

# The White Paper on Higher Education UCU's response

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## Introduction

After a series of repeated delays the Department for Business, Innovation and Skills (BIS) published its Higher Education White Paper for England on the 28th of June. Entitled 'Students at the Heart of the System', the eighty page document contains a number of recommendations on funding and regulation, teaching and quality assurance and access and social mobility. The main themes are: reducing the long-term costs to the public finances; increased competition for student places; the opening up of the 'higher education market' to alternative providers; and providing new sources of information to students and parents. This UCU briefing paper outlines some of the key messages and recommendations in the White Paper, particularly the cross-sectoral implications.

While the government are consulting over the overall package of reforms they are also seeking detailed input into a range of consultations, including on early repayment mechanisms for student loans, teaching funding and student number controls in 2012-13, and the regulatory framework for the higher education sector (see timetable below). UCU will be responding to all these initiatives and will be seeking members' direct input into the process.

## 1. Competition and student numbers

Probably the key proposal in the White Paper is, within an overall control on student numbers, to make approximately one in four first-year undergraduate places contestable between institutions in 2012-13. The specific details are:

- universities will be allowed to recruit as many first-year students as they like with grades AAB or higher at A' Level. BIS estimates that this will cover around 65,000 students in 2012-13 (p.50)
- a 'flexible margin' of 20,000 places will be available for providers charging £7,500 or less - these will be allocated to reward providers who offer 'good quality and value for money' (p.5). The Government argues that this policy 'will make it easier for further education colleges, new entrants and non-traditional providers...to expand to meet demand' (p.50)
- in subsequent years, the volume of student places for which higher education providers can compete will grow steadily 'to create greater dynamism in the allocation of places' (p.50)
- an overall cap on the numbers of students who will receive government-funded loans will be retained.

- legislation will be brought in to give HEFCE a new duty ‘to take competition implications into account when making decisions on funding’ (p.68).
- HEFCE is to advise on the creation, from 2013/14 of additional higher education places, funded by charities or employers, at no cost to the taxpayer. In response to earlier criticisms about wealthier students being able to purchase a place at a university, the government claims that there ‘must be fair access for all students’ (p.51).

### Commentary

The main purpose of this artificially created ‘market’ is to drive down fees and control public expenditure. It will create instability in the system, undermine quality and threaten the viability of courses, departments and perhaps whole institutions. The biggest losers from the contestability proposals are likely to be the ‘squeezed middle’ of post-92 universities and less selective pre-92 universities. Unsurprisingly, Million+ (the organisation representing the majority of post-1992 universities) have been highly critical of the proposals claiming that the ‘Government appears to know the cost of everything but the value of nothing.’

As a substantial proportion of the ‘AAB+’ students come from independent schools and relatively affluent backgrounds, the new ‘mini-market’ in ‘AAB+’ students could undermine widening access initiatives in the research-led universities (eg the growing use of contextual admissions data). Here it may be possible to make common cause with Universities UK and the pre-1992 mission groups who have all raised similar concerns about the admissions process. In addition, UCU will need to focus on how the proposals will exacerbate inequalities between types of institutions, including the social class and ethnic composition of particular universities.

UCU will be responding to the detailed consultation launched by HEFCE on teaching funding and student number controls in 2012-13. Although it is a highly technical document the implications for members are far-reaching and so we will need to submit a proper response. Unfortunately, the timetable for engaging members couldn’t be worse as the consultation closes on 2 September.

As part of the consultation on the regulatory framework we will need to challenge the far-reaching proposal to turn HEFCE into ‘a promoter of

a competitive system’ (p.6). The campaign against the NHS ‘reforms’ may be useful in our work.

## 2. Tuition fees and funding

The government has restated its support for cutting funding to HEFCE on the grounds that it will generate ‘£3 billion savings in grant annually by 2014-15’ (p.15). However, the contribution of higher education to the wider deficit-reduction strategy remains complex as over the same period the BIS loans outlay will rise significantly. For example, it is estimated that total BIS investment in higher education in England could increase by nearly 10 per cent in cash terms by 2014-15.

Consequently, the government has reiterated the ideological mantra that its agenda is all about delivering ‘a better student experience’ (p.4) and that ‘putting financial power into the hands of learners makes student choice meaningful’ (p.5). At the same time the document is explicit on the need for HEFCE support of higher cost subjects such as science and engineering, and public policy priorities such as access and widening participation (p.15)!

The White Paper says that graduates will be able to pay back their loans early but is consulting separately on how this can be done ‘without undermining the progressive nature of the system overall’ (p.18). In the consultation document it is proposing a system of early repayment charges for high payers and/or high earners.

## 3. New providers

As predicted, a significant part of the White Paper is devoted to so-called ‘supply side’ reform. The key proposals include:

- legislation to propose ‘a single transparent regulatory framework for all providers in the higher education system’ and a ‘level playing field’ for those that wish to benefit from public funding (p.68)
- government will simplify the regime for obtaining and renewing degree-awarding powers (DAPs). For example, there might be an accelerated process in gaining access to DAPs and more flexibility in considering applications from organisations whose track record relates to teaching overseas (p.52)
- use of the title ‘university’ will be reviewed ‘so there are no artificial barriers against smaller institutions’ (p.5). In particular, the government

wants to review the requirement for a higher education institution (HEI) to have at least 4,000 full-time students before they can apply for university title (p.53)

- new legislation to ‘decouple’ degree-awarding powers from teaching - which would mean bodies could set and award degrees without teaching them, or new institutions could teach degrees awarded by other bodies.

### Commentary

#### a) For-profit providers

UCU has been fighting a high-profile political campaign against the expansion of private, for-profit providers into English higher education. In particular, we have highlighted how these providers could damage the UK's higher education global reputation and that by cherry-picking profitable courses they could put public universities in financial danger. We will continue to build alliances with other interested parties against for-profit providers, including in parliament; for example EDM 1999 ‘For-profit universities’ gathering:

<http://www.ucu.org.uk/notforprofit>

There are sections in the White Paper which suggest that the government is aware of the additional concerns raised by for-profit providers. For example, the government says that only not-for-profit institutions will be able to access grants from HEFCE for activities such as widening participation and higher cost subject provision (p.69). However, the bulk of the document seeks to create a ‘level playing field’ regardless of legal/corporate status. As a result we will be lobbying hard for new and existing for-profit institutions to be subject to a more rigorous quality assurance regime.

#### b) Further education colleges

It is important for UCU to emphasise the distinction between private providers and further education colleges (currently 13% of HE provision) in our campaign over the White Paper. On the expansion of higher education within further education colleges UCU will continue to demand that HE in FE staff have clear and comprehensive access to remitted time away from teaching to engage in necessary scholarly activity and research that will deepen and update both their subject knowledge and pedagogy to consistently underwrite a high quality learning experience for all HE in FE students. This issue is going to become a high profile one within UCU and the Education Committee, in particular, is well-placed to lead this discussion.

One of the most significant cross-sectoral policy proposals in the White Paper is for new legislation to allow institutions that do not teach themselves to award degrees (p.52). This would reduce the dependence of further education colleges on university validating partners and enable Pearson’s proposed ‘BTEC’ degree (p.52) to become a reality.

Association of Colleges (AoC) public reaction to the White Paper was unsurprisingly swift and mostly supportive, as the AoC has been instrumental in successful lobbying for expansion of HE in FE with both the previous government and the coalition, aiming at:

- growth in and incentives to expand college HE provision, including new funding models
- more choice and competition
- externally accredited degrees taught in colleges validated by HEIs or other bodies with degree awarding powers (eg the Pearsons ‘BTEC’ degree)
- removal of unnecessary cost and/or any ‘restrictive’ or ‘anti-competitive’ practices between HE and FE institutions.

AoC chief executive Martin Doel welcomed ‘clear encouragement for colleges to grow their HE and a clear promise that the system will be changed to make this possible’, although the AoC would have preferred more places to be available at a ‘price threshold lower than £7,500’ as most of the 262 FECs that teach HE will ‘be charging £6,000 or below’ in 2012.

Behind the scenes, the AoC was more critical. To AoC members only, Doel raised two issues:

- the need to improve the under-representation of colleges on the QAA board and sub-committees to ensure that quality measures are not developed as a protective measure by universities and to pursue the simplification of degree awarding powers promised in the White Paper
- universities withdrawing franchised numbers and/or validation services, often at short notice, a practice Doel had already described as ‘feudal’.

All of these concerns were wrapped up in a letter sent to David Willetts co-signed by the AoC, Universities UK and GuildHE, promising to work together to develop college HE provision by supporting colleges to ‘make good use of the new bidding opportunities while holding on to their

existing university franchises’, but nonetheless moving on beyond the immediate outcomes of the HE White Paper towards:

- UUK, GuildHE and the AoC together creating effective partnership working in the new funding environment, focusing on quality and regulation
- an ‘appropriate and proportionate’ contribution to the cost of quality and regulatory processes through college membership of the QAA
- colleges (and private companies) providing HE should participate in HEFCE’s Key Information Sets (KIS)
- clarity and transparency in validation or accreditation processes, including achievement of degree and foundation degree awarding powers in college-led consortia (opens up the possibility of FECs or HEI/FEC partnerships with taught degree or foundation degree awarding powers franchising them to other FECs)
- UUK, GuildHE and the AoC will oppose any attempt to influence the price which partner FECs set for degree-level provision, including foundation degrees
- joining up HE and FE with ‘higher level skills’, especially occupational progression and Level 4 apprenticeships.

#### 4. Student experience

The White Paper has a number of proposals designed to enhance the role of students as consumers of higher education. This agenda is summed up by the phrase ‘Better informed students will take their custom to the places offering good value for money’ (p. 32).

Some of the key recommendations include:

- universities will have to publish directly comparable data for prospective students in 16 areas - including teaching hours, accommodation costs, and employment rates and future salaries of graduates by course (NB: this is essentially the agenda outlined in the Key Information Set (KIS) published by HEFCE in June)
- data will also be published, by course, showing the qualifications held by previously successful applicants (p.31)
- universities will be ‘encouraged’ to publish information about the teaching qualifications and expertise of teaching staff (p.29)

- universities will be expected to publish online reports of student surveys of lecture courses, ‘aiding choice and stimulating competition between the best academics’ (p.5 and p.34)
- there will be fewer routine inspections of universities for quality, but more powers for inspections to be triggered if students raise concerns about teaching standards (p.6 and further details on p.37).

#### Commentary

UCU has already responded to the HEFCE consultation on the Key Information Set (KIS). We argued that students should have straightforward access to good, relevant information about higher education courses and institutions. However, the dangers of a consumerist approach are obvious: information about things like student/staff contact time and graduate salary levels can be extremely misleading unless heavily contextualised and can form the basis for adding another set of columns to the league tables. As colleagues in FE are well-aware, there are also dangers, in the more competitive environment that the government wants to create, of manipulation of information by institutions in order to attract students.

The new proposal to publish course-by-course data on the qualifications held by previously successful applicants has significant cross-sectoral implications. The initiative appears to have been prompted by concerns that school students are choosing the ‘wrong’ types of qualifications for certain universities (eg vocational subjects rather than the ‘facilitating’ qualifications contained within the English Baccalaureate). The agenda appears narrowly focused on schools and universities in the Russell Group as no mention is made of the role of FE colleges or other level 3 qualifications in securing access to higher education.

The proposals to publish information on teaching qualifications (p.29) and internal student evaluation surveys (p.34) are of particular interest and concern to UCU members in higher education. The former looks like an attempt to bolster institutional recognition of HEA-accredited qualifications, while the latter is an extension of the ‘student satisfaction’ model pioneered by the National Student Survey (NSS). We have already flagged up with BIS officials our desire to be properly consulted over these two initiatives. These issues are likely to touch upon employment matters, as well as educational ones, and so will need to involve UCU’s Higher Education Committee.

Finally, the White Paper proposes a ‘genuinely risk-based approach’ to quality assurance, focusing ‘QAA effort where it will have most impact and giving students power to hold universities to account’ (p.37). It is difficult to comment in detail on this proposal at the moment but there are likely to be pros and cons with this type of approach. For example, a ‘genuinely risk-based approach’ may be useful in our campaign against for-profit providers, particularly as the White Paper says that for ‘new providers, with an inevitably shorter track record of quality, a more regular and in-depth review is appropriate than has previously been applied’ (p.37). On the other hand we note with some concern the potential introduction of ‘ad hoc triggers’ which could initiate QAA review. If we are moving towards a more ‘flexible, student-led’ quality assurance system there will be a need to ensure adequate protections for academic freedom and institutional autonomy.

Overall, UCU will continue to make the case that the best way to ensure quality and standards is through good professional practice within a proper publicly funded system.

## 5. Social mobility and fair access

Compared to the previous administration there are fewer proposals in the areas of widening participation and fairer access (chapter 5). Probably the most significant relate to the Office for Fair Access (Ofa):

- Ofa will have its resources increased and monitor the plans and targets universities must set for attracting students from disadvantaged backgrounds if they want to charge more than £6,000 fees (p.60)
- the head of Ofa will report to government this autumn about further sanctions and powers to support the body in its work
- Ofa ‘will continue to have a duty to protect academic freedom, including an institution's right to decide who to admit and on what basis’ (p.61).

### Commentary

In the past UCU has criticised the relative powerlessness of Ofa to intervene in the area of widening access. However, in the context of increased tuition fees, the abolition of the Education Maintenance Allowance (EMA) and Aim Higher, as well as savage cuts in public funding, the Ofa proposals are largely window dressing. UCU will

continue to highlight these fundamental contradictions in government policy on access and participation.

### Conclusion

As we feared, the government's solution to the problems faced by the HE sector is to increase competition, both between colleges and universities and by encouraging private for-profit providers. This dangerous experiment will, if unchecked, undermine quality, and lead to course, department and even institution closures. UCU members will be at the sharp end of an unprecedented squeeze on costs as many institutions seek to compete with each other on price, while a growing for-profit sector will be a disaster for our education system.

In our work over the White Paper we will continue to stand up for the sector as a whole in defence of public education, high quality and academic freedom.

### Timetable

28/06/11	White Paper published
28/06/11	Early Repayment consultation launches
30/06/11	HEFCE Teaching Funding & Student Number Controls consultation launches
Aug 2011	Regulatory Framework consultation launches
02/09/11	HEFCE consultation closes
20/09/11	White Paper consultation closes
20/09/11	Early Repayment consultation closes
Oct 2011	Regulatory Framework consultation closes
May 2012	HE Bill expected to be brought before Parliament

Link to the White Paper:  
<http://discuss.bis.gov.uk/hereform/white-paper/>