

## Speech

# Higher education: fulfilling our potential

From: [Department for Business, Innovation & Skills](#) and [Jo Johnson MP](#)  
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Jo Johnson, Minister for Universities and Science talks about university student admissions.



## Introduction – reflections on this year’s university admissions

It’s a pleasure to be here at the start of a new academic year.

And it is a vintage one.

Record numbers of students accepted onto their first choice courses. Record numbers applying from disadvantaged backgrounds. And record numbers studying science subjects.

Every single additional place we make available will change

someone's life forever.

I felt this myself when I joined the call centre team at [UCAS](#) in Cheltenham on A Level results day and listened to the explosion of excitement down the telephone line when a student who feared the worst learnt he had secured a place at Oxford Brookes.

A story made possible because of the steps taken by this government. Half a century ago, the Robbins Report said university places “should be available to all who are qualified by ability and attainment to pursue them.”

We are the first government to live up to this guiding principle. Our mission as a one nation government is to ensure everyone has the opportunity to work hard and fulfil their potential. By lifting the cap on student numbers, we have ensured that our world-class higher education system is open to anyone with the potential to benefit from it.

We have no target for the “right” size of the higher education system, but believe it should evolve in response to demand from students and employers, reflecting the needs of the economy.

That's why we must make sure that the young people who made it through the UCAS clearing process this summer feel it was all worthwhile, that more does not mean worse. They must receive the rigorous, stimulating education they want and society needs.

## **Green paper aims**

My plan today is to set out a broader vision for higher education, foreshadowing a green paper we will publish in the autumn.

Looking back at 2011, when we published [Students at the Heart of the System](#), it is clear that huge progress has been made: in transparency and widening participation, but also in the way the system has been put on a sustainable financial footing and been opened up to competition, with more new providers allowed to enter the market in the last 5 years than at any time since 1992.

But there is considerable unfinished business and the green paper will seek views on the changes the government believes will be necessary to ensure that higher education continues to be a great national success story in the years to come.

## **Teaching at the heart of the system**

At the centre of this vision are the young people contemplating their futures in a world where no one owes them a living, where they must depend on their wits and drive to survive.

Well-equipped students ready to contribute to society and to businesses keen to employ increasing numbers of skilled graduates. That was the focus of my last speech to you and it remains my overriding priority.

We have all been reminded of the scale of the challenge by a recent CIPD survey suggesting that almost 60% of graduates are in non-graduate jobs.

While it may overstate matters — official statistics show that in fact only 20% of recent graduates did not find a graduate level job within 3 years of leaving college — it is clear that universities must do more to demonstrate they add real and lasting value for all students.

Now that we are asking young people to meet more of the costs of their degrees once they are earning, we in turn must do more than ever to ensure they can make well-informed choices, and that the time and money they invest in higher education is well spent.

As I said in my speech in July, the key to that is, in my view, great teaching, combined with rigorous assessment, useful feedback and preparation for the world of work.

Our plans to introduce new incentives for universities to focus on teaching, via the Teaching Excellence Framework (TEF) promised in our manifesto, will be a critical element of this autumn's consultation.

Speaking to parents and students since taking on this job has confirmed for me the extent to which teaching is highly variable across higher education.

There are inspiring academics who go the extra mile, supporting struggling students, emailing feedback at weekends and giving much more of their time than duty demands.

These are the people who will change our children's lives and I want every student to learn from and have access to the kind of teacher who suffered me when I was an undergraduate.

People like Martin Conway, who could make even Belgian stamps interesting as we learnt about the construction of post-war Europe; or Judith Brown, the biographer of Gandhi, who sparked in me a lasting interest in modern India.

But there are also institutions and individual academics that take a different approach; that have struck what academics David Palfreyman and Ted Tapper describe as a "disengagement contract" with their students:

" This goes along the lines of 'I don't want to have to set and mark much by way of essays and assignments which would be a distraction from my research, and you don't want to do coursework that would distract you from partying: so we'll award you the degree as the hoped-for job ticket in return for compliance with minimal academic requirements and due receipt of fees'."

This is not a contract I want taxpayers to underwrite.

Because many universities see their reputation, their standing in prestigious international league tables and their marginal funding as being principally determined by scholarly output, teaching has regrettably been allowed to become something of a poor cousin to research in parts of our system.

I hear this when I talk to worried parents, such as the physics teacher whose son dropped out at the start of year two of a humanities programme at a prestigious London university,

having barely set eyes on his tutor. Her other son, by contrast, studying engineering at Bristol, saw the system at its best: he was worked off his feet, with plenty of support and mostly excellent teaching.

This patchiness in the student experience within and between institutions cannot continue. There is extraordinary teaching that deserves greater recognition. And there is lamentable teaching that must be driven out of our system. It damages the reputation of UK higher education and I am determined to address it.

## **Greater transparency from providers**

Since the 2012 reforms, student choice has become a key driver of change, but there are still significant information asymmetries. It is not at all clear to some students what their tuition fees of up to £9,000 a year actually pay for, and this has led to calls, which I support, for greater transparency from providers about what they spend fee income on.

This will mean providers becoming much clearer with students about what they can expect during their time at university. The new framework will aim to give students more information about the actual teaching they will receive, drive up student engagement with the learning process and reward universities that do most to stretch young - and also not so young - minds.

It will help, I hope, create a culture where teaching has equal status with research, with our great teachers enjoying the same professional recognition and opportunities for career and pay progression as our great researchers.

I recognise that many institutions are already thinking in this way and that the National Student Survey has started to shift the focus back towards teaching, feedback and academic support within universities. But some still do not do nearly enough.

While there will be financial incentives behind the TEF, with those offering high quality teaching able to increase fees with inflation, the TEF will not just be about accessing additional funds – I want

it to bring about a fundamental shift in how we think about and value teaching in our universities.

## Widening participation

Raising the quality of teaching is at the heart of the green paper, but our ambitions extend beyond this important goal. As a one nation government, our focus is on driving forward social mobility. That's why the green paper will also consult on how we can accelerate progress in widening participation, so that many more people with ability can benefit from higher education.

Our universities should be open to everyone who can benefit from them, regardless of family background or ability to pay.

The Prime Minister is committed to doubling the entry rate from disadvantaged backgrounds by 2020, compared to 2009 levels.

We also want to see a 20% increase in the number of black and minority ethnic students going to university by 2020, with matched improvements in their completion rates and progression into work. Young people with a Caribbean heritage will need special attention as part of this work and I will be discussing this with [HEFCE](#) and [OFFA](#), and my counterparts at the Department for Education.

Among the many concerning features highlighted by BIS research into this issue is the persistent underperformance in education of white children eligible for free school meals. The problem is particularly acute for disadvantaged white boys. Barely 10% of white British boys from the most disadvantaged backgrounds go to university, making them 5 times less likely to study at this level than the most advantaged white boys. They are also doing worse compared to the most disadvantaged among other ethnic groups, with participation rates over 20% for boys of black Caribbean heritage, nearly 50% for boys of Indian heritage and over 60% for boys of Chinese heritage.

Prior attainment in school is a major factor driving differences in participation, but attitudes towards university, which can be

shaped by good careers advice and employer engagement, also play a part. Discussions with Office for Fair Access have suggested that there is the potential for us to have significant impact by raising the profile of this group, which has not been specifically targeted in the past.

This needs serious attention and I will be writing to OFFA asking them to focus on this in their guidance to institutions on 2017 to 2018 access agreements.

To make our work on widening participation effective, we need the best possible data.

UCAS in particular holds and publishes vast amounts of data on the outcomes of the admissions process, but to target widening participation efforts more effectively we need a better understanding of how students' background, prior attainment and course choices lead to an offer of a place.

That's why I have written to UCAS asking them to publish a recent analysis of offers, broken down by ethnic group and type of institution. They have also agreed to publish the data underpinning this work and extend their analysis to other protected and disadvantaged groups. The first analysis will be published in the next few weeks.

But we need to go further to increase confidence that the system treats all applicants fairly. I want to see much more data being made available for academics to analyse and potentially link with other data sets. I'm pleased that UCAS has agreed to start sharing data through the secure platform developed by the Administrative Data Research Network. And they have agreed to look at all ways to make this data as useful as possible for researchers.

This is an important step forward. But there will be more work to do to increase the data available and ensure the trust of students who are involved. This is an issue for the whole sector to address, which is why I want you to consider what additional information universities can provide to support our collective efforts to widen participation.

## **A level playing field for new providers**

To ensure students have real choice that reflects their diverse needs, we must continue to open up the higher education market and put in place a regulatory framework that reflects today's challenges.

For many people, entry to higher education does not follow the traditional route of A-Levels followed by a full-time, residential, 3 year degree. Some choose to undertake a pathway that might include a foundation degree, Higher National Diploma, Higher National Certificate or Apprenticeship, while others enter higher education later in life after a period in the workforce.

This government values competition. We want a diverse, competitive system that can offer different types of higher education so that students can choose freely between a wide range of providers.

Competition not for its own sake, but because it empowers students and creates a strong incentive for providers to innovate and improve the quality of the education they are offering. That's why, back in July, we published our Productivity Plan, 'Fixing the Foundations'.

It set out how we're going to boost productivity in this country. Among other goals, it promised to remove barriers to new entrants and to establish a risk-based framework for higher education, reducing burdens on some so we can focus oversight where it is needed.

The green paper will cast a critical eye over the processes for awarding access to student support funding, Degree Awarding Powers and University Title.

We have already made a start by providing a new route for trusted new and smaller providers to grow their student numbers. We are also beginning to link student number controls to the quality of the provider, through a "performance pool" which will operate for 2016 to 2017.

But the green paper will consult on options to go further. Success in higher education should be based on merit, not on incumbency. I want to fulfil our aim of a level playing field for all providers of higher education.

Many of you validate degree courses at alternative providers. Many choose not to do so. I know some validation relationships work well, but the requirement for new providers to seek out a suitable validating body from amongst the pool of incumbents is quite frankly anti-competitive. It's akin to Byron Burger having to ask permission of McDonald's to open up a new restaurant.

It stifles competition, innovation and student choice, which is why we will consult on alternative options for new providers if they do not want to go down the current validation route.

## **Towards a single gateway for degree awarding powers**

The ultimate goal for many new providers is to secure their own Degree Awarding Powers and University Title.

This now takes many years, even for the best, most highly rated new providers. As part of the green paper, we will ask how we can speed up the process for those that offer the best quality education.

In the meantime, we will continue to support new entrants. Having taken action to improve the process, I can announce that we will shortly be lifting the moratorium that has been in place for applications for new Degree Awarding Powers and for University Title. Once again, we are opening the doors to new entrants and challenger institutions, all in the interest of increasing the choices available to students.

Providers entering and leaving the market is a sign of healthy competition, and it is something of which we should expect to see more. But we need to be prepared for the fact that some providers may exit the market. Our higher education sector

should only have room for high quality providers. We will therefore be consulting on measures to require all providers to have protection measures in place so that students who benefit from greater choice and diversity do not lose out in the event of provider failure.

There will be some who are resistant to this change. Those who want to put up the barriers and bar the windows. But I want our higher education sector to remain the envy of the world. Allowing new providers to enrich the sector is part of that.

## **A transformed regulatory landscape**

So the reforms we will set out in the green paper will improve teaching quality, empower students, open up the higher education market and drive value for money. To deliver our ambitions, we also plan to reform the higher education and research system architecture.

We are a deregulatory government, and much of the higher education system is ripe for simplification. When I arrived in BIS, my day one pack included a diagram of the higher education landscape. It was a stunning piece of PowerPoint – and must have been produced by a skilled hand. But the complexity – and associated cost both for the sector and directly for government – drove home the need for simplification.

The market has evolved far more quickly than the regulatory environment, and that is something we need to address. Our regulatory regime is still based upon a system where government directly funds institutions rather than reflecting the fact that students are the purchasers, and needful of all the protections that consumers of complex high value products receive in other regulated markets. We fund higher education in a very different way now to the block grants of the past. Students are the primary source of income for undergraduate study, but their interests are insufficiently represented in our structures and systems.

There are also parallel regulatory regimes for different types of

higher education providers. I want to be in a position where all higher education providers operate on a level playing field. That was part of the vision in 2011 and it remains our goal.

So we need a simpler, less bureaucratic and less expensive system of regulation. A system that explicitly champions the student, employer and taxpayer interest in ensuring value for their investment in education and requires transparency from providers so that they can be held accountable for it. One that protects institutional autonomy and academic freedom and maintains the highest quality of higher education, safeguarding the strong international reputation of English universities.

Our thinking will also of course take account of the emerging recommendations from Sir Paul Nurse's review of the research system architecture. I am committed to the maintenance of dual funding support, to the Haldane principle and to scientific excellence, but do see scope for a simpler system of delivering vital research funding to universities and opportunities to increase its strategic impact. It is also clear to me that there are many in the sector demanding a process for assessing the quality of scholarly output that is less bureaucratic and burdensome to academics and takes up less of the time that they could be spending more fruitfully on research and also, of course, on teaching.

## Conclusion

So as we celebrate record student numbers, we need to recognise that there is still more to be done to reshape the higher education landscape around students themselves:

- more to be done to drive up the quality of teaching and ensure all students can aspire to a fulfilling graduate career
- more to be done to widen participation so that everyone has the opportunity to get ahead
- more to be done to reduce the regulatory burden and create a level playing field for new competitors
- more to be done to increase the efficiency and strategic impact of our research

With these changes higher education fulfils its full potential: not just as an engine of economic growth and productivity, but also, now that student number controls have been lifted, as the most powerful driver of social mobility we have.

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