University Alliance
Making the difference

Introduction

The Government's Productivity Plan states that increasing UK productivity is essential for driving growth and raising living standards.

Universities have a major role in this.

The higher education sector is an important driver of productivity, not just for the world-leading research and innovation it generates but also for the higher level, often highly specialist, skills universities deliver to Britain's cities and regions. Research for BIS by NIESR found that a 1% increase in the share of the workforce with degrees increases the level of long-term output by up to 0.5%.[1] Demand for higher (Level 6+) skills continues to grow.[2]

It is therefore essential, if we want a strong economy, that everyone with the ability and inclination to go to university has the opportunity to do so. This is, of course, also important if we want a fair and cohesive society where everyone feels they have a stake in its success. We welcome Government's commitment to lifting student number controls and to widening participation.

Of course, the higher education sector must offer high quality teaching and learning. Students not only require the knowledge and skills to enter the profession and industry where they want to build their career, but also the generic skills which will enable them to learn throughout their lives and adapt to a changing labour market. The new Teaching Excellence Framework should be designed in a way that incentivises innovation in teaching and sharing of best practice. As with the Research Excellence Framework, this means rewarding success rather than penalising the need to improve.

The economy will be best served if universities are incentivised to provide flexible forms of learning. We welcome the commitment to degree-level apprenticeships and stand ready to support their design and development. However, a degree apprenticeship is not the only form of work-based learning and we urge the government to recognise the value of other models. Similarly, government should

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[1] D. Holland, I. Liadze, C. Rienzo and D. Wilkinson (2013), *The relationship between graduates and economic growth across countries*, BIS Research Paper No. 110, Department for Business, Innovation and Skills, available from:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/229492/bis-13-858-relationship-between-graduates-and-economic-growth-across-countries.pdf
[2] UK Commission for Employment & Skills (2015), *Growth through people: evidence and analysis*, available from:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/410289/GTP_EA_final_v8.pdf

recognise that universities are part of a skills ecosystem and should incentivise and reward partnerships between universities, FE colleges and schools with the aim of creating smoother progression routes between institutions and according vocational and academic education parity of esteem.

Government must also recognise the importance of supporting people already in the workplace to gain degree-level skills. In particular, it should seek to address the decline in part-time students by looking at both demand and supply issues.

Finally, we urge Government to recognise that international students are hugely valuable to our higher education sector. They raise the quality of the student experience, make courses in some STEM subjects viable and bring significant export income into the UK.

University Alliance argues that:

A. The Government's policy to lift student number controls is welcome and should be maintained.

B. Government must maintain Student Opportunity Funding.

C. Government must consider University Alliance's design principles for teaching excellence. These stress the importance of rewarding genuine added-value, innovation and employer involvement.

D. Government must support greater flexibility for learners including degree apprenticeships, other workplace-based courses and part-time study.

E. Government must take students out of the net migration target and reintroduce post study work visas.

Evidence and analysis

A. The Government's policy to lift student number controls is welcome and should be maintained

1. Lifting student number controls is important for three reasons:

    a. First, the supply of higher-level skills contributes significantly to productivity growth. Research for BIS by NIESR found that a 1% increase in the share of the workforce with university degrees increases the level of long term output by 0.2-0.5%.[3] The same study attributes at least one third of the 34% increase in productivity between 1994 and 2005 to the accumulation of graduate skills in the labour market. Other research highlighted by Universities UK supports this analysis.[4] McKinsey found that companies with higher concentrations of "knowledge workers" (35% of the workforce) create returns per employee that are three times higher than at companies with fewer knowledge workers (20% of the workforce or less).[5] ONS data reveal a strong correlation between productivity and the number of hours worked by graduates at a regional level.[6]

    b. Second, labour market demand for higher (Level 6+) skills continues to grow. The UK economy is increasingly knowledge-based with most new jobs in high skill areas. According to the CBI, half of all jobs by 2022 will require workers to have completed some form of higher education.[7] UKCES states that "long term trends look set to continue favouring growth in [high skill

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[3] D. Holland, I. Liadze, C. Rienzo and D. Wilkinson (2013), *The relationship between graduates and economic growth across countries*, BIS Research Paper No. 110, Department for Business, Innovation and Skills, available from: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/229492/bis-13-858-relationship-between-graduates-and-economic-growth-across-countries.pdf

[4] Universities UK (2015), *The economic role of UK universities*, available from: http://www.universitiesuk.ac.uk/highereducation/Documents/2015/TheEconomicRoleOfUKUniversities.pdf

[5] P. Bisson, E. Stephenson and S. Patrick Viguerie (2010), *The productivity imperative*, McKinsey & Company, available from: http://www.mckinsey.com/insights/growth/the_productivity_imperative

[6] Universities UK (2015), *The economic role of UK universities*, available from: http://www.universitiesuk.ac.uk/highereducation/Documents/2015/TheEconomicRoleOfUKUniversities.pdf

[7] Confederation of British Industry (2015), *Inspiring growth: CBI/Pearson skills survey 2015*, available from: http://news.cbi.org.uk/business-issues/education-and-skills/gateway-to-growth-cbi-pearson-education-and-skills-survey-2015/

jobs], making the sustained supply of new skills into the labour market an on-going priority".[8] More graduates are needed to keep pace with growing demand.

   c. Third, the acquisition of higher skills benefits individuals. Creating more opportunities for individuals to access higher education will ensure that the gains from higher-level study are spread more widely and equitably. Level 6 qualifications deliver a high rate of return to individuals, with UK graduates accruing a lifetime earnings premium of £168,000 (men) and £252,000 (women) over non-graduates. Associated benefits include better health outcomes and increased democratic participation.[9]

B. Government must maintain Student Opportunity Funding

2. The Government must maintain Student Opportunity Funding (SOF) if it is to achieve the Prime Minister's target to double the proportion of those from disadvantaged backgrounds progressing into higher education by 2020 (compared with 2009).

3. This target makes economic sense. We will only deliver the skills required by a leading knowledge economy if we ensure that everyone with the ability and inclination to go to university has the opportunity to attend. This is particularly true when there is a policy intention (which we support) to balance economic growth across the regions. As Figure 1 demonstrates, Alliance universities attract a significant number of local widening participation students who remain in the area after graduating, thereby boosting the regional skills base. The two columns to the right show the proportion of our universities' total intake from widening participation backgrounds.

[8] UK Commission for Employment & Skills (2015), *Growth through people: evidence and analysis*, available from:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/410289/GTP_EA_final_v8.pdf

[9] Department for Business, Innovation and Skills (2013), *The Benefits of Higher Education Participation for Individuals and Society: key findings and reports "The Quadrants"*, BIS Research Paper No. 146, available from:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/254101/bis-13-1268-benefits-of-higher-education-participation-the-quadrants.pdf

Figure 1: Proportion of Alliance university students from the local region compared to proportion who remain in the region after graduation and proportion of intake from low participation backgrounds*

University	% of students from local region	% of graduates working in region	% of students from NS-SEC 4-7	% of students from POLAR3
Cardiff Metropolitan University	59%	45%	33%	16%
Coventry University	47%	40%	41%	10%
The University of Greenwich	60%	44%	56%	8%
University of Hertfordshire	36%	35%	42%	8%
The University of Huddersfield	63%	51%	47%	16%
Kingston University	57%	47%	42%	8%
The University of Lincoln	34%	30%	36%	17%
Liverpool John Moores University	64%	53%	42%	18%
Manchester Metropolitan University	55%	49%	39%	16%
The Nottingham Trent University	34%	28%	34%	13%
Oxford Brookes University	42%	36%	44%	6%
University of Plymouth	60%	48%	30%	12%
The University of Portsmouth	50%	39%	33%	12%
The University of Salford	80%	61%	44%	19%
Sheffield Hallam University	40%	37%	39%	18%
Teesside University	73%	55%	48%	27%
University of the West of England	51%	51%	30%	14%
University of South Wales	68%	55%	38%	19%
Total	53%	45%	-	-

*UK domiciled first degree students, HESA 2013/14.

Sources: HESA student numbers 2013/14, DLHE 2013/14, HESA performance indicators 2013/14

4. It does, however, cost more to attract and retain disadvantaged students and those with disabilities – there is an average 31% premium cost according to an independent report for HEFCE.[10]

5. SOF is an efficient way of meeting this need for additional funding. The retention component of the funding – which represents almost three-quarters (£279 million) of the £380 million budget in 2015/16 – allows the Treasury to maximise its investment in higher education. Students successfully completing their course yield a net benefit of £89,000 per undergraduate degree with an associated rate of return for Government of 10.8%.

6. With the conversion of disadvantage-linked maintenance support from grants to loans in the Summer Budget, SOF is now the only Government funding stream dedicated to widening participation students. It is, of course, important that SOF is used for activities that have a positive impact on retention and progression. Research by the Higher Education Academy identified that the most effective retention activity is embedded across institutions with emphasis on student-staff contact; active learning; prompt feedback; time on task; high expectations; respect for diverse learning styles; and co-operation among students.[11] All our members take this approach, with considerable success. University Alliance is the only group of UK institutions that performs above benchmarks for both intake measures of social mobility (percentage of state school, lower socio-economic groups and POLAR3 students) and output measures (completion rates)[12]. For examples of how Alliance Universities use SOF, please see Annex A.

7. The withdrawal of SOF would penalise those institutions that are most successful at widening participation. Attempting to meet the cost of widening participation from tuition fee income alone would seriously impact on the value for money students could expect at these institutions. This is because in institutions where the number of widening participation students is high, a greater proportion of student fees will be needed to support widening participation activities, with

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[10] JM Consulting Ltd (2004), *The costs of widening participation in higher education*, A report to HEFCE, UUK and SCOP, available from: http://dera.ioe.ac.uk/5169/1/rd03_04.pdf

[11] L. Thomas (2012), *Building student engagement and belonging in Higher Education at a time of change: final report from the What Works? Student Retention & Success programme*, Higher Education Academy, available from: https://www.heacademy.ac.uk/sites/default/files/what_works_final_report.pdf

[12] Participation of under-represented groups in HE: UK domiciled young full time first degree students and Non-continuation following year of entry: UK domiciled young full time first degree entrants. HESA performance indicators 2013/14

knock-on effects for the overall student experience. In a competitive market universities must prioritise the student experience and therefore the removal of, or any reduction in, SOF would dis-incentivise universities from making widening participation part of their mission.

C. Government should consider University Alliance's design principles for teaching excellence. These stress the importance of rewarding genuine added value, innovation and employer involvement.

8. The UK needs a higher education system offering high quality teaching to everyone with the ability and aspiration to go to university. We welcome the Government's commitment to introducing a Teaching Excellence Framework (TEF). We have consulted with our members and the sector more widely and have developed a paper setting out principles and considerations that should be taken into account as the framework is developed. These are attached at Annex B.

D. Government must support greater flexibility for learners including degree apprenticeships, other workplace-based courses and part-time study

9. Between 2010-2020 UKCES predicts that the proportion of the UK workforce required to be qualified to higher levels will rise from 34% to 44% (an increase of 4.7 million people). But the majority of the 2020 workforce will be beyond the compulsory age of education, meaning that most of these skills will need to be developed during an individual's working life.[13] To remain competitive the UK must continue to invest in upskilling its population as a whole. This means utilising and encouraging workplace-based and part-time learning.

10. Both employers and students value the opportunity to earn and learn at the same time, with students being able to put their learning into action from day one. In addition, 92% of university students want access to some degree of work experience as part of their degree and they want employer engagement in the subject they are studying.[14] Employers also see work-based learning as essential to develop the wider skills they require.

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[13] UUK (2013), *Briefing on Part-time Participation in Higher Education*, available from: http://www.appg-universities.org.uk/Documents%5CResources%5CPart-TimeBriefingAPPG.pdf

[14] National Centre for Universities and Business (NCUB) (2014), *Student Employability Index 2014: Part One*, available from: http://www.ncub.co.uk/reports/student-employability-index-2014.html

11. Alliance universities and similar institutions have a strong record of collaborating with industry in the design of qualifications. This includes courses that:

- Are co-designed and sponsored by employers

- Involve flexible workplace-based placements

- Are taught in university campus-based employer hubs

- Are accredited by employer-led professional bodies

- Are offered through part-time, distance learning or further education based learning routes.

12. **Government must ensure, therefore, that universities have a prominent role in the development and delivery of degree apprenticeships**. They are well-placed to work with LEPs and intermediaries to ensure that the learning is transferable, beyond immediate employer needs. They can also ensure the training includes transferable skills and learning as well as skills specific to the apprentice's employer. Finally, there needs to be an element of predictability around investment and apprenticeship numbers so universities can properly plan.

13. We know that employers value generic skills; 'global competencies' such as communication skills, the ability to work collaboratively, drive and resilience, all of which can be enhanced in work-based settings.[15] But there is no one-size-fits-all. Degree apprenticeships are an important route but to ensure learning continues to be relevant Government must recognise a range of different forms of workplace learning. Employer needs change rapidly and employers value multiple and varied interactions with the university including the opportunity to get involved in course design, engaging with individual faculties and academics, and taking on interns and work experience students for flexible periods of time.[16]

14. **Universities also play an important role in enterprise education and support start-ups. This should continue to be supported by Higher Education Innovation Funding (HEIF).** Please see our parallel submission on Research & Innovation Funding where we set out our arguments for how HEIF should be refocused.

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[15] A. Diamond, L. Walkley, P. Forbes, T. Hughes and J. Sheen (2011), *Global Graduates into Global Leaders*, available from: http://www.ncub.co.uk/reports/global-graduates-into-global-leaders.html
[16] University Alliance (2015), Job Ready: universities, employers and students creating success, available from: http://www.unialliance.ac.uk/campaigns/jobready/

15. To address supply and demand-side problems around part-time study, we recommend the following:

    a. **Widen access to loans to include Equivalent and Lower Qualification (ELQ) students** or at least widen the number of subjects deemed to meet specific skills shortages e.g. in all STEM subjects, management or law.

    b. **Maintain Student Opportunity Funding (as above)**. Good retention, non-continuation, completion rates or NSS scores for part-time have sometimes been more challenging to attain. This is because part-time students generally spend less time at the university and can therefore feel more disconnected from the institution and the wider student experience. As a result, targeted support is especially important.

    c. **Encourage policies that stimulate employer support for study to enable employers to easily and confidently invest in skills for staff.** Incentivising employers to invest in up-skilling and re-skilling staff will help UK businesses increase their competitiveness and productivity.

16. Many universities, including all in University Alliance, work closely with 14-19 education providers (academies, schools, FE colleges and UTCs) to form an effective skills ecosystem. As well as ensuring diversity of provision, the partnership work that our universities undertake brings learning closer to industry and helps address 'cold spots' in areas of low participation. Examples include:

    a. **Plymouth University** which has around 5,000 students studying in a regional further education partnership. Most of these students are registered on foundation courses but some are on HNDs/HNCs or honours degrees. This has enabled access to higher education on a significant scale across a geographically large region with very few universities.

    b. **Oxford Brookes University** has a number of FdSc and BSc programmes which it delivers together with its Associate College Partnership. It also sponsors Oxford Academy and UTC Swindon.

    c. **The University of Greenwich** has formed a UTC partnership with the Wates Group, Transport for London, the Royal Borough of Greenwich and Lewisham College, focussing on engineering and construction, including transport and new green technologies.

    d. The **University of Lincoln** sponsors the Lincoln UTC and two academy schools in Holbeach; one secondary and one primary. The University Academy Holbeach (secondary) is unique as it not only offers sixth form provision, but

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also a range of apprenticeship training. The HE participation rate in South Holland is one of the lowest in the country at 7% and since the University has sponsored the Academy, the size of the sixth form has increased from 9 to 275 and the numbers of students progressing to university has increased from 1 to 24. There are now over 80 students in apprenticeship training. The Lincoln UTC is also sponsored by Siemens and is designed to help address the shortage of engineering and other higher level skills in Lincoln and beyond.

17. The false dichotomy between further and higher education is unhelpful. It is not an either/or debate, and setting the sectors up in opposition to one another restricts our ability to meet the nation's skills needs. **To deliver greater flexibility for learners, more needs to be done to create smoother progression routes between institutions and accord vocational and academic education parity of esteem**.

E. Government must take students out of the net migration target and reintroduce post study work visas

18. International students are a valuable part of the UK higher education system. They add to the cultural life of universities and enhance Britain's soft power abroad. Many courses (particularly mathematical, engineering and combined STEM subjects at PGT level) depend on international students to remain viable. Without them institutions would be forced either to raise fees or close down courses, neither of which would support efforts to strengthen the skills base. Research from LSE's Centre for Economic Performance found that for every international student attending a UK university, we see an additional domestic student starting the course.[17] Overseas students also contribute more than £7 billion to the UK economy each year.[18]

19. Globally, the UK is facing increasing competition, with a growing number of universities worldwide teaching in English. A number of countries including Australia, Canada, New Zealand and Germany are adopting strategies to attract talented students and setting ambitious growth targets. As it stands, the UK is

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[17] C. Havergal (2014), *Domestic postgraduate places 'aided by overseas expansion'*, Times Higher Education, available from: https://www.timeshighereducation.co.uk/news/domestic-postgraduate-places-aided-by-overseas-expansion/2016162.article
[18] Universities UK (2013), *The impact of universities on the UK economy*, available from: http://www.universitiesuk.ac.uk/highereducation/Documents/2014/TheImpactOfUniversitiesOnTheUkEconomy.pdf

the second most popular destination (after the United States) for international students. But our market share is by no means guaranteed – nor is the substantial GDP contribution made by UK higher education as an export industry.

20. There are two measures in particular that University Alliance would like to see adopted by the Government:

a. **Removing students from the net migration target.** Most people do not regard international students as migrants or as problematic.[19] Removing them from the target would send a clear signal that the UK welcomes international students.

b. **Reintroducing the two-year post-study work visa.** By allowing qualified international graduates to stay in the UK to work for a limited time, we would continue to attract students from South East Asia who want to work for a couple of years after graduation to pay off their student debts and gain valuable work experience which will help them get a job back home. By allowing highly skilled graduates to work in the UK, we would fill crucial skills gaps, support economic growth and build important global links.

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[19] British Future and Universities UK (2014) *International students and the UK immigration debate*, available from: http://www.britishfuture.org/wp-content/uploads/2014/08/BRFJ2238-International-Students.WEB-FINAL.Embargo-25.8.14.pdf

Annex A: Student Opportunity Funding

1. In July 2015, University Alliance issued a call for evidence to its members on the use and impact of Student Opportunity Funding (SOF). This annex provides a summary of the survey's findings.

2. Respondents noted a range of infrastructure and activities supported by SOF across the three components (widening access, improving retention and success rates, and supporting disabled students). Examples include:

   - outreach interventions in local schools and colleges;
   - one-on-one support and academic mentoring for widening participation students;
   - facilities (e.g. academic skills centres) for widening participation students;
   - retention and progression support for disabled students and care leavers;
   - employment of staff to work on universities' widening participation initiatives.

3. Although institutions are not obliged to collect specific data on SOF, Alliance universities are monitoring its use. In some instances, this is administered centrally – e.g. through an 'access committee' – while other institutions monitor SOF at faculty level.

   Respondents noted:

   "Access is measured and reported via the Access Agreement and student support as part of the wider university's analysis of student progress and success."

   "Our academic skills centres use swipe cards to monitor the demographic of students using the service. Each faculty is responsible for its own evaluation."

   "[We monitor SOF] through our strategy for access and student success committee, which has become part of our university student experience committee, with a reporting line into senior management."

4. Respondents also highlighted activities deemed to have a particularly strong impact on **access**. For example, the **University of the West of England (UWE Bristol)** and **Nottingham Trent University (NTU)** both reported success through their outreach activities in local schools and colleges.

5. All of the local secondary education providers that UWE Bristol is directly involved with have seen a growing number of pupils achieve GCSE grades at 5 A*-C. Between 2009 and 2014, the proportion of pupils meeting this benchmark

at the UWE Bristol-affiliated Bristol Brunel Academy and Bristol Metropolitan Academy increased by 23 percentage points.

6. UWE's outreach work also supports applications from Low Participation Neighbourhoods (LPN). The university's Heading Higher Passport (HHP) scheme helps students from non-traditional backgrounds strengthen their UCAS application by encouraging and rewarding research, reflection and extra-curricular learning. It also supports teachers and advisers in the delivery of information advice and guidance. A significantly greater proportion of UWE's HHP cohort of applicants are from an LPN postcode (26% in 2014) than the overall applicant pool (8%).

7. NTU has had similar success in widening participation through outreach. With the support of SOF, almost four fifths (77.6%) of GCSE pupils who previously took part in the university's outreach activities achieved five A*-C including English and Maths in 2013. By contrast, just over half of Nottingham city (50.3%) and Nottinghamshire county pupils (52.5%) overall reached this level. In addition, NTU has found that students previously engaged in outreach activities are more likely to progress to their second year of study than the NTU undergraduate student body as a whole.

8. A number of universities also provided examples of impact achieved through **retention** activity:

    *   **Plymouth University** has set up the Plymouth Learner Access Network (PLAN), a social networking site to support the transition of new students; a peer assisted learning scheme; an employer mentoring scheme; and an alumni mentoring scheme, among other initiatives to instil social capital in students. The university has also undertaken analysis of care leavers following a pilot scheme in 2013/14. It is using the evidence gathered to inform future policy at the institution and ensure impact is achieved.[20]

    *   **Portsmouth University** has introduced Technology Enhanced Learning, which involves using a website and social networking groups to help students familiarise themselves with learning at a higher education level and link up with other students before beginning their study.

[20] D. Cotton, P. Kneale and T. Nash (2014), *Investigating the Experience of Care Leavers at Plymouth University: Final Report*, Plymouth University, available from: https://www.plymouth.ac.uk/uploads/production/document/path/3/3293/FINAL_Report_Care_Leavers_Research__2_.pdf

- **Sheffield Hallam University's** approach to retention benefits 75% of its student community and includes services to support students with disabilities as well as projects that develop inclusive teaching practice: materials and pedagogic activities that ensure that teaching and learning is fully accessible to all students, whatever their background or prior experience.

9. All three universities – Plymouth, Portsmouth and Sheffield Hallam – are performing above HESA benchmarks for non-continuation rates, thereby demonstrating the impact of their SOF-linked retention activities.

10. When asked about SOF's hypothetical removal, institutions were universally concerned. Some indicated that they would have to review all of their institutional objectives as widening participation universities. Others referred explicitly to activities that would have to be scaled back or stopped if SOF allocations were withdrawn. Responses included:

"…without this money we would have to revisit all of our institutional objectives, targets and milestones."

"As the university has nominally pegged its student support strategic activities to SOF, any reductions in this funding stream would impact on a range of critical support activities. The university would have to reduce activities in widening participation outreach [and] student support coordinators."

"The consequences would be: a large number of staff who deliver student success, outreach and progression interventions would be considered at risk of redundancy; the student experience would be negatively affected as would our ability to deliver the student experience framework; interventions and staffing to enhance academic skills would be reduced; the progression of our undergraduates into employment or postgraduate study would be hindered as current employability interventions would be at risk; our relationships with local schools and colleges would be affected as our ability to support achievement would be impaired; our ability to deliver targeted pre-entry support for disabled learners and care leavers to progress to and succeed in higher education would be lessened."

"[Removing SOF] would particularly impact upon our ability to support students with disabilities, an area within which the university regularly exceeds national benchmarks. This is particularly concerning giving current proposals to scale back the Disabled Students Allowance."

"The consequence of withdrawal of funding would quite simply be across the board funding cuts in the infrastructure that supports students in achieving success. We could not do things in the way that we currently do."

"SOF is used to support essential activities that contribute to our long term success in recruiting and retaining students from widening participation backgrounds. If SOF is stopped, we will need to look for replacement funding to support these essential activities. This is likely to impact on our use of additional funding from tuition fees through our Access Agreement commitments."

As a final task, institutions were asked to provide details of individual students who were deemed to have benefitted from SOF. These case studies are available on request. Please email Tom Frostick on tom@unialliance.ac.uk.

Annex B: Teaching Excellence Framework

Introduction

1. University Alliance welcomes the new focus on teaching excellence. But defining teaching excellence and a way of measuring it is by no means a straightforward process. The 2015 budget raised the stakes with the announcement that from academic year 2017/18 universities which are deemed to offer excellent teaching will be able to increase their fees in line with inflation. This paper outlines University Alliance's principles for measuring teaching excellence.

2. The headline recommendation is that the new framework should be introduced in phases and improved as new data sources become available. This approach would allow for different ways of measuring excellence to be piloted and evaluated. During the early phases, TEF should have no consequences beyond the right to increase fees linked to inflation announced in the 2015 Summer Budget. As with the Research Excellence Framework, TEF must reward success not penalise the need to improve.

Policy objectives

3. In Jo Johnson's speech of 1 July 2015, he stated that the objectives of the TEF were:

    a. to ensure all students receive an excellent teaching experience that encourages original thinking, drives up engagement and prepares them for the world of work;
    b. to build a culture where teaching has equal status with research, with great teachers enjoying the same professional recognition and opportunities for career and pay progression as great researchers;
    c. to stimulate a diverse HE market and provide students with the information they need to judge teaching quality – in the same way they can already compare a faculty's research rating; and
    d. to recognise those institutions that do the most to welcome students from a range of backgrounds and support their retention and progression to further study or a graduate job.

4. While University Alliance recognises that these are all worthwhile objectives, we note that it will be challenging to produce a framework that delivers

against all of these in a robust enough way to use as a basis for allowing (or not allowing) universities to increase fees.

5. In particular, it is hard to see how one framework could adequately signal to all students the excellence of the teaching they would receive and also recognise the additional effort made by those universities that have large numbers of students from non-traditional backgrounds – some of whom require additional support to succeed at university.

What evidence is there that there is a problem that a TEF needs to fix?

6. The main source of information about how satisfied students are with the teaching they receive is the National Student Survey. This shows an upward trend in student satisfaction. In 2011-12, 84% of students expressed overall satisfaction. In 2014-15, this had risen to 86% [21]. However, within this, the NSS does shows that arts graduates are less satisfied than science graduates. This may be because universities expect arts graduates to do significant independent learning. These students may feel short-changed that they get so few contact hours in return for their higher tuition fees.

7. The way in which league tables are constructed, and the role they play as a signalling mechanism to prospective students and their advisors, may incentivise research-intensive universities to prioritise research at the expense of teaching and to reward research faculty over teaching faculty. Whether or not this has had an adverse effect on teaching is difficult to say and, even if it does, it only affects part of the sector. But it is true that it is very difficult for students to find out how much of their tuition fee is used to cross-subsidise research (or other activities that may not be directly related to their own student experience).

8. The Higher Education Academy (HEA) and Higher Education Policy Institute (HEPI) Student Experience Academic Survey[22] recently concluded that many students are unconvinced they have received value for money from their university courses and a large majority do not think they have been given enough information about how tuition fees are spent. The research suggests students expect their teacher to have undergone some formal training,

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[21] See https://www.hesa.ac.uk/unistats-dataset
[22] A. Buckley, I. Soilemetzidis and N. Hillman (2015), *The 2015 Student Academic Experience Survey*, Higher Educational Policy Institute and Higher Education Academy, available from: http://www.hepi.ac.uk/wp-content/uploads/2015/06/AS-PRINTED-HEA_HEPI_report_print4.pdf

something the HE sector has not traditionally seen as a measure of quality or excellence.

9. In relation to graduate employment, the main measure is the Destination of Leaver in Higher Education survey (DLHE). This shows the vast majority of graduates are getting jobs. In 2011-12 88.2% of graduates were in employment or further study 6 months after graduation. In 2013-14, this rose to 89.9%.[23] The latest Graduate Labour Market Statistics found that more graduates are in work this year than at any time since 2007 and that graduates earn almost £10,000 a year more than people without degrees.[24]

10. It therefore does not appear that there is a widespread problem with poor teaching. Of course, good universities will always want to do better. It would therefore be helpful if TEF were constructed in a way that incentivises universities to continually improve their teaching and facilitates open sharing of good practice.

Principles for the TEF

11. University Alliance suggests the following principles for the development of a TEF:

12. **Audience.** Clarity about audience from an early stage is critical as this will affect the design of the framework. In the first instance there are two primary audiences: Government for the purposes of setting fee / loan limits; and students in order to improve information and comparability between institutions. A number of secondary audiences should also be considered as they will have a significant impact on engagement with the TEF including: league table compilers, international stakeholders and employers.

13. **Diversity.** The framework must recognise that the UK HE system is diverse and not penalise particular courses or modes of learning. For example, teaching on a small conservatoire course in Creative Arts is fundamentally different from teaching on a Business course at a large metropolitan university. Teaching will also vary significantly for students who study via alternative

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[23] See https://www.hesa.ac.uk/unistats-dataset

[24] Department for Business, Innovation and Skills (2015), *Graduate labour market statistics: January to March 2015*, available from: https://www.gov.uk/government/statistics/graduate-labour-market-statistics-january-to-march-2015

routes, such as part time or distance learning. Measures of teaching excellence should therefore use university institutional benchmarks which employ a wide range of metrics to ensure diversity is appropriately reflected – in the same way HEFCE use performance indicators such as underrepresented groups in HE data.

14. **Autonomy.** TEF must respect university autonomy, while balancing expectations and responsibilities that come from being a provider in a higher education system supported by public money.

15. **Innovation.** TEF must incentivise rather than discourage innovation in teaching. It should not be mechanistic with tight criteria that might push institutions towards a "vanilla" method of teaching.

16. **Iterative.** Given the timescales and the challenge of developing the TEF, it should be an iterative process – possibly introduced in several phases as measures are developed and pilots are run and evaluated. In the early phases, TEF should use existing measures but in later phases it could incorporate new and better ways of measuring teaching excellence once they become available. In all phases, it should allow for data to be contextualised.

17. **Robust.** The limitations of data metrics are well recognised. While the sector already collates a significant amount of data, for example, on student satisfaction, completion and employment, there are known drawbacks especially if any one measure is over-used to form judgements. For example, data gathered over the last two academic years from HESA returns on teaching qualifications has recently been published. However the lack of sufficient data (40% of all UK universities relevant staff qualifications 'unknown' in 2013-14) means that the quality and utility of the data is unreliable[25]. The importance of ensuring data that is robust and difficult to game will be especially important given the proposal to link TEF outcomes to fee levels and the propensity of the sector media to create league tables.

18. **Value added.** Developing an adequate measure of value added should be a priority - otherwise the TEF will run the risk of dis-incentivising the recruitment

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[25] Higher Education Funding Council for England (2015), *2013-14 Teaching qualifications of staff in higher education institutions*, available from: http://www.hefce.ac.uk/media/HEFCE,2014/Content/Learning,and,teaching/Wider,information/Academic_teaching_qualifications_statement_July_15.pdf

of students from disadvantaged backgrounds. In the longer term, TEF offers an opportunity to measure cognitive skills pre-entry and post-graduation, to provide a wealth of information on the value added (learning gain) being instilled by universities. Input and output measures such as entry grade and graduate salary should be understood in context. This is an important step to recognising the role universities play in social mobility. That said, we recognise the current difficulties of finding appropriate input and output measures. For example, the concerns about DHLE have been well publicised. HESA's review of DLHE[26] should support TEF to look beyond the DLHE and the 6 month period as a metric for graduate success. Once available, the TEF should explore whether data from HMRC could be used - the Small Business, Enterprise and Employment Bill passed towards the end of the last Parliament makes it possible to link graduates' income tax records with their background as students. Alongside this we are highly supportive of HEFCE's learning gain pilots trialling new ways of measuring value added and skills gain[27]. In the shorter term institutions could be asked to provide information about added value through written supportive statements to sit alongside metrics.

19. **Employers.** Excellent teaching must prepare students for the world of work, meaning the involvement of employers views in the development and implementation of TEF is essential. Employers already have a significant role in many universities, for example advising on curriculum content, providing student placements and sponsoring degrees.

20. **Whole system approach.** TEF must complement the new quality assessment system and any official body empowered to implement TEF must have sufficient independence from government and the HE sector.

21. **Metrics.** There is a significant volume of progression, retention and achievement data available through universities' HESA returns which could be used as part of TEF; for example, the Key Information Set (KIS), which includes NSS, DLHE, and contact hours, class size and dropout rates. Other information available includes outcomes from QAA reviews, OIA cases, External Examiner reports and data gathered as part of HEFCE's annual monitoring. TEF should also consider using measures – like accreditation by professional bodies – which indicate that employers have been involved in

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[26] See https://www.hesa.ac.uk/hesa-latest-news/278-hesa-news/frontpage-items/1895-
[27] See http://www.hefce.ac.uk/lt/lg/

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course development. Proposed new NSS questions are going to encourage universities to measure elements of student engagement with learning. TEF should encourage universities to use the findings from these questions to enhance their teaching.

22. **Department level focus.** Excellence in teaching sits at the departmental level, so must be measured at that level, but there needs to be a way of aggregating the finding to a university score.

23. **Context.** There is no easy way to measure teaching excellence. In order for the TEF to be robust and trusted it will be important for a range of benchmarked metrics to sit alongside qualitative information such as supportive statements written by universities. We can learn lessons from the development of the Research Excellence Framework (REF). An environment statement would enable universities to provide an overview of their individual strategy incorporating things like innovative practices. Over time an impact statement could also be developed drawing on testimony from employers that universities work with and even reflections from graduates several years after graduation (so that they can reflect on the link between what they learned and the development of their career).

24. **Peer review** will provide important context, including the use of student reviewers. Any concerns about the cost of this should bear in mind the planned reductions in burden following conclusion of the current review of quality assessment.

25. **Broader perspective.** Data used as part of TEF should be reviewed over a significant period of time, not just a single academic year. This will allow patterns to be identified and universities to reflect on abnormalities in the data. Weighting the use of data over different periods of time could be an effective way of implementing this, taking the view that the most recent year's data is the most relevant.

26. **Outcomes.** There may be potential for multiple outcomes of TEF, for example a 'performing' or successful outcome could come in a number of levels, allowing differentiation of universities and giving them the opportunity to reflect on their score and plan ahead.

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