

House of Commons Innovation, Universities, Science and Skills Committee

Withdrawal of funding for equivalent or lower level qualifications (ELQs)

Third Report of Session 2007–08

Volume I

Report, together with formal minutes

Ordered by The House of Commons to be printed 17 March 2008

HC 187-I Published on 27 March 2008 by authority of the House of Commons London: The Stationery Office Limited £0.00

The Innovation, Universities, Science & Skills Committee

The Innovation, Universities, Science & Skills Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for Innovation, Universities and Skills.

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Contents

Report		Page
	Summary	3
1	Introduction	5
	Equivalent or lower qualifications	5
	Withdrawal of support for ELQ students	5
	Effect of the withdrawal of funding on fees	6
	Our inquiry	6
2	Policy on public funding for ELQs	8
	Policy on funding ELQ students	8
	Justification for the policy	8
	The Leitch Review	9
	20,000 first-time students	11
	"Perpetual students"	13
	Timing of the change	14
	Consultation on policy	15
3	Impact of the policy change	17
	Part-time students	17
	Co-funding with employers	19
	Disproportionate effects	20
	Impact assessment	22
	Data used by HEFCE for modelling	23
4	Implementation	25
	Transitional arrangements	25
	Exemptions proposed by HEFCE	26
	Reviews of exemptions	29
	Policing the arrangements	30
5	Conclusions	32
	Conclusions and recommendations	33
Fo	Formal Minutes	
Witnesses		41
List of written evidence		42
List of unprinted evidence		45
Lis	t of Reports from the Committee during the current Parliament	50

Summary

In September 2007 the Government announced that it was withdrawing state funding paid to higher education institutions to subsidise the fees of ELQ students, that is those studying for a qualification at the same or lower level to one they already hold. The result is that from 2008–09 students starting a second degree could see their tuition fees increase by 200%.

The Government argued that its policy was in line with the recommendations of the Leitch Review of Skills to concentrate the extra resources that it is putting in to higher education on first-time students and expecting employers to shoulder more of the burden for retraining via second degrees.

We found that consultation on the withdrawal of the funding was restricted to the implementation arrangements with the full effects of the changes and consequences for other policies such as the need for re-skilling inadequately examined. We conclude that the decision to cut funding to ELQ students was insufficiently justified either by persuasive analysis of its likely effectiveness in achieving the desired goals or evidence of the likely wider impact of the policy.

Nearly all the submissions we received were hostile to the changes.

We conclude that the transitional arrangements and exemptions are inadequate—for example, the change will affect some groups of students and some institutions more than others—and inconsistent—for example, those pursuing Turkish studies are exempt but not pharmacists. We believe that the change would have been better left until the independent review of variable fees due in 2009, which would have been able to weigh funding of ELQs against other priorities.

1 Introduction

Equivalent or lower qualifications

1. Most students in higher education are studying for their first degree. There are, however, also those who are studying for a course that leads to a qualification which is at an equivalent or lower level to a qualification that a student has already obtained.¹ Examples of such students—colloquially known as ELQ students—would be a person with a BA studying for a BSc or a person with a PhD studying for an MBA.

Withdrawal of support for ELQ students

2. ELQ and non-ELQ students currently attract the same tuition fees. This is generally true whether they are full-time students, or are charged on a different basis as part-timers. Their fees are supplemented by the taxpayer, in England, through direct payments through the Higher Education Funding Council for England (HEFCE) channelled to the institutions where they are enrolled. On 7 September 2007 the Secretary of State for Innovation, Universities and Skills instructed HEFCE to withdraw funding from institutions for ELQ students. In future years higher education institutions admitting ELQ students—other than those for whom exemptions apply—will have to decide whether to subsidise the cost of these courses themselves or recover the costs from students by charging them higher fees.

3. In his letter of 7 September, the Secretary of State explained that the "Government has taken this decision because it believes that teaching such students is not [...] usually as high a priority for public funding as support for students who are either entering higher education for the first-time, or progressing to higher qualifications".² The Secretary of State's objective was to reduce support by around £100 million a year by 2010/11. He asked HEFCE in his letter to phase out the support from the academic year 2008–09 and instructed it:

to consider the details of this in consultation with the sector and it is because I know that time is short for managing this smoothly that I am writing to you now. We would not want support for any existing ELQ students already pursuing their studies to be affected and would still want the Council to give support to institutions for students who are acquiring higher qualifications from ones which they already hold.³

4. Following the Secretary of State's letter, HEFCE consulted on the implementation of the change. The consultation period ended on 7 December 2007 and HEFCE finalised the implementation arrangements at its board meeting on 24 January 2008, based on the outcome of the consultation. Following the meeting, HEFCE sent an "admin message" to institutions, informing them of the main decisions on funding for 2008-09, including the

¹ According to HEFCE's modelling, in 2005–06, approximately 8% of HEFCE-funded full-time equivalent student numbers were aiming for an ELQ. HEFCE, *Withdrawal of funding for equivalent or lower qualifications (ELQs) Frequently asked questions*, Question 4, http://www.hefce.ac.uk/faq/elq.htm#q4

² A copy of the letter is at http://www.hefce.ac.uk/news/hefce/2007/HEFCE_letterELQ.pdf

³ Secretary of State's letter of 7 September 2007, http://www.hefce.ac.uk/news/hefce/2007/HEFCE_letterELQ.pdf

withdrawal of funding for ELQ students and exemptions.⁴ The detailed plans for implementation were published in March 2008.⁵

Effect of the withdrawal of funding on fees

5. The effects of the decision will be significant. For example, in 2007–08 undergraduate students at Birkbeck College, University of London, will pay fees of £1,248 per annum⁶ and the College will receive an average of £2,853 per student through HEFCE teaching funding. If fees for ELQ students were to increase to cover the loss of this funding for ELQ students, Birkbeck calculate that they would have to rise to £4,101 per annum, increasing the cost of a four year degree from £4,992 to £16,404.⁷ The figures produced by Birkbeck College are not a national average⁸ but we found nothing to challenge them as indicative of the scale of the change:⁹ an increase of more than 200%. There can be little doubt that the withdrawal of HEFCE funding support for the tuition fees charged to ELQ students will increase substantially the fees such students will have to pay, if the full cost is passed on to them. The almost universally hostile response from higher education institutions and students led us to decide to launch a short inquiry into the withdrawal of funding of ELQ students.

Our inquiry

6. Our inquiry focused on: the arguments for and against the Government's decision to phase out support to institutions for students studying ELQs; the timing of the Government's decision and of the implementation of the change; the appropriateness of exemptions from the withdrawal of funding proposed by HEFCE; the impact upon students, including whether the change will affect some groups of students more than others; and the impact of the change upon institutions, with particular reference to the long-term implications for specialised institutions such as the Open University (OU) and Birkbeck College.¹⁰

7. Because of the timetable under which the implementation arrangements were finalised, our inquiry has been swift. We held a two-part evidence session on 17 January 2008: first with the National Union of Students (NUS), the University and College Union (UCU), the OU and Birkbeck College; and secondly with Bill Rammell MP, Minister for Lifelong Learning, Further and Higher Education at the Department for Innovation, Universities and Skills (DIUS), and Professor David Eastwood, Chief Executive of HEFCE. We received memoranda and correspondence from nearly 500 institutions, organisations and individuals (including many affected by the changes).

⁴ HEFCE, Funding for universities and colleges in 2008-09, 25 January 2008, http://www.jiscmail.ac.uk/cgibin/webadmin?A2=ind0801&L=admin-hefce&T=0&F=&S=&P=448

⁵ HEFCE, HEFCE supports higher education in England with increased funding of £7.5 billion, 6 March 2008, http://www.hefce.ac.uk/news/hefce/2008/grant0809/

⁶ For most undergraduate courses in 2008-09, though for some such as Accounting and Management (BA) fees are £1,470 and can go as high as £1,932 for Law (LLB) (Accelerated)

⁷ Ev 41, para 28

⁸ Birkbeck College has a higher proportion of ELQ students compared to many other universities.

⁹ See also Ev 55 [Million+] and Ev 100 [Heads of Department of Mathematical Sciences], para 6

^{10 &}quot;Funding for Equivalent or Lower Qualifications (ELQs)", Innovation, Universities and Skills Committee News Release No.6 (07–08), 6 December 2007, http://www.parliament.uk/parliamentary_committees/ius/ius_061207.cfm

8. Despite a request, the Government did not provide us with a written memorandum on the withdrawal of support for ELQ students. The Minister sought to argue that it was sufficient for him and Professor Eastwood to appear before the committee "to discuss [the proposals] in detail" without a written memorandum.¹¹ Without the detail in a memorandum, however, we are hindered in our ability, as the Minister himself put it, "to question us, to challenge us, to scrutinise us, on the proposals that were being put forward".¹² We consider it unacceptable for there to be no memorandum provided from the Government. We expect government departments fully to comply with all reasonable requests for written submissions before they appear before us in future.

9. Our report examines:

- a) the policy on public funding for ELQ students;
- b) the timetable for, and consultation on, the changes announced in September 2007;
- c) the effectiveness of the policy;
- d) the impact on certain institutions and groups; and
- e) the transitional arrangements and exemptions.

2 Policy on public funding for ELQs

Policy on funding ELQ students

10. Support from public funds for ELQ students has been circumscribed for some time and has become increasingly restricted, with students who have previously received assistance from public funds subject to regulations to decide whether they were eligible for further assistance. Currently students who already have a degree from a UK institution are not eligible for support—such as access to student loans—to meet the tuition fees charged by institutions, unless they are studying for a postgraduate course in teacher training or taking certain two year courses such as foundation degrees. Loans to assist with living costs are only available for ELQ students studying designated courses such as social work, initial teacher training or medicine.¹³ The rationale behind these rules—as the Secretary of State's letter of 7 September makes clear—is that the priority of the Government is to give all students the chance to do a first degree and that funding is therefore limited for students doing second degrees. The arrangements in place, before the changes announced in September 2007, therefore already affect ELQ students disadvantageously as they are not able to obtain the funding that first-time students can access (although, of course, they have previously benefited from such assistance).

11. Some of those who gave oral evidence¹⁴ took the view that on principle a student with a current level 4 qualification¹⁵ who wished to study for another qualification should be funded on the same basis as a first-time student. Public expenditure is limited and we cannot therefore share this view. We accept that it is for ministers to decide priorities for funding and that it could be reasonable that public policy should give priority to students who have not studied for a first degree. This does require, however, a full rationale for, and justification of, the policy, scoping of its effects and a proper examination of possible unintended consequences, such as reducing the potential of adult learners to retrain and re-skill, which Leitch and others have argued is so vital, both on economic and social grounds.

12. Where resources are switched in line with those priorities, it is the responsibility of ministers also to demonstrate that there is unmet demand and that the reallocation will produce outcomes in line with the Government's policy and without unforeseen or unacceptable consequences.

Justification for the policy

13. We asked the Minister why the Government had decided to withdraw funding support for the fees of ELQ students. The Minister gave two reasons.

14 Qq 21–22

¹³ Education (Student Support) Regulations 2007 (SI 2007/176) and the Student Fees (Qualifying Courses and Persons) (England) Regulations 2007 (SI 2007/778). See also below, para 64.

¹⁵ That is bachelor's degree, graduate certificate and diploma.

- a) The withdrawal was in line with recommendations of the Leitch Review of Skills.¹⁶
- b) The withdrawal of funding for ELQ students would provide resources for 20,000 first-time students.¹⁷

14. He explained that it followed from the analysis in the Leitch Review of Skills that in order "to be internationally competitive, we need to move from today with 29% of adults educated to Level 4¹⁸ to at least 40% by 2020".¹⁹ The Minister continued that the whole thrust of Leitch's analysis was:

the higher you regard the qualification chain, the more you have to pursue an approach of co-financing where [...] the State makes a contribution, but the individual and the employer make a contribution. We looked at the evidence and the fact is that there are 20 million adults within the workforce who are not yet at first degree level. Six million of those actually have A Level-equivalent qualifications and yet have not gone on to degree level, so we took the view that we wanted some further levers within the system to enable, and to ensure, that universities prioritised the recruitment of those students within the workforce who are not yet at first-degree level. In addition to that, within the [Comprehensive Spending Review] process, we had set ourselves a number of objectives. We wanted to maintain the unit of resource, we wanted to maintain, and improve, the student financial support package, we wanted to increase growth in student numbers and we wanted to improve the research base further. Given that policy impetus, but alongside it, the need to maximise our opportunities for growth, we took the decision that the best way to achieve that was to redirect that £100 million [from institutional support for fees paid by ELQ students].²⁰

The Leitch Review

15. Those who objected to the withdrawal of funding from ELQ students argued that it contradicted the conclusions in the Leitch Review supporting skills and lifelong learning and its pronouncements about nurturing talents.²¹ UCU argued that the Government's

• the Government should provide the bulk of funding for basic skills and the platform of skills for employability, with employers cooperating to ensure employees are able to achieve these skills;

¹⁶ HM Treasury, Leitch Review of Skills: Prosperity for all in the global economy - world class skills, December 2006

¹⁷ HC Deb, 10 December 2007, col 67W; Q 78

¹⁸ That is bachelor's degree, graduate certificate and diploma.

¹⁹ Q 66

²⁰ Q 66; see also HM Treasury, Leitch Review of Skills: Prosperity for all in the global economy - world class skills, December 2006: Recommendation 40—

The costs of raised ambitions must be shared between government, employers and individuals. Government investment in skills should be focused on ensuring everyone has the opportunity to build a basic platform of skills, tackling market failures and targeting help where it is needed most. There are key market failures at all skill levels, but these impact most at the bottom end. The Review recommends a much clearer financial balance of responsibility, based on clear principles of Government funding to be targeted at market failure and responsibility shared according to economic benefit. To meet additional investment this means:

[•] for higher intermediate skills (Level 3) employers and individuals should make a much higher contribution, in the order of at least 50%; and

[•] at Level 4 and above, individuals and employers should pay the bulk of the additional costs as they will benefit most.

²¹ See Ev 23, para 1(b), Ev 37–38, paras 22–27, Ev 41 [Birkbeck College], paras 10 and 18, Ev 43 [UCU], para 32.

policy on ELQs would "undermine, rather than bolster, the Leitch agenda and government objectives to raise higher level skills and widen participation".²² UCU explained:

It is difficult to reconcile the ELQ funding withdrawal with Lord Leitch's call "to increase the higher education sector's focus on workforce development" and to encourage [higher education institutions] "to collaborate with employers in delivering training that meet employers' needs". This is because many of the threatened ELQ programmes focus on national and regional priorities for retraining and up-skilling adults. Coventry University, for example, is very concerned about the "negative impact on courses in management" especially as "improved management competence" is the "top priority for the Regional Skills Partnership under the [Regional Development Agenda]". Similarly, cultural regeneration has been vital to the revival of the North East economy and yet the ELQ cuts threaten Sunderland University's lifelong learning programmes with more than 40 cultural partners.²³

Birkbeck College said that the ELQ changes would hit part-time students especially hard and would be in contradiction of the Government's stated policy.²⁴ Professor Latchman explained that the Secretary of State in his speech to Universities UK on 13 September 2007 had called for universities to introduce more evening courses to allow mature adults in employment to study part-time, arguing that "only in this way can the Leitch target be achieved in a situation where 70% of the 2020 workforce has already left full time education".²⁵ He said that the ELQ proposals would significantly impact on the institutions best able to deliver government policy and discourage other institutions from enhancing their part-time provision.²⁶

16. With both sides in the argument claiming the Leitch Review supported their case, we wrote to Lord Leitch to ask for his view on the withdrawal of funding from ELQ students. He replied:

I set out clearly in my Review's recommendations that the UK urgently needs to increase the investment and achievement in HE Skills.

Higher level skills are critical to the future of the UK economy. We need to increase the number of people gaining these skills and effectively support people to retrain and learn flexibly, including alongside work. We need to increase investment in HE across the board: from employers, individuals and the Government.

Clearly, public funds are limited and we must prioritise investment. But any changes in funding streams and mechanisms must be effectively managed so that the excellent work that institutions such as the Open University do is not undermined.

- 25 Ibid; see also para 26, below.
- 26 Ev 40, para 19

²² Ev 43

²³ Ev 43, para 32

²⁴ Ev 40, para 18

I did not define any approach on ELQs as I believed that this was more of a tactical, implementation issue. [...] I recommended the creation of the Commission of Employment and Skills to oversee such issues.²⁷

17. In our view, there is little evidence that withdrawing state funding for students taking ELQs in itself goes either with or against the grain of the recommendation in the Leitch Review of Skills to provide professional development with up-skilling and re-skilling as priorities. Furthermore, Leitch does not impel the Government to withdraw funding for ELQs nor require it to be maintained. Nevertheless the imposition of a blanket withdrawal of support makes no attempt to discriminate between the different reasons for which people may be seeking an additional matriculation. It is a blunt instrument which threatens the viability of certain higher education institutions. We recommend that the Commission for Employment and Skills undertake a review of the effects of the withdrawal of institutional funding on ELQ students and the institutions which principally educate them.

18. The representations we received about the Leitch Review saw ELQ support as integral to Leitch's objectives of encouraging lifelong learning, acquiring new skills and professional development. We recommend that the Government make explicit its policy to assist people looking to re-skill and obtain professional or technical development and that this must be done in time to contribute to the major review of fees policy and other higher education strategies which Government intends to undertake in 2009.

20,000 first-time students

19. The Government's main justification for its policy to switch £100 million from institutional support for ELQ students was that the resources will fund 20,000 extra first-time students.²⁸ This is part of the 50,000 additional students announced in the Comprehensive Spending Review.²⁹ The Secretary of State has set as a priority increasing the number of students in higher education.³⁰ The Minister explained that the status quo would not deliver the Government's policy to expand the numbers qualified to level 4;³¹ a policy in line with Leitch and which has broad acceptance.³² The Minister argued that the provision of financial support for ELQ students excluded first-time students.³³

- 30 "Secretary of State sets out priorities for higher education in the year ahead" DIUS press release, 21 January 2008; the Secretary of State set out the key priorities for higher education which included:
 - increasing student numbers by 60,000 for those entering higher education for the first-time (or those
 progressing to a higher level qualification) by 2010/11; and
 - continuing to expand Foundation Degrees, with a target of 100,000 enrolments by 2010.

²⁷ Ev 264

²⁸ Q 78

^{29 &}quot;2007 Pre-Budget Report and Comprehensive Spending Review Departmental Settlements: Department for Innovation, Universities and Skills" HM Treasury press notice PN04, 9 October 2007; See also HM Treasury, Meeting the aspirations of the British people: 2007 Pre-Budget Report and Comprehensive Spending Review, October 2007, Cm 7227.

³¹ Qq 69, 97

³² Q 66; see also HC Deb, 21 February 2008, cols 869–70W.

20. The Government's approach would be substantiated if demand for level 4 qualifications from potential first-time students could be demonstrated. But the higher education sector doubted that there was the potential demand. Professor Latchman from Birkbeck College considered that there "is no evidence of huge demand" for extra places from first-time students.³⁴ Ms Tumelty, National President, NUS, saw no evidence that people who did not have degrees were being pushed out by people who did or that demand was unmet.³⁵ Professor Gourley from the OU added:

The Open University does an enormous amount of marketing, [...] it has all sorts of outreach programmes to get students in, it is one of our core missions getting people into higher education that would not have seen themselves as higher education candidates. At the moment we have no unmet demand at all; we are taking all the students who apply to us.³⁶

21. The Minister pointed to the 100,000 students who applied to universities last year and did not gain places as proof of unmet demand.³⁷ We asked him to indicate whether, and how many of, those who were suitably qualified for the courses for which they applied did not go to university.³⁸ In response, in a subsequent memorandum the Minister said:

The issue of the "missing 100,000" has been raised with Government and other stakeholders as a matter of concern by UCAS³⁹. Their report "Missed Opportunities? Non-Placed Applicants (NPAs) in the UCAS Data" was published in December. It notes that there are a number of reasons why applicants are not accepted onto courses. We cannot quite answer the exact question you posed. However, the proportion of applicants with fewer than 80 tariff points, often seen as the minimum needed to enter HE is relatively small across all categories of Non-Placed Applicants—10% or less. But we do not have more detailed data on the levels of qualifications within this group, adjusting for subject, institution *etc.* to get below this level of analysis. We are currently considering with UCAS what further research we can do to understand the group better and building on that what we can do to decrease the propensity of applicants not to follow through.⁴⁰

22. The Government's case was also that increasing supply in itself stimulated demand. The Minister pointed out that there were 300,000 more students in higher education today than ten years ago. This had been achieved in the face of criticism that the higher education system had reached its capacity and doubts about the demand for places. The Minister said that "at every stage the system, responding to the funding steers from government, has actually managed to significantly expand the higher-education system".⁴¹

- 40 Ev 265
- 41 Q 97

³⁴ Q 2

³⁵ Q 11

³⁶ Q 32 [Professor Gourley]

³⁷ Qq 83–88

³⁸ Q 88

³⁹ Universities and Colleges Admissions Service

23. In our view the Government has not shown convincing evidence that the withdrawal of funding for ELQ students and the phased re-allocation of the resources will meet its policy objective to encourage more suitably qualified individuals to start higher education for the first-time. In the absence of research on, or any analysis of, the groups to whom the redirected resources are targeted, we cannot see how the Government is certain that the funds taken from ELQ fees will meet their intended purpose efficiently or effectively. While we recognise that the expansion of the higher education sector has occurred in the teeth of substantial scepticism about the demand for, and value of, extra university places, we could find no convincing evidence that ELQ students were preventing access for first-time undergraduates or that there was a significant unmet demand from first-time undergraduates, though we accept that such evidence is not easy to collate.

24. We conclude that the Government should have carried out a full analysis of unmet demand, including the annual 100,000 individuals who apply but do not enter higher education and of their reasons for not starting higher education, before it switched resources away from ELQ students.

25. On 25 January 2008, after we had taken oral evidence, HEFCE announced funding for higher education institutions in 2008–09. It noted that existing commitments for growth in student numbers in the 2008-09 academic year amounted to approximately 26,000 fulltime equivalent students (FTEs).⁴² In a supplementary memorandum Professor Latchman from Birkbeck College pointed out that HEFCE announcement showed no additional new places available for 2008–09 in the aftermath of the ELQ decision.⁴³ In addition, the ELQ places which would be lost in 2008-09 and the consequent £20 million saving in the first year of the ELQ scheme, to which the Minister referred to in his evidence,⁴⁴ were not being used to produce additional numbers for 2008-09. Instead, the money was being used to fulfil existing commitments or possibly to make a saving.⁴⁵ In their response to this report, we ask DIUS to explain what has happened to the £20 million the Minister said would be redistributed in 2008-09. We question the Government's case that switching funding from ELQ students would increase opportunities for first-time graduates, in the apparent absence of newly funded extra places for first-time undergraduates in the first year of the scheme. We ask the Government to explain the rationale linking funding and places.

"Perpetual students"

26. We considered whether the decision to withdraw ELQ funding should be construed as directed at students who took one course after another rather than starting employment— so-called "perpetual students". While accepting that there might have been "perpetual students" when education was free to students and grants were widely available, the NUS pointed out that this situation has changed now that students had to pay top-up fees and

43 Ev 266

44 Q 87

45 Ev 266

⁴² HEFCE, Funding for universities and colleges in 2008–09, 25 January 2008, http://www.jiscmail.ac.uk/cgibin/webadmin?A2=ind0801&L=admin-hefce&T=0&F=&S=&P=448

repay loans.⁴⁶ The OU added that, before the September 2007 announcement, ELQ students already did not get funded in the same manner as first-time students and that a survey of its ELQ students showed that 75% were studying for vocational reasons and only 8% for personal enrichment.⁴⁷ We found no convincing evidence that "perpetual students" were absorbing public resources or impeding the access of other students to higher education.

Timing of the change

27. There are questions too over the timing of the change in policy and the speed of implementation. There will be an independent review in 2009, working with the Office for Fair Access, to report to Parliament on all aspects of the new variable fees and student funding arrangements based on the first three years operation of the policy.⁴⁸ The NUS and UCU argued that:

It seems [...] putting the cart before the horse to unilaterally withdraw funding from one particular group of students as we run up into that review. [...] if we are going to have this question around whether we should fund second degree or second chance learners at all, it should be deferred to the 2009 review when we can look at how the whole sector is funded, and what support we give to individual groups of students.⁴⁹

28. The Minister confirmed the scope of the 2009 Commission but was concerned that it was unlikely to report until the middle or end of 2009.⁵⁰ He argued that, if the change were delayed until then, "that would effectively mean that we have agreed here and now that we are going to make none of these changes during the whole of this [Comprehensive Spending Review] period [ending in 2010/11]. Given the Leitch skills imperative, I believe that would be the wrong thing to do."⁵¹ We welcome the Government's focus on the improvement of skills impelled by the Leitch Review, although, as we discuss above, the Leitch Review does not offer clear support for the Government's policy. The Minister's reference to the Comprehensive Spending Review may be more telling. We note that the DIUS 2007 CSR settlement provides 2.2 per cent annual average real growth in expenditure over the CSR07 period, from £18 billion in 2007–08 to £20.8 billion in 2010–11. Amongst other matters

this will ensure that [...] by 2010–11 reprioritising about £100 million a year of HE funding to increase and widen participation, by focusing public funding mainly on students participating in the system for the first time.⁵²

- 50 Q 94
- 51 *Ibid.*
- 52 Cm 7227, paras D4.4-4.5

⁴⁶ Q 23

⁴⁷ Q 24

⁴⁸ Department for Education and Skills, 2006, *The Five Year Strategy for Children and Learners: Maintaining the Excellent Progress*, chapter 8, para 67 and HM Treasury, *Leitch Review of Skills: Prosperity for all in the global economy - world class skills*, December 2006, para 67

⁴⁹ Q 15 [Ms Tumelty; Ms Hunt]

The Minister confirmed that the withdrawal of ELQ funding was the direct product of the Comprehensive Spending Review.⁵³

29. The long-planned independent review of the operation of variable fees in 2009 will provide a suitable opportunity for a comprehensive and coherent review of all tuition fees and their impact on students and on higher education institutions. The Government's decision to start the withdrawal of funding for ELQ students' fees in 2008–09 ahead of the 2009 review can only be justified if there is a pressing reason for urgency in the matter. We see no evidence that there is a pressing reason to make the changes to ELQ funding in 2008–09 and believe that the Government should have waited for the 2009 review of fees, which would have been able to weigh funding of ELQs against other priorities.

Consultation on policy

30. Our final concern on the decision process is over consultation. We note that following the Secretary of State's letter of 7 September 2007, HEFCE published a consultation document, *Withdrawal of funding for equivalent or lower qualifications (ELQs)*,⁵⁴ which included details of exemptions and transitional arrangements. In November, HEFCE held consultation events in Manchester, Birmingham and London to discuss the proposals. In the "admin message" issued in January 2008 following the consultation, the Board of HEFCE noted that, while significant concern had been raised about the ELQ policy, the majority of respondents to the consultation agreed with HEFCE's proposals for implementation. It therefore endorsed the proposals for implementing the ELQ policy as described in the consultation document, subject to some changes to the exemptions and transitional arrangements.⁵⁵

31. In contrast, there has been no consultation at all on the policy decision itself. Prior to its instruction to HEFCE, the Government carried out no public consultation with higher education institutions or with representatives of students, employers or professional bodies. We asked the Minister why he did not consult on the principles before embarking on the ELQ changes. He replied:

Let me turn that round. Where was the consultation that the interests of eight million graduates should be put ahead of the 20 million people in the workforce who do not have degree-level qualifications? In terms of the priorities that we set out within the HEFCE grant letter, that has always been a matter for the Government and ministers to give those steers. What we have done, however, additionally to that is, rightly, consulted on the detailed implementation.⁵⁶

32. Commenting on the consultation, Professor Latchman from Birkbeck College said:

⁵³ Q 66

⁵⁴ HEFCE, Withdrawal of funding for equivalent or lower qualifications (ELQs) Consultation on implementation, HEFCE Reference 2007/27, September 2007, http://www.hefce.ac.uk/pubs/hefce/2007/07_27/

⁵⁵ HEFCE, Funding for universities and colleges in 2008–09, 25 January 2008, http://www.jiscmail.ac.uk/cgibin/webadmin?A2=ind0801&L=admin-hefce&T=0&F=&S=&P=448

We have not had consultation about what other possible sources of this hundred million pounds there are, we have not had clear evidence of student demand, and most importantly [...] we have not had proper resourcing of the part time sector and the students who want to study part time in terms of grants so that we can achieve these hard to reach students.⁵⁷

Many other concerns were raised in submissions to this inquiry which went far beyond the relatively limited adjustments the Government was prepared to make to the implementation arrangements. The Government can, of course, announce its priorities for funding without consultation but, where it does, it runs the risk of failing to test its proposals with debate, of unforeseen consequences and of alienating those who have to implement its changed priorities. Consultation would have allowed the assumptions underpinning the switch of funding and the full consequences of the policy to have been examined and the adequacy of the transitional arrangements and exemptions to have been tested. The Committee accepts that the consultation on the implementation was open and that as a result DIUS and HEFCE have made some changes to the original package. We conclude, however, that DIUS should have carried out public consultation about the principle, merits and consequences of the policy rather than exclusively on the implementation of the package.

3 Impact of the policy change

33. As the Minister implied in response to our question about the lack of consultation on the ELQ changes,⁵⁸ it is a dilemma of policy formulation that, when resources are switched, those suffering the loss can often immediately measure the effect and they usually have the means to express their disapproval whereas those gaining from the switch may not even be aware of the gain nor have a vehicle with which to express their views. Nevertheless, it is important that the impact of the policy change is properly understood by the Government and it is clear that this particular policy will have a significant impact on the higher education sector.

Part-time students

34. At the centre of the debate on the withdrawal of ELQ funding is the effect that the changes will have on part-time students. In the consultation document on the ELQ proposals issued in September 2007, HEFCE said "we are aware of the potential impact of the withdrawal of funding for ELQs on part-time provision. Our modelling shows that part-time students are disproportionately affected by this change in policy. We are concerned that this may threaten the short-term viability of some part-time provision". In order "to ensure that new [...] entrants do not find their opportunities for part-time study suddenly reduced", HEFCE proposed:

to introduce a £20 million supplement to the part-time targeted allocation. This funding will be introduced in 2009–10, which is the first year in which the ELQ policy will have a significant sector-wide impact. Institutions will be able to use this money to support courses that are particularly affected by the withdrawal of funding for ELQs. In the longer term, institutions may wish to ensure the sustainability of their part-time courses by applying for non-ELQ additional student numbers, securing other sources of income (including fees), or through a process of rationalisation. This supplement will be subject to review in $2011-12.^{59}$

35. The Government has an improving record on part-time students. The Minister reminded us that this was "the first government ever to bring in a part-time student grant" and that "two years ago we increased the value of that by 27%".⁶⁰ He considered that "part-timers and more mature students are likely to be significant gainers through that process [of re-directing £100 million from ELQ students], but it is also the fact that we are increasing higher-education funding by 2.5% above inflation during the course of this [Comprehensive Spending Review], so there will be further opportunities to make good on the part-time front".⁶¹ He accepted, however, that the ELQ proposals had an impact on

⁵⁸ Q 101

⁵⁹ HEFCE, Withdrawal of funding for equivalent or lower qualifications (ELQs) Consultation on implementation, HEFCE Reference 2007/27, September 2007, paras 34–35, 39

⁶⁰ Q 127

part-time provision and he announced during the evidence session that the £20 million supplement available through HEFCE would be increased to £30 million.⁶²

36. The higher education sector did not share the Minister's view of the Government's generosity towards part-time education. Professor Latchman of Birkbeck College said that funding for part-time students was "inadequate". He pointed out that several years ago HEFCE had commissioned a report from JM Consulting which reported that on a full-time equivalent basis the costs of part-time students to the institution could be up to 44% more than regular students.⁶³ Professor Latchman continued:

We get a 10% premium for that under the current system and your round figure of $\pounds 20$ million will raise that to 13.1%, so that is 13.1% against existing extra costs of 44%, or around there depending on the level of the course, and so that is entirely inadequate. We have been arguing for better support for part time [students] for umpteen years. It is ironic that it is only coming at this moment to the background of huge damage to the part time sector.⁶⁴

In a supplementary memorandum Professor Latchman pointed out that the premium had remained unchanged at 10% for at least five years and that, when a review that HEFCE had set up to examine the effect of top-up fees for full-time students on the part-time sector recommended an increase in the part-time premium in January 2005, this had been rejected by HEFCE Board.⁶⁵ The allocation of £30 million would increase the part-time premium to approximately 15%.⁶⁶ UCU was concerned about the broader impact of the withdrawal of funding on the education of part-time students. It feared "that the ELQ funding changes will result in a permanent loss of staff expertise in working with adults and part-time students at the HE level".⁶⁷

37. We saw no convincing evidence that part-time students would gain from the redistribution of funds away from ELQ students. We welcome and endorse the priority, and funding, that the Government has given to part-time students to improve their skills and we recognise that the Government has made improvements in support for part-time students. However, overall support for part-time students remains precarious and we conclude that these proposals are in danger of undermining improvements and current progress.

- administration costs are often higher for a part-time student (headcount) than they are for a full-time student;
- cohort sizes in evening and weekend study are generally smaller; and
- pastoral support can be the same for a part-time student as for a full-time student.

The report cautioned costs available for the study were not robust, but an indication of the impact of these three factors.

- 65 Ev 266
- 66 Ibid.
- 67 Ev 46

⁶² Q 127

⁶³ Qq 58–59; see also "The costs of alternative modes of delivery", A study for HEFCE by JM Consulting Ltd, August 2003, http://www.hefce.ac.uk/pubs/rdreports/2003/rd14_03/. The report found (p. 12) the costs of teaching the types of part-time students it reviewed were higher than those of the equivalent proportion of full-time students due to three factors:

Co-funding with employers

38. While the Government acknowledged that the withdrawal of ELQ funding would affect part-time students and was prepared to make some adjustments to the package, the main plank of its policy was to look to employers to co-fund programmes.⁶⁸ As the Minister put it, "there needs to be a cultural change and it needs to be based on co-financing".⁶⁹ He explained that the Government, with employers, needed to make changes "so that people will actually invest".⁷⁰ The Minister drew attention to 15 projects that HEFCE was funding across the country on co-financing initiatives and to the funding package of "at least £100 million during the course of the next [Comprehensive Spending Review] period for cofinancing initiatives with employers" that had been announced in December 2007.⁷¹ In addition, he also wanted "levers within the system" to enable, and to ensure, that universities prioritised the recruitment of those students within the workforce who were not yet at first-degree level.⁷² The implication to us was that the Minister was applying the carrot of extra funding with the stick of the withdrawal of ELQ funding to achieve the policy of greater co-funding by employers. Later in the session he acknowledged that cofunding would not provide universal funding and said that "for those people who are with an employer who will not invest in them, there are other routes to reskilling that we are protecting within this process".73 Specifically for the self-employed, he said that there would be "routes through the system to ensure that you can re-skill, for example in respect of vocational foundation degrees, which [...] should become the trademark qualification for people who are looking to change careers, and a whole series of subjects which are exempted".74

39. The higher education sector did not share the Government's belief in co-funding by employers. Birkbeck College said that many students "will not tell us who their employer is because they are studying to move on"⁷⁵ and individuals who made submission to our inquiry confirmed that they had studied, or were studying, an ELQ in order to re-train or develop their careers.⁷⁶ The OU said that in a survey of ELQ students, 12% received some support from their employers and 9% had full support and that this "does not change a pattern we have seen over many years".⁷⁷ Professor Gourley from the OU explained that:

a lot of students are actually studying to escape present employers not necessarily stay with present employers, and we also have to accept that most people nowadays do not have one employer and one career, they have four, five, six different careers

⁶⁸ Q 79

⁶⁹ Q 72

⁷⁰ Q 69

⁷¹ Q 72; see also "Funding Boost for Higher Level Skills in the Workforce", DIUS press release, 4 December 2007.

⁷² Q 66

⁷³ Q 69

⁷⁴ Q 126

⁷⁵ Q 39 [Professor Latchman]

⁷⁶ For example Ev 53; ELQ 2 [Elizabeth Brown], ELQ 7 [Stephen J Dobson], ELQ 12 [Bob Crawford], ELQ 29 [Keith Moyse], ELQ 35 [Tim Lambert], ELQ 43 [Amy Theerman], ELQ 59 [Dr David Mercer], ELQ 63 [Evan Haynes] [not printed]

over a lifetime, and the economy is offering them all sorts of different kinds of careers and they have to up-skill and re-skill to take advantage of that. Employers have no particular interest in supporting that.⁷⁸

40. These comments illustrate how the ELQ debate can be seen as a surrogate debate about the involvement of employers funding higher education.⁷⁹ It is clear, however, that, as a result of £100 million switch in resources, much of the funding given by one hand of government to assist part-time students will be taken by the other from those studying ELQs part-time. The result of the policy may be that, with an increased reliance on co-funding, employers will have greater influence over the choice of courses part-time students take. Those who are self-employed or who work for small or medium sized businesses will have reduced opportunity of co-funding. We have therefore concerns that the withdrawal of ELQ funding will remove the flexibility in the system that allows individuals without employers' support to acquire new skills to be able to change employment and meet the needs of a changing economy.

41. The Government is itself a major employer, particularly through the Civil Service, the National Health Service, the Armed Forces and education. Given the pressures for professional development we expect that many government employees will seek to study for qualifications which are at the same or lower level to ones that they already hold. They will become ELQ students faced with fees unsubsidised through HEFCE. We conclude that the Government needs to publish its policy as an employee on funding its employees' fees when they become ELQ students.

Disproportionate effects

42. A broad range of concerns was raised with us about the effects of the withdrawal of institutional support for ELQ students, especially that the effects would not be felt evenly and that certain groups, sectors and areas of study would be penalised disproportionately. Ms Tumelty from the NUS was worried about the impact on equality, particularly on women who had career breaks and who might need to improve existing, or acquire new, skills before going back into the workplace, which, she added, "is a really important issue seeing as women students make up 62% of part time students, so they are going to be massively disproportionately affected by this decision".⁸⁰ The UK Resource Centre for Women in Science, Engineering and Technology and the Women's Budget Group shared NUS's concern. They pointed out that the withdrawal would:

- disproportionately impact on women as part time learners, and students of ELQ degrees because women as a group earn less or have less access to financial support;
- deter people (mostly women) who have had a career break (often for caring reasons) or have followed unconventional career paths, from undertaking reskilling;
- undermine programmes and courses specifically for returners; and

⁷⁸ Q 35

⁷⁹ See also Q 36.

⁸⁰ Q 12

• work against government strategy and funding to encourage women in Science, Engineering and Technology (SET) as many potential learners were currently outside the SET labour market and were often in part-time jobs that did not utilise their technical qualifications and where employer support for their re-skilling was unrealistic.⁸¹

43. Other witnesses claimed disproportionate effects of the withdrawal of the ELQ funding would be felt by disadvantaged groups, traditionally under-represented in society, and by other groups, disciplines, institutions and localities. Here are some examples.

Groups

44. Skill: the National Bureau for Students with Disabilities was concerned about the effect the withdrawal of ELQ funding would have on disabled people who either became disabled after finishing their degree, or whose impairment or condition deteriorated to such an extent that they could no longer pursue their original career.⁸²

45. Million+, which represents post-1992 universities, said that the London institutions in the 22 identified by HEFCE as losing the most funding as a result of the ELQ changes were some of the most successful in recruiting black and minority ethnic students.⁸³

Disciplines

46. The British Computer Society argued that the ELQ changes would deter graduates in other disciplines from making a switch to IT. It explained that IT was vulnerable to a change in ELQ funding because of the small numbers inside the industry with existing IT qualifications combined with high growth rates in the industry. One option currently for those who did not have a first degree in IT was to take a qualification at the same level as their existing one.⁸⁴

47. The CBI considered the "most damaging consequence of these plans" would be the impact on management programmes, especially MBAs, when it was essential for firms to compete in the global economy.⁸⁵

48. Oxford University explained that it worked with theological training colleges to provide advanced academic, yet practical, theological courses. The majority of students were ordinands who already held an undergraduate or postgraduate degree in another subject. The churches were unlikely to be able to meet the increase in fees, and salaries in the churches were not at a level where such students could afford full-cost fees themselves. If the ELQ policy were implemented, the university considered that it was "highly likely that these courses will close".⁸⁶

- 84 Ev 90, para 14
- 85 Ev 240, paras 8–9; see also Ev 72 and Ev 217.
- 86 Ev 98, para 7

⁸¹ Ev 115, 182

⁸² Ev 81

⁸³ Ev 56, para 21

Institutions

49. The Institute of Education, University of London, drew attention to the effect of the withdrawal of ELQ funding faced by subject specialist institutions, especially institutions with a disciplinary focus which often served predominantly postgraduate students. It said that the nature of specialist institutions and their markets was inherently less flexible than that of multi-faculty providers.⁸⁷

50. We have in this report noted in some detail the submissions of two "specialist" institutions, Birkbeck College and the OU.

Areas of the country

51. The London Chamber of Commerce and Industry said that the changes would have a negative impact on London's businesses. Reducing support for ELQs would inevitably discourage people in London, where there was a shortage of certain skills, from re-skilling or seeking additional qualifications.⁸⁸ LondonHigher doubted that large companies in London would invest in higher education, since the economic and cultural benefits of working in the capital meant that recruitment was often global. Hence there was little incentive for employers to upskill or retrain staff as opposed to seeking overseas candidates with appropriate higher level skills, to the detriment of London's work force.⁸⁹

Impact assessment

52. In the consultation document published in September 2007, HEFCE said that it was:

concerned to ensure that our plans for implementing the ELQ policy do not impact negatively on any particular sub-set of the student population. This is particularly important given our statutory duty to have regard to eliminating unlawful discrimination and promoting equality (particularly in relation to gender, disability and race). Respondents to the consultation are invited to comment on any such unintended consequences. We will use this information to inform our assessment of the ELQ policy on the sector and, where possible, to take mitigating action.⁹⁰

53. We are concerned that HEFCE was not able to carry out the assessment before embarking on the consultation exercise. We assume that it was constrained by the tight timetable set by DIUS. We are disappointed that HEFCE appears not to have pressed the Government to allow it to carry out a full impact assessment study. We recommend that in future before embarking on major changes such as the withdrawal of ELQ funding, the Government ensure that a full sector assessment of the impact of the proposals is carried out and the results published with consultation exercises.

⁸⁷ Ev 166-7, para 5

⁸⁸ Ev 107

⁸⁹ Ev 139, para 9

⁹⁰ HEFCE, Withdrawal of funding for equivalent or lower qualifications (ELQs) Consultation on implementation, HEFCE Reference 2007/27, September 2007, para 40

54. By the time that we took oral evidence in January 2008, HEFCE had conducted a full sector impact assessment on "the whole range of equalities issues" which it intended to publish.⁹¹ The Minister and HEFCE were both reassuring about the alleged disproportionate effects of the policy. For example, the Minister told us that of the 20 million adults within the workforce who were not yet at Level 4,⁹² ten million of them were women and that two and a half million women were qualified to A-level but did not go on to degree level.⁹³ Professor Eastwood from HEFCE added that the assessment showed the impact of the withdrawal of ELQ funding was a "marginal differential" between men and women.⁹⁴ On students with disabilities, Professor Eastwood said that his "advice is that there are no particular issues relating to students with disabilities"⁹⁵ but he would keep the "matter under review".⁹⁶ On the effect on post-1992 universities, Professor Eastwood said that there was a differential compared to other universities "but it is not a huge differential" and "a significant part of the redistribution of numbers will be redistribution towards widening participation".⁹⁷ He added that further analysis would be done by institutions because it was institutions that determine the distribution of block grant.⁹⁸

55. We are surprised that Professor Eastwood quoted from an unpublished assessment. His points conflict with many of the submissions offered to our inquiry. We recommend that HEFCE publish the sector assessment of the impact of the policy of withdrawing funding for ELQ fees as soon as possible, in order to facilitate further analysis where necessary.

Data used by HEFCE for modelling

56. When it carried out the consultation exercise in September 2007, HEFCE published models of the impact of the ELQ changes on individual institutions.⁹⁹ The statistical projections made by HEFCE to calculate the level of grant to be withheld from higher education institutions as a result of the implementation of the ELQ policy were based on historical data. Oxford University found HEFCE's approach "troubling".¹⁰⁰ It pointed out that universities had collected and returned data on students and their courses in 2005–06 in good faith and according to the requirements of the Higher Education Statistics Agency (HESA) coding manual. The data had not been collected and returned with a view to underpinning the ELQ policy and was unsuitable for the purpose. Oxford considered that something in excess of £1 million was included within the calculation of teaching grant to be withheld which, in its judgement, should not be included. It explained:

- 96 Q 113
- 97 Q 114
- 98 Q 117

100 Ev 258

⁹¹ Qq 108 and 112

⁹² That is bachelor's degree, graduate certificate or diploma.

⁹³ Q 137

⁹⁴ Q 138

⁹⁵ Q 110; See also Q 113.

⁹⁹ HEFCE, Withdrawal of funding for equivalent or lower qualifications (ELQs) Consultation on implementation, HEFCE Reference 2007/27, September 2007; modelling athttp://www.hefce.ac.uk/pubs/hefce/2007/07_27/07_27s.xls

The data returned to HESA for 2005–06, while appropriate in terms of the requirements of that exercise, misrepresent the number of ELQ students in that university's population from the perspective of the new policy. Our student record system [...] uses a number of default values in fields which, under the ELQ policy, now become highly significant. This has resulted in HEFCE inferring higher levels of non-ELQ students in our population and not picking up on SIVS¹⁰¹ subjects within the programme.¹⁰²

Oxford argued that HEFCE should not withhold grant as a consequence of a coding decision taken for reasons unrelated to the ELQ policy but should base such decisions on a count of actual ELQ students.¹⁰³ Oxford hoped that HEFCE would investigate carefully any appeals by universities.¹⁰⁴

57. We have concerns that the data which HEFCE collected, before the withdrawal of funding for ELQ students was considered, may not be accurate and may result in higher education institutions losing grant to which they are entitled. We recommend that HEFCE institute a speedy appeals system that will allow higher education institutions to challenge the data about ELQ students on which grant, including the safety net, is calculated.

¹⁰¹ Strategically Important and Vulnerable Subjects

¹⁰² Ev 259, para 2

¹⁰³ Ev 258

¹⁰⁴ Ev 259, para 4

4 Implementation

Transitional arrangements

58. The Government and HEFCE have put in place a number of transitional measures to allow institutions to adjust to the new funding arrangements for fees. Transitional protection will mean that no institution will lose money in cash terms against its 2007–08 baseline allocation over the next three years. That protection would exist even if those institutions did not successfully attract a single additional student and, as the Minister pointed out, was provided "on the back of an expansion of the higher-education budget".¹⁰⁵ On timing, he made the point that implementation would be phased and that in 2008–09 only 0.2% of the overall higher-education budget would be affected.¹⁰⁶ Professor Eastwood from HEFCE considered that higher education institutions would have "ample opportunity to make adjustments in provision, recruitment and additional student numbers".¹⁰⁷

59. The higher education sector had concerns about the adequacy of the transitional arrangements. Although Professor Gourley from the OU said "we will manage the first three years with the safety netting", she considered that the three year safety netting would still "cause damage", particularly after the safety net was withdrawn.¹⁰⁸ She said that the problem was magnified for the OU because the ELQ changes would take 29,000 students out of the OU's system which was a serious part of its business.¹⁰⁹ Of particular concern was what happened after the safety netting ended because the OU created courses over a longer period of time than "ordinary institutions".¹¹⁰ More time was therefore needed to re-design its courses to adapt to the loss of ELQ students. The NUS was concerned about the viability of courses. It pointed out that ELQ students were taught in the same lecture theatres as other groups of students, and if this funding was cut then it could damage the viability of other courses and therefore have an impact across the sector on those first-time students as well.¹¹¹

60. In his evidence, Professor Latchman from Birkbeck College posed a number of questions on the transitional arrangements which he said have not been answered:

- While core grant activity will be safety netted, will the net also cover the widening participation element of grant?
- Is the capital allocation for buildings going to be maintained even though that has an element of student numbers in it?

- 109 Ibid.
- 110 *Ibid.*

¹⁰⁵ Q 68

¹⁰⁶ Q 76

¹⁰⁸ Q 57 [Professor Gourley]

¹¹¹ Q 47 [Ms Tumelty]

• Will any additional resource attracted by co-funded students reduce the safety net?¹¹²

61. The detailed operation of the safety net is not clear. The Government needs to explain in detail how the safety net will work so that institutions can adequately plan their finances for the period of the transitional arrangements. In particular, the Government must clarify the points raised by Professor Latchman.

62. In our view three years is an adequate period for transitional arrangements and the higher education sector as a whole could not reasonably expect a longer period. It should give most higher education institutions enough time to make adjustments to their courses and to attract first-time students to fill gaps left by withdrawal of ELQ funding. We recommend that this be the subject of a short, sharp, interim review by HEFCE, with whatever recommendations to Government prove necessary.

63. We recognise that additional measures may be needed to assist those higher education institutions particularly badly hit by the withdrawal of funding for ELQ students and recommend that the Government provide for such additional measures.

Exemptions proposed by HEFCE

64. As part of the September 2007 consultation, HEFCE sought views on exemptions from the withdrawal of funding for ELQ students.¹¹³ The list offered drew directly on earlier arrangements to restrict support to students taking second undergraduate degree courses, in particular the Education (Student Support) Regulations 2007¹¹⁴ and the Student Fees (Qualifying Courses and Persons) (England) Regulations 2007.¹¹⁵ In summary, these regulations provide that students who already have a degree from a UK institution are not eligible for a loan to pay their tuition fees unless they are studying for a postgraduate course in teacher training or taking certain two year courses.¹¹⁶ Loans for living costs are only available for students studying designated courses: social work, initial teacher training, medicine, veterinary surgeon, architect, landscape architect, landscape designer, landscape manager, town planner or town and country planner.¹¹⁷ There are also exemptions for students on courses leading to qualification to practise as a nurse, midwife, social worker or in other related healthcare.¹¹⁸ The September 2007 package of exemptions uniquely added an exemption for Strategically Important and Vulnerable Subjects (SIVS),¹¹⁹ subjects that have an importance either to the economy or to the welfare of society. SIVS cover:

a) science, technology, engineering and mathematics;

118 SI 2007/176, Regulation 5(1)

¹¹² Q 55

¹¹³ HEFCE, Withdrawal of funding for equivalent or lower qualifications (ELQs) Consultation on implementation, HEFCE Reference 2007/27, September 2007, http://www.hefce.ac.uk/pubs/hefce/2007/07_27/

¹¹⁴ SI 2007/176

¹¹⁵ SI 2007/778

¹¹⁶ SI 2007/176, Regulation 18 (1)

¹¹⁷ SI 2007/176, Regulations 6(6), and 62

¹¹⁹ HEFCE, Withdrawal of funding for equivalent or lower qualifications (ELQs) Consultation on implementation, HEFCE Reference 2007/27, September 2007, Annex C

- b) area studies and related minority languages, including:
 - Arabic and Turkish language studies and other Middle Eastern area studies, former Soviet Union Caucasus and central Asian area studies;
 - Japanese, Chinese, Mandarin and other far eastern languages and area studies;
 - courses relating to recent EU accession countries, especially those in Eastern Europe and the Baltic states.
- c) modern foreign languages;
- d) land-based studies;
- e) quantitative social science; and
- f) Islamic studies.

65. In January 2008 HEFCE Board endorsed the September 2007 package of exemptions, subject to the following changes:

- a) to review annually the levels of demand in exempt and protected subjects, and other subjects which might in future have key economic or social significance, but at this stage not to exempt additional subjects;
- b) to give further consideration to exempting students in receipt of the Disabled Students Allowance; and
- c) to exempt students studying in Northern Ireland with the OU.¹²⁰

66. During our questioning of him, a further concession was made by the Minister when he informed us that he would ask HEFCE to consult with interested parties, and respond within two months, on the training of theologians and religious teachers.¹²¹ We welcome the immediate review of support for those studying theology as an ELQ and recommend that the Government exempt those studying theology as an ELQ from the withdrawal of funding.

67. A major criticism running through the representations we received was the inconsistencies in the exemptions. For example:

- Those with responsibility for teaching pharmacy (not exempted) could see no reason why pharmacy, especially given the shortage of pharmacists, should be treated any differently to the health-related subjects that were exempt.¹²²
- Christian theological institutions questioned why they were not exempt when Islamic Studies were.¹²³

¹²⁰ HEFCE, Funding for universities and colleges in 2008–09, 25 January 2008, http://www.jiscmail.ac.uk/cgibin/webadmin?A2=ind0801&L=admin-hefce&T=0&F=&S=&P=448

¹²² Ev 128, para 6; Ev 203; Ev 131, para 6; Ev 79, para 5

¹²³ Ev 91, para 5; Ev 206; Ev 230, para 7

- Those with responsibilities for Computer Science, Computing and IT argued that since IT was a strategic subject and the level of provision fell short of demand from employers, it should have Strategically Important and Vulnerable status and be exempt.¹²⁴
- The Council for the Mathematical Sciences was concerned that the ELQ policy would undermine the Government's targets for increasing the number of specialist teachers in SIVS by introducing disincentives to retraining or up-skilling in these areas.¹²⁵
- The Association of Business Schools argued that list of SIVS was neither meaningful nor a fair basis on which to protect ELQ funding as it conflated two very different sets of issues—national importance and market demand—and it did not include for example, management and leadership development, which the Government itself (via the Council for Excellence in Management and Leadership) had accepted as being of major strategic importance to improved productivity and international competitiveness.¹²⁶
- The Tavistock and Portman NHS Foundation Trust asked why nurse-qualifying courses were exempt but continuing professional development programmes for all mental-health professionals, including post-registration nurses, were not listed as exempt.¹²⁷
- Bodies representing psychiatrists and psychotherapists considered the withdrawal of ELQ funding to be in conflict with the Department of Health's emphasis on continuing professional development and the acquisition of skills to facilitate transfer across levels in the workforce and pointed out that previous study and experience was a requirement for certain studies and that, if courses were not exempted, it would have a serious effect on higher education institutions' ability to offer affordable courses.¹²⁸
- The Royal Veterinary College considered it essential that unless the exemptions included students studying for a first registerable veterinary surgeon qualification the progress it had made to facilitate graduate entry to its professional veterinary degree would be undermined.¹²⁹
- Conservatoires UK said that the training process for performers at the highest level required several years of postgraduate study, and because the professions these students entered were supported by public subsidy, co-funding from employers was unrealistic and that a consequence of the ELQ policy would be that the best

¹²⁴ Ev 144, paras 21-22; Ev 90, para 15

¹²⁵ Ev 102-04; see also Ev 99-100.

¹²⁶ Ev 249

¹²⁷ Ev 120 [Tavistock and Portman NHS Foundation Trust], para 5.1

¹²⁸ Ev 87 [Institute of Psychiatry]; Ev64 [British Association for Counselling and Psychotherapy], para 3; Ev 150–152 [The British Psychological Society]; Ev 198 [British Association of Psychotherapists]; See also Ev 78 [King's College London], para 4 and Ev 105–107 [Relate].

¹²⁹ Ev 62, paras 4-5

students would seek more affordable training outside the UK, thus undermining the reputation of UK higher education in these areas.¹³⁰

• The British Association for Applied Linguistics was concerned that the ELQ proposals would impact on those wanting to change careers in response to global market developments, in particular to upgrade their qualifications in applied linguistics and related subjects.¹³¹

68. In the time made available to it by the Government, HEFCE appears to have had little choice other than to use the exemptions provided in the Student Support and Student Fees regulations with an exemption for Strategically Important and Vulnerable Subjects bolted on, both elements of which were designed for other purposes. The result is unsatisfactory. We cannot see, for example, why the Government was prepared to make a special exemption for theological students¹³² but not others. The exemptions were also originally designed before the Leitch Review was published. We conclude that the exemptions proposed by the Government are inconsistent and unsuitable for determining state support for the fees of ELQ students. We conclude that the Government ought to have asked HEFCE to design exemptions from the withdrawal of funding for ELQ students that aligned with the Leitch review to focus on students and courses likely to provide the greatest benefit to the economy or to meet skills shortages. Of the alternatives offered, by Birkbeck College for example, we conclude that the best case could be made for part-time students following courses that lead to re-training and hence value to the economy. Given the proposed policy of the Government, there is, however, no feasible alternative to the subject-specific basis for exemptions.

69. We are unclear about the financial consequences of the changes to the exemptions announced by HEFCE in January 2008. We recommend that the Government in responding to this Report clarify the effect that the widening of the exemptions and the provision of additional resources for part-time students will have on £100 million earmarked for first-time students and whether resources will be taken from other parts of the higher education budget.

Reviews of exemptions

70. In oral evidence the Minister explained that there would be annual reviews of exemptions and that the first review would start in December 2008.¹³³ Given the concerns expressed about the exemptions and our conclusions about their inconsistencies, we consider that a comprehensive review is needed before December. Such a review should iron out the inconsistencies and put the exemptions on a secure footing. If the review is comprehensive and underpinned with consultation with the higher education sector, employers and interested parties, it could also obviate the need for annual reviews. We recommend that the Government bring forward from December to the summer the

¹³⁰ Ev 91; see also Ev 121–122 [Guildhall School of Music and Drama] and Ev 231–34 [Conservatoire for Dance and Drama].

¹³¹ Ev 220

¹³² See para 66, above.

¹³³ Q 126

first annual review of the exemptions for the withdrawal of funding for ELQ students, widen the terms of the review and carry out a full consultation as part of the review. We further recommend that the Government set out the financial consequences if the proposed reviews extend any exemptions; in particular, will there be offsetting withdrawal of exemptions for other ELQ students?

Policing the arrangements

71. Professor Latchman from Birkbeck raised concerns about the enforcement arrangements for the new policy on ELQs. He suggested that the only way that the policy could be implemented would be to maintain a database of students' qualifications. He argued that, if higher education institutions had to ask students to register whether they had an ELQ, universities would:

spend huge amounts of money on policing this system on behalf of the government because we will have to investigate qualifications, we will have to find out whether those things have been properly recorded, and there will be a huge incentive to students who graduated a number of years ago to lie because there is no national database that you have to check it with.¹³⁴

72. The Minister replied that he would shortly be asking HEFCE for advice and then guidance would be issued.¹³⁵ He considered that most people did, and would, obey the rules, but that there would need to be a random checking process. In some cases universities might need to check with the previous employers and previous education establishments to corroborate that particular students did not have a first degree. He accepted that "we will have to do that in a way that we get the balance right between protection and not an overly bureaucratic system".¹³⁶ He explained after the evidence session that in all cases HEFCE would work with institutions to audit feasible student numbers and final HEFCE funding would be determined on a basis of audited returns through a robust audit process.¹³⁷ Professor Eastwood said that HEFCE would offer good practice guidelines to institutions in March 2008 and confirmed that it would work with institutions to audit numbers, with final funding determined on the basis of audited returns.¹³⁸ He too envisaged that there would be "some additional dipstick-type checking mechanism in order to have a robust audit process".¹³⁹

73. We recommend that the Government produce as a matter of urgency comprehensive and clear guidance for higher education institutions and students to ensure that they understand and follow the funding rules on fees for ELQ students. The guidance needs to clarify the responsibilities of higher education institutions, whether they have a duty of due diligence and who should bear the financial consequences for an

136 Ibid.

138 Q 149 [Professor Eastwood]

¹³⁴ Q 19

¹³⁵ Q 149 [Bill Rammell]

¹³⁷ HC Deb, 25 February 2008, cols 1314–15W

¹³⁹ *Ibid.*

ineligible ELQ student who either unwittingly or by deception obtains government support for his or her fees.

5 Conclusions

74. The announcement of the decision in September 2007 to withdraw institutional funding for those studying for equivalent or lower qualifications has the appearance of a decision taken in some haste, the full effects of which and consequences for other policies such as the need for re-skilling have not been fully examined. The matter would have been better left until the independent review of variable fees due in 2009. The transitional arrangements and exemptions, while welcome, are inconsistent and may well prove inadequate. As the Government has decided to proceed with the changes to ELQ funding, the first annual review of the exemptions. We support the Government's aim of encouraging more first-time students to enter higher education; but without due analysis and evidence of the likely effectiveness and impact of the change, we cannot support the decision to cut funding to ELQ students in this way.

List of conclusions and recommendations

Impact of withdrawal of HEFCE funding support

1. There can be little doubt that the withdrawal of HEFCE funding support for the tuition fees charged to ELQ students will increase substantially the fees such students will have to pay, if the full cost is passed on to them. (Paragraph 5)

Written submissions to inquiries

2. We consider it unacceptable for there to be no memorandum provided from the Government. We expect government departments fully to comply with all reasonable requests for written submissions before they appear before us in future. (Paragraph 8)

Policy on funding ELQ students

- 3. We accept that it is for ministers to decide priorities for funding and that it could be reasonable that public policy should give priority to students who have not studied for a first degree. This does require, however, a full rationale for, and justification of, the policy, scoping of its effects and a proper examination of possible unintended consequences, such as reducing the potential of adult learners to retrain and re-skill, which Leitch and others have argued is so vital, both on economic and social grounds. (Paragraph 11)
- 4. Where resources are switched in line with those priorities, it is the responsibility of ministers also to demonstrate that there is unmet demand and that the reallocation will produce outcomes in line with the Government's policy and without unforeseen or unacceptable consequences. (Paragraph 12)

Justification for the policy

- 5. In our view, there is little evidence that withdrawing state funding for students taking ELQs in itself goes either with or against the grain of the recommendation in the Leitch Review of Skills to provide professional development with up-skilling and reskilling as priorities. Furthermore, Leitch does not impel the Government to withdraw funding for ELQs nor require it to be maintained. We recommend that the Commission for Employment and Skills undertake a review of the effects of the withdrawal of institutional funding on ELQ students and the institutions which principally educate them. (Paragraph 17)
- 6. We recommend that the Government make explicit its policy to assist people looking to re-skill and obtain professional or technical development and that this must be done in time to contribute to the major review of fees policy and other higher education strategies which Government intends to undertake in 2009. (Paragraph 18)

- 7. In our view the Government has not shown convincing evidence that the withdrawal of funding for ELQ students and the phased re-allocation of the resources will meet its policy objective to encourage more suitably qualified individuals to start higher education for the first-time. In the absence of research on, or any analysis of, the groups to whom the redirected resources are targeted, we cannot see how the Government is certain that the funds taken from ELQ fees will meet their intended purpose efficiently or effectively. While we recognise that the expansion of the higher education sector has occurred in the teeth of substantial scepticism about the demand for, and value of, extra university places, we could find no convincing evidence that ELQ students were preventing access for first-time undergraduates or that there was a significant unmet demand from first-time undergraduates, though we accept that such evidence is not easy to collate. (Paragraph 23)
- 8. We conclude that the Government should have carried out a full analysis of unmet demand, including the annual 100,000 individuals who apply but do not enter higher education and of their reasons for not starting higher education, before it switched resources away from ELQ students. (Paragraph 24)
- **9.** In their response to this report, we ask DIUS to explain what has happened to the £20 million the Minister said would be redistributed in 2008–09. We question the Government's case that switching funding from ELQ students would increase opportunities for first-time graduates, in the apparent absence of newly funded extra places for first-time undergraduates in the first year of the scheme. We ask the Government to explain the rationale linking funding and places. (Paragraph 25)
- **10.** We found no convincing evidence that "perpetual students" were absorbing public resources or impeding the access of other students to higher education. (Paragraph 26)

Timing of the change

11. We see no evidence that there is a pressing reason to make the changes to ELQ funding in 2008–09 and believe that the Government should have waited for the 2009 review of fees, which would have been able to weigh funding of ELQs against other priorities. (Paragraph 29)

Consultation on policy

12. The Committee accepts that the consultation on the implementation was open and that as a result DIUS and HEFCE have made some changes to the original package. We conclude, however, that DIUS should have carried out public consultation about the principle, merits and consequences of the policy rather than exclusively on the implementation of the package. (Paragraph 32)

Part-time students

13. We saw no convincing evidence that part-time students would gain from the redistribution of funds away from ELQ students. We welcome and endorse the priority, and funding, that the Government has given to part-time students to

improve their skills and we recognise that the Government has made improvements in support for part-time students. However, overall support for part-time students remains precarious and we conclude that these proposals are in danger of undermining improvements and current progress. (Paragraph 37)

- 14. The result of the policy may be that, with an increased reliance on co-funding, employers will have greater influence over the choice of courses part-time students take. Those who are self-employed or who work for small or medium sized businesses will have reduced opportunity of co-funding. We have therefore concerns that the withdrawal of ELQ funding will remove the flexibility in the system that allows individuals without employers' support to acquire new skills to be able to change employment and meet the needs of a changing economy. (Paragraph 40)
- **15.** We conclude that the Government needs to publish its policy as an employer on funding its employees' fees when they become ELQ students. (Paragraph 41)

Impact assessment

- 16. We are disappointed that HEFCE appears not to have pressed the Government to allow it to carry out a full impact assessment study. We recommend that in future before embarking on major changes such as the withdrawal of ELQ funding, the Government ensure that a full sector assessment of the impact of the proposals is carried out and the results published with consultation exercises. (Paragraph 53)
- 17. We recommend that HEFCE publish the sector assessment of the impact of the policy of withdrawing funding for ELQ fees as soon as possible, in order to facilitate further analysis where necessary. (Paragraph 55)

Data used by HEFCE for modelling

18. We recommend that HEFCE institute a speedy appeals system that will allow higher education institutions to challenge the data about ELQ students on which grant, including the safety net, is calculated. (Paragraph 57)

Transitional arrangements

- **19.** The Government needs to explain in detail how the safety net will work so that institutions can adequately plan their finances for the period of the transitional arrangements. In particular, the Government must clarify the points raised by Professor Latchman. (Paragraph 61)
- **20.** In our view three years is an adequate period for transitional arrangements and the higher education sector as a whole could not reasonably expect a longer period. It should give most higher education institutions enough time to make adjustments to their courses and to attract first-time students to fill gaps left by withdrawal of ELQ funding. We recommend that this be the subject of a short, sharp, interim review by HEFCE, with whatever recommendations to Government prove necessary. (Paragraph 62)

21. We recognise that additional measures may be needed to assist those higher education institutions particularly badly hit by the withdrawal of funding for ELQ students and recommend that the Government provide for such additional measures. (Paragraph 63)

Exemptions proposed by HEFCE

- **22.** We welcome the immediate review of support for those studying theology as an ELQ and recommend that the Government exempt those studying theology as an ELQ from the withdrawal of funding. (Paragraph 66)
- 23. We conclude that the exemptions proposed by the Government are inconsistent and unsuitable for determining state support for the fees of ELQ students. We conclude that the Government ought to have asked HEFCE to design exemptions from the withdrawal of funding for ELQ students that aligned with the Leitch review to focus on students and courses likely to provide the greatest benefit to the economy or to meet skills shortages. Of the alternatives offered, by Birkbeck College for example, we conclude that the best case could be made for part-time students following courses that lead to re-training and hence value to the economy. Given the proposed policy of the Government, there is, however, no feasible alternative to the subject-specific basis for exemptions. (Paragraph 68)
- 24. We recommend that the Government in responding to this Report clarify the effect that the widening of the exemptions and the provision of additional resources for part-time students will have on £100 million ear-marked for first-time students and whether resources will be taken from other parts of the higher education budget. (Paragraph 69)

Reviews of exemptions

25. We recommend that the Government bring forward from December to the summer the first annual review of the exemptions for the withdrawal of funding for ELQ students, widen the terms of the review and carry out a full consultation as part of the review. We further recommend that the Government set out the financial consequences if the proposed reviews extend any exemptions; in particular, will there be offsetting withdrawal of exemptions for other ELQ students? (Paragraph 70)

Policing the arrangements

26. We recommend that the Government produce as a matter of urgency comprehensive and clear guidance for higher education institutions and students to ensure that they understand and follow the funding rules on fees for ELQ students. The guidance needs to clarify the responsibilities of higher education institutions, whether they have a duty of due diligence and who should bear the financial consequences for an ineligible ELQ student who either unwittingly or by deception obtains government support for his or her fees. (Paragraph 73)

Conclusions

27. The announcement of the decision in September 2007 to withdraw institutional funding for those studying for equivalent or lower qualifications has the appearance of a decision taken in some haste, the full effects of which and consequences for other policies such as the need for re-skilling have not been fully examined. The matter would have been better left until the independent review of variable fees due in 2009. The transitional arrangements and exemptions, while welcome, are inconsistent and may well prove inadequate. As the Government has decided to proceed with the changes to ELQ funding, the first annual review of the exemptions provides an opportunity for a full review of the scope and operation of the exemptions. We support the Government's aim of encouraging more first-time students to enter higher education; but without due analysis and evidence of the likely effectiveness and impact of the change, we cannot support the decision to cut funding to ELQ students in this way. (Paragraph 74)

Formal Minutes

Monday 17 March 2008

Members present:

Mr Phil Willis, in the Chair

Mr Tim Boswell Mr Ian Cawsey Dr Ian Gibson Dr Evan Harris Dr Brian Iddon Mr Gordon Marsden

1. Withdrawal of funding for equivalent or lower level qualifications

The Committee deliberated.

Draft Report (*Withdrawal of funding for equivalent or lower level qualifications*), proposed by the Chairman, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 22 read and agreed to.

Paragraph 23 read as follows:

In our view the Government has not shown convincing evidence that the withdrawal of funding for ELQ students and the phased re-allocation of the resources will meet its policy objective to encourage more suitably qualified individuals to start higher education for the first-time. In the absence of research on, or any analysis of, the groups to whom the redirected resources are targeted, we cannot see how the Government is certain that the funds taken from ELQ fees will meet their intended purpose efficiently or effectively. While we recognise that the expansion of the higher education sector has occurred in the teeth of substantial scepticism about the demand for, and value of, extra university places, we could find no convincing evidence that ELQ students were preventing access for first-time undergraduates or that there was a significant unmet demand from first-time undergraduates, though we accept that such evidence is not easy to collate.

Amendment proposed, in line 11, delete from "undergraduates" to the end of the sentence and add: "It seems to us that the Government could have carried out the research into unmet demand from unsuccessful applicants as set out in their memorandum (see paragraph 21) and to use the household or labour force surveys to establish any unmet demand from first-time students who have never applied to university."—(*Dr Evan Harris.*)

Question put, That the Amendment be made.

The Committee divided.

Ayes, 1

Dr Evan Harris

Noes, 5

Mr Tim Boswell Mr Ian Cawsey Dr Ian Gibson Dr Brian Iddon Mr Gordon Marsden

Paragraph agreed to.

Paragraphs 24 to 73 read and agreed to.

Paragraph 74 read as follows:

The announcement of the decision in September 2007 to withdraw institutional funding for those studying for equivalent or lower qualifications has the appearance of a decision taken in some haste, the full effects of which and consequences for other policies such as the need for re-skilling have not been fully examined. The matter would have been better left until the independent review of variable fees due in 2009. The transitional arrangements and exemptions, while welcome, are inconsistent and may well prove inadequate. As the Government has decided to proceed with the changes to ELQ funding, the first annual review of the exemptions provides an opportunity for a full review of the scope and operation of the exemptions. We support the Government's aim of encouraging more first-time students to enter higher education; but without due analysis and evidence of the likely effectiveness and impact of the change, we cannot support the decision to cut funding to ELQ students in this way.

Amendment proposed, in line 10, delete from "education" to the end of the sentence and insert: "but we believe that the decision to cut funding to ELQ students in this way should have followed due analysis and evidence of the likely effectiveness and impact of the change."—($Mr \ Ian \ Cawsey$.)

Question put, That the Amendment be made.

The Committee divided.

Ayes, 2

Mr Ian Cawsey Dr Ian Gibson Noes, 4

Mr Tim Boswell Dr Evan Harris Dr Brian Iddon Mr Gordon Marsden

Paragraph agreed to.

Summary agreed to.

Resolved, That the Report be the Third Report of the Committee to the House.

Ordered, That the Chairman make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Written evidence was ordered to be reported to the House for printing with the Report.

[Adjourned till Wednesday 19 March at 9.00 am

Witnesses

Thursday 17 January 2008	
Professor Brenda Gourley , Vice-Chancellor, Open University, Professor David Latchman , Master, Birkbeck College, University of London, Ms Gemma Tumelty , National President, National Union of Students, and Ms Sally Hunt , General Secretary, University and College Union	Ev 1
Bill Rammell MP , Minister for Lifelong Learning, Further and Higher Education, Department for Innovation, Universities and Skills (DIUS), and Professor David Eastwood , Chief Executive, Higher Education Funding Council for England (HEFCE)	Ev 9

List of written evidence

1	Open University Ev	/ 23, 264
2	National Union of Students	Ev 35
3	Professor David Latchman, Master of Birkbeck College,	
	-	/ 39, 265
4	University and College Union	Ev 43
5	Milton Contact	Ev 52
6	School of Pharmacy and Chemistry, Liverpool John Moores University	
7	Helen Lintell, Student Services Manager, Open University in the South West	Ev 53
8	Million +	Ev 54
9	Institute of Fund Raising Ev	/ 61, 253
10	Royal Veterinary College, University of London	Ev 62
11	British Association for Counselling and Psychotherapy	Ev 64
12	City of Westminster College	Ev 65
13	Council of University Classical Departments	Ev 66
14	Office of the City Remembrancer	Ev 67
15	Y Action	Ev 67
16	Association of Chartered Certified Accountants	Ev 68
17	Council for Industry and Higher Education	Ev 70
18	Chartered Management Institute	Ev 71
19	Institute of Ecology and Environmental Management	Ev 73
20	Open University Students Union	Ev 74
21	Kings College London	Ev 78
22	British Society for Immunology	Ev 81
23	Skill: National Bureau for Students with Disabilities	Ev 81
24	Microsoft	Ev 82
25	University of East London	Ev 83
26	WEA Maidenhead Branch	Ev 86
27	Institute of Psychiatry, King's College London	Ev 87
28	Community and Youth Work Training Agencies Group	Ev 87
29	Education Sub-Committee of the Geological Society of London	Ev 88
30	British Computer Society	Ev 88
31	Institute for Orthodox Christian Studies, Cambridge	Ev 90
32	Conservatoires UK	Ev 91
33	English Association	Ev 93
34	Rt Revd Graham James, Lord Bishop of Norwich and Chairman of the Ministry Division of the Archbishops Council	/ Ev 94
35	Cambridge Theological Federation	Ev 95
36	University of Oxford	Ev 97
37	Heads of Department of Mathematical Sciences	Ev 99
38	Public and Commercial Services Trade Union	Ev 101
39	Council for the Mathematical Sciences	Ev 102
40	Heythrop College, University of London	Ev 104
41	Relate Institute	Ev 105

42	London Chamber of Commerce and Industry	Ev 107
43	University of Kent	Ev 108
44	University of Cumbria	Ev 110
45	Campaign for Learning	Ev 111
46	UKRC for Women in Science, Engineering and Technology	Ev 114
47	Tavistock and Portman NHS Foundation Trust	Ev 119
48	Guildhall School of Music & Drama	Ev 121
49	Merseytravel	Ev 122
50	Portia	Ev 125
51	Society of St Thomas & St Augustine	Ev 127
52	Council of University Heads of Pharmacy	Ev 127
53	National Institute of Adult Continuing Education	Ev 129
54	School of Pharmacy, University of London	Ev 131
55	Prospect	Ev 132
56	Churches Main Committee	Ev 133
57	Association of Colleges	Ev 134
58	e–skills UK	Ev 137
59	London Higher	Ev 139
60	Bradford College	Ev 140
61	Council of Professors and Heads of Computing	Ev 142
62	GuildHE	Ev 146
63	British Psychological Society	Ev 150
64	TUC	Ev 153
65	Universities Association for Lifelong Learning	Ev 153
66	British Ecological Society	Ev 158
67	Institute of Physics	Ev 160
68	Institute of Education, University of Leeds	Ev 164
69	Birkbeck College Student Union Council	Ev 167
70	1994 Group	Ev 172
71	University of Liverpool	Ev 174
72	European Research into Consumer Affairs	Ev 177
73	Universities UK	Ev 178
74	Women's Budget Group	Ev 182
75	University of Teesside	Ev 185
76	Arts Council England	Ev 189
77	Midlands Energy Consortium (Birmingham, Loughborough and Nottingham Universities)	Ev 190
78	British Association of Psychotherapists	Ev 196
79	Science Council	Ev 198
80	Revd David A Neaum	Ev 202
81	Royal Pharmaceutical Society of Great Britain	Ev 203
82	Campaign for Science & Engineering	Ev 204
83	Oxford Partnership for Theological Education and Training	Ev 204
84	Arts Institute at Bournemouth	Ev 207
85	Master of Fine Arts in Theatre Directing, Birkbeck College	Ev 208

86	Society for Old Testament Study	Ev 210	
87	British Philosophical Association	Ev 210	
88	Westminster College, Cambridge		
89	Archaeology Training Forum	Ev 212	
90	Anglia Ruskin University	Ev 214	
91	Revd Canon Gordon Oliver, Director of Ministry and Training,		
	Diocese of Rochester	Ev 216	
92	Association of MBAs	Ev 217	
93	University of Sunderland	Ev 218	
94	British Association for Applied Linguistics	Ev 220	
95	Bloomsbury College of the University of London	Ev 221	
96	Thames Valley University		
97	School of Philosophy, Birkbeck College	Ev 226	
98	University of Southampton	Ev 226	
99	University of Warwick	Ev 228	
100	Edexcel	Ev 229	
101	Shap Working Party on World Religions in Education	Ev 229	
102	Conservatoires for Dance and Drama	Ev 231	
103	Law Society	Ev 234	
104	English Heritage	Ev 236	
105	National Youth Agency	Ev 238	
106	Royal Pharmaceutical Society	Ev 239	
107	CBI	Ev 240	
108	University of Cambridge	Ev 241	
109	Professor Graham Turpin, Clinical Psychology Unit, University of Sheffield	Ev 243	
110	UNISON	Ev 245	
111	University of Bolton	Ev 246	
112	Association of Business Schools	Ev 249	
113	London First	Ev 250	
114	Swindon College	Ev 252	
115	Oxford University, Department for Continuing Education	Ev 258	
116	Council for College and University English	Ev 259	
117	Sir Richard Stapley Educational Trust	Ev 259	
118	John Bowis MEP	Ev 260	
119	University of the Arts, London	Ev 260	
120	Lord Leitch	Ev 264	

List of unprinted evidence

The following memoranda have been reported to the House, but to save printing costs they have not been printed and copies have been placed in the House of Commons Library, where they may be inspected by Members. Other copies are in the Parliamentary Archives, and are available to the public for inspection. Requests for inspection should be addressed to The Parliamentary Archives, Houses of Parliament, London SW1A 0PW (tel. 020 7219 3074). Opening hours are from 9.30 am to 5.00 pm on Mondays to Fridays.

- 1 ELQ 02 Elizabeth Brown, King Edward VI Handsworth School, Birmingham
- 2 ELQ 04 Donald Hedges
- 3 ELQ 06 Katherine Helps
- 4 ELQ 07 Dr Stephen Dobson
- 5 ELQ 08 Michael Allen, Associate Lecturer, Open University
- 6 ELQ 09 Alan Slomson
- 7 ELQ 10 Jim Mackison
- 8 ELQ 12 Bob Crawford
- 9 ELQ 14 Denis R Smith
- 10 ELQ 17 Bryan Moore
- 11 ELQ 18 Bonnie Joyce
- 12 ELQ 19 Alex Keel
- 13 ELQ 20 Kym Pendered
- 14 ELQ 21 Martin Paul Coss
- 15 ELQ 22 Richard Cooper
- 16 ELQ 23 Kristina Bennert
- 17 ELQ 24 Sharon Lockwood
- 18 ELQ 25 Martin Breslin
- 19 ELQ 26 Julian Ashbourn
- 20 ELQ 27 Emma Sullivan
- 21 ELQ 28 Rex Mackrill
- 22 ELQ 29 Keith Moyse
- 23 ELQ 30 Steve Ward
- 24 ELQ 31 Linda Shipley
- 25 ELQ 33 Paul F Moran
- 26 ELQ 35 Tim Lambert
- 27 ELQ 36 Phil Dalton
- 28 ELQ 37 Harry Noyes
- 29 ELQ 40 David Millard, Emeritus Fellow of Green College, Oxford
- 30 ELQ 41 David McDermott
- 31 ELQ 42 Ledger White

- 32 ELQ 43 Amy Theerman
- 33 ELQ 45 Jessica Hyde
- 34 ELQ 46 Bob Meadows
- 35 ELQ 47 Andrew Fawcett
- 36 ELQ 48 Michael Wellby
- 37 ELQ 49 Tom Wade
- 38 ELQ 50 Lauran Doak
- 39 ELQ 51 Lynda Gold
- 40 ELQ 52 Yvonne Park
- 41 ELQ 53 Sylvia Pyne
- 42 ELQ 54 Brian Longstaff
- 43 ELQ 55 Adrian Dean
- 44 ELQ 56 Charles Gordon Clark
- 45 ELQ 57 A W Allcock
- 46 ELQ 58 John Shipton
- 47 ELQ 59 Dr David Mercer
- 48 ELQ 60 David Waters
- 49 ELQ 61 June Traill
- 50 ELQ 62 Barbara Dye
- 51 ELQ 63 Evan Haynes
- 52 ELQ 64 Susan Pollard
- 53 ELQ 65 Dr Pelvender Singh Gill
- 54 ELQ 66 Neil Buckle
- 55 ELQ 67 Rosemary Mullen
- 56 ELQ 68 Joanne Harris
- 57 ELQ 69 Mike Green
- 58 ELQ 70 Brian Durrant
- 59 ELQ 71 D J Gilbey
- 60 ELQ 72 Anthony Matthew
- 61 ELQ 73 Lincoln Allen
- 62 ELQ 74 Dr Paul Garcia
- 63 ELQ 75 Victoria Barker
- 64 ELQ 76 Tracy Broadbent
- 65 ELQ 77 Nadia Jeffreys

- 66 ELQ 78 Mary Fitzgerald
- 67 ELQ 79 Pat Coldwell
- 68 ELQ 80 Michael Eustace
- 69 ELQ 81 Michael Slater
- 70 ELQ 82 Tony Trueman
- 71 ELQ 83 Janet Herdman
- 72 ELQ 84 Zahida Azam
- 73 ELQ 85 Prudence Morrison
- 74 ELQ 86 Anthony Sneider
- 75 ELQ 88 Delphina Dendy
- 76 ELQ 89 Christine Buckberry
- 77 ELQ 90 Donald Komrower
- 78 ELQ 91 Miland Joshi
- 79 ELQ 92 Jim Edgar
- 80 ELQ 93 Tony Baxter
- 81 ELQ 94 Keith Javes
- 82 ELQ 95 John Taylor
- 83 ELQ 96 Margretta Finnegan
- 84 ELQ 97 Phil Older
- 85 ELQ 98 Christina Stevenson
- 86 ELQ 99 Annie Hoskins
- 87 ELQ 100 John Warden
- 88 ELQ 101 Jenny Furber
- 89 ELQ 102 Janet Flint
- 90 ELQ 103 Jo Allaway
- 91 ELQ 104 Kathryn Brooks
- 92 ELQ 105 Steve McNeice
- 93 ELQ 106 James Loveday
- 94 ELQ 107 Diana Milne
- 95 ELQ 108 Elaine Whitaker
- 96 ELQ 109 Pauline Bateman
- 97 ELQ 110 Michele Booth
- 98 ELQ 111 Helen Pletts
- 99 ELQ 112 Caroline Aston
- 100 ELQ 113 Esta Impey-Martin
- 101 ELQ 114 Jo Farquar
- 102 ELQ 115 Stephanie Wilson
- 103 ELQ 116 Jacqueline Godfrey
- 104 ELQ 117 Rowena Gardner
- 105 ELQ 118 Sarah Francis
- 106 ELQ 119 Jean Willmott
- 107 ELQ 120 Tanya Wood
- 108 ELQ 121 Janet Chow
- 109 ELQ 122 Clare Edholn
- 110 ELQ 123 Christine Dolan

- 111 ELQ 124 Brian Crammon
- 112 ELQ 125 Emma Garwood
- 113 ELQ 126 John Newman
- 114 ELQ 127 Dominique Jethwa
- 115 ELQ 128 Victor Johnstone
- 116 ELQ 129 Lisa Bretherton
- 117 ELQ 136 Carol Long
- 118 ELQ 139 Kate Graham
- 119 ELQ 140 John Monk, Open University
- 120 ELQ 141 Al Edmonds
- 121 ELQ 143 Jim Mackison
- 122 ELQ 144 Susan Fewster
- 123 ELQ 147 Heather Wood
- 124 ELQ 148 Paul Grover
- 125 ELQ 149 Dr Isabel Davis, Birkbeck
- 126 ELQ 150 John Wildman
- 127 ELQ 151 Jonathan Brooke
- 128 ELQ 152 Ian Russell
- 129 ELQ 153 Gary Cook
- 130 ELQ 154 Michael McEllin
- 131 ELQ 155 Adam Ogilvie-Smith
- 132 ELQ 156 Duncan Hall
- 133 ELQ 157 Matthew Smart
- 134 ELQ 158 M Hinshelwood
- 135 ELQ 159 Andrew Peck
- 136 ELQ 160 Julie Roberts
- 137 ELQ 161 Gaby Charing
- 138 ELQ 162 Hannah Bristow
- 139 ELQ 163 Mark Beeby
- 140 ELQ 164 Richard Fisher
- 141 ELQ 165 Esta Jacobs
- 142 ELQ 166 Ann Clark
- 143 ELQ 167 Robert Talboys
- 144 ELQ 168 Dawn Mills
- 145 ELQ 169 Paul Cherry
- 146 ELQ 170 Marion Carter
- 147 ELQ 171 Maighread Gough
- 148 ELQ 172 Emma Evans
- 149 ELQ 174 Derrick Hodson
- 150 ELQ 175 Philip Stapleton
- 151 ELQ 176 Julia Shay
- 152 ELQ 177 Chris Pateman
- 153 ELQ 178 Melvyn Jones
- 154 ELQ 179 Paul Gethin

- 155 ELQ 180 Sally Watts
- 156 ELQ 181 Hilary Pegg
- 157 ELQ 182 Richard Crawford
- 158 ELQ 183 Maurice Greenham
- 159 ELQ 184 Wendy Berry
- 160 ELQ 185 Erica Johnson
- 161 ELQ 186 Eileen Dale
- 162 ELQ 187 Gillian Beattie-Smith
- 163 ELQ 188 Mike Barford
- 164 ELQ 189 Deryck Hillas
- 165 ELQ 190 John Aherne
- 166 ELQ 191 Sherry Golding
- 167 ELQ 192 David Morson
- 168 ELQ 193 Mike Haley
- 169 ELQ 194 John Hunt
- 170 ELQ 195 Norman Castleton
- 171 ELQ 196 Chris Swain
- 172 ELQ 197 Patricia McKay
- 173 ELQ 199 Keith Barrett
- 174 ELQ 200 Eileen Austin
- 175 ELQ 201 Louise Wall
- 176 ELQ 202 Christopher Fermor
- 177 ELQ 203 Louise Russell
- 178 ELQ 204 Rose Prentice
- 179 ELQ 205 Catherine Wells
- 180 ELQ 206 Lucy Gettins
- 181 ELQ 207 Radke Platte
- 182 ELQ 208 Jessica Jeffrey
- 183 ELQ 210 Margaret Smart (Former Chief Inspector of Higher Education within HM Inspectorate)
- 184 ELQ 211 Paul Featherstone
- 185 ELQ 212 Mike McIntyre
- 186 ELQ 213 Helen Davies
- 187 ELQ 214 Bill Robinson
- 188 ELQ 215 John Fox
- 189 ELQ 217 Ormond Simpson
- 190 ELQ 218 Tracey Wiffen
- 191 ELQ 219 Conan Norton
- 192 ELQ 220 David Hall
- 193 ELQ 221 Shaun Murray
- 194 ELQ 222 Esther Williams
- 195 ELQ 223 Becky Stothart
- 196 ELQ 224 Paul Schwer
- 197 ELQ 225 Frank Hughes
- 198 ELQ 226 Donald Fay

- 199 ELQ 227 lan Last
- 200 ELQ 228 Marion Sheppard
- 201 ELQ 229 Ms Lesley Sams
- 202 ELQ 230 Dr Jacqueline Bower
- 203 ELQ 231 Peter Wood
- 204 ELQ 232 Charles Hopkins
- 205 ELQ 233 J A Fish
- 206 ELQ 234 Mrs Beverley Barton
- 207 ELQ 235 James O'Neill
- 208 ELQ 236 Bernard Duffy
- 209 ELQ 237 Marie Brydon
- 210 ELQ 239 Elaine Holland
- 211 ELQ 240 Don Crawford
- 212 ELQ 241 Catherine Waddington
- 213 ELQ 242 Max Majendie
- 214 ELQ 243 James Morrison
- 215 ELQ 247 Jonathan King
- 216 ELQ 248 Oliver Ashmore
- 217 ELQ 249 Jillian Lipscombe
- 218 ELQ 250 Peter Munn
- 219 ELQ 255 Chris Fox
- 220 ELQ 256 Tony Brown
- 221 ELQ 257 Richard Correll
- 222 ELQ 258 Matthew Pringle
- 223 ELQ 259 Robert Harkess
- 224 ELQ 260 Claire Everitt
- 225 ELQ 261 Julie Pavett
- 226 ELQ 262 Jo Hibbard
- 227 ELQ 263 Rowland Foote, Principal and Chief Executive, Doncaster College
- 228 ELQ 264 Stephen Murray
- 229 ELQ 265 Michael Walker
- 230 ELQ 266 Nicola Harrison
- 231 ELQ 267 Roger Gedye
- 232 ELQ 268 Michael Joacobs
- 233 ELQ 269 John Skipper
- 234 ELQ 270 Sheila Fisher
- 235 ELQ 272 John Andrew Charters
- 236 ELQ 273 Karen Button
- 237 ELQ 274 Craig Baker
- 238 ELQ 275 Suzanne Wilcox
- 239 ELQ 276 Wendy Greenland
- 240 ELQ 277 Karen Horsley
- 241 ELQ 278 Bernard Rooney
- 242 ELQ 279 Paul Martin

- 243 ELQ 280 Craig Foster 244 ELO 282 Mrs Pat Jones 245 ELQ 283 Tom Hudson 246 ELQ 284 Dr Barnett 247 ELQ 300 Ellie Rickman 248 ELQ 301 Dr Alexander Douglas 249 ELQ 302 Lionel Sacks 250 ELQ 303 Helen Lloyd 251 ELQ 305 Dr R Higgins 252 ELQ 306 Derek Johns 253 ELQ 307 Ivan Keeling 254 ELQ 308 Robert McCord 255 ELQ 309 Johanna Stimpson 256 ELQ 311 Ruth Talbot 257 ELQ 313 Martin Watts 258 ELQ 314 Jackie Stanley 259 ELQ 315 Nick Gilbert 260 ELQ 316 Sally McMahon 261 ELQ 317 Penelope Bray 262 ELQ 318 Heather Hobden 263 ELQ 319 Patrick Rossiter 264 ELQ 320 Michael Aicken 265 ELQ 321 Clare Gouldstone 266 ELQ 322 Gyn Davies 267 ELQ 323 Richard Berry 268 ELQ 324 Karen Bannister 269 ELQ 325 Dave Draper 270 ELQ 325 A Dave Draper 271 ELQ 326 Walt Bugden 272 ELQ 327 Martin Benzing 273 ELQ 328 Rosemary Lane 274 ELQ 329 David Hall 275 ELQ 330 Ann Lakin 276 ELQ 331 John Wilson 277 ELQ 332 Jonathan Clennell 278 ELQ 333 Mervyn Wilson 279 ELQ 334 Carol Groombridge 280 ELQ 335 Ruth Darby 281 ELQ 336 Mark Corney 282 ELQ 337 Cheryl McKendrick 283 ELQ 338 Mike Hally 284 ELQ 339 Sue Dickerson 285 ELQ 340 Robyn Ainsworth 286 ELQ 341 Margaret and Stephen Hilditch
- 287 ELQ 344 Dr David Huen.doc 288 ELQ 347 Linda Neate 289 ELQ 349 David Atkins 290 ELQ 351 George Riches 291 ELQ 352 Marco Georgiou 292 ELQ 354 Barbara Hateley 293 ELQ 356 Hannah Dulieu 294 ELQ 361 Susannah Cowton 295 ELQ 361A Susannah Cowton 296 ELQ 363 Eric Pritchard 297 ELQ 364 Daniel Banks 298 ELQ 376 Peter Telford 299 ELQ 405 Louise Green 300 ELQ 406 Nick Dibben 301 ELQ 408 R T Hutchinson 302 ELQ 409 Carol Smith 303 ELQ 410 Elizabeth Theokritoff 304 ELQ 411 Kate Cummings 305 ELQ 415 Jo Richards 306 ELQ 416 Mark Huitson 307 ELQ 417 Ian Mackay 308 ELQ 418 David Pulley 309 ELQ 419 Rachel Wiggans 310 ELQ 420 Sandra Roberts 311 ELQ 421 Graham Page 312 ELQ 422 Janet Cormack 313 ELQ 423 Reg Rea 314 ELQ 431 Bella Tiwari 315 ELQ 434 Graham Ranger 316 ELQ 435 Diana Smith 317 ELQ 436 Andrew Cormack 318 ELQ 437 Susan Devine 319 ELQ 438 James Lamb 320 ELQ 439 Despo Speel 321 **ELQ 440 Clare Higgins** 322 ELQ 441 John Richard Jones 323 ELQ 442 Joanna Greenwell 324 ELQ 443 Dr John Godfrey 325 ELQ 444 Imogen Nay 326 ELQ 445 Robert Marshall 327 ELQ 446 Rachel Bream 328 ELQ 447 Ellen Wakeham 329 ELQ 448 Judith James 330 ELQ 449 Jo Berriman 331 ELQ 450 Amy Price

- 332 ELQ 451 Mark Ingall
- 333 ELQ 452 Bronislaw Najduch
- 334 ELQ 453 Kevin Lambert
- 335 ELQ 454 Robin Richmond
- 336 ELQ 455 Margaret Coombs
- 337 ELQ 456 Anthony Brown
- 338 ELQ 457 Hirono Angold
- 339 ELQ 458 Mike Bryce
- 340 ELQ 459 Anthony Glazebrook
- 341 ELQ 460 Colin Price
- 342 ELQ 461 Isable Darling
- 343 ELQ 462 Anne Williams
- 344 ELQ 463 Jeremy Parsons
- 345 ELQ 464 Simon Wilson
- 346 ELQ 465 Piers Burnham
- 347 ELQ 466 Jennifer Yates
- 348 ELQ 467 Mary Bush
- 349 ELQ 468 Maureen Mackintosh
- 350 ELQ 469 Jessica Saraga

- 351 ELQ 470 Mickey Randall
- 352 ELQ 471 P Duffield
- 353 ELQ 472 Michael Cooke
- 354 ELQ 473 Elizabeth Reavill
- 355 ELQ 474 Peter Mellor
- 356 ELQ 475 Dorothy Wright
- 357 ELQ 476 Bill Bradbeer
- 358 ELQ 477 Michael Ayton
- 359 ELQ 478 Carol Haynes
- 360 ELQ 479 Jennifer Burnett
- 361 ELQ 480 Lesley Kane
- 362 ELQ 481 Helen Wallace
- 363 ELQ 482 Peter Savage
- 364 ELQ 483 Tim Rigley
- 365 ELQ 484 Jonny Hirst
- 366 ELQ 486 Steve Debnam
- 367 ELQ 489 K T Anandakumar
- 368 ELQ 495 Sarah-Jane Smith

List of Reports from the Committee during the current Parliament

Session 2007–08		
First Report	UK Centre for Medical Research and Innovation	HC 185
Second Report	The work and operation of the Copyright Tribunal	HC 245
First Special Report	The Funding of Science and Discovery Centres: Government Response to the Eleventh Report from the Science and Technology Committee, Session 2006–07	HC 214
Second Special Report	The Last Report: Government Response to the Thirteenth Report from the Science and Technology Committee, Session 2006–07	HC 244