

Horizon scan 23rd July 2020

Huge issues that are not sector specific but are important for the sector:

- equality and diversity;
- mental health and wellbeing
- the environment and sustainability.

Government focus on educational quality

- Although it is a slippery thing to prove, the government are convinced that there are some poor quality institutions and some truly dreadful individual courses out there.
- This from the recent restructuring document is the biggest warning yet “**Public funding for courses that do not deliver for students will be reassessed.**”
- Measures of quality they are using consistently in all recent announcements are **graduate employment outcomes and continuation**. Gavin Williamson recently said the only point of a degree was if it got you a good job. And on continuation, they are worried that drop-outs means they have wasted student loan subsidy and that they imply poor student experience and course quality. And interestingly they rarely mention any other metrics.
- Everything is focussed on courses supporting economic and societal need, i.e. STEM and healthcare and teaching. Expect a strong anti-humanities feel in policy developments. In their view these courses do not “lead” to productive careers in enough cases. Value for money now clearly defined in terms of the taxpayer. (Student value is addressed by looking at graduate outcomes).
- They are concerned about duplication – they are willing to have courses replaced by lower level courses including provided by FE colleges instead to replace university provision.
- *“it is probable that the sector in 2030 will not look the same as it does now”*
- Oh – and just because they haven’t mentioned it for a while, don’t forget that degree outcomes data will be a stick to beat the sector with if there is an on-going grade inflation story. This is not over. With new UUK guidance out in July this is a story that will run again soon, especially in the context of no detriment policies.

Government focus on technical education

- This big new agenda may mean that there is less money available for universities, which may have implications for tuition fees and OfS grants.
- There may be incentives for universities to do more level 4 and 5, especially in collaboration with colleges and schools. We should at least look at our partnerships.
- Degree apprenticeships seem to have fallen out of favour.
- Part-time learning is back in vogue – the Minister hinted that in their response to Augar the government will look at funding bite-size learning and she also wants universities to provide more courses.
- This sits alongside the big focus on jobs and skills in the July mini-budget

Government focus on the regions

- The new blue wall is of course a massive priority. But even outside the North they want universities to focus on local economic needs.
- This is consistent with the previous government’s focus on “place” in the Industrial Strategy (not something they talk about much now) but the principles are very similar. To deliver on jobs, productivity and “levelling up”, universities need to be strongly tied to their regions and doing the things that make a difference there.

- This from the restricting document is a clear policy statement: “Providers will need to examine whether they can enhance their regional focus.”. And make no mistake, that means technical education if that is what your region needs.
- They are still worried about “cold spots”. They are also likely to worry about rural provision and blended models offer a solution to this – is this an opportunity now that we have tackled blended?

Government focus on “high quality” and “strategic” research

Linked to productivity and regional economic success, there is a big focus on the “right sort” of research. We will continue to see a focus on industry led rather than university led projects and a downturn in funding for humanities and social sciences research.

The R&D roadmap announced in July 2020 repeats the commitment to R&D investment of 2.4% by 2027 and public investment will be £22bn by 2024/25 – the rest comes from industry. Lots of references to diversity, bureaucracy, unhealthy work cultures, over-dependence on the Golden Triangle. Oh, and “moonshots” and an “Office for Talent”. Linked to points mentioned above, there will be a new R&D Place Strategy. ARPA also features. Promised review of QR and a look at full economic cost.

The recent restructuring document suggests restructured universities would need to “focus resources on scientific research that is: internationally excellent (“three star”) or higher, or else of direct and demonstrable value to the national economy or to the local and regional business community”. This as with the rest of that document, sets the tone.

It looks less and less likely that the UK will be part of Horizon 2020 under Brexit arrangements. If we won’t the government will have a lot of money to spend within the UK but they will probably let it follow “quality” with a nod to regional disparities. That means the North. They will almost certainly focus it on STEM, and it will also be influenced by who does well in the KEF. The KEF documentation is clear that it will in the future influence who gets the cash.

Government focus on levelling up does not mean increasing access to HE.

- Those students from disadvantaged groups who are at university still have to be supported to succeed.
- But we may see an abandonment of access targets – or we may not. The statements are inconsistent and confusing. The government may be happy to see the sector commit to and deliver access targets but may not mandate them or require the OfS to mandate them any more. Or they may continue to mandate targets but targets to increase the proportion of disadvantaged students in overall lower or flat student numbers.
- Worth noting in this context although it’s a more general points – student number controls may be here to stay. Given all the other rhetoric, there will be a strong temptation to extend or replace the covid arrangements with something longer lasting.

Government focus on fairness and choice

- Consistent with the previous administration, there is an on-going focus on these things. However, this government may go further by pushing hard on post-qualification admissions and using the issue of complaints linked to Covid-19 to push harder on student protection, student rights to information, complaints and fee refunds. They do not like offer making practices, university marketing or clearing and they are convinced that there is mis-selling. The OfS has declared war on unconditional offers, for similar reasons.

And don’t forget these other things that have not gone away

- The restructuring regime refers to **senior executive pay and freedom of speech** (an old chestnut, that). And has a **dig about student unions** (funding “niche campaigns” instead of working for all students).
- The restructuring regime also makes a thing about **bureaucracy and cost efficiency**.

- The last time bureaucracy came up was when they attacked EU research bidding processes as part of the Brexit discussions, announced they were dropping impact statements in UK bidding and then quietly admitted they were just moving them to another bit of the form.
- It is unclear what new bee they have in their bonnet but anyone applying for the restructuring funding may need to demonstrate the leanness of their professional services functions and internal processes, or at least show that they are willing to tackle them once restructured.
- The bee may be marketing spend - the OfS have been very critical of marketing spend and it is also noted in recent ministerial speeches. We might expect some tough questions about marketing and recruitment costs specifically as well as general pressure on publishing our spend to students in an accessible way (remember that issue – hasn't gone away either).
- In that context it is also worth mentioning **accelerated degrees** because they haven't forgotten about those either and they could be part of a future "efficiency" drive.

What's next:

- KEF – submissions due in October.
- Conclusion of the Post-18 Review at the next Spending Review. Will it include differential fees? Will it include student number controls, either direct ones or indirect via limiting access to student loans for certain "low value" subjects, or for some "low quality" universities? Will they cap fees at "cost" as discussed in Augar to stop cross subsidisation by low cost subjects?
- Outcome of the Pearce Review of the TEF. Expect subject level TEF to be firmly back on the agenda, and a new TEF to have teeth – highly likely to be used (at subject level) in whatever the Post-18 review outcome is.
- If the TEF doesn't do it, the OfS will through licence conditions – they announced a long time ago a plan for "continuous improvement" and "moving baselines" – expect tougher steps from the OfS once the present distractions have been mitigated a bit.
- OfS restarting their admissions review – either that or government green or white paper will pre-empt it (as it isn't really within the OfS's gift anyway).
- Don't expect the OfS to go soft on APPs. And differential outcomes (as seen in the TEF data) will become even more important. And degree outcomes. So quality and consistency are key.
- REF submissions next Spring.

Government and regulatory priorities – fees and funding		Status of government commitments	What next?
Fees and funding	<ul style="list-style-type: none"> • Augar recommendations issued 20th May 2019. • Parliamentary briefing paper on the Augar Review (15th Jan 2020) • Response due with autumn 2020 spending review • EU students no longer qualify for home fees and student loans for courses starting in 2021 and after • The House of Commons Library have published a paper on HE student numbers 	<ul style="list-style-type: none"> • Outcome of Augar review....still waiting Plus: <ul style="list-style-type: none"> • Student number controls – in place for 2020/21 admissions linked to stability concerns in the context of the pandemic 	<ul style="list-style-type: none"> • This from the recent restructuring document is the biggest warning yet “Public funding for courses that do not deliver for students will be assessed.” See the section on quality below. • On-going direct student number controls? Certainly a risk if they like the effect. Current regulations only allow one year. • Augar outcomes – strong risk of differential fees by institution, but more likely by “subject” or even by programme, linked to “quality” and “outcomes”. Might lead to student number controls by the back door. • Might also seek headline fee review as recommended by Augar in the light of reduced government spending power and additional investment in technical education? • Might be additional funding for university collaborations with FE and schools on level 4 and 5 qualifications • New focus on costs in the sector – linked to the financial sustainability issues in the pandemic but more broadly: <i>...universities and other higher education providers must do much more to strip back bureaucracy, allowing academics to focus on the front-line. The growth of administrative activities that do not demonstrably add value must be tackled head on. The funding of student unions should be proportionate and focused on serving the needs of the wider student population rather than subsidising niche activism and campaigns. ...while excessive levels of senior executive pay may have been the focus of criticism, equally concerning is the rapid growth over recent decades of spending on administration more broadly, which should be reversed.</i>
Student accommodation and living costs	<p>On-going Ministerial engagement and UUK looking at accommodation costs – more to follow this year.</p> <p>The Minister for Universities gave a speech on students accommodation (Jan 2020)</p> <p>Coronavirus issues are the main current story – possibility of refunds for students, managing support for students who are still in university accommodation. Will the virus bring issues to a head and trigger a longer term change of approach by the government to university accommodation or maintenance support?</p>	<ul style="list-style-type: none"> • Bursaries for nursing and healthcare students – available for the 2020/21 academic year • More student places – process to bid for extra numbers as part of the student number controls – plus a competition to support more funded placements • Government rules on accommodation during the pandemic – no specific provisions for student housing 	

Government and regulatory priorities – quality of education		Status of government commitments	What next?
TEF and subject level TEF	<p>May have more significance in the light of the government focus on quality? Highly likely to continue at subject level</p> <ul style="list-style-type: none"> • Pearce review expected for a very long time • OFS: report due Jan 2020 - findings from the 2018/19 TEF pilot LATE • OFS: due April 2020: consultation on TEF - PAUSED <ul style="list-style-type: none"> ○ 2020 Graduate Outcomes data here ○ OfS suggesting granular grading system and need to “incentivise continuous improvement” – looks out of date in the context of the rhetoric 	<p>Not yet done anything to deliver on commitments on quality and value for money other than issue threats and criticism.</p>	<p>It’s all waiting for the Augar response and the response to the Pearce review of the TEF.. Maybe in the Autumn. Expect fireworks.</p>

Government and regulatory priorities – quality of education		Status of government commitments	What next?
Admissions policies	<p>Big government led move to PQA?</p> <ul style="list-style-type: none"> Read the Guardian report from June here Student Number Controls – measures announced 1st June 2020, Additional places available: applications by 18th June 2020 Temporary licence condition on stability of the sector, mainly linked to admissions policies – read more here. Unconditional offers are pretty much outlawed along with other “practices” that might “destabilise” the sector – and they apply to the 2021/22 cycle too. The OfS admissions consultation is paused. But their latest analysis (23rd July 2020) makes it clear that they want to stop unconditional offers come what may. UUK announced their own panel to review admissions 22nd July 2019 – BU evidence submitted November 2019. 	Commitment to review application and admissions systems not yet delivered	
Degree classifications	<p>Don't forget about this – when the data is analysed it will be linked to the quality agenda.</p> <ul style="list-style-type: none"> OfS “establishing and operating our approach to addressing unwarranted grade inflation” OFS: due March 2020: Grade inflation analysis [late] More UUK principles issued 22nd July 2020 	They said: We also will continue to explore ways to tackle the problem of grade inflation UUK have come up with their own framework	Most degree outcome statements publications are delayed – this will come back soon as a hot topic.
Skills/ technical education	<p>Huge government focus</p> <ul style="list-style-type: none"> Big new initiative announced – but still lacking details – July 2020. Speech that came first here Big focus in the July 2020 mini-budget Launch of T-levels in 2020 – new package of support announced July 2020 	The manifesto was all about apprenticeships but that ship seems to have sailed – at least at degree level.	Watch for the implementation of the newly announced policies and the detail on technical education in
Free speech, academic freedom	<p>Still a big issue for government – you need to demonstrate compliance to qualify for the new restructuring regime</p> <ul style="list-style-type: none"> OFS: report Feb 2020 -Prevent review Gavin Williamson strongly critical in The Times, early Feb. 	We will also strengthen academic freedom and free speech in universities.	From the detailed government briefing The Government will ensure that our universities are places where free speech can thrive, and will strengthen academic freedoms.

Government and regulatory priorities – equality, diversity and social mobility		Status of government commitments	What next?
Students: equality and diversity	<p>Government assault on access and participation. Michelle Donelan speech here and more from July 2020 here.</p> <ul style="list-style-type: none"> APP delivery – how will targets be met/assurance about progress – tougher requirements on evaluation and action plans From the OfS annual review: “work to do to dispel wider, persistent myths and misperceptions about access and participation: that universities and colleges cannot be expected to compensate for poor schooling and wider social inequalities; that contextual admissions are unfair; that disadvantaged students will always do less well in their degrees.” 	They said “Our approach will be underpinned by a commitment to fairness, quality of learning and teaching, and access” Not much progress yet.	We need to hear more from the government and the OfS on this
Mental health: students and staff	<p>A priority for BU</p> <p>Still an issue for government – mentioned in the context of the Research roadmap and often when the Minister talks about student support</p>	Yet to see much done by the government but clearly a priority for BU and the sector	

Government and regulatory priorities – equality, diversity and social mobility		Status of government commitments	What next?
Staff: equality, diversity	<p>Inclusivity is a huge social issue of not directly a government priority in HE</p> <p>Gender pay gap/race pay gap. DfE and HESA released the Higher Education Staff Statistics 2018/19 – concerns about gender and race, and teaching only/precarious contracts National reporting on gender pay gap delayed in response to the virus – March 2020</p>	<p>Not much sector specific action yet but action is required</p>	

Government and regulatory priorities – industrial strategy and innovation		Status of government commitments	What next?
Research structures and funding	<ul style="list-style-type: none"> Research Professional (RP) report that participation in Horizon Europe is dead in all but name – there are concerns over the terms on which the UK could associate with the EU’s research funding schemes and the cost of the joining fee plus the operational contribution is described as <i>eye-watering</i> Alok Sharma announced the R&D roadmap (with accompanying written ministerial statement). Research Integrity paper: See the paper here (Jan 2020) 	Commitment to reduce research bureaucracy – not forgotten but not delivered either Lots of investment promises made and some schemes announced	Implementation of the R&D roadmap – looking to the autumn spending review ARPA Review of research funding
REF	REF 2021 pushed back to adjust for the effects of Coronavirus.		
KEF	<p>Very much on the government agenda as part of the R&D roadmap and the “place” strategy.</p> <ul style="list-style-type: none"> KEF Concordat published in April 2020 but not yet implemented The revised KEF deadlines are as follows: <ul style="list-style-type: none"> Friday 2 October 2020 – Deadline for HEPs eligible to participate in the KEF, but not currently in receipt of HEIF, to submit notice of intention to submit KEF narratives. Friday 16 October 2020 – Deadline for eligible HEPs intending to participate in the KEF to submit full narrative statements 	KEF outcomes will influence future government allocation of resources	Waiting for implementation

Government and regulatory priorities – immigration and mobility		Status of government commitments	What next?
Immigration and mobility	<ul style="list-style-type: none"> New Immigration plans – read the latest here (July 2020) Our July 2020 summary of the points based immigration system here 	<ul style="list-style-type: none"> On-going work on points-based immigration Positive moves to extend visas international students stuck in the UK because of the pandemic and allow them to come to the UK late if courses start online. 	Immigration Bill and Brexit negotiations re Erasmus

OfS actions and priorities: OFS: due April 2020: OfS business plan 2020-21 [delayed]	
<p>The Office for Students have issued an annual review which defends their approach to date and sets out some continuing and new frontiers for intervention in the sector: England's universities world class, but pockets of poor provision letting students down. Key areas of focus:</p> <ul style="list-style-type: none"> • admissions and recruitment including marketing and inducements • access and participation, in particular outcomes for under-represented groups (From Research Professional on 3rd Jan on continuation) • the quality of information for prospective students • improving the quality of teaching and courses, including focus on continuation and outcomes, continuous improvement. 	
Quality of teaching and outcomes	<p>Big prominent metric for government</p> <ul style="list-style-type: none"> • Feb 20 HESA data shows increase in students dropping out in the first 50 days. • New focus in annual review: "We plan to consult on whether our requirements for quality are sufficiently demanding to ensure that all students receive a good education. 'We set numerical baselines for indicators such as continuation, completion and employment as part of our assessment of the outcomes delivered for students. Our view is that a minimum level of performance should be delivered for all students, regardless of their background or what and where they study. We will consult on raising these baselines so that they are progressively more demanding and using our regulatory powers to require providers to improve pockets of weak provision.'" • Note that licence condition B3 also mentions degree outcomes and differential outcomes for students with different characteristics – i.e. attainment gaps
Student experience	<p>Interestingly not mentioned as a relevant metric by Ministers recently.</p> <ul style="list-style-type: none"> • OfS were planning a PG survey • Work on student transfers expected • New focus in annual review: "Explore expanding the NSS survey to cover all years of a student's course" • Racial harassment – response to EHRC report. OfS consultation on expectations for providers on racial harassment due soon (23rd October 2019) • Consultation on harassment and sexual misconduct (launched 9th Jan, Deadline has been extended – not yet confirmed). BBC story on the use of NDAs provokes outrage from the Minister in 12th Feb. • OFS: report Feb 2020 -student engagement strategy
Value for money and choice	<ul style="list-style-type: none"> • UUK frameworks? <i>Research Professional in Feb 20</i> a Universities UK plan to develop its own "framework" • OfS strategy. David Kernohan on the OfS board papers: New focus in annual review
Student protection	<ul style="list-style-type: none"> • New guidance planned by OfS – consultation due January 2020 NOW LATE • New focus in annual review on marketing practices and student information • OFS: due April 2020: consultation on student contracts NOW LATE
Voter registration	<p>You will recall that supporting voter registration is an OfS licence condition. The OfS have given evidence to a House of Lords select committee in Feb 2020 and there is a Wonkhe write-up here:</p> <ul style="list-style-type: none"> • "In all their other work OfS never misses the opportunity to draw a line under the past by stressing that it's outcomes that matter – but here, invited to reflect on the impacts of OfS' duty on universities or students, Ryan didn't offer up levels of compliance or percentages of students registered. That's probably because he doesn't know.... it said it would rely on "notifications" (when someone tells OfS something) and random sampling." • We might expect a request for information on this.
Financial sustainability	<p>Obviously now a huge concern for the sector and the government's response can be found here. Many, many strings attached.</p> <p>Expect an on-going focus on costs – how they are presented to students, what we spend on marketing, etc</p> <ul style="list-style-type: none"> • OFS: due March 2020: 2020-21 funding announcements (<i>will they have had another set of ministerial directions by then?</i>) • OFS: due April 2020: report on sector financial sustainability • OFS: due April 2020: consultation on OfS funding for providers <p>HESA (Higher Education Statistics Agency) published income and expenditure data for HE institutions.</p>
Contract cheating	<p>Regular area of focus by Ministers – won't go away.</p>