



The All-Party Parliamentary **University Group**

University APPG meeting – The Office for Students

18:00-19:30, Tuesday 23 January, Committee Room 4, House of Lords

Chair:

Roberta Blackman-Woods MP, Chair of the APPUG

Speakers:

Professor Andrew Wathey, Vice-Chancellor and Chief Executive, Northumbria University

Amatey Doku, Vice-President (Higher Education), National Union of Students (NUS)

Andrew Wathey opened his remarks by speaking about the major political changes that had occurred over the past few years, how the Higher Education and Research Act (HERA) had shaken up the higher education landscape and how the 2017 General Election outcome had boosted the sector up the media agenda.

He said the current climate was very different to the one in which the OfS was conceived. The body needed to establish itself and command broad confidence whilst also being expected to come up with on-the-spot solutions to political narratives. Looking at the result of the 2017 general election, there was no public consensus about who should pay for higher education and how broad it should be. Whether or not graduate earnings should be trusted as a proxy for quality was also still up for debate.

The purpose of the OfS as set out in legislation could not be argued with he thought; the right relationship between the OfS and institutions could strengthen quality whilst placing students at the centre of the approach. Referring to the fact that regulation under the 2006 Regulatory Reform Act should be about growth and development as well as compliance, he thought the OfS had a challenge role for the higher education sector and that externality was key for the process of improvement.

Success for the OfS would need to be about outcomes, which means a sector that is even more successful than it is now, in which education and social mobility have improved, with more diversity of provision and in the student body, , he thought. From a provider's point of view, a proportionate approach that protects students and focuses on risky areas was needed.

Moving on to the regulatory framework consultation, he spoke about the OfS's statutory duty to protect institutional autonomy and encourage collaboration, noting that there was little on this in the consultation document. He also thought the Competition and Markets Authority's thinking on unconscious bias had clearly influenced the document.

Although the focus on proportionate regulation was welcomed by the university sector, Professor Wathey highlighted some areas of concern or where clarification was needed. Running through these, he highlighted:

- 1) Tone and relationship with the sector- A distant relationship would risk it become the 'Office against universities' rather than Office for Students
- 2) Proportionate regulation should be established robustly, with no new general registration conditions being added in the first two years of the OfS to avoid pandering to short-term political priorities
- 3) Maintaining institutional autonomy, as this increases student choice; micromanagement would leave universities and their governing bodies with responsibility but no freedom to act
- 4) Not making participation in TEF mandatory until the review of TEF had concluded, and addressing the issue of student confidence in the TEF
- 5) The role of the OfS in quality and standards, and the need for OfS to recognise the co-regulatory architecture embedded by HERA, and to commit to the outcomes of the current review of the Quality Code
- 6) The need for more clarity on how value for money will be defined and how value for money statements would be used

Many of the areas he highlighted were raised during the HERA's passage through parliament, and he thought need to be in the minds of those setting the tone, *modus operandi* and systems of the OfS. He then identified the three key points he would like the new minister to consider. These were: (i) no changes to TEF before the conclusion of the review; (ii) reviewing the OfS in 2022, and (iii) giving permission for the OfS to build relationships with institutions and student bodies that while properly testing are also constructive and engaged.

Amatey Doku highlighted that although not fully operational yet, the OfS had not had a smooth ride and therefore a lot more needed to be done to inspire confidence in the new body. There were some fundamental premises the National Union of Students (NUS) did not agree with, these were hard to reconcile with the rhetoric that the body was standing up for the interests of students.

The first point he raised was the fact the OfS was a market regulator, yet the vast majority of students did not think of higher education as a market; forcing a market onto the sector could be seen to do more harm than good. There had been many attempts over the last decade to marketise the sector, including through differential fees and this had not worked or been politically viable. A market-led system did not necessarily lend itself to the widening participation agenda he thought, before explaining his belief that decisions had been made and then consulted on, rather than made fully consultatively with students.

One of the biggest challenges was how to challenge the tension between a market led approach and an enhancement led approach in the UK. The NUS favoured the latter as that effectively championed student engagement and cooperation between universities and was therefore more conducive to a quality higher education system, he explained.

Moving on to market failure, he thought not much had been said about what this would look like, yet market failure had been painted by some as something that should be welcomed. A university failing would be a huge issue not just for students but for the local area, affecting employment in cities and regions.

Amatey stressed how important the piece around student confidence on the TEF was, questioning whether reducing subjects to gold, silver and bronze was effective given how complex the subject matter was.. In terms of the use of student information in a market driven approach, he spoke about the millions of pounds being ploughed into marketing practices by institutions and what information was focused on.

A closer look should be taken at metrics such as student satisfaction he thought, given that some 'types' of students were likely to have higher levels of satisfaction and this could lead to institutions gaming the metrics. It would be years before the OfS could notice any gaming that occurred he thought, noting this would be a matter for the designated statistics body. He hoped the QAA received was confirmed as the designated quality body, and that they would be given the flexibility and freedom to champion student engagement. Moving on, he hoped there would not be too much tension between the different regulatory systems in different parts of the UK.

One specific concern was that there was no NUS representative on the board of the OfS despite assurances that were given during the passage of HERA through parliament. The NUS had taken a proactive role in its desire to engage with the regulatory framework he said, then went on to tell members that the applications to be on the board from himself and NUS President Shakira Martin had been rejected. Despite there being three candidates deemed appointable, none of them were appointed and the one student who is on the board did not even apply. This was of real concern to the NUS. Amatey did then welcome

the student panel and the diversity of student unions represented, but hoped engaged with the panel would not be tokenistic.

In terms of value for money, he stressed this should not be seen as purely transactional. One way to increase value for money was to have students on remuneration committees to increase knowledge of how money is spent at institutions.

Amatey then reiterated the need for the OfS to stand up for student interests, giving the examples of stopping differential outcomes by race, and standing up for the higher education sector during Brexit debates. Finally, he thought having a new minister for the sector presented a good opportunity to influence the regulatory framework.

Question and Answer Session

The session was opened up to wider discussion with members. A number of topics and concerns were raised by members and speakers. These included-

- Which metrics would be used by the OfS to hold universities to account
- The TEF and the metrics it currently incorporated
- What institutional failure would look like, and why the government was opening up the system to this possibility
- Why social value should be included when assessing an institution's value for money
- The pace at which the OfS was being established
- The marketisation of the higher education sector and the implications of this
- To whom the OfS board members were accountable