BIS | Department for Business Innovation & Skills

GOVERNMENT RESPONSE

Consultations on:
1. Students at the Heart of the System
2. A new fit for purpose regulatory framework for the higher education sector

JUNE 2012

Contents

1.   Introduction

1.1.   The Higher Education White Paper 'Students at the Heart of the System' set out the Government's vision for a world-class higher education sector that is free to respond to the needs of students. We are grateful to everyone who submitted comments in response to the consultation on the White Paper, and to the Technical Consultation on 'A new fit for purpose regulatory framework for the higher education sector'. This document provides a summary of responses to both consultations. It describes the progress Government is making to deliver a strong, financially sustainable and high quality HE sector; promote a better student experience; foster social mobility and widen participation; and create a more responsive higher education sector in which funding follows the decisions of learners and successful institutions are free to thrive.

1.2.   The new higher education funding system, which balances the financial demands of universities with the interests of current students and future graduates, will come into effect from academic year 2012/13. Data on applications to higher education for 2012/13 are reasonably encouraging. UCAS figures show a modest reduction (10%) in English-domiciled applicants to full-time undergraduate courses, which should be seen in the context of a record number of applications in 2011/12, and the fact that the size of the 18 year old cohort in the UK has fallen by 6% since its peak in 2009. Applications from young people from low participation neighbourhoods (a widely established proxy for disadvantaged background) have held steady, falling by just 0.2% from 2011.

1.3.   We will continue to monitor the application trends very carefully, and are far from complacent. We note, for example, that the drop in applications from mature students is at present rather greater than for school leavers, although this can be explained in part by the fact that the number of mature applicants from the UK has risen steadily in recent years, reaching a historic peak in 2010. Overall, we believe there is cause for cautious optimism that our funding reforms have not generally deterred applicants to higher education. We will continue to work hard to ensure that all applicants fully understand the student finance system and the support available to them.

1.4.   Since the publication of the White Paper we have taken a number of important steps to put students at the heart of the system. We have developed the Key Information Set, which will give prospective students access to high quality information about different courses and institutions, enabling them to make informed choices. And we are freeing the current, restrictive approach to student number controls, introducing competition into the sector to drive quality and value for money for students. We wrote to HEFCE in April requesting that from 2013/14 the tariff policy should be further liberalised to apply to students with ABB+ grades, taking one in three entrants out of number controls. We also announced that a further 5,000 places should be made available through the contestable margin.

1.5.   We will further stimulate competition in the sector by reducing the 'numbers' criterion for university title from 4,000 higher education students to 1,000. This will widen access to university title for smaller, high quality providers.

1.6.   Fair access is a fundamental principle of our reforms. It is vital that all those with the ability should have access to higher education. We have introduced a new National Scholarship Programme, which will begin in the 2012/13 academic year, and will provide financial benefit to some of the least well-off young people and adults as they enter higher education. And we are taking action to strengthen the Office for Fair Access to ensure that it can provide support and challenge to institutions on fair access.

1.7.   The White Paper set out proposals for primary legislation to create a new regulatory framework. Many responses to the White Paper stressed that we do not yet know the full effect of the new funding arrangements. Hence, it cannot be clear what form of regulatory framework will be appropriate. We will therefore not at this stage be seeking to introduce changes to primary legislation, but will move our reform agenda forward primarily through non-legislative means. We will keep this situation under review.

1.8.   We will introduce measures to bring alternative providers, and those FE colleges that do not receive HEFCE funding, into the formal student number control system, alongside other providers. We will consult later this year on the process for applying these changes. We will also bring alternative providers into the quality assurance framework operated by the QAA, to provide important protection for students and maintain confidence in our HE system. While we strongly support the entry into the HE market of alternative providers and FE colleges, we must maintain control of our financial exposure, and international confidence in the quality of our higher education system, and we believe these measures will achieve this.

1.9.   HEFCE will continue to provide the principal oversight of the English higher education system, and of overall student numbers, in the national interest, working with other sector bodies. As signalled in our most recent grant letter to HEFCE, we will authorise the Council to make grant adjustments for any over recruitment by institutions funded through them. These grant adjustments will be increased compared to the regime before 2012/13, reflecting the fact that as the funding reform is implemented, more money reaches institutions via tuition fee loans, so the costs of over-recruitment to the public purse increase.

Consultation Process

1.10.   The Department published its Higher Education White Paper 'Students at the Heart of the System' in June 2011. The consultation received 222 formal responses. In addition 59 comments were posted on the consultation website and a further 25 comments on a Student Room discussion forum which we pointed respondents towards. A full list of respondents to the consultation can be found at Annex A.

1.11.   The Department published the Technical Consultation document 'A new fit for purpose regulatory framework for the higher education sector' in August 2011. The consultation received 158 responses. A full list of respondents can be found at Annex B. In addition to the written consultation the Department held two workshops with invited delegates from the sector in September 2011. A summary of the discussions is at Annex C.

1.12. The Government's Advocate for Access to Education, Simon Hughes MP, presented his report on Access to Education to the Prime Minister and Deputy Prime Minister in July 2011. In his report Mr Hughes made 17 recommendations in whole or in part for higher education, submitted in their own right but also in response to the White Paper consultation. We have considered our response to these recommendations in conjunction with the other responses made to the White Paper consultation. In order to ensure a coherent response on the issues concerned our response is included in this document. This can be found in Part Three – Increasing Social Mobility. Overall we accept, accept in principle, or support in principle the majority of the recommendations, and believe others should be subject to further consideration. Many of the recommendations made by Mr Hughes are directed at the higher education sector or other independent organisations, and it is therefore for others to decide how best to respond.

1.13. The Department also consulted last year on whether there should be a charge for early repayment of student loans. We issued a response to this consultation in February 2012, confirming that there would be no system of charges introduced for early repayment.

Scope

1.14. Higher Education is a devolved matter in Scotland, Wales and Northern Ireland. The White Paper and Technical Consultation related to higher education policy in England only, as does this Government response.

1.15. This response does not commit any of the devolved administrations of the United Kingdom to any UK-wide actions or policy positions. Where the stated actions have implications for UK-wide delivery bodies, this is without prejudice to the individual policies of the devolved administrations of the United Kingdom. As we deliver these reforms we will work closely with the devolved administrations on our areas of shared interest, particularly where this involves delivery bodies and other organisations with a remit that goes wider than just England.

1.16. All facts, figures, policies and actions refer to England only, except where stated otherwise. "National" should be taken to mean England-wide except where the content indicates otherwise.

2. Section A – Students at the Heart of the System

Part One: Financing Students

Introduction

2.1.1. The White Paper reiterated the principles of the new higher education funding system, which was announced as part of the Comprehensive Spending Review 2010, and will come into effect from academic year 2012/13.

A Graduate Contribution System

Summary of Responses

2.1.2. Views on the new system of funding for higher education were divided. A number of respondents were pleased to note the overall expected increase in total funding for higher education institutions by 2014/15 and felt that the package of financial support represented a fair deal for graduates and tax payers.

2.1.3. However, many respondents were concerned about the impact of increased fees on widening participation. They also expressed concerns about how the new funding system would impact on non-traditional students, such as mature students who may have already accrued debt in further education, and students unable to apply for Government support because they hold a qualification equivalent to a HE level qualification. Some respondents predicted that the new funding system would have a detrimental impact on the sustainability of longer courses (e.g. medicine, 4-year science courses) because the prospect of an additional year(s) of borrowing may deter students from applying to these courses.

2.1.4. Respondents were pleased that part-time students will be able to access tuition fee loans under the new system. Many referred to a perceived inequity around repayment whereby some part-time students may be required to begin repaying their loans prior to the completion of their studies if they are earning more than £21,000. A small number of respondents called for maintenance support for part-time students and for student support for those who already hold an equivalent level qualification.

2.1.5. Several respondents expressed the view that more needed to be done to enhance public understanding of the new student finance system, including for non-traditional learners.

2.1.6.   Respondents welcomed the incentives introduced in the 2011 Budget and the Cabinet Office Giving White Paper to encourage philanthropy in the higher education sector. Some were keen to see the Government's matched funding scheme extended and further incentives introduced. However, a number of respondents questioned the extent to which such donations might adequately replace Government funding.

Government Response

2.1.7.   The challenge to the Government was to create a sustainable future for our higher education system, preserving excellence against a backdrop of reductions in Government spending at a time of great financial stringency. We are doing this by putting more power – including financial power – in the hands of the student. We have designed a system that is progressive, with those who can afford to do so contributing more to the cost of their education. Whilst we have carefully considered all of the responses and appreciate that there are a range of concerns about this approach we believe that it is the right response to the challenge we face.

2.1.8.   Data on applications to higher education for academic year 2012/13 are reasonably encouraging. Figures published by UCAS at the end of May show a modest reduction (10%) in English-domiciled applicants to full-time undergraduate courses. This reduction should be seen in the context of a record number of applications in 2011/12, and the fact that the size of the 18 year old cohort in the UK has fallen by over 50,000 – or 6% – since its peak in 2009.

2.1.9.   UCAS application figures from January show that applications from young people from low participation neighbourhoods (a widely established proxy for disadvantaged background) have held steady, falling by just 0.2% from 2011. Applications to STEM subjects have held up particularly well with only a small reduction (2%), compared to non-STEM applications (which are down by 9%).

2.1.10.   There has been a larger decline in applications from older age groups (a reduction of 11% for over 24s). We will continue to monitor the trend of mature student applications very carefully. We note that the number of mature applicants from the UK has risen steadily in recent years, reaching a peak of 165,000 in 2010. Despite the decrease this year, the number of mature applicants at the end of April was higher than the number of mature applicants at the corresponding point in 2009.

2.1.11.   We note respondents' views about the specific funding arrangements for part-time students. Since the White Paper was published we have changed the repayment arrangements for part-time students. Part-time students will now not be required to repay until the April which falls 4 years after the start of their course, or the April after they leave their course if that is sooner. This is one year later than our original proposal. For administrative reasons related to the introduction of the new student finance system, no-one will be required to begin repayment earlier than April 2016.

2.1.12. We understand the desire to make maintenance support available to part-time students, but Government must also consider what is affordable within current spending limits. Students on part-time courses are able to combine study and work, and access other Government benefits, which is generally not true for full-time students. This is why we are maintaining our decision not to extend maintenance support to part-time students. Our judgement is that access to loans for tuition costs represents a more significant benefit for these students.

2.1.13. Similarly, we note respondents' concerns about the availability of support for students who already hold an equivalent level or higher qualification. However, given the pressure on Government budgets it remains our policy to focus support on those entering higher education for the first time and to provide no further support to students once they have achieved an honours degree, unless they choose to study on a course which is treated exceptionally under the Regulations, for example medicine, dentistry and NHS-funded students.

Enhancing Public Understanding of the Student Finance System

In 2011/12 the Student Finance Tour made 2,153 visits to schools and colleges in England, reaching 152,000 students and 8,400 parents. The tour presented the facts about student finance, with sessions facilitated by recent graduates. Feedback from students and teachers has been extremely positive. Our evaluation showed that 95% of pupils had a greater understanding of student finance after the presentation.

We are running the England-wide student finance school and college tour again this year. This will include information sessions for parents, starting in June 2012 for parents of year 13 pupils in the 2012/13 academic year. The tour will aim to visit up to 2,100 schools and colleges with years 12 and 13 students and this year we are hoping to reach about half of all year 9s. We will be aiming to visit all year 9s with a sixth form in the school, as well as prioritising others with higher levels of free school meals.

A Student Finance Lesson Pack for teachers, students and their families will once again be made available. The pack contains a quiz and Q&A for use in schools, and a DVD featuring the financial journalist Martin Lewis, pupils and recent graduates giving the facts on student finance.

We are aware that getting the facts about student finance to part-time and mature students may require a different approach, and have established a working group to look at how we can better reach this group. With the help of this group, BIS has produced a suite of specially tailored materials for potential part-time students in conjunction with the SLC.

2.1.14.   We believe the ability to raise funds from a variety of sources is a key feature of the independence of our higher education institutions. The matched funding scheme has been a great success but this was always meant to be a time-limited scheme intended to build capacity within the sector. Therefore, whilst we recognise the appetite amongst respondents for a continuation of the scheme, we will be withdrawing our support as planned at the end of this academic year. HEFCE is now supporting a review of voluntary giving for higher education, chaired by Professor Shirley Pearce, which is looking at the wider philanthropic activity that has developed in higher education. It will also look at the lessons learned from the matched funding scheme. This review aims to identify good practice that can be sustained and further developed to embed fundraising and philanthropic support into the culture of HEIs.

Allocation of Remaining Teaching Grant

Summary of Responses

2.1.15.   There was strong support for our stated priorities for the remaining HEFCE teaching grant, especially for high-cost and strategically important and vulnerable subjects (SIVS), small and specialist institutions, the widening participation allocation and the part-time student allocation, although some respondents felt that the allocations were not large enough. A number of institutions stated their reliance on these funding streams to maintain sustainable provision.

2.1.16.   There was some difference of opinion as to which subjects should be classified as high cost and SIVS, how this decision should be made and how funding would subsequently be allocated. Many respondents sought clarity on this point and expressed a desire to be involved in the process.

2.1.17.   There were concerns from a number of respondents about whether the additional income from fees could fully replace the loss of grant funding for subjects in HEFCE price groups C and D. Some respondents felt that the decision on allocation underplayed the value of the arts, humanities and social sciences.

Government Response

2.1.18.   We welcome respondents' support for our stated priorities. HEFCE consulted over summer 2011 on the approach to allocating the teaching grant for 2012/13. It published its response on 22 November. We have accepted the approach HEFCE proposed, which will ensure it continues to meet the costs of high cost and specialist provision. HEFCE has recently consulted on further changes to teaching funding from 2013/14.

2.1.19.   We are also grateful to HEFCE for its thorough review of the risks to subject provision and the future approach to supporting SIVS. We look forward to receiving the recommendations of the HEFCE Board on the future approach following the HEFCE consultation on future funding. Going forward, we will want HEFCE to pay particular attention to how the progressive implementation of our funding reforms impacts on subject provision. And we remain committed to ensuring both dedicated funding and a range of other appropriate interventions to ensure against any undesirable reduction in the provision and demand for high-cost subjects, or others where intervention may be needed to sustain a level of provision consistent with the national interest.

2.1.20.   We note respondents' concerns about funding for arts and humanities courses. The Government values diversity in higher education and encourages the sector to cover a broad range of subjects. From 2012/13 as HEI funding begins to flow more from student fees, allocations of Teaching Grant to all HEFCE's subject-based price groups will be reduced by similar amounts. Some arts and humanities courses will be supported through HEFCE's SIVS programme and will attract additional HEFCE funding. The Research Councils, alongside other funding bodies, will continue to support postgraduates and academic staff working in arts and humanities subjects. And, of course, HEFCE will continue to fund quality-related research across all subject areas.

2.1.21.   The Government is keen to support student mobility. When the current ERASMUS fee waiver arrangements end in 2013/14, tuition fees for students taking study year abroad placements will be limited to 15 per cent of the maximum fee cap that applies to full-time undergraduates. Government has agreed to provide loans to students to cover these costs. HEFCE are also considering proposals to provide a supplementary grant to universities and colleges of around £2,250 for each such student taking a study placement abroad from 2014/15, and will confirm the position on this in the summer.

Potential Monetisation of the Student Loan Book

Summary of Responses

2.1.22.   Amongst the few respondents who commented on the sale of the student loan book there was discussion about the merits of transferring ownership to the financial sector. Respondents also called for a commitment from Government that any sale would not result in a change of terms and conditions for the borrower, and specifically to an increase in payments.

Government Response

2.1.23.   The Government is continuing to examine options for monetising the income contingent repayment (ICR) loan book. We are focusing on the feasibility of selling the existing (pre-Browne) loans, subject to any sale reducing significantly the Government's risk exposure to the loan book and representing value for money for the tax payer; and to borrowers being no better or worse off as a result of the sale of their loan compared to those whose loans have not been sold. Following the completion of the feasibility work, the Government will decide whether and how to monetise the loan book based on the conditions listed above.

2.1.24.   In parallel with this work, the Government has initiated a feasibility study to assess a potential monetisation of the older 'Mortgage Style' loan book consisting of loans offered to students entering university before 1999. Two tranches of this book were sold in the 1990s, but Government retains the remaining loans which now have a face value of around £750m. The Government will announce whether or not we intend to proceed with a sale in due course.

Postgraduate Funding, Access and Information

Summary of Responses

2.1.25.   There was concern amongst respondents about a perceived lack of attention given in the White Paper to postgraduate students. Respondents feared that the new funding system would lead to a drop in demand for postgraduate study arising from the high levels of debt students will already have accrued as undergraduates. They emphasised that the impact of the new funding system on postgraduate participation needed to be monitored.

2.1.26.   Respondents were supportive of the proposal that there should be a National Student Survey for taught postgraduate courses, with some asking for this to be expanded further to cover research courses. Respondents asked for careful thought to be given as to what information would be most useful to prospective postgraduate students.

Government Response

2.1.27.   We note respondents' concern around the impact of changes to undergraduate funding on postgraduate participation. As outlined in the White Paper, and confirmed in the 2012 Grant Letter, HEFCE is taking the lead on gathering evidence to improve understanding of the purpose and characteristics of, and outcomes from, postgraduate study, with the intention of reviewing postgraduate participation following the changes to undergraduate funding. BIS will continue to work closely with HEFCE to understand better the underlying evidence.

2.1.28.   Government support for both postgraduate taught and research programmes will continue. HEFCE has also sought advice from bodies such as the National Academies, Research Councils and Government's Chief Scientists to identify risks to subject provision that may need to be addressed through its programme of support for strategically important and vulnerable subjects. The January 2012 Grant Letter to HEFCE requested that the Council should take steps as far as possible to support postgraduate provision, while further evidence of the impact of reforms is gathered. For 2012/13, HEFCE's allocation in relation to taught postgraduate provision is now being maintained at similar levels to 2011/12. HEFCE's February 2012 consultation on funding arrangements for 2013/14 and beyond announced its intention to continue to provide this funding support for postgraduate provision as a transitional approach, together with further development of the evidence base for future investment. HEFCE and the Research Councils' support for doctoral students will remain, and in 2012/13 HEFCE will provide an additional £35m for postgraduate research.

2.1.29.   HEFCE is commissioning two research studies: understanding the information needs of postgraduate taught students and how these could be met; and the feasibility of developing a postgraduate NSS-style survey. This research is expected to be completed by autumn 2012.

Part Two: Improving the Student Experience

Better Information for Students

Introduction

2.2.1.　The White Paper set out the Government's ambition to put students at the heart of the system. Higher education institutions should become more responsive to students' choices, and should continuously improve the design and content of courses and the quality of students' academic experience.

2.2.2.　In order that students can exercise their choices effectively they need high quality, comparable information about their course and how it is delivered. The White Paper presented the Key Information Set as a tool to help prospective students choose the courses and institutions that are best for them, and outlined a range of other measures to improve the range and accessibility of information.

Summary of Responses

2.2.3.　Almost without exception, respondents welcomed the aim to improve the quality of the academic experience and to provide students with more information. The Key Information Set (KIS) was widely welcomed. Some respondents requested clarity on: the robustness of the underlying data sets; the choice of data sets; the relevance of the KIS to 'non-traditional' students; the additional administrative burden on institutions; and the potential for misinterpretation or manipulation of data.

2.2.4.　Respondents also welcomed the review of Unistats, citing uncertainty about the quality and accessibility of the underlying data. Many felt that the website currently provided unnecessary duplication and led to unjustified additional costs. Respondents were keen to see longitudinal information about salary introduced as there was a strong feeling that data recorded at the six month point was unhelpful.

2.2.5.　There was strong support for the production of data on the qualifications held by previously successful applicants, provided it accounts for non-traditional routes and other entrance criteria, such as interviews, auditions and portfolios.

2.2.6.　There was also support for an integrated UCAS-Student Loans Company (SLC) application portal. Respondents emphasised that this should be tested rigorously and should make the application process easier for applicants.

2.2.7. A number of respondents expressed concern about the publication of information on teaching qualifications, noting that such information could be misleading as an indicator for teaching quality. Some suggested that teaching qualifications are only now becoming a requirement for university teachers and that it will take some time to shift to a culture where teaching carries the same level of prestige as research activity. For those teaching vocational courses, it was felt that the published information ought to take into account industrial experience and membership of chartered bodies.

Government Response

2.2.8. The KIS has been developed following a programme of research which included approximately 2,000 current and potential students as well as sector stakeholders, higher education institutions, further education colleges, employers, representative bodies and careers advisors. This research identified the information which students said they would find the most useful. The Higher Education Public Information Steering Group (HEPISG) then consulted widely on the final KIS content.

2.2.9. The KIS data will be made publicly available, for use by third parties under Government open data licence. Anyone wishing to manipulate and present the KIS data in a different form, within the terms of the licence, will explain this to data users.

2.2.10. We understand the concerns about the administrative burdens on institutions in implementing the KIS. The majority of the KIS is, however, already collected by individual institutions. HEFCE and the Higher Education Statistics Agency (HESA) are centralising most key activities in order to reduce the administrative burden on individual institutions.

2.2.11. There will be a review of the KIS in late 2012. This will consider whether there are immediate changes that need to be made for September 2013. A full review, which will include an examination of whether any additional data sets are required, will follow in 2013/14.

2.2.12. We have taken into account comments about the interpretation of the salary and employment outcome information included in the KIS. HEFCE and HESA are continuing to take action to try to increase the response rates to the Destinations of Leavers from Higher Education Surveys. We are also exploring other ways of obtaining graduate salary data so it can be made publicly available. For example, we have worked with the Office for National Statistics to introduce a new question into the Labour Force Survey which will, in time, allow analysis of long-run earnings outcomes from specific institutions.

2.2.13. We note respondents' concerns about the publication of information on teaching qualifications but in the interests of promoting and encouraging excellence in teaching and learning, and raising the profile of teaching in HE, we remain committed to encouraging HEIs to publish anonymised information about the teaching qualifications and expertise of their teaching staff, and to publish summary reports of their student evaluation surveys on their websites. HEFCE is working with the HE Academy, the NUS and the QAA, to gather evidence of what potential users of information about teaching qualifications would find useful, before developing options informed by that evidence. We continue to explore ways to promote information on the quality of provision for students, including teaching quality. HEFCE will also work with the NUS, HE Academy and QAA to investigate good practice in the use of student evaluation of modules, ensuring that published information meets the needs of students and prospective students.

2.2.14. We expect that the new Unistats website will be in place in September 2012. The website will enable prospective students to compare information on a course by course basis, such as previous students' satisfaction, professional body accreditation, graduate employment destinations and salary. It will also link to more detailed information for each course, such as content, module options and hours of study.

2.2.15. We are pleased that there is such strong support for the production of data on the type and subjects of qualifications held by previously successful applicants. UCAS have prepared information at course level that covers the majority of commonly held qualification types and subjects held on entry. This information was checked by institutions during May and the aim is to make the information available as a data file in June 2012. The specific entry requirements for each course (and the full range of qualifications accepted) can already be provided by institutions in the UCAS Entry Profile for each course, in HEI prospectuses and on HEI websites. Respondents will be pleased to note that this can include details, for example, of access courses and the account taken of interviews, auditions and portfolios.

2.2.16. Since the publication of the White Paper, there has been ongoing engagement between SLC and UCAS regarding the feasibility of a single application portal and integrated application process. A joint SLC/UCAS workshop was held in March 2012 to discuss progress to date and assess potential options for enhancing the customer experience and achieving the best possible applicant journey. High level design principles were discussed and agreed. It is proposed that SLC and UCAS will now establish a formal working group, including representatives from the four UK Government administrations, to further develop the options.

A Better Student Experience

Introduction

2.2.17. We want to ensure that all higher education students have a high quality experience. In the White Paper we explored how higher education institutions could create a learning community where engagement of students is encouraged, their feedback valued and complaints resolved quickly and transparently.

2.2.18. We also want to ensure that students gain the knowledge and skills they need to embark on rewarding careers. The White Paper set out a number of ways in which we are seeking to achieve this aim.

Summary of Responses

2.2.19. There was strong support amongst respondents for student charters, although there was disagreement about whether these should be mandatory and whether they should link to the quality assurance process or to designation for student support. There were a number of questions about who will monitor adherence to the charters and how institutions will be held to account. Many respondents were keen to emphasise that charters should represent a partnership between students and academics, rather than a one-sided customer service agreement. This reflects broader concerns about the need to ensure that a focus on student satisfaction does not dilute the rigour of academically demanding degrees.

2.2.20. The proposal to take a more risk-based approach to quality assurance, focusing effort where it will have most impact, was welcomed as a principle by the majority of those who commented in this area. This proposal was also addressed in the Technical Consultation. Views expressed in response to the White Paper have been taken into account in the response to the Technical Consultation which can be found later in this document, at Section B.

2.2.21. The role of the Office of the Independent Adjudicator (OIA) also received strong support. Many respondents agreed with the proposal to give OIA more resources, in order to help ensure that complaints are handled quickly. The idea of campus ombudsmen and regional networks was supported by many but seen as unnecessary or inappropriate by others.

2.2.22. Respondents welcomed Professor Sir Tim Wilson's review into how we make the UK the best place in the world for university-industry collaboration, and many expressed an intention to contribute. Some respondents from the further education sector were concerned that the scope of the review was limited to universities, and emphasised the important work that happens between colleges and industry in a local area.

2.2.23. Only a small number of respondents commented on the Graduate Talent Pool but those that did were supportive of the scheme. There were calls for continued Government funding beyond 2012 but there was also a view that more thought ought to be given to other mechanisms for encouraging internships. Some respondents stated that a single Government view on unpaid internships to provide clarity to employers was needed.

2.2.24. The White Paper included an update on the Department for Education's proposals for initial teacher training (ITT). Amongst the small proportion of respondents who chose to comment in this area there were concerns about the impact on university education departments of the decision to allow more schools to lead their own teacher training. Many felt that in order to maintain quality, ITT ought to remain university-based. There were also specific concerns about ITT in the post-compulsory sector where bursaries are of a lower level than those available for schools-related ITT.

2.2.25. The White Paper also included an update on the Department of Health's (DH) proposed changes to NHS education and training. A small number of respondents commented in this area. Of these, many expressed concerns around workforce planning in the health and social care sector and the subsequent impact on universities. Respondents sought clarity on decisions on funding arrangements for medical and dental students to help them manage their recruitment processes in these subject areas. There was a specific request for a decision on the future of the social work bursary for students applying in 2012/13.

Government Response

2.2.26. We are pleased that proposals on student charters were so widely supported by respondents. Following the publication of the White Paper we asked HEFCE for advice on the use of charters. BIS has reconvened the Student Charter Group to review what the sector is doing in this area and will report to Ministers by September 2012. We will ensure that this Group is aware of the key issues raised by respondents to the White Paper consultation.

2.2.27. In parallel with the work on student charters we have asked HEFCE to consider whether data showing how income from student fees is being invested by HEIs should form part of the wider set of information provided by institutions. The Higher Education Public Information Steering Group (HEPISG) is currently considering whether institutions should provide the sort of material that local councils offer to residents on how their council tax is being used. HEPISG is looking at what information would be of use to students in this area, to help students make more informed decisions about the value for money of courses before they apply. HEPISG will report back on this by September 2012.

2.2.28. We note the support for a strengthened OIA expressed by many respondents. We asked the OIA to consult the sector on future developments that will promote and deliver early resolution of student complaints. The Pathway 3 Consultation, which concerned strategies to promote the goals of early resolution of complaints and appeals and better all-round case handling in universities, closed in December 2011. We know that many respondents will have fed into that consultation. OIA expects to announce the outcome and propose the way forward in September.

2.2.29. The Government remains keen that employers and the HE sector continue an effective dialogue to ensure that the high-level skills needs of industry are being addressed. After extensive consultation with a wide range of stakeholders, including representatives from the further education sector, Professor Sir Tim Wilson published his report in early 2012. The report makes a series of recommendations that aim to make the UK the best place in the world for collaboration between businesses and higher education institutions. The Government will issue its formal response to the review in late June.

2.2.30. We also said in the White Paper that we would work with the National Association of College and University Entrepreneurs, the National Centre for Entrepreneurship in Education and the Quality Assurance Agency to encourage HEIs to support students to develop enterprise skills. In November, Mark Prisk, Minister of State for Business and Enterprise, launched the first wave of our new student enterprise societies (70 in higher education and 10 in further education). The societies are challenged with developing their activities against a maturity model which builds organisational and financial sustainability and which drives enterprise engagement across campus and with the local business community. We see this as the demand-led element of our strategy for building enterprise ambition and capability in higher and further education. Our aim is that by 2015 every student in higher or further education will have access to enterprise support through a student-led enterprise society. We have already exceeded our first year target with 75 societies in higher education and 10 in further education, working alongside the newly emerged Gazelle group of further education colleges.

2.2.31. In December 2010, Mark Prisk commissioned further work to develop institutional leadership and academic appetite and capability, building upon learning from the Enterprising Academic pilots, which operated across five universities and which reported in 2011.

2.2.32. The Graduate Talent Pool has been successful in opening up the internship market. Since its inception in July 2009, over 46,000 vacancies have appeared on the site. We agree with respondents that there is still more to achieve and that is why we are extending our support for a further three years, until September 2015, allowing many more employers and graduates to benefit from the service. All new vacancies are now subject to a quality assurance process.

2.2.33. The Government has worked with stakeholders to produce guidance to clarify when individuals performing work experience, including interns, are entitled to the National Minimum Wage. This guidance, reflecting the current legal position, has now been published and includes a worker checklist and several case studies.

2.2.34. Since the publication of the White Paper the Department for Education (DfE) has published its strategy and implementation plan 'Training our next generation of outstanding teachers - Implementation Plan' (November 2011) for reforming ITT in the schools sector. The strategy and plan affirm DfE's ambitions for ITT, as well as its commitment to recruiting the very best graduates into teaching, securing better value from public spending on ITT and reforming training so that more ITT is led by schools. It includes an enhanced bursary scheme targeted at the highest quality graduates and subject areas where it is difficult to recruit enough trainee teachers. BIS announced the future funding arrangements for FE ITT for 2012/13 on 23 February, following up with further details in a written ministerial statement published on 27 March. Funding includes bursaries for up to 11,000 trainees wishing to teach in FE.

2.2.35. Similarly, we have taken on board the views put forward by respondents on issues related to NHS education and training. NHS and social care workforce planning is an issue for DH. However, responsibility for funding healthcare students is shared between BIS and DH. The two Departments are working closely to ensure that students have clarity about the support they can expect. DH is committed to providing full NHS Bursary, including fee remission, to those students on NHS-funded courses, whilst BIS has made it clear that those students eligible to apply for an NHS Bursary will have access to a reduced level maintenance loan.

2.2.36. DH does not intend to make changes to the social work bursary for 2012/13. Eligible students entering social work courses in 2012/13 will continue to have access to the full package of fee and maintenance support via Student Finance England, in addition to the social work bursary. It is likely that DH will wish to consult their sector on the future of the social work bursary and BIS will respond again once any future plans are known.

2.2.37. Interim funding arrangements for those students entering medicine and dentistry in 2012/13 are in place. Eligible graduates entering accelerated medical and dental programmes in 2012/13 will exceptionally be able to access a reduced level tuition loan, in addition to the NHS Bursary and maintenance loan support, meaning that they will pay no more in upfront fees than they do now. However, we believe that limited financial resources should be focussed on those entering higher education for the first time. DH, BIS and HMT are in discussions regarding an affordable support package for all medical and dental students from 2013/14.

A Diverse and Responsive Sector

Introduction

2.2.38. We want a diverse, competitive higher education sector that can offer different types of higher education, giving students the ability to choose between a wide range of providers. Unless popular higher education institutions and courses can expand, and new providers, including those who offer different models of higher education, can enter the market, the concept of student choice cannot become a reality.

2.2.39.   In the White Paper we set out the case for liberalising student number controls. We also presented proposed changes to the criteria and process for the granting and renewal of degree-awarding powers and to university title.

Summary of Responses

2.2.40.   The proposal to allow unconstrained recruitment of high-achieving students met with mixed views. Some respondents expressed the view that the proposal should be taken further (allowing for unconstrained recruitment of students achieving ABB+ and beyond), whilst others did not want it to be implemented.

2.2.41.   Respondents expressed concerns about unconstrained recruitment from a widening participation and social mobility perspective, stating that AAB+ grades are most commonly gained by advantaged students at independent schools. There were fears that the role of contextual data in the admissions process would be reduced as institutions look to attract as many students as possible in an environment of unconstrained recruitment. This was seen to be inconsistent with the overall direction of travel in the White Paper and the growing importance of contextual data and commitments to encourage social mobility. Some small institutions queried how the system would work for institutions who recruit primarily on the basis of portfolio and/or audition.

2.2.42.   Many respondents expressed the view that AAB+ grades are harder to achieve in STEM subjects and warned of the potential consequences for the supply of STEM graduates. They were concerned that unconstrained recruitment would lead to students choosing to study subjects in which they are most likely to achieve AAB+ grades, and to institutions favouring those courses where they can attract large numbers of high-achieving students.

2.2.43.   Similarly, opinions on margin places were divided. Some respondents (particularly higher education in further education providers) were supportive of the margin with some calling for further incentives for those institutions offering an average fee of less than £7,500. Others were concerned that the margin offered a perverse incentive for institutions to offer cheaper, lower-quality provision which less-advantaged, more debt-averse students would feel compelled to take up. There were concerns that few of the margin places would be allocated for STEM/SIVS subjects, which are typically more expensive to deliver.

2.2.44.   Large number of respondents commented on the potential impact of the core and margin proposals on 'middle' universities – that is, those who neither traditionally attract students from the AAB+ pool, nor are able to lower their average fee level to £7,500. There were several references to a 'squeezed middle' and fears that some institutions which fall into this category would have to close courses. This was felt by some to be particularly worrying given that these are the universities which are most active in widening participation.

2.2.45.   A number of respondents from both the further and higher education sector expressed concerns about the withdrawal of franchising and validating services by universities in response to the core and margin proposals.

2.2.46. Most respondents were supportive of employer and charity sponsorship of places with many saying that such places should be exempt from student number controls. Others suggested a proportional approach whereby a student funded at 50% is counted as half a student for the purposes of student number controls. Opinion was divided as to whether fully sponsored students should continue to be entitled to maintenance loans. There was a call for increased incentives for employers to encourage them to provide such sponsorship, particularly for SMEs. A small number of respondents expressed concerns that such places would go primarily to well-connected and well-advised students, and that there would be scope for families with the necessary financial means to 'buy' a university place.

2.2.47. Many respondents supported the proposed changes to the criteria and process for the granting and renewal of degree-awarding powers, commenting that this would increase the diversity of provision. Others, however, were concerned about the opening up of access to degree awarding powers, expressing the view that this could have negative consequences for the quality and reputation of English HE.

2.2.48. There were also concerns about the perceived de-coupling of teaching and assessment through the awarding of DAPs to non-teaching bodies. Many respondents felt that this would weaken the crucial link between teaching and research, to the detriment of the student experience. However, others welcomed the proposal to award DAPs to non-teaching bodies, which they felt would increase choice for colleges requiring validation and remove a long-standing anomaly from the system.

2.2.49. Some respondents expressed concerns that the new arrangements would put further education and higher education institutions in direct competition with one another, undermining longstanding and successful partnerships.

Government Response

2.2.50. Within the overall higher education budget we have demonstrated that we remain committed to freeing up the current, restrictive approach to student number controls. We believe this is essential to introduce competition into the sector to drive quality and value for money for students. We wrote to HEFCE in April requesting that from 2013/14 the tariff policy should be further liberalised to apply to students with ABB+ grades taking one in three entrants out of number controls. We also announced that a further 5,000 places should be made available through the contestable margin.

2.2.51. We do not believe that our tariff policy will take away places from students from disadvantaged backgrounds. The vast majority of students with high A-level grades already enter HE (some 95% of AAB+ and 93% of ABB+). Therefore we do not anticipate that allowing unconstrained recruitment of these students will lead to a significant rise in the proportion that chooses to enter higher education. Instead, we believe that this approach will give these high achieving students, regardless of their background, a better chance to go to the institution of their choice.

2.2.52.   HEFCE's decision that institutions can retain a student number limit equal to at least 20% of their 2011/12 numbers also means that for the institutions that currently recruit a very high proportion of AAB+ students, there will still be a margin to make contextual data offers or other offers not covered by equivalences, and they will still be able to expand if they choose to. HEFCE will look at how best to achieve a similar outcome for 2013/14, with the introduction of ABB+.

2.2.53.   We also welcome the way in which HEFCE has implemented our core and margin policy. In particular we welcome the fact that:

- Specialist institutions mainly offering degrees in subjects such as music or drama will be given specific protection, having the option to opt out of the whole student number control process due to the fact that they recruit primarily on the basis of audition or portfolio

- Student numbers in chemistry, engineering, mathematics, physics and modern foreign languages will be excluded from the calculation to create the margin.

2.2.54.   We remain concerned by reports that some universities might be proposing to end their partnerships with colleges, which can have a destabilising effect on providers. Where universities and colleges do wish to reconsider their business models and their relationships with partner institutions, we would expect this to be handled fairly and responsibly, giving the partner adequate notice.

2.2.55.   We will continue to monitor the impact of our tariff and core and margin policies, and their effect on supply and demand and will take this into account when considering any further liberalisation of student number controls. This will include the monitoring the effect on subject choice in schools and colleges, in particular the take-up of facilitating subjects for degree-level study and STEM subjects specifically.

2.2.56.   It remains our intention to work with the sector to examine potential models that might enable employer and charity supported places outside of the controlled quota of student numbers, provided that any such places: do not create a cost liability for Government; are able to meet the key principles that we have established in relation to fair access; are genuinely additional; and that there is no reduction in entry standards in recruitment.

2.2.57.   The criteria and process for the award and renewal of taught degree awarding powers, and changes to the criteria and process for determining which organisations are allowed to call themselves a "university" are addressed in the Technical Consultation. The majority of respondents to the White Paper consultation indicated that they would be replicating, or providing separately, their comments on this chapter in their responses to the Technical Consultation. We have ensured that views expressed have been taken into account by the Technical Consultation. On that basis, the issues contained in this section are addressed in Section B of this document - A new fit for purpose regulatory framework for the higher education sector.

Part Three: Increasing Social Mobility

Introduction

2.3.1.   A high quality education provides children and young people with qualifications and experience that can shape their future and that of their families. Our schools reform programme aims to ensure young people leave school having achieved high quality qualifications which enable them to have meaningful and promising options when entering higher education and future employment.

2.3.2.   The Government has been very clear about the importance of widening participation and improving fair access in higher education. All those with the ability should have access to higher education.

2.3.3.   The White Paper said that higher education should be a powerful engine of social mobility and acknowledged that significant barriers remain in the way of bright young people from the most disadvantaged backgrounds accessing higher education, particularly the most selective institutions. It outlined our new and different approach - one that builds on existing best practice, while developing it further with increased responsibility placed on universities to widen participation and improve fair access.

2.3.4.   To further our commitment to social mobility, BIS has been instrumental in creating a Social Mobility Sector Transparency Board, which will work to link up and make better use of official data to gain a fuller picture of mobility in our society.

2.3.5.   In the response to the points made in the consultation we have also included the relevant recommendations made by Simon Hughes in his report on access to education, so that the overall response covers all points made on the same issue. We have also included a table that covers our response to the wider recommendations on HE in Simon Hughes' report.

Office for Fair Access

Summary of Responses

2.3.6.   There was broad support for a strengthened OFFA, provided that its oversight is proportionate and that institutional autonomy in relation to admission decisions remains protected. Some respondents felt that Access Agreements should be required of all institutions in receipt of public funding, not just those with an average fee level of £6,000 or above. Several respondents requested clarity on the relationship between OFFA, HEFCE and the OIA, and their respective responsibilities.

Government Response

2.3.7.   The Director of Fair Access and the Office for Fair Access (OFFA) have a crucial role in promoting and safeguarding fair access to higher education.

2.3.8.   We will ensure that the Director is equipped to both support and challenge institutions to improve progress on fair access. We have already taken action to promote access by issuing strengthened guidance to the Director in February 2011 and by making additional resources available to him as he has requested. The Government intends that OFFA will operate effectively within the overall regulatory framework for higher education. To achieve this we will work with the Director on the size and structure of OFFA to ensure he has the capacity and capability to carry out his statutory role effectively.

2.3.9.   The Government is committed to protecting the academic freedom of universities, in particular in respect of who they admit, and to preserving the independence of the Director of Fair Access. We have appointed a new Director of Fair Access, Professor Les Ebdon, to replace Sir Martin Harris whose appointment ends later this year. We will discuss with Professor Ebdon the shape, size and structure of OFFA so that it is fully equipped to deliver its responsibilities.

2.3.10. Simon Hughes' report made recommendations concerning both the operation of OFFA and the guidance it issues on access agreements. As noted, we shall be discussing with the new Director his plans for developing the size, shape and structure of OFFA so that it is fully equipped to meet its responsibilities. The Director's latest guidance to institutions, published in April 2012, picks up many of the issues raised by Simon Hughes, such as strengthening expectations on collaboration, working with schools and colleges, and the influence of student unions in drawing up access agreements.

National Scholarship Programme

Summary of Responses

2.3.11. There was support for the introduction of the National Scholarship Programme (NSP). There were a range of comments about the future operation of the scheme, and several around whether the scheme should be more or less prescriptive at a national level, or should be more focused on bursaries. Some respondents commented that the NSP would not be sufficient to replace the lost impact of Aimhigher.

Government Response

2.3.12. We have always accepted that we would need to listen to feedback and examine data that will tell us how well the NSP is performing. We are committed to reviewing its design and operation.

2.3.13. Universities and schools have learned a lot from the Aimhigher programme about "what works" in raising the aspirations of young people from disadvantaged backgrounds. Much of this knowledge is now embedded in the sector. However while there has been some progress in improving access to higher education, overall this has masked a position where institutions and courses that offer the greatest lifetime benefits to their graduates have failed to reflect the wider social mix of our country.

2.3.14. We needed a new and different approach that builds on existing best practice, while developing it further. This Government is establishing a new framework, with increased responsibility on institutions to widen participation; and greater Government investment in improving attainment and access for young people from disadvantaged backgrounds. The reforms set out in The Importance of Teaching will ensure that all young people benefit from excellent teaching, an internationally respected curriculum, and qualifications that match the best in the world, supporting them to progress to higher education. Narrowing the gap in educational attainment will support progression for those from disadvantaged backgrounds including the most able. The Pupil Premium will help schools provide targeted support to improve the life chances of the poorest children and young people. It will help children from low-income families to reach their full potential and to achieve higher grades at GCSE, enabling them to progress to further and higher education with improved employment opportunities in the future.

2.3.15. Last year OFFA announced its decisions on institutions' Access Agreements for 2012/13. The agreements contain institutions' plans for investment in activities to widen access through programmes such as summer schools, scholarships and fee waivers, estimated to reach more than £620 million annually by 2015.

2.3.16. BIS Ministers have written to HEFCE and OFFA to ask them to develop a joint strategy for promoting widening participation and fair access, and maximising the impact of the investment made by Government, the Council and institutions. In developing the strategy our expectation is that it will consider how the impact of investment might be better targeted across the whole sector and the whole range of potential activity which supports widening participation, taking into account the latest available evidence here and abroad. The recently published update on Opening Doors, Breaking Barriers: A Strategy for Social Mobility reaffirmed our commitment to review the design of the National Scholarship Programme, and other forms of student support, including a possible 'HE premium'. This review will be based on the best available evidence, including an assessment of the large number of options and models that have been proposed. As part of this review we shall take careful note of the comments received during the consultation and the recommendations from Simon Hughes on the NSP being allocated to schools, and being used only for the payment of accommodation and living costs.

2.3.17. HEFCE has appointed independent evaluators to help with this assessment and a preliminary report was published on 30 May. During the course of 2012 we will consult with the expert panel that advised us on the original design of the NSP to consider the emerging information on implementation, what changes may be desirable and feasible and over what timeframe.

2.3.18. The NSP was never intended to replace the outreach work of Aimhigher. The NSP is designed to provide financial benefit to some of the least well-off young people and adults as they enter higher education. We shall consider the future shape and design of the NSP within the wider context and framework for access, including the strengthened OFFA regime.

Post-Qualification Application

Summary of Responses

2.3.19. Views about Post-Qualification Application (PQA) were divided. A minority of respondents expressed unequivocal support; while others were opposed. Many respondents expressed support for the principle, contingent upon there being a clear need to establish a benefit for applicants and to show that there will be no negative effect on efforts to attract students from disadvantaged backgrounds. A number of respondents had concerns about the practicalities of a system of PQA, including around introducing it at the same time as the other substantial changes being made in the HE system.

Government Response

2.3.20. In the Higher Education White Paper we said that we would like to examine the case for PQA further, but would wait for the outcome of a sector-led review, being conducted by UCAS, in order to assess the case for doing so.

2.3.21. The issue of restructuring the existing school, college and university timetables so that 18-year old applicants might apply to university after they have their A-level and other level 3 exam results, is not a new one, with several reviews and various commitments given to the implementation of such a system. One of the recommendations in the Schwartz review into Fair Admissions in Higher Education, published in 2004, was that a system of PQA should be implemented as soon as possible. Extensive work was undertaken across the education sector to develop potential models for implementing PQA, but the consultation on the proposed models did not establish a consensus on how this could be achieved.

2.3.22. UCAS has undertaken a wide ranging review of their admissions processes, consulting the HE sector, schools and colleges and other stakeholders. As part of this process, UCAS consulted extensively on the barriers and benefits to the introduction of a system of PQA.

2.3.23. The UCAS review has now reported with a clear recommendation, based on responses from across the educational sector, not to move to a system of PQA. In light of this very clear response we will not be commissioning further work on the feasibility and benefits of a PQA model. Admissions are a matter for the higher education sector. This is not an issue for Government to impose on universities and schools.

2.3.24. As a result of their review of the admissions process, UCAS intends to carry out a programme of continuous improvement to enhance the application process, including changes to clearing, which can be the most fraught part of the applications cycle for applicants. Subject to the agreement of the sector UCAS wants to explore how clearing can be changed to cater for applicants who want access to the system after they have received their results. This includes those who have not been placed in the main scheme, those who are applying late for other reasons, and those whose aspirations have changed on receipt of their qualifications results. UCAS is currently developing proposals to implement the changes, involving the relevant stakeholders.

Careers Advice

Summary of responses

2.3.25. Many respondents welcomed the proposals to establish a new careers service in England, and a strong quality assurance framework for careers guidance. Several respondents emphasised that access to face-to-face advice and guidance was important both for adults and young people, while others stressed that the new careers service must provide access to good labour market information. Some respondents highlighted the important role played by careers services within HE institutions, recommending that the national service should work in partnership with these organisations.

Government response

2.3.26. We welcome respondents support for our proposals. The National Careers Service launched on 5 April 2012, providing access to independent, professional guidance on careers, skills and the labour market. The National Careers Service comprises a single web address and telephone helpline number which will provide access to online resources and professional guidance for young people and adults. It also comprises a network of public, private and voluntary sector organisations funded by BIS to provide face-to-face careers guidance to adults, working in the community, and able to provide services on the open market.

2.3.27. Through the online channel of the Service, everyone will have access to information about HE courses and labour market trends, and advice on the new HE student finance arrangements. Service providers already work closely with HE institutions locally, but we want to encourage even closer working especially where individuals require specialist advice about specific occupations and subjects.

2.3.28. The matrix Standard will provide the quality standard for the National Careers Service. It will quality assure the face to face service, telephone helpline and the website. All organisations who deliver the National Careers Service will be expected to be accredited to the revised matrix Standard by April 2013.

2.3.29. There will be a strong careers guidance offer available for people of all ages. The Education Act places a new duty on schools to secure access to independent, impartial careers advice for their pupils. DfE issued statutory guidance in March 2012 which sets out the key responsibilities of schools in meeting the new duty.

2.3.30. We note respondents' comments on the importance of good labour market information. The National Careers Service website uses the latest available labour market intelligence sourced through the UKCES and Sector Skills Councils. We are also working with a range of industry bodies to enhance the LMI and occupational information and ensure it reflects employer and industry needs. This information is presented more clearly and in ways that allow it to be used in a more personalised way. Information about the job market will be brought together from a range of expert sources, including Sector Skills Councils, employers, Local Employer Partnerships, the Labour Force Survey, employer associations and chartered institutes.

Recommendations for Higher Education in Simon Hughes Report on Access to Education

2.3.31.   Simon Hughes MP was appointed the Government Advocate for Access to Education by the Prime Minister and Deputy Prime Minister in December 2010. His remit was to explore how best the Government could reach out to young people, in particular those in secondary education, to encourage them to take part in post-16 and higher education, with a particular emphasis on how to best reach children and young people from the most disadvantaged backgrounds. His report was published on 21 July 2011.

2.3.32.   BIS has welcomed the publication of Simon Hughes' report. It will help us meet our goal of improving access to higher education by providing insight into young people's reactions to the higher education reforms, based on consultation with young people and their families.

2.3.33.   In the table below we have looked specifically at the recommendations directed towards promoting access to higher education and how these are being taken forward. Many of the recommendations are directed not at Government but at autonomous institutions or other bodies such as OFFA.

Areas covered by the recommendations	Response
Communications and marketing This included the establishment of an Independent Taskforce on Student Finance, and recommendations covering how the taskforce should operate and reach its audiences.	This taskforce has been established with support from BIS. It operates independently with support from the sector. BIS and SLC provide it with factual advice on request.

In addition, to help prospective students, BIS ran an England wide Student Finance Tour which visited 2153 schools and colleges, reaching over 150,000 students and 8400 parents. Recent graduates explained the range of grants and loans which are available to prospective students, to help them make informed decisions about their future Higher Education choices. |
| **OFFA** Recommendations concerned the operation of OFFA and the guidance it issues on access agreements. These were directed at OFFA, BIS and universities. Including:

- regional collaboration on access initiatives including work with schools and colleges

- OFFA promoting a voice for the student bodies in access agreements

- changing the law to strengthen the powers of OFFA, increasing sanctions | We have appointed a new Director of Fair Access - Professor Les Ebdon - to succeed Sir Martin Harris whose term of office ends later this year. We will discuss with Professor Ebdon the shape, size and structure of OFFA so that it is fully equipped to deliver its responsibilities.

In his latest guidance to institutions on producing Access Agreements (April 2012), the Director of Fair Access has placed a renewed focus on collaborative outreach and other access initiatives within Access Agreements. He expects institutions to provide greater detail than they have previously on these aspects of their access activities and to consider how collaborative work can be strengthened further. A survey undertaken by UUK in 2007 showed that universities had well established links with schools and colleges, often many hundreds of such links. Each Headteacher or college Principal decides on the level of engagement with the HE sector that is appropriate for the school or college.

OFFA expects each HEI to work with its own student body in developing their access agreements. The Director of Fair Access has reinforced his latest guidance to institutions (April 2012) requiring them to include a statement on the extent to which they have consulted their students and encouraging student unions to engage fully and to provide feedback on their experiences.

The Government is proceeding with its plans for a strengthened OFFA and we are pleased to note that respondents to our proposals in the White Paper generally endorse the proposition. We have already begun to strengthen the OFFA regime through the guidance issued to the Director in February 2011 and by making additional resources available to him as he has |

Areas covered by the recommendations	Response
	requested. Our aim is to ensure that the Director is equipped to ensure that institutions make progress on fair access whilst meeting our commitments to protect academic freedom, especially concerning admissions and the independence of the Director.
- OFFA with SPA to promote professionalism in admissions	Since its creation in 2006, SPA (Supporting Professionalism in Admissions) has provided advice to admissions decision makers and other stakeholders; produced good practice statements, briefings and guidance documents; and produced information on Admissions policies, Admissions tests, criminal convictions, interviews, feedback to applicants, entry profiles and part-time admissions, and on contextual data. The work of SPA has changed for the better the way in which institutions approach and operate their admissions but we want to build on that progress. To that end we will continue to encourage OFFA and SPA to work together, share information and promote best practice.
The National Scholarship Programme (NSP Recommendations were directed at BIS concerning the current and future operation of the NSP; - NSP awards to be distributed by schools and colleges - scholarship design to reflect a presumption of a bursary model over a waiver model - scholarships explicitly linked to a regional offer of employment	We have always accepted that we would need to listen to feedback and examine data that will tell us how well the new National Scholarship Programme is performing. We are committed to reviewing its operation in the light of the first year's experience with the aim of establishing a full Programme in the future. The initial Programme design was developed with support from an expert external panel and sought to take account of a wide range of views. As part of the review we shall take careful note of the recommendations from the Advocate for Access to Education, who also took part in some discussions with the expert panel. A meeting of the panel has been arranged for June 2012 to carry this review forward. The expert panel at the outset considered options that operated via schools and colleges and contained a stronger presumption around bursaries than the current NSP model where a bursary is one of a number of menu options. There were a number of practical concerns about the engagement and accountability of autonomous schools and colleges and around ensuring access for older/part-time students. In respect of bursaries, while an important part of the current NSP design, there was reluctance to go further due to doubts raised by earlier evaluation on the effectiveness of bursaries on effecting student's decisions. We will look

Areas covered by the recommendations	Response
	again at these issues in light of the NSP evaluation. We see practical difficulties in linking the NSP to a regional offer of employment but will seek the views of the expert group as part of the review.
Recommendations on Access to HE courses and the professions Recommendations covered: - the development of a national programme of access courses, to promote progression to the professions - a reclassification of access courses so that they would be eligible for funding for those over 24. - OFFA support and promotion of courses leading to professional careers, including through access courses	This Government is committed to promoting access to higher education for all those with the potential to benefit, including by ensuring there are a range of routes into HE and a flexible choice of modes of study in HE. Access to HE courses are eligible for public funding. For those under the age of 24 this means grant funding subsidy, and for those aged 24 and over from 2013/14 this means access to support to meet the upfront learner contribution towards the cost of the course through a further education loan. Like HE loans, 24+ Advanced Learning Loans will not be repaid until the individual is earning £21,000; and any outstanding loan amounts will be written off after 30 years. To inform the implementation of 24+ Advanced Learning Loans, we have carried out research on the attitudes of learners toward loans. While HE progression was not looked at specifically, it suggests that 24+ Advanced Learning Loans are not a strong deterrent to learning. Around three-quarters of potential learners involved in the research said they would still do their intended course, and only 3% said they definitely would not. There is little evidence of disproportionate impact on those seeking to do further learning - those who said they definitely would do learning in the next two to three years were more likely to say they would still study than average. We will monitor and evaluate the introduction of 24+ Advanced Learning Loans from 2013/14 for courses at Level 3 and above to ensure learners continue to have the means to progress into HE. The new 24+ Advanced Learning Loans will allow progression through different levels and sizes of qualifications.

Areas covered by the recommendations	Response
	The Professions Collaborative Forum has been examining issues around access to HE courses, including aptitude testing, and looking at course length to professional status. These remain issues of consideration as the Forum seeks to facilitate social mobility through access to the professions. OFFA has recognised, in its latest guidance to institutions (April 2012), that applicants and entrants to courses leading to professional careers are often less representative than other courses. It also recognised that such courses can offer the greatest financial benefits to students and are an important aspect of promoting greater social mobility. The guidance prompts institutions to target some outreach activities specifically at improving access to courses that lead to professional careers, as part of their Access Agreement.
Availability of courses on a part-time basis A recommendation to HEIs that all access and foundation courses are available on a part-time basis, to help support disabled students who wish to study less than 21 hours a week.	It is for individual HEIs, as autonomous bodies, to determine the mix of courses and modes of study they will offer based on their own context, circumstances and individual missions. However, many courses are now provided on a part-time basis and provision is increasingly being made available in flexible and innovative ways. Data shows that three quarters of those studying undergraduate courses below degree level in 2009/10 were doing so on a part-time basis. For the first time, from 2012 those studying part-time will be able to access tuition loans so they will not have to pay course fees up front.
Credit Transfer A recommendation was also made to BIS on credit transfer between HEIs to help students moving between HEIS.	In August 2008 UUK, GuildHE and QAA jointly published a *Higher education credit framework for England*, building on long-standing practice across UK HE and following from the Burgess Group recommendations that a national framework for credit should be broad, overarching and advisory, allowing HEIs to adopt and adapt elements as appropriate to their circumstances. A survey of the take up and use of the credit framework was undertaken in 2009 and has shown that the majority of institutions now credit rate their provision. QAA have produced a helpful guide for students "Academic credit in higher education in England – an introduction".

Areas covered by the recommendations	Response
AAB and contextual data Government should monitor closely the implementation of the proposal to allow universities to discount students who achieve AAB at A-Level from their quota of places to ensure that it does not conflict with actions and policies to facilitate contextual admissions.	The Government has committed to keeping the introduction of these changes under review. However we are clear that our tariff policy (allowing unconstrained recruitment of students with AAB+ and equivalent grades for 2012/13 and ABB+ from 2013/14) should not impact negatively on fair access to higher education by taking away places from people from disadvantaged backgrounds. The vast majority (some 95% of AAB+ and 93% of ABB+) of students already go to university so we do not anticipate that allowing unconstrained recruitment of these students will lead to a significant rise in the proportion that choose to enter higher education. Nor is AAB+ the sole province of the private sector, so the consequences for the number of students coming from state or private school should be neutral. What it does mean is that those attaining AAB+ have a better chance of going to the university of their choice, regardless of their background. Places will still be available for those with lower grades, as AAB+ accounts for only 28% of applicants. We believe that this approach will give all high-achieving students, from all backgrounds, a better chance to go to the university of their choice. HEFCE's decision that institutions will retain a student number limit equal to at least 20% of their 2011-12 numbers also means that for the institutions that currently recruit a very high proportion of AAB+ students, there will still be a core to make contextual data offers, and they will still be able to expand if they choose to. HEFCE will look at how best to achieve a similar outcome for 13/14, with the introduction of ABB+.

Part Four: Better regulation

2.4.1.   The majority of proposals in Chapter 6 of the White Paper were set out in greater detail in the subsequent Technical Consultation. Respondents to the White Paper consultation indicated that they would be replicating, or providing separately, their comments on this chapter in their responses to the Technical Consultation. We have ensured that all other views expressed in response to the White Paper have indeed been taken into account by the Technical Consultation.

2.4.2.   On that basis the majority of the proposals contained in Chapter 6 of the White Paper will be addressed in Section B of this document - A new fit for purpose regulatory framework for the higher education sector (see over).

2.4.3.   The White Paper did, however, set out some deregulatory proposals which were not covered in the Technical Consultation. These are considered below.

Summary of Responses

2.4.4.   There was broad support for the deregulatory policies put forward in the White Paper. Many respondents welcomed proposals to exempt higher education institutions from the 'accommodation offset' provisions in the National Minimum Wage rules for full-time students. Respondents also welcomed the proposal to remove the VAT barriers deterring institutions from sharing costs, and the proposal to redesign the information landscape for higher education in order to arrive at a new system that meets the needs of a wider group of users; reduces the duplication that currently exists, and results in timelier and more relevant data.

2.4.5.   Most respondents who commented on the proposal to streamline the reporting requirements of TRAC (Transparent Approach to Costing) supported it, although many emphasised that TRAC was a useful process and should not be substantially rolled back.

Government Response

2.4.6.   We have taken action to exempt higher education institutions from the 'accommodation offset' provisions in the National Minimum Wage rules for full-time students. This achieves the aim of deregulation whilst still treating students fairly.

2.4.7.   A HMRC consultation on the VAT cost sharing exemption ran from 28 June 2011 to 30 September 2011. The exemption will be introduced formally by Royal Assent in this year's Finance Bill. However, because it is a mandatory provision of European legislation, institutions can already use the VAT cost sharing exemption. The Government will also review the VAT exemption for providers of education, in particular at university degree level, to ensure that commercial HE providers are treated fairly.

2.4.8.   The HE Information Landscape Project has consulted with stakeholders across the sector in order to produce a feasibility study on proposed changes to the landscape. The project is being led by the Interim Regulatory Partnership Group (IRPG) and will deliver its report in June 2012. The report will put forward a strategy for the reform of the data and information landscape in the HE sector to be taken forward by the Chief Executives of the agencies involved.

2.4.9.   HEFCE's review of TRAC is underway. It will consider the extent to which data collection can be reduced and simplified without undermining accountability for funding and regulation, and will also look at how TRAC could be developed to provide more transparent cost information for students. The review should conclude in summer 2012 and HEFCE expect to consult on its conclusions in September.

2.4.10.   We asked the Higher Education Better Regulation Group to look across the complex legislative landscape to identify areas for deregulation whilst safeguarding students and the taxpayer. The HEBRG promotes proportionate and risk-based regulation and supports the HE sector, its agencies and Government in achieving better regulation for higher education. Its report was published in November. This noted that different types of provider face different regulatory conditions in areas like Freedom of Information (FOI) and equalities legislation. We intend to retain the status quo on the public sector equality duty and the specific duties and also on FOI. Whatever their status, institutions in receipt of HEFCE grant funding will be subject to the Freedom of Information Act 2000.

2.4.11.   The report also considered the regulatory impact of EU procurement rules on HEIs that are wholly or mainly publicly funded. It asked BIS to clarify what proportion of graduate contributions will be considered public funding. Ultimately, it is for institutions to take their own legal advice on whether or not they are contracting authorities for the purpose of these regulations. But BIS's view is that a student loan is a contractual agreement between the student and the Government, with any public subsidy benefiting the student not the institution. The agreement between the student and the institution to pay a fee in return for teaching is not public financing. On that basis, we think the shift in funding from grant to loans may mean that more HEIs will fall below the 50% threshold for public funding in future and so be exempt from these regulations.

3. Section B - A new fit for purpose regulatory framework for the higher education sector

Government response to the Technical Consultation

3.1. The Technical Consultation followed the White Paper and set out proposals to establish the Higher Education Funding Council for England as lead regulator for higher education in England. The document consulted on what changes in procedures, powers and duties would need to be considered, particularly in primary legislation. 158 responses were submitted and a complete listing of respondents is contained in Annex B.

3.2. The Introduction stated that we do not intend to introduce changes to primary legislation at this stage but will instead move our reform agenda forward primarily through non-legislative means. HEFCE's vital role in providing the principal oversight and funding of the English higher education system will continue and we will move towards a more level playing field for all higher education providers whose students access Government-backed tuition fee loans and maintenance support by:

- Reviewing the existing student support course designation system for alternative providers to include student number controls and more robust and transparent requirements on quality assurance, financial sustainability and management and governance;

- Consulting later this year on the process of applying student number controls to alternative providers who have courses designated for student support purposes and to further education colleges who do not have a direct grant funding relationship with HEFCE

Enabling greater diversity and competition in higher education: University Title and Degree Awarding Powers

3.3. We will further enable greater diversity and competition in the sector by widening access to University Title for smaller, high quality providers. Having considered the responses, the Government believes that there is insufficient justification to retain the current numbers criterion for University Title. Therefore, we will reduce the numbers criterion for University Title to 1,000 full-time equivalent higher education students, of which at least 750 are studying for a degree. We believe that the reduction of the numbers criterion can widen access to University Title for smaller, high quality providers. We have also considered carefully comments from respondents concerning our additional proposed requirement for University Title that more than 50% full-time equivalent of an organisation's overall student body should be enrolled on higher education courses. We have concluded that this requirement should be higher than 50% and intend for it to be aligned with the existing requirement for institutions transferring into the higher education sector, which is that more than 55% full-time equivalent of an organisation's overall student body should be studying higher education courses. These changes will come into force with immediate effect.

3.4.   A separate issue raised during the consultation is a perceived anomaly whereby all providers applying for University Title have to meet a criterion requiring them to demonstrate regard to the principles of good governance in the sector, whereas there is no such criterion for applicants for University College Title. The Government believes that the same good governance criterion should apply to both University Title and University College Title and we will amend in due course the University College Title criteria for new applicants accordingly, allowing for potential applicants' need to make the necessary preparations for the change.

3.5.   More widely, we will review, update and improve the full suite of applicant guidance for degree awarding powers and university title.

3.6.   The consultations referred to the review of Foundation Degree Awarding Powers (FDAPs), due in 2012, four years after their coming into effect. That date now having been reached, a report has been made to the Chair of the House of Commons BIS Select Committee setting out progress on FDAPs to date and explaining that in view of the limited uptake so far and consequent lack of evidence available we do not intend to undertake a full review at this time.

Improving higher education regulation

3.7.   The consultation has reinforced our view that a risk-based approach is the most desirable means of regulating higher education in England.

3.8.   On 8 May HEFCE published a consultation on the development of a risk-based approach to quality assurance, which will apply greater scrutiny where it is most required. HEFCE's approach proposes a system which continues to promote enhancement, which remains robust and rigorous, and in which students will continue to play a prominent role. We believe this more targeted, responsive model, including triggers that could indicate possible issues for investigation, will provide improved assurance for students and others.

3.9.   Additionally, we think there are some things we can do to clarify and simplify the regulation of existing higher education institutions' governing structures and we will work with the sector to take these forward. We will also look at options for giving HEFCE greater responsibility in some regulatory processes, clarifying and streamlining where possible.

Summary of responses to the Technical Consultation

Chapter 1: The introduction of an independent lead regulator

Question 1: Respondent details: Name: Are you responding on behalf of an organisation? If so, which one? What type of organisation is it? (e.g. HEI, FEC, Regulatory Body etc.)

158 responses were submitted and a list of respondents is contained in Annex B.

Question 2: We have set out our proposals on what responsibilities HEFCE should have in its role as the lead regulator. In implementing these functions, are there any processes that could be improved, reduced or removed while still protecting the student interest and public funds?

Many respondents welcomed HEFCE's proposed role as lead regulator and positive comments were made about HEFCE's efforts in working closely and considerately with the higher education sector. However, many respondents were concerned that HEFCE will need to be sufficiently resourced in future and that a dual role for HEFCE as both a funder and a regulator of English higher education could lead to conflicts of interest unless handled carefully, with some stating that this dual role is inherently conflicted.

Concerns over the lead regulator role were raised in relation to partner organisations, particularly that HEFCE should not have overlapping responsibilities with the Office of the Independent Adjudicator and that duplication should be avoided more generally. There were also concerns that the level of regulation may increase, with some suggesting that this could be avoided with streamlined and better coordinated data requests and a reduction in non-higher education specific regulation, such as the application of the Freedom of Information Act.

Question 3: Do we need to consider anything additional to the proposals set out to enable HEFCE's role as a student champion in terms of protecting the collective student interest?

There was a balance in the responses to this question between those who were in favour and those opposed to the policy of HEFCE as student champion. Respondents felt that there needed to be greater clarity in the proposed role, its parameters and the policy objectives the Government is seeking to achieve, along with clear examples of how the policy would work in practice. Many also highlighted the need for Government to ensure that there is no overlap between the revised functions of HEFCE and other bodies, such as OIA, QAA and OFFA, as well as industry specific bodies such as the British Medical Association and for the relationship between HEFCE's role as student champion and the NUS to be articulated.

Some responses sought an undertaking of guarantees to students in the event of institutional failure. Others added that HEFCE should consider the geographical locality of provision, include ensuring potential or 'would be' students have access to higher education delivered within a reasonable travelling distance.

Concerns were raised as to whether HEFCE is properly resourced and has the right governance structures to take on new responsibilities. A small number of respondents suggested that greater student participation on the HEFCE Board would strengthen HEFCE as a champion of the student interest. Concerns were raised over potential

conflict of interests HEFCE could face, including promoting subjects of strategic importance while trying to increase competition across the higher education sector.

Respondents were concerned that the student champion proposals do not create an additional administrative burden, particularly from student complainants who could have been dealt with internally, and some called for the avoidance of 'double jeopardy', i.e. an investigation of an issue prompted by HEFCE leading to rejection of the issue, followed by a complaint to the OIA on the same issue (or vice versa).

Question 4: With regard to HEFCE's role as a student champion, which of the two options is preferred around awarding compensation for collective interest cases – Option 1 where HEFCE would have this ability, or Option 2 where HEFCE would have to refer such cases to the OIA for its decision?

More than one third of respondents chose not to answer this question. Amongst those who did respond there was strong support in favour of HEFCE referring cases to the OIA, with only a small number suggesting that HEFCE should take responsibility for awarding compensation in collective cases.

There was praise for the OIA and its endeavours, experience and expertise, underpinning a clear consensus that keeping the OIA as the sole adjudicator would help to ensure independence and objectivity in adjudications, consistency in awards and enable the OIA to identify any trends that could indicate systemic issues. Conversely, the argument set out in opposition to HEFCE adjudicating independently included the risk of confusion for students and institutions; the risk of bias when adjudicating on matters that HEFCE have identified themselves as potential issues; and the risk of a conflict of interests in HEFCE playing both judge and jury in its capacity as funding council, regulator and adjudicator for the collective interest.

Challenges were made as to what 'collective interest' cases would entail, where the line would be drawn between HEFCE and OIA and the difference that would be made compared to the status quo, given that the OIA can adjudicate on cases brought by a group of individual students and recommend redress for all students affected by the issue raised.

Respondents were keen to ensure that there were no further regulatory burdens on institutions as the result of any changes, and the additional responsibilities already placed upon HEFCE in the White Paper were acknowledged, whilst proposing that the burden of responsibility should not be increased further.

One proposed alternative was that if, as a consequence of investigation by OIA or QAA, there appears to have been a serious regulatory breach which is drawn to HEFCE's attention, HEFCE could invoke the sanctions that are already envisaged to enable it to fulfil its function as lead regulator.

Question 5: Should this remain as an ability to recommend compensation awards, as now with OIA (Option 1) or should we introduce new provisions which will require the governing body to pay compensation (Option 2)?

Although more than a third of respondents declined to answer this question, those who responded were strongly in favour of retaining the power as a recommendation rather than a requirement. A smaller group of responses stressed that this power should remain with OIA rather than with HEFCE. Two responses were received suggesting that the OIA's powers should be increased to make their recommendations a requirement.

The OIA's response stated that it is content that it has sufficient authority to ensure that institutions comply with Formal Decisions and Recommendations but if the addition of new providers gives rise to unforeseen issues, the OIA would wish to return to this issue.

The responses in favour of retaining the current power as a recommendation acknowledged the good work that was carried out by the OIA and the high levels of compliance with recommendations, citing that the risk of reputational damage was sufficient to ensure continued high levels of compliance in the future in a more competitive higher education sector.

One clear concern was that a requirement to pay compensation could breach institutional autonomy. Some requested more clarity in the proposal; particularly in terms of types of cases that would fall within the scope of HEFCE and how Government would ensure that there was no overlap between HEFCE's functions and those of existing regulatory bodies such as the OIA.

Chapter 2: A single regulatory framework for provider designation for student support and HEFCE teaching grant

Question 6: This document sets out the regulatory framework for designation for student support and HEFCE teaching grant – are there any processes within this framework that could be improved or reduced to make it more risk-based and ensure proportionate requirements and a level playing field while still protecting the student interest and public funds?

The majority of respondents supported the proposed single regulatory framework and welcomed the intention to adopt a risk-based approach. Several respondents emphasised that a risk-based approach should be taken by all regulators in the HE landscape and not only by HEFCE.

A minority of respondents warned against a shift to a risk-based approach, with some expressing concerns that minimal regulatory intervention could weaken the incentive for institutions to improve their performance. Other respondents expressed the view that it was important to think carefully about what constituted risk, in order to ensure that all types of providers were treated fairly.

Many existing publicly-funded institutions argued that public sector duties, most notably concerning Freedom of Information, equality and procurement, should cease to apply to under the new regime, given the shifts in funding. However, if these duties were to be continued in higher education, they should be extended to cover alternative providers, in order to ensure a level playing field.

Many alternative providers welcomed the proposed single framework, but two emphasised the flexibilities of the existing system of specific course designation, in contrast to the proposed system of institutional designation. A number of smaller alternative providers

(primarily theological colleges) argued that the proposed changes would place disproportionate requirements on small institutions, and that these institutions should not be subject to the full regulatory framework as they did not present a high risk. By contrast, some publicly-funded institutions expressed the view that alternative providers constituted a higher risk than publicly-funded institutions.

Almost all respondents welcomed requiring designated providers to take part in quality assurances processes and to subscribe to the QAA. The majority welcomed a risk-based approach to quality assurance and encouraged a stronger focus on smaller or inexperienced providers. Many were concerned that the quality enhancement element of Institutional Review must not be lost and therefore wanted to maintain Institutional Review for all providers. Many respondents were concerned that a move to a risk-based approach must not damage the reputation for quality of UK higher education. A small number were concerned about the cost of subscribing to QAA for small providers and a potential duplication of cost and regulation where validating institutions were already subscribing. A number of theological colleges were concerned about potential duplication of cost and regulation for those who had applied to QAA for Educational Oversight, as required by UKBA. HEFCE's response noted that it will engage with UKBA and QAA to ensure those regulatory responsibilities complement each other.

Many respondents welcomed the consultation on proportionate pricing on the OIA. Two respondents suggested that reduced rates could be levied for organisations which do not attract upheld OIA claims.

Some respondents expressed concerns that the Key Information Set requirements would be overly burdensome on institutions. A number felt that the market would incentivise provision of information, and that this should not be a condition of designation.

Several respondents suggested that the Government should consider whether further education colleges already satisfy some of the conditions of designation through compliance with Skills Funding Agency requirements.

Question 7: While it is not Government's role to underwrite independent providers that have become unviable, how can we best protect the interests of students in the event a provider fails in some way or becomes insolvent?

The great majority of respondents agreed that Government does have a role in protecting students at unviable institutions and suggested a range of methods which could be used.

Generally, existing publicly-funded institutions argued that new providers seeking to be designated must meet robust entry criteria to reduce the chance of a provider likely to encounter a form of academic or financial failure entering the Government-funded student support system. HEFCE's existing monitoring of financial sustainability and support for those who may be at risk was well-regarded and many argued that this should be strengthened and applied in a risk-based manner in the new regulatory framework. HEFCE requires sufficient resources and expertise to perform this function in the new framework and there were a number of mentions of the Browne Review's proposed £100 million 'Market Transition Fund' to assist HEFCE in transferring students and associated funding to a willing provider. Many higher education institutions also called for alternative

providers to produce contingency plans, including for 'teaching out' of existing students, to be approved by HEFCE as part of the designation process.

Another popular option was for alternative providers to subscribe to a travel industry-style bond scheme or another form of insurance to protect students. Some were content for a bond or insurance scheme to be sector-wide, many others wished for it to be applied only to designated alternative providers or only to for-profit providers or to those classed as high-risk providers – otherwise those providers who are well-managed would be unfairly underwriting the less well-managed.

Concerns were raised that for-profit providers should not benefit from public funding support if they enter financial difficulties and that there is a particular risk of for-profit providers deciding to leave the English higher education system for commercial reasons, which Government should address to protect students and graduates (i.e. 'barriers to exit' should be high).

A number of publicly-funded institutions, as well as alternative providers, raised the point that QAA's existing collaborative provision guidance states that responsibility remains with the degree awarding body for ensuring that students at partner providers have the opportunity to complete their studies. Some suggested that this guidance could be further strengthened and perhaps made legally enforceable.

There were a wide range of views expressed by alternative providers but a general concern that if the new framework had higher compliance costs for alternative providers, then this in itself would increase the risk of insolvency and therefore put students at greater risk. Two respondents suggested a scheme where every designated provider has another provider specified as a 'back-up' for each course it offers, should the designated provider fail.

Question 8: We welcome views on how flexible provision such as two year courses could be encouraged.

Only a small number of respondents answered this question. Some, mainly alternative providers, argued that accelerated two year bachelors degrees could not be delivered under the current tuition fee cap and argued that there are additional costs associated with intensive provision.

Of those who did respond on this question there was general support for accelerated degrees as a flexible alternative to the traditional model. Some suggested that there should be less rigidity in course start and finish points.

Chapter 3: The adoption of a single gateway for entry to the higher education sector

Question 9: Do you agree that it is important to retain the Privy Council as an independent element in the process for awarding, renewing and removing degree awarding powers and university title?

The great majority of those who responded to this question were in favour of retaining the Privy Council in the process for awarding, renewing and removing degree awarding powers and university title.

The majority of respondents who responded positively said that the role of the Privy Council gave weight and respectability to the processes for granting degree awarding powers and university title and, in so doing, the Privy Council role helped to protect and uphold the reputation of UK higher education, especially overseas. Furthermore, many respondents saw the role of the Privy Council as independent from Government and providing a level of objectivity in the decision-making processes for degree awarding powers and university title.

Comments from those who disagreed with this statement included that: independence in the process through elected representatives was more appropriate; the Privy Council process was bureaucratic and added layers of complexity and time to the process; and a number commented that HEFCE, QAA and BIS were better placed to make decisions on degree awarding powers and university title.

Question 10: We have set out the action that we are going to take to establish HEFCE as the single gateway for entry to the HE sector and to clarify and streamline processes for designating HE providers for student support purposes and for HEFCE funding, for administering the application processes for both degree awarding powers and university title and for compiling, maintaining and publishing the Recognised and Listed Bodies and Recognised Awards Lists. Are there any other processes we should consider in this context?

The main processes cited by respondents were as follows:

UKBA Educational Oversight: A number of theological colleges responded to this question and were particularly concerned that education providers should not have to pay the QAA twice for educational oversight and regimes introduced by HEFCE arguing that it demonstrated a lack of joined-up thinking and would be a bureaucratic burden to education providers. A small number of other respondents suggested that the requirements for Educational Oversight to register as a sponsor under Tier 4 of the UK Border Agency's Points-Based System should be considered in this context and that HEFCE should play a role in the regulation of student visas.

Replacement for Financial Memorandum: Respondents to this question wished to ensure that HEFCE consults carefully with the sector about the nature of the legally binding document proposed to replace the current Financial Memorandum HEFCE has with publicly-funded higher education institutions. The current arrangements were in general felt to work well and respondents sought assurance that a new legally binding document would retain the wide range of processes already covered. For example, provisions on institutional autonomy and governance.

Student Support Access Regime: A number of respondents were of the view that providers seeking access to student support funding should only have to subscribe to QAA and not also have binding agreements in place with HEFCE and OFFA, as this is seen as a bureaucratic burden and/or too regulatory.

Chapter 4: Reforms to Degree Awarding Powers (DAPs) and University Title (UT) criteria

Question 11: Are there any requirements as set out within the TDAPs current criteria (see Annex), including evidence requirements, which would preclude non-teaching bodies from being eligible to apply for taught degree awarding powers?

Many of the responses did not answer the question directly but instead expressed opinion on the policy proposal to make non-teaching bodies eligible to apply for degree awarding powers. For example, some acknowledged the benefits to competition, particularly in opening up alternative validation mechanisms and the success of the Council for National Academic Awards. Others who were resolutely opposed to the proposal believed it would cause confusion and blur lines of responsibility.

Of those who did answer the question directly, around one-third did not believe that there were any obstacles to non-teaching bodies being eligible to apply for DAPs whilst two-thirds believed that there were obstacles.

There was a commonly expressed view that the criteria for DAPs presupposed a track record of delivering HE programmes and had been developed on that basis.

A number of respondents pointed to the 'General Principles' section in the current criteria and questioned how a non-teaching body could demonstrate 'a well-founded, cohesive and self-critical academic community that can demonstrate firm guardianship of its standards.'

There was also concern around specific criteria, notably:

- A1 - that the institution's principal activities are compatible with the provision of higher education programmes;

- B1 - relating to student admissions;

- B3 – that the organisation 'meets its stated learning objectives';

- C1 - that staff 'will be competent to teach, facilitate learning and undertake assessment to the level of the qualifications being awarded'; and,

- D1 – 'Organisations that award their own degrees are expected to have in place mechanisms for monitoring whether their teaching and learning infrastructure is meeting stated objectives'.

Question 12: Would it be helpful to specify in the criteria that non-teaching bodies must demonstrate that their delivery partners were competent in the required areas?

A clear majority of responses were in favour of the proposal to require non-teaching bodies to demonstrate partner competence, and to specify the criteria for doing so, otherwise the process would lack credibility and would create a system of double standards, exposing students to unnecessary risk. It was further proposed by some that there is a precedent in the current validation model, which could serve as a basis for a model to suit this scenario.

Those respondents opposed to the proposal were concerned that the onus for meeting requirements would in practice be shifted onto the delivery partner, creating a further level of inspection for an industry that already has a rigorous quality assurance system. There was also a concern that this proposal would confuse the role of the non-teaching body in relation to the delivery partner, with the proposal that quality audits should remain within the remit of the QAA, and the non-teaching body subject to inspection of a different nature appropriate to its functions.

Question 13: What evidence requirements should the non-teaching bodies themselves be expected to meet over and above what their delivery partners are able to demonstrate?

This open question generated a wide array of responses, many of which were unique and reflected the specific perspective of the respondent. From an academic perspective, it was suggested that:

- Non–teaching bodies should demonstrate processes for quality assurance of their partner's delivery and competence to judge quality of delivery, including effective use of peer review mechanisms;

- They should commit to greater level of interaction and collaboration between the awarding body and delivery partners;

- Provision of HE should be amongst their primary activities, with clearly defined academic integrity and accountability, demonstrating appropriate measures in place to protect academic decision makers from shareholders; and

- Evidence of external validation of quality, such as a credit rating from the Open University, could also be taken in to consideration.

From a corporate governance perspective, key themes were around institutional and partnership stability, as well as propriety. Non-teaching bodies should:

- Comply with existing governance and appointment regulations of fit and proper persons, declaration of interests and independence;

- Demonstrate commitment to standards, rigour, financial stability and clear HE mission, with coherence of the link between educational mission of the delivery partner and non-teaching body.

Some respondents were keen to see a long-term commitment to the sector and to partnerships, fearing that constant fluctuations would undermine perceptions, and proposed a requirement for a track record of financial stability, an ability to meet investment requirements and capability for continuity over a period of years, taking in full risk assessment and contingency plans against failure.

Question 14: We would welcome your views on our proposal to link track record to the length of the degree programmes on offer and whether you see any risks with this approach.

Respondents were agreed on the importance of track record in demonstrating providers' capability to deliver a high quality student experience as well as provide evidence of consistent quality assurance. Only a minority of respondents were supportive of the proposal to link track record to the length of degree programmes on offer, and half of those who did so qualified their responses with their interpretation of track length, which included one year after graduation to evaluate outcomes, and a call for a minimum of two graduating cohorts to be evaluated. Around one-third of respondents did not commit either way, although a significant number of their comments were in line with those who agreed with the proposal.

Just under half of respondents opposed the proposal. The most common response was that the track record should be taken as 'course length plus one year' for evaluation of outcomes followed closely by at least 'two graduating cohorts'. A smaller group of respondents said that either four years (as now) or 'at least 4 years' were needed for a track record.

The importance of institutions demonstrating not just that they can deliver a high quality service but that they can adapt and improve that service in response to feedback received was particularly stressed. Linking track record to the length of degree programmes on offer could lead to degree awarding powers being granted before problems such as poor results or high drop out rates materialise. Whilst it was suggested that this proposal could help to incentivise two-year courses, three times as many responses stated that this would be a bad thing, suggesting that there is no justification for awarding taught degree awarding powers to providers with a shorter track record than others providing three or four year courses. There was also concern that a reduced track record requirement would not allow for considered judgement of an organisation's long term viability. This was particularly true of flexible provision as such cohorts take significantly longer than the standard programme length to complete. For example, a part-time undergraduate degree course could take seven years.

Question 15: We would welcome views on how else the track record criterion might be applied more flexibly. For example are there different types of track record or experience you think could be taken into consideration?

Respondents suggested a range of evidence that could be drawn on in applying a more flexible approach to the consideration of the track record criterion. This included experience of delivering:

- HE under validation arrangements.

- Professional qualifications

- Overseas track record

- Vocational qualifications.

- Distance learning and/or flexible courses

- Further Education.

- Research / Enterprise activity

- Length of accreditation by Ofqual or other body, make up of student body, financial situation and governance.

Just over half of respondents also stressed that they would not welcome more flexible application of the track record criterion, arguing that this would not be in the interests of students or in the wider public interest.

Question 16: Do you consider that alternative models for entry e.g. single subject taught degree awarding powers would give more scope for new providers to enter the system? Would you be interested in the development of a single-subject model?

A small proportion of respondents were explicitly in favour of single subject degree awarding powers (SSDAPs) arguing that it could reduce barriers to entry and support and recognise specialisation. It could also help mitigate against new providers over-extending themselves and develop the curriculum in a secure way, while ringfencing subject areas could help Government policy to address skill shortages and enhance employability skills.

Others acknowledged that SSDAPs might give more scope for new providers to enter the system but were not themselves interested or remained opposed to the proposal. The reasons cited included the risk of erosion to academic standards and reputation and the negative impact on students' experience of higher education. There were also concerns that the market could become skewed according to the proclivities of sector specific organisations and that strategically important and vulnerable subjects may be marginalised.

Almost half of responses were explicitly opposed to SSDAPs. Some pointed out the difficulties in defining a single subject, but the overriding concern was the anticipated impact on the student learning experience as opportunity for cross-disciplinary contact would be diminished or eliminated and learning infrastructure (libraries, IT facilities, careers education) may not be supported. It was also suggested that the scope for innovation of programmes and pathways would be greatly reduced to the detriment of student choice.

Question 17: Do you consider a six year period for renewals of degree awarding powers in the first instance is appropriate? If not, what period would you like to see and why?

Most respondents agreed with the suggestion that six years would be an appropriate period of time before the first renewal of DAPs. Some respondents linked the renewal periods to the period of time needed for two or more student cohorts to complete their degree programme and for outcomes to be reviewed and lessons learned.

Other responses ranged from two or three years to 10 years, with longer periods being particularly popular with respondents in the further education sector.

Question 18: Would you like to see a longer period between subsequent renewals?

Around one-third of respondents stated that they would like to see longer periods of time between subsequent renewals, with a preference to retain the same period as for the first

renewal. A small number of respondents suggested subsequent reviews should be held at more frequent intervals than six years.

Question 19: What do you consider a reasonable number of renewals before being eligible for consideration for degree awarding powers indefinitely, subject to continuing satisfactory outcomes of periodic quality assurance reviews?

There was no clear consensus from respondents, although just under half of respondents suggested two renewals and a further subset suggested three. Others suggested only one renewal, or as many as four renewals, whilst one respondent suggested all DAPs should be indefinite without the need for renewal. Many respondents said that process should be predicated on their being no causes for concern at each renewal assessment, and some called for a risk based approach to renewal periods and the awarding of indefinite DAPs.

Some respondents were explicitly opposed to indefinite DAPs on the basis that an institution may change over time so that it is no longer capable of matching standards agreed at renewal; or that awarding DAPs indefinitely provides insufficient incentive for ongoing improvement; or that indefinite awarding powers do not exist in other qualification systems. Many respondents in favour of awarding DAPs indefinitely also cautioned that this must be balanced with the sanction of suspension or withdrawal of powers.

Question 20: Do you agree with our proposal to reduce the numbers criterion for university title to 1,000 full-time equivalent higher education students of which at least 750 are studying for a degree alongside a requirement that more than 50% FTE of an organisation's overall student body is studying HE? If you do not agree with this proposal could you please explain your reasons and also suggest an alternative proposal and why you think this would be better.

Respondents were agreed on the continuing value of the Government's role in granting university title, and that there were certain conditions that applicant organisations should have to meet before they could be awarded university title in order to protect the reputation of UK higher education. Most respondents believed that these should be determined by the definition of a university citing high quality and reputation, a good student experience, an academic community, public benefit and knowledge generation. There was also some recognition that size of student body was a suitable proxy for judging whether the institution had a critical mass of academic activity.

Opinion was divided as to whether to reduce the numbers criterion for university title (with around 40% both for and against). Alternative providers of higher education and further education colleges were most supportive, arguing that size restriction is an obstacle to competition. A significant number of the universities that responded were against the proposal on the basis that 1,000 full-time-equivalent higher education students did not represent the critical mass required to support a robust and thriving academic community or resources such as libraries, laboratories and extra curricular opportunities.

A number of respondents had sympathy with the policy objective, but believed that the proposal was too radical. Some suggested a compromise between the existing numbers criterion of 4,000 and the proposed 1,000. This ranged from 1,500 to 3,000 – with most suggesting 2,000.

There were also mixed views on the 50% studying higher education requirement. A few respondents were concerned that the 50% requirement would disadvantage providers offering a suite of qualifications at a variety of levels and/or vocational provision likely to be part time. However, other respondents believed that this should be higher, ranging from 55% up to 75%.

Chapter 5: Simplifying the process for changing corporate status

Question 21: Would you welcome legislative change to make the process of changing legal status easier?

Of those who responded, a sizeable minority were in favour of making the process of changing legal status easier with a further group providing qualified support.

The majority of universities that responded were against the proposal. Many felt that the current legislative processes were adequate, manageable and didn't present any problems. Some universities gave a qualified response in which their main concerns were that they were unclear about the problem the proposal was intended to address, and concern about the future of charitable assets acquired over time with public funds and private donations.

The trade unions that responded to this question were against the proposal and raised concerns about the use of charitable assets as well as the independence and integrity of publicly-funded higher education institutions.

Question 22: If so, why? It would be helpful to understand how and why this has been problematic in the past and what the benefits would be of making this process easier.

A number of respondents suggested that making the process of changing legal status easier could facilitate public-private partnerships and enhance institutions' ability to compete internationally.

However, many of those who responded positively to the proposal were more concerned with the complexities and inflexibility of their existing governing structures rather than the process for changing corporate status itself. They would welcome legislative change which allowed for more flexible and responsive governance structures which would enable them to adapt and respond quickly, innovatively and appropriately to new approaches and opportunities. It was also suggested that streamlining and simplifying institutions' governance structures could reduce inefficiencies and financial cost.

There was also strong support for any change that helped to simplify and speed up the process for amending an institution's governing documents so that they better reflected the needs of the organisation and the environment within which they were operating.

Additional comments

Question 23: Do you have any other comments on any area of the document 'A new fit for purpose regulatory framework for the higher education sector'?

Most respondents either did not answer this question or reiterated points they had made earlier. Some echoed the points made in response to the White Paper that the pace of

change was too rapid and that there was insufficient detail in the proposals. A small number of responses suggested that access to student support should be limited to not-for-profit providers in the same way as HEFCE grant funding.

Glossary of abbreviations

BIS	Department for Business, Innovation and Skills
DAPs	Degree Awarding Powers
DfE	Department for Education
DH	Department of Health
EU	European Union
FDAPs	Foundation Degree Awarding Powers
FE	Further Education
FOI	Freedom of Information
GTP	Graduate Talent Pool
HE	Higher Education
HEBRG	Higher Education Better Regulation Group
HEFCE	Higher Education Funding Council for England
HEI	Higher Education Institution
HEPISG	Higher Education Public Information Steering Group
HESA	Higher Education Statistics Agency
HMRC	Her Majesty's Revenue and Customs
ICR	Income contingent repayment
ITT	Initial Teacher Training
KIS	Key Information Set
NACUE	National Consortium of University Entrepreneurs
NHS	National Health Service
NSP	National Scholarship Programme
NSS	National Student Survey
NUS	National Union of Students
OIA	Office of the Independent Adjudicator for Higher Education
OFFA	Office for Fair Access
PQA	Post-Qualification Application
QAA	Quality Assurance Agency for Higher Education
SLC	Student Loans Company
SIVs	Strategically important and vulnerable subjects
SMEs	Small and medium-sized enterprises
SPA	Supporting Professionalism in Admissions
STEM	Science, Technology, Engineering and Mathematics
TRAC	Transparent Approach to Costing
UCAS	Universities Central Admissions System
UT	University Title
UUK	Universities UK

Annex A – List of Respondents: Students at the Heart of the System

222 responses

Responses on behalf of organisations

157 Group

1994 Group

Academy of Social Sciences

ACME

Aldwych Group (Students' Unions of the Russell Group)

Alliance of Sector Skills Councils

AMOSSHE – The Student Services Organisation

Arts Council England

Asset Skills

Association of the British Pharmaceutical Industry

Association of Business Executives

Association of Colleges

Association of Directors of Estates

Association of Employment and Learning Providers

Association for Learning Development in Higher Education

Association of Heads of Psychology Departments

Association of Teachers and Lecturers

Aston University

Birkbeck College, University of London

Birmingham City University

Birmingham Metropolitan College

Bournemouth Borough Council

Bradford College

Bridge Group

British Academy

British and Irish Ombudsman Association

British Association for American Studies

British Association for Counselling and Psychotherapy

British Dental Association

British Medical Association

British Psychology Association

British Sociological Association and the Council of Heads and Professors of Sociology

British Veterinary Association and The Association of Veterinary Students

Cambridge Regional College

Cambridge Theological Federation

Cambridge University Students' Union

Campaign for the Public University

Cathedrals Group

Catholic Education Service for England and Wales

Centre for Justice

Centrepoint

Charity Commission

Chartered Institute of Library and Information Professionals

Chartered Institute of Payroll Professionals

Chartered Institution of Building Services Engineers

Chartered Society of Physiotherapy

Church of England Board of Education

City & Guilds

City College Plymouth

Committee of University Chairs

Council for Advancement and Support of Education

Council for College and University English

Council for Higher Education in Art & Design

Council of Validating Universities

Council of University Heads of Pharmacy Schools

Conservatoire for Dance and Drama

Creative & Cultural Skills

Deans of Health, West Midlands

Department of Health, Chief Scientific Officer

Disability Alliance

Edinburgh University Students' Association

Education 4 Engineering

Engineering Council

Engineering Professors' Council

Enterprise Educators UK

e-Skills UK

Forum for Access and Continuing Education

Goldsmiths, University of London, University and College Union

Greenwich School of Management

Guild of Healthcare Pharmacists

Guild HE

Harper Adams University College

Havering College of Further and Higher Education

Heads of Educational Development Group

Higher Education Better Regulation Group

Higher Education Research Group

Higher Education Statistics Agency

Hull College

ifs School of Finance

Improving Dispute Resolution Advisory Service

Institute of Chartered Accountants in England and Wales

Institute of Ecology and Environmental Management

Institute of Education

Institute of Physics, Royal Society of Chemistry and Society of Biology

Institution of Chemical Engineers

INTO University Partnerships

Joint Committee for Psychology in Higher Education

Keele University

LANTRA

Leeds City College

Leicester College

Lifelong Learning Centre - University of Leeds

Linking London

London Mathematical Society

London School of Business and Finance

Loughborough University

Management Consultancy Association

Media, Communication and Cultural Studies Association

million+

Milton Keynes Higher Education Board

Mixed Economy Group

National Association of Student Money Advisers

National Workforce Commissioners Network

Newcastle College Group

Newcastle University

New College of the Humanities

NHS North West

National Institute of Adult Continuing Education

National Union of Students

National Union of Teachers

Oxford Cambridge RSA Examinations (OCR)

Office of the Independent Adjudicator

Open University and Birkbeck, University of London

Open University Students Association

Oxford University Student Union

Pearson

People and Planet

Plymouth University

Quality Assurance Agency for Higher Education

Quality in HE Group

Queen Mary, University of London

Reading University

Royal Academy of Engineering

Royal Academy of Music

Royal Institute of British Architects

Royal Pharmaceutical Society

Russell Group

Science Community Representing Education (SCORE)

Semta

Sheffield Hallam University

Skills for Justice

Skillset

Skillsmart Retail

Society of College, National and University Libraries

Society for Research into Higher Education

South Tyneside College

Southampton Solent University

St Mary's University College

Staff and Educational Development Association

Staffordshire University

Stonewall

SummitSkills

Supporting Professionalism in Admissions

Teach First

Teesside University

The Higher Education Academy

The Pennine Lancashire Employment and Skills Board

The Schools Network

TUC

UCAS

UK Deans of Science

Unison

Universities and Colleges Information and Systems Association

University and College Union

UK Inter Professional Group

UKTI

UNITE

University Alliance

University Association for Lifelong Learning

University Campus Suffolk

University College London Union

University of Bedfordshire

University of Bradford

University of Brighton

University of Bristol

University of Cambridge

University of Central Lancashire

University of East London

University of Essex

University of Exeter

University of Hertfordshire

University of Hull

University of Leicester

University of Manchester

University of Manchester Students' Union

University of Nottingham

University of Oxford

University of Portsmouth

University of Salford

University of Sheffield

University of Sheffield Student Union

University of Southampton and the Students' Union of the University of Southampton

University of Sunderland

University of Surrey

University of the Arts London

University of the Arts Students' Union

University of Westminster

University of Wolverhampton

Universities UK

Warwickshire College

Wigan and Leigh College

Personal Responses: 31

Annex B – List of Respondents: A new fit for purpose regulatory framework for the higher education sector

158 Responses

Responses on behalf of organisations

157 Group

1994 Group

Academy of Contemporary Music

Arts University College Bournemouth

Ashridge

Association of Bible College Bursars

Association of Business Executives

Association of Colleges

Association of Heads of University Administration

Association of Independent Higher Education Providers

AMOSSHE

Aston University

Barnet College of Further Education

Bedfordshire University

Belfast Bible College

Birkbeck

Birmingham City University

Birmingham Metropolitan College

Birmingham University

Bishop Grosseteste University College

Blackpool and the Fylde College

BPP University College

Bradford College

Bradford University

Brighton University

Bristol Baptist College

Bristol University

British Medical Association

Buckingham University

Buckinghamshire New University

Built Environment Skills Alliance

Burton and S Derbyshire College

Cambridge University

Catholic Education Service for England & Wales

Central Lancashire University

Charity Commission

Chartered Institute of Library and Information Professionals

CIPFA

Chartered Insurance Institute

City & Guilds

Cleveland College of Art and Design

Cogent

College of Law

Committee of University Chairs

Council for HE in Art and Design

Council of Deans of Health

Council of Higher Education Internal Auditors

Council of Validating Universities

Cumbria University

DeMontford University

Derby University

Durham University

East Riding College

Engineering Council

Engineering Professors Council

Equality Challenge Unit

Exeter University

Greenwich School of Management

GuildHE

Guild of Healthcare Pharmacists

Harper Adams University

Hertfordshire University

HE Academy

HEFCE

HESA

HE Wales

Huddersfield University

Hull College UK Group

IFS School of Finance

Imperial College

Improving Dispute Resolution Advisory Service

Institute of Chartered Accountants for England & Wales

Institute of Contemporary Music Performance

K College

Kaplan UK

Keele University

Kingston University

Lancaster University

Laureate

Leeds City College

Leeds Metropolitan University

Leeds Trinity University College

Leicester University

Lincoln University

Linking London

Liverpool John Moores University

London School of Theology

Loughborough University

LSE

Manchester University

Manchester Metropolitan University

Million+

Mills & Reeve LLP

Milton Keynes Higher Education Board

Mixed Economy Group

National Exam Board in Occupational Safety and Health

NUS

Newcastle College Group

Newcastle University

New College of the Humanities

Newman University College

Norwich University College of the Arts

Nottingham University

Nottingham Trent University

Office of the Independent Adjudicator

Ofqual

Open University

Oxford University

Oxford University Students Union

Oxford Brookes University

Pearson UK

Pinsent Masons LLP

Plymouth University

Portsmouth University

QAA

Quality Strategy Network

Queen Mary University of London

Reading University

Redcliffe College

Rose Bruford College

Royal Agricultural College

Russell Group

St Helens College

St John's College Nottingham

St Mary's University College

St Patrick's International College

Salford University

Sheffield University

Sheffield Hallam University

Skills Funding Agency

Society of Biology

Southampton Solent University

Spurgeon's College

SLC

Sunderland University

Surrey University

Teesside University

Trinity School of Theology

UCAS

UNISON

Universities UK

University of the Arts London

University College Falmouth

University College London

University College London Union

University College Plymouth of St Mark & St John

University Alliance

University and College Union

University Campus Suffolk

University for the Creative Arts

Warwickshire College

Wellcome Trust

Personal Responses: 6

Annex C – Summary of Discussions at Consultation Events: A new fit for purpose regulatory framework for the higher education sector

Consultation Events

Two consultation events held in September were attended by 60 delegates from a wide range of bodies in the HE sector, including HEIs, FE colleges, alternative providers, mission groups, trade unions, NUS, partner bodies, representative bodies and others. The events were structured around detailed discussion of the consultation questions and divided into three broad themes.

Theme A – HEFCE's new role as lead regulator

- Overall there was a strong view that there should be greater clarity of role for each body (HEFCE, OFFA, QAA, OIA) although in general there was support for HEFCE as the lead regulator for the sector. Some raised the issue that institutional autonomy could be threatened if HEFCE was allowed to become overly dominant.

- Many delegates were confused as to how HEFCE's student champion role would work in practise, in particular how the role would fit with the existing arrangements in place for the OIA in collective interest cases. Some mentioned that HEFCE may have difficulty in balancing the various interests it will need to take into account. Giving it an additional role as student champion would exacerbate this.

- There was a general view that HEFCE should recommend compensation awards rather than require them. There was a fear that HEFCE would in effect become judge and jury in these cases.

- Some from the FE sector expressed concern around what the interface would be between their different regulators (HEFCE, SFA etc).

- The majority agreed that the role of the Privy Council should be maintained.

Theme B – The new framework for provider designation for HEFCE teaching grant and student support

- There was a general consensus that there should be a level playing field between HE providers, including new entrants to the sector. Concern was expressed that some alternative providers would not need to meet the requirements placed on HEFCE funded providers, such as FOI. However, most agreed that the level of regulation should be higher for access to teaching grant than for access to student support. Some suggested a 'fit and proper person' test for entry to the sector.

- There was broad support for a more risk based approach, provided safeguards were in place and properly managed.

- There were mixed views on whether HEFCE should be more open in its judgements on institutional risk with some pushing for more information for students and others guarding against action which could precipitate closure of an institution.

- In terms of protecting the student interest in the event of institutional failure there was widespread support for HEFCE facilitating an orderly wind down and transfer of students to other providers. There was no real consensus on how this could be achieved or whether anything should be guaranteed. Most agreed that in extremis any provider should be allowed to fail.

- Many participants suggested that a higher fee cap would be required for accelerated degrees, partly to reflect the actual costs of delivery and to provide an incentive to expand this provision.

Theme C – Market entry and expansion: reforms to degree awarding powers and university title.

- Some suggested that the current criteria for teaching degree awarding powers could not be met in full by non-teaching bodies and would need to be reviewed if the change was to be implemented. Some questioned whether non-teaching bodies should be given access to degree awarding powers at all.

- Overall most agreed with the proposition to link track record to the length of degree programmes on offer. Many suggested that the period should remain two degree cohorts.

- Most supported the proposal for a six year renewal period for degree awarding powers, although some thought that this would place a significant burden on providers while others suggested a longer period. Most thought that indefinite degree awarding powers were not appropriate for 'for-profit' providers.

- There was general opposition to single subject degree awarding powers. They expressed concerns that if a new provider offered a degree in a single subject and then closed down after a relatively short period, students could be left with degree qualifications which quickly become unrecognised.

- In general there was support for reducing the numbers criterion for university title, although some thought 1000 students was too small. Many attendees preferred a criterion for University Title to be their own (varying) concept of a university rather than an arbitrary number of students enrolled.

- Many suggested that the University College title was confusing and that there needs to be a general tidying up of the title and status of similarly sized institutions.

- There was little interest in the legal status issue with those that did comment saying that this didn't create barriers to what they wanted to do.