

University Alliance response to the Department for Education's Higher Education Reform consultation

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About us

University Alliance (UA) is the voice of professional and technical universities. We represent a group of 14 large to mid-sized universities working at the heart of their communities¹. Alliance universities partner with industry and the professions to deliver the workforce of today and tomorrow through practical, skills-based learning and applied research.

Summary

- **Student number controls:** We are strongly opposed to SNCs in any form as an intervention to address the cost or quality of higher education provision in England. SNCs would serve to limit access at a time of rising demand and could have serious unintended political and economic consequences. To address the rising cost, we need an innovative, sustainable, future-proofed funding settlement for higher education that is fair to students, taxpayers, and providers. When it comes to quality, the OFS is about to implement its own far-reaching reforms in this area. The Government should allow these to bed down and take effect before intervening to avoid confusion and unnecessary bureaucracy.
- **Minimum entry requirements:** We believe that MERs would serve to limit aspiration and exacerbate disadvantage, put the pipeline for key sectors at risk, and create additional cost and bureaucracy for little purpose. Independent analysis has found that they would exclude many people who currently do well at university.

¹ Our members are Anglia Ruskin University, Birmingham City University, University of Brighton, Coventry University, University of Derby, University of Greenwich, University of Hertfordshire, Kingston University, Leeds Beckett University, Middlesex University, Oxford Brookes University, University of South Wales, Teesside University, and University of the West of England, Bristol.

- **Foundation years:** We are opposed to a £5,197 fee level for foundation years, which would make most existing provision financially unviable. We set out why this fee level, and variable fee levels, would be undesirable and unworkable and why a substantial reduction in foundation years offered by Alliance universities would not be in the best interest of students.
- **National scholarship scheme:** We welcome the scheme and recommend a multi-stakeholder taskforce to design it to ensure it has a genuinely transformative impact and does not privilege certain types of institutions or courses over others.
- **Level 4 and 5 courses:** Alliance universities are committed to enabling alternative routes to higher education and a range of progression pathways from levels 3- 6. We argue that funding to support the growth of Level 4 and 5 courses should be committed to and delivered on a longer-term basis and support regional partnerships, and that the regulatory framework needs to better support a step-on/step-off approach to learning. We fully support allowing learners studying HTQs part time to access maintenance loan, which learners should be able to easily renew. We also support the work being undertaken to include HTQs within a flexible study model, but regulation needs to be proportionate and risk-based and involve PSRBs.

Student number controls

Q1. 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 below.

University Alliance is strongly opposed to SNCs in any form as an intervention to address the cost or quality of higher education provision in England. SNCs are a top-down measure that go against the principles of the market system established by the Higher Education and Research Act 2017. They would be bureaucratic, complicated, and costly to implement and enforce for little discernible benefit. SNCs would stifle individual choice, aspiration and freedom and have a disproportionate impact on students from disadvantaged backgrounds, particularly those who are unable to travel away from home to study. Moreover, we are concerned that imposing a cap on the number of places at a time of rising demand for higher education could have unintended political and economic consequences, which we outline in Q4 below.

It is reasonable that the Government is concerned about the rising cost to the public purse of higher education, particularly in view of the significant increase in eighteen-year-olds over the next decade. However, we do not believe that the solution to this problem is for England to educate a fewer proportion of people beyond the age of 18, which is a logical consequence of SNCs. Our higher education participation rate is lower than major competitor countries, including South Korea, Japan, and Canada. Businesses are calling for

more high-level skills² to boost our competitiveness. Currently the UK has the second highest percentage of underqualified workers in the OECD – at 27.7 per cent it is nearly double the number of those who are over-qualified for their current jobs³.

There is increasing evidence that in the short and long-term the demand for skilled graduates in the labour market is only going to increase⁴. If the Government even partially meets its ambitious maths and English targets⁵, significantly more children will have the skills and the expectation to progress to higher education in the coming years. Graduates still command a salary premium of around £10K on average (significantly more for some professions)⁶, and higher education provides many well-documented non-financial benefits to both graduates and wider society⁷.

Instead of imposing SNCs, the Government should develop, in consultation with key stakeholders and the public, a sustainable, long-term funding settlement for higher education that is fair to students, taxpayers, and higher education providers. This settlement should enable all those who are qualified and wish to enter higher education with the means to do, and for all who benefit from higher education to contribute to the cost. This reform is also arguably necessary for the successful implementation of the Lifelong Loan Entitlement (LLE)⁸, which will open the student finance system to a much larger and wider group of people.

In addition to controlling the cost, the Government is keen to restrict the supply of provision it considers leads to poor student outcomes. It claims that a small but significant minority of students doing certain courses at certain institutions are ‘disappointed’ by their experience of higher education, pointing to low earnings for some students. However, the Institute for Fiscal Studies (IFS) research shows that the gap in earnings between the most and least privileged students is halved for those who go to university and that many courses that perform poorly on measures such as earnings have a significantly positive impact on social mobility⁹. Students’ motivations for undertaking higher education are complex and varied, and future earnings are rarely the most important consideration. UCAS has also found that

² WorldSkills UK: Skills Taskforce for Global Britain report (April 2022) available at:

<https://www.worldskillsuk.org/wp-content/uploads/2022/04/Wanted-Skills-For-Inward-Investors.pdf>

³ UUK Busting Graduate Job Myths report (April 2022) available at:

<https://www.universitiesuk.ac.uk/latest/news/strong-demand-graduates-amid-uk-skills>

⁴ Institute of Student Employers: Vacancy Survey 2022 available at: <https://ise.org.uk/page/graduate-job-vacancies-20-higher-than-pre-pandemic>

⁵ Department for Education: Schools White Paper (March 2022) available at:

<https://www.gov.uk/government/publications/opportunity-for-all-strong-schools-with-great-teachers-for-your-child>

⁶ Department for Education: Graduates continue to benefit with higher earnings (April 2019) available at:

<https://www.gov.uk/government/news/graduates-continue-to-benefit-with-higher-earnings>

⁷ Department for Business, Innovation and Skills: Research Paper No. 146 available at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/254101/bis-13-1268-benefits-of-higher-education-participation-the-quadrants.pdf

⁸ Department for Education: Lifelong Loan Entitlement (in consultation) available at:

<https://www.gov.uk/government/consultations/lifelong-loan-entitlement>

⁹ Institute for Fiscal Studies: Which universities are best for intergenerational mobility? (November 2021) available at: <https://ifs.org.uk/publications/15845>

career prospects are not the primary motivation in choice of degree subject¹⁰. A more effective way of ensuring students make good choices about what and where to study is to improve the information, advice, and guidance (IAG) available to them on post-18 education and training – not remove options. There is evidence that the current IAG on offer is not fit for purpose¹¹, as recently raised by the Education Committee¹². In addition to a sustainable financial settlement, significantly improved IAG infrastructure is also a prerequisite for the LLE. Another effective means of directing students towards provision the country needs is through the creation of financial incentives, exemplified by the NHS Learning Support Fund¹³ for students on key nursing and allied health courses.

It is also important to understand that most differences in student outcomes are intricately linked to factors such as socioeconomic background, gender, ethnicity, and geography, and cannot always be wholly or even partially attributed to education. For example, the IFS has found that the earnings of graduates from poorer backgrounds are lower, even conditional on studying the same subject at the same university¹⁴. Higher education providers are working in the face of deep-rooted structural inequalities to improve student outcomes, and they have made considerable progress in recent years. HEPI analysis has shown that the UK has the highest completion rates for students on bachelor's degrees among comparable developed countries¹⁵, and 91.5 per cent of starters in 2019-20 are predicted to get a degree – the highest on record¹⁶. The 2021 Graduate Outcomes Survey found that most graduates were in employment, unpaid work, or study fifteen months after graduation, with only seven per cent unemployed despite the huge challenges posed by the pandemic¹⁷.

Improving student outcomes is currently a major focus of the higher education regulator, the Office for Students (OfS). The regulator recently noted that the English higher education sector is 'generally high-performing,' and many providers have 'outcomes that are among the best in the world'¹⁸. To root out what it refers to as 'pockets' of lower quality provision, the OfS will shortly be imposing absolute minimum baselines related to key student

¹⁰ UCAS: Where Next? 2021 Report available at:

<https://www.ucas.com/file/435551/download?token=VUdIDVFh>

¹¹ Social Market Foundation: Fulfilling its potential? Research report (April 2022) available at:

<https://www.smf.co.uk/wp-content/uploads/2022/03/Fulfilling-its-potential-April-2022.pdf>

¹² UK Parliament: Education Committee inquiry launched January 2022

<https://committees.parliament.uk/committee/203/education-committee/news/160555/education-committee-launches-new-inquiry-on-careers-education-in-schools/>

¹³ NHS Learning Support Fund details available at: <https://www.nhsbsa.nhs.uk/nhs-learning-support-fund>

¹⁴ Institute for Fiscal Studies working paper W16/06 available at:

<https://ifs.org.uk/uploads/publications/wps/wp201606.pdf>

¹⁵ Higher Education Policy Institute: A Short Guide to Non-continuation in UK Universities policy note (January 2021) available at: <https://www.hepi.ac.uk/wp-content/uploads/2021/01/A-short-guide-to-non-continuation-in-UK-universities.pdf>

¹⁶ HESA performance indicator data available at: <https://www.hesa.ac.uk/data-and-analysis/performance-indicators/non-continuation>

¹⁷ Graduate Outcomes Survey 2021 results available at: <https://www.hesa.ac.uk/news/20-07-2021/sb260-higher-education-graduate-outcomes-statistics>

¹⁸ Office for Students: consultation on a new approach to regulating student outcomes (in progress) available at: <https://www.officeforstudents.org.uk/media/c46cb18a-7826-4ed9-9739-1e785e24519a/consultation-on-a-new-approach-to-regulating-student-outcomes-ofs-2022-01.pdf>

outcomes metrics across up to 48 indicators per provider. These significant reforms which come with increased data transparency and the threat of (risk-based) regulation need time to bed down and take effect. So too does the revised Teaching Excellence Framework (TEF), which will also make use of student outcomes measures and qualitative data to determine which providers have the highest quality teaching.

It is unnecessary and confusing for the Government to impose a separate intervention with the same intended aim – to improve student outcomes – at the same time as the OfS. University Alliance has called on OfS to monitor and review the impact of these major changes to ensure they are effective and do not have any unintended consequences. We recommend that the Government analyse the impact of these regulatory changes linked to student outcomes before embarking on its own reforms, which would create an additional layer of burden and bureaucracy.

As we disagree in principle with SNC as an intervention we do not propose to answer Q2.

Q3. The Government is considering which outcomes should be used if SNCs are introduced and has identified the three broad categories as quantifiable, societal, and/or strategically important. 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. (For further explanatory detail, please see pages 37- 40).

As we outlined in Q1, the OfS already has a strong focus on student outcomes which is being significantly strengthened through the revision of the B3 registration condition and imposition of absolute minimum baselines in relation to continuation, completion, and progression for all higher education providers on the OfS register and the revised Teaching Excellence Framework (TEF). We therefore believe it would be unnecessary, burdensome, and confusing for the Government to impose its own interventions related to student outcomes at the same time.

Q4. 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.

The imposition of SNCs would limit the number of higher education places available in England at a time when both demand for higher education and the 18-year-old population is growing¹⁹. This is likely to have a number of unintended consequences, both economic and political.

Over the recent decades, demand for higher education has been rising from students, parents, and employers – in the UK and overseas. This growth is expected to continue, and a number of the Government's policies will contribute to increased demand. For example, the

¹⁹ Higher Education Policy Institute: Demand for Higher Education to 2035 report (October 2020) available at: https://www.hepi.ac.uk/wp-content/uploads/2020/10/Demand-for-Higher-Education-to-2035_HEPI-Report-134_FINAL.pdf

education targets in the Levelling Up²⁰ and Education²¹ White Papers will increase the proportion of school leavers who are eligible to progress to higher education – and who will expect to be able to do so. It is hard to see how the UK can become a science superpower or meet its ambitious R&D target without educating a greater proportion of its population to degree level or higher.

In 2021, UCAS received a record number of applications to study in UK universities – 700,000²². It is predicting it will receive a million applications by 2026²³, due to an increase in demand from both home and overseas students. It is open question whether the public would tolerate a reduction in the proportion of young people progressing to higher education. Most parents want their children to go to university²⁴ – and nearly all new mothers²⁵. Student demand for sub-degree level provision including higher technical qualifications (HTQs) is still relatively weak and should be a positive choice rather than an enforced one.

SNCs in any form would pose a major obstacle to the expansion of higher education needed to match this demand, and it is difficult to see how they would not result in steep reductions to access. DataHE analysis concludes SNCs can only reduce entry to higher education²⁶. If the Government attempted to freeze university places at pre-pandemic 2019 levels, by 2030 about a third of young people who would currently go to university would be unable to do so²⁷. Students from disadvantaged backgrounds would be most affected, as they were the last time there was a big squeeze on places (in 2008-11), and in other jurisdictions where SNCs have been in place, for example Scotland and Australia. More a mobile students may go elsewhere to study, with potential loss of talent if they do not return to England to work. Higher education providers in England would be incentivised to take on greater numbers of non-English students whose numbers would be uncapped²⁸. In Scotland, where higher

²⁰ Department for Levelling Up, Housing and Communities: Levelling Up the United Kingdom policy document (February 2022) available at: <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>

²¹ Department for Education: Opportunity for All, Schools White Paper (March 2022) available at: <https://www.gov.uk/government/publications/opportunity-for-all-strong-schools-with-great-teachers-for-your-child>

²² UCAS June 2021 application data available at: <https://www.ucas.com/corporate/news-and-key-documents/news/more-students-ready-take-next-step-despite-pandemic>

²³ UCAS submission to Public Accounts Committee on Financial Sustainability of the Higher Education Sector in England (March 2022) available at: <https://www.ucas.com/file/584491/download?token=lydiELPF>

²⁴ UPP Foundation and HEPI: Public Attitudes to Higher Education Survey (July 2021) available at: <https://upp-foundation.org/wp-content/uploads/2021/07/The-UPP-Foundation-HEPI-Public-Attitudes-Survey.pdf>

²⁵ Nick Hillman, HEPI (August 2021) available at: <https://www.hepi.ac.uk/2020/08/11/why-the-answer-to-many-questions-this-week-will-be-97/>

²⁶ Mark Corver, DataHE (May 2020) available at: <https://wonkhe.com/blogs/student-quotas-are-not-what-2020-needs/>

²⁷ Mark Corver, DataHE (October 2021) available at: <https://twitter.com/markcorver/status/1451870393321545728>

²⁸ Simon Baker, Times Higher Education (March 2022) available at: <https://www.timeshighereducation.com/news/fee-freeze-risks-exacerbating-shift-away-uk-undergraduates>

education places are capped, Scottish students are less likely to be offered a place than English students²⁹.

Reducing the number of graduates in the economy is likely to cause skills shortages, including in strategically critical areas. This would also be the case if certain subjects are particularly affected by SNCs (depending on how they are configured), and the English higher education system could also lose its global competitive advantage if it becomes narrower in its scope and focus. SNCs in any form would impact providers' finances and restrict their ability to contribute to other key government objectives such as the LLE and R&D target, as well as the wider levelling up agenda.

Minimum entry requirements

Q5. 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

No.

University Alliance strongly disagrees with a government-imposed minimum entry requirement at either level 2 or level 3 to access student finance. The requirement would be fundamentally unjust because it would only affect those who access student finance to study, rather than those who are able to pay, and would disproportionately impact students already under-represented in higher education according to the DfE's own equality analysis³⁰. Secondly, there is little evidence that students who do not meet the proposed thresholds would be better off not accessing higher education. In fact, DfE-commissioned research by the IFS has found that many students with low prior attainment achieve a larger financial return from attending higher education than those with higher prior attainment, despite lower earnings on average³¹. Finally, the requirement is also unnecessary because providers are well placed to determine who can succeed in and benefit from higher education, with exam results only one element they consider, albeit an important one. Alliance universities are experienced at providing support for additional educational needs to enable their students to fulfil their potential.

In the UK, level 2 and level 3 attainment are closely linked to socioeconomic background, ethnicity, and geography. It is therefore not surprising that the Government's equality analysis found that students from Black and minority ethnic groups and those with special educational needs would be disproportionately affected by minimum entry requirements,

²⁹ Funding of Scottish Universities (May 2021) available at:

<https://publications.parliament.uk/pa/cm5802/cmselect/cm Scotaf/54/5406.htm>

³⁰ Department for Education: HE Reform Consultation (February 2022) available at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1058933/Higher_education_policy_statement_reform_consultation_-_Equality_analysis.pdf

³¹ Department for Education: Research Report The impact of undergraduate degrees on early-career earnings (November 2018) available at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/924353/The_impact_of_undergraduate_degrees_on_early-career_earnings.pdf

as would students eligible for free school meals³². This has been confirmed by analysis from UCAS³³ and the IFS³⁴. If set at level 2, the IFS found that the requirement would also disproportionately impact certain courses, namely social work (22 per cent of age 18–19 entrants), computer science (17 per cent), communications and creative arts courses (15 per cent), and business entrants (13 per cent)³⁵.

The Government asserts that a minimum entry requirement would deter those students who are not ready for higher education, citing poor average outcomes for those below the proposed thresholds. However, OfS widening participation data found that students who entered higher education with the lowest A level results had higher continuation rates than the sector average³⁶. IFS analysis found that most students who do not meet the proposed entry requirements – around 80 per cent – do still graduate, and around 40 per cent go on to achieve a first or 2:1. The IFS has concluded that the proposed minimum entry requirements would exclude many people who currently do well at university³⁷.

There is evidence that higher education is even beneficial for students who do not complete their course. A cross national study in 15 European countries which compared the employment outcomes of university dropouts with those who had never enrolled in higher education found that some higher education study is better than none. In no country did non-enrollers outperform dropouts³⁸.

In terms of graduate outcomes in England, the IFS has also found that some of the groups of students with the lowest graduate earnings have the largest returns, because their prospects would be significantly poorer if they had not attended university at all. This includes students with low prior attainment at level 2 and/or level 3³⁹.

In summary, a minimum entry requirement would serve to limit aspiration and exacerbate disadvantage, put the pipeline for key sectors such as social work and computer science at risk, and create additional bureaucracy for minimal impact. While exempting certain groups of students from the requirement would go some way in making the policy fairer, it would

³² Department for Education: HE Reform Equality Analysis (February 2022) available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1058933/Higher_education_policy_statement_reform_consultation_-_Equality_analysis.pdf

³³ John Cope, UCAS (January 2022) available at: <https://wonkhe.com/blogs/the-impact-of-a-minimum-entry-requirement-for-access-to-student-finance/>

³⁴ Institute for Fiscal Studies: Briefing Note BN453 (April 2022) available at: <https://ifs.org.uk/uploads/IFSBN343-The-impact-of-student-loan-minimum-eligibility-requirements.pdf>

³⁵ Institute for Fiscal Studies: Briefing Note BN453 (April 2022) available at: <https://ifs.org.uk/uploads/IFSBN343-The-impact-of-student-loan-minimum-eligibility-requirements.pdf>

³⁶ OfS Widening Participation data available at: <https://www.officeforstudents.org.uk/data-and-analysis/access-and-participation-data-dashboard/sector-level-data/>

³⁷ Institute for Fiscal Studies: Briefing Note BN453 (April 2022) available at: <https://ifs.org.uk/uploads/IFSBN343-The-impact-of-student-loan-minimum-eligibility-requirements.pdf>

³⁸ Schnepf, S. V. How do tertiary dropouts fare in the labour market? A comparison between EU Countries. Higher Education Quarterly vol.71 issue 1 (January 2017) available at: <https://onlinelibrary.wiley.com/doi/10.1111/hequ.12112>

³⁹ IFS: The returns to undergraduate degrees by socio-economic group and ethnicity (March 2021) available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/973239/The_returns_to_undergraduate_degrees_by_socio-economic_group_and_ethnicity.pdf

also make it less workable and more easily ‘gameable.’ There is a real risk that the whole policy, even with a number of exemptions built in, could deter people from all higher education routes, including the LLE and degree apprenticeships, if it leads them to conclude that they are not suited for higher level study. A more effective policy would be to seek to raise attainment earlier in the education cycle – precisely what the Government is pledging to do in the Levelling Up⁴⁰ and Education⁴¹ White Papers.

Q6. Do you think that a grade 4 in English and maths GCSE (or equivalent), is the appropriate threshold to set for evidence of skills required for success in HE degree (L6) study, managed through their eligibility for student finance? Yes or No. Please explain your answer and provide reference to any pedagogical or academic sources of evidence to explain your reasoning.

No.

We are strongly opposed to imposing a requirement that students hold a grade 4 in English and maths GCSE to access student finance for level 6 study. Imposing a requirement at level 2 could have serious repercussions for young learners’ aspirations and confidence at a crucial stage of their development. IFS analysis found that if this requirement were in place, it would have an overwhelmingly disproportionate impact on poor and ethnic minority students. Almost one in every four undergraduates who were eligible for free school meals (FSM) at age 16 would not have been able to access student loans had a GCSE English and maths requirement been in place, compared with nine per cent of non-FSM state school students and only five per cent of private school students. Nearly one in four (23 per cent) black African and black Caribbean undergraduates would have been impacted, and one in five (18 per cent) Bangladeshi and Pakistani students. In contrast, seven per cent of white British undergraduates from state schools would have been impacted, and around ten per cent of Chinese and Indian students⁴². UCAS has noted there would be significant geographical differences, with students from the West and East Midlands, the North, and Yorkshire less likely to not meet the requirement⁴³. The requirement would also be at odds with the recent government decision to remove a similar requirement for T Level students to achieve GCSE-level English and maths by the end of their course.

Q7. 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.

⁴⁰ Department for Levelling Up, Housing and Communities: Levelling Up the United Kingdom policy document (February 2022) available at: <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>

⁴¹ Department for Education: Opportunity for All, Schools White Paper (March 2022) available at: <https://www.gov.uk/government/publications/opportunity-for-all-strong-schools-with-great-teachers-for-your-child>

⁴² Institute for Fiscal Studies: Briefing Note BN453 (April 2022) available at: <https://ifs.org.uk/uploads/IFSBN343-The-impact-of-student-loan-minimum-eligibility-requirements.pdf>

⁴³ John Cope, UCAS (January 2022) available at: <https://wonkhe.com/blogs/the-impact-of-a-minimum-entry-requirement-for-access-to-student-finance/>

No.

We are opposed to imposing a minimum entry requirement at level 3 because we think it is unnecessary and would create additional bureaucracy for minimal impact. Most higher education providers already have minimum entry requirements based at least partially on level 3 attainment and are well placed to determine who can succeed in and benefit from higher education.

A government-imposed requirement at level 3 would be preferable to one at level 2. It would still disproportionately impact poor and ethnic minority students, but to a lesser extent. IFS analysis found that five per cent of current FSM undergraduates would have been affected by the two Es requirement compared with nearly a quarter (23 per cent) under a requirement of a pass in English and maths GCSE⁴⁴.

As the IFS found only two per cent of those who attended university overall did not have at least two E grades at A level or equivalent, it is unclear why this policy is needed.

Q8. Do you agree that there should there be an exemption from MERs for mature students aged 25 or above? Yes or No. Please explain your answer and give evidence where possible.

Yes.

This exemption is necessary to ensure the successful implementation of the LLE. If we want people to have the opportunity to upskill and reskill throughout their lives, it does not make sense to limit their access to higher education based on prior level 2 and level 3 attainment. However, government should retain the standard definition of mature learners as 21 and above (rather than 25 and above) as currently utilised by the OfS⁴⁵ and others.

Q9. Do you think there should be an exemption from MERs for part-time students? Yes or No. Please explain your answer and give evidence where possible.

Yes.

There are many demographic differences between part-time and full-time students, with the former significantly more likely to be employed and have caring responsibilities⁴⁶. They should be exempted from the requirements for the same reason as mature students, as it would be short-sighted to place limits on their ability to upskill and reskill through higher education and would limit the take-up and effectiveness of the LLE.

⁴⁴ Institute for Fiscal Studies: Briefing Note BN453 (April 2022) available at: <https://ifs.org.uk/uploads/IFSBN343-The-impact-of-student-loan-minimum-eligibility-requirements.pdf>

⁴⁵ Office for Students: Topic Briefing on Mature Students (July 2020) available at: <https://www.officeforstudents.org.uk/advice-and-guidance/promoting-equal-opportunities/effective-practice/mature-students/>

⁴⁶ House of Commons Library: Research Briefing on Part time undergraduate students in England (April 2022) available at: <https://researchbriefings.files.parliament.uk/documents/CBP-7966/CBP-7966.pdf>

Q10. 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.

Yes.

Students who have a level 4 or 5 qualification have clearly demonstrated that they can succeed at higher education, and it makes little sense to limit their access to level 6 study based on previous level 2 or 3 attainment. As above, it would limit the take-up and effectiveness of the LLE.

Q11. 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.

Yes.

It is important to build second chances into any minimum entry requirements. It makes absolutely no sense to prevent a student with good results at level 3 to progress to degree study solely based on their level 2 attainment. Research has found that a sizeable proportion of students with low attainment at level 2 go on to perform better than expected at A-level, and this is more common with students from lower socioeconomic backgrounds and state schools⁴⁷.

Q12. 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.

Yes.

The primary purpose of both foundation year and Access to HE courses is to prepare students for level 6 study, particularly those with low attainment at level 2 and/or level 3. Many have an excellent track record in doing so. These courses would cease to function in the face of minimum entry requirements if an exemption were not put in place.

Q13. 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.

Yes.

There is a strong case to be made for a number of other groups to be exempted, notably students on free school meals (FSM); students with disabilities, including learning disabilities such as dyslexia and dyscalculia; students who have experienced the care system; students

⁴⁷ UCL Centre for Education Policy and Equalising Opportunities: Working Paper Grade Expectations: how well can we predict future grades based on past performance? (August 2020) available at: <https://econpapers.repec.org/paper/uclcepow/20-14.htm>

who have had a significant disruption to their learning (e.g., due to long-term illness, bereavement etc).

The Augar Review recommended that any minimum entry requirements be contextualised, due to their disproportionate impact on already under-represented and disadvantaged groups of students whose qualifications ‘potentially understate their potential’⁴⁸. UCAS analysis for the Review found that the 20 per cent most deprived applicants ‘would need an average adjustment of three grades to bring their attainment in line with more advantaged peers’. This evidence underscores the moral and practical difficulty of bringing in such a requirement in the first place.

Foundation years

Q14. Do you agree with reducing the fee charged for foundation years in alignment with Access to HE fees?

No.

We are pleased the government has not adopted the stance of the Independent Panel and has recognised that foundation years can be an important way for students, particularly those from disadvantaged backgrounds, to reach the entry level for a degree. However, we view the proposal to reduce the fee charged for foundation years to £5,197, and potentially introduce differential fees for this provision, to be unworkable. A £5,197 fee level would make most existing provision financially unviable and would result in a substantial reduction in foundation years offered by Alliance universities, which would not be in the best interest of students.

The demand for foundation year provision has been rising since 2012⁴⁹ and there is a very clear market of students that have decided they do not wish to continue their studies in a college environment. Most Alliance universities provide integrated foundation year provision. Students undertaking this provision often have a clear idea of what discipline or course they wish to study and are looking for subject-specific support to transition through a guaranteed pathway to level 4. Students starting a degree course with an integrated foundation year are more likely to continue with their studies than those with an Access to HE Diploma⁵⁰. Our members have observed that, in addition to the intensive and specialist support provided to foundation year students and the familiarity they have developed with the institution, starting on a clear pathway to a named degree provides a positive message to students and supports their transition to higher-level study.

England has one of the narrowest curricula in 16-19 education in the developed world and disadvantaged students and students with special educational needs are less likely to study

⁴⁸ Independent Panel report Post-18 review of education and funding (May 2019) available at: <https://www.gov.uk/government/publications/post-18-review-of-education-and-funding-independent-panel-report>

⁴⁹ HESA: Year 0 – A foundation for widening participation (May 2019) available at: <https://www.hesa.ac.uk/blog/16-05-2019/foundation-year-research>

⁵⁰ Office for Students: Preparing for degree study (May 2019, corrected 14 July 2019) available at: <https://www.officeforstudents.org.uk/media/f011eaa3-e55c-471d-b290-ea56473c4477/preparing-for-degree-study-july-2020.pdf>

a broad range of subjects⁵¹. For students that have not reached their potential in a narrow set of subjects at level 3, a reduction in foundation year provision which helps consolidate subject knowledge and enables transition to higher level study would only compound the potential negative effects of this early specialisation.

Foundation year provision is an efficient model that still allows for flexibility and student choice even after they have begun their integrated course. Students can choose to switch to a relevant course within their discipline when they transition to level 4, based on the deeper understanding they have gained during the foundation year of the content at levels 4-6. For example, there are a range of specialisms within Computing (e.g., cyber security, AI, networks, Data Science) and subjects allied to health at degree level, and it can become more evident to students during their foundation year which they will prefer.

Many Alliance universities have a small number of students each year that complete their foundation year and then transition to a degree at a higher tariff institution. This is not behaviour they try to restrict, but rather they see it as a positive contribution to widening access to higher education and evidence of the quality and rigour of their foundation year provision.

Alliance universities use contextual admissions practices to address inequalities in access and participation. Individual foundation years will be tailored at each institution, as will entry requirements and measures of prior attainment. Offering students who have not achieved their potential at level 3 a second chance through a foundation year is a practice that Alliance universities will utilise where appropriate, but they will also cross-offer in the other direction i.e., giving students who have applied for an integrated foundation year the option to transition straight to level 4. It should be noted that there are usually a small number of students in this position in each admissions cycle that will still opt to undertake the foundation year to boost their confidence and knowledge.

Due to Covid-19 disruption there have been sizeable education losses in all four nations of the UK. There were also significant divides in all four nations, with pupils from the bottom fifth of incomes experiencing higher learning loss than those from the top fifth⁵². For students in college and sixth form, the gap in grades between poorer students and their better off peers widened in 2020⁵³. This unprecedented disruption to learning has been added to a backdrop of no substantive progress in improving the gap in GCSE grades between students in long-term poverty and their better off peers over the last ten years⁵⁴. This raises significant concerns about the potential long-term scarring effects on educational progression, labour market performance and social mobility of the 'Covid Generation.' Destabilising foundation year provision at a point when more young people will need more intensive help would do a great disservice to those affected cohorts.

⁵¹ Education Policy Institute: A narrowing path to success? (September 2021) available at: https://epi.org.uk/wp-content/uploads/2021/09/EPI-Royal_Society-16-19-report.pdf

⁵² Centre for Economic Performance: Learning Loss Since Lockdown (July 2021) available at: <https://cep.lse.ac.uk/pubs/download/cepcovid-19-023.pdf>

⁵³ Education Policy Institute: COVID-19 and Disadvantage Gaps in England 2020 (February 2022) available at: https://epi.org.uk/wp-content/uploads/2022/02/EPI-Disadvantage_Gaps_in_England_2022.pdf

⁵⁴ Education Policy Institute: COVID-19 and Disadvantage Gaps in England 2020 (February 2022) available at: https://epi.org.uk/wp-content/uploads/2022/02/EPI-Disadvantage_Gaps_in_England_2022.pdf

Given the steadily growing demand for foundation year provision, it is not clear whether students would automatically seek out Access to HE courses if most foundation years become financially unviable to deliver. Prospective post-18 students might choose not to participate if they consider Access to HE provision to be unsuitable for their needs, or too risky based on the limited low value discretionary grants funded alongside the Adult Education Budget and Adult Learner Loans⁵⁵.

We are pleased that whereas the Independent Panel seemed to base their recommendation on a single piece of analysis⁵⁶, the government has commissioned evidence on trends and costs in foundation year provision. The research conducted by IFF should be published alongside updated analysis from the Office for Students once the new approach to regulating student outcomes has been confirmed and the relevant datasets updated with the 2020 HESA return. The government should also undertake work to better understand the motivations for learner demand for foundation years and Access to HE and use this expanded set of evidence as the basis for further public consultation.

Following a review of the provision of financial support to students taking undergraduate courses with a foundation year in 2016, the Welsh government took the approach of gathering more evidence and monitoring data on foundation years⁵⁷ and many of the concerns raised by Welsh HEIs during that consultation echo the issues we have raised here.

Q15. What would the opportunities and challenges be of reducing the fee charged for most foundation years, and of alignment with Access to HE fees?

One challenge of the alignment to Access to HE fees would be the higher costs of the staffing needed to deliver foundation year provision. Most staff teaching on integrated foundation years at Alliance universities are capable of teaching students at levels 4-7, even if some are currently specialising in delivering foundation years. Many staff teaching on foundation years will be working across levels 4-7 as well, meaning they will be on higher salaries and overhead costs (e.g., pension contributions) than staff in colleges. Staff might specialise in delivering foundation year provision because they are highly skilled in providing the student-focussed input needed to ensure consolidated learning e.g., assessing and closely monitoring individual learners' needs and progress and providing 1-1 mentoring and support to get them back on track. The [Foundation Year Network](#) supports and highlights the academic and scholarly activities of foundation year practitioners and the existence of this community is an example of the commitment to high-quality provision and continual improvement.

In addition to the quality of the academic support provided, foundation years are usually small cohorts to provide the intensity of contact time that is needed. Given the subject specific nature of foundation year provision and the focus on supporting transition to level 4, some foundation year students will have access to specialist equipment as part of their

⁵⁵ HEPI guest blog: Foundation Years and Access to HE – An Issue of Maintenance (June 2019) available at: <https://www.hepi.ac.uk/2019/06/21/foundation-years-and-access-to-he-an-issue-of-maintenance/>

⁵⁶ Office for Students: Preparing for degree study (May 2019, corrected 14 July 2019) available at: <https://www.officeforstudents.org.uk/media/f011eaa3-e55c-471d-b290-ea56473c4477/preparing-for-degree-study-july-2020.pdf>

⁵⁷ Welsh Government: Consultation summary of responses – support for foundation years (December 2016) available at: <https://gov.wales/sites/default/files/consultations/2018-01/161219-summary-of-responses-en.pdf>

course, which is itself expensive, and in some cases, they will need to be supervised in using this equipment by specialist technicians in addition to academic staff.

Access to the wrap-around support available to all students in a university setting is an essential part of the supportive scaffolding for foundation year students, which is starkly different to a college setting in terms of cost, scale, and availability. This support includes libraries, academic support services (e.g., study skills workshops), student support services (e.g., mental health support, counselling, and hardship funding), IT resources, virtual learning environments, students' unions, sports facilities, and other co- and extra-curricular opportunities.

Q16. 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?

We do not support the idea of variable fee caps for different types of foundation year provision. The Independent Panel rejected the option of differential fees for subjects at undergraduate level based on cost, expected value, or a combination of the two as “undesirable” and “counterproductive”⁵⁸. It is not clear why this would be any less the case for foundation year provision.

Allowing foundation provision that leads to highly selective degree-level education to attract a higher fee would suggest that less selective universities need less money to teach disadvantaged students. We do not think this would stand up to scrutiny and it is unclear what the evidence base would be to support this proposal.

We do not think there are subjects that are more suitable for foundation year provision than others due to the myriad reasons why students choose to benefit from a foundation year (in addition to the subject specific knowledge needed to gain the entry level for a degree), which could include: improved confidence; greater knowledge of their learning environment and the wrap-around support available to them; and improved study skills and critical thinking skills.

As we do not support the proposal for variable fee caps, we are not answering question 17.

National scholarship scheme

Q18. What are your views on how the eligibility for a national scholarship scheme should be set?

University Alliance warmly welcomes government funding for a national state scholarship to support talented, disadvantaged students to succeed in higher education. We recommend that DfE convene a taskforce of key stakeholders, including student groups, providers from across the sector, and other experts in social mobility and higher education, to design this new programme. It is crucial that it reaches students whose lives would genuinely be transformed by this opportunity and may not have even considered higher education. The

⁵⁸ Independent panel report to the Review of Post-18 Education and Funding (May 2019) available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/805127/Review_of_post_18_education_and_funding.pdf

programme design should not privilege certain types of institutions or courses over others. For example, high quality professional and technical courses should be within scope as well as more purely academic ones. We look forward to working with the Government on this exciting endeavour.

Level 4 and 5 courses

Q19. How can Government better support providers to grow high-quality level 4 and 5 courses?

Alliance universities are committed to enabling alternative routes to higher education and a range of progression pathways from levels 3- 6 through their own taught provision and their longstanding partnerships with schools, colleges, employers, and local economic agencies in their regions. Half our members are part of Institutes of Technology – six as partners and one as a lead provider.

Funding to support the growth of Level 4 and 5 courses should be committed to and delivered on a longer-term basis (e.g., 3-5 years) than recent cycles of grant funding. This would enable more strategic collaborations on a regional level and give employers and providers the confidence to invest the time and resources needed to grow demand and supply from a relatively low starting point. Strong partnerships, data, and intensive employer engagement and brokerage (particularly for SMEs) on a regional basis will all be key to a) understanding the evolving need for Level 4 and 5 specialisms in the local labour market, b) developing efficient and targeted provision to address these needs and piloting this where appropriate, and c) translating employer demand into learner demand and confidence through outreach and Careers Information Advice & Guidance (CIAG).

Short-term programme and capital funds can serve a valuable purpose, but they often come with very short application windows that do not allow for effective planning and there has been a notable lack of long-term resources to support the reforms set out in the Skills for Jobs white paper⁵⁹, including elements that have now been enshrined in legislation. Opportunities for longer-term investment should be considered alongside the rollout of Local Skills Improvement Plans and the implementation of the Lifelong Loan Entitlement.

Q20. What drives price differences at level 4 and 5, where average fees in FE providers are significantly lower than in HEIs?

The Association of Colleges technical note on Level 4/5 costing provides some initial insights, but a more representative sample is needed, and other costs factored in such as resits and professional registration and approval. Of particular note is their concern that the longer-term stability of these courses may be in question on the basis that most colleges in the study appear willing to run classes which make contributions below 50% (when a 50% contribution to overheads is widely accepted in the FE sector as being necessary for a course to be viable)⁶⁰.

⁵⁹ Social Mobility Commission comment (January 2021): available at:

<https://www.gov.uk/government/news/long-term-funding-key-to-new-further-education-plans-says-smc>

⁶⁰ Association of Colleges: Technical note on Level 4/5 costing (June 2021) available at:

<https://www.aoc.co.uk/sites/default/files/AoC%20briefing%20paper%20on%20level%204-5%20costings%20research%20FINAL.pdf>

There may be smaller cohorts for new HTQs initially as awareness and demand grows, which will be more expensive. Stronger cohorts and better economies of scale *might* enable lower prices in some settings. Conversely, some providers might run this provision as a loss leader initially to be first to market, pump-prime demand and gain a competitive edge, but this does not mean the actual costs will be lower.

Rates of pay and overhead costs are higher for staff in universities (e.g., pension contributions). Staff recruitment can be more of a challenge in applied industrial areas (e.g., science, engineering, construction) where the wages in those sectors are higher than the normal HE staff salary range. The cost, scale, and availability of wrap-around support in universities is also a factor. This support includes libraries, academic support services (e.g., study skills workshops), student support services (e.g., mental health support, counselling, and hardship funding), IT resources, virtual learning environments, students' unions, sports facilities, and other co- and extra-curricular opportunities.

We are not answering questions 21 and 22.

Q23. Which learner types are more or less price-sensitive and what drives this behaviour?

Alliance universities are adept at working with their college partners to deliver level 4 and 5 courses to ensure good local coverage close to where employers are situated and to help widen access and participation. Consideration of the costs local markets can bear is a factor when looking at the delivery mode for provision, particularly when this is focussed on upskilling and reskilling adults. We fully support allowing learners studying HTQs part time to access maintenance loans. However, the value of maintenance loans is not only in the amount but the ease with which it can be renewed— the administrative burden on learners to do this increases significantly outside of a typical full time three-year degree programme and this will need to be addressed with the Student Loans Company.

Q24. What are your views on the current barriers, including non-financial barriers, that providers face in offering and marketing level 4 and 5 courses?

Pressures on placement availability is an ongoing challenge, particularly for employers that are already or due to start delivering T Level placement hours in addition to existing apprenticeships.

The regulatory framework needs to better support a step-on/step-off approach to learning. Regulation will need to be overhauled if the Lifelong Loan Entitlement is to be successful, but in the meantime metrics on continuation can be a challenge for level 4 and 5 provision. For example, employers will sometimes tell high-achieving learners studying towards a level 5 programme that they are capable of exiting at level 4 and going straight into higher skilled employment - this is a positive outcome for the learner but there is currently no way of capturing this detail.

Issues with regulation are coupled with the ongoing pressures on HEIs core provision from successive fee freezes, inflationary costs, and the aftermath of the pandemic. These pressures divert resource and attention away from innovation and suppress risk appetite.

There have been mixed experiences of working with the Institute for Apprenticeships and Technical Education on HTQs. The 1-1 support has been valuable, but the process has been

complex and burdensome to navigate and some of the queries and requests from the Institute have lacked clarity.

Some of the rhetoric on HTQs being an alternative to a degree has been framed as different levels of provision and delivery modes being in competition with each other, which we do not see as helpful or accurate. Employers and students value seeing clear pathways through the levels of technical education and the occupations that can be entered as a result, even if learners will step-on and off this route or fully exit with a qualification below level 6. This is evident in the creation of the Occupational Maps owned by the Institute, as well as the considerable effort our members put in to working with partner colleges to design and articulate progression pathways. There should be a focus on making the skills system as coherent and integrated as possible, in which permeability between levels of education and training is valued and improved, and ensuring the availability of high-quality, independent Careers Information Advice & Guidance (CIAG) to help learners make the best choice for them.

Q25. 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 carry 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 support the work being undertaken to include HTQs within a flexible study model enabled by the Lifelong Loan Entitlement. For providers to be responsive within a flexible study model, it will be important for regulation to not be overly restrictive and burdensome. For example, the recent focus on continuation and completion metrics, which is being further embedded in OfS' regulatory approach, has incentivised institutions to prioritise full time provision. This need for proportionate and risk-based regulation also applies to creating individual higher technical modules.

As awarding organisations HEIs would already assess each module individually to make a judgement on whether the learning outcomes have been achieved and award credit. We are concerned the other measures proposed would add burden and complexity to the system without a clear added value to learners and employers. Rather than a blanket approach to all HTQs there should be a risk-based approach and a degree of responsiveness based on feedback from Professional, Statutory and Regulatory Bodies (PSRBs) and demand from employers and learners.

PSRBs will need to play an essential role in a flexible study model. DfE and the Institute should start by looking at HTQs with PSRB implications and working closely with PSRBs and providers to determine if there are fundamental issues with achieving occupational

competence through 'stackable' modules (e.g., due to duration or placements). Some of these qualifications might only be suitable for standalone modules (e.g., for the purpose of CPD or as a taster of a larger award), in which case there are already well-established processes for PSRBs working with HEIs to record CPD. They are also already hardwired into OfS regulation (e.g., losing PSRB regulation is a reportable event).

For HTQs where occupational competence can be achieved through 'stackable' modules, the Institute could produce guidance on a modular structure for each HTQ, but there should not be an enforced common structure. There should be a risk-based approach that takes account of existing regulatory processes and QAA's Credit Framework for England. There may still be a need to signal to learners that the period over which they complete individual higher technical modules could impact on whether they achieve occupational competence, which is just one of the many reasons why high-quality CIAG will be the cornerstone of a successful flexible study system.

There also needs to be more assessment of demand from learners for credit transfer within HTQs and therefore where guidance and regulatory approaches need to be prioritised. For example, if these modules are more likely to be undertaken by adults in the workforce looking to upskill or reskill, then flexibility to study at a range of providers might not be their priority. For these learners, the focus might be on the ability to assess their prior learning and choose a specific module or set of modules accordingly, to help them progress within their current occupation or into a new role.

Learners and companies work and recruit across borders, so it is important through all aspects of HTQ development, including the development of higher technical modules, that there is strong engagement with equivalent departments in the devolved nations.