

Response to the Higher Education White Paper

Response to the BIS Higher Education White Paper *Students at the Heart of the System*.

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The following is the 1994 Group's response to the BIS Higher Education White Paper *Students at the Heart of the System*. For more detailed information please refer to the individual responses of our member institutions.

Members of the 1994 Group are: University of Bath, Birkbeck University of London, Durham University, University of East Anglia, University of Essex, University of Exeter, Goldsmiths University of London, Institute of Education University of London, Royal Holloway University of London, Lancaster University, University of Leicester, Loughborough University, Queen Mary University of London, University of Reading, University of St Andrews, School of Oriental and African Studies, University of Surrey, University of Sussex and University of York.

Executive summary

The Higher Education White Paper 'Students at the Heart of the System' commits to creating a sector which is free to respond to the needs of students through increased competition. These principles are welcomed by the 1994 Group and we fully support the Government's desire to produce a diverse higher education system which is more greatly geared to meet student demand. However, the proposals on student number controls put forth by the Government may not achieve this aim. Lifting the cap on student recruitment with grades AAB+ at A-Level and equivalent, combined with a core and margin model, may not create a responsive, demand led market. We welcome the rising demand for university places and believe in providing more opportunities for students from all backgrounds to attend world-class universities and receive a high quality academic experience which enhances their employability and life options. The aspiration of more people being educated to a higher level and the social and economic benefits of this is one we share with all leading political parties.

We want to help meet increasing demand but we must all recognise the financial pressures our universities are under to maintain the quality of student experience. Despite the pressures on Government finances this is the right time to invest in Higher Education. A larger proportion of the workforce qualified to a higher level will give the economy and the nation a boost just when it needs it the most. If the funding is there, a mechanism needs to be developed that enables universities to increase their student numbers on the basis of consistent and demonstrable student demand and quality of output, for example rewarding universities that show high quality, retention and completion rates.

It is our view that the proposals contained in the White Paper do not go far enough in meeting the needs of students, the government or the sector for the following reasons:

- High quality university places for students will potentially be lost;

- The sector might become polarised between institutions which offer courses only to students with AAB+ qualifications and those which offer provision below £7,500;
- Choice for students may be limited rather than expanded;
- It may become harder for students from non-traditional backgrounds to access higher education. Choice might be more restricted for those from disadvantaged backgrounds who are less represented in the AAB+ student population. Institutions will be less able to account for this in their offers to students; and
- Provision of science, technology, engineering and mathematics (STEM) subjects and in other strategically important and vulnerable subjects (SIVs) might be adversely affected.

However, we support the Government's ambitions and believe rapid expansion of the proposals will avoid these damaging effects and moreover bring the desired benefits of a system with greater competition.

To achieve the aims of the White Paper, freedom is needed in all student numbers. We should move to such a system without delay. As an immediate measure in 2012/13 places for students achieving ABB+ at A-Level (rather than AAB+) should be uncapped. This will alleviate many of the damaging effects outlined above by extending choice to more students in the system and these students have a similar level of achievement as AAB students. But we stress that even an ABB+ policy should be an interim measure whilst moving to full flexibility in student numbers. This should to be done as quickly as possible to avoid damage to the higher education system which would be the result of only introducing competitions to a small segment of the sector.

The consequences of an AAB+ policy are partly so severe because of the simultaneous implementation of the core and margin model which reduces non-AAB student places by 8% at all institutions. This removes places at high quality institutions from core student numbers. It also reduces the ability of universities to make offers in subjects which have lower qualification profiles such as STEM and SIV subjects and to widen access to students from non-traditional backgrounds. If the core and margin model were to be implemented, it is imperative that it is not further expanded, at least unless and until the AAB+ policy is lowered to an ABB+ policy or lower.

The Government should seek to find ways of expanding the number of students in the system to deal with demonstrable demand. The Government should look to industry and charity sponsored places to also assist with the student loan book by incentivising this model of study. Lastly, not impinging early loan repayment will help keep costs down for the Government.

To assist in the operation of the new market, we urge the Government to make data on all proportions of students and their qualifications entering university, and those who are unsuccessful in their applications, freely available. This information should be made publically available so we may assist the Government in modelling new solutions.

We are disappointed that the White Paper focuses exclusively on undergraduates. It is essential to recognise that universities, such as 1994 Group institutions, are multi-dimensional, delivering undergraduate study alongside world-leading research, innovation and knowledge exchange in industry and postgraduate education. Promotion of the undergraduate experience is undoubtedly welcomed but this needs to be developed in harmony with the other essential functions universities perform. It is therefore unhelpful that the Government's vision for higher education in the White Paper has completely decoupled undergraduate study from research, knowledge transfer and industry interaction, internationalism and postgraduate education. Whilst some providers will focus solely on delivering undergraduate study in a teaching only environment, the research-informed

teaching offered by 1994 Group universities should not be jeopardised as a high quality option for students by Government proposals.

To conclude, the principles for introducing greater responsiveness and competitiveness into the higher education system are welcomed. It is of paramount importance that mechanisms are implemented correctly to produce the many benefits of such a system rather than suffer the consequences of the policy as it currently stands. In a system which has full flexibility in student numbers institutions can react responsively to student demand offering students greater choice in mode, style and subject of study. A truly competitive environment will encourage institutions to provide ever higher quality student experiences and offer value for money.

Full 1994 Group responses to the Government's proposals are detailed below in sections which correspond to the White Paper: financing students; improving the student experience; increasing social mobility; and a new fit-for-purpose regulatory framework. In addition, Annex A presents the response in a format which corresponds precisely to the 'Summary of policies' in the Executive Summary of the White Paper. This should be treated as an index of 1994 Group responses for reference. The 1994 Group are also pleased to be responding in greater depth to separate consultations on the allocation of HEFCE teaching funding and regulatory framework.

1. Introduction

1.1 *Student number controls*

1.1.1 Student numbers should not be uncapped only for those achieving AAB+ at A-Level or equivalent. This will not be sufficient to enhance the diversity and responsiveness of the higher education sector and will have damaging consequences, for a number of reasons:

- (i) The distribution of AAB+ students shows that the proposed policy would only introduce flexibility in student numbers to a select number of institutions. High quality student experiences are not confined to a small group of institutions that have the highest entrance requirements. There is no direct correlation between high entrance standards and achievement within the National Student Survey. Universities with lower proportions of these students would have little if any scope to be responsive to student demand under such a scheme;
- (ii) AAB+ is not a policy that reflects the quality of the student experience but the status of the higher education institution and the educational background of the student. This will limit the ability of institutions offering high quality provision and excellent student experiences to respond to student demand and expand their provision;
- (iii) The proposals might force a polarisation of the sector into institutions which provide study for those with AAB+ qualifications on and those which provide low cost provision at £7,500. This will again result in a loss of high quality provision for students and student choice will be limited. A more open system would avoid this as student places would respond to the clear evidence of good value and high quality;
- (iv) The proposed policy conflicts with the Government's widening participation strategy which has encouraged universities to set ambitious targets in their Access Agreements. This progress could now be threatened. Students from non-traditional backgrounds are under-represented in the proportions of students gaining AAB+ and equivalent qualifications. Looking at POLAR regions only 13% of those aged under 21 with known grades achieved AAB+ in quintile 1, while the result for quintile 5 was 32%.¹ The report by HEPI on the impact on the White Paper also highlighted that the proposals are likely to 'affect students from disadvantaged backgrounds disproportionately, because they are less likely to have the qualifications to gain access to the reduced number of university places'² As a result of proposals the universities with the highest proportions of AAB+ students will be less able to recruit students from non-traditional backgrounds and will be restricted from using contextual data to make lower offers. Other successful widening participation schemes will be penalised by the AAB+ policy, such as compact schemes³;
- (v) The proposals might undermine provision in different disciplines. This may especially effect the provision of Science, Technology, Engineering and Mathematics (STEM) and Strategically Important and Vulnerable subjects

¹ Data extracted from Annex D of the HEFCE Consultation on changes to Teaching funding and student number controls to be implemented in 2012-13
http://www.hefce.ac.uk/pubs/hefce/2011/11_20/.

² HEPI (2011) *Higher education: Students at the heart of the system – an analysis of the white paper*, para 46.

³ 'a set of arrangements between HEIs, schools and colleges that provide special conditions or consideration for entry into the HEI' as defined in *Compact schemes higher education institutions*, Annex B, 2008, http://www.hefce.ac.uk/pubs/hefce/2008/08_32/.

(SIVs). National figures show that the proportion of students achieving high grades in STEM differ in comparison to Arts and Humanities subjects and are often lower. There are variations between specific subjects, but, for example, in 2009/10 40% of those with known qualifications entering into Historical and Philosophical studies had AAB+, while only 20% of those going to study Biology had AAB+⁴. This will undermine the ability of universities to offer courses in subjects where the qualification profile is lower, thus limiting provision in subjects of recognised importance. Coupling this with the higher costs of providing courses particularly in STEM disciplines and there is a real risk posed to the provision of these courses; and

- (vi) There are serious issues concerning the quality of data to be used in calculating the AAB+ and equivalencies. The data available is inconsistent at best and has never before been rigorously tested for this purpose. There are also large numbers of students with 'unassessed' (or 'unknown') qualifications which will have a significant distorting effect on some institutions. These data issues need to be resolved urgently.
- 1.1.2 We fully support the Government's intention to produce a higher education system which is more greatly geared to meet student demand. The White Paper states that 'AAB will represent a starting point' for this but the ambition is to 'widen the threshold over this parliament, ensuring that the share of places liberated from number controls altogether rises year on year' (p 50). However, AAB+ is the wrong starting point for this policy and might damage rather than enhance the current system.
 - 1.1.3 To achieve the aims of the White Paper freedom is needed in all student numbers. We should move to such a system without delay. As an immediate measure, in 2012/13 places for students achieving ABB+ at A Level (rather than AAB) should be uncapped. This will alleviate many of the damaging effects outlined above by extending choice to more students in the system which have a similar level of achievement as AAB students. But we stress that even an ABB+ policy should be an interim measure whilst moving to full flexibility in student numbers. This could be implemented through a phased removal of student number caps on students with qualifications descending from ABB. This should be done as quickly as possible (recommended within four years) to avoid damage to the higher education system which would be the result of only introducing competitions to a small segment.
 - 1.1.4 We welcome the rising demand for university places and believe in providing more opportunities for students from all backgrounds to attend world-class universities and receive a high quality academic experience which enhances their employability and life options. The aspiration of more people being educated to a higher level and the social and economic benefits of this is one we share with all leading political parties.
 - 1.1.5 We want to help meet increasing demand for student places but we must all recognise the financial pressures our universities are under to maintain the quality of student experience. Despite the pressures on Government finances this is the right time to invest in Higher Education. A larger proportion of the workforce qualified to a higher level will give the economy and the nation a boost just when it needs it the most. If the funding is there, a mechanism needs to be developed that enables universities to increase their student numbers on the basis of consistent and demonstrable student demand and quality of output, for example rewarding universities that show high quality, retention and completion rates.

⁴ Data extracted from Annex D of the HEFCE Consultation on changes to Teaching funding and student number controls to be implemented in 2012-13
http://www.hefce.ac.uk/pubs/hefce/2011/11_20/.

- 1.1.6 The Government should immediately expand flexibility for employers and charities to offer sponsorship for individual places outside of student number controls. These, which do not create a cost liability for Government, would relieve the burden on the student support system and Treasury. Costs to Treasury would also be alleviated by promoting rather than deterring or penalising early repayment of student loans. The 1994 Group has submitted a response to the consultation on early repayment mechanism urging for the possibility of early repayment without penalties. This protects the interests of the most vulnerable students, by ensuring the viability of the student loan system and by ensuring reinvestment in higher education, whilst serving the best interests of universities, tax payers, and the Government.
- 1.1.7 It is vital that universities have access to transparent information used by HEFCE and Government on the qualification profile of all students entering universities and also those who are unsuccessful in their applications. This data should be made publically available so that the sector can operate in an informed way and plan to produce maximum benefits for students. Access to this data means the sector can assist Government in modelling the best mechanisms for achieving choice for students in a competitive environment.
- 1.1.8 Implementation of the core/margin model alongside changes to student number caps creates further risks to the higher education sector. In total 20,000 core student places will be lost through this policy and places may go unfilled if there are not sufficient high quality bids from institutions offering higher education at £7,500 per year. The policy removes 8% of core students from each institution regardless of the quality of provision. This will result in a loss of provision at high quality institutions which are unable to bid back for places due to the high cost nature of delivering excellent student experiences and in many cases subjects with a high cost base. Freeing student numbers with AAB+ qualifications will not be sufficient for institutions to be able to replace the numbers lost through the core/margin policy and will mean excellent institutions suffer losses. This again is fundamentally at odds with the intentions of the White Paper. If the core and margin model were to be implemented, it is imperative that it is not further expanded until the AAB+ policy has been lowered to include, at the very least, ABB+ students. This is to prevent extensive damage to the system where even high quality universities would not be able to replace lost numbers.
- 1.1.9 The institutions most likely to be awarded the margin numbers, based on current fee levels, are further education colleges (FECs) thereby reducing opportunities for students to study in higher education institutions (HEIs). High quality provision in FECs through partnership with a HEI is also restricted in this model and we have given detailed feedback to HEFCE on this issue. FECs that are in partnership with HEIs under one Access Agreement are not be able to bid for the numbers if the average overall institutional fee of the HEI they work with exceeds the limit. Instead FECs with average costs should be able to apply for margin places via their partner HEI regardless of overall average costs, this will reduce duplication of effort and facilitate partnerships.
- 1.1.10 To conclude, the principles for introducing greater responsiveness and competitiveness into the higher education system are welcomed but they need to go further and faster. It is of paramount importance that mechanisms are implemented correctly to produce the many benefits of such a system rather than suffer the consequences of the policy as it currently stands. In a system which has full flexibility in student numbers institutions can react responsively to student demand offering students greater choice in mode, style and subject of study. A truly competitive environment will encourage institutions to provide ever higher quality student experiences and offer value for money.

1.2 *Multi-dimensional higher education institutions*

- 1.2.1 Undergraduate study represents one of the key activities of universities. However it is inappropriate to focus solely on undergraduate study, as the White Paper does, without recognising the wider role of universities. The 1994 Group encourages the Government to view the overall contribution of universities in terms of teaching, research innovation, knowledge exchange, internationalism and postgraduate education rather than a narrow focus on undergraduate provision.
- 1.2.2 Undergraduate education does not take place in a vacuum and neither should it be addressed without consideration of the wider university role. It is particularly unhelpful to decouple research and teaching. Research-led undergraduate teaching carries with it many benefits and contributes greatly to a fulfilling and effective student experience. Advantages of research-led teaching identified by undergraduate students include perceived enthusiasm, greater knowledge, and improved skills in their teachers, competency in supervising project work and motivation in using methodology. Students also express a desire to learn from academics internationally-respected in their fields and who are engaged in innovation and cutting edge developments.⁵
- 1.2.3 The Government has not as yet outlined any long-term vision for research, although this is expected in autumn 2011. Research needs to continue to be supported from public funds and should be safeguarded at the levels committed to over the Comprehensive Spending Review (CSR) period. Any change to the research budget would have serious implications on the ability of the UK to perform world-leading research and should not be considered as an option. The major cuts to research capital funding in teaching and research already mean that universities will need to look to graduate contributions to replace lost teaching capital.
- 1.2.4 Postgraduate students play a vital role in the UK's wider societal, civic and economic achievements, thus it is vital to ensure the continued provision of UK postgraduate students. The advanced knowledge and skills of postgraduate researchers are not only highly regarded by business and the public sector, but are critical for tackling major business challenges and driving innovation and growth. The Leitch Review of Skills, *Prosperity for all in the global economy – world class skills*,⁶ highlighted the importance of postgraduates in driving innovation, entrepreneurship, management, leadership and research and development. It also made it clear that postgraduate skills are critical to a high performing economy and are increasingly in demand from global employers. These skills are particularly important in growth sectors (as identified in the report *New Industry, New Jobs*⁷) where having sufficient UK capability is critical to maintaining business investment. Postgraduate students are vital contributors to universities and the student experience, for example as acting as tutors and mentors to undergraduate students, and on institutional research environments.
- 1.2.5 Clarity is needed urgently on how postgraduate students will be supported in context of the new undergraduate fee regime. The proposed withdrawal of HEFCE funding for Postgraduate Taught (PGT) courses in band C and the reductions in band B alongside the withdrawal of funding for band D will require institutions to raise PG fees from 2012/13. Higher fees combined with the requirement that fees are paid upfront and the absence of student loan support could lead to a decline in demand for PGT study. This is of major concern because of its importance on the viability of

⁵ Jenkins et al, "Teaching and Research: Student perspectives and policy implications", 1998, quoted in *Review of the Academic Evidence on the Relationship between Teaching and Research in Higher Education*, 2004.

⁶ [http://www.delni.gov.uk/leitch_finalreport051206\[1\]-2.pdf](http://www.delni.gov.uk/leitch_finalreport051206[1]-2.pdf)

⁷ <http://www.bis.gov.uk/files/file51023.pdf>

courses and research disciplines and also because of its impact on the availability of higher skills to support future economic growth. This will only worsen as students with larger graduate contributions work their way through the system to present an additional barrier to entering postgraduate study. Universities are ever more creative and innovative in adapting to student needs and alternative delivery, such as 1+3 programmes and masters + PhD schemes, is become increasingly common. It is vital that Government proposals do not undermine such important efforts.

- 1.2.6 Finally, the White Paper does not address internationalism, and how the Government can help UK higher education enhance its status in the global educational market place. Internationalism is becoming increasingly important for higher education and should be an essential part of any long term vision for UK higher education. At a time when international competitors are growing ever stronger on all factors, the failure in the White Paper to set forth a comprehensive and compelling vision is a real missed opportunity.

2. Financing students

2.1 Student funding

- 2.1.1 The 1994 Group considers it of the utmost importance that funding for universities should be sustainable so that they are able to meet the needs of current and future students. The abiding mission of 1994 Group universities is to offer excellent teaching in research rich environments for an outstanding student experience. The 1994 Group has argued that to ensure teaching quality the overall unit of resource should not be decreased. However, the changes to the teaching grant and tuition fees implemented mean that the unit resource in some subject areas, notably band B, is reduced when taking other commitments such as widening access spending into consideration. It is vital that the longer term impacts of this are considered. The 1994 Group welcomes the financial support package for students from Government. It is of fundamental importance that there should be no barriers to able students entering higher education due to inability to pay and no fee for home undergraduate students which cannot be met by a combination of borrowing and bursary. Students from less economically well-off backgrounds should be supported, and thus non-repayable student support should be directed to those in most need. The Group has particularly welcomed the extension of the student support system to part-time students, having been a keen advocate for this support. It is vital now that the Government promotes industry and charity sponsored student places as another choice for students. Business should be encouraged to provide scholarships and bursaries, in addition to engaging with universities on student work placements and in universities' employability awards.
- 2.1.2 It is important that the student loan system is well managed and stresses the interest of the student by whoever takes responsibility for the system, whether this be Government or a private provider. The 1994 group therefore encourages the Government to look at efficient options for UK taxpayers in the management of the student loan book.
- 2.1.3 The 1994 Group is in favour of an early repayment mechanism and encourages flexibility in the student loan system and broad Government thinking. There should be no penalties for students choosing to repay their fee or maintenance loans at a faster rate. Allowing early (and up to full) repayment could significantly increase the number of loans that are repaid entirely over and above the current modelling as some more debt averse graduates may seek to pay off a loan completely that would in effect never be repaid if they were relying on statutory repayments alone. Such a system would reduce the overall student loan book making student support viable and protecting it from risks of default. This proposal protects the interests of the most vulnerable students whilst serving the best interests of universities and the

Government. The 1994 Group has submitted a detailed response to the consultation on early repayment mechanisms.

- 2.1.4 Whilst voluntary giving represents a growing income stream in the UK, having been assisted greatly by the Government's matched funding scheme, it still lags far behind the levels achieved by universities in the USA. Most UK university development offices are now taking a very strategic and professional approach to enhancing this income stream, and it will be extremely important to continue doing so into the future. We propose that across the sector a campaign needs to be made to encourage more donor-giving and for graduate to give back to the sector. To assist this, the Government needs to continue the matched funding scheme for voluntary giving and look to implementing tax breaks and other incentives for donors.

2.2 *HEFCE and the teaching grant*

- 2.2.1 The 1994 Group has submitted a detailed response to the HEFCE consultation on the method for allocating teaching grant from 2012/13. The 1994 Group believes that HEFCE should continue its role in allocating the remaining teaching funding. It should be noted that it is a fundamental requirement for HEFCE not to operate as a planning body in the allocation of its teaching, or any other resource.

- 2.2.2 The teaching grant allocated by HEFCE should support a healthy mix of subjects, students and types of institutions. All disciplines are needed to address global challenges and ensure the UK's future prosperity. The Group is concerned about the great uncertainties facing the future of strategically important and vulnerable subjects (SIVs) and high-cost subjects. There is real apprehension that universities' ability to teach high-cost subjects (especially STEM subjects) and SIVs will be undermined by the new funding plans and student number control plans. Therefore, the new funding method needs to recognise high-cost provision and SIVs.

- 2.2.3 High-cost subjects include those that are particularly costly to deliver and which are supported by additional teaching funding from HEFCE. It is right that the HEFCE teaching grant provides additional support beyond the restricted tuition fees. However, in reality these amounts represent a reduction in funding for band B subjects in comparison with the current system when widening access allocations and other requirements are taken into consideration. It is vital also that the Government takes a broad view of what is considered as a high-cost subject. The data on costing are insufficiently robust and further work is needed to identify high cost subjects and to determine funding rates. Detailed feedback has been provided on this as part of the 1994 Group response to changes to teaching funding and this should be a priority for HEFCE. While STEM subjects rightly belong in the high-cost category, these are not the only ones. Other high-cost subjects, such as conservatoire style performance based courses, also need to be considered for additional support from HEFCE.

- 2.2.4 SIVs should receive additional support having been identified as priority areas. The definition of SIVs should be fluid and reassessed at appropriate periods to change according to varying circumstances. We strongly urge the inclusion of languages as SIVs. The Group is seriously worried about the state of languages. Clarification is also needed on whether the much welcomed funding around ERASMUS students will extend to new regime students.

2.3 *Shared services*

- 2.3.1 Concerning shared services, the 1994 Group will respond in detail to the consultation on VAT. EU VAT sharing exemption is welcomed as it will remove one current barrier to shared services enabling greater cost efficiencies in some areas. Nevertheless, developing combined services does have an associated cost and is not always appropriate or cost effective. We expect the savings to be modest.

3. Improving the student experience

3.1 Information to students

- 3.1.1 The 1994 Group strongly endorses the principle that relevant, accessible information should be made available to prospective students at the level they require. This should be provided alongside advice and guidance to applicants on how to use the information and its context so as to make informed decisions. Students deserve clear and accessible information to enable them to understand the choices available. This is the rationale behind the resource UniQs being created by the 1994 Group in partnership with Push as part of a JISC-funded project. The web resource will allow prospective students to explore their ideas about university alongside impartial advice and guidance.
- 3.1.2 In the White Paper the Government highlights the need for schools and students to understand which GCSE and A-level choices lead to which degree courses. The 1994 Group agrees that this is important and is committed to providing clear information, advice and guidance for prospective students. We support the concept of facilitating subjects outlined by the Russell Group of universities. These subjects, Mathematics and Further Maths, English, Physics, Biology, Chemistry, Geography, History, and Languages (Classical and Modern), are those which increase the scope of university level study available to prospective students. 1994 Group universities do not however have a fixed view on 'hard' and 'soft' subjects. 1994 Group universities take individual merits and qualifications into consideration when make admissions decisions.
- 3.1.3 One benefit of a more open system is that institutions will publish more information for students in response to the competitive environment. This will save the need for overregulation of information requirements and will promote efficiency. The White Paper takes a prescriptive approach to the publication of information for prospective students which does not fit well with the expressed aim of deregulating and lessening administrative burdens on universities. Information provision takes several forms within the White Paper and we have a number of associated concerns:
- (i) The Government is expecting HEIs to provide information on the proportion of time spent in different learning and teaching activities within the Key Information Set (KIS). The variation in student workload between subjects will need to be interpreted with caution. Undergraduate students undertake a wide range of study activities, including reflective learning, supported by materials and tutor contact, in addition to traditional lectures, lab sessions, group work, classes, and online materials. Different teaching strategies and methods are designed to develop the independent learning skills and critical thinking required of graduates and sought by employers. We believe an overemphasis on contact hours is unhelpful as school students are more likely to interpret the data in the context of school rather than university teaching and bias student expectations. The proposal to publish the proportion of time spent in different learning activities avoids the concern around contact hours although this is still likely to be interpreted oversimplistically as "a high proportion of time in class is better than a lower proportion";
 - (ii) Employment and salary data provided in the KIS and more widely should be well contextualised for prospective students so as to not be misleading. Employment and salary data only 6 months after graduation is not a reliable indicator of employment and salary prospects and there are also accuracy problems related to averaging. The 3.5 year data provided by the Longitudinal Destination of Leavers HE Survey (DLHE) is a much better reflection of what graduates can expect to achieve. However, the longitudinal

DLHE data also present some concern with small cohort sizes in some areas leading to potential bias. Aggregation at subject level as opposed to course level could help resolve this problem. Response rates and clear cohort descriptions should be published alongside information on graduate destinations and salary data and should also highlight variances likely due to changes in the economy;

- (iii) The administrative effort of producing information for prospective students should not be duplicated. Therefore, the review of Unistats to ensure that it is aligned with KIS, is welcomed;
- (iv) The White Paper proposes the publication of anonymised information for prospective and existing students about the teaching qualifications, fellowships and expertise of institutions' teaching staff. Teaching standards are very important to 1994 Group universities and information concerning qualifications, fellowships and expertise is already readily available on universities' websites, therefore there is no need for prescription in this area. Furthermore, universities regularly evaluate the teaching skills of their teaching staff and the students' satisfaction with it, and this is seen as part of the practices already expected by QAA;
- (v) The Government proposes that it would be good practise for institutions to provide the sort of material that local councils offer to their residents, demonstrating what their tuition fees are spent on. There is no need for regulation in this area though as this information is already available through institutions' annual financial accounts and we expect institutions will promote this information under a market style system;
- (vi) The Government consider the publication and effective use of internal university student surveys and other evaluations to be at the heart of a continuous process of improving teaching quality. The publication and effective use of internal university student surveys is already taking place, and a full market system would further ensure this. There is a need to ensure that the publication of these should not undermine the value of internal student evaluation surveys for the purposes of quality enhancement. Not all institutions conduct the same types of evaluations therefore it is difficult to be prescriptive in this area, rather institutional autonomy needs to be protected;
- (vii) The Government is asking UCAS and HEIs to make available, course by course, new data showing the type and subjects of actual qualifications held by previously successful applicants. This would be an important step in ensuring transparency and is welcomed. It is important to remember that while this should help young people choosing which subjects and qualifications to study at school, far from all students apply to university directly after school qualifying in A-levels. There are many types of students who need to be taken into account, such as mature and EU students. We are also concerned that the specific mechanism is likely to be costly and add additional administrative burden for universities;
- (viii) The NSS has been a considerable success and is one of the few public national indicators directly focused on assessing the student experience. The 1994 Group encourages the extension of the NSS to postgraduate taught students. Appropriate adjustments would need to be made to the survey to suit postgraduate taught students, and the survey should be conducted close to graduation; and
- (ix) The 1994 Group agree that the publication of a student charter is best practice and should be an important part of the documentation which should

be available to all prospective students about the student experience. Many 1994 Group universities have developed student charters or are in the process of doing so.

3.2 *Careers*

- 3.2.1 The 1994 Group welcomes the proposals in the White Paper concerning employability and careers of students.
- 3.2.2 Growing the skills of students beyond those developed through academic study is a vital part of the student experience as detailed in the 1994 Group report *Beyond the Curriculum*.⁸ The majority of 1994 Group members are running or have approved a co-curricular award scheme. Therefore, it is welcomed that the Government will work with the National Consortium of University Entrepreneurs, the National Council for Graduate Entrepreneurship and the Quality Assurance Agency to encourage HEIs to support students to develop enterprise skills, and we look forward to engaging with said organisations on this.
- 3.2.3 Recognised co-curricular activity and awards, which run in parallel to degree programmes, develop the employability and career prospects of graduates as well as enhancing their experiences while at university. The Government should recognise the huge impact that this area has and show its support for co-curricular activity by creating incentives for employers to become involved, such as a scheme in which the Government matches employers' contributions, whether these are cash or in kind. HEIs should retain responsibility for the content, assessment, quality and standards of the provision that contributes to the awards.
- 3.2.4 Graduate employability should be encouraged through collaboration with employers. 1994 Group universities are developing strategic partnerships with industry to design and deliver Master's programmes, as detailed in the 1994 Group report *Industry Sponsored Master's Degrees*.⁹ 1994 Group universities are already working with organisations as diverse as the Ford Motor Company, American Express, Government departments and the Nuclear Decommissioning Authority. The Government has asked Professor Sir Tim Wilson to undertake a review into how we make the UK the best place in the world for university-industry collaboration. The 1994 Group looks forward to engaging with this important review.
- 3.2.5 We welcome the proposals in the White Paper to establish a new careers service in England and to establish a strong quality assurance framework for careers guidance. This will assist students in making the right choices for them.
- 3.2.6 The 1994 Group welcomes the fact that the Government will continue to support the Graduate Talent Pool in 2011 for another year, helping graduates to identify internship opportunities.

3.3 *Student unions*

- 3.3.1 The 1994 Group supports an additional question in the National Student Survey about the impact of the student union and for including such a question in KIS.
- 3.3.2 At 1994 Group institutions, student unions and universities take student welfare seriously and work in partnership ensure its delivery. There are generally very good relationships between students' unions and universities within the 1994 Group, and this is an area in which the Group performs strongly. Data collected in 2007 demonstrated a real willingness to work in partnership on delivering welfare and services for students.

3.4 *Application process and admissions*

⁸ http://www.1994group.ac.uk/documents/public/Publications/BeyondTheCurriculum_Nov09.pdf

⁹ <http://www.1994group.ac.uk/documents/public/IPR%20Masters.pdf>

- 3.4.1 The current review of the undergraduate admissions process by UCAS is timely and we look forward with interest to the review outcomes. University admissions processes should be appropriate, efficient and applicant-centred. We believe that admissions are the responsibility of universities, and it is essential that the sector owns the next steps in the process of admissions reform; full consultation with HEIs will be needed on this issue.
- 3.4.2 We encourage improvements to the existing application system to be considered alongside options to implement new systems such as a Post-Qualification Application system in the UCAS review. Under the current system applications can already be made post-qualification. It may be more efficient to increase the flexibility of the present system so that 'trading' can take place and students can adjust their application if they find their grades are not equivalent to their predicted ones rather than change the system completely.
- 3.4.3 The current system which makes use of predicted grades also has a number of benefits. This system allows an important relationship between student and institution to be built through the admissions process meaning students are better prepared before the start of university. Any changes to the admissions system should only be implemented after the effects on widening participation have been thoroughly examined.
- 3.4.4 It is suggested in the White Paper that the Student Loans Company and UCAS will develop a single application portal for both higher education and student finance applications. The 1994 Group supports this proposal and stresses that the implementation of any new system need to be rigorously tested and resourced before going 'live'.
- 3.5 *Flexible routes into higher education*
- 3.5.1 The White Paper states that institutions should be encouraged to respond to the different needs and circumstances of potential students by offering flexible routes into higher education. We agree with this and propose that students should be able to change from full- to part-time modes of studying, change course or university, or take time out from their studies. Accelerated courses are an important part of this. Institutions should determine how flexible they wish to enable their programmes to become, and they should not be hindered by overly prescriptive administrative requirements. The example of the US Higher Education system teaches us that incentives will need to be put in place for institutions to push students to graduate rather than focusing on obtaining modules only. These measures would make an important contribution to the UK HE sector and the widening participation agenda.
- 3.6 *Higher Education Achievement Records*
- 3.6.1 The Government is expecting that most institutions will be developing Higher Education Achievement Records (HEARs) for all their undergraduate students from September 2012. The higher education sector has been developing the HEAR to provide a richer description of student achievement, including information about module marks, academic credit and other achievements that can be verified by their institution. The 1994 Group is supportive of the recommendations from the Burgess Group's final report *Beyond the honours degree classification*¹⁰ that the degree classification system is supplemented or replaced with a degree transcript and summative judgement. However, the Group notes that such a transformation of the system requires a huge amount of work and may not have been a priority for institutions. In the current circumstances, a 2012 introduction date may prove ambitious.

¹⁰ http://www.universitiesuk.ac.uk/Publications/Documents/Burgess_final.pdf

3.7 *Teacher training*

3.7.1 The 1994 Group has responded in detail to the consultation on changes to Initial Teacher Training from the Department for Education. We support strong relationships between universities and schools in working together on providing initial teacher training. Evidence from Ofsted inspections have shown that high quality teacher training is delivered by effective partnerships between universities and schools.

3.7.2 Universities play an important role in teacher training, providing research-rich environments where students can gain a wide ranging experience academically and socially. Universities also provide continuing professional development (CPD) which is particularly important for postgraduate teacher trainees. Beyond teacher training universities engage in research into teacher education and engage in other related activities such as curriculum development.

3.8 *Student complaints*

3.8.1 The OIA has been asked by the Government to consult the sector on ways to promote and deliver early resolution. The 1994 Group is supportive of reviewing the student complaints process to achieve the best possible system. The Group has been pleased to engage with previous OIA consultations and will look to the future consultation with interest.

3.9 *Awards scheme for excellent teaching*

3.9.1 The 1994 Group is supportive of the Higher Education Academy in its pilot of a UK-wide student-led awards scheme. This will recognise excellent teaching, based on an educational partnership between students, their tutors and institutions.

3.10 *Radicalisation*

3.10.1 1994 Group universities are aware of the importance of promoting cohesion on campus and deal with this issue on an individual basis as befitting their institution and individual circumstances.

4. Increasing Social Mobility

4.1. The White Paper sets out clear principles regarding increasing access to higher education, however, these are fundamentally at odds with proposals on student number controls. It is one of our primary concerns that changes to student number controls will damage the ability of universities to widen access and promote social mobility. Students from non-traditional backgrounds are under-represented in the proportions of students gaining AAB+ and equivalent qualifications. Looking at POLAR regions only 13% of those aged under 21 with known grades achieved AAB+ in quintile 1, while the result for quintile 5 was 32%.¹¹ As a result of proposals, the universities with the highest proportions of AAB+ students will be less able to recruit students from non-traditional backgrounds and will be restricted from using contextual data to make lower offers. Due to the core and margin proposals choice of higher education institution will also become more limited for those without AAB+ or equivalent as places will be reallocated under such a system to predominantly further education colleges.

4.2. It is vital that there are no barriers to prevent able students entering higher education due to an inability to pay. Therefore, the Group has welcomed the measures to introduce more generous support for low-income, full-time students and students

¹¹ Data extracted from Annex D of the HEFCE Consultation on changes to Teaching funding and student number controls to be implemented in 2012-13
http://www.hefce.ac.uk/pubs/hefce/2011/11_20/.

starting part-time courses in 2012/13, many of whom are from backgrounds that are under-represented at universities. The 1994 Group believes that the extension of support to part-time students is long overdue. Clarification is needed on how the financial implications of support for part-time students will be managed, whether part-time students will be included in student number controls proposals and how this would be operationalised.

- 4.3. Concerning the proposed expansion of OFFA, clarification is needed on the long term role and aims of OFFA and how it interacts with other regulatory bodies. The 1994 Group is committed to ensuring efficiency and value for money, and would want to be sure that a strengthened OFFA would fulfil these principles, especially considering the present financial climate. We would also welcome clarity on how Access Agreements and HEFCE's Widening Participation Strategic Assessments will be streamlined to prevent inefficient duplication. We would value further information on how OFFA will operate including assessing performance data against Access Agreements. We support a review of OFFA's role and activities in the new funding environment, provided that this will be responsive to the outcomes of open sector-wide consultation.
- 4.4. In any review of OFFA and the role of Access Agreements it is important to ensure that universities have scope to provide measures which are individually tailored to their institutions. Institutional autonomy is a key principle in providing the best and most appropriate support for students.
- 4.5. The 1994 Group supports the principles behind the National Scholarship Programme (NSP), and we are keen to promote access to higher education. However, we would welcome clarity from the Government regarding the long term goals of the NSP beyond the three year funding period. We would urge the Government to review the NSP as soon as possible to ensure it achieves the best widening participation outcomes. It is good that the NSP gives institutions the autonomy to be involved in developing their own offers in accordance their own unique position and student profile. However, the NSP is still too prescriptive and greater freedom would allow universities to develop the widening participation schemes that would best suit institutional circumstances.
- 4.6. It should be noted that in the absence of a national tracking scheme HEIs can only play a limited role in the evaluation of the relative success of bursary schemes and outreach activities. Universities are unable to follow the progression of the many young people whom they come into contact with through widening participation activities but then go on to attend a different HEI. To enable a thorough evaluation of the relative successes and failures of outreach and bursary schemes, data must also be recorded concerning the relative importance of factors affecting the decision of school age pupils not to progress to higher education. We believe that Schools and FECs themselves might play a role in monitoring the success of HE WP activities, empowering them to make decisions in partnership with HEIs about appropriate activities for the pupils.

5. A new, fit-for-purpose regulatory framework

- 5.1. Opening up the higher education market to alternative providers including further education colleges is fitting in a competitive higher education marketplace. However, it is paramount that the world-class and research-led quality of the UK higher education system is preserved. The 1994 Group will respond in detail to the consultation on the regulatory framework and here makes broad comments on the principles of regulation in the higher education sector.
- 5.2. The 1994 Group is clear that in creating market forces within higher education this must be a genuine market with flexible numbers and a level playing field. In a

genuine market all providers must have the same burden, or non-burden of regulation. If the current regulations are kept, this should of course include uniform requirements of all providers to submit HESA data, Access Agreements to OFFA, partake in the Key Information Set as well as quality assurance measures.

- 5.3. The title of 'University' is an important hallmark of a certain type of educational experience and we will respond separately in the consultation on the Regulatory Framework to proposals on degree awarding powers and university title. However, it is important to note here that not all providers applying for 'university status' will necessarily be new entrants to the sector. For example, an institution which has previously only provided postgraduate education but decides to start providing undergraduate education would constitute a new provider in the sector but not a new entrant and therefore should be treated separately.
- 5.4. Regulatory processes should not hinder partnerships and collaborations between different providers. The current student number proposal is likely to undermine partnerships between FECs and HEIs by limiting the ability of FECs franchised through HEIs to bid for margin places. Opportunities for traditional and private HE providers to work in partnerships should be harnessed to produce greater efficiency and competitiveness in the sector.
- 5.5. The 1994 Group welcomes an efficient approach to regulation outlined in the White Paper, whereby regulation would take place in accordance with a framework of quality and standards, rather than imposing planning or regulatory constraints. The Group endorses a move from a process based approach to an outcome based one. However, more clarification is needed, especially concerning how risk will be assessed. To introduce a risk-based quality assurance regime there will need to be a significant amount of work undertaken to develop a robust set of criteria against which risk can be based. It is crucial that robust criteria are developed and HEFCE will need to consult separately with the sector on this.
- 5.6. Despite the efficiencies intended by a risk based system the burden presented by the regulatory system to the sector will remain high. The current programme of expansion of the Academic Infrastructure which will become the UK Quality Code still remains significant. It might be that this expansion needs to be revisited if the government is to meet its aim of reducing excessive regulation.
- 5.7. The 1994 Group is concerned that, although there is an emphasis on deregulation and reducing administrative burden in the principles of the White Paper, many of the proposals are overly prescriptive and will actually increase the administrative workload at universities. This is not in keeping with a market driven system. Instead we suggest that information which is readily available should be used more effectively. In addition to issues previously highlighted, the following areas are of particular concern:
 - (i) Student number control proposals will create additional administrative workload, particularly in relation to ensuring robust data on entry qualifications. This is a major additional burden for institutions with large numbers of applicants with non-A level qualifications, including a wide range of EU qualifications not currently captured in the HESA return;
 - (ii) Reducing the size of HESA data collection (and reducing the importance placed on the HESA return) is a desirable objective. However, we note from the proposed changes to the HEFCE teaching funding method that there is little prospect of a net reduction in the burden of data provision in the foreseeable future;
 - (iii) 1994 Group universities welcome the proposal to radically streamline collection and reporting requirements of onerous TRAC data. The 1994

Group is in principle opposed to the use of TRAC data for any public purpose due to the lack of consistency of this data, however, it is suited for internal sector use where the limitations of the data are known. In a competitive market any organisation would be unwilling to disclose commercially sensitive data such as unit costs; and

- (iv) The UUK Efficiency and Modernisation Task Group are to propose ways to strengthen efficiency benchmarking and the use of data in operation areas currently considered to be under-developed. The 1994 Group is not in favour of increased benchmarking which would increase the regulatory burden. There is no suitable data at the moment for benchmarking, and creating them would demand a great deal of effort and resource.
- 5.8. The White Paper suggests legislation to allow HEFCE the power to attach conditions to the receipt of grant and access to student loan funding. As the sector regulator HEFCE would protect the interest of students, including promoting competition. In general terms, this is in accordance with 1994 Group views as long as institutional autonomy is protected. As a broad principle, the 1994 Group believes that HEFCE should primarily be concerned with supporting institutional freedom in accordance with a framework of quality and standards rather than imposing artificial planning or regulatory constraints designed to limit the natural diversity of the system. The 1994 Group would also highlight that HEFCE already has powers to reduce or withdraw funding from institutions that do not act responsibly or demonstrate poor academic standards. Whilst HEFCE may now become more explicit about these powers, universities and governing bodies are not complacent and demonstrate sound internal policies and checks to ensure high standards;
- 5.9. The 1994 Group agrees with the White Paper that there should be a possibility of revoking research degree awarding powers where academic standards fail and after all other options have been exhausted. The 1994 Group further understands that, as in the current system, the Government will not underwrite universities and colleges. It is, however, important to recognise that there are two types of failure, financial failure and academic failure and these should continue to be treated separately. It is vital that the same rules and regulations are applied to all actors in the sector. In all cases it is of paramount importance that the interests of the student must be protected.

6. Conclusion

- 6.1 The Higher Education White Paper 'Students at the Heart of the System' commits to creating a sector which is free to respond to the needs of students through increased competition. These principals are welcomed by the 1994 Group and we fully support the Government's desire to produce a diverse higher education system which is more greatly geared to meet student demand. However, the proposals on student number controls put forth by the Government may not achieve this aim. Lifting the cap on student recruitment with grades AAB+ at A-Level and equivalent, combined with a core and margin model, may not create a responsive, demand led market. We welcome the rising demand for university places and believe in providing more opportunities for students from all backgrounds to attend world-class universities and receive a high quality academic experience which enhances their employability and life options. The aspiration of more people being educated to a higher level and the social and economic benefits of this is one we share with all leading political parties.
- 6.2 We want to help meet increasing demand but we must all recognise the financial pressures our universities are under to maintain the quality of student experience. Despite the pressures on Government finances this is the right time to invest in Higher Education. A larger proportion of the workforce qualified to a higher level will give the economy and the nation a boost just when it needs it the most. If the funding

is there, a mechanism needs to be developed that enables universities to increase their student numbers on the basis of consistent and demonstrable student demand and quality of output, for example rewarding universities that show high quality, retention and completion rates.

- 6.3 It is our view that the proposals contained in the White Paper do not go far enough in meeting the needs of students, the government or the sector for the following reasons:
- High quality university places for students will potentially be lost;
 - The sector might become polarised between institutions which offer courses only to students with AAB+ qualifications and those which offer provision below £7,500;
 - Choice for students may be limited rather than expanded;
 - It may become harder for students from non-traditional backgrounds to access higher education. Choice might be more restricted for those from disadvantaged backgrounds who are less represented in the AAB+ student population. Institutions will be less able to account for this in their offers to students; and
 - Provision of science, technology, engineering and mathematics (STEM) subjects and in other strategically important and vulnerable subjects (SIVs) might be adversely affected.
- 6.4 However, we support the Government's ambitions and believe rapid expansion of the proposals will avoid these damaging effects and moreover bring the desired benefits of a system with greater competition.
- 6.5 To achieve the aims of the White Paper, freedom is needed in all student numbers. We should move to such a system without delay. As an immediate measure in 2012/13 places for students achieving ABB+ at A Level (rather than AAB) should be uncapped. This will alleviate many of the damaging effects outlined above by extending choice to more students in the system and these students have a similar level of achievement as AAB students. But we stress that even an ABB+ policy should be an interim measure whilst moving to full flexibility in student numbers. This should to be done as quickly as possible to avoid damage to the higher education system which would be the result of only introducing competitions to a small segment of the sector.
- 6.6 The consequences of an AAB+ policy are partly so severe because of the simultaneous implementation of the core and margin model which reduces student places by 8% at all institutions. This removes places at high quality institutions from core student numbers. It also reduces the ability of universities to make offers in subjects which have lower qualification profiles such as STEM and SIV subjects and to widen access to students from non-traditional backgrounds.
- 6.7 The Government should seek to find ways of expanding the number of students in the system to deal with demonstrable demand. The Government should look to industry and charity sponsored places to also assist with the student loan book by incentivising this model of study. Lastly, not impinging early loan repayment will help keep costs down for the Government.
- 6.8 To assist in the operation of the new market, we urge the Government to make data on all proportions of students and their qualifications entering university, and those who are unsuccessful in their applications, freely available. This information should be made publically available so we may assist the Government in modelling new solutions.

- 6.10 We are disappointed that the White Paper focuses exclusively on undergraduates. It is essential to recognise that universities, such as 1994 Group institutions, are multi-dimensional, delivering undergraduate study alongside world-leading research, innovation and knowledge exchange in industry and postgraduate education. Promotion of the undergraduate experience is undoubtedly welcomed but this needs to be developed in harmony with the other essential functions universities perform. It is therefore unhelpful that the Government's vision for higher education in the White Paper has completely decoupled undergraduate study from research, knowledge transfer and industry interaction, internationalism and postgraduate education. Whilst some providers will focus solely on delivering undergraduate study in a teaching only environment, the research-informed teaching offered by 1994 Group universities should not be jeopardised as a high quality option for students by Government proposals.
- 6.11 To conclude, the principles for introducing greater responsiveness and competitiveness into the higher education system are welcomed. It is of paramount importance that mechanisms are implemented correctly to produce the many benefits of such a system rather than suffer the consequences of the policy as it currently stands. In a system which has full flexibility in student numbers institutions can react responsively to student demand offering students greater choice in mode, style and subject of study. A truly competitive environment will encourage institutions to provide ever higher quality student experiences and offer value for money.

Rachel Winzer
Director of Research
16 September 2011

Annex A: 1994 Group detailed response to the White Paper

This Annex acts as an index of the 1994 Group's detailed responses to the White Paper on Higher Education, *Students at the Heart of the System*¹², released on 23 June 2011. It follows precisely the layout of the 'Summary of policies' (pp. 8-12) in the Executive Summary of the White Paper to act as a quick reference point for 1994 Group positioning.

1. Financing students

1.1. Over the period of the Spending Review, the proportion of funding for teaching provided by direct grant from HEFCE will decline and the proportion from graduate contributions, supported by subsidised loans from Government, will increase

The 1994 Group considers it of the utmost importance that funding for universities should be sustainable so that they are able to meet the needs of current and future students. The abiding mission of 1994 Group universities is to offer excellent teaching in research rich environments for an outstanding student experience. The 1994 Group has argued that the overall unit of resource to ensure teaching quality should not be decreased, and that any decrease in Government funding should be compensated by an increase in graduate contributions. However, increases should be carefully implemented so as not to impose any new barriers to higher education. Disciplines have been affected differently by the Government's proposals and some subjects, most notably those in Band B, will see resources squeezed. It is vital that the impacts of this are monitored to ensure they are not damaging.

1.2. HEFCE consultation on the method for allocating teaching grant

The 1994 Group has submitted a detailed response to the HEFCE's consultation on the method for allocating teaching grant from 2012/13. However, the 1994 Group believes that HEFCE should continue its role in allocating the remaining teaching funding. It should be noted that it is a fundamental requirement for HEFCE not to operate as a planning body in the allocation of its teaching, or any other resource.

1.3. From autumn 2012, all higher education institutions will be able to charge basic threshold of £6,000 a year for undergraduate courses. The maximum charge will be £9,000 a year.

The 1994 Group understands this and has previously responded accordingly. Members have set their fees for the year 2012/13.

1.4. Provision of tuition and maintenance loans for undergraduate students and for the first time to part-time and distance-learning students

The 1994 Group has welcomed the package of support available for students from Government. The 1994 Group believes it is of fundamental importance that there are no barriers to prevent able students entering higher education due to an inability to pay. The 1994 Group welcomes a rich funding environment for students with many options and alternatives, and made a strong case for extending the student support system to part-time students in its submission to the Browne Review. Students from less economically well-off backgrounds should be supported, and thus non-repayable student support should be directed to those in most need. Though Access Agreements ensure important support for disadvantaged undergraduate students, they are prescriptive and limit the innovation

¹² <http://discuss.bis.gov.uk/hereform/>

possible by universities in student support. The Group would welcome industry sponsored students to be outside the student number control as long as it is still in place.

1.5. Loan repayment thresholds and repayments based on a variable rate of interest related to income

It is now particularly important that the message that higher education is free on entry and repayable at an affordable rate as a pay roll reduction and not a credit card style debt is understood and recognised by prospective students, their families and the public as a whole.

Regarding interest rates the 1994 Group advocates that the taxpayer should not be fully responsible for subsidising interest on student loans and that interest on student loans should rise above current levels. Therefore, the 1994 Group believes the Government's decisions on tapered interest rates are fair to both graduates and taxpayers.

1.6. Consultation on early repayment mechanisms

The 1994 Group is in favour of an early repayment mechanism and encourages flexibility in the student loan system and broad Government thinking.

There should be no penalties for students choosing to repay their fee or maintenance loans at a faster rate. Allowing early (and up to full) repayment could significantly increase the number of loans that are repaid entirely over and above the current modelling as some more debt averse graduates may seek to pay off a loan completely that would in effect never be repaid if they were relying on statutory repayments alone. Such a system would reduce the overall student loan book making student support viable and protecting it from risks of default. This proposal protects the interests of the most vulnerable students whilst serving the best interests of universities and the Government.

The 1994 Group has submitted a response to the consultation on early repayment mechanisms.

1.7. Consultation on removal of VAT barriers which currently deter institutions from sharing costs.

The 1994 Group will respond in detail to the consultation on VAT. EU VAT sharing exemption is welcomed as it will remove one current barrier to shared services enabling greater cost efficiencies in some areas. Nevertheless, developing combined services does have an associated cost and is not always appropriate or cost effective. We would expect the savings to be modest.

1.8. The Government will investigate options for the management of loans owed by graduates to seek early financial benefit for the taxpayer.

The 1994 Group stresses the importance of ensuring students are treated fairly, whichever option is pursued.

ADDITIONAL POINTS

1.9. HEFCE will consider what support is needed for subjects which are 'strategic and vulnerable'

The teaching grant allocated by HEFCE should support a healthy mix of subjects, students and types of institutions. The 1994 Group's vision for the future of higher education is one where all disciplines are able to flourish. All disciplines are needed to address global challenges and ensure the UK's future prosperity. The Group is concerned about the great uncertainties facing the future of strategically important and vulnerable subjects (SIVs) and high-cost subjects. There is real apprehension that universities' ability to teach high-cost subjects (especially STEM subjects) and SIVs will be undermined by the new funding plans and student number control plans. Therefore, the new funding method needs to recognise high-cost provision and SIVs.

It is vital to recognise that SIVs and high-cost subjects are not one and the same. High-cost subjects include subjects that are particularly costly to deliver and the teaching funding from HEFCE is supposed to aid in the cost of delivery. We believe it is very appropriate that the new funding method recognises the difficulties of delivering high-cost provision without additional support beyond the restricted tuition fees. However, it is vital that the Government takes a broad view of what classifies as a high-cost subject. The data on costing is insufficiently robust and further work is needed to identify high cost subjects and to determine funding rates. This should be a priority for HEFCE. While STEM subjects rightly belong in this category, these are not the only ones. Other high-cost subjects, such as conservatoire style acting courses also need to be considered for additional support from HEFCE.

The definition of SIVs should be fluid, with room for change according to changing circumstances. It is important, though, that SIVs are supported financially. On making an argument for which subjects should be considered as SIVs, the 1994 Group would strongly urge the inclusion of languages. The Group is seriously worried about the state of languages. We would welcome clarification on whether the much welcomed funding around ERASMUS students will extend to new regime students.

1.10. Universities are encouraged to do more regarding philanthropic giving and are encouraged to view the National Scholarship Scheme (NSP) as a way to seek matched funding from other sources.

The 1994 Group recognises that given current fiscal conditions and the importance of higher education it is more important than ever for universities to boost their income streams through voluntary giving and industry connected activities. Incentives are vital to successful fundraising and the match funding scheme should be secured for future. The Government should also consider implementing tax breaks and other incentives.

Whilst voluntary giving represents a growing income stream in the UK, having been assisted greatly by the Government's matched funding scheme, it still lags far behind the levels achieved by universities in the USA. Most UK university development offices are now taking a very strategic and professional approach to enhancing this income stream, and it will be extremely important to continue doing so into the future. We propose that across the sector a campaign needs to be made to encourage more donor-giving. To assist this, the Government needs to commit to the matched funding scheme for voluntary giving, and thus it should be continued.

We believe it is right to encourage institutions to generate private resources to underpin the state-funded student support system. Group institutions have a range of scholarships and bursaries which derive from private giving and these continue to grow annually. Business should also be encouraged to provide scholarships and bursaries, in addition to engaging with universities on student work placements and in universities' employability awards as previously proposed by the Group. The Government should encourage this by providing tax breaks and other incentives.

1.11. The UUK Efficiency and Modernisation Task Group will propose ways to strengthen efficiency benchmarking and the use of data in operation areas which is currently considered to be under-developed.

The 1994 Group does not agree with this proposal. Increasing the regulatory burden and prescription by the Government fits ill with the stated purpose of the White Paper to deregulate higher education, and might increase administrative burden for universities. There is no suitable data at the moment for benchmarking, and creating it would demand a great deal of effort and resource.

2. Improving the student experience

2.1. The Government will expect HEIs to provide a standard set of information about their courses and will make it easier for prospective students to find and compare this information.

The 1994 Group strongly endorses the principle that relevant, accessible information should be made available to prospective students at the level they require. One benefit of a full market system is that institutions will be encouraged to publish more of the information demanded by students. The 1994 Group welcomes the emphasis upon information in the White Paper. However, this should be provided alongside advice and guidance to applicants about the real value and benefits of attending university, and should address deficiencies in advice and guidance about interpreting the information available.

Providing transparent and accurate information about universities and the nature of what they offer is a priority in delivering excellent student experience. Students deserve clear and accessible information to enable them to understand the choices available. This is the rationale behind the resource UniQs being created by the 1994 Group in partnership with Push as part of a JISC-funded project. The web resource will allow prospective students to explore their ideas about university alongside impartial advice and guidance. It is vital that all information supplied to prospective students is reliable, and effectively linked to contextual material. To successfully communicate with prospective students we would suggest that the Key Information Set (KIS) being developed is seen alongside the wider content of information available within the sector. Thus the format of the KIS must encourage the user to look beyond the initial body of information in an engaging, interactive way. The demands made on institutions by this publication of the standard data set should be proportionate.

The Government is expecting HEIs to provide information on the proportion of time spent in different learning and teaching activities. The variation in student workload between subjects will need to be interpreted with caution. Undergraduate students undertake a wide range of study activities, including reflective learning, supported by materials and tutor contact, in addition to traditional lectures, lab sessions, group work, classes, and online materials. Different teaching strategies and methods are designed to develop the independent learning skills and critical thinking required of graduates and sought by employers. We believe an overemphasis on contact hours is likely to bias student expectations of teaching excellence leading to dissatisfaction and OIA complaints. The proposal to publish the proportion of time spent in different learning activities avoids the concern around contact hours. However, this is still likely to be interpreted as higher proportions of time in class as better than lower proportions.

2.2. The Government will encourage HEIs to publish anonymised information for prospective and existing students about the teaching qualifications, fellowships and expertise of their teaching staff at all levels.

Teaching standards are very important to 1994 Group universities and information concerning qualifications, fellowships and expertise is already readily available on universities' websites under staff profiles, therefore there is no need for prescription in this area. Furthermore, universities regularly evaluate the teaching skills of their teaching staff and the students' satisfaction with it, and this is seen as part of the practices already expected by QAA.

2.3. The Government will invite HEPISG to consider whether a National Student Survey (NSS) of taught postgraduates should be introduced, and whether to encourage institutions to provide a standard set of information for each of their taught postgraduate courses.

The 1994 Group believes that the NSS has been a considerable success and is one of the few public national indicators directly focused on assessing the student experience. The 1994 Group encourages consideration of the extension of the NSS to postgraduate taught

students. Appropriate adjustments would of course have to be made to suit the particular circumstances of postgraduate taught students, and the survey should be conducted after the students have graduated. Up until now, there has been too great a concentration, both in the discussion of published information and in the White Paper, on undergraduate issues.

2.4. The Government is asking HEFCE to improve Unistats, so prospective students can make more useful comparisons between subjects at different institutions. From summer 2012, graduate salary information will be added onto Unistats.

The 1994 Group welcomes a review of Unistats to ensure that it is aligned with KIS, that information is not being duplicated, and that streamlining and efficiency measures take place to ensure value for money, increased deregulation for universities and a lessened administrative burden.

The 1994 Group also has particular concerns that the use of employment and salary data should not be misleading for prospective students. Employment and salary data only 6 months after graduation is not a real indicator of employment and salary prospects. Experience also suggests that the use of averaging, combined with geographical factors will limit the usefulness of this information in practice. The 3.5 year data provided by the Longitudinal Destination of Leavers HE Survey (DLHE) is a much better reflection of what graduates can expect to achieve. However, the longitudinal DLHE data also presents some issues for concern. Completion of the longitudinal survey is on a voluntary basis and, in the case of small cohort sizes, there is a risk data will not be meaningful. Aggregation at subject level as opposed to course level could help resolve this problem, although there are concerns that this may make the data difficult to interpret and that the relationship with other course level information will be poor. Special consideration needs to be made where courses within the same subject code are taught by different providers. We would urge that separate response rates should be published for graduate destinations and salary data along with a clear description of the cohort in question (e.g. "Data in respect of all UK domiciled, full-time first degree graduates graduating in 2010").

2.5. The Government will ask the main organisations that hold student data to make detailed data available publicly, including on employment and earnings outcomes, so it can be analysed and presented in a variety of formats to meet the needs of students, parents and advisors.

The 1994 Group has consistently argued to improve the transparency and accuracy of information available and believes that the Government should encourage universities, and sector agencies, to be more open with the data they hold, and support the progress being made to make information more accurate and accessible to applicants.

2.6. The Government is asking UCAS and HEIs to make available, course by course, new data showing the type and subjects of actual qualifications held by previously successful applicants.

This would be an important step in ensuring transparency and the 1994 Group would welcome such an introduction. However, it is important to remember that while this should help young people choosing which subjects and qualification to study at school, far from all students apply to university directly after school qualifying in A-levels. It must be acknowledged that students bring different experiences and qualifications to university. There are many types of students who need to be taken into account, such as mature students and EU students.

The 1994 Group also has concerns that the specific mechanism is likely to be costly and add additional administrative burden for universities.

2.7. The Government has asked the Student Loans Company and UCAS to develop a single application portal for both higher education and student finance applications.

The 1994 Group supports this proposal, but would highlight that any such portal needs to be fully tested and resources before implementation.

2.8. The Government considers the publication of a student charter to be best practice and will review the extent to which they are adopted and, in light of this, consider whether they should be made mandatory in the future.

The 1994 Group considers student charters to be an important part of the documentation which should be available to all prospective students about the student experience.

2.9. The Government expects all universities to publish summary reports of their student evaluation surveys on their websites by 2013/14

The publication and effective use of internal university student surveys is already taking place, and a full market system would further ensure this. There is a need to ensure that the publication of internal survey results should not undermine the value of internal student evaluation surveys for the purposes of quality enhancement.

The 1994 Group would like to highlight that not all institutions conduct the same types of evaluations. Therefore, it is difficult to be prescriptive in this area. Institutional autonomy needs to be protected.

2.10. A risk-based quality regime will be introduced that focuses regulatory effort where it will have most impact and gives power to students to hold universities to account. HEFCE will consult on the criteria against which overall risk will be considered and which set of triggers would prompt a QAA full or partial review.

The 1994 Group welcomes an efficient approach to regulation in accordance with a framework of quality and standards, rather than imposing planning or regulatory constraints. The Group endorses a move from a process based approach to an outcome based one. However, more clarification is needed, especially concerning how risk will be assessed. To introduce a risk-based quality assurance regime there will need to be a significant amount of work undertaken to develop a robust set of criteria against which risk can be based, because it is crucial that such robust criteria are developed. HEFCE would need to consult separately with the sector on this.

The 1994 Group is supportive of the role students should play in reviewing institutional quality; and welcomes the addition of an additional student voice to the OIA Board and, in its response to the QAA consultation on the institutional review method, emphasised the importance of the centrality of students to the review process.

The Group is concerned that the introduction of a risk-based approach will not meet the White Paper's aim of 'strip[ping] back excessive regulation on providers wherever it is possible', as any reduction in the demands on HEIs resulting from a risk-based approach to Institutional Review will be more than countered by the current programme of significant expansion of what is currently the Academic Infrastructure and what will become the UK Quality Code. It might be that this expansion needs to be revisited if the government is to meet its aim of reducing excessive regulation.

2.11. The Government wants the Office of the Independent Adjudicator (OIA) to help HEIs resolve student complaints at the earliest possible stage.

The OIA has been asked to consult the sector on ways to promote and deliver early resolution. The 1994 Group is supportive of reviewing student complaints in the best way possible. The Group has been pleased to engage with previous OIA consultations and will look to the future consultation with interest.

2.12. Opportunities for greater collaboration between HEIs and employers.

Graduate employability should be encouraged through the involvement of employers. The Government has asked Professor Sir Tim Wilson to undertake a review into how we make the UK the best place in the world for university-industry collaboration. The 1994 Group looks forward to engaging with this important review.

1994 Group universities are developing strategic partnerships with industry to design and deliver Master's programmes, as detailed in the 1994 Group report 'Industry Sponsored Master's Degrees'. 1994 Group universities are already working with organisations as diverse as the Ford Motor Company, American Express, Government departments and the Nuclear Decommissioning Authority.

2.13. The Government will continue to support the Graduate Talent Pool in 2011 for another year, helping graduates to identify internship opportunities.

The 1994 Group is supportive of this.

2.14. The Government will work with the National Consortium of University Entrepreneurs, the National Council for Graduate Entrepreneurship and the Quality Assurance Agency to encourage HEIs to support students to develop enterprise skills.

The 1994 Group believes growing the skills of students beyond those developed through academic study is a vital part of the student experience as detailed in the 1994 Group report 'Beyond the Curriculum'.¹³ The majority of 1994 Group members are running or have approved a co-curricular award scheme. We look forward to engaging with the National Consortium of University Entrepreneurs, the National Council for Graduate Entrepreneurship and the Quality Assurance Agency on this.

Recognised co-curricular activity and awards, which run in parallel to degree programmes, meet employers' demand for skills obtained outside the academic curriculum and develop the employability and career prospects of graduates as well as enhancing their experiences while at university. The Government should recognise the huge impact that this area has and show its support for co-curricular activity by creating incentives for employers to become involved, such as a scheme in which Government matches employers' contributions whether these are cash or in kind.

HEIs should retain responsibility for the content, assessment, quality and standards of the provision that contributes to the awards.

2.15. The Government is committed to opening up the higher education market, including to FECs and alternative providers and will consult on removing barriers to entry to the higher education sector.

It is paramount that the world-class quality of the UK higher education system is preserved. There are existing mechanisms for new providers to enter the sector, involving partnership with established HEIs, which underpin quality assurance, ensure quality of delivery and enable the establishment of a track record including successful student outcomes. The title of 'University' is important to preserve as a mark of a certain type of educational experience.

The 1994 Group is clear that in creating market forces within higher education this must be a genuine market with flexible numbers and a level playing field. All providers must have the same burden, or non-burden. If the current regulations are kept, this should of course include uniform requirements to submit HESA data, Access Agreements to OFFA, partake in the Key Information Set as well as quality assurance measures. We will submit to the consultation on the regulatory framework.

¹³ http://www.1994group.ac.uk/documents/public/Publications/BeyondTheCurriculum_Nov09.pdf

Government must also keep in mind that new providers are not necessarily new entrants to the sector; this must not be confused. For example, an entrant who has previously only provided postgraduate education but decides to start providing undergraduate education would constitute a new provider in the sector.

It is important to note that low-cost providers, who will be focused on the delivery of teaching only, will not make the wider economic and societal contribution of research-intensive universities.

In future, as now, there is likely to be a finite number of student places due to the restraints of the student finance system. Therefore, there will be opportunities for traditional and private HE providers to work in partnership; these opportunities should be harnessed to produce great efficiency and competitiveness in the sector. We note that the current suggestions will undermine partnerships between universities and FECs, as FECs might not be able to bid for the core margin places if the entire institutional fee is taken into account and the HEI and the FEC share an Access Agreement.

2.16. Changes to student number controls

We welcome the rising demand for university places and believe in providing more opportunities for students from all backgrounds to attend world-class universities and receive a high quality academic experience which enhances their employability and life options. The aspiration of more people being educated to a higher level and the social and economic benefits of this is one we share with all leading political parties.

We want to help meet increasing demand for student places but we must all recognise the financial pressures our universities are under to maintain the quality of student experience. Despite the pressures on Government finances this is the right time to invest in Higher Education. A larger proportion of the workforce qualified to a higher level will give the economy and the nation a boost just when it needs it the most. If the funding is there, a mechanism needs to be developed that enables universities to increase their student numbers on the basis of consistent and demonstrable student demand and quality of output, for example rewarding universities that show high quality, retention and completion rates.

The 1994 Group welcomes the Government's intentions to introduce greater flexibility into the allocation of student places to enhance the diversity and responsiveness of the sector and believes this is a worthy principle. However, we do not believe that removing the cap on students achieving AAB+ at A Level or equivalent would be able to successfully achieve this, for a number of reasons:

- (i) The distribution of AAB+ students shows that the proposed policy would only introduce flexibility in student numbers to a select number of institutions. High quality student experiences are not confined to a small group of institutions that have high entrance standards. There is no direct correlation between entrance standards and the highest results in the National Student Survey. Universities with lower proportions of these students would have little if any scope to become more responsive to student demand under such a scheme. To produce a more dynamic and responsive sector a wider group of institutions would need to have scope to expand;
- (ii) AAB+ is not a policy that reflects the quality of the student experience but the status of the higher education institution and the educational background of the student. The 1994 Group has consistently argued that flexibility in student numbers should be on the basis of consistent and demonstrable student demand and quality of output, for example rewarding universities that show high retention and completion rates. This would reward the universities which deliver the best student experience and which are already most attuned to the needs of students;
- (iii) The proposed policy opposes the Government's widening participation strategy which has encouraged universities to set ambitious targets in their Access Agreements. This

progress could now be threatened. Institutions recruiting large numbers of AAB+ students will not be able to consider contextual information in their recruitment. Over time these universities will have very few places within their core number for students admitted with lower qualifications on the basis of contextual information. Other successful widening participation schemes will be penalised by the AAB+ policy, such as compact schemes;¹⁴

- (iv) The proposals might distort provision in different disciplines. This may especially effect the provision of Science, Technology, Engineering and Mathematics (STEM) and Strategically Important and Vulnerable subjects (SIVs). National figures show that the proportion of students achieving high grades in STEM differ in comparison to Arts and Humanities subjects and are often lower. There are variations between specific subjects, but, for example, in 2009/10 40% of those with known qualifications entering into Historical and Philosophical studies had AAB+, while only 20% of those going to study Biology had AAB+¹⁵. This will potentially undermine the ability of universities to offer courses in subjects where the qualification profile is lower, thus limiting provision in subjects of recognised importance. Coupling this with the higher costs of providing courses particularly in STEM disciplines and there is a real risk posed to the provision of these courses; and
- (v) There are serious issues concerning the quality of data to be used in calculating the AAB+ and equivalencies. The data available is inconsistent at best and has never before been rigorously tested for this purpose. There are also large numbers of students with 'unassessed' (or 'unknown') qualifications which will have a significant distorting effect on some institutions. These data issues need to be resolved urgently.

We fully support the Government's intention to produce a higher education system which is more greatly geared to meet student demand. The White Paper states that 'AAB will represent a starting point' for this but the ambition is to 'widen the threshold over this parliament, ensuring that the share of places liberated from number controls altogether rises year on year' (p 50). The 1994 Group argues that AAB+ is the wrong starting point for this policy, and would urge the Government to expand the threshold immediately or commit to doing so as soon as possible.

To avoid the unintended consequences of the proposed removal of the cap on AAB+ equivalent student number recruitment the Government needs to commit to a fully deregulated market. This could be implemented through a phased removal of student number caps on students with qualifications descending from AAB. Under a system which moved swiftly from ABB+ in the initial year to a fully deregulated system in four years it would be possible for universities to plan for a fully competitive system and to steer away from short term market distorting effects.

The Government should immediately expand flexibility for employers and charities to offer sponsorship for individual places outside of student number controls. These, which do not create a cost liability for Government, would relieve the burden on the student support system and Treasury. Costs to Treasury would also be alleviated by promoting rather than deterring or penalising early repayment of student loans. The 1994 Group has submitted a response to the consultation on early repayment mechanism urging for the possibility of early repayment without penalties. This protects the interests of the most vulnerable students, by ensuring the viability of the student loan system and by ensuring Government

¹⁴ 'a set of arrangements between HEIs, schools and colleges that provide special conditions or consideration for entry into the HEI' as defined in *Compact schemes higher education institutions*, Annex B, 2008, http://www.hefce.ac.uk/pubs/hefce/2008/08_32/.

¹⁵ Data extracted from Annex D of the HEFCE Consultation on changes to Teaching funding and student number controls to be implemented in 2012-13 http://www.hefce.ac.uk/pubs/hefce/2011/11_20/.

reinvestment in higher education, whilst serving the best interests of universities, tax payers, and the Government

We are concerned about the effectiveness of the core/margin numbers proposal and that this will not achieve the aim of increasing student choice. There is a large risk that the margin numbers freed up will not be filled. The institutions most likely to be awarded the margin numbers, based on current fee levels, are further education colleges (FECs) thereby reducing opportunities for students to study in higher education institutions (HEIs). Well-established partnerships between FECs and HEIs will also suffer under this proposal and we have given detailed feedback to HEFCE on this issue. FECs that are in partnership with HEIs under one Access Agreement are not be able to bid for the numbers if the average overall institutional fee of the HEI they work with exceeds the limit. Instead FECs with average costs should be able to apply for margin places via their partner HEI regardless of overall average costs, this will reduce duplication of effort and facilitate partnerships.

The combination of the loss of 20,000 student places plus the loss of student places for AAB+ students mean that universities will be under incredible pressure to recruit back these numbers. This will seriously damage high quality institutions that will be unable to bid for the margin numbers and will face the largest risks from changes to student number caps. If the core and margin model were to be implemented, it is imperative that it is not further expanded until the AAB+ policy has been lowered to include, at the very least, ABB+ students. This is to prevent extensive damage to the system where high quality universities would not be able to replace lost numbers.

With the addition of a core and margin model to an AAB+ policy there is a risk that the Government inadvertently polarise the HE sector into those offering AAB+ provision and those offering low-cost provision. A fully deregulated system would avoid this as student places would respond to the clear evidence of good value and high quality. Under such a system the principles of the White Paper of choice, freedom and increased student experience would be promoted.

2.17. The Government will expand the flexibility for employers and charities to offer sponsorship for individual places outside of student number controls, provided they do not create a cost liability for Government.

It would be very welcomed if the Government continue to provide a flexible employer co-funding stream and to remove employer- and charity-supported students from the Student Number Control limit while it still exists.

2.18. The Government will consult on removing barriers to entry to the higher education sector. This includes changes to the criteria and the process for the award and renewal of taught degree awarding powers, including allowing non-teaching institutions to award degrees, and changes to criteria and process for determining which organisations are allowed to call themselves a 'university'.

It is paramount that the world-class quality of the UK higher education system is preserved. There are existing mechanisms for new providers to enter the sector, involving partnership with established HEIs, which underpin quality assurance, ensure quality of delivery and enable the establishment of a track record including successful student outcomes. We believe these are normally necessary pre-requisites to awarding degrees. The title of 'University' is important to preserve as a mark of a certain type of educational experience.

ADDITIONAL POINTS

2.19. A question will be added to the national student survey about the impact of the student union and included in the KIS.

The 1994 Group is supportive of this.

2.20. The Government believes it would be good practise for institutions to provide the sort of material that local councils offer to their residents, demonstrating what their council tax is being invested in.

The 1994 Group supports the principle that financial spending should be available, but notes that this information is already available through institutions' annual financial accounts. A benefit of a full market system is that universities will want to provide this information, and prescription from Government will not be necessary.

2.21. The Government considers the publication and effective use of internal university student surveys and other evaluations to be at the heart of a continuous process of improving teaching quality.

The publication and effective use of internal university student surveys is already taking place, and a full market system would further ensure this. There is a need to ensure that the publication of internal survey results should not undermine the value of internal student evaluation surveys for the purposes of quality enhancement.

The 1994 Group would like to highlight that not all institutions conduct the same types of evaluations. Therefore, it is difficult to be prescriptive in this area. Institutional autonomy needs to be protected.

2.22. The Government wants schools and students to understand which GCSE and A Level choices lead to which degree courses.

The 1994 Group is committed to providing clear information, advice and guidance for prospective students. The 1994 Group supports the concept of facilitating subjects outlined by the Russell Group of universities. These subjects, Mathematics and Further Maths, English, Physics, Biology, Chemistry, Geography, History, and Languages (Classical and Modern), are those which increase the scope of university level study available to prospective students. 1994 Group universities do not however have a fixed view on 'hard' and 'soft' subjects. 1994 Group universities take individual merits and qualifications into consideration when make admissions decisions.

2.23. Encouraging institutions to respond to the different needs and circumstances of potential students by offering flexible routes into higher education.

The 1994 Group supports flexibility in student provision. We propose that students should be able to change from full to part-time mode of studying, change course or university, or take time out from their studies. Accelerated courses are an important part of this. Institutions should determine how flexible they wish to enable their programmes to become, and they should not be hindered by overly prescriptive administrative requirements. The example of the US Higher Education system teaches us that incentives will need to be put in place for institutions to push students to graduate rather than focusing on obtaining modules only. These measures would make an important contribution to the UK HE sector and the widening participation agenda.

2.24. It is expected that most institutions will be developing Higher Education Achievement Records (HEARs) for all their undergraduate students from September 2012.

The Government is expecting that most institutions will be developing Higher Education Achievement Records (HEARs) for all their undergraduate students from September 2012. The higher education sector has been developing the HEAR to provide a richer description of student achievement, including information about module marks, academic credit and other achievements that can be verified by their institution. The 1994 Group is supportive of the recommendations from the Burgess Group's final report *Beyond the honours degree classification*¹⁶ that the degree classification system is supplemented or replaced with a

¹⁶ http://www.universitiesuk.ac.uk/Publications/Documents/Burgess_final.pdf

degree transcript and summative judgement. However, the Group notes that such a transformation of the system requires a huge amount of work and may not have been a priority for institutions. In the current circumstances, a 2012 introduction date may prove ambitious.

2.25. The Higher Education Academy will be piloting a UK-wide student-led awards scheme for excellent teaching, based on an educational partnership between students, their tutors and institutions.

The 1994 Group is supportive of this.

2.26. The Government recognises that universities and colleges play a vital role in much of the best teacher training and must continue to do so.

The 1994 Group has responded in detail to the consultation on changes to Initial Teacher Training from the Department for Education. We support strong relationships between universities and schools in working together on providing initial teacher training.

Universities play an important role in teacher training, providing research-rich environments where students can gain a wide ranging experience academically and socially. Universities also provide continuing professional development (CPD) in subjects and in pedagogy important to teachers. Beyond teacher training universities engage in research into teacher education and engage in other related activities such as curriculum development. Evidence from Ofsted inspections have shown that high quality teacher training is delivered by effective partnerships between universities and schools.

2.27. The Government believes it is reasonable for students and their parents to expect HEIs to make student welfare a priority and encourages universities and colleges to work with their students' union to ensure a good range of services.

At 1994 Group institutions, student unions and the universities take student welfare seriously and work in partnership ensure its delivery. There are generally very good relationships between students' unions and universities within the 1994 Group, and this is an area in which the Group shows real strength. Data collected in 2007 demonstrated a real willingness to work in partnership on delivering welfare and services for students.

2.28. The ability for research degree awarding powers could be revoked where academic standards fail.

The 1994 Group agrees that there should be a possibility of revoking research degree awarding powers where academic standards fail and after all other options have been exhausted.

2.29. Universities, university societies and student groups have a clear role to play preventing radicalisation.

Universities are aware of this issue and deal with it on an individual basis as best suiting the institution and the particular circumstances.

3. Increasing Social Mobility

3.1. The Government will establish a new careers service in England by April 2012, built on the principles of independence and professionalism.

The 1994 Group is supportive of this development.

3.2. The Government will also establish a strong quality assurance framework for careers guidance, including a national quality standard for the new careers service and measures to ensure consistency in the 'quality awards' that schools and colleges can work towards.

The Group considers this to be appropriate.

3.3. All institutions which charge more than £6,000 must agree Access Agreements with the Director of Fair Access setting out what they will do to attract students from disadvantaged backgrounds.

The 1994 Group understands this and has previously responded accordingly. All relevant members have Access Agreements in place with OFFA.

3.4. The Office for Fair Access will be strengthened, increasing capacity to up to four times its original level.

The 1994 Group would welcome clarification from the Government on the long term role of OFFA, and how its role is clearly distinguished from that of HEFCE. We would particularly ask for further clarification on the relationship between HEFCE's Widening Participation Strategic Assessments and OFFA's Access Agreements. The 1994 Group is committed to ensuring efficiency and value for money, and would want to be sure that a strengthened OFFA would fulfil these principles, especially considering the present financial climate. Clarification is welcomed about how OFFA will monitor Access Agreements and gather data in future.

3.5. Government have asked the Director of Fair Access to provide advice in the autumn following the first round of approval of Access Agreements, on what further steps might be needed to ensure the delivery of commitments made in Access Agreements.

It is important to ensure that universities have scope within the Access Agreements to provide what measure suit individual institutions and circumstances best to enhance widening access. Institutional autonomy has to be protected.

3.6. Introduction of more generous support for low-income, full-time home/EU undergraduate students and students starting part-time courses in 2012/13

1994 Group universities believe that it is vital that there are no barriers to able students entering higher education due to inability to pay. Therefore, the Group welcomes the measures to introduce more generous support for low-income, full-time students and students starting part-time courses in 2012/13, many of whom are from backgrounds that are under-represented at universities.

Part-time students will be entitled to an up-front loan to meet their tuition costs so long as they are studying at an intensity of at least 25 per cent, in each academic year, of a full-time course. The 1994 Group believe that an extension of support to part-time students is long overdue. However, we seek clarification as to whether there are plans to include part-time students in the student number control, for the time it is in place.

3.7. Introduction of the new National Scholarship Programme in 2012

The 1994 Group supports the principles behind the National Scholarship Programme (NSP), and dedicated to widening access to higher education. However, we would welcome clarity from the Government regarding the long term goals of the NSP, as we do not think that the present incarnation of the NSP will achieve the best widening participation outcomes. We would urge the Government to review the NSP as soon as possible.

HEIs must have the autonomy to respond and develop according to student need and their own unique student profiles. It is good that the National Scholarship Scheme gives institutions the autonomy to be involved in developing their own offers in accordance their own unique position and student profile. However, the NSP is still too prescriptive and greater freedom would allow universities to develop the widening participation schemes that would best suit institutional circumstances.

3.8. UCAS are reviewing the applications process, including the scope for introducing Post-Qualification Application (PQA)

1994 Group universities believe that a review of the undergraduate admissions process is timely. University admissions processes should be appropriate, efficient and applicant-centred. We believe that admissions are the responsibility of universities, and it is essential that the sector owns the next steps in the process of admissions reform; full consultation with HEIs will be needed on this issue.

It should be noted that it is of course already possible to apply post-qualification, and that many applicants do this. Instead of looking to introduce a Post-Qualification Application system, we should focus on increasing the flexibility of the present system so that 'trading' can take place and students can adjust if they find their grades are not equivalent to their predicted ones.

We look forward with interest to the outcomes of the UCAS review. The present system which makes use of predicted grades has a number of benefits. Predicted grades are substantially accurate (to plus or minus one grade) and, where they are inaccurate, an optimistic prediction can work to the advantage of applicants from non-traditional backgrounds. An additional benefit of the current system is the important relationship student and institutions are able to build through the admissions system.

ADDITIONAL POINTS

3.9. OFFA Access Agreements and the National Scholarship Programme will be subject to review.

Being newly introduced it is understood by 1994 Group universities that OFFA Access Agreements and the National Scholarship Programme will be subject to review. It is essential that these schemes allow institutions the autonomy to make the best choices for them and that a wide range of widening participation measures are taken into account. Any move to impose sector wide regulations would be strongly opposed.

It should be noted that in the absence of a national tracking scheme HEIs can only play a limited role in the evaluation of the relative success of bursary schemes and outreach activities. Universities are unable to follow the progression of the many young people whom they come into contact with through widening participation activities but then go on to attend a different HEI. To enable a thorough evaluation of the relative successes and failures of outreach and bursary schemes, data must also be recorded concerning the relative importance of factors affecting the decision of school age pupils not to progress to higher education.

The 1994 Group supports a review of OFFA's role and activities, provided that there are no pre-determined outcomes for this review.

3.10. The Government believes that using contextual data is a valid and appropriate way for institutions to broaden access while maintaining excellence, so long as individuals are considered on their merits, and institutions' procedures are fair, transparent and evidence based

As we have said previously in this document, the 1994 Group is committed to the use of contextual data in admissions processes. We agree with the statement above although we have serious concerns that the emphasis on the AAB+ tariff and equivalencies will prevent the most selective institutions from using contextual data in admissions, thus excluding entry to able, disadvantaged applicants.

4. A new, fit-for-purpose regulatory framework

4.1. The Government will consult on proposals for a single, transparent regulatory framework that covers all institutions that want to be part of the English higher education system.

The 1994 Group welcomes a very clear view from the Government concerning the purpose of the new regulatory framework and the intended targets of it. In the higher education marketplace new providers can be expected to emerge. It is paramount that the world-class quality of the UK higher education system is preserved. Therefore the same quality assurance requirements should be in place for all providers. The 1994 Group will respond in detail to the consultation on the regulatory framework.

4.2. The Government will legislate to allow HEFCE the power to attach conditions to the receipt of grant and access to student loan funding. As the sector regulator HEFCE will protect the interest of students, including promoting competition

In general terms this is in accordance with 1994 Group views as long as institutional autonomy is protected. As a broad principle, the 1994 Group believes that HEFCE should primarily be concerned with supporting institutional freedom in accordance with a framework of quality and standards rather than imposing artificial planning or regulatory constraints designed to limit the natural diversity of the system.

The 1994 Group would also highlight that HEFCE already has powers to reduce or withdraw funding from institutions that do not act responsibly or demonstrate poor academic standards. Whilst HEFCE may now become more explicit about these powers, universities and governing bodies are not complacent and demonstrate sound internal policies and checks to ensure high standards.

4.3. HEBRG¹⁷ will be asked to identify areas for deregulation whilst still safeguarding students and taxpayers, and report back by November

We look forward with interest to the report from HEBRG.

4.4. The Government will explore how to reduce the costs to institutions currently incurred in completing corporation tax returns and exempt higher education institutions from the “accommodation offset” provisions in the National Minimum Wage rules for full-time students

The 1994 Group supports these suggestions.

4.5. The Government will invite HEFCE, HESA and HEBRG¹⁸, in collaboration with the Information Standards Board for Education, to reduce the number of data requests that ask for the same information from higher education institutions.

The 1994 Group is concerned that, although there is an emphasis on deregulation and reducing administrative burden in the principles of the White Paper, many of the proposals will increase the data workload and are overly prescriptive. The information already available should be used more effectively.

The 1994 Group has previously highlighted concerns regarding the administrative burden with respect to the Key Information Set (KIS). HEFCE and HESA should be aware of the administrative burden and resource demands of producing key information. Therefore streamlining and reducing the data burden would receive strong support.

It should be recognised that the proposals in relation to student number controls will create additional administrative workload, particularly in relation to ensuring robust data on entry qualifications. This is a major additional burden for institutions with large numbers of

¹⁷ Higher Education Better Regulation Group

¹⁸ Higher Education Better Regulation Group

applicants with non-A level qualifications, including a wide range of EU qualifications not currently captured in the HESA return.

Reducing the size of HESA data collections (and reducing the importance placed on the HESA return) is a desirable objective. However, we note from the proposed changes to the HEFCE teaching funding method that there is little prospect of a net reduction in the burden of data provision in the foreseeable future.

ADDITIONAL POINTS

4.6. The Government does not guarantee to underwrite universities and colleges.

We understand that in the current system the Government will not underwrite universities and colleges. It is, however, important to recognise that there are two types of failure, financial failure and academic failure. These should be treated separately. It is vital that the same rules and regulations are applied to all actors in the sector. At all institutions the student must be protected.

4.7. Government will ask HEFCE to consult with the sector on radically streamlining the reporting requirements of TRAC.

1994 Group universities welcome the proposal to radically streamline collection and reporting requirements of onerous TRAC data. In general, the 1994 Group is opposed to the use of TRAC data for any public purpose due to the lack of consistency. Additionally, in a competitive market an organisation would be unlikely to be willing to disclose commercially sensitive data such as unit costs.

However, TRAC process and the data derived from it has been found to be of immense use in terms of managing and understanding institutional costs, cost drivers and the viability of activity. It therefore helps to manage universities towards a position of financial sustainability. This data is therefore well suited for internal use, where flaws and limitations are understood.

4.8. Options for simplifying process for changing corporate status to make it easier to attract private investment

The 1994 Group will respond to this point as part of its response to the consultation on the regulatory framework.