. First, we will ensure that we operate according to the principles and objectives which have applied to the quality assurance system for higher education in England and Northern Ireland from 2011-12, referred to above (see paragraph 24).

53.    Second, we will strive to adhere to the Principles for Better Regulation of Higher Education in the UK[33], which were developed in 2011 by the Higher Education Better Regulation Group (HEBRG). These principles, set out below, apply primarily to organisations that have a direct responsibility for regulating or holding to account UK institutions in respect of their higher education provision. In short:

- regulation should encourage and support efficiency and effectiveness in institutional management and governance

- regulation should have a clear purpose that is justified in a transparent manner

- regulation depends on reliable, transparent data that are collected and made available to stakeholders efficiently and in a timely manner

- regulation assessing quality and standards should be co-ordinated, transparent and proportionate

- regulation should ensure that the interests of students and taxpayers are safeguarded and promoted as higher education operates in a more competitive environment

- alternatives to regulation should be considered where appropriate.

54.    Early discussions with partners on the risk-based approach suggested a number of key aspects which would be helpful. These are set out below and are encapsulated in the proposals on which we are consulting.

- the risk-based approach should be based on Institutional Review, as introduced in 2011-12

- relevant providers will be subject to Institutional Review, but its nature, frequency and possible intensity will vary according to the provider's quality assurance history

- there should be a maximum period of time, recommended to be no more than ten years, between Institutional Reviews.

55.    Thus, in maintaining Institutional Review as the central element of our proposals for a more risk-based approach, we are retaining the key features of peer review and judgements as a central part of the process.

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[33] See: www.hebetterregulation.ac.uk/HEConcordat/Documents/PRINCIPLES.pdf

56.    Drawing on these principles, we believe that the approach set out in this consultation will achieve a proportionate approach to regulation that protects the interests of students and the public, while minimising the administrative oversight requirements for higher education providers.

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**Consultation question 1**

1a. Please comment on the extent to which you consider that the agreed quality assurance system and HEBRG **principles,** set out above, provide an appropriate basis for a more risk-based approach to quality assurance.

1b. Are there any other principles that should apply?

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## Section two: Risk-based quality assurance – nature, frequency and intensity of QAA engagement

### Overview

57.    As indicated above, a risk-based approach should relate to the quality assurance system as a whole and apply to all providers required to engage with it. The nature of external engagement with any provider will depend on its quality assurance track record and the profile of its provision. Taken together, these will inform the nature, frequency and intensity of a provider's engagement with the QAA. We propose two routes, A and B, for external review of quality assurance and enhancement.

58.    This approach recognises that there is a need for each provider to build up a track record to provide sufficient evidence to warrant reduced QAA review engagement.

59.    We intend to ask the QAA to publish a programme of reviews, putting all eligible providers 'on notice' that they can expect a review in a defined number of years' time – with the proviso that this may alter where concerns are raised through the mechanisms outlined in section three.

60.    For providers on both routes, we believe our proposals will result in better 'regulation' where warranted. For those with a longer track record impact is reduced in the form of less frequent and less intensive core Institutional Reviews. We are proposing that Institutional Review is revised to incorporate a 'core and module' approach, to enable a more tailored review of an institution's provision to take place, for example through modules focusing on elements of collaborative provision. As it is widely accepted that collaborative provision presents greater risks to quality and standards, we give significant focus within this consultation to such provision (see paragraphs 123-129).

61.    We believe this approach is more appropriate than the development of a formal risk classification system, which we foresee could result in an over-simplified 'labelling' of institutions at risk and could potentially result in unjustified public concern and self-fulfilling prophesies about quality and standards. Such a system could discourage students from applying and might suggest that there is a greater concern over quality and standards in English higher education than is the case. Avoiding such potential for misinterpretation will be essential in maintaining the international reputation of higher education providers in England. However, it is equally important

that public and student investments are protected and assured, so no institution would be free of review. And the outcomes of all reviews and investigations would be published.

62.     The aim of this consultation is to agree upon the development of the key features of a risk-based approach to quality assurance. Following review by the HEFCE Board of the consultation outcomes, QAA will build on the approach and produce a draft Operational Description and Handbook for the new approach, which will set out further detail on its implementation. The QAA will consult on this Operational Description in the winter of 2012-13 (see paragraph 138).

## Detailed proposals

63.     Below are our proposals for how Institutional Review would be revised to put a more risk-based approach into operation.

i.     <u>Revised Institutional Review: Routes</u>

64.     Two routes for monitoring and review are envisaged: Route A and Route B. Route A is for those providers which have not yet undergone two external institution-wide reviews, with successful outcomes (at least ultimately, after timely improvements[34]), of their higher education provision under Institutional Audit, Institutional Review or IQER. Route B is for providers which have built up a longer quality track record as a result of multiple reviews.

65.     Under Route A, providers would initially be reviewed on a shorter review timetable, not because they might be assumed to offer lower quality provision, but because they cannot yet demonstrate a track record under institution-wide reviews of their higher education provision[35]. The exact interval between reviews will depend on the views expressed through this consultation. Providers on this route can expect QAA external review to be more frequent than under Route B, comprising a more in-depth and potentially longer, core Institutional Review.

66.     Route B, through external quality assurance monitoring and review, would exist for any provider that has undergone two or more institution-wide external reviews, demonstrating quality and standards successfully. The exact number of years between reviews is the subject of question 4a in this consultation, but it is likely to be a longer interval than for Route A. As well as expecting QAA external reviews to be less frequent than on Route A, the review for providers on Route B is likely to comprise a less intensive core Institutional Review. Thus, depending on the

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[34] The QAA's Institutional Review Handbook sets out the steps which it will take where a review team makes a borderline judgment of 'requires improvement' or 'does not meet' in at least one area of the review. This includes publication of the report and formal programme of follow-up activity to address the recommendations of the review, which institutions are required to comply with in a **timely fashion** (see paragraphs 58-66 of the Handbook:
www.qaa.ac.uk/Publications/InformationAndGuidance/Documents/IR_Handbook_March11.pdf).

[35] Prior to Institutional Audit for higher education institutions and IQER for further education colleges, quality assessment of higher education provision was undertaken by the QAA through a cycle of subject reviews. This external review process, in focusing on one of 62 subject areas in all universities and colleges, did not look specifically at institution-wide processes for managing the quality and standards of higher education provision.

complexity of the provision – and need for additional modules – the review team's visit may be shorter, for example, involving fewer meetings.

ii.   Revised Institutional Review: Rolling programme and frequency of engagement

67.   As indicated above, we propose that the QAA should publish a rolling programme of reviews, which would set out when providers should expect to be reviewed. Early discussions between key stakeholders proposed that there should be no more than ten years between Institutional Reviews. This consultation invites respondents to comment on what the maximum period between reviews should be for providers on Route B, with two or more institution-wide audits/reviews of their higher education provision: to maintain the status quo of six years, or to extend the interval to between seven and ten years.

68.   For those providers with less than two previous institution-wide external reviews – on Route A – it is proposed that QAA review would be undertaken more frequently. The interval between reviews would need to be determined after the interval for Route B had been decided, but we would not envisage it being more frequent than every four or five years, or less frequent than six. Question 5 focuses on this issue. Once a provider had undergone two external institution-wide reviews of their higher education provision, it would move to Route B.

69.   Where concerns about quality and standards arise between reviews, having considered the issue according to its Concerns Scheme, the QAA may decide to bring forward an institution's review, as set out on the rolling programme, rather than proceed to a Concerns[36] enquiry at that point, for example if the provider's review was imminent.

70.   A few institutional representatives have indicated that no reviews should take place at all for high-performing providers, given that a number have an excellent and lengthy track record, borne out through QAA reviews, league tables, international competitiveness, strong student demand and other indicators. However, we firmly believe that some form of review should be in place for all providers, as we see this as an essential part of a system based on assurance and self-regulation. Given the current changes to the funding system, it is clear that students would value the independent judgement that external review provides. Without some external review, assurance would soon lose its currency and the potential for the reputation of English higher education to suffer would be considerable. We believe that, even with the possibility of out-of-cycle reviews in place, there is no substitute for periodic, external and national reviews. There is however still the question of what the period between reviews should be. Below we indicate some of the advantages and disadvantages of moving to a longer interval between reviews than exists at present.

71.   First, it may be argued that Institutional Review was not designed with lengthy intervals, such as ten years, in mind; thus if a ten-year interval were implemented, the Review method may not remain fit for purpose in its current form as the basis for external review.

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[36] The two stage process of the Concerns Scheme – which results in some initial inquiries being eliminated due to being outside the remit of the Scheme – enables the QAA to respond to multiple enquiries.

72.    Second, such a long interval may result in a reduced ability to share good practice across the sector in a timely fashion. While good practice is shared in many different ways, Institutional Review is a key way in which such information is gathered and then disseminated, for example through the QAA's Outcomes papers[37]. Another possible downside of a ten-year interval is that it may not take sufficient account of changes that can happen during that time span, such as institutional leadership. University leadership at vice-chancellor and pro vice-chancellor level can change quite frequently and so there is the potential for quality and standards to alter in both positive and negative ways quite rapidly over a ten-year period.

73.    Third, it is not clear that an interval of ten years between reviews would allow the English higher education system to meet its requirements under the European Standards and Guidelines (ESG) for Quality Assurance in the European Higher Education Area (EHEA). The ESG were agreed by European higher education Ministers under the Bologna Process[38].

74.    The ESG are the key determinant for membership of the European Association for Quality Assurance in Higher Education (ENQA). Membership of this body indicates that the procedures for assuring quality and standards of higher education in that country are sound; and thus it is important for the reputation of that country's higher education overseas.

75.    While the ESG does not stipulate the length of cycle of review – only that reviews should be cyclical and that there should be follow-up/some sort of interim engagement – it should be noted that cycles of reviews in EHEA countries range from four to seven years, with the average being five to six. Thus, it is likely that a ten-year interval could impact on how we and our external quality assurance processes are viewed in the rest of the EHEA and beyond, possibly threatening ENQA recognition.

76.    Fourth, a longer interval between reviews in England would also give rise to a significant difference between review cycles in place across the UK. For example, in Scotland, the Enhancement-Led Institutional Review (ELIR) has always had a four-year review interval and this will also be the case for ELIR 3, scheduled from 2012 to 2016. Similarly, while the Higher Education Funding Council for Wales (HEFCW) already applies a risk-based approach to Institutional Review, the maximum interval between reviews is six years for those that have received a 'confidence judgement' in a previous review.

77.    Finally, it should be noted that the UK Border Agency (UKBA) under its Education Oversight (EO) process for the recruitment of international students has adopted the existing six-year interval between the QAA's external reviews for publicly funded higher education providers.

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[37] For further information on the outcomes papers, see:
www.qaa.ac.uk/ImprovingHigherEducation/Pages/Outcomes.aspx (IRENI) and
www.qaa.ac.uk/ImprovingHigherEducation/Pages/Outcomes-IQER.aspx (IQER)
[38] At the Bergen meeting of May 2005, the European Ministers of Education adopted the 'Standards and Guidelines for Quality Assurance in the European Higher Education Area' drafted by ENQA. See:
www.enqa.eu/files/ESG_3edition%20(2).pdf

However for other bodies, namely private providers, the UKBA requires a more frequent review to take place[39].

78.    Conversely, it might be argued that a ten-year period could be justified on account of the extent of internal quality assurance self-regulation that exists. A clear benefit of such an interval would be further deregulation. Examples of such intervals between reviews do exist: in the US, for example, the national Council for Higher Education Accreditation (CHEA)[40] recognises accreditation of higher education (both at institution and programme level), where warranted, on a ten-year basis. It should be noted, however, that in such circumstances this particular accreditation process is more demanding, in part because it enables access to public funding, and therefore involves considerably more institutional involvement than is required from the Institutional Review Self-Evaluation Document (SED)[41].

79.    HEFCE appreciates that Route A is likely at this stage to apply predominantly to providers that are newer to the quality assurance system. We will need to ensure that it is well understood that it is track record that is the key determinant; and in the case of further education colleges – which have a shorter track record in assuring quality through HE institutional wide review – that students are not led to believe that higher education delivered by these colleges is in some way of differing quality because such providers might undergo more frequent reviews. Indeed, in applying a single system which encompasses all higher education providers accessing public funding, we are not only creating a level playing field for the assessment of quality and standards for all providers, but also demonstrating parity of esteem between providers of higher education. Furthermore, once a provider on Route A secures two external reviews, it would move to Route B and thus undergo less frequent review.

80.    For FECs and new providers on Route A, with provision meeting national requirements, a less burdensome, risk-based approach may still be achieved through potentially lighter (mid-cycle) progress monitoring. For example, if a provider had few follow-up actions from a previous review visit, the progress monitoring could be lighter touch or comprise a desk-based review. (This is expanded on in paragraphs 95-98.)

81.    While some FECs, in undergoing a second institution-wide review of the higher education provision in 2012-13 – under RHEFE – will fall into Route B, given that the evolution of the quality assurance system has resulted in most further education colleges not yet having undergone two IQERs, the majority will be on Route A. We propose a transitional fast track to give these colleges the opportunity to transfer to Route B more rapidly than would otherwise be the case. Under this proposal, a further education college would have the opportunity to undertake an early review over 2013-15 and, upon timely successful outcomes, it would transfer to Route B.

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[39] Currently four years is being considered, see: www.qaa.ac.uk/InstitutionReports/types-of-review/tier-4/Pages/default.aspx

[40] See: the Council for Higher Education Accreditation (CHEA): http://chea.org/

[41] See Annex 3 , Institutional Review Handbook
www.qaa.ac.uk/Publications/InformationAndGuidance/Documents/IR_Handbook_March11.pdf

82.    To ensure that effort is maintained to reduce demands made of higher education providers, we will continue to support the QAA's joint planning and coordination activities with Ofsted. We will also ask the QAA to consider how to ensure that the approach is proportionate for small providers and colleges with small pockets of higher education provision – though external reviews of very restricted higher education provision have, on occasion, found issues with quality and this will need to be taken into account.

83.    We could consider whether a successful DAP or FDAP approval/renewal would count as one of the two reviews necessary to consolidate a track record, since, for example, the review for FDAP includes an assessment of academic standards and quality. But in view of the Technical Consultation and the possible changes to DAP procedures that lie ahead, we are not currently raising this matter. We may wish to return to this at a later date or it may emerge further from responses.

84.    Similarly, should future legislation result in alternative providers entering the regulatory framework, we will consider whether the proposed approach requires amendment. In the meantime, all QAA subscribers will continue to be reviewed under the revised risk-based Institutional Review method.

### iii.    Revised Institutional Review: Core element and additional modules

85.    Here we elaborate on our proposals to ask the QAA to make Institutional Review more modular, comprising a core element and additional modules. Providers on both routes would be reviewed according to the core element of Institutional Review and depending on their institutional portfolio, they would also be assessed in other areas through the use of additional modules.

### Core element of Institutional Review

86.    The core of the revised Institutional Review would comprise the main areas that are the focus of judgements in the existing method: the standards of higher education awards, the quality of the learning experience of students, the provision of information about the quality and standards of academic programmes and the commitment to quality enhancement. However, for providers on Route B, the core Institutional Review visit may be shorter and less in-depth, in the form of shorter/fewer meetings.

87.    For providers on Route A, given that they have a shorter track record of institution-wide external review, the core element of Institutional Review would remain similar to the current process.

88.    On both routes, review teams could also make greater use of evidence provided by internal quality assurance systems and procedures, as well as documentation produced by PSRBs and other organisations, where this is available.

### Modular elements of Institutional Review

89.    In addition to the core areas of enquiry on both routes, it is proposed that review teams would consider other aspects of institutional activity which may present risks to quality and

standards, in the form of additional Institutional Review modules. Examples of such modules would be where degree-awarding institutions validate programmes of study leading to their awards in partner organisations in the UK and internationally. Such additional review activity could be added to the main programme of review as separate modules. Other modules might focus on distance learning programmes, branch campuses or joint ventures. In this way, the review process can be more tailored to the institution's provision, through focusing on specific types of partnership activities rather than review through a wide-ranging collaborative provision audit which currently encompasses collaborative activities in the UK and overseas. Depending on the outcomes of this consultation, this approach may formally replace Collaborative Provision Audit (see paragraph 129).

90.    It is important to emphasise, therefore, that where provision is particularly complex – for example, in terms of collaborative provision – that Institutional Review may not be less intensive or of shorter duration than at present due to the need for these additional modules to ensure that standards and quality requirements are sufficiently met across a provider's portfolio.

91.    As indicated above, the QAA would operationalise this approach, due to be set out in the draft Operational Description on which it will consult the sector later this year.

### iv.    Revised Institutional Review: Enhancement

92.    As set out above, the external review method will retain a universal focus on continuous improvement. Thus it will be essential to retain the existing judgement on enhancement of student learning opportunities, as well as to continue with the thematic element of Institutional Review. Together, these help to ensure universal engagement with Part B of the UK Quality Code (on assuring and enhancing academic quality) and a strong commitment to development and enhancement.

93.    It might be that the thematic element of Institutional Review comprises a thematic enquiry which may chart the varied approaches taken by different institutions in relation to the theme, and, if appropriate, lead to good practice guidelines to enhance provision in that area. Additionally, special thematic review – across one or more institutions – might provide an opportunity within the review process to address, in a timely way, issues that are attracting legitimate public interest or concern.

94.    We will consider, therefore, how the thematic element could run over a longer period – or a range of different types of institution – to ensure that sufficient and meaningful information is collected. Examples for such themes might be courses featuring placements or issues relating specifically to taught postgraduate provision. The information would then be shared more effectively in the sector, as appropriate. It might also be that the theme is determined in response to similar concerns considered by the QAA in out-of-cycle investigations at more than one provider, see paragraph 102.

### v.    Revised Institutional Review: Progress monitoring

95.    We propose to retain mid-cycle progress monitoring in the new approach to the quality assurance regime, given that it is generally accepted as aligning with good practice in internal

institutional procedures, such as periodic review and is regarded as an important part of the quality assurance system[42]. Moreover, it is an expectation of the ESG.

96.    A risk-based approach should equally apply to such mid-cycle monitoring. All providers would continue to have their progress monitored, but the nature of QAA involvement would vary according to the outcomes of previous reviews, for example the judgement grades and recommendations. For high-performing providers on either Route A or B – those with few follow-up actions – the monitoring may comprise a desk-based exercise.

97.    For other providers requiring a greater level of support, QAA engagement might be more in-depth. Progress monitoring may entail a visit by the QAA and, for example, an additional module could be undertaken – perhaps on elements of collaborative provision – when issues are raised about a provider's activity in that area. It is proposed that the QAA will use its discretion in deciding the nature and scale of the progress monitoring activity.

98.    If this consultation results in agreement on an interval of ten years between reviews for some providers, we may need to consider how we can guarantee that the enhancement element of review is sufficiently addressed. For example, progress monitoring may have to focus more on the evaluation of enhancement activities than is currently the case.

**Achieving a better balance between PSRB accreditation and QAA external review**

99.    The White Paper invites PSRBs and the QAA to co-operate in reducing overlap between their processes[43], in order to reduce the burden on institutions. Indeed, the QAA and HEBRG have already taken steps to reduce duplication and to timetable reviews more appropriately. Most institutions have some form of accredited provision by PSRBs and other bodies and many have a substantial proportion of their provision which is accredited. While accreditation by PSRBs relates to specific subject areas, in the cases where a majority of an institution's provision is accredited by such bodies, it is legitimate to ask if the QAA external review process could be streamlined or modified to reflect this additional quality assurance and subject-level activity. Equally, discussions with stakeholders on how PSRB activity and that of other bodies might be adjusted to take account of QAA activity might be helpful. PSRB accreditation is more widespread for undergraduate than postgraduate levels and respondents will need to bear this in mind when making responses about this area. Question 6 invites views about this and we welcome practical suggestions for how QAA review might be modified accordingly, while continuing to ensure institution-wide management for the assurance of quality and standards.

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[42] The mid-cycle follow up is an integral part of the overall Institutional Review process, and focuses on the four judgements made in the review. It serves as a short health check, for the institution and for the QAA, on the institution's continuing management of academic standards and quality of provision. It provides an opportunity to reflect on developments made in the management of standards and quality within the institution since the previous review. For further information see: www.qaa.ac.uk/Publications/InformationAndGuidance/Documents/Mid-cycle%20follow%20up.pdf

[43] HE White Paper 3.22, see footnote 1.

**Consultation question 2**

2a. In the pursuit of a more risk-based approach to quality assurance, the consultation proposes that the **extent, nature and frequency of external quality assurance** should vary according to the track record and scope of the provision of the higher education provider. Do you agree?

Strongly agree/Agree/Neither agree nor disagree/Disagree/Strongly disagree

2b. Please explain the reasons for your answer.

**Consultation question 3**

3a. Do you consider that establishing within Institutional Review **a core review process and additional modules** for particular types of provision (for example on elements of collaborative provision) would help with achieving the risk-based approach to quality assurance?

Strongly agree/Agree/Neither agree nor disagree/Disagree/Strongly disagree

3b. Please explain the reasons for your answer.

**Consultation question 4**

4a. Please indicate, for **providers with a longer track record**, on Route B, what should be the interval between external QAA institutional reviews, ranging from six to ten years.

4b. Please explain the reasons for your answer.

**Consultation question 5**

5a. Please indicate, for **providers with a shorter track record**, on Route A, what should be the interval between external QAA institutional reviews. Bearing in mind the need for there to be a relationship between the review intervals of the two routes, do you have a view about the minimum or maximum interval between reviews on Route A?

5b. Please explain the reasons for your answer.

5c. Given the evolution of the quality assurance system, most **further education colleges** with higher education provision will be reviewed according to Route A initially. Should these providers have the option to undertake an early review during 2013-15 so that they may be able to transfer more quickly to Route B?

**Consultation question 6**

6a. Should – and, if so, how might – the QAA seek to streamline or modify its external review activities for those providers which have a substantial proportion of their provision accredited by **PSRBs?**

Strongly agree/Agree/Neither agree nor disagree/Disagree/Strongly disagree

6b. Please explain the reasons for your answer.

**Section three: A more robust and risk-based approach to out-of-cycle intervention, using 'triggers'**

100.   The logic of a risk-based approach is that there are mechanisms to instigate out-of-cycle interventions. Data and information triggers draw attention to possible issues that can then be looked at further. Such an approach adds a flexible, responsive element to quality assurance arrangements and directs effort to where it may be most needed. Such a mechanism already exists in the Concerns Scheme (see below), which is based on investigating complaints and we are proposing a further trigger which would be based on annual reviews of nationally collected data. We also propose to promote the ability of students to trigger QAA investigations.

101.   Given that fewer and less in-depth reviews risk may allow quality or standards to decline unchecked, we have identified a number of triggers which might operate outside of the external review cycle, to which HEFCE or other agencies would be expected to respond. Acting as a safety net, this has the advantage of demonstrating that the student and public interest in quality and standards is being maintained, without increasing demands on all providers.

102.   Triggers could result in some form of tailored QAA intervention, including an initial enquiry under the existing Concerns Scheme, an investigation at department or faculty level, a specific 'module' (for example on collaborative provision) or a full review. Thus, the scale of this out-of-cycle investigation would achieve a more risk-based approach, given that it could range from a low-impact preliminary QAA Concerns Scheme enquiry to a full institution review. Themed reviews may even take place across several institutions.

103.   It should be emphasised that, in this approach, the instigating of an out-of-cycle investigation would not necessarily signify that a provider is more 'risky' per se: in other words, this would not be a considered judgement of questionable standards and quality, but simply that there are prima facie grounds for immediate investigation; the grounds may prove to be unfounded/already resolved and it may be demonstrated that an institution is managing risks effectively. Thus, it would be necessary to be explicit that what is important is the outcome.

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**QAA's Concerns Scheme**

Under its Concerns Scheme, the QAA investigates concerns about the standards and quality of higher education provision raised by students, staff and other interested parties, where it thinks these concerns indicate serious systemic or procedural problems.

Currently, students, the public and interested organisations may bring issues to the attention of the QAA for its consideration under the Scheme. As a first step, the QAA considers the evidence to see if a preliminary enquiry is necessary. Depending on the outcome, a full enquiry may be pursued. The QAA uses its discretion to decide upon the course of investigation to be pursued, which could include, for example, an additional investigation of collaborative provision, departmental review or even full review. In its investigations, the QAA considers whether the institution is actively managing the risk associated with the concern(s) expressed, if proven.

The QAA is currently considering how the Scheme could be improved, for example whether the amount of time allowed for dealing with concerns in the published Scheme could be reduced; at present it is set at a maximum of 36 weeks, although most cases are dealt with much more quickly than this.

## Promoting the ability of students to instigate quality investigations

104.   An important development in recent years has been the recognition that students should be partners in the decisions which shape their learning experiences. We have been tasked with ensuring that students have greater ability to hold institutions to account on quality matters. The White Paper calls for a new system that 'protects standards and quality, gives power to students to prompt quality investigations where there are grounds for concern'[44].

105.   Students already have the option of raising a concern through the QAA's Concerns Scheme. However, more needs to be done to raise awareness of this Scheme. We will therefore ask the QAA to continue to make its work more public-facing so that students feel empowered to raise concerns (internally or externally) and to ensure that the new section of the UK Quality Code on student engagement is sufficiently demanding in its expectations of providers. It is important that students realise that the QAA can investigate concerns raised at a departmental or institutional level. As noted above, the QAA is also looking at making this Scheme operate in a more speedy fashion.

106.   The Office of the Independent Adjudicator (OIA) and the QAA have already committed to working together to ensure that they respond to clusters of complaints from students about the quality of their education. Such outcomes could trigger an out-of-cycle investigation at an institution or department or as a factor that influences the choice of topic for the thematic element of Institutional Review for the following period.

## Annual data review

107.   We propose to establish an annual process for scrutinising key data and information which could prompt an earlier than anticipated investigation by the QAA. Such an assessment would be looking for early warning signs or indications of longer-term trends that suggest that quality (and in some cases standards) may be at risk.

108.   Our intention is to establish an internal HEFCE group and an external review panel to manage this process. The external panel would provide independent consideration. Institutions would not be asked to submit additional data as part of this process. The internal and external group would consider a range of data and take account of current intelligence and forecasted change. It should be emphasised that the final decision in terms of recommendation for QAA follow-up action would rest with the external panel. However, in accordance with HEFCE's corporate governance arrangements, the external panel would need to make its recommendations to the HEFCE Accounting Officer. HEFCE will ensure the panel operates in a

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[44] BIS higher education White Paper, Page 14. See footnote 1.

transparent fashion, according to published terms of reference and we would need to consider carefully the panel's membership to ensure there is no possibility for a conflict of interest to arise.

109.   We propose to review a combination of key quantitative and qualitative data and information that, when viewed together, can provide a broad indication of changes that might warrant further attention. We acknowledge that some data lack immediacy by the time they are published and that by the time an issue comes to the attention of the panel many institutions will already be taking steps to instigate change and address any negative outcomes.

110.   Key data might include:

a.   National Student Survey (NSS) data: While not without limitations, the NSS is a valid instrument for considering student satisfaction in relation to the student experience, which itself is a reasonable indicator of quality. The panel will be interested where the data show that the overall satisfaction rate is significantly below the institution's benchmark and/or if the subject satisfaction score is significantly below the sector average for that subject. The panel would be interested in 'outliers' where it is unlikely that differentials can be explained by random occurrences. In future, an analogous survey for postgraduate taught provision may become available and be used in a similar way.

b.   HESA performance indicators on non-continuation (including projected outcomes)[45]: The panel would look more closely where data shows that an institution is significantly below its benchmark.

c.   Data from the Destination of Leavers from Higher Education and from the higher education in further education colleges survey of graduate destinations.

d.   From 2014, professional accreditation of teaching staff (available from the HESA Staff Record from early that year): The panel would most likely be interested where there is a significantly smaller proportion of accredited teaching staff than in the rest of the sector.

e.   Contextual data (for information only, not as proxies for quality): student population (diversity of students), financial performance and other information submitted as part of assurance processes (which provide more information on institutional mission) and information from the proposed HEFCE Observatory[46]. Changes of ownership, actual or proposed, as well as significant variations in provision are also likely to be considered as possible triggers for an out-of-cycle investigation, see paragraph 128.

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[45] HESA Performance Indicator Tables T3-T5 look at non-continuation rates for students at an institution. They are presented in two ways. The first considers students who start in a particular year, and looks at whether they are still in higher education one year later (for full-time students) or two years later (for part-time students). The second method looks at projected outcomes to see what proportion is likely to obtain a degree, obtain another undergraduate qualification, transfer to another HEI, or neither obtain an award nor transfer after a period of time. See www.hesa.ac.uk/index.php?option=com_content&task=view&id=2064&Itemid=141

[46] A HEFCE function to be conducted through the Observatory is to monitor and report on the impact of changes in policy, both legislative and regulatory, on the sector.

111.   Other kinds of information may also be of interest to the panel as potential indicators of fluctuations in quality, for example, a significant fall in student demand. Similarly, where available, the panel may consider information and reports from professional, statutory and regulatory, bodies – though while noting, first, that such reports are about provision in specific areas rather than across the institution as a whole and second, that the NSS also provides subject level data.

112.   Upon consideration of these data and information sources, the panel will, where necessary, refer an institution to the QAA for an immediate investigation. While the panel may indicate what action the QAA should take, the Agency would exercise independent judgement about the detailed form of an investigation to undertake and whether any extensive liaison with an institution is required as a result. As above, a QAA investigation may include recourse to its Concerns Scheme, a departmental investigation, a collaborative provision review module or even a full Institutional Review. In all cases, the QAA would report all actions and outcomes to the panel.

113.   Data sources would be reviewed regularly to ensure that they remain fit for purpose. We will also take account of other data or recommendations as they arise, for instance from the Interim Regulatory Partnership Group[47].

114.   As a rule, we would expect to make an average of the past three years' data available to the panel in order to reduce the impact of temporary 'surges'. We will take steps to ensure that decisions take account of contextual information where data are subject to a considerable time-lag between submission, publication and panel deliberations.

115.   We are confident that these data cover a broad range of provision in the sector, are already publicly available and adaptation for this purpose would not detract from their original purpose. However, we will make it clear in any subsequent guidance what data we will use for those institutions that do not currently return all the data listed in paragraph 110. Currently some of these data are not available for:

a.  Postgraduate provision (for example, NSS data, performance indicators on non-continuation). This will present a specific issue for the panel to consider in terms of institutions with very high proportions of postgraduate students. We will ascertain whether there are existing sources of data which are sufficiently robust and transparent that could be considered by the panel. HEFCE is currently commissioning work to determine how best to serve the information needs of postgraduate students. In the longer term we might expect the panel to take account of any new data which is developed as a result of this or other work.

b.  FECs – most notably the performance indicators on non-continuation and accreditation of teaching staff. HEFCE plans to publish performance indicators on non-continuation this year (not including projected outcomes) and is looking into data on teaching qualifications in FE. We are already working with the Information Authority to determine the best route for continuing collection of data from FECs as part of the development of the Key Information Set (KIS).

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[47] See: www.hefce.ac.uk/about/intro/wip/interimregulatorypartnershipgroup/

c. Private providers – the expectation is that any QAA subscribers that do not currently subscribe to HESA will make moves to do so as soon as possible in order to allow the publication of NSS and DLHE data for their courses.

116.   We have considered other potential indicators, but do not consider them to offer comparable, well understood, established, valid or reliable proxies for the quality of teaching and learning. These include: student: staff ratios; Key Information Sets[48]; information on learning and teaching activities and assessment methods; admissions data; degree classifications; widening participation performance indicators; business and community interaction; and data used for determining research funding.

117.   Question 7 focuses on the annual data assessment; we welcome further suggestions for how it might operate.

**Information sharing**

118.   We will also need to consider the best way to align this approach with other HEFCE processes, such as those which consider financial sustainability and other assurance risks facing institutions. While respecting institutional autonomy, we will nevertheless give further consideration to how we exchange information with relevant agencies on significant changes to an institution's structure or provision.

119.   This might include the QAA and HEFCE sharing information on changes of ownership, governance, validation arrangements with overseas providers and/or significant changes to provision. None of these are necessarily directly linked to reductions in quality or standards; however, they may indicate a potential risk that could not wait, for example, another ten years, before assurance is obtained. This may also reduce any duplication of information requested from providers by different agencies.

**HEFCE policy for addressing unsatisfactory quality in institutions**

120.   The proposed risk-based approach will require further changes to HEFCE's policy on dealing with unsatisfactory quality in institutions[49] so that, where review or other investigation finds that there are issues, there are processes to ensure that these are speedily addressed by an institution. Failure to do this will result in further action being taken by HEFCE. Such outcomes will need to be made public.

121.   Where required, this action, such as measures of support and/or sanctions will be all the more important in the future so as to better protect the interests of students. Our current ultimate sanction is withdrawal of funding, which may not in the future be an effective mechanism. We will also need to understand the timing and impact of any possible future legislation on our powers and duties when developing the policy further.

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[48] For further information on the KIS, see: www.hefce.ac.uk/kis/

[49] See: www.hefce.ac.uk/pubs/year/2011/201136/

122.   The QAA's and HEFCE's appeals and complaints[50] procedures will apply as currently.

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**Consultation question 7**

7a. What form of **annual assessment of key quantitative and qualitative data** could be undertaken to determine whether there are grounds for any out-of-cycle investigations, which may or may not lead to some kind of formal review?

7b. Are there any other **data or information sources** that the panel should consider?

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## Section four: Further issues

### Collaborative provision

123.   The higher education Technical Consultation called for efforts to be made to align the QAA's review processes, such as Collaborative Provision Audit and IQER, for the sake of coherence and simplicity[51].

124.   Collaborative provision, by virtue of its more complex nature (for example managing multiple partners, some of which may be located overseas), can present more challenges to the maintenance of academic standards and quality than other forms of higher education provision. It is widely perceived that difficulties in collaborative provision may have considerable impact on students, for example course closure is more likely to occur in collaborative provision. In response, the QAA has already recently updated section two of the Code of Practice[52] and further development and consultation is planned for 2012-13, as part of the QAA's ongoing work to develop the UK Quality Code.

125.   This consultation makes three proposals to respond to concerns that varying forms of collaborative provision may place academic quality and standards at greater risk. These are summarised below and explained in the relevant sections of this document.

126.   First, that one or more collaborative provision 'modules' should be developed as part of Institutional Review for those providers who have substantial provision of this nature. However, such modules would be specific and focused, for example considering overseas provision.

127.   Thus, a provider might undergo one or more collaborative provision modules tailored to its provision. These modules would take place at the same time as the core element of Institutional Review, see paragraph 90. The QAA will feature a specific question on this approach to collaborative provision in its consultation on the Operational Description. It should be noted that

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[50] For further information on QAA's complaints, appeals process, see: www.qaa.ac.uk/Complaints/Pages/Appeals.aspx and for HEFCE: www.hefce.ac.uk/contact/makeacomplaint/

[51] BIS higher education White Paper, page 37. For further information, see Annex B. See footnote 1.

[52] The Code of Practice for the assurance of academic quality and standards in higher education is published by the QAA. It is a set of inter-related documents giving guidance for higher education institutions. The Code of Practice is part of the Academic Infrastructure, which is now being replaced by the UK Quality Code for Higher Education.

the QAA plans to continue with its other overseas activities, such as Overseas Provision Audit, to ensure the continued promotion of the reputation of UK higher education to foreign governments and students alike.

128.   Second, where there is a significant change, such as growth, in a provider's collaborative provision[53], but no formal external review is due for a number of years, one or more collaborative provision modules might be regarded as a trigger by the external panel for an out-of-cycle QAA engagement (see paragraphs 110 and 112).

129.   Third, issues brought under the QAA's Concerns Scheme might also result in an out-of-cycle module being undertaken, focusing on a specific element of collaborative provision only, see paragraphs 102 and 112. Depending on the outcomes of this consultation, our proposed approach, set out above, for the review of collaborative provision may in the future formally replace the QAA's existing Audit of Collaborative Provision.

## 2013-14 Transition from current cycle of Institutional Review to a more risk-based approach to quality assurance

130.   Implementation of this approach will require consideration of how we make the transition from the existing six-year cycle under Institutional Review and the Review of Higher Education in Further Education to a new risk-based approach with potentially longer or shorter intervals between reviews. From academic year 2013-14, institutions with a successful track record, for example with two full reviews or more, could have the interval extended between their previous and next institutional review. The QAA will consider whether this transitional approach is sufficient for institutions with large and complex collaborative provision.

131.   The QAA will publish details of the progression to the published rolling programme – which might include a provisional three year schedule – when it publishes its draft Operational Description towards the end of 2012.

## Anticipated impact

132.   We believe our proposed approach – varying the nature, frequency and intensity of QAA engagement – will result in less frequent and potentially less intensive quality assurance arrangements for providers with longer track records. Mid-progress monitoring for all providers will be more proportionate to the outcomes of previous review. An amended process for initiating out-of-cycle investigations will be implemented.

133.   These proposals aim to safeguard the reputation of higher education providers' quality and standards and enable HEFCE to fulfil its statutory duty to secure the assessment of quality.

134.   Our intention is to propose a modified approach which is risk-based and reduces the regulatory burden, without using labels that could mislead or be misunderstood.

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[53] This will clearly require consideration of whether it might be growth in student numbers, partners, branch campuses.

135.   A full sector impact assessment will be published alongside this consultation document in due course.

136.   In finalising the outcomes of this consultation, we will develop an approach to evaluation of the adopted risk- based approach. From the outset, we will review our approach through established mechanisms, working closely with the QAA. We will consider whether it would also be timely to formally review the approach after two years of implementation to ascertain the early impact of the changes. We would discuss the scope for such a review with the relevant committees (such as TQSE) and will seek to ensure value for money in any approach chosen.

## Section five: Timetable for implementation

137.   Following consideration by the HEFCE and QAA boards, we will publish the full outcomes of this consultation and summary of responses by November 2012, along with guidance for the QAA.

138.   This will be followed in winter 2012-13 by a QAA consultation on the draft Operational Description for all higher education providers to be reviewed under this approach, followed by publication of a revised Review Handbook and Operational Description in March 2013.

139.    It is envisaged that the new approach will come into effect for the start of 2013-14. As with the introduction of previous review methods, however, no provider will actually be reviewed under the new arrangements until January 2014. This will allow for training of QAA reviewers and workshop events for the sector.

## Section six: Responding to this consultation

140.   Responses to this consultation should be made online by Tuesday 31 July 2012 using the online form that can be accessed alongside this document at www.hefce.ac.uk/pubs/year/2012/201211/.

141.   This is an open consultation and we welcome views from anyone with an interest in the quality assurance and enhancement of higher education.

142.   HEFCE will be running consultation events for the sector to discuss these proposals. For further details, see the web page in paragraph 140.

143.   Respondents should note that all responses may be disclosed on request, under the terms of the Freedom of Information Act. The Act gives a public right of access to any information held by a public authority, in this case HEFCE. This includes information provided in response to a consultation. We have a responsibility to decide whether any responses, including information about your identity, should be made public or treated as confidential. We can refuse to disclose information only in exceptional circumstances. This means responses to this consultation are unlikely to be treated as confidential except in very particular circumstances. Further information about the Act is available at www.informationcommissioner.gov.uk.

# Annex A

# Summary of consultation questions

Responses should be made online by Tuesday 31 July 2012 using the response form that can be accessed alongside this document at www.hefce.ac.uk/pubs/year/2012/201211/.

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**Consultation questions**

1a. Please comment on the extent to which you consider that the agreed quality assurance system and HEBRG **principles,** set out above, provide an appropriate basis for a more risk-based approach to quality assurance.

1b. Are there any other principles that should apply?

2a. In the pursuit of a more risk-based approach to quality assurance, the consultation proposes that the **extent, nature and frequency of external quality assurance** should vary according to the track record and scope of the provision of the higher education provider. Do you agree?

Strongly agree/Agree/Neither agree nor disagree/Disagree/Strongly disagree

2b. Please explain the reasons for your answer.

3a. Do you consider that establishing within Institutional Review **a core review process and additional modules** for particular types of provision (for example on elements of collaborative provision) would help with achieving the risk-based approach to quality assurance?

Strongly agree/Agree/Neither agree nor disagree/Disagree/Strongly disagree

3b. Please explain the reasons for your answer.

4a. Please indicate, for **providers with a longer track record,** on Route B, what should be the interval between external QAA institutional reviews, ranging from six to ten years.

4b. Please explain the reasons for your answer.

5a. Please indicate, for **providers with a shorter track record**, on Route A, what should be the interval between external QAA institutional reviews. Bearing in mind the need for there to be a relationship between the review intervals of the two routes, do you have a view about the minimum or maximum interval between reviews on Route A?

5b. Please explain the reasons for your answer.

5c. Given the evolution of the quality assurance system, most **further education colleges** with higher education provision will be reviewed according to Route A initially. Should these providers have the option to undertake an early review during 2013-15 so that they may be able to transfer more quickly to Route B?

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Strongly agree/Agree/Neither agree nor disagree/Disagree/Strongly disagree

6a. Should – and, if so, how might – the QAA seek to streamline or modify its external review activities for those providers which have a substantial proportion of their provision accredited by **PSRBs**?

Strongly agree/Agree/Neither agree nor disagree/Disagree/Strongly disagree

6b. Please explain the reasons for your answer.

7a. What form of **annual assessment of key quantitative and qualitative data** could be undertaken to determine whether there are grounds for any out-of-cycle investigations, which may or may not lead to some kind of formal review?

7b. Are there any other **data or information sources** that the panel should consider?

8. Do you have any other comments on this document or further suggestions for what we might do?

# Annex B

# Risk-based approach to quality assurance – references in White Paper and technical consultation –

**White Paper: Students at the Heart of the System**
(http://discuss.bis.gov.uk/hereform/technical-consultation/)

We will put in place a new regulatory system that protects standards and quality, gives power to students to trigger quality reviews where there are grounds for concern, yet cuts back the burden of review for high performing institutions. ………We will strip back excessive regulation on providers wherever it is possible including: reducing burdens from information collection; exploring whether it is possible to reduce the costs associated with corporation tax returns; and adopting a risk-based approach to quality assurance. (Paragraph 14, page 6.)

We will introduce a risk-based quality regime that focuses regulatory effort where it will have most impact and gives power to students to hold universities to account. All institutions will continue to be monitored through a single framework but the need for, and frequency of, scheduled institutional reviews will depend on an objective set of criteria and triggers, including student satisfaction, and the recent track record of each institution. ('Summary of policies', page 9.)

We propose a genuinely risk-based approach, focusing QAA effort where it will have most impact and giving students power to hold universities to account. All providers must continue to be part of a single assurance framework. But we would explore options in which the frequency – and perhaps need – for a full, scheduled institutional review will depend on an objective assessment of a basket of data, monitored continually but at arms length. For new providers, with an inevitably shorter track record of quality, a more regular and in-depth review is appropriate than has previously been applied. Conversely, for those providers with a sustained, demonstrable track record of high-quality provision, we would expect to see significantly less use of full institutional reviews. (Paragraph 3.19, page 37.)

We will ask HEFCE to consult on the criteria against which overall risk should be assessed and the frequency of review, with a view to achieving very substantial deregulatory change for institutions that can demonstrate low risk. We will explore how the need for and frequency of scheduled institutional reviews will depend on an objective set of criteria. HEFCE will also consult on a set of ad hoc triggers which would prompt QAA to carry out a full or partial review when this was not otherwise expected. These might include, for example, exchanges of information with the Office of the Independent Adjudicator (OIA), the QAA's recently strengthened systems for investigating concerns about standards and quality and standards in higher education, or intelligence gathered from across the sector. (Paragraph 3.20, page 37.)

In our consultation on a new regulatory framework we will ask whether HEFCE, as part of its changing role in the new system, would need additional legislative powers to introduce or to operate a risk-based quality assurance system. We would use the forthcoming Higher Education Bill as a vehicle for introducing any such power. (Paragraph 3.21, page 37.)

It is vital that quality and academic standards are maintained. In line with our proposals to introduce a more risk-based approach to quality assurance, we will

expect providers that lack a well-established track record – for example those that have recently acquired degree-awarding powers – to be subject to more frequent and/or in-depth QAA institutional review. We will also put in place appropriate sanctions, introducing the powers to suspend or remove degree awarding powers where quality or academic standards fail. This change will apply to both taught and research degree-awarding powers. (Paragraph 4.30, page 52.)

A risk-based approach to quality assurance, in which scrutiny is focused on institutions without an established track record and those for whom significant concerns have been raised ('Reducing regulation and the burdens of information collection', paragraph 6.18, page 70.)

**Technical Consultation: New fit-for-purpose regulatory framework for the higher education sector**
(http://discuss.bis.gov.uk/hereform/technical-consultation/)

As we set out in the White Paper, HEFCE will, using existing powers, ensure quality assurance and financial monitoring systems are reviewed to adopt a more risk-based approach. Higher risk providers will receive the additional attention they require while high performing providers will benefit from lighter touch monitoring. (Paragraph 9, page 9.)

We expect to achieve substantial deregulatory change for providers that can demonstrate low risk and will ask HEFCE to consult on the criteria and ad hoc triggers which would be central to a risk-based approach to quality assurance. We understand that the QAA will consider a proportionate pricing strategy to cover both basic services and the varying intensity of review. (Paragraph 2.2.3, page 15.)

It is vital that quality and academic standards are maintained. In line with our proposals to introduce a more risk-based approach to quality assurance, we will expect providers that lack a well-established track record, for example those that have recently acquired degree awarding powers, to be subject to more frequent and/or in-depth QAA institutional review. (Paragraph 4.2.17, page 33.)

# Annex C

## Principles and objectives for quality assurance in England and Northern Ireland, agreed in 2010

The system to assure quality and standards should:

**a. Provide authoritative, publicly accessible information on academic quality and standards in higher education.**

> i. Provide timely and readily accessible public information, on a consistent and comparable basis, on the quality and standards of the educational provision for which each institution takes responsibility.

> ii. Report results on a robust, consistent and comparable basis that meets public expectations.

**b. Command public, employer and other stakeholder confidence.**

> i. Ensure that any provision that falls below national expectations can be detected and the issues speedily addressed.

> ii. Apply transparent processes and judgements, and function in a rigorous, intelligible, proportionate and responsive way.

> iii. Assure the threshold standards of awards from higher education institutions in England and Northern Ireland, wherever and however they are delivered.

> iv. Explain clearly where responsibilities lie for the quality and standards of provision and how they are secured.

**c. Meet the needs of the funding bodies and of institutions.**

> i. Enable the funding bodies to discharge their statutory responsibilities to assure the quality of the programmes they fund.

> ii. Recognise the role of institutions as independent autonomous bodies responsible for their own quality management systems and for the standards of awards made in their name.

> iii. Enable institutions to discharge their corporate responsibilities, by providing them with information on how well their own internal systems for quality management and setting and maintaining standards are functioning, and identifying areas for improvement.

> iv. Where relevant, recognise the role of employers as co-deliverers of higher education, taking the quality assurance requirements of such provision into account.

**d. Meet the relevant needs of all students.**

> i. Have current and prospective students' interests at its heart, underlying all of the other principles.

    ii. Engage students in the quality process, whether at course, institutional or national level.

    iii. Focus on the enhancement of the students' learning experiences without compromising the accountability element of quality assurance.

**e.    Rely on robust evidence-based independent judgement.**

    i. Incorporate external reviews run by an operationally independent body (the Quality Assurance Agency for Higher Education) and professional, statutory and regulatory bodies.

    ii. Incorporate evidence from institutions' own internal quality assurance processes, including those which involve external participants.

    iii. Recognise and support the important role of external examining.

**f.    Support a culture of quality enhancement within institutions.**

    i. Apply a process of external review, both by academic peers and by students, rather than inspection by a professional inspectorate.

    ii. Include processes based on rigorous institutional self-evaluation.

    iii. Promote quality enhancement in institutions.

    iv. Enable the dissemination of good practice.

**g.    Work effectively and efficiently.**

    i. Operate efficiently, in order to avoid disproportionate use of institutional effort and resources which could otherwise be directed to the delivery of frontline student teaching.

    ii. Rely on partnership and co-operation between the institutions, Quality Assurance Agency for Higher Education and the funding bodies.

    iii. Address both quality (appropriate and effective teaching, support, assessment and opportunities for learning provided for students) and standards (levels of achievement that a student has to reach to gain an award) as two distinct but interlinked concepts.

    iv. Work on the principle of collecting information once to use in many ways.

    v. Acknowledge that while the quality assurance system applies to England and Northern Ireland only, it is underpinned by reference tools that are UK-wide.

    vi. Adhere to the Standards and Guidelines for Quality Assurance in the European Higher Education Area (encompassing internal and external quality assurance).

    vii. Maintain sufficient flexibility and responsiveness to meet changing demands and public priorities in a timely manner.

    viii. Complement and avoid duplication with, so far as possible, other assurance processes in higher education (for example Ofsted; professional, statutory and regulatory bodies).

# Annex D

# Glossary and further sources of information

**Academic quality**

A comprehensive term referring to how, and how well, institutions manage teaching and learning opportunities to help students progress and succeed.

**Audit of overseas provision**

Many UK institutions offer their higher education programmes through partnership links with organisations abroad, or deliver programmes on overseas campuses. Institutions are responsible for the quality of these programmes and the academic standards of their awards, whether delivered inside or outside the UK. The QAA reviews the partnership arrangements that UK higher education institutions have made with organisations in other countries to deliver UK programmes. The QAA also reviews programmes delivered on overseas campuses.

Overseas audit is carried out according to the same principles and processes as Institutional Review. It is a peer review, evidence-based process. The UK higher education institution provides a briefing document describing its overseas provision. Overseas audit usually involves a one day visit of an audit team to the UK institution to meet staff and students, and a similar visit to the partner institution overseas. The QAA conducts overseas audit on a country by country basis, not at the same time as a university or college's Institutional Review. The method for overseas audit is customised according to the country in which programmes are located, and the type of programmes being covered.

For further information see: www.qaa.ac.uk/InstitutionReports/types-of-review/overseas/Pages/default.aspx

**Collaborative Provision (CP) Audit**

Collaborative provision describes how institutions work together to provide higher education, including learning opportunities, student support and assessment, resulting in a qualification from one or more awarding institutions.

For further information see: Section 2 of the Code of practice.
www.qaa.ac.uk/Publications/InformationAndGuidance/Pages/Code-of-practice-section-2.aspx

Collaborative Provision Audit is the process used by QAA to assess the academic standards and quality of higher education delivered through a collaborative arrangement between institutions in England or Northern Ireland and a partner organisation in the UK or elsewhere. This process is only used in situations where the collaborative arrangements are too complex to be reviewed by a normal or 'hybrid' Institutional Review.

For further information, see: www.qaa.ac.uk/InstitutionReports/types-of-review/Pages/Audit-collaborative-provision.aspx

**QAA's Concerns Scheme**

The QAA can investigate concerns about the standards and quality of higher education provision. The QAA can investigate concerns about:

- higher education institutions in England, Wales and Northern Ireland which subscribe to the QAA (see: www.qaa.ac.uk/AboutUs/subscribing-institutions/Pages/default.aspx)

- courses provided by institutions that subscribe to the QAA in collaboration with other organisations, such as FECs, in the UK and overseas

- organisations that have applied to QAA for educational oversight

- access to higher education courses.

The QAA can investigate concerns about academic standards and quality where it considers that these concerns indicate serious systemic or procedural problems. Examples of what the QAA can investigate include:

- misleading information about the accreditation of a course by a professional body

- inadequate guidance to examiners on marking examination scripts

- inadequate support for placement learning

- failure to follow assessment regulations.

For further information, see: www.qaa.ac.uk/Complaints/concerns/Pages/default.aspx

**Degree awarding powers (DAP)**

Currently any organisation providing higher education, whether publicly funded or not, is entitled to apply for degree awarding powers. Ministers maintain criteria against which applications for degree awarding powers are considered. For England and Wales applications are currently considered under criteria approved by Ministers in 2004. An organisation that wishes to award its own degrees will be required to demonstrate that it meets the relevant criteria. Scrutiny by the QAA determines whether or not an applicant organisation is fit to exercise the powers being sought. The applicant must clearly demonstrate that there can be public confidence, both present and future, in its systems for assuring the academic standards and quality of its degrees. For further information, see: www.qaa.ac.uk/AboutUs/DAP/Pages/default.aspx

In the higher education Technical Consultation, the Government sets out its wishes to make it easier for new providers to enter the sector by simplifying the process for obtaining and renewing degree awarding powers so that it is proportionate in all cases. The Government is proposing to modernise the criteria for taught degree awarding powers by:

- providing more flexibility to accommodate applications from non-teaching bodies and bringing forward the necessary legislation to enable this

- providing more flexibility around the length and nature of experience required, in order to accommodate new and alternative providers.

Further information is available at Chapter 4 of the Technical Consultation,
[http://c561635.r35.cf2.rackcdn.com/11-1114-new-regulatory-framework-higher-education-consultation.pdf](http://c561635.r35.cf2.rackcdn.com/11-1114-new-regulatory-framework-higher-education-consultation.pdf)

**Educational oversight – UK Border Agency**
This is the scrutiny of educational provision by an independent organisation, particularly referring to QAA's scrutiny of colleges wishing to obtain highly trusted sponsor status as defined by the UK Border Agency. The QAA undertakes a 'Review for educational oversight', which is concerned with taught higher education programmes of study at Levels 4-7 in England, Wales and Northern Ireland and at Levels 7-11 in Scotland.

For further information, see: [www.qaa.ac.uk/InstitutionReports/types-of-review/tier-4/Pages/default.aspx](http://www.qaa.ac.uk/InstitutionReports/types-of-review/tier-4/Pages/default.aspx)

**Institutional Audit (IA)**
In the cycle of Institutional Audit which extended from 2005-06 to 2010-11, audit teams made judgements on:

- the confidence that can reasonably be placed in the soundness of the institution's present and likely future management of the academic standards of its awards

- the confidence that can reasonably be placed in the soundness of the institution's present and likely future management of the quality of the learning opportunities available to students.

Further information is available at: [www.qaa.ac.uk/InstitutionReports/types-of-review/Pages/Institutional-audit.aspx](http://www.qaa.ac.uk/InstitutionReports/types-of-review/Pages/Institutional-audit.aspx)

**Institutional Review (IR)**
In September 2011, the QAA launched a new process for reviewing academic quality and standards in higher education institutions in England and Northern Ireland. The process is called Institutional Review and replaces the previous method, Institutional Audit.

The aim of Institutional Review is to safeguard quality and standards in higher education in England and Northern Ireland; to help improve students' experience of higher education; and to allow the QAA to look into public concerns about quality and standards in higher education quickly and efficiently. The new process is characterised by an intention to place current and prospective students' interests at its heart, with a commitment to clear communication with the general public.

Institutional Review is a peer review process. All team members have current or recent experience of academic management and quality assurance in UK higher education, and every team includes a student reviewer. The team looks at information provided by both the institution and its students, and makes judgements on:

- the institution's threshold academic standards

- the quality of students' learning opportunities (teaching and academic support)

- from 2012-13, the quality of public information, including that produced for students and applicants
- the institution's enhancement of students' learning opportunities.

The grades to be used for these judgements are: 'commended', 'meets UK expectations', 'requires improvement to meet UK expectations', and 'does not meet UK expectations'. Each higher education institution in England and Northern Ireland currently takes part in Institutional Review approximately once every six years, Reports for each institution are published on the QAA web-site.

Institutional Review also comprises a thematic element which will change at defined intervals, so that different institutions will experience review of different thematic elements. The inclusion of a thematic element will provide some flexibility within the review process to look in a timely way at issues that are attracting legitimate public interest or concern, or may constitute current good practice. The thematic element of the review will allow reviewers to explore an institution's engagement with a particular aspect of quality assurance. In order to promote consistency and comparability of review findings, the thematic element will not be subject to a judgement. Instead, the review report will contain a commentary on the thematic element.

Institutional Review has also adhered to the principle of student-led quality assurance. For example, QAA review teams include student members; the teams meet and gather information from more students, and in more depth than under Institutional Audit; and greater emphasis is placed on evidence from the institution's students. Institutions are also expected to prepare and publish a post-review action plan that fully engages its students.

Further information is available at:
www.qaa.ac.uk/Publications/InformationAndGuidance/Documents/ireni-operational-d.pdf

**Integrated Quality and Enhancement Review**
Integrated Quality and Enhancement Review is a review method specially devised for higher education provided by FECs in England. IQER is an evidence-based peer review of a college's management of the student learning experience and performance of its responsibilities for the academic standards and quality of its higher education provision. Colleges do not currently have powers to award higher education qualifications. They work with awarding bodies, in particular Edexcel and/or one or more higher education institution with degree awarding powers. The awarding bodies retain responsibility for the academic standards of all awards granted in their names and for ensuring that the quality of learning opportunities offered through collaborative arrangements is at least adequate to enable students to achieve the academic standard required for their awards. IQER focuses on how colleges discharge their responsibilities in the context of their agreements with awarding bodies. QAA reviews the responsibilities of higher education institution awarding bodies within these relationships through Institutional Review.

IQER comprises two elements, Developmental Engagement and Summative Review. Under Development Engagement, the first stage of IQER, the QAA explores and comments on the provision of higher education courses by working closely with staff from the university or college concerned, and focusing on a theme or subject. This method is designed to help institutions

enhance their management of higher education. The QAA then undertakes the second IQER stage – Summative Review – where it reviews the provision and then publishes its findings.

IQER will be replaced by a new method for FECs in 2012-13, Review of Higher Education in Further Education (see below).

Further information is available at: www.qaa.ac.uk/InstitutionReports/types-of-review/Integrated Quality and Enhancement Review-England/Pages/default.aspx

**Periodic review**
The UK higher education Quality Code calls for institutions to periodically undertake a broad review of the continuing validity and relevance of the programmes they offer. The timing and nature of reviews will depend on a number of factors, including the rate of development of knowledge and practice in the discipline; the extent to which wider questions of overall aims are dealt with in routine monitoring; and overall institutional policy on such reviews. Periodic review assesses the continuing validity and relevance of the programme in the light of, for example:

- the effect of changes, including those which are cumulative and those made over time, to the design and operation of the programme

- the continuing availability of staff and physical resources

- current research and practice in the application of knowledge in the relevant discipline(s), technological advances, and developments in teaching and learning

- changes to external points of reference, such as subject benchmark statements, relevant PSRB requirements

- changes in student demand, employer expectations and employment opportunities

- data relating to student progression and achievement,

- student feedback, including the National Student Survey.

For further information see:
www.qaa.ac.uk/Publications/InformationAndGuidance/Documents/Quality%20Code%20-%20Chapter%20B8.pdf

**Review of Higher Education in Further Education (RHEFE)**
The new method of Review of Higher Education in Further Education will replace IQER from September 2012. The Operational Description will give a detailed explanation of how the new review method will work. The method is based on Institutional Review of higher education institutions in England and Northern Ireland, but has been adapted for FECs. Among the changes from IQER is that students will be central to, and involved in, the whole process.

Further information, the draft Operational Description for the new method is available at:
www.qaa.ac.uk/Newsroom/Consultations/Pages/OD-Review-of-HE-in-FE.aspx

**Risk-based quality assurance approaches in other sectors, countries**

- America, regional accreditation – North Central

The Higher Learning Commission (HLC) is an independent corporation and one of two commission members of the North Central Association of Colleges and Schools (NCA), which is one of six regional institutional accreditors in the US. The Higher Learning Commission accredits degree-granting post-secondary educational institutions in the North Central region. The Commission has established a ten-year cycle of accreditation in which a full review of institutional compliance with commission criteria and federal requirements will occur twice. The improvement process will thus be free to focus genuinely on institutional improvement. Under the assurance process, colleges will build an evidence file of data and materials. These materials will be transmitted and stored electronically. With the exception of the annual data update, which institutions currently must complete, and an assurance argument in years four and ten that presents the institution's case that it fulfils the commission's criteria for accreditation and complies with all federal requirements, all other materials in the evidence file already will have been prepared for other institutional purposes. The commission will conduct assurance reviews in year four (no visit) and year ten (with visit). In this respect, a risk-based approach is applied through the increasing interval between review visits.

- The General Social Care Council (GSCC)[54]

The GSCC makes decisions based on the outcomes of risk analysis, about which risks need regulatory intervention and the level and priority of that intervention. It uses a consequence/probability matrix to determine what risks to a social work education course are acceptable and unacceptable and the likelihood of consequences occurring.

Further information is available at:
www.gscc.org.uk/page/126/Regulating+social+work+education.html

- Australian higher education sector

The Tertiary Education Quality and Standards Agency Act (TEQSA) 2011 outlines three basic principles for regulation. These are:

- the principle of regulatory necessity – which ensures that TEQSA should not burden a provider any more than is necessary

- the principle of reflecting risk – which ensures that TEQSA should have regard to a provider's history, including its history of compliance with state and federal laws relating to higher education

- the principle of proportionate regulation – which ensures that TEQSA must exercise its powers in such a way that is proportionate to a provider's non-compliance with the Act and any risk of future non-compliance.

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[54] The functions of the GSCC are due to transfer to the Health Professions Council (HPC) at the end of July 2012.

Together, these principles underpin TEQSA's risk-based regulatory approach, which will take into account the scale, mission and history of each provider.

The Regulatory Risk Framework identifies categories of risk in line with threshold standards to frame a detailed set of risk indicators. The risk assessment of providers against these indicators is based on a balance of quantitative and qualitative information, allowing for expert judgement in finalising the assessment. This assessment includes consideration of existing controls based on discussions with providers. Three overarching 'priority risk consequence areas' guide an overall judgement about levels of risk: risk to students; risk of provider collapse; and risk to sector reputation. Through this risk assessment process TEQSA creates and maintains holistic 'Risk Profiles' of providers, which are renewed through an annual risk management cycle. This process is supported through an information strategy, drawing on existing sources where possible and a TEQSA data collection where required.

Further information is available at:
[www.teqsa.gov.au/sites/default/files/TEQSA%20Regulatory%20Risk%20Framework%20Feb%202012.pdf](www.teqsa.gov.au/sites/default/files/TEQSA%20Regulatory%20Risk%20Framework%20Feb%202012.pdf)

- Welsh higher education sector

HEFCW applies a risk-based approach to Institutional Review. The interval between reviews is based on the outcomes of the previous review. A confidence judgement results in a review within six years, limited confidence four years and no confidence two years.

**Proposed single gateway for entry to the higher education sector**
The Government's higher education Technical Consultation proposes to establish HEFCE as the registrar of higher education providers, which will operate a single gateway for entry into, and management of, the regulatory processes in respect of:

- designation for student support purposes

- designation for HEFCE teaching grant funding

- applications for foundation, taught and research DAP

- applications for university title

- other activity relevant to its role as the sector regulator, including use of the word 'university' in a company name and maintenance of the Recognised and Listed Bodies and Recognised Awards lists.

The outcomes of the government consultation on the White Paper and Technical Consultation and a legislative timetable were not known at the time of publication of this document.

Further information is available at Chapter 3, [http://c561635.r35.cf2.rackcdn.com/11-1114-new-regulatory-framework-higher-education-consultation.pdf](http://c561635.r35.cf2.rackcdn.com/11-1114-new-regulatory-framework-higher-education-consultation.pdf)

**Standards**
This means the level of achievement a student has to reach in order to gain a particular award or qualification. This is often used to refer to 'threshold' standards, or the minimum standards

required to pass, as distinct from the standards required for particular honours degree classifications, for example.

**Student engagement**

Student engagement refers to students and others working in partnership to enhance the collective student learning experience and the individual outcomes that students experience. Student engagement entails a commitment to working with students as informed and constructive partners. It includes empowering students by helping them to understand better the teaching and learning process in higher education and how it is undertaken, so that there is engagement and ownership in decision-making by students and their institutions over both the process and its outcome. Institutions, their staff, student unions and sector bodies, as well as students themselves, all have a role in promoting and ensuring better student engagement.

**Validation**

A formal process through which an awarding institution initially approves a programme of study (including the content, teaching and learning activities and assessment methods) as fit for the purpose of the award of one of its qualifications. This applies both to programmes delivered at the institution itself and to programmes delivered at partner institutions without their own degree awarding powers.

# List of abbreviations

| | |
|---|---|
| **CP (Audit)** | Collaborative Provision (Audit) |
| **CHEA** | Council for Higher Education Accreditation |
| **DAP** | Degree awarding powers |
| **DEL** | Department for Employment and Learning (in Northern Ireland) |
| **EO** | Educational Oversight |
| **EHEA** | European Higher Education Area |
| **ENQA** | European Association for Quality Assurance |
| **ESG** | European Standards and Guidelines for Quality Assurance in the European Higher Education Area |
| **FDAP** | Foundation degree awarding powers |
| **FEC** | Further education college |
| **GSCC** | General Social Care Council |
| **HE** | Higher education |
| **HEA** | Higher Education Academy |
| **HEFCW** | Higher Education Funding Council for Wales |
| **HEBRG** | Higher Education Better Regulation Group |
| **HEFCE** | Higher Education Funding Council for England |
| **HEI** | Higher education institution |
| **IA** | Institutional Audit |
| **IRENI / IR** | Institutional Review in England and Northern Ireland / Institutional Review |
| **HESA** | Higher Education Statistics Agency |
| **HPC** | Health Professions Council |
| **HTS** | Highly Trusted Status |
| **IQER** | Integrated Quality and Enhancement Review |
| **KIS** | Key Information Set |
| **NSS** | National Student Survey |
| **NUS** | National Union of Students |
| **OFFA** | Office for Fair Access |
| **OIA** | Office of the Independent Adjudicator |
| **PSRBs** | Professional, statutory and regulatory bodies |
| **QAA** | Quality Assurance Agency for Higher Education |
| **QAS** | Quality assurance system |
| **QHEG** | Quality in Higher Education Group |
| **REO** | Review of Educational Oversight |
| **RHEFE** | Review of Higher Education in Further Education |
| **SED** | Self-Evaluation Document |

| **SLC** | Student Loans Company |
|---|---|
| **TQSE** | Teaching, Quality and the Student Experience Strategic Committee |
| **UKBA** | UK Border Agency |
| **UUK** | Universities UK |
| **UT** | University title |