

GuildHE response to:

HE Reform (post Augar response)

5th May 2022

About GuildHE

GuildHE is an officially recognised representative body for UK Higher Education. Our members are universities, university colleges and other institutions, each with a distinctive mission and priorities. They work closely with industries and professions and include major providers in technical and professional subject areas such as art, design and media, music and the performing arts; agriculture, food and the natural environment; the built environment; education; law; health and sports. Many are global organisations engaged in significant partnerships and producing locally relevant and world-leading research.

Key points on SNCs

1. Student Number Controls (SNC) are a blunt instrument that can work (though with known downsides and difficulties) as a mechanism for controlling the cost to the government at a sector wide level or as one possible regulatory intervention among others with individual providers. They are not suitable for fine tuning higher education at course or subject level.
2. This is because higher education admissions is a live system of complex, constantly moving parts where the number of students admitted relies as much on the decisions of individual students as on the actions of providers. This is complex to manage at a whole-institutional level where under or over recruitment against target can be balanced out to an extent. It is near to impossible at course or subject level and the attempt would involve bureaucratic burden for providers and inevitable unfairness to students, potentially very late in the admissions cycle. We therefore think that an SNC policy at this level of detail is unworkable in the modern HE sector.
3. We understand the government's desire to ensure the supply of critical skills but don't think SNCs are the way to achieve this. Instead, government should work with employers and the education sector to increase understanding of talent pipelines and improve skill acquisition and utilisation in key industries

Key points on MERs

4. We reject the premise that MERs are useful as a policy. There are many reasons why students drop out or do not get a 2:1 and it is rarely based on their prior GCSE/A Level attainment. Furthermore it should not be used just to force more young people to choose sub degree qualifications over full bachelors degrees.
5. If it was to be implemented, as well as the proposed exemptions for Adult learners there should be exemptions for those with SEN, care experienced or any students who have had a broken/disparate engagement with schools (such as military children, youth offenders etc).
6. Clearly if a student can complete an access to HE course, Foundation year or sub degree qualification they have already shown the skills to be able to complete a full Level 6 'top up' and therefore should also be exempt.

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Key points on Foundation Years

7. We reject the premise that funding should be linked to Access to HE Diplomas as Year 0 courses are completely different. They have a greater intensity of learning and are based directly in an HE environment.
8. If there were to be restrictions on which subjects could charge the higher fee we think this should be linked to High Cost Funding Bands A-C (inc. creative) as it has already been shown that these are more expensive to teach and are a strategic priority for the Government.
9. We reject the assumption that reducing the fee for Year 0 would encourage students who are debt averse from entering HE. The price difference (£33k vs £37k) is negligible.

Key points on Level 4-5

10. Providers on the OfS register should not have to go through additional regulatory or kitemark hoops by IfATE - or at least a lighter touch is necessary to increase engagement in developing new level 4-5 programmes. The current regulatory overlap is crippling innovation.
11. Flexible modular study should be based around it being part of a qualification - not as a standalone as this has more value for the student long term
12. The unit cost of delivery (both for HE and FE) has been severely eroded by inflation and should not be reduced further for sub-degrees if we want to maintain quality

Key points on National Scholarship scheme

13. We would be delighted to work with the Government further on the development of this scheme and to be involved in a taskforce which includes academic researchers, WP practitioners and policy staff to find the best approach to the design and delivery of this much needed financial support.
14. We don't think the scheme should be restricted to only the highest achieving students, nor to only particular subject areas.

Consultation Questions: Student Number Controls

Question 1: What are your views of SNCs as an intervention to prioritise provision with the best outcomes and to restrict the supply of provision which offers poorer outcomes? Please explain your answer and give evidence where possible. If you consider there are alternative interventions which could achieve the same objective more effectively or efficiently, please detail these in your submission.

We think using SNCs as a separate quality intervention is a bad idea. This is because it would be inconsistent with the OfS proposals on the B conditions (particularly B3) and the TEF and would add confusion to the regulation of quality. The OfS stated its intention that “the TEF should cohere with our regulation of quality and standards in a single overall quality system.” Introducing a separate SNC intervention on top would instead create incoherence.

The B3 proposals would introduce what the OfS described as “a high bar” for acceptable student outcomes so by definition courses and institutions meeting those conditions are not “poor” or “poorer”. With the revisions to the TEF, the OfS says it is designed to incentivise institutions “to deliver excellent teaching for their students” over and above the high bar set by B3 by enhancing the educational experience and outcomes, influencing providers’ reputations and informing student choice. Taken together the B3 and TEF proposals are precisely designed to prioritise provision with the best outcomes. Where further regulatory interventions are required with individual providers that do not meet the threshold quality standards, the OfS already has the power to impose number controls.

In our B3 consultation response to the OfS we set out how we believe that the proposed approach to measuring ‘good outcomes’ is misleading. This is due to a number of things including only measuring employment as a census approach and only 15 months after graduation (and therefore not capturing the long term impact of the degree on employment outcomes) and not measuring the other benefits of HE on health, wellbeing and life opportunities. We therefore welcome the OfS’ position to take data in conjunction with other evidence of a provider’s quality in a risk based system that understands the nuances of our diverse HE sector.

Question 2: What are your views on how SNCs should be designed and set, including whether assessments of how many students providers can recruit should be made at: • Sector level? • Provider level? • Subject level? • Level of course? • Mode of course? Please explain your answer and give evidence where possible.

As stated in our opening remarks, SNCs are a blunt instrument that can work at a sector wide level as a mechanism for controlling the cost to the government of issuing student loans. And even at a sector level they have disadvantages. They create administrative burdens (and thus costs) for institutions and are an inefficient and unfair way of meeting student demand. But with those caveats they are deliverable at that level.

At subject, course or mode level, the administrative burden for institutions, complexity, cost, capacity for error, inefficiency and unfairness would increase massively, for example subjects and courses do not always correlate in their meaning. There would also be a substantial bureaucratic burden and cost for whichever organisation sought to administer them. The idea that SNCs “could be nuanced to create variable caps, which allow for uncapped growth or controlled growth of some subjects, and/or different emphasis for controls at each level of study” is a bureaucratic fantasy that would not survive contact with reality. There are 2 million undergraduate students, 400+ providers on the OfS register (+ additional sub contractual arrangements with third party delivery partners), thousands of courses and an admissions process that is a live system whose outcomes are determined as much by the decisions of individual students as by the institution concerned. We therefore think it wouldn’t work.

As an illustration (not referenced in the consultations document’s short history of SNCs), the government set SNCs at course level for those alternative providers not funded and regulated by HEFCE in the period before 2015/16. This was a less complex proposal on a much smaller scale than the ideas mooted here. There were many fewer providers in

scope, most had only a very few courses and those courses were all individually designated by the SLC. It still proved to be bureaucratic, capable of error and difficult for providers to comply with. Furthermore, attempting to introduce SNCs during the pandemic should have provided DfE with a recent experience of how complex it is to impose restrictions retrospectively. So whilst we understand the desire to control costs in a highly targeted way, this policy would be impossible to implement without vast bureaucratic processes and a lot of additional resources for both providers and government.

The introduction of the LLE also adds additional complications and contradictions in this policy proposal. Would SNCs be at modular level and therefore would include all courses/delivery at all levels 4-6? or would it just relate to 1 year programmes (HNs) or only three year full time degrees? This complexity reiterates our point that they are unworkable at such a granular level and would potentially restrict the beneficial impact of the LLE.

Question 3: What are your views of the merits of these various approaches to consider outcomes and/or do you have any other suggestions? Please explain your answer and give evidence where possible.

Our starting point is that using SNCs to prioritise provision based on outcomes, however those outcomes are defined, is a bad (and at any level of detail outside of the current OfS powers) and unworkable idea. We have set out the reasons for our view in the answers to questions 1 and 2.

Using quantifiable outcomes creates incoherence with the proposed OfS quality regime in the way described above. In addition, focusing SNCs on provision with relatively lower graduate earnings or progression to certain jobs would mean that the consequence would be to reduce higher education opportunities for students on the basis of race, gender, disability and social class on courses that had met the OfS's "high bar" for quality. This is because of the evidenced relationship between student characteristics and future earnings and employment. Britton et al analysis of LEO data in [2016](#), [2019](#) and [2021](#) for example shows there are substantial returns for non white middle class students in going to university - but those returns are not comparable (in terms of actual salary) compared to affluent graduates and therefore would not necessarily been seen as a 'good' outcome in the current regulatory definition. Furthermore the regulatory tools on outcomes only measure the outcome of students 15 months after graduation and not the wider employment benefits of students long term. The [government's own analysis](#) of Graduate Outcomes data clearly shows disparities in outcomes based on ethnicity alone. It would also affect industries and regions with emerging higher level skills needs where in the short term the salaries of graduates would be lower, but longer term the increased skills would increase pay and progression opportunities.

With the societal criterion for determining priorities it is not clear what problems the government is trying to solve. If the question is "in circumstances where we apply SNCs widely, should we also apply them to courses that provide the workforce for essential public services" the answer is no and, as we have argued, attempting to manage the higher education system at this level of detail is unworkable anyway. If it is a wider question about how to ensure we have enough teachers, doctors, nurses etc then the answers are more

likely to be in terms of pay levels, working conditions, workload and the general attractiveness of the profession. Furthermore if the question is just “how do we restrict enrollment to low quality courses” then the OfS already has the power to do this using their risk based approach.

We have a further concern about the idea of the government determining which courses or subjects’ graduates might be important to the country in future. We can understand the policy aim of wishing to secure the future workforce in key sectors or with key skills. But we don’t think the government could successfully make these predictions. As an illustration, the NHS has a long tradition of workforce planning. It has all the advantages of a single employer, full knowledge of the existing workforce in terms of e.g. age, turnover, vacancies etc, population data sets for predicting demand for healthcare and a highly regulated workforce with many roles requiring explicit licence to practice. Despite these advantages, it struggles to meet workforce needs. Making predictions on an economy wide scale, decades into the future, about jobs that haven’t been invented yet would have a very much lower chance of success.

Instead we recommend the government considers the approach taken in the past on e.g. the STEM skills pipeline - working with the education sector and employers to understand better how skills are developed at all stages of education from school onwards and how and where those skills are utilised in the workplace. We would be happy to work with the government on such an approach in respect of e.g. skills for the creative economy, skills for agri-tech and food security.

Question 4: Do you have any observations on the delivery and implementation of SNCs, including issues that would need to be addressed or unintended consequences of the policy set out in this section? Please give evidence where possible

We repeat our central point - SNCs are a blunt tool for controlling costs at the sector level. There are problems with using SNCs for that purpose but it can be made to work. But the premise of the consultation questions, that SNCs could be used in a detailed way to fine tune the outputs of English higher education, is flawed. And what makes it flawed is that delivery and implementation in practice would be highly bureaucratic, costly, burdensome, error-prone and unfair to students. It would also risk causing differential financial damage to institutions depending on whatever combination of criteria determined the attempt at fine tuning. We recognise DfE doesn’t intend those consequences but they would be the consequences.

Consultation Questions: Minimum Eligibility Requirements

Question 5: Do you agree with the case for a minimum eligibility requirement to ensure that taxpayer backed student finance is only available to students best equipped to enter HE? Yes or **No.** Please explain your answer and give evidence where possible.

We are not sure as to what problem the Government is trying to solve with these proposals. We do not think that GCSE or A level attainment directly correlates with the ability of a person to successfully complete an undergraduate degree. There are many reasons why a young person may not meet the requirements of school examination boards - including that the removal of coursework and accumulative assessment have led to school leavers only being assessed on one form of competency (memory under pressure) as opposed to wider skills acquired through their school development. Universities offer a variety of disciplines, assessment and learning opportunities which aim to bring the best out of all our students, regardless of background or prior attainment. We therefore think that a barrier to engaging in HE based on GCSE/A Level attainment is not needed and argue against the assumption that those without GCSE English and Maths are not 'best equipped' to enter HE. There are so few students that do not hold these qualifications that it seems an unnecessary additional barrier for young people and universities to navigate - especially if there are exceptions such as the completion of a foundation year/access course or level 4 qualification.

Government may very well want to see more young people choose sub-degree level HE - but this is not in our opinion an appropriate way of encouraging this. In our experience poor retention is not in the most part linked to academic/technical ability of students at level 2/3 - but more about their personal circumstances (such as financial difficulties) which impact on their ability to engage fully in their HE learning. Furthermore some students do make the 'wrong' choice for them in the degree or provider they choose, but again this has nothing to do with their ability to complete a HE qualification at level 6 - but instead on other factors that mean they did not fully understand the course they had enrolled on - we hope the proposed changes to student finance and credit transfer through the LLE policy will make it easier for these sorts of students to change course/provider more easily.

We are also confused as to why DfE has signalled an 'adult learner' to be over 25 when the sector standard is 21 and would like further information as to the rationale for this as we do not see a reason as to why it should not be 21.

Whilst the policy intention has already indicated that this would not be a requirement of adults (and therefore recognises that this level of attainment is not universally needed) we are concerned that there has not been further concessions made for students with SEN. Clearly these students have additional barriers to attainment - often with stretched resources at a school level to help them. Pupils with dyslexia are half as likely to achieve grade 4 or better in English and Maths at GCSE and around 10-15% of people have dyslexia according to the APPG for SEND. Over 85 percent of dyslexic people will leave school without diagnosis, meaning no essential specialist support while learning or support for exams. We therefore think the majority of students that we recruit without GCSE maths and/or

English probably do have additional learning needs such as dyslexia - and the lack of attainment of these qualifications does not preclude them excelling in a number of subject disciplines, including within the Arts at degree level.

Furthermore as your own equality impact assessment has found, as well as the work by the IFS this policy would disproportionately affect socio-economically disadvantaged students and other students with a broken engagement with education such as care experienced students, Gypsy, Roma Traveller students or military children. All of these groups are of great interest to HEIs in recruiting more through their Access and Participation work and we therefore feel this policy is counter-productive to the sector's mission (and regulatory imperative) to improve equality of opportunities. This coupled with the potential defunding (and subsequent contraction) of foundation years provision would have dire consequences for educational opportunities for those academically able, but due to various circumstances are not able to show their true potential through the formal examinations system.

Question 6: Do you think that a grade 4 in English and maths GCSE (or equivalent), is the appropriate threshold to set for eligibility to student finance, to evidence the skills required for success in HE degree (L6) study? Yes or No. Please explain your answer and provide reference to any pedagogical or academic sources of evidence to explain your reasoning.

As already highlighted there are many reasons why a GCSE in Maths would not be an appropriate pre-requisite qualification for a degree in the arts and humanities. Furthermore GCSEs only serve to test the skills of a young person's ability to recall information, and with the disruption to schooling over the pandemic we do not feel that young people should be penalised for lost learning and learning under pressure, especially when universities are able to offer additional support one enrolled on their chosen course.

Also unless there is a specific need to validate prior GCSE qualifications (for example teachers) universities do not routinely do this as part of the current admissions processes and so this would add significant additional burden in the system.

Question 7: Do you think that two E grades at A-level (or equivalent) is the appropriate threshold to set for eligibility to student finance, to evidence the skills required for success in HE degree (L6) study? Yes or No. Please explain your answer and provide reference to any pedagogical or academic sources of evidence to explain your reasoning.

We have already highlighted the reasons why prior A Level attainment may not be a useful proxy for a learner's ability to complete a degree. Furthermore where talent (sporting, creative or otherwise) trumps prior attainment, school examinations should not be a consideration in a young person's ability to access student finance. If this policy was implemented there would therefore need to be a list of courses/providers/subjects where this requirement would be exempt (for example music, acting etc).

On balance, members are less concerned with a requirement of 2 EEs at a level (or equivalent) compared to the proposed GCSE attainment as long as there are concessions made for WP students, talented students and disabled students.

Question 8: Do you agree that there should be an exemption from MERs for mature students aged 25 or above? Yes or No. Please explain your answer and give evidence where possible.

There are many reasons why we agree there should be an exemption for adult learners - not least because the way in which educational record keeping has fundamentally changed. There are already significant financial barriers for adults to access much needed higher level skills and we think this policy would be counterproductive to the need to encourage more adults to engage in higher level skills.

Question 9: Do you agree that there should be an exemption from MERs for part-time students? Yes or No. Please explain your answer and give evidence where possible.

As we do not believe there should be a MER we support any exemptions which support access to HE.

Question 10: Do you agree that there should be an exemption to the proposed MERs for students with existing level 4 and 5 qualifications? Yes or No. Please explain your answer and give evidence where possible

Clearly if a student can achieve a Level 4-5 qualification validated through the FHEQ they have already shown they have the knowledge skills and behaviours to complete a full Level 6 course. We would not see a problem in exempting students for this reason.

Question 11: Do you agree that there should be an exemption from any level 2 eligibility requirement to level 6 study for students with good results at level 3? Yes or No. Please explain your answer and give evidence where possible.

As we do not believe there should be a MER we support any exemptions which support access to HE. But clearly a good outcome at Level 3 would negate the need to have GCSE maths and English in a number of subject areas (including those in which the person's Level 3 qualifications are held).

Question 12: Do you agree that there should be an exemption to MERs for students who enter level 6 via an integrated foundation year, or who hold an Access to HE qualification? Yes or No. Please explain your answer and give evidence where possible.

If a student can achieve a qualification designed to offer a direct route onto a level 6 programme then they are capable of completing the final year to obtain a level 6. Furthermore the Access to HE/Foundation Year 0 programmes universities and colleges offer are directly to support the knowledge, skills and confidence of the student in completing a full undergraduate degree.

Question 13: Are there any other exemptions to the minimum eligibility requirement that you think we should consider? Yes or No. Please explain your answer and give evidence where possible.

As we said in our introduction in Q5 we think there should be exemptions for students with Special Educational Needs. Furthermore, care-experienced learners, military children, youth offenders and other young people who have experienced disparate/broken educational experience should have direct exemption if this policy were to be implemented.

Consultation Questions: Foundation Years

Question 14: Do you agree with reducing the fee charged for foundation years in alignment with Access to HE fees?

No, we do not agree with reducing the fee to the same level as an Access Diploma as the content and intensity of study is not comparable. The Access to HE course (although often delivered over 1 year of study) is the equivalent of 60 credits of study. Full time HE courses each year including foundation years (year 0) are the equivalent of 120 credits learning hours. Therefore it is misleading to suggest that the Access to HE course is comparable to foundation year programmes and should be funded in line with fee caps for Access Courses.

The majority of our Year 0 provision is not 'standalone' meaning it is fully integrated into a degree programme. On successful completion therefore the student is guaranteed to transition to the next year of degree level study, this is not the case for students taking other bridging qualifications such as Access to HE courses, or Foundation degrees, and this guaranteed transition is of great benefit to the student entering a Y0 programme. We are able to offer this year of study as an integrated part of the degree because it has been designed specifically to equip students with the knowledge, skills and confidence to complete the undergraduate qualification and at a frequency of learning in line with our undergraduate programmes. This is important as it helps the student understand the learning pattern of a HE course, and how it feels to be a learner in a HE environment. This intensity of study and access to university facilities means that the unit cost of delivery is higher for our Year 0 students.

Furthermore, the type of student who undertakes a Foundation year is often very different to students who take Access to HE courses, meaning that their needs (and support) are different. Many of our institutions find that the Access to HE programme is successful in supporting (mainly mature) students with a very limited success in KS3/4 and/or have been out of education for a significant time. Access students may also not be so clear as to the exact programme of study they wish to pursue. But since successful HE study often (for our members at least) requires specific or technical knowledge before entering Year 1, many of our members feel that the Access to HE course does not fulfil the prerequisite learning needs of many of their courses, or indeed students who do know exactly what they wish to study. They have therefore developed a Year 0 course with a great deal more content than the equivalent Access course to ensure that the learner has the necessary knowledge, skills and behaviours to be successful on the bachelor's programme. Younger learners also tend to undertake Year 0 courses because they want more time to connect with the university campus experience.

We hear a lot from students that access courses do not provide a true HE experience, and there are cold spots in their ability to access them and many of which are delivered in an FE setting which is not the same experience often as a HE campus. Therefore many students who take them feel that the

access course did not adequately prepare them for a HE campus environment, which is important to build self-esteem and confidence. The benefit of a foundation year (especially an integrated one) over the Access course, is that it enables the student to grow in the very space in which they will continue on into their degree. Helping them navigate the campus and facilities, and importantly embedding themselves within the academic community. This is one of the reasons why our members are confident in the success of these Y0 students as the academic literature continually points to a sense of belonging is often the most important aspect of retaining 'at risk' and/or 'non-traditional' students – and it also improves their attainment. There is therefore an additional cost associated with students studying on a HE campus and receiving the full HE experience - including through the library, specialist facilities and student support services.

This whole institution approach, and small class sizes are what makes us attractive to students with additional learning needs, be it due to disability or social disadvantage. We provide as part of Y0, advice and support to students to develop the basic academic skills, build their confidence and induct them into life on a university campus. Many of our foundation courses also build up specific and technical knowledge of the subject areas needed to be successful at L4 and beyond and expose students to a great deal of additional content and support not available on an Access course. Without this additional specialist knowledge, students would not be able to be as successful as their more affluent peers going into Y1. This is why the OfS found that foundation years have a significantly higher proportion of students progressing straight into a degree than from other access courses (70% for Year 0s versus 47% for Access to Higher Education courses).

There is also a growing concern that with the squeeze to HE funding subsidies, the Access to HE funding supplement is no longer guaranteed. Auguar may have seen it as a cheaper delivery route – but this does not mean it is the only way students can and should be prepared for HE, especially if they wish to study a highly technical degree. And for many as we have described above they need a great deal more content and support than 60 credits worth of learning to achieve this.

Question 15: What would the opportunities and challenges be of reducing the fee charged for most foundation years, and of alignment with Access to HE fees? Please explain your answer, providing evidence where possible.

The greatest challenge is the ability for HE providers to be able to offer the necessary learning opportunities within budget. University tuition fees have been frozen now for a long time, and with the current economic position in the UK means their overall financial income from fees does not cover the basic cost of delivery. Students who need to undertake a year 0 have additional academic and personal needs and as such need more teaching and support than students who go directly into the first year of study. Therefore the cost to teach these students is at least of the equivalent (and often higher) than year 1 of study.

As funding has not so far been proven to be a deterrent for engagement with HE, even for students from less privileged backgrounds, we therefore see no opportunities in cutting the fee. If this were to happen then we would see one of two things - the quality and/or volume of learning significantly reduced - which would undermine the value of the offer in the first place, or HE providers would cease to offer the courses and would therefore cut a vital entry route into HE for disadvantaged students. For example using HESA data we can see that ethnic minority students and disabled students are more likely to undertake these qualifications than their population in the Level 4 cohort:

HEIDI Data 2018/19	BAME background	Declared Disability
Year 0	25.2%	23.3%
Year 1	13.4%	20.8%

Example case studies from our members provides further insights:

Example 1

As a creative specialist institution it is often challenging to recruit BAME students onto HE programmes. This is due to a variety of reasons, some of which are cultural, but many are often based on the additional socio-economic disadvantages, and access to good quality creative education meaning they often are unable to meet the entry criteria and/or the pre-requisite technical skills. The foundation year offers the opportunity for these students to pursue a career in the arts, and mitigate the barriers they may have faced in developing their creative skills. Whilst these are small increases, they nevertheless represent a positive move towards improving BAME engagement in a small creative institution.

Without the full cost of the course (at £9,250), this course is unlikely to be able to be delivered, especially at the suggested fee of £5k. Creative arts programmes are significantly underfunded already by the changes to the high cost funding methodology (now called the Strategic Priorities Grant).

Example 2:

In the first foundation year cohort (2018/19) one provider found that 37% were from a BAME background and 44% from a low participation neighbourhood. In the same provider's 19/20 data 29% of participants were from a high deprivation neighbourhood compared to Y1 intake of 20%. 50% of participants were, Male, which compares to 36.7% of their Y1 cohort and 27.5% BAME, compared to just 11.7% of their Y1 cohort. The foundation year at this institution clearly attracts students who would otherwise not have attended this university, but also more importantly attracts students who are nationally under-represented in HE.

Example 3:

Over 50% of our Year 0 students are from BAME groups. Over 95% are commuting students. All Foundation Year students also report that they have faced difficult educational experiences in their past. Foundation Years are valuable because they combine the traditional aims of instilling intellectual confidence through critical thinking, with clear practical expectation of preparing students for their level four studies. They thus ensure that the events and themes explored by our students offer a reflection of their cultural, ethnic and socio-economic backgrounds that enable them to make informed contributions to the world around them, wherever that may be. They are based on the well-attested benefits of providing students with pathways to critical consciousness that fosters flexibility and resilience.

We therefore think the DfE needs to think again at reducing the funding available for foundation year programmes. They clearly offer substantial benefits for students, and support the sector's work on levelling up and diversifying the student population. The DfE Equality Impact assessment on this policy proposal clearly stated significant adverse effects for male, older, and black, or from mixed/other ethnic minority groups with very little positive impact. We reject the analysis that this funding change would have "significant positive impact" on those who are debt averse. Lowering the fee for Year 0 does not

significantly reduce the headline tuition fee/loan amount for students (33k vs 37k) and therefore we do not believe there is sufficient evidence to suggest that this would increase the number of students who take up HE from disadvantaged backgrounds.

Question 16: Do you agree there is a case for allowing some foundation year provision to charge a higher fee than the rest? Or is there another way for government to support certain foundation years which offer particular benefits?

There are a great many benefits of Foundation Year provision that are above and beyond the Access to HE diploma. That is why we think the unit cost of funding should be in line with full undergraduate tuition fees for all courses - the year 0 is an extension of the undergraduate degree in its entirety.

There is a very strong case to be made that technical provision in STEM and the creative disciplines get a great deal out of being able to offer a Year 0 qualification as it enables study at a greater depth than the 60 credit access course. We therefore think that if the Government does wish to restrict funding to only some courses it should use the rationale for the Strategic Priorities /High cost funding grant to do this.

Question 17: If some foundation year provision were eligible to attract a higher fee, then should this eligibility be based on: particular subjects, such as medicine and dentistry; or some other basis (for example by reference to supporting disadvantaged students to access highly selective degree-level education)? Please explain your answer.

We think the least bureaucratic way to do this would be to align the higher fee to High Cost Funding Band A-C as it has already been recognised that these courses cost more to deliver. This would therefore include all the courses which are of strategic importance to the growth of the UK economy and recognises the additional financial resources needed to deliver the programmes (at whatever level of study). We would like to strongly remind DfE that the Creative Industries are a national strategic priority and although have received a partial cut to their grant funding, are significantly more costly to deliver. Therefore all A-C subjects should be able to offer Year 0 Programmes at the equivalent of the full HE tuition fee cap.

We have seen during the continual real term cuts to the education budget in schools and FE that creative subjects have become less well supported as schools struggle to offer the full range of facilities and equipment needed to teach the subject. It is therefore even more imperative that creative adult education - as well as STEM subjects - are supported in delivering the necessary prerequisite knowledge and skills to ensure that disadvantaged students are capable of achieving a HE creative qualification and have a flourishing career in our world leading and fastest growing creative industries.

Consultation Questions: National Scholarship Scheme

Question 18: What are your views on how the eligibility for a national scholarship scheme should be set?

GuildHE fully supports any government intervention aiming to provide students with maintenance grant funding to support their studies. In general we think that any scholarship scheme should be based on an eligibility requirement based on financial disadvantage and not on prior attainment. This is because prior attainment is not a reason in itself to receive financial support. There are many reasons why students with the potential to succeed academically at university are unable to achieve high grades at Level 3, for example because of disadvantaged circumstances. . Those disadvantaged students with the highest prior attainment already have access to more financial resources compared to disadvantaged students in general. This is because they attend highly selective universities that have bigger bursaries distributed to fewer students than the majority of HEIs who offer financial support to students. Any scheme needs to ensure that those who need the financial assistance the most are the ones who receive the grant. We do not want to see this policy duplicate/replace scholarship and bursary schemes for elite institutions.

We would be delighted to work with the Government further on the development of this scheme and hope a task-group will be established to take this policy forward. There are lessons to be learned from previous attempts at this policy implementation, and so we hope DfE will fully consult with the HE sector and WP experts in the design of the scheme and a more extensive consultation exercise be commissioned on the potential options for implementation.

Consultation Questions: Level 4-5

19. How can Government better support providers to grow high-quality level 4 and 5 courses?

You may want to consider how grant funding is allocated, including between different qualifications or subject areas, in your response

It is encouraging the government wishes to provide additional support and funding to higher and further education providers in order to think strategically and innovatively about new sub-degree level adult education. Scoping out new qualifications and making new connections with employers and non-traditional students is incredibly costly and it's vital that we are supported to meet this new policy aim thoughtfully and with an easing of financial risk. As well as specific Grant funding to support the development of qualifications delivered in universities and colleges we hope the government will invest in supporting both young and adult career advice and guidance to ensure that everyone regardless of background is able to receive good quality advice on potential future career paths and the qualifications needed to get to where they want to go. At present we feel that this advice and guidance is woefully inadequate across the country and has in part led to students enrolling on full bachelors degrees when a HNC or HND would have been sufficient to get them onto their chosen career path.

However government must also do more to support employers as well as the public to better understand the full suite of Higher Education opportunities available to adults after they leave school. Whilst HNC and HND courses are well-known in certain Industries they are not widely understood in terms of the knowledge skills and behaviours acquired through undertaking these sorts of qualifications. If we want to truly Level Up the Country we need to ensure that there is a parity of esteem and that these qualifications are not seen as lower quality than a full bachelor's degree but instead are just at a slightly lower academic attainment level. To do this Higher and further education providers can work collaboratively with the regulators and government to communicate the high-quality nature of these sub degree qualifications but more needs to be done to ensure that employers and the wider public recognise these as relevant and high-quality qualifications. This is important because at present we do not always see a business case for the development of sub-degree qualifications - especially when apprenticeship and degree provision is growing. Without employer and public buy in , this is not going to change in industries where the L4-5 route is not already embedded.

One of the key issues that members raise in relation to their engagement in the technical education space is the current regulatory overlap and subsequent burden of delivering qualifications that are both regulated by the OfS and and IfATE/ESFA. For university validated HN qualifications this burden is eased as they are (unless kitemarked by IfATE) regulated in the same way as Level 6 qualifications. However in order to drive more engagement in IfATE assured sub degree level qualifications we need to see a single solution to the approach taken to quality assurance. Whilst IfATE may argue there is a single solution (in that all are subject to OFSTED and the ILR) this is not the approach taken by OfS registered providers in how their qualifications are regulated and so HE providers on the OfS register are subject to both regimes. In future we want to see an alignment with the expectations on quality for these overlapping qualifications - and for those on the OfS register to only be bound by the regulation of the OfS - not also IfATE. This is especially important when the future funding model proposed for these qualifications aligns with the current approach to HE.

We also think that whilst IfATE have been useful in building the infrastructure which enables employer engagement in the designing of technical qualifications, there have been some substantial issues in the way in which the organisation engaged with HE providers in the development of their processes. Furthermore the Occupational Standards approach is underpinned by employers having the time, capacity and expertise in understanding the educational landscape and also the skills needs of their profession. We have seen a number of occasions where there have been tensions or non engagement by employer groups in trailblazers due to the bureaucracy of IfATE and this has led to a number of HE providers not wishing to be engaged in promoting new technical qualifications under the apprenticeship or HTQ banner. Whilst we believe that employers should be involved in the development of KSBs for occupational standards, education providers are also a vital source of expertise who are often left out. This is especially true of HE providers where not only do they have a good understanding of levels of study and qualification development but also their knowledge of research and innovation within subject areas, and with their connection to regional skills needs and local employers can add real value to discussions.

The current approach also has a potential lack of engagement by students in the design of courses. In the HE sector co-designed programmes between course teams and current students is the norm, and student representatives are routinely part of validation and periodic review panels. This is important as students must see the value of what is learned over and above the onward employability of the qualification. We therefore think IfATE could do much more to encourage student engagement in the

creation of new qualifications and see where this is embedded in the design process as a strength of the course.

20. What drives price differences at level 4 and 5, where average fees in FE providers are significantly lower than in HEIs?

There are a number of reasons why the cost of teaching in HE is higher than in FE.

A key reason cited by the [AoC research](#) on costing in L4/5 between HE and FE showed that staff pay was a substantial contributor to the difference in unit cost of delivery. Also many FE colleges are for various reasons not on the OfS register as an approved (fee cap) provider - therefore are constrained by the fees they are able to charge by the loan amounts available to students.

Developing bespoke qualifications in collaboration with employers and colleges is also more costly than delivering an off the shelf qualification from an awarding body such as Pearson.

21. To what extent do the drivers of fees at levels 4 and 5 differ from those for level 6 (including between universities, further education colleges and independent providers)?

We do not think the differentiation in fees is based on price competition - but is perhaps an indication of the current weakness in demand in some instances. There will also be an element for some sub degree-level qualifications of students being more price sensitive, especially if they are from disadvantaged backgrounds. We also know in the FE sector that there is more sensitivity on price with students not expecting to pay as much as if they had studied at a university. Having access to the student loan book eases this pressure somewhat in our experience and also enables the provider to set fees for the course at full cost - rather than at a loss.

22. How can we best promote value for money in the level 4 and 5 market to avoid an indiscriminate rise in fees?

If the Government wants to incentivise providers to offer high quality level 4 and 5 courses, especially in technical subjects that are usually high cost to teach, then it needs to fund them adequately. In addition, making those courses flexible and capable of completion over time through credit accumulation, builds in further costs for providers. The HE fee cap is being frozen until and including 2024/25 which will make it harder and harder for providers to meet the true cost of delivery. By that point, the £9250 cap is predicted to be worth only £6600 in real terms. Comparisons with fees in the ALL system are inappropriate as they reflect the low priority given to level 4 and 5 in that system and the underfunding of non-prescribed HE over decades, not effective price competition. Any further squeezing of price in the name of value for money will simply damage the quality and breadth of what is offered.

23. Which learner types are more or less price-sensitive and what drives this behaviour? As part of your response, you may want to specifically consider the learner cohorts described above and the equalities considerations set out in the level 4 and 5 section of the equality analysis document, published alongside this consultation.

We know that some mature learners are more price sensitive, but with access to a student loan much of the decisions about studying are actually rooted in the availability to undertake the programme at their local HE provider (or online). Most mature learners are bound by their local opportunities as they

cannot move away from home to study. That is why it is vital that educational opportunities in a variety of disciplines are available in all parts of the country and we work to combat current cold spots in access to high quality HE provision.

Those who are economically disadvantaged may also be more price sensitive. Research by Prof. Claire Callendar and others showed that this group do exist - but the student loan system (principally the graduate taxation approach to repayment) dramatically increases the chances of these students undertaking HE at a full time intensity, however the increase in fees has been a contributory factor in the collapse of Part-Time provision. The reforms to the LLE should mean that those that are more price sensitive will have the opportunity to fund their education through progressive tax system but may offer more palatable chunks of debt. However the more Government tinkers with repayment terms, the less confidence price sensitive applicants have in the system - especially with regards to repayment thresholds and whilst this policy might encourage some new students - it is the maintenance entitlement (whether that be grant or loan) that will make or break participation.

24. What are your views on the current barriers, including non-financial barriers, that providers face in offering and marketing level 4 and 5 courses?

As the representative body for universities who validate their own Level 4-5 provision, the barriers almost exclusively relate to costs to design, deliver and regulate the provision in the face of uncertain demand and whether, therefore, there is a viable business case to offer them. We are also concerned that any future development of L4-5 provision is bound by IfATE occupational standards. We do not think this is in the best interests of all learners - especially in industries where HE leads the research and innovation and/or the industry employers do not have a skills plan/skills experts to work with IfATE to develop occupational route maps. We are also worried that the policy direction centred on technical education is looking to only meet the employer's needs rather than the long term needs of learners.

It would be quite simple for many HE courses (whether academic or technical) to offer step on/step off level 4/5 qualifications so that students can build up to a full bachelors degree, indeed many do offer intermediary awards if a student has to leave their course- however, there hasn't been a business case to recruit specifically onto HN courses with a view to the student enrolling on the HND + Top-up year in subsequent years. Even for our part-time provision, students and employers want to see full Level 6 qualified graduates in most areas rather than a HN qualification.

Regulatory barriers are also key - we've mentioned our issue with duplication or potential duplication of regulation using different standards by Ifate/ESFA and the OfS. But there are also issues with regulation when it comes to providers designing new programmes and being innovative - especially in the adult education space. OfS providers are bound by the threshold standards set regardless of how long the program has been running for and regardless of the level of study. This means that many HE providers are wary of designing new programmes that may not have the desired outcome in the first few years whilst the regional skills market catches up. If we want this policy to be a success then we first need to get rid of dual regulation and secondly, those regulated by the OfS need to set different threshold outcome standards for new courses.

25. We want to ensure that under a flexible study model, learners studying HTQs still develop occupational competence. We also want the quality and labour market value of individual higher technical modules to be signalled. Which of the approaches below, which could be introduced separately or together, do you prefer for delivering these aims, and why?

- Introducing requirements for each module to be individually assessed and/or for students to complete a summative assessment at the end of a qualification.
- Awarding bodies submit qualifications with a modular structure and the Institute carries out an assessment of the quality of individual modules to provide assurance of their value to learners and employers.
- An Institute/employer-led process to develop a common modular structure for HTQs, to support credit transfer and labour market currency of modules.

We are approaching this question principally in relation to our members who offer University or Pearson Validated provision which is already mapped to the FHEQ. For 'non-prescribed HE' (mapped to the QCF) there may be a different answer to these questions but we do not have the expertise to offer an opinion.

The way this question is worded reflects the complexities of the relationship between employers and academic standards. For HEIs with degree awarding powers they already have jurisdiction to decide whether the content of the curriculum and the level of assessment meets UK standards (as set out in the FHEQ & Subject Benchmark Statements). These courses during the validation process are independently verified by an external examiner and often have employers (for those more technically courses) included and/or Professional Statutory and Regulatory Professional Bodies. Crucially these validation panels also routinely include students. We think this is sufficient for them to be deemed as high quality, industry-relevant and academically sound - otherwise, this calls into question the very nature of UK HE and its status as a world-leading, high-quality sector. We, therefore, think that all qualifications developed by Degree Awarding providers already show the necessary externality in the development of the course and therefore should be exempt from any additional regulatory kitemarking/scrutiny by IfATE.

We also believe that modular learning at levels 4-6 should be for the most part constituent parts of a qualification rather than standalone qualifications. There is very little evidence as found by Prof. Claire Callendar and others that short courses at a sub-degree level have any meaningful value to the individual student. We, therefore, think that as a general rule for the rollout of the LLE that eligible modules should only be part of a full qualification (degree, FD, HNC, HND etc.) to ensure that students can build up to a meaningful award over time. There may be a small number of occasions where discrete modules may be useful for specific professions - but these decisions should be made between HE providers, IfATE and PSRBs.

Option 1 signals the need for courses to be undertaken in a modular fashion with end of module assessments - this is something which is universal across the vast majority of HE provision already and where it isn't there is a clear academic rationale for doing so.

For option 2 we disagree with the involvement of IfATE in the validation of HE courses mapped to the FHEQ - They have no jurisdiction in terms of setting academic standards at a HE level and do not in our experience have the experience and expertise to do so. Whilst we appreciate their expertise in mapping to their own Occupational standards and route maps - these are not universal across all

industries and are reliant on industry professionals having the time, capacity and resources to take part in trailblazers. Furthermore, some areas of industry (such as the creative sector) have been missed due to the more disparate nature of the profession - this doesn't mean they don't have a higher level skills need, or a standard in which employers expect from qualification holders - but that the industry is not set up in linear 'occupations' and is serviced mainly by SME and or sole traders.

For option 3 - we reject the premise that there needs to be a national curriculum to guide this policy. The work of IfATE in occupational standards already does this to a certain extent and we have seen how this has stifled the innovation of new courses. There is no single quick-fix solution to credit transfer and curriculum content. In our experience, employers want a bespoke academic offer when they partner with a university to ensure that the content meets their business needs (as well as the students' wider progression within the industry). We have Subject benchmark Statements across UKHE already to ensure that there are some synergies between similar courses at different providers - but we strongly reject the premise that a formal national curriculum is needed or wanted by employers, students or education providers

26. How would these approaches align or conflict with OfS and/or university course approval requirements?

We have provided detail in our answer to question 25 on how the approach would undermine the high quality, and innovative technical education delivery in the OfS regulated sector. We do not see alignment in any areas - only conflict or misunderstanding of how HE already designs and validates new technical programs in conjunction with external experts both in academia and within the industries we serve.

27. Are there any other approaches we should consider?

For providers with degree awarding powers they should be signposted to the IfATE Occupational competencies work - but fundamentally not bound by it because they do have legal autonomy over the design of its qualifications. They should therefore automatically receive any kitemarking/badging by IfATE where they can show external engagement in the development of the programme. This is vital to ensure that our institutions that deliver bespoke qualifications for very large providers (such as Network Rail, Jaguar Land Rover etc) can continue - and providers are able to develop new relationships with local employers to meet their specific skills needs whilst also thinking about the long term needs of the students/profession.

As an aside - but also perhaps relevant here - members have articulated to us their frustration with the IfATE bureaucracy, especially being too slow, unclear and not being understanding of the different quality/culture and purpose of HE institutions. Specifically, we worry that the management of the Register of approved providers is not encouraging HE institutions to be included - and when members have finally got on the register they are asked to completely reapply 3 months later due to a change in process or another reason. This adds unnecessary burden - for providers on the OfS register they should automatically be included on the IfATE register, or have a much lighter touch to their assessment to get on. Universities and FE colleges are far more stable and less risky than private training providers and this should be reflected in IfATEs approach to regulation - as is done at the OfS.

28. How should any of these approaches be applied to qualifications already approved as HTQs?

There will be additional and unnecessary burden if the HTQ kitemarking process was to be re-done in light of this policy change. As we have previously said we would like to see a much lighter touch approach for university validated courses, and in general for those on the OfS register where this provision is also regulated- Validation documentation can already show clear externality by local employers/PSRB or trade representative groups.