

University APPG – Speaking Note (5-10 mins)

Thank you for the invitation. I am grateful to the APPG for Universities for its interest in our Higher Education Green Paper. We are now consulting on the proposals, and I hope to use the time available this evening to outline our aims.

Context for the Green Paper

The future of higher education, and the experience students get from it, matter to all of us in parliament. Our universities are in many ways a great national success story – which country in the world does not envy us our four universities in the top 10, or 38 in the top 100? Our universities are **great engines of social mobility and drivers of productivity** for our economy, but in both respects also some way off from fulfilling their potential.

Too few people from disadvantaged backgrounds go to university and far too many of those that do fail to progress well once they are there and once they leave. If you're a white working class British boy, you're 5 times less likely to go to university than if you're from the richest 20 per cent. We can do so much better than this as a society and that's why we've set out the ambitious goal in the green paper of doubling participation of the most disadvantaged by 2020.

We can also do better in ensuring that our universities are strong drivers of **productivity** in our economy. Employers use qualifications as a signal of productivity. They are rightly concerned when degrees aren't matched by the better skills and productivity they'd expect. OECD research suggests that we have a greater proportion of graduates emerging from university with weak basic skills than we have thus far acknowledged. Indeed graduates from our

universities are twice as likely to have weak basic skills as the OECD average – and have not benefited from their investment as we all would want. For these graduates, the returns to university qualifications are modest, with many not earning enough to reimburse their study loans.

They are part of a bigger picture, which is that between 20% (HESA) and almost 60% (CIPD) of graduates aren't in graduate jobs. The average earnings premium – a crude proxy for the value add of university in terms of enhanced productivity - is declining. It is negligible, non-existent or even negative for significant numbers of graduates towards the bottom end of the earnings distribution.

Of course, university is not just about graduate earnings, but I think we can all agree that this is a troubling phenomenon. It explains perhaps why HEPI surveys show that in excess of a third of students don't think they get value for money from their university experience. Now, we want all young people to have the opportunity to benefit from a university education, which is why we've lifted the cap on student numbers. But we want them to be fully informed when they make that decision to go to university, rather than to embark on an apprenticeship or other more vocational path.

This means the sector must be more transparent. As the Competition and Markets Authority guidelines require, universities must make clear to prospective students:

- a. the course content and structure
- b. how courses will be delivered
- c. what the balance will be between the various elements, such as the number and type of contact hours that students can expect (for example,

lectures, seminars, work placements, feedback on assignments), the expected workload of students (for example the expected self-study time).

- d. as well as details about the general level of experience or status of the staff involved in delivering the different elements of the course.

And then when they get there, we want them to have a first-class teaching experience that prepares them for graduate employment or further study. This is just as important for the **taxpayers** underwriting the loan system. We want graduates, from all backgrounds, able to secure fulfilling jobs and contribute to society. Our green paper therefore sets out a plan for a higher education system built around the student – one which:

- Does better at widening participation for students from disadvantaged backgrounds
- Opens up the sector to greater competition and innovation, driving up quality and choice
- Delivers better value for money for students and taxpayers
- Drives productivity in our economy by raising the quality of the graduate skills pipeline

Teaching Excellence

At the heart of our Green Paper is our manifesto commitment to introduce “a framework to recognise universities offering the highest teaching quality”. We know our higher education sector has many strengths, including a world-class reputation for research. We are all proud of it as a global calling card for the UK.

But I am not the first Minister to note the variability of teaching quality, or

indeed the imbalance between teaching and research. “We have become very good at developing criteria for assessing research excellence in universities, and for incentivising research excellence. We also need to look in my view for ways of incentivising excellence in academic teaching”. Not my words, but those of Lord Mandelson in 2009.

“We must reassess the balance between teaching and research”. Again, not my words, but those of my shadow [Gordon Marsden], speaking in 2002. “The HEFC should seriously consider incorporating a teaching quality assessment exercise in the RAE exercise.”

Indeed, I can go all the way back to the Robbins Report in 1963, where a whole chapter was dedicated to “the balance between teaching and research”. David Lammy warned the sector when he was Minister: “Even if you aren’t complacent about quality, you sometimes appear to be.”

I’m not going to go that far. But, like my predecessors in this role, I want to address the variability in teaching between and within institutions. We want to shine a spotlight on good practice. Give applicants more information about the type of teaching and graduate outcomes they can expect. And raise the status of excellent university teaching. That’s why we have committed to introducing a Teaching Excellence Framework to drive up the quality of teaching across our system and ensure students emerge from university both intellectually stretched and equipped with the skills, habits and attitudes employers value.

Technical consultation

We are now consulting on these objectives in general terms and will in the New

Year follow up with a technical consultation on the actual TEF design. In the meantime, as the Green Paper recognises, we want to ensure the TEF reflects the sector's diversity, is robust and reliable, and avoids being big, bossy and bureaucratic. The consultation proposes that TEF assessments consider a basket of information comprising a set of common metrics and supplementary information from institutions. In other words, we are proposing the TEF take an approach that will be both metrics-based and qualitative, so that a nuanced judgment will be possible.

In the absence of direct measures, we will use metrics that are proxies, focusing on the priority areas of student satisfaction, retention and employment outcomes. Crucially, I want to recognise and encourage diversity. The qualitative submissions will allow institutions to make clear how they are delivering "excellence", taking into account the needs of their own particular students. And the TEF will apply to both full-time and part-time course – so all students see the benefits.

Wider Reforms and Closing Remarks

Teaching excellence is the theme for tonight's discussion. But, as I said at the start, the TEF is a part of a **wider** reform agenda that also encompasses Social Mobility and Student Choice. We want to see more high-quality providers and reinvigorated efforts to support students from under-represented groups. This is an integral part of excellent teaching.

The Green Paper consultation runs until 15 January and I strongly encourage you all to feed in. I look forward to hearing other views this evening, and am happy to take questions.

