Department for Education

Post-18 Education Review: Call for Evidence

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GOVERNMENT SOCIAL RESEARCH

Social Science in Government

Acknowledgements

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Executive Summary

The call for evidence for the post-18 education and funding review, resulted in 370 responses from 215 organisations and 155 individuals. These were received between March and May 2018. Since that time, the responses were analysed by different respondent groups and collated into six themes, with key findings for each theme summarised below and presented in this report for the panel to review.

Respondent Groups

Across all groups, responses focused overwhelmingly on university education, with fewer responses on the other aspects of post-18 education, including technical education or apprenticeships.

- **Further Education (FE) providers** considered that higher education works best for well-qualified 18- to 30-year olds and that FE needs further investment in technical education facilities.
- **Higher Education (HE) providers** emphasised their view that HE is not a business but provides a society-wide benefit. On funding they felt that the review should not just consider fees in isolation.
- **Students, graduates and the public** were mainly concerned with financial issues, with costs of HE being too high and flexibility of provision limited.
- **Employees working at educational organisations** particularly noted a decline in part-time, mature students and Level 4/5 course take-up, and commented that the fragmentation of post-18 policy and funding across HE, FE and apprenticeships is restrictive and prevents a joined-up approach.
- **Public bodies and others** emphasised value for money, choices to meet skill needs of the UK, wider participation in Level 4/5 qualifications and generally better communication with learners.

Theme 1: Delivering skills needed in the UK

This theme captured views identifying what is needed to support education outcomes for delivering the skills required for the UK economy and, in particular, for the provision of world-class technical education.

- Views included a need for stronger communication between the education sector and employers/industry, to understand more explicitly what skills are needed and to address challenges such as short term or unexpected needs, and future needs.
- STEM skills (science, technology, engineering, mathematics) were considered to be undersupplied from an economic perspective and, to a lesser extent, oversupplied skills were considered to be arts and humanities.
- Technical education was considered to be available, but not well accessed. Technical education would benefit from being more current and flexible to meet rapidly changing

skills demand. There was reference to the shortage of and a need for more highly-qualified technical education teachers, tutors and lecturers.

Theme 2: Choice and competition across a joined-up post-18 education and training sector

This included views about the influences on individuals to take up post-18 study, provision of careers advice, and studying in later life as mature students.

- There was a strong view that key influencers for individuals are peers and parents, with key sources of information being from schools, colleges and universities.
- Respondents suggested that careers information could have better content with more focus on FE as an alternative to HE.
- Respondents considered that the current culture is weighted against vocational, part-time and mature student study, with a lack of visibility and awareness of choices of alternative routes particularly for mature students.

Theme 3: Developing new, innovative and flexible provision

- Views about a more dynamic market divided opinion in almost every responding group. Some pointed out that it was not necessarily needed, as the market is already sufficiently dynamic, others felt that the market should not be dynamic.
- Respondents considered that new, innovative and flexible provision should include: development of a distinct higher technical route that is given higher value than at present; accelerated degrees, which some considered a bonus, but others were concerned about their acceptability; more flexible funding; a universal credit transfer system; and wider part-time and mature provision.
- Barriers to alternative provision were identified as the complexity of the market, rigidity of funding and lack of skilled teachers in some subjects.

Theme 4: Funding and finance

This was an integral theme throughout the call for evidence and included a wide range of views with limited consensus.

- Provider funding was generally perceived to have some imbalance, complexity and rigidity. There was a relatively even split between respondents who thought current funding was sufficient and those who felt it was inadequate, with some respondents considering the current funding system unsustainable. FE was thought to receive proportionately less funding than some other areas.
- For student finance, more than half of students responding thought fees should be reduced or abolished. There was a mix of views from providers over whether the fees charged to students at present covered the cost of courses, with views further split about the advantages and disadvantages of applying differential fees for different subjects and how this might work. Student loans were seen by many as burdensome

and off-putting, in particular for part-time and mature students. Many respondents suggested that means-tested maintenance grants should be reintroduced.

- There were mixed views on the balance of contributions between students, graduates, employers and the state. Students, on the whole, felt that they contribute/pay too much. Some other respondents felt a “graduate tax” would be a good way forward, in place of loans and repayments, though some thought this may disincentivise the “best and brightest”.
- Respondents were generally of the view that improved communication around student finance is needed to make the whole system clearer, with more understandable terminology, less reference to *loans* and *debts*, and in support of this, making appropriate use of social media.

Theme 5: Value for money for graduates and taxpayers

This theme includes views on how best to achieve value for money from post-18 education, for students, graduates and taxpayers.

- Respondents and respondent groups had a range of views of what constituted value for money in post-18 education including student experience, employability and commercial terms, as well as the wider benefits to society. Some questioned the need for the concept. HE providers and HE employees tended to favour value in terms of student experience and qualifications achieved, whereas students and graduates valued employability and the earnings advantage of a degree, seen as a return on their investment.
- Overall employability was perceived as the most important measure of value for money, followed by value to society and the student experience.
- Value for money was considered to be improved either if the cost of education to students is reduced, or if the quality of education and its contribution to the economy and to society is increased.

Theme 6: The barriers faced by disadvantaged students

This covers views on the difficulties that those from disadvantaged backgrounds face in progressing to, and succeeding in, all forms of post-18 education and training.

- Respondents identified financial barriers as the most common difficulty for disadvantaged students, including debt (both real and the prospect of it), covering costs out of term time and inadequate maintenance support.
- To remedy some of the financial barriers, respondents proposed reinstatement of maintenance support grants, and several respondents proposed smaller, more frequent payments over the whole year.
- Respondents identified that where disadvantaged students remain at home for economic reasons they are less likely to benefit from the full student experience and also that lack of specific support for disadvantaged students acted as a barrier to HE.

Conclusion

The call for evidence gathered evidence from a diverse range of stakeholders about the current system for post-18 education and funding. Overall, the responses fed into six broad themes areas, each of which includes some suggested actions that could be considered as possible improvements to the system. Responses focused overwhelmingly on university education, with fewer responses on the other aspects of post-18 education, including technical education or apprenticeships.

It must be noted that the respondents to the call for evidence were self-selecting, and therefore the responses may be biased towards those who wish to change particular aspects of the post-18 education and funding system.

Areas where there was broad consensus include:

- a requirement for better understanding of the skill needs of the economy as well as improved communication between industry and educational providers to deliver a more accurate response to skills shortages;
- technical education is thought to be undervalued, with academic qualifications being rated more highly than technical qualifications; more work needs to be done to inform and educate about the benefits of alternative routes;
- the current culture being weighted not just against vocational routes of study but also against those who wish to study part-time, and mature students wishing to begin studies or career-development later in life;
- careers advice provision is insufficient, poor and overly focused on HE rather than FE;
- there should be a reintroduction of means-tested maintenance grants to enable disadvantaged students to access the ‘whole student experience’ and increase appeal to more debt-adverse mature students.

The area most discussed in the call for evidence was the integral theme of provider funding and student finance, particularly: the sufficiency and sustainability of provider funding; fee levels and the advantages and disadvantages of differential fees; student loans, contributions to the cost of study and the sources of those contributions.

It was impossible to identify a consensus on tuition fee levels, or on the cap on tuition fees. But one area of general consensus was that it is those recipients of post-18 education that should contribute to its costs.

More than half of student respondents felt tuition fees should either be abolished or significantly reduced to create a more dynamic market in price and provision across post-18 education. Nearly two thirds of students felt student debt is too high and some students have a view that they pay back too much.

Views were polarised on the subject of accelerated degrees and on the subject of world-class technical provision.

Whilst strong views were shared by many with reference to the value for money of post-18 education, views of the respondent groups differed. Students and graduates linked value for money to the employability of the graduate and the additional earnings generated by the degree, whilst HE providers and HE employees saw value in the student experience and the qualification achieved.

Introduction

1. The Prime Minister announced a review of post-18 education and funding on 19 February 2018 and appointed an independent panel, chaired by Dr Philip Augar, to provide input.

2. The remit of the review is to consider how Government can ensure that the education system in England for those aged 18 years and over:
   - is accessible to all;
   - is supported by a funding system that provides value for money and works for students and taxpayers;
   - incentivises choice and competition across the sector; and
   - encourages the development of the skills that we need as a country.

   The review's full terms of reference are available online[1].

3. The panel launched a call for evidence, which ran from 21 March to 4 May 2018, to seek views and evidence on a wide range of issues across the post-18 education system from students, providers, the public and other stakeholders.

4. The panel received responses from 215 organisations and 155 individual responses.

5. This report has been prepared based on an independent analysis of the responses to the call for evidence.

[1] Post-18 review - Terms of Reference - https://www.gov.uk/government/publications/review-of-post-18-education-and-funding-terms-of-reference

Methodology

6. The purpose of the call for evidence was to investigate approaches and attitudes towards post-18 education in England. It elicited responses from a range of constituent groups including education and training providers, academic experts, employers, students and student representative groups, graduates, professional representative groups and learned societies as well as from the public. The breakdown of responses received per respondent category is presented in Table 1.

Analysis in this report

7. In order to analyse and report on the call for evidence, we identified common themes based on an initial sample of responses and used this as a basis for a coding framework of key terms and phrases. We then reviewed all 370 responses and recorded them against the framework, helping identify where there was agreement for aspects within the common themes. In some places, the report indicates where there was mention of a particular issue by respondents from more than one group.

8. The questions asked in the call for evidence are listed in the section of this report where they have most relevance.

9. It is important to note the following:

   - In the analysis of responses, respondent groups are referenced where a view is particularly prevalent among the given group. Where the respondent group is not indicated, this is because the perspectives raised in their responses did not differ significantly between different respondent categories.
   - Not all respondents answered all the questions, instead they chose to focus their responses on what they regarded as the most important issues and considerations. Where a commonly-held view is expressed in the report, this does not mean all other respondents said something different, rather that they may have a view but chose not to raise it overtly.
   - Many of the answers to specific questions covered issues raised in other questions. This has been dealt with by cross-thematic analysis which ensures that all discussions of a particular theme are covered regardless of where they appeared in a response.
   - Throughout this report, the main focus is on exploring the qualitative views submitted by respondents. However, in considering the findings of the analysis, it is important to bear in mind that views gathered through an open consultation exercise cannot be regarded as representative of the views of the population as a whole. Rather, they are the views of those who have chosen to respond.
   - The number of people or organisations putting forward a view in an open consultation is not a valid metric for weighing up qualitative evidence. The reason

for this is that the analysis has to take into account the broad weight of argument (sometimes expressed tangentially, or in other contexts, in answers to other questions) and of the person or body stating any given view. Their expertise, membership size, experience, and many other factors need to be taken into account. Clearly views of large organisations representing multi-membership need to be given due weight, however, this does not diminish the importance of individual responses. We have included individual responses where they have provided a contrasting comment.

Report and chapter structure

10. The report has been structured into seven chapters to incorporate responses to the 16 questions in the call for evidence, and to coincide with the themes of the Terms of Reference as follows:

    Views from different respondent groups – this chapter summarises views from respondents categorised into four respondent groups: Education providers and their representative bodies; Students, graduates and the public; Individuals working in educational organisations; and Public bodies and others.

    Theme 1: Delivering the skills our country needs – this presents views on what is needed to support education outcomes for delivering the skills required. It also encompasses views on the provision of world-class technical education.

    Theme 2: Choice and competition across a joined-up post-18 education and training sector – this presents views on what influences individuals to take up post-18 study, provision of careers advice, and studying in later life as mature students.

    Theme 3: Developing new, innovative and flexible provision – this covers views on flexible learning and alternatives to three-year degree provision.

    Theme 4: Funding and finance – these topics are an integral theme throughout the call for evidence findings and are presented here in two sections: 1) the sufficiency of funding and how funding arrangements act as incentives or barriers to choice or provision, and 2) student finance, contributions to the cost of study and communications about student support.

    Theme 5: Value for money for graduates and taxpayers – this focuses on how best to promote efficiency and value for money for students, graduates and taxpayers.

    Theme 6: The barriers faced by disadvantaged students – this covers the difficulties that those from disadvantaged backgrounds face in progressing to, and succeeding in, all forms of post-18 education and training.

11. Each chapter presents a brief overview with a reminder of the relevant questions, followed by points which stand out as being commonly held across the groups. There

is then a more detailed review of the themes and discussion of views held by specific groups.

12. Where respondents have suggested changes to the post-18 system for consideration, these have been included at the end of each chapter.

Views from different respondent groups

13. Respondents were grouped into four categories shown in Table 1. These categories were further disaggregated into the nine separate groups, as shown in the table, for the purposes of coding when reviewing each response

Table 1: Breakdown of 370 consultation responses by category type

Category	Education providers and bodies representing education providers	Students, graduates and the public*	Employees or individuals working at various educational organisations	Public bodies and others**
Higher education providers	70			
Bodies representing education providers	25			
Further education providers	9			
Students		71		
Graduates		27		
Public		12		
Employees/Individuals in provider institutions			49	
Public Bodies				40
Others				67
Total Responses	104	110	49	107

* includes responses from the public comprising parents with views on students/graduates and finance, and bodies representing students.

** comprises academic experts, businesses, employer bodies, institutes and organisations representing the arts and science.

14. An overview of how each of the four high-level categories responded is provided below.

15. Across all groups, responses focused overwhelmingly on university education, with fewer responses on the other aspects of post-18 education, including technical education or apprenticeships.

Education providers and bodies representing education providers

16. Respondents from FE providers emphasised the need for further investment in technical education facilities and other challenges they face in a system which they see as working much better for well qualified 18- to 30-year olds than for everyone else.

> *"Both higher and further education have roles to play in meeting the needs of our modern, knowledge economy. What needs to be made clear is that to meet the UK's skills needs, a strong further education sector is something that the UK should strive for, and this can be achieved without undermining the successes already achieved in higher education."*
> FE Provider

17. Respondents from HE providers highlighted numerous concerns, including views that the review should look at all aspects of university funding and not focus on tuition fees in isolation, and that an HE provider should not be seen as a business. Their view was that the *marketisation* of education misses the point that HE benefits society as a whole.

> *"Reforming one aspect of the complex and interconnected funding system will have inevitable repercussions on other areas, including teaching, research and value for money, and this interconnectivity must be fully understood before any changes are made. Much thinking and political will has gone into creating the sustainable higher education funding system that we are reaching today, following years of gradual reduction in funding per student, and maintaining this positive direction of travel must be a priority."*
> HE Provider

18. A majority of HE providers felt the nature and level of student support and maintenance is a barrier to entry for students to HE, especially those from disadvantaged backgrounds

19. There was no consistent view from bodies representing education providers. On student loans, some believed that the cost of tuition and student contribution is too high, others reported satisfaction with current levels. Also, opinions were divided on the use of the apprenticeship levy; some respondents felt that employers should be able to use this to flexibly fund HE for employees, while others wanted to keep the levy as it is.

Students/student bodies, graduates and the public

20. Students were mainly concerned with financial issues. The current level of fees was believed to be too high, with no real alternative, cheaper option. There was an

associated concern with what were seen as high interest rates being charged on loans. A few said that there are more competitive interest rates in the private sector. Others pointed to a perceived lack of clarity on how loans work. There were also views that the flexibility of course provision is too limited. Linked to the flexibility of provision, many commented positively on how the Open University (OU) enables this – and is a good model to follow.

> "*One of our biggest concerns is that post-18 education is becoming increasingly marketised and universities are having to make 'safe' choices about curriculum delivery in order to meet high standards*."
> Student Body

> *"The Open University is an excellent example of learning and it has a proven track record of success with many satisfied students. The online element is a key factor in ease of learning and it is flexible and genuinely valuable. Further funding should be allocated to make it even more effective and it should be promoted more as an excellent institution."*
> Student

21. Similarly, graduates' primary concern was with the cost of post-18 education. They felt that fees and interest rates are too high, and that there is not enough funding to support part-time learners. Some believed that students should not pay for their education; their view was that HE and skills benefit the whole nation and specifically the taxpayer. Several also made the point that the OU is a positive option for students needing flexibility and that an extension of the model would, in their view, benefit a variety of learner-types and levels of education.

22. The top priority for the public was student loans and debt – particularly interest rates and repayment thresholds. There was a suggestion that the loan system should be scrapped entirely and that all HE should be paid for from public funds, but a number of responses sought different ways of enabling students to self-fund – one suggested encouraging more universities to operate like the OU and have students pay per module, rather than per course. A few linked this suggestion to the possibility of a standardised credit system.

> *"The current funding system treats higher education as a commodity which leads to a supplier-consumer attitude for both students and universities. Higher education is in many respects part of our culture and should be funded as such in a similar way to museums, theatres and the arts"*
> Public

Employees working at various educational organisations

23. Employees were those who worked for educational organisations but who were not contributing to an official organisational response. They presented a consistent set of

concerns. The majority discussed the burden of debt, insufficiency of loans for students to live off, and their view that these factors cause worry for students.

> *"Students should be better supported financially so that they can study without being burdened with debt. This is particularly due to the current housing crisis where young people are priced out of housing."*
> Employee of an HE provider

24. A few employees referred to the decline in mature student and part-time participation and a similar decline in recruitment to Level 4/5 courses, explaining their view that the fragmentation of post-18 policy and funding across FE, HE and apprenticeships inhibits the development of joined-up, innovative approaches to delivery.

> *"The removal of bursaries for health and social care students, in a time when health and social care services and providers are running with high vacancy rates…. It would appear there is no joined-up working between Government Departments."*
> Employee of an FE provider

Public bodies and others

25. This group presented some consistent views on what they would like to see, for example: value for money; choices that include creative and technical education to accord with the skill needs of the country; and increasing the levels of participation in Level 4/5 qualifications outside university degrees.
26. They also pointed to a need for better communication with learners as they plan their move into post-18 education and training. They called for up-to-date, high-quality, personalised advice reflective of a joined-up post-18 landscape with a parity of esteem across higher and further education and academic and vocational provision.
27. They argued that mature and part-time learners, whose numbers are falling, are marginalised and disadvantaged by the current funding system.
28. A few pointed to the advantages of an income contingent loan but recognised the issues that come with such a system.

> *"We support the system of income-contingent loans because it relates such repayments to later earnings. However, recent changes mean that 81% of graduates will not repay their loans in full (as they are written off after 30 years and they compound interest in that time) and the exchequer will receive back barely half of what it lends".*
> Public body

Theme 1 - Delivering the skills needed in the UK

Overview

29. This section includes responses to questions about what is needed to support education outcomes to deliver the skills required by the UK, and promoting world-class provision of technical education.

30. The two questions that drew the majority of responses on these themes were:

- Q11: What challenges do post-18 education and training providers face in understanding and responding to the skills needs of the economy: at national, regional and local levels? Which skills, in your view, are in shortest supply across the economy? And which, if any, are in oversupply?
- Q12: How far does the post-18 education system deliver the advanced technical skills the economy needs? How can Government ensure there is world-class provision of technical education across the country?

Common themes raised

- **Understanding the needs of the economy:** there were frequent references to a perceived need for better communication between employers/industry and the education sector in order to understand more explicitly what skills are needed. Respondents pointed to challenges such as responding to short term, or unforeseen, needs of employers and being able to predict regional and national skill needs over time. Technology needs were also highlighted by some respondents.
- **Skills needed and those oversupplied:** the skills most frequently identified as being needed by the country were science, technology, engineering and mathematics (STEM) and digital. Although there were far less responses to the specific question on oversupply, degrees in arts and humanities were mainly those cited.
- **World-class technical education provision:** according to a range of respondent types across the categories, technical education is available but not well accessed. Views were that existing provision could do with being upgraded, brought up-to-date and made more flexible in order to meet rapidly changing skill demands. Respondents pointed to the shortage of and a need for more highly-qualified technical education teachers, tutors and lecturers.

Understanding the needs of the economy

Need for better communication

31. There was agreement across all groups that there should be better communication between industry and educational providers in order to respond to skills shortages at national, local and regional levels, although there were no clear suggestions as to how this could be achieved.

32. Although many HE and FE providers gave detail on existing relationships with employers and how they engage with employers, they suggested that better communication with employers and industry is still warranted to help address the skills needs of the economy. Some said that this was because: "experience suggests that the employer voice is individually focused and relatively short-term".

33. The providers said that a major challenge is that of understanding the real, current needs of industry, regionally and nationally, at any given time, and how much industry is willing to grow employees. The point being made by providers was that skills needs are often based on anecdotal evidence – without reference to government statistics or sector-based statistics.

34. Some said there is a "lack of knowledge about what skills are actually required by the economy"*.*

35. Other providers pointed to the challenge of making too close a connection between local skill shortages and choices post-18. They argued that this might have damaging consequences for student aspirations, particularly if those aspirations are for a profession not based in the locality or not on a skills-need list. In this same context, respondents commented that making links between labour market intelligence and job vacancies at a local level can be difficult and that attempting to make such links can make curriculum planning and student choice difficult and be risky for the institutions concerned.

36. However, other providers and bodies representing providers argued that HE providers have a responsibility to balance the need to address national skills shortages with what they see as the needs of their students. By this they meant that a university education should incorporate the development of transferable skills such as: independent and critical thinking; effective time management; computer literacy; research, analytical and problem-solving skills; and communication and interpersonal skills.

Technology needs

37. A number of respondents referenced technological change and its pace as yet another issue. They said that post-18 education and training providers are challenged

by the speed at which industry develops at present and the need for, for example, apprenticeship standards, at a variety of levels, to keep pace.

38. There was a common theme in the responses for more computational and programming training and a greater focus on advanced technologies (e.g. robotics and artificial intelligence). Many also reiterated their view that there was an essential need for much more effective communication between employers and industry on the one hand, and education and training providers and agencies on the other. This also tied in with the point made by several provider respondents that an assessment of skills needs, whilst helpful in the short term, must take into account longer-term trends that are related to the rapid transformation of the modern workplace, ensuring learners obtain adaptable, flexible competencies.

> *"While there is considerable anecdotal evidence of skills gaps/shortages – and in some cases oversupply – in particular occupations and places, it is not necessarily robust or granular enough to provide a clear picture of where skills gaps/shortages are and what is causing them."*
> Body representing education

> *"Our current need is for artificial intelligence but there is no apprenticeship which covers this skill requirement. We need more generic standards which allow training providers to flex what is delivered to meet the fast-changing technical environment."*
> Business

Skills needed and those oversupplied

39. Specific skills which were cited as being in short supply are presented in Table 2, in order of number of mentions by respondents.

40. Skills in the high-tech and advanced engineering areas of programming, robotics, advanced manufacturing (3D printing, etc.), were mentioned by many respondents.

41. Additionally, in response to this question, some respondents explained that, as most people will have more than one career over their lives, transferable and soft skills such as critical thinking are just as important, as, indeed, are leadership skills.

42. A number of HE providers pointed to a potential "fear of STEM" that they suggested may be a rationale for the lack of take-up on such courses.

43. A few respondents made the case for media and leisure skills:

> *"…given that our lives are increasingly lived online, the much-derided media skills and leisure management courses are actually highly valuable, as these will impact on all our lives, and the provision of such services is profitable to the economy."*
> Public

Table 2: Skills mentioned as being in shortest supply across the economy

1. Science, technology, engineering and mathematics (STEM)
2. Sector-specific
3. Digital skills
4. Construction
5. Programming
6. Creative skills
7. Cybersecurity
8. Robotics
9. Health (e.g. nurses)
10. Social care
11. Financial services
12. Engineering
13. Advanced manufacturing

44. There was broad agreement across most groups that the following skills are currently over-supplied to the economy. These are presented in Table 3, in order of number of mentions by respondents. One exception was graduates who, as a group, tended to believe that all higher-level courses were valuable to the economy and that none are in over-supply.

45. Respondents mentioned six individual subjects (Items 1-6) though a few talked in terms of arts degrees in general (Item 7)

Table 3: Skills mentioned as being in oversupply

1. Creative
2. Media
3. Law
4. Sport
5. Leisure
6. Humanities
7. General arts degrees

46. A general feeling from students was that there are too many degrees which do not lead to a concrete occupation, and too many for which the competition for relatively few real-world jobs is extremely fierce.

> *"…research needs to be done into whether people who study each course actually go on to do anything related to that job and from here decide what courses are in oversupply."*
> Student

World-class technical education provision

Improvements required to keep up with industry needs

47. When asked specifically whether the current post-18 education system delivers the advanced technical skills required by the economy, recurring concerns from providers and employees of various educational institutions were about the amount of technical education which is currently on offer, but which they believe is not being used by learners for reasons of, for example, a lack of awareness. Providers argued for more funding, more effective school-level technical teaching and more informed, at an earlier age, careers guidance for pupils.

48. A body representing educational providers explained:

> *"…higher technical education is a discrete but substantial portion of Level 4/5 provision with a clear occupational purpose and focus."*
> Educational body

49. The responses on the subject of world-class technical provision were divided. Several HE providers said they already produce employment-ready graduates, with a few suggesting a more effective interface with industry is required before this can be

achieved. One stated, in this context, that they believe it is not their job, but that of the Government, to understand industry needs.

50. Given the perceived challenge of the need for less expensive courses, a few HE providers pointed to other models for potential adoption, such as hybrid degrees along the lines of the Scandinavian model which blends academic and technical elements.

51. One major message across the various responding groups was that the education system moves too slowly to keep up with wider technological developments. Many respondents mentioned the increasing speed of change in industry and commerce, the consequent rapid change in skills requirements, and the increasing obsolescence of some job roles.

52. Public bodies and other education respondents, including employers, referred to an education system that they perceive as being out-of-date or too inflexible to be able to react to change. It was explained that they believed the days of the traditional education system were numbered and that "we need to find approaches which are far more flexible and fleet of foot". Several respondents mentioned what they see as the lack of flexibility in the system holding back progress. They felt that the current state of poor communications, referred to earlier, between industry and education, is an important factor in this.

Technical education is undervalued and unknown

53. The public, employees of various educational institutions, employer bodies and academic expert respondents largely considered that technical education is undervalued and unknown. They said they see universities as not valuing vocational or technical backgrounds or qualifications and that too few universities, in their view, rate technical qualifications as highly as academic ones.

54. Bodies representing educational providers and others said that technical education must be emphasised as a major pathway into HE.

> *"If technical education is to be seen not as a second-best option but as a worthwhile alternative to academic routes, it will require capital investment and ongoing financial support to be available which meets the levels of the world's best technical education systems".*
> Educational body

55. Several said that this situation has arisen because of poor guidance in schools resulting in students not understanding the range of options available to them. A public body respondent also pointed to the lack of awareness in schools of Level 4/5 qualifications and explained that progression routes are poorly communicated to individuals.

56. Respondents went on to mention a problem relating to a shortage of adequately qualified STEM or technically-qualified teachers in schools. They said this should be addressed through government incentives and that improved funding and resourcing for technical education facilities throughout the system were also needed. These messages were largely echoed by FE respondents, with the addition that they see their own technical output as being under-valued by universities.

57. One public body suggested there is inadequate funding for the new Institutes of Technology.

Role of Employers

58. Respondents from FE providers suggested that technical employers have a role to play in ensuring the quality of provision. They also called for a focus on emerging technologies, and further investment in technical education facilities in FE. This was also supported by public bodies and employers.

59. Employer bodies, employees of various educational institutions and academic experts said that Government can ensure there is world-class provision of technical education across the country by creating links with technical employers and by encouraging HE providers to work closely with local industry to understand their needs.

> *"The government can ensure that there is world-class provision by discussing this with employers; they know what they need in their sector. An employer may place a higher value on an HND studied at a college than a full degree programme studied at a higher education institution as it is more technical and is seen as a positive route into high-skilled employment."*
> Employee of an FE provider

Respondents' suggestions for action

60. These points summarise the actions suggested by respondents from different groups. to help deliver the skills needed by the UK:

- introduce much greater flexibility and responsiveness into the education and funding system.
- get more – and more highly-qualified – technical teachers in schools and colleges.
- enhance the focus on cutting edge technologies.
- improve the perception of technical subjects among school pupils.
- improve education-employer links.
- consider a hybrid degree approach similar to the Scandinavian model.
- target additional funding for technical facilities at all levels.

Theme 2 - Choice and competition across a joined-up post-18 education and training sector

Overview

61. This chapter looks at responses to several questions regarding choice and competition and presents views on common influences, provision of careers advice, and studying in later life (mature students).

62. The questions that drew the majority of responses on these themes were:

- Q2. How do people make choices about what to study after 18? What information do they use and how do they choose one route over another: for instance, between academic, technical and vocational routes?
- Q3: How do people make choices later in life about what further study to undertake?
- Q4: In recent years we have seen continued growth in three-year degrees for 18-year olds. Does the system offer a comprehensive range of high-quality alternative routes for young people who wish to pursue a different path at this age? How can Government encourage provision across a wider range of high-quality pathways to advanced academic, technical and vocational qualifications?

Common themes raised

- **Influences on post-18 choices**: there was a universal view that peers and parents have the most influence on decisions surrounding career choices, with information from schools, colleges and universities being another key source.
- **Careers advice provision**: whilst not a direct question in the call for evidence, the quality of information, advice and guidance on careers constituted a common theme with many suggesting it is insufficient, poor in terms of content, and being too focused on HE rather than FE.
- **Considerations for studying later in life**: a common view across all groups was that the current culture is weighted against vocational routes of study, against those who wish to study part-time, and against mature students wishing to begin studies or career-development later in life.
- **Alternative routes**: a key issue here was the lack of visibility and awareness of routes particularly for mature students.

Influences on post-18 choices

Impact of source, amount, quality and timing of information

63. According to respondents, although schools, colleges and universities have a key role in informing prospective students through prospectuses, websites and open days, parents and peers still have the most influence on decision-making. This influence can take a number of forms ranging from choosing an institution because their friend is going there, to parental advice or persuasion concerning a specific course or location. Across all 370 responses, respondents identified peers, parents/carers, teachers and employees as significant influencers. Family and peers can also influence in less direct and obvious ways such as through expectations.

64. Students described how stereotypes around career choices and institutions still exist. They felt these are hard to avoid and combat, particularly for black and minority ethnics, for girls, and for disadvantaged groups. Many respondents called for more to be done by educational establishments to counteract the social myths which persist.

65. Students and graduates highlighted what they see as an issue regarding their relative lack of exposure to, and experience of, certain subjects (e.g. technical or science, technology, engineering and mathematics (STEM)). In some cases, where students have had parents or guardians with specific backgrounds the parental experience and attitudes will often heavily influence choices. Some respondents pointed out that children of families with greater science or technical experience are much more likely to opt for a STEM subject than those without. However, parental experience and attitudes can often work the other way – i.e. to dissuade from looking at certain career paths.

66. Students and graduates pointed to the amount and quality of information available to them from relevant websites, especially those of universities and colleges, and careers specialists, and how this has had an important effect on their final selection. HE providers concurred with this view.

67. One employee of a university put forward their view on the downside of this:

    "*In truth, (it's) mostly through parental guidance, which may be flawed/limited/out-of-date. The big unis have plenty of budget to produce shiny brochures, expensive advertising & events; the smaller institutions - which are more likely to be those offering technical or vocational routes - cannot compete with this.*"
    Employee of an HE provider

68. Public bodies and HE and FE providers also stressed that a person's experience earlier in their school career can play a pivotal role in choice of post-18 study. They said that school policies on subject mixes and types (particularly rules on what subjects can be studied alongside which other subjects), school staff (whether available in particular subjects or not), and support for choosing sciences and maths

are extremely important. Similarly, choices made before GCSE about languages can reduce career opportunities in later life.

69. Respondents from the public body and others category believed that parents and teachers are the main drivers of pupil choice, but several admitted that employability, in the sense of earning potential and career scope, is now becoming more important.

70. FE respondents, in particular, felt that much careers advice in schools is out-of-date. Several said that it might be better if it did not exist at all, as too many people, in their view, end up in careers without progression opportunities. Several students agreed with this.

Location as a key influence

71. Students described how location is becoming increasingly important in decision-making. They had a perception that rising student debt and the removal of maintenance grants has led many more students to choose to live at home to save money and sometimes to be able to find suitable part-time work with which to support their studies.

72. This belief led to a concern expressed by provider and student groups that some students are missing out on the full student experience and important social activities. This is particularly true, they argued, of the more disadvantaged groups (see later chapter).

Careers advice provision

73. There was a sense, from students and student groups that the careers services are currently failing to inform students about the full range of options open to them. Several students complained that their careers guidance experience was extremely limited and – in one typical case – limited to nursing, law, teaching, caring, and the public sector.

74. Employer bodies and experts described what they saw as a particular lack of information around technical/scientific/engineering/manufacturing subjects. They regarded information relating to non-academic routes such as apprenticeships as very poor.

75. The need for greater focus on advice about academic courses was seen as one of the main reasons why technical and more vocational subjects suffer from negative perceptions and are still viewed by many as being for the less able.

76. There was also concern from some student groups and providers that those from disadvantaged groups may be more likely to choose an apprenticeship as it provides an income and does not build debt, irrespective of whether this is the right route for them.

77. One education provider pointed out that, in their view, it can be forgotten that there are two separate types of guidance required – the first to help a person to choose the right course and institution, and the second to provide some guidance and help on what careers might be possible as a result. Their argument was that these might not necessarily be automatically linked and that careers staff need to be aware of all the possible routes as well as all the possible careers. Another provider put the priorities the other way around – a career-type first and then the best and most relevant course and institution.

78. There was a sense from all groups that there is a need to inform and educate everyone from employers to students about the benefits of alternative routes in order to build parity of esteem, but this aim was recognised by many as very challenging.

79. Public bodies and those in the others category as well as employees of various educational institutions suggested information about HE is more accessible than in the case of FE, apprenticeships and technical education. As one explained:

> *"There is a coordinated system available for learners opting for the traditional higher education university degree route. This is simply not easily accessible for all other routes".*
> Public body

Considerations for studying later in life

80. There was strong concern from all groups about what is seen as a significant decline in the numbers of part-time students and decreasing options available for mature students. Provider respondents and expert educationalists are almost universally concerned by the drop in part-time student participation and see families and caring responsibilities generally being critical choice factors.

81. Mature students, it was felt, are much more likely to make choices dependent on location and to apply to only their local institutions, often directly, without going through UCAS. A number of HE providers and employees of various educational institutions indicated location is highly central to decision-making for this group.

82. It was pointed out that older learners are also more likely to have caring responsibilities for either children or elderly parents, potentially limiting choice. Older learners may also have a number of challenges accessing suitable careers advice.

83. Several FE providers, public bodies and academic experts alluded to the scarcity of funding for mature and part-time students. They believed this is responsible for a reduction in the numbers of people choosing to study in later life. However, for those who do, whether they are employed, or returning to work after a career break, respondents believed they are most likely to take a course that fits around other commitments and offers potential career progression.

84. Almost all respondents agreed that, later in life, people make choices about what further study to undertake by doing research while in employment and taking the advice of partners, employers, and friends. Mature learners were also cited as being keen to avoid debt and are often motivated by the perceived benefit to their career that the additional learning/accreditation affords them.

> *"The students require flexibility in order to study. Students are often mature, have dependants or caring responsibilities, are disabled or a combination of some or all of these factors. These factors mean that prospective students have more to think about than simply the course which they are interested in. They have to think about how becoming a student will impact on their lives and that of their families."*
> HE Provider

Alternative routes

85. For mature students it seemed that a key issue is the lack of visibility and awareness of alternative routes. Some providers argued that there is already a good range of courses available for mature and part-time students; they believed the problem is purely that of a lack of awareness and information.

86. It was said to be very important that careers/qualifications websites should contain information suitable for mature students and not simply for school/college leavers.

87. Students also wanted information on flexibility in the provision that is offered; e.g. providing the option to pause study if needed and to change schedules if required. They also asked for more flexibility in funding to allow for the fact that students might change their path.

88. Most groups pointed to a prevailing culture that is weighted against vocational routes. There were a number of respondents from different groups who mentioned this. This includes routes into much needed occupations such as midwifery – a situation not helped, according to some respondents, by a poor awareness of options and also the recent removal of bursaries.

89. Students and employers felt that there are negative perceptions about alternative routes and expressed concern that some technical and vocational courses offered on a part-time basis are not recognised by HE or by some employers.

90. Respondents also referenced the lack of choice for part-time students. They also pointed to what they saw as inadequate understanding of apprenticeships as they are developing. One respondent suggested that this is due to the dominance of HE aided by the well-established application process. They continued:

> *"…there needs to be a separate system for higher level technical routes. I would propose a single awarding body or professional body for routes that provide non-*

prescribed Higher Education. These need to be flexible and responsive to employer demand."
FE college

91. One public body respondent quoted Ofsted's view that:

"In its current form, the system does not offer high-quality alternatives to three-year residential degrees. A particular area of concern is the lack of high-quality and regionally dispersed apprenticeships of Level 3 and above".
Public body

92. The key to alternative provision for many respondents was investing in careers advice at a younger age than that at which it is commonly delivered, and also ensuring parents understand the benefits of not only the advice but also the range of options available. One academic expert explained that, of the factors that influence post-18 education decisions, the most important is prior-attainment.

Respondents' suggestions for action

93. These points summarise the actions suggested by respondents from different groups:

- the Government should do more to raise awareness of technical and vocational education, including apprenticeships for all groups but particularly for mature students.
- greater flexibility in provision for mature students (modularised courses, option to break study for a while, flexible schedules, etc).
- more funding for part-time/flexible learning in key shortage areas and for specific high-value courses.
- better quality careers advice provided earlier and in ways which support older students.

Theme 3 - Developing new, innovative, and flexible provision

Overview

94. This chapter presents views across the respondent groups on developing new, innovative and flexible provision. It includes views on more flexible learning and other options besides the dominant model of three-year provision in response to the questions raised:

- Q5: The majority of universities charge the maximum possible fees for most of their courses and three-year courses remain the norm. How can Government create a more dynamic market in price and provision between universities and across the post-18 education landscape?
- Q6: What barriers do current and new education and training providers face in developing innovative or diversified provision?
- Q7: How can Government further encourage high-quality further education and higher education provision that is more flexible: for example, part-time, distance learning and commuter study options?
- Q15: What are the best examples of education and training providers ensuring efficiency in the method of course provision while maintaining quality? And what are the challenges in doing this?

Common themes raised

- **Creating a more dynamic market**: although, as a few respondents pointed out, the word *dynamic* was not defined and that it appeared to overlap with the question on flexible provision, there was a strong feeling from HE providers and a number of other respondents, including some employer bodies, that the market is already sufficiently dynamic.
- **Barriers to alternative provision:** these were perceived to be the complexity of the landscape, the rigidity of funding arrangements, and a lack of skilled applicants for teaching posts in certain subjects.
- **Encouraging more flexible provision**: FE providers suggested that the development of a distinct *higher technical* route would be a step forward but, as was discussed in a previous chapter, many respondents from all groups argued that there is insufficient flexibility in part-time and mature provision.
- **Examples of high-quality provision:** few respondents chose to answer this question, but some examples were given including flexible delivery modes and specific support for the OU model.

Creating a more dynamic market

Is a “more dynamic market” needed?

95. This subject area proved extremely contentious. It divided opinion in almost every responding group, a fact that may have been related to different groups defining or interpreting the word in slightly different ways. Responses seemed to indicate that some respondents interpreted the word as being almost synonymous with *commercial* or *entrepreneurial*.

96. A number of HE providers stated firmly that the question implies that the market is not already sufficiently dynamic. A number of student groups, students and other HE providers believed that the market should not be dynamic at all.

97. Several respondents, from different categories, objected to what they perceived as the *marketisation* of post-18 education and the education system, and disagreed with the idea that making the market more dynamic will offer greater choice or improve quality.

98. They argued this on the basis that the intrinsic value of education itself is, in principle, unrelated to cost. Some of these respondents also felt that the “Government should recognise that greater levels of education result in improved economy for the country as a whole, and so accept that funding students is something that is beneficial to the nation's overall health”.

99. One FE provider, however, implicitly argued that a “better” market could be obtained by amending the underlying regulatory system.

> *“Unfortunately, you can’t have a highly regulated system that is market driven - this is a contradiction. I firmly believe that a better investment in technical education and further education colleges allied with different accreditation and validation arrangements would create a better landscape. You would probably need to do this alongside the reintroduction of student number caps in higher education to change the market and incentivise different routes of study.”*
> FE Provider

100. There was also an associated objection among respondents to what they saw as an increasing trend towards turning students into consumers.

Alternatives to three-year courses

101. Some HE providers expressed their belief that HE currently provides sufficient choice of high-quality alternative routes for young people wishing to pursue a different path to three-year degrees and therefore there is sufficient flexibility in the offer.
102. These respondents argued that encouraging other areas such as degree apprenticeships and funding short courses could, “help join up the system, help stimulate a more dynamic market and help meet the skills needs of the economy”.

103. FE providers commented on the devolution of spending control to “20,000 levy-paying employers” as resulting in short-term decisions on apprenticeships and a decline in apprenticeship starts. They were generally positive about degree apprenticeships but suggested that these have a long way to go if they are to challenge the dominant three-year degree model for 18-year olds.

104. Solutions such as accelerated or commuter learning polarised opinion. Differences of opinion on accelerated degrees varied by sector, with HE providers in general defending their three-year degrees, while FE providers considered two-year degrees a more viable study option. Amongst FE providers there was a general positivity towards accelerated learning and more intensive degrees, with only a few not stating an opinion.

105. For some respondents it was important to address the needs of those with busy lives by offering more flexible choices, but for others there was concern that accelerated learning could lead to a two-tier system with the disadvantaged, in particular, choosing shorter, cheaper and less rigorous options whilst the better-off have access to better quality provision with enhanced career prospects. However, no respondent gave explicit reasons as to why a shorter, more intensive degree should be less rigorous than a traditional three-year one.

106. Individual employees of various educational institutions were split where accelerated degrees were concerned. While some considered this would be a good option because it would make degrees more accessible, a dominant view was that degree quality would be affected and employers would simply “vote with their feet” when presented with job candidates possessing accelerated degrees. One employee, however, stressed what they saw as the advantages of FE provision consisting of more intensive and mixed, practical/theory approaches.

> *“The traditional 3/4 year route for the BA/BSc route is very wasteful of time. Typically 9 contact hours per week, max 28 weeks per year with much of year one repeating A-levels. A more intensive, blended approach is more suitable for most students with theory and practical application in the workplace offered. Colleges have better capability to design and deliver blended programmes based on employer needs [thereby] reducing length of higher education programmes.”*
> Employee of an FE provider

Technical Education

107. A small number of employer-body respondents mentioned the apprenticeship levy in this context and suggested that reconsidering the way in which the levy can be used by businesses could help Government encourage provision across a wider range of high-quality pathways to advanced academic, technical and vocational qualifications.

108. Several respondents suggested developing a stronger higher technical route, which could be funded by introducing a time-limited, additional, higher technical levy.

109. There was common agreement, mainly among respondents outside universities, that technical and vocational qualifications should be held in higher regard as “intelligence comes in several types, not just academic”, and in view of the perceived immense value of such qualifications to the nation. The need, as these respondents saw it, extends to influencing parents and employers of the value of technical and vocational qualifications.

110. A public body gave the view that education should not be viewed as “a zero-sum trade-off between technical and vocational routes and university education” and that sustainable pathways should promote diversification in provision.

Number of degrees

111. Some employees of educational institutions believed that there are too many citizens with degrees already, and that this has led to a lessening of the status of the qualifications and increasing selectivity by employers based on the name of the degree-provider.

112. Across most groups except HE there was a view that fewer degrees and more apprenticeships should be on offer.

113. Several graduates and employees of providers also commented that a reduction in the total number of degree places offered would assist the dynamic market goal, and that fees should be linked to the quality of the teaching and education provided to students, and to the value of the degree to the economy.

Credit transfer system

114. The lack of a universal credit system was regarded as a barrier to having a dynamic market. HE respondents, academic experts and education bodies mentioned the possibility and benefits of a credit transfer system. They saw this as being particularly helpful for providers to accommodate part-time or what they called *messy* learners - i.e. adults requiring a very varied mix of educational pathways.

Barriers to alternative provision

115. When asked what barriers are faced in developing new and innovative provision respondents to the call for evidence generally focused on a perceived lack of resources in terms of finance and skills, and the complexity of, and “constraints” on, funding.

116. Several respondents from different groups identified funding constraints as an impediment. The Student Loans Company’s (SLC) requirements were cited by some students and providers as limiting access to creative provision. The HE sector tended to focus on the problems created by fees and, specifically, by fee caps.

117. HE providers, employer bodies and academic experts specifically mentioned “the complexity of the landscape”, one which they saw as difficult to navigate and a major deterrent to innovation and new ideas. This was mainly because new provision is regarded as extremely risky from an institutional point of view. Both types of provider pointed to what they see as a rigid funding system and argued that it is difficult to be innovative within such a structure.

118. Incentives were mentioned by a range of respondents who indicated that the concept of an incentivised approach for students, through bursaries and grants, and for employers, through tax breaks, would assist in overcoming barriers and creating a more dynamic market.

119. Within this same context, there was a call from some employer bodies and providers to reinstate the NHS bursary. Evidence shows, the respondents argued, that the number of those applying for applicable courses is falling and there was concern that as these students have to spend a lot of time on placement it is difficult for them to also take on work to subsidise the funding of their courses.

120. A further problem felt by the respondents – especially at FE level – was the lack of skilled applicants for teaching posts in certain subjects – notably construction, engineering and digital subjects, but also in subjects such as architecture and planning.

121. The public saw the main barriers that education and training providers face in developing innovative or diversified provision as being financial in the first instance. However, one respondent also mentioned their perception that institutions lack capability/resources.

122. There was also the argument that:

> *“…innovative or diversified programmes are not necessary, because more funding should be diverted for scientific, technical, and apprentice training, to form the backbone of the development of the UK economy”.*
> Public

123. Students believed there needs to be a commitment to innovation by the Government and by thought leaders, and that getting acceptance of new diversified provisions by industry, the general public, and potential students, thus overcoming “closed minds”, is a challenge.

124. Responses from the FE sector reflected their perception that universities have significant financial and status advantages and that awareness of non-traditional options is generally very poor and often regarded as second-rate. These respondents pointed to their perception of the imbalance between the financial resources of further versus higher education which then, they argued, skews the playing field to the disadvantage of learners and potentially the economy.

Encouraging more flexible provision

125. There is a strong sense of positivity towards the idea of more flexible alternatives among most responding groups, but the providers argued that it is important that funding can be equally flexible. For example, several providers and students pointed out that currently the funding system treats all students as a homogenous population. It is, they argue, too difficult to change course or obtain maintenance for anything that falls outside the norm.

126. Providers also argued that there is a need to provide more upfront funding to assist with developing and running flexible, alternative provision.

127. FE providers gave a variety of responses to this question of flexibility, which included the view mentioned earlier that a highly regulated system, such as post-18 education, can never be market driven, as they saw the two as contradictory. Others suggested: a change in the balance of provision between FE and HE; an incentivised approach to ensure priority subjects, courses and levels are developed and promoted; a landscape which would see fees differentiated or abolished; the encouragement of more specialist providers, and a reduction in the number of degrees offered. This latter point was justified by respondents in two ways: firstly, because it would create more clarity in an over-crowded and complex market, and secondly because it would, in their view, help to direct attention towards other routes including apprenticeships and technical qualifications.

128. For HE providers, the route to innovation and flexible offerings rested on a clear understanding of buyer behaviour. This same group of respondents was sceptical about distance and commuter learning and suggested that flexibility in funding should come first. FE providers and employer respondents tended to support distance learning as an important way to introduce flexibility for part-time and mature students. However, where such alternative provision is required, HE providers felt they are generally well-placed to deal with the needs, partly because they argued that they have more experience with distance and commuter learners.

129. Public bodies and FE providers called for parity of esteem for “non-academic” provision. The latter group felt that current funding systems are too rigid. Allowing students to transfer credits more easily would ease this situation. This was also mentioned by two academic experts. As one explained: a “fully-flexible funding system would encourage more innovative models which might mix full-time, part-time, distance and work-based provision over varying stretches of time. This would also encourage universities to support credit transfer”.

130. An FE provider reinforced these arguments by saying that take-up could be improved if financial incentives were offered direct to students, and by offering more Access to Higher Education and Foundation Level courses:

"This provision can be encouraged through Government making structural changes to regulation and validation through reform of the way in which colleges can award classifications of sub-degree or degree level studies".
FE Provider

131. One employee of an HE provider gave a detailed account of what they feel would aid flexibility:

"In order to support learners, a blended approach is taken where possible, combining face to face learning opportunities with online and digital provision. …the issue of upfront resourcing for development of courses of this type would need to be addressed. The Government could also consider carrying out targeted research to understand the characteristics of people who prefer to learn in a more flexible way, to help providers design and develop learning opportunities that will provide positive student experience. An accreditation approach could also be considered, enabling providers to kitemark their provision and appeal to particular target markets. This may give a level of reassurance to a market more comfortable with the existing traditional routes into post-18 study. A reintroduction of funding (e.g. maintenance grant) to support entrants into routes like these would also be beneficial"
Employee of an HR provider

132. In support of the above, other respondents also discussed the point that a number of delivery approaches are needed, including provision which is available either wholly or partially online. They said that the benefits of online provision are: significant flexibility in accessing material and being available at times convenient to the student.

Examples of high-quality provision

133. HE providers proposed flexibility in course delivery as the best example for maintaining course efficiency and quality. Several argued that the possible introduction of accelerated two-year degrees run counter to the meaning of "high-quality provision".

134. The OU was the most-cited example of providing flexibility and quality of provision. Fifteen students mentioned the OU for a range of features such as online learning, modular provision, credit-based systems, and what they regarded as high-quality. The OU was also mentioned by employers, the public and public bodies as being a good model for flexibility and for adopting similar approaches for academic, technical and vocational learning (thus enhancing parity of esteem).

"The Open University has achieved high standards and high levels of student satisfaction….Over the years since it began, the OU has learned to adapt its offer to suit the changing lifestyles and demands of learners: there is much to learn from the OU experience. The challenges, as ever, are in balancing the books. As

an OU graduate, I am constantly encouraged to donate or bequeath funds to support those students who would otherwise be excluded".
Graduate

135. Some HE and FE providers mentioned using a blend of face-to-face and technology-enhanced learning as good practice. This was supported by many employees of various educational institutions.

"…some methods that are driving efficiencies relate to the increased and more sophisticated use of technology-enhanced learning (TEL). This sees an increased use of virtual learning environments, lecture capture, online teaching and blended learning to enhance and supplement the delivery of face-to-face learning'".
HE Provider

136. Public bodies also pointed to best practice which included a combination of technology-enhanced approaches to teaching and learning with personal support, and what they called "great education-student experience*"* and flexibility in course delivery.

137. There is agreement among almost all respondents that the challenges to high-quality provision centre on the costs of learning technologies and on the need to achieve a balance of approach which works to the benefit of the learner.

Respondents' suggestions for action

138. A number of suggestions were made across the groups:

- introduce a better system of credit transfer, allowing students to transfer credits more easily.
- encourage provision consisting of a blended approach of face-to-face, online and digital.
- incentivise providers directly for flexible and innovative provision.
- the numbers and types of degree which are eligible for full student loans and maintenance grants should be reduced in order to ensure that the publicly-funded element of the market can deliver the education and qualifications which the nation most needs.
- provide HE courses through FE colleges (FECs) to facilitate local learning for those who cannot travel to relatively distant universities.
- improve the perceptions of the quality of alternative routes with parents and employers.
- institute a system which supports genuine parity of esteem across academic, technical and vocational routes.

- follow models such as the OU or use that institution itself to deliver flexible, high-quality provision in academic, technical and vocational subjects.

Theme 4 - Funding and finance

Overview

139. Funding and student finance were two integral themes in the responses. The three questions that drew the majority of responses on these themes were:

- Q8: To what extent do funding arrangements for higher education and further education and other post-18 education and training act as incentives or barriers to choice or provision: both at the individual and provider level? How does this impact on the choices made by prospective students and learners? What can Government do to improve incentives and reduce barriers?
- Q13: How should students and graduates contribute to the cost of their studies, while maintaining the link that those who benefit from post-18 education contribute to its costs? What represents the right balance between students, graduates, employers and the taxpayer?
- Q14: What are the most effective ways for the Government and institutions to communicate with students and graduates on the nature and terms of student support?

Common themes raised

- **Provider funding**: there was a relatively even split between providers who felt current funding was sufficient and those who felt it was inadequate. Many responses discussed specific aspects of funding such as an absence of funding in some areas of the system. There was a sense that FE is a separate and less prestigious area of post-18 education receiving proportionately less funding. Some HE providers passed on comments that the current funding system is unsustainable.
- **Student finance:** a strong view from students was that fees should be reduced or abolished, although no one proposed specific alternative fee levels. There was a mix of views from providers over whether the fees charged to students at present covered the cost of courses. No providers said fees charged to students were too high. Student loans were seen by many as burdensome and off-putting, in particular, to more debt-averse mature students. Many respondents suggested that maintenance grants should be reintroduced.
- **Contributions to the cost of study:** there were mixed views on the balance of contributions between students, graduates, employers and the state. Students, on the whole, felt that they contribute/pay too much. Some other respondents felt a “graduate tax” would be a good way forward, in place of loans and repayments.
- **Communications with students/graduates about student finance:** the prevailing view here was to improve terminology and use the word *debt* carefully.

Other suggestions were to make the whole system clearer and make appropriate use of social media.

Provider funding

140. It was impossible to identify a consensus on any specific aspect of provider funding. Respondents approached the subject of provider funding from a wide range of different perspectives.

141. The issue of sustainability was mentioned by several providers. One felt that "the additional premium for more resource-intensive and laboratory-based subjects, typically science, technology, engineering and mathematics (STEM) is increasingly insufficient". Another explained the bigger picture:

> *"At a provider level, variety, breadth and flexibility of offer has had to be compromised in favour of financial sustainability. Whilst the funding arrangements have provided an incentive in some sense to increase focus on value for money, this hasn't always been to the benefit of student choice or opportunity simultaneously."*
> HE Provider

142. Some provider responses directly mentioned, or alluded to, a perceived lack of funding or to a perceived imbalance in the way funds are acquired. They were concerned about recent debates on cutting the individual student tuition fee without making commitments to restore current funding per student, referring to a "shortfall between the current fee and current costs". As they saw it, a reduction of public investment in the English HE sector is counter-intuitive given evidence from the Government on the wider benefits to society.

143. On the other hand, others felt that the current funding mechanisms have maintained investment in the English HE sector, allowing some new forms of provision to grow, while making it possible for more, young, full-time students from disadvantaged backgrounds to participate and succeed in HE. There was also a recognition that the public contribution to funding is often hidden but is an important part of the picture.

144. There was a suggestion from an education representative body that there needs to be a wider appreciation of the positive benefit of recent policies such as the renewed focus on technical education, the National Retraining Scheme, the introduction of the technical education system and investments in maths, digital and technical education which seek to address the shortage of STEM skills.

145. One of the main sources of funding for HE providers, tuition fees, was touched on by many respondents (and is discussed further in the student finance section below). Again, respondents held a variety of views on this subject, examples of which were:

- that tuition fees are inadequate to cover the cost of providing certain subjects (e.g. STEM);
- that the current equivalent learner qualification (ELQ) rules in student finance are overly restrictive;
- that student finance is not supportive of mature students or those needing flexible provision;
- that the complexity of the student finance system is leading to widespread misunderstanding.

146. A number of respondents also commented that funding for post 18 education "*is not joined up and can be opaque*". One example of that sort of issue is highlighted in the following quote:

> *"While 75% of universities offer bursaries to provide maintenance support, the level of funding is confirmed only after the learner has taken up the place. Current funding arrangements are particularly discouraging for mature learners and those needing short courses with low contact time".*
> HE Provider

Student finance

Tuition fees

147. Some HE providers described a need to remove the cap on fees in order to have a truly free market and ensure that they can continue to offer high-quality teaching. Others in the same group said such an eventuality would result in many potential students being priced out of high-quality provision.

148. Other HE providers were of the view that the current level of fees charged is appropriate and justified with some commenting that fees are cost-neutral. They pointed out that fees need to cover more than purely tuition and include support which must be given to the students, plus the costs of facilities and equipment. The HE providers said that this, in combination with the costs of running courses, means there is little or no scope to reduce fees without having a disproportionate effect on the quality of the courses.

149. An HE provider pointed out that the setting of a maximum fee level at the present £9,250 has had a "magnetic effect", with very few institutions wishing to take the risk that the presentation of fees beneath that ceiling would be perceived as anything other than a recognition of poorer quality provision relative to the wider sector.

150. Similarly, an employer body respondent stated:

> *"Fees are generally identical across courses and institutions. This is largely because universities perceive them as a signifier of quality and that even smaller*

universities with lower costs are reluctant to reduce fees in order to attract more students".
Employer body

151. Earning potential and employment outcomes were highlighted as factors by which courses could be evaluated and fees set. Other suggestions were to offer accelerated degrees and to take an incentivised approach e.g. not charge fees for STEM or other priority subjects.

152. An academic expert pointed out that the continued growth of degree-level education post 2012 and the introduction of the then £9,000 fee level, demonstrated the continued appeal of degree-level study and that the fee amount does not necessarily put students off studying at this level. As such, they felt there seems to be little correlation between funding arrangements and choice. In this same context another explained that students have generally become more demanding although the increase of fees from £3,000 to £9,000+ has had no effect on their choice of study

153. Students in particular argued that fees should be abolished, or substantially reduced, in order for the Government to create a more dynamic market in price and provision across post-18 education.

Differential fees

154. The possibility of differential fees for different subjects was a polarising issue in the responses received but with hardly any in favour. The topic of fee-differentiation, like several other topics in the call for evidence, was approached by respondents from several different perspectives: some looked at the issue with the possibility of fees being possible above the current fee-cap, others took it to mean a differentiator between institutions (that is a policy which permits HE providers to charge what the market will bear), others interpreted the topic as relating to ways of using different levels of fee plus selective subsidies to incentivise students to take up priority subjects such as STEM and technical education.

155. Several HE providers argued against setting fees according to metrics such as "quality of teaching" and "cost of teaching" as the first would be inherently subjective and the second would tend to work against higher-cost courses which the respondents argued were generally those most needed by the nation and economy.

156. Respondents from higher and further education providers, were of the opinion that regardless of their point of view, differential fees will eventually, be introduced.

157. Respondents from higher and further education, discussed lowering or differentiating between fees for specific courses with many expressing concerns about how this might work in practice. The following is such an example:

"The Government needs to understand the implications of different fee prices within a system where there is a £9,250pa fee cap. First, as noted, lower fees would mean less to invest in students' education. Second, universities must spend a proportion of their fee income on widening participation (WP) activities. In 2016/17, for example, the [university] spent £10.2 million on WP activities. This is equivalent to £710 for every UK full-time undergraduate student - or 24% of our fee income between £6000pa and £9000pa (the then fee cap). If the University's fee cap is lowered we must necessarily choose between cutting resources to WP activities or investing less money in our students' education."
HE provider

158. The worry expressed was that, if fees were increased to reflect the cost of the provision, many STEM subjects which require considerable lab time and expensive equipment would carry high fees and this would potentially create an additional barrier, especially for disadvantaged groups.

159. Several respondents from each of the groups argued for a subsidised reduction in costs for subjects which are most important to society or the economy such as technical and STEM subjects. Several added that this should go further and set higher fees for other, less economically-important subjects.

160. A number of HE and FE provider respondents were overtly critical of differentiation for specific courses. A key question asked in those responses was that "it's not clear what problem differential fees are trying to solve*".*

Student loans and debt

161. A number of students said that student loans are too burdensome, interest rates are too high, and that student loans act as a barrier to studying skills-shortage qualifications. There were no explanations for this latter point but it might be related to a belief, mentioned elsewhere of the fear of STEM and the perception of it being a "harder" subject than some others and that, if debt was to be acquired, it would be better to enrol on a subject for which the final degree (and a top grade) was more certain.

162. The complexity of the drivers of degree-choice is also illustrated by another respondent who felt that loans act as a barrier to choice in post-18 education – this time working against degrees leading to careers with lower average earnings:

"Less people will pursue careers that are more risky [in financial terms], such as music, drama and art. The debt is too much to justify choosing those degrees".
Student

163. A few HE providers also said that student loans act as a barrier to skills shortage qualifications being undertaken and that interest rates are set too high.

164. Some of these providers argued that the loan is daunting and off-putting. As mentioned before, some providers and academic experts reported that mature students and part time student numbers are falling, which they generally attribute to the loan's size, the debt associated with study and the fact that mature students are known to be highly debt-averse.

165. Students mostly agreed with the view that student debt is too high. Many also put forward their perception that students pay back too much. Removing the interest rate while studying was offered as a suggestion to combat the fear of debt.

166. A number of students said that the prospect of student debt is thought to be off-putting to learners – both at around the age of 18 years, and in the case of mature and part-time students. Some student respondents expected loans to be burdensome and to have a negative impact on learners, and, in one case, concerns were expressed about accompanying mental health issues. Not only is the complex system perceived to be hard to navigate, but respondents believed that disadvantaged students are likely to be daunted by potential indebtedness: "[the] accumulation of debt can have an adverse impact upon students' ability to focus on their studies".

167. Several providers, both at higher and further levels, argued that the term "debt" was not an accurate or useful way to view to describe what they felt was a life-investment.

168. A few employers commented that they understood that student loans were an issue but felt that demand for HE is still very high showing no evidence of the finance system being off-putting to students.

Total amount of loan repaid

169. There was a wide variety of estimates for the total amount of student loans which might be repaid. The most common estimate was 45% (i.e. 55% unpaid) but some respondents speculated that up to 70% or more of loans will remain unpaid. The belief that only a relatively low proportion of loans will ever be repaid was one of the few areas of consensus among respondents on this subject.

Maintenance support methods

170. A number of HE providers and others across the responding groups said that reinstating means-tested maintenance grants (over the current maintenance loans) is of key importance. The majority of FE providers also advocated that maintenance grants in HE should be reinstated. Others called for a fairer assessment of parental income and a few respondents were in favour of government scholarships and bursaries.

171. More is said on this in the chapter on barriers faced by disadvantaged students.

172. Further, clearer information about when people will receive their grants was also identified as important. There was also the suggestion that the current payment

schedule of three payments over the year should be changed to a more frequent system of payments, e.g. monthly.

173. Employees of provider institutions largely agreed with these broad suggestions but also tended to express favour for a greater number of scholarships.

Contributions to the cost of study

Contributions by students and graduates

174. There was a widely-held view across all of the different categories of respondents that the recipients of post-18 education should contribute to its costs.

175. A common topic across all respondents was a complaint about what they saw as artificial divisions between taxpayers, students and graduates:

> *"…these roles are increasingly interchangeable but adopting such terms falsifies the relationship of all adult citizens to what is an important common good".*
> Public body

176. When asked how students and graduates should contribute to the cost of their studies (maintaining the link that those who benefit from post-18 education contribute to its costs), a number of students, and student groups argued that education should be free with maintenance support provided for all.

177. One group of students felt graduates who work in higher income brackets could pay more for their studies. A number also suggested a return to means-tested maintenance grants for the most in-need, retaining loans for everything else.

178. There was a strong sense from employees of provider institutions that, as students benefit from a degree and they then pay tax according to their earnings, they should contribute to the costs at the point at which they use the system and in proportion to their earnings.

179. A mixed set of respondents suggested a graduate tax as being the most equitable system with those who have the greatest earning potential paying more. A number of respondents agreed that this was a good way forward:

> *"A graduate tax rather than a loan would significantly benefit the sector - it is logical, people can understand it. The current student loan system works well in some ways in that it removes upfront costs of taking courses and charges people at the point, after course completion, when they have more money".*
> Body representing education providers

180. However, a few employer bodies and HE providers pointed out the possibility of a graduate tax becoming a disincentive to the "best and brightest" because they would not wish to work hard and make sacrifices only to be taxed at a higher rate than those

who may not have worked as hard or contributed as much to the nation. On that same point they felt an income-related graduate tax would be self-defeating, leading to fewer top-class graduates and far more people undertaking non-degree courses when a degree would have been more suitable and beneficial.

181. They felt that there should be a greater acknowledgement of the benefits graduates bring to society and pointed out that graduates are also taxpayers.

> *"Our view is that it is right, on a means-tested basis, that the immediate recipients of post-18 education contribute to its costs during their time of study, using a loan system (i.e. not pay on arrival). …The notion that graduates should contribute over and above their taxpayer status post-graduation is misguided in our view, as is the suggestion that employers should contribute directly to the system. An effective personal and corporate tax system would account for an adequately funded education system which derives benefit for society and the economy as a result."*
> HE provider

182. Of the few comments on this subject of contribution to the cost of study made by public bodies, the majority felt that the current balance is fair. One respondent believed the Government's contribution/taxpayer subsidy to be too low. A further respondent commented that student loans are "*misnamed and misframed as a debt*". They go on to suggest that:

> *"…the system should be improved and re-designated as a "graduate contribution system" as in other countries*."
> Public body

183. An academic expert suggested that a way forward would be if a newly designed income-contingent loan was applied across the entire post-18 education sector (not just university routes but also approved and accredited vocational routes), this to include removing restrictions on loans for part-time education, which, they said, have fallen away dramatically.

184. Another academic expert stated that there should be different funding models rather than a "one size fits all" approach. They suggested tailor-made policies for part-time and for full-time students. In this context, incentives are required to encourage prospective students to study part-time, and universities and FECs to deliver part-time courses.

Contributions by employers and state contributions

185. There was no clear consensus on the balance between contributions from employers and the state. Some respondents, including students, called for greater contributions from employers, on the basis that they directly benefit from the skills brought to them by graduates.

186. One student response justified taxpayers paying for HE in the following way:

> *"…taxpayers like being able to see their GP, have houses designed and built, take medication, have their kids taught at school, use public transport...Therefore, they should pay for it".*
> Student

187. Further suggestions were that contributions should be considered on a "discipline/ demand and need" basis. This is related to other comments on the need for a possible policy for distinctions to be made between STEM and skills-shortage subjects on the one hand (subjects in most demand for employment and national priority reasons) and other degree subjects on the other, and on the perceived need for disadvantaged students to be offered courses at lower fees and lower interest rates.

Public accounts

188. A number of academic experts wanted to see more clarity on public accounting pointing to the way student loans are treated in the public accounts.

189. One university respondent stressed that the current model of funding for post-18 education tends to hide the "very real public contribution" while another education-representative body said:

> *"In our view an important element of any new funding settlement that maintains a core fee-loan architecture is to find a way to more effectively demonstrate the substantial public funding contribution the government continues to make to the education of students."*
> Education representative body

190. Another representative body was concerned that the treatment of loans in the national accounts "incentivises certain behaviours in government and risks distorting policy choices for post-18 funding". They went on to say that:

> *"The Resource Accounting and Budget (RAB) charge should be clearly published in the Department for Education (DfE) accounts and annual reports. It is central to this debate as it presents how much the government expects it will have to write off."*
> Education representative body

Communication with students/graduates about student finance

191. Most HE providers expressed the belief that the most effective way for the Government and institutions to communicate with students and graduates about student finance is through clear, understandable terminology with less reference to terms such as loans or debts.

192. HE providers pointed out that students are generally not given sufficient information about loans and their repayments. One provider stated that the student support system needs to be better explained to parents so they, too, have an awareness of their responsibilities.

193. HE providers and FE providers consistently argued for better-quality advice and support around careers and applying for university. They explained that there is a need for detailed, clear information about what students will receive and when. This to be provided at the earliest possible opportunity in order to allay fears surrounding debt. Several suggested the removal of the interest rate while studying.

> *"…students' fears of debt could be addressed by removing the interest rate while studying, and delivering better financial advice, especially on the difference between student loan debt and conventional debt".*
> HE provider

> "…*one overall change would be to communicate paying the fee loans as a graduate contribution scheme, rather than as repaying a debt (this would be particularly applicable if interest rates on the loans were reduced or removed, as noted above)".*
> HE provider

194. On a more practical level providers suggested greater use of social media (e.g. Facebook) to communicate with students and prospective students. At the same time several stressed the difficulties posed by such a temporary and immediate medium, saying that social media is generally an hourly, or at best, daily medium and that individuals tend not to see or read everything, and the material is rarely saved for future reference.

195. One student representative group suggested that better communication could be made using multiple media, online platforms and social media, and they offered this:

> *"We are in a strong position to provide advice to prospective students on the support available either face-to-face or over the telephone".*
> Student organisation

196. Respondents called for information, including student loan statements, to be made clearer, in more understandable terminology with a specific attempt to relate to different types of student.

197. One employee of an educational institution suggested that:

> *"A Government adult education funding app could be developed that could be also be branded/personalised by institution allowing them to add on their distinct financial support such as scholarships and bursaries. This could be created whereby an individual would receive their personalised financial summary showing what they would receive and what the terms and conditions of the funding would*

be. The government version would include information around value for money for taxpayers".
Employee of an FE provider

Respondents' suggestions for action

198. A summary of suggestions made by multiple respondents on funding and finance issues is as follows:

- provider funding should be designed to better incentivise and encourage the uptake of STEM, higher level technical and vocational qualifications.
- maintenance grants should be reintroduced, particularly for disadvantaged students (also see final chapter).
- the limited financial resources available should be used more equitably across the post-18 education spectrum to support a wider range of learners and courses from universities to colleges and apprenticeships.
- support for part-time study and mature students should be increased.

Theme 5 - Value for money of post-18 education

Overview

199. This section looks at the ways that Government can increase the value for money of post-18 education. The question raised was:

- Q16: What are the ways that Government can increase the value for money of post-18 education?

Common themes raised

- **How is value for money defined?** Many raised the point that value for money needs fully and clearly defining before a constructive debate can take place on how to increase it. Examples provided of value for money were closely linked to the standpoints of different respondents and respondent groups and include student experiences, outcomes, employability and commercial terms. The responses demonstrated that value for money cannot be defined in a fundamental, once and for all, way that will be acceptable to all parties in the system.
- **Achieving value for money:** the main suggestion for this was to measure value for money on a single measurable metric such as ultimate employability, earnings (either over first three years or longer) or career progress.

How is value for money defined?

200. A key issue raised by many respondents was how value is defined. As there are so many potential variables respondents explained that value for money is impossible to measure reliably across all possible definitions.

201. Many HE providers and academic experts argued that even attempting to define value for money could create deep divisions and debate that will work to the detriment of the system as a whole. Others said value for money should be re-defined to consider the value to society that graduates contribute; although none suggested ways of doing this or defining social benefit.

Achieving value for money

202. For many respondents – especially those from HE providers and HE employees – the value lies in the student experience and the qualification achieved. Many other respondents – particularly students and graduates – said that value for money could only be based on the employability of the graduate and the additional earnings generated by the degree.

203. Graduates as a whole tended to see value for money as the value delivered by the degree for their investment – a return-on-investment calculation. They also argued that the Government should impose more quality assurance checks in order to:

"…ensure courses are reviewed for vocational relevance not only or merely academic excellence every 2 years by an externally appointed industry panel independent of the university provider".
Graduate

204. Graduates also felt that *outcomes* are important for any value for money calculation. In addition to the value gained by the student from the course, they also mentioned the way it is delivered and taught, employability, and a focus on local skills shortages. Graduates and parents together with some employer bodies and providers all regarded quality of teaching as a major contributor to value for money.

205. A number of students were in agreement that they should not be regarded as consumers. Other respondents also made this point, including members of the public:

"Treating education as a product, which the current policy/fees does, along with ideas such as value of money, means treating students as consumers. To that end, degrees need to have guaranteed outcomes, guaranteed jobs, and guaranteed certainty about loan repayments and interest rates."
Public

206. Implicitly, responses as to what constitutes value for money from all groups tended to fall into two broad philosophies:

- that value for money can only be achieved by effectively reducing the cost of education to students – by making it free of charge – and,
- that value for money should be achieved by raising the quality of education and its contribution to the economy and to wider society.

207. The first group saw education as an end in itself, and this was echoed in the view of some HE respondents that it was important for the experience at university to be taken into account. The second group tended to see education as more of a contributory sector in an interlinked and interdependent economy.

208. Some respondents, as mentioned above, argued that value for money should be measured by reference to the student experience, although none suggested ways in which that experience could be reliably measured across different student-types, education providers, courses, and locations. Slightly more argued in favour of a "value to society" metric. However, the dominant view was that value for money should be measured on the basis of ultimate employability and career progress.

209. Value clearly meant different things when viewed from different perspectives. It was clear from the student responses regarded the value to them in social terms as exceedingly important and would measure it generously in terms of money-equivalence. A small number of HE providers implied or stated that their institutions tend to now take a more commercial standpoint – value for money is what can be provided and still make a small surplus – or at least not lose money.

210. Student respondents felt that value for money lies in employability and spoke about qualifications "holding their value" due to the reputation of the provider. That group said that more should be done to educate students about the costs and benefits of HE and that Government should take into account "the value of all aspects of post-18 education, focusing on not just future income and careers but also the value of improved skills and education for the individual".

211. Other students said that institutions should be supported to better meet the increased expectations of students, and that universities should ensure their value for money statements are "accessible" for students.

212. One HE provider offered the thought that even discussing value for money had a negative effect.

> *"…misleading rhetoric around value for money and student debt is reducing access to higher education, it makes people question whether education is a good financial investment"*
> HE Provider

Respondents' suggestions for action

213. There were a few further suggestions made in the discussion around value for money:

- defining value for money more clearly and concisely – perhaps even having two or three different measures to meet expectations that social value should be considered and that benefits from the "student experience" are included.
- a broad consideration of the concept of return on investment where post-18 education is concerned – individual earning potential and general productivity measures coupled with secondary effects (such as reductions in welfare payments and getting people off tax credits, or physical and mental health improvements).
- the development of a personalised funding app that could be tailored to the specific institution and identifying the distinct financial support.
- creating a fully independent baseline study to determine the current value for money position of post-18 education and training.

Theme 6 - Barriers faced by disadvantaged students

Overview

214. The call for evidence asked about barriers that people from disadvantaged backgrounds face in progressing to, and succeeding in, post-18 education and training.

215. The two questions that drew the majority of responses on these issues were:

- Q9: What particular barriers (including financial barriers) do people from disadvantaged backgrounds face in progressing to and succeeding in post-18 education and training?
- Q10: How should students and learners from disadvantaged backgrounds best receive maintenance support, both from Government and from universities and colleges?

Common themes raised

216. Disadvantaged students face a number of barriers:

- **Financial barriers**: those cited most were: student debt (both the reality and the fear of it); the cost of living; covering costs out of term-time, and inadequate maintenance support.
- **Support available**: another frequently mentioned barrier is the perceived lack of specific information and guidance, as well as a lack of awareness of support networks.
- **Student experience:** many mentioned that disadvantaged students can miss out on this, if they remain at home for economic reasons.
- **Maintenance support:** most respondents who commented on this were in favour of a reinstatement of the maintenance support grant for disadvantaged students. There were some comments made that the definition of the word disadvantaged would need to be carefully considered otherwise support would become very broad.

217. A few respondents discussed the issue of relative disadvantage and the way in which changing social and economic conditions can alter our perception of what it means to be disadvantaged.

218. The other definitional aspect of the responses is that many switched between the very different terms “confidence” and “advantage” and tended to present examples of people from different backgrounds who lack confidence in specific circumstances. For example, one respondent commented that certain people can have what they termed

imposter syndrome when finding themselves in what they might regard as a "prestigious university" and, therefore, unable to fully engage in student-life.

Financial barriers

219. A number of respondents felt financial barriers had the biggest impact on disadvantaged students. As one respondent explained, the maintenance loan often does not cover the cost of accommodation for the term. Inadequate maintenance support was mentioned specifically and was a view generally shared by students, and employees of educational institutions.

Support available

220. A further problem in the view of several HE and FE providers is that "many disadvantaged students also have a lack of awareness of existing sources of support (which are limited)".

221. They added that this lack of support, and insufficient understanding of opportunities and how to attain the level required for post-18 education, started at school. A small number of providers commented that they are working to address this through providing financial support as well as social and networking engagement activities that would help to explain the range of learning opportunities.

Student experience

222. Students explained that many from disadvantaged backgrounds tend to live at home while studying. They therefore face difficulties accessing accommodation and student social activities. Several students and FE providers mentioned the difficulties that mature students face with fulfilling their caring responsibilities, given the time and financial demands.

223. One example of the difficulties faced came from a student who commented that they had experienced difficulties over the speed and consistency with which applications for Reasonable Adjustments are processed.

224. There were specific comments about the difficulties faced by ethnic minorities: for example, one HE provider said that for black and minority ethnic students (BAME) there are elements of "unconscious bias" to be overcome when accessing learning.

225. Where social problems are concerned a member of the public explained:

> *"aside from money, students from deprived backgrounds are often discouraged by the apparent confidence and ease in social, conversational and collaborative skills displayed by their peers from more affluent backgrounds".*
> Public

226. Students stressed the financial issues and those of balancing caring and studying. They categorised the issues into two segments; financial limitations and concerns, and softer, social attitude and opportunity related limitations, including such things as BAME discrimination and Sharia-compliant finance.

Maintenance support for disadvantaged students

227. There was no explicit definition of 'disadvantaged' and one respondent was concerned that the definition might have to be so broad as to make meaningful support extremely expensive.

228. There were consistent calls from all groups to reintroduce maintenance grants for students from disadvantaged backgrounds – possibly alongside specific help and grants for students with dependents. This call came from the majority of student and graduate respondents, along with a number of providers and respondents in the 'other' group.

> *"We consider the provision of maintenance support by Government for students from disadvantaged backgrounds to be of critical importance.*"
>
> Student

229. In addition, there were a few positive references to the Diamond Review in Wales in which the Welsh Government's implementation of a revised student support system for full and part-time undergraduates was described.

230. In terms of the actual method of support, however, there were a number of suggestions.

231. A few respondents had given thought to the way in which loans, grants and support could be most efficiently and effectively delivered. One respondent argued that a child-care grant should be paid through Child Tax Credits rather than through the SLC.

232. Where university or college support was concerned respondents were split as to whether grants or bursaries should be paid in cash, in the form of pre-paid cash cards, or as vouchers of some kind. There were arguments and counter-arguments with respect to all.

233. There were several proposals to suggest that it would help students if the maintenance support could be paid in smaller amounts and more frequently (as explained in Theme 4 chapter and section on student finance). The most common period suggested was monthly – in order to assist disadvantaged students with budgeting and financial management. A few also commented that it would help if grants and benefits could be paid over the summer months – especially to those who have no parental support possibilities. Another suggested a system which mirrored the allowance paid to disabled students:

"[A] scheme could work in a similar way to Disabled Student Allowance, which provides finance to go towards equipment, travel or support, rather than giving the student the actual finance, the government could operate a similar system for disadvantaged students."
HE provider

234. Another respondent put forward the possibility that support could best be provided through a "learning account" system.

"Employers or government might contribute to learning accounts in some circumstances and having a long-term "portable" financial support mechanism means that learners are able to align the right course with an accessible financial support package at precisely the time they need it."
Student representative body

Respondents' suggestions for action

235. The suggestions for action made by respondents on barriers faced by disadvantaged students fall into two main points:

- The reintroduction of maintenance grants for disadvantaged students, and
- Making parental income assessment mandatory to combat a difficulty where parents are unaware of the option to, or are unwilling to make, parental contributions to their child's living expenses.

Conclusion

236. The call for evidence gathered evidence from a diverse range of stakeholders about the current system for post-18 education and funding. Overall, the responses fed into six broad themes areas, each of which includes some suggested actions that could be considered as possible improvements to the system. Responses focused overwhelmingly on university education, with fewer responses on the other aspects of post-18 education, including technical education or apprenticeships.

237. The area most discussed in the call for evidence was the integral theme of provider funding and student finance, particularly: the sufficiency and sustainability of provider funding; fee levels and the advantages and disadvantages of differential fees; contributions to the cost of study and the sources of those contributions.

238. There was broad consensus across all respondents that there is a requirement for better understanding of the skill needs of the economy as well as improved communication between industry and educational providers in order to be able to deliver a more accurate response to skills shortages. A variety of respondent types commented on those skills they felt were in over-supply to the economy. Graduates mainly felt all are valuable.

239. Another area of consensus was that technical education is thought to be undervalued, with academic qualifications being rated more highly than technical qualifications. Respondents expressed the view that there is a need to inform and educate everyone, from employers to students, about the benefits of alternative routes in order to build parity of esteem.

240. Further, respondents pointed to the current culture being weighted not just against vocational routes of study but also against those who wish to study part-time, and mature students wishing to begin studies or career-development later in life.

241. Similarly, careers advice provision was thought to be insufficient, poor in terms of content, and overly focused on HE rather than FE. It was also a universally held view that key influencers on post-18 choices are peers and parents.

242. There was broad consensus across all respondent groups that there should be a reintroduction of maintenance grants. These were seen as a possible means of remedying financial barriers, thereby enabling disadvantaged students to access the ‘whole student experience’ rather than living at home to reduce costs, and increasing appeal to more debt-adverse mature students.

243. Whilst strong views were shared by many with reference to the value for money of post-18 education, views of the respondent groups differed. Students and graduates linked value for money to the employability of the graduate and the additional

earnings generated by the degree, whilst HE providers and HE employees saw value in the student experience and the qualification achieved.

244. It was impossible to identify a consensus on any specific aspect of the central subject of post-18 education funding and finance. Tuition fee levels were thought to be at an appropriate level by some HE providers but by others they were thought to be inadequate to cover the cost of providing certain subjects.

245. HE providers also had a division of views about the cap on tuition fees with some seeing a need to remove it and others holding the view that such action would price-out some students of high-quality provision. One area of general consensus was that it is those recipients of post-18 education that should contribute to its costs.

246. In contrast, however, a more consistent view from student respondents was that tuition fees should either be abolished or significantly reduced to create a more dynamic market in price and provision across post-18 education. Students mostly agreed that student debt is too high. They also hold a perception that they pay back too much.

247. Views were polarised on the subject of accelerated degrees with HE providers generally defending their three-year degrees while FE providers considered two-year degrees as a viable option.

248. Similarly, HE provider views on the subject of world-class technical provision were divided with some stating that they already produce employment-ready graduates whilst others suggested that this is not possible until a more effective interface with industry is in place.

249. It must be noted that the respondents to the call for evidence were self-selecting, and therefore the responses may be biased towards those who wish to change particular aspects of the post-18 education and funding system.

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