

## Office for Students: Consultation on regulating quality and standards in higher education

Questions relating to Proposal 1

**Question 1a: Do you agree or disagree with the proposed definitions of ‘quality’ and ‘standards’ set out in Table 1 of Annex A and that this should be used to express minimum baseline requirements for quality and standards in revised B conditions?**

Disagree.

HEFCW's view is that the provision of assurance to students and regulators outside the UK regarding a common UK framework, which includes the Frameworks for Higher Education Qualifications and the UK Quality Code, should be a priority. Any significant changes to the OfS baseline should be considered on a UK-wide basis, to identify the impact on the UK non-numerical baselines. This would require agreement of all nations of the UK.

We are concerned by the proposal that the reference to the Quality Code be removed from the guidance in the regulatory framework, despite the assurance that the regulatory requirements in the framework would continue to broadly cover the issues expressed in the expectations and core practices of the Quality Code. The Quality Code is one of the common pillars across all four countries of the UK. Removal of reference to the Quality Code risks external perception that there is no longer a single overarching approach to quality across the UK. If the OfS adopts this approach this will be detrimental to the UK as a whole.

**Question 1b: Do you have any comments about how the proposed definitions of quality and standards set out in Table 1 of Annex A should be assessed for individual providers?**

No response

**Question 1c: Do you agree or disagree with the proposal in paragraphs 41 to 43 to express initial requirements differently from the equivalent ongoing requirement for providers seeking registration?**

Neither agree nor disagree

We would like to note that the inclusion of data relating to TNE students is likely to impact on the review of the Aggregate Offshore Record (AOR) which is a UK-wide return and therefore needs to reflect the needs of all nations within the UK.

## Questions relating to Proposal 2

### **Question 2a: Do you agree or disagree with the proposed approach to assessing student outcomes set out in Annex B?**

Disagree

There is a risk in using numeric baselines that are for institutions in England only, that institutions in England and their regulator(s) would not engage with or use the UKPIs or other UK measures that are well established and have the benefit of long term trend information. This would be a risk for the rest of the UK as benchmarks that are UK wide are of value and often used by institutions and regulators in devolved administrations. The introduction of additional England only measures could potentially undermine the concept of a single UK system for higher education with many common measures in each of the four countries. Introducing measures that are similar, but not the same as the UKPIs could cause confusion and undermine the UKPIs.

There is a risk that some institutions in England may become reluctant to take students who benefit from higher education but, for various reasons, will tend to have poorer outcomes without the provision of the appropriate student support required for these students to achieve good outcomes. Instead of improving quality for all groups of students and ensuring consistent standards, it might have the unintended consequence of excluding some groups of students from higher education altogether. This could disadvantage learners who tend to have poorer retention in the absence of the right support (eg widening access students) and mean that they could become under-represented in some institutional mission groups.

### **Question 2b: Are there any other quantitative measures of student outcomes that we should consider in addition to continuation, completion and progression (see Annex B paragraph 18)?**

No response

### **Question 2c: Do you agree or disagree with the proposals for the levels of study at which indicators should be constructed? Should any additional indicators be considered (see Annex B paragraph 25)?**

No response

### **Question 2d: Do you have any comments about an appropriate balance between the volume and complexity of indicators and a method that allows us to identify 'pockets' of performance that are below a numerical baseline (see Annex B paragraph 32)?**

No response

### **Question 2e: Do you agree or disagree with the demographic characteristics we propose to use (see Annex B paragraph 36)? Are there further demographic characteristics which we should consider including in the list of 'split indicators'?**

No response

**Question 2f: Do you agree or disagree that the longitudinal educational outcomes dataset should be used to provide further indicators in relation to graduate outcomes (see Annex B paragraph 46)?**

Disagree

The LEO methodology does not account for whether a graduate is in full or part-time work, meaning that those in well-paid part-time work could appear to be earning very little. Use of this data as an indicator could lead to institutions being penalised for producing graduates who choose to work part-time, for whatever reason. In addition, graduates from full-time and part-time study – whose median salaries and student profiles can be very different – are presented together. This could be misleading, as many part-time students are already in employment when they study.

Salary information provides more information about where the graduate has chosen to work, rather than their choice of university. Salaries – even for identical roles – are quite different in different areas of the country. Graduates choosing to work in London and in the south east of England are likely to gain a higher salary for like-for-like jobs than those in Cornwall, Cumbria or Ceredigion. Therefore LEO does not necessarily recognise the contribution of graduates to the economy in poorer parts of the UK.

The data does not provide information on the sector in which graduates choose to work. Many graduates go on to work in professions that use the transferable skills developed during their time at university, and do not directly relate to their area of study. As such, interpretation of the data is very complex and has the potential to misdirect students. For instance, graduates who choose to work in the public sector or for a charity may well be choosing a comparatively lower salary or a more lengthy career progression and longer salary trajectory than those who choose a different path.

LEO data is impacted by external economic activity, and it is likely that the pandemic will have an impact on the economy for some time to come. Therefore LEO data from previous years is not a good predictor of current university entrants' future earnings. Graduate salaries are also significantly influenced by external factors (for example, parental wealth, school attainment), which are not recognised in the presentation of the data. Furthermore, there is little explanation of other factors that contribute to pay differences such as the gender pay gap, prior attainment, and student characteristics.

LEO is based on HMRC tax pay-as-you-earn data and the self-assessed earnings of self-employed graduates, and therefore some graduates will be excluded from the data. Institutions with higher levels of creative arts courses are more likely to produce entrepreneurial graduates who work for themselves. These graduates are more likely to be below the tax threshold early on in their careers and excluded from the analysis. There is no account of the hours actually worked, and it excludes those working outside of the UK.

LEO does not account for the social and cultural value added by a university degree. In addition, many graduates may be very satisfied with their educational choices and careers, despite having lower earnings.

Use of LEO data as an indicator could result in unintended consequences in institutional behaviour, such as:

- More graduates being encouraged to move to London and the south east of England for higher-paid employment, increasing the “overheating” already apparent in those areas.
- Fewer graduates considering crucial posts in parts of the UK where salaries are lower.
- Fewer graduates considering some essential lower-paid public sector services, meaning fewer choosing shortage NHS professions, teaching, and social work – professions that are already seeing major recruitment difficulties.
- More graduates being encouraged into salaried roles rather than pursuing entrepreneurial ideas and using their creative talents and working for themselves.
- More graduates being encouraged to work for large employers, where salary rates are benchmarked with others, rather than small and medium enterprises (SMEs), where substantial benefits can be gained by employing a single graduate.

**Question 2g: Do you have any comments about how the range of sector-level performance should be taken into account in setting numerical baselines (see Annex B paragraph 57)?**

We use UK benchmarks extensively within our regulatory processes, and therefore would encourage the OfS to continue to participate in these processes.

**Question 2h: Do you have any comments about the other contextual factors that should be taken into account and the weight that should be placed on them (see Annex B paragraph 68)?**

No response

### Questions relating to proposal 3

**Question 3: Do you agree or disagree with the proposals in Annex C for monitoring ongoing compliance with regulatory requirements for quality and standards?**

No response

### Questions relating to proposal 4

**Question 4: Do you agree or disagree with the proposals in paragraphs 86 to 101 for our approach to intervention and gathering further information about concerns about quality and standards?**

No response