

# **Policy paper: TEF Factsheet**

Teaching excellence matters – not only for students and taxpayers, but also for social mobility – helping to address inequality by allowing students to fulfil their aspirations and progress onto their chosen careers. The Teaching Excellence Framework (TEF) will, for the first time, link the funding of teaching to quality, not simply quantity.

This will work by assessing providers on the quality of teaching and outcomes they achieve – taking into account factors such as student satisfaction, employment outcomes and retention rates. Providers that excel will be able to increase their fees in line with inflation. After the providers are assessed, their award ratings will be published so that applicants have clear information about where teaching is outstanding, allowing them to make better choices about where they choose to study.

## TEF – timing and phasing

- As this is a significant change in higher education funding, we will implement the Teaching Excellence Framework (TEF) using a staged approach.
- In Year One (affecting students from autumn 2017), all providers that have passed a baseline quality standard<sup>1</sup> - will receive a 'Meets Expectations' award. Providers that receive this award will be able to maintain their fees in line with inflation.
- In Year Two (affecting students from autumn 2018), TEF judgements will be made against a set of criteria covering Teaching Quality, Learning Environment and Student Outcomes & Learning Gain. The assessments will be carried out by a review panel including academics, employers and students, and they will use a combination of core metrics (including the National Student Survey results; retention rates of students; proportion in employment or further study), as well as additional evidence submitted by the provider to reach a judgement. The assessment process will explicitly take into account outcomes for disadvantaged groups.
- In future years, the process will continue to increase in rigour, for example the Government is planning to also assess subject level assessment.
- More information about the TEF and how it will operate can be found in the <u>Government's</u> <u>White Paper.</u>

<sup>&</sup>lt;sup>1</sup> <u>https://www.gov.uk/government/publications/higher-education-success-as-a-knowledge-economy-white-paper</u>

## Impact of the TEF on tuition fees for new students

- For publicly funded providers that have achieved a TEF rating of Meets Expectations in Year One – academic year 2017/18 - maximum fee caps for full-time courses will rise by forecast inflation (2.8%) to £6,165, or to £9,250. These fee caps will be set out in regulations and are subject to Parliamentary scrutiny this autumn.
- Our policy is that the maximum fee cap will be inflation linked and so maximum fee caps will be kept flat in real terms. The Government has no plans to increase maximum fee caps by more than inflation.
- For publicly funded providers, there is still no upfront cost to students. The tuition fee loan, whatever a student's income, will cover the full cost of the university's fees.
- For academic year 2016/17: existing fee caps will not change.

## Impact of the TEF on tuition fees for existing students

- Consumer protection law requires that providers must provide prospective students<sup>2</sup> with the information they need in order to make informed decisions, such as whether fees in future years will increase and by how much for example, in line with inflation
- This means that where a provider's tuition fees increase, such as following an increase in its TEF level, this should only affect existing students paying tuition fees if the provider has notified them whether fees in future years will increase and by how much, before they signed their course agreement.
- If no mention is made about fee increases up front, any subsequent action taken by a provider to increase fees could be found to be a breach of consumer protection legislation
- Increases to fee caps will not apply to courses starting before 1 September 2012 which are subject to different student finance arrangements.

### Where to find TEF ratings and updated fee information

• TEF ratings, as well as updated fee rates, will in due course, be shown on the Unistats and UCAS websites.

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<sup>&</sup>lt;sup>2</sup> CMA advice is that undergraduate students will generally be considered "consumers" for the purposes of consumer protection legislation. This is because they will generally be acting for purposes outside their trade, business or profession.