



The All-Party Parliamentary **University Group**



Notes from a small island: UK higher education policy and the Teaching Excellence Framework

Last November I gave a brief overview to Australian observers of current developments in UK higher education to the AFR Higher Education Summit in Melbourne, which I joined electronically from a basement in London in the middle of the night. I made the following points to them. The Higher Education and Research Bill (HERB) currently making its way through Parliament and the development of the Teaching Excellence Framework (TEF) are the next in a long line of policy initiatives intending to create further competition between UK institutions, especially focussing on England, as well as creating a 'regulator' of the education of the sector through the Office for Students.

Successive UK governments have harboured a niggling perception of a homogenous and uncompetitive higher education sector, providing inaccessible information to the public on a set of relatively indistinguishable products, as well as having a view of students as fee paying 'customers'. The argument advanced within the 2016 White Paper was that the current range of HE offerings within the UK was a form of market failure which required government intervention to correct. At some level one can see this point of view whilst not really accepting it. The existing fee and regulatory regime, along with the influence of league tables has led to 'homogeneity' of model, especially on the price for undergraduate education with universities working to sector-agreed concepts of academic standards and quality. However, marketing teams would be able to point to many examples of competition at the micro-level with approaches to student recruitment becoming ever more sophisticated. An institution seeking to grow or enhance its standing in national league tables is subject to significant competitive pressures and there has been work on the sector by the Competitions and Marketing Authority. Differentiation may not be on the basis of price, but is in terms of student attractiveness, where there are clear opportunities to create a market niche around

internationalisation, facilities, innovative teaching or the role of research integrated into the student experience.

Price competition was an aim of previous reforms to UK higher education, starting with the Higher Education Act 2004 allowing institutions to charge variable fees up to a cap of £3,000. The Conservative-led coalition increased that cap to £9,000 in 2012 with a reduction in central government grant funding. This change revealed the stubbornly price inelastic nature of demand for undergraduate education, which remained buoyant at the national level. That fact, combined with inflationary increases to the institutional cost base has led most conventional institutions to pin their standard undergraduate fees at the maximum permissible level, undermining a key intention of the policy.

The HERB aims to facilitate market entry for new providers and mandates a new ‘regulator’ to play an active role in ensuring teaching institutions maintain academic standards. The TEF will be a key mechanism for differentiating between institutions above this threshold standard. The Government is exploring how a ‘Gold, Silver, Bronze’ rating system can be used to create visible differences between institutions and has floated the ideas of using these ratings to determine the institutional visa status, and has already agreed to the TEF rating being linked to the maximum fee level an institution can charge domestic students. The current specification for the TEF uses six core metrics from existing sources covering teaching quality, learning environment and student outcomes. Initial ratings are determined on the basis of institutional performance in these metrics, which is then confirmed or amended following peer review of a short 15 page narrative document. Many commentators have criticised the choice and range of metrics, noting the difficulty of rating a complex interaction between student and teacher in such a simple way. In response, expectations are that new measures will be added to the TEF over time, with projects underway to explore how to measure important concepts such as ‘learning gain’.

A benefit of the TEF is the renewed attention it gives to the teaching mission of universities. This provides parity with research, which has had an equivalent exercise since 1986 used to allocate block grant research funding, currently known as the Research Excellence Framework (REF). REF and TEF use fundamentally different methodologies. Peer review is at the core of REF. Individual outputs are rated on a four point scale and aggregated to build a picture of subject and institutional performance, which is then used as part of the basis for funding calculations. Lord Stern’s review of REF largely rejected the use of research metrics for determining the quality of research outputs. The TEF approach in some ways is the complete opposite, starting with institutional level metrics, which are consolidated with peer review to determine a final qualitative rating. No direct funding will be allocated on the basis of the TEF result, but there are likely financial (directly via the fee) and reputational implications depending on where an institution is standing on the TEF ‘podium’.

The UK sector is working with policymakers to shape the HERB. We are mindful of the potential impacts of the reformed system. The stability of the UK higher education sector has been one of the reasons for its international success. The benefit of creating a stable system as a platform for innovation and growth has been demonstrated through our experience of the REF and the predictable long-term funding this facilitates. The current reform agenda disrupts stability, but also risks elements on which the reputation of UK higher education was built, such as institutional autonomy. Universities will employ a variety of strategic responses to navigate their way through this churn. There are opportunities for the UK to learn from colleagues in the Australian sector from their experience of living with TEQSA as a regulator.

Professor Mark E Smith

Vice-Chancellor, Lancaster University

Upcoming meetings

Tuesday 7 March 2017

Social mobility

6-7.30pm, Committee Room 4, followed by dinner

Shirley Atkinson, Vice-Chancellor, University of Sunderland and Nicolas Miller, Director, The Bridge Group

Wednesday 10 May 2017

Higher level skills

8.30-10am, Dining Room B

Tuesday 20 June 2017

Devolution

6-7.30pm, Committee Room 4, followed by dinner

This update is produced by Universities UK. It provides links to all relevant parliamentary business and sector announcements for the previous week and notes upcoming business. The APPG council have also suggested that university members may like to suggest inclusions from their institutions, such as major reports, speeches or events. If you did wish to do so, please do get in touch.

The University APPG twitter account ([@universityappg](https://twitter.com/universityappg)) will also be tweeting updates of parliamentary business and sector announcements. We would encourage all members to follow the account.

The University APPG blog is now up and running and I would like to encourage members who may be interested in writing a piece to please get in touch.

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Forthcoming Business

European Union (Notification of Withdrawal) Bill

The Bill moves onto Committee Stage in the Lords on Monday 27 February and Wednesday 1 March.

Home Affairs Select Committee

The Committee continue their inquiry into immigration on Thursday 2 March taking evidence in the Glasgow Royal Concert Hall and hearing from:

- Dr Alasdair Allan MSP, Minister for International Development and Europe,
- Lorraine Cook, Policy Manager, Cosla, and
- Dr Donald Macaskill, Chief Executive, Scottish Care

The Higher Education and Research Bill

On Monday 30 January the Lords completed Committee Stage of the Higher Education and Research Bill. It is expected that many Peers plan to bring back their amendments put them to a vote at Report Stage which has been confirmed for **Monday 6 March** and **Wednesday 8 March** with further dates on **Monday 13** and **Wednesday 15 March**.

Amendments are being tabled for Report Stage and you can view these at:

<https://www.publications.parliament.uk/pa/bills/lbill/2016-2017/0097/17097-RL.pdf>.

Earlier this month Viscount Younger of Leckie wrote to Lord Balfe of Dulwich (Con) about the Higher Education and Research Bill, clarifying the Government does not seek to remove safeguards relating to university governance through the Bill. Read the letter [here](#).

Viscount Younger also wrote to all Peers responding to some amendments laid during Committee Stage of the Bill. Read the letter [here](#).

Jo Johnson MP will announce some Government amendments to the Bill this morning, following his piece in The Times where he states that the Government will be pursuing funding reforms to enable the development of two year degrees. Read the article at:

http://www.thetimes.co.uk/edition/comment/two-year-degrees-benefit-students-and-the-economy-2zmf6cpg?mc_cid=152699a17e&mc_eid=af76b896a2.

Welsh Government – Written Statement

On Wednesday 8 February the Welsh Government published a statement on support for students on postgraduate Master's degrees. Following a consultation last year the Government is drawing up legislation to allow a postgraduate loan scheme for students ordinarily resident in Wales beginning

in the academic year 2017/18. Read the full press release at:
<http://gov.wales/about/cabinet/cabinetstatements/2017/postgraduate/?lang=en>

Immigration Skills Charge

Please see below a link to the draft regulations to the Immigration Act 2014 on the Immigration Skills Charge Regulations 2017. The regulations come into force on 6th April 2017, subject to parliamentary scrutiny.

http://data.parliament.uk/DepositedPapers/Files/DEP2017-0128/Draft_Immigration_Skills_Charge_Regulations_2017_002_.pdf

Robert Halfon has also published [his letter](#) to Gordon Marsden.

The regulations are of interest to employers who wish to recruit or intend to recruit workers from outside the European Economic Area through the Tier 2 skilled migration route.

“In March 2016, the Government announced the amount of the charge and the exemptions. The draft regulations cover these as well as the requirement to pay the charge in six monthly increments of leave applied for and for payment to be made in full before a Certificate of Sponsorship can be assigned to a named individual. The regulations provide that the charge will not apply retrospectively where an individual has been assigned a Certificate of Sponsorship or is in the UK on a Tier 2 visa at the time the regulations come into force.

The draft regulations provide for a refund of all or part of the charge. As with existing regulations on visa fees, the refunds policy will be set out in guidance. A sponsor will be eligible for a refund where a worker they are sponsoring is refused a visa or the application is withdrawn. We are considering in what other circumstances it would be appropriate to offer a refund”

A summary of the draft regulations can also be [found here](#).

Science and Technology Select Committee

Evidence session – Industrial Strategy

On Wednesday 22 February the Committee held a one off session on Industrial Strategy: science, research and innovation. Witnesses included:

- Professor Alex Halliday, Vice-President, The Royal Society,
- Professor Quintin McKellar CBE, Chair, Innovation and Growth Policy Network, Universities UK,
- Professor Paul Nightingale, Deputy Director, Science Policy Research Unit, University of Sussex,
- Steve Bates OBE, Chief Executive, BioIndustry Association,

- Jen Rae, Head of Policy, Nesta, and
- Allan Cook CBE FREng, Vice-President, Royal Academy of Engineering

You can watch the session at: <http://www.parliament.uk/business/committees/committees-a-z/commons-select/science-and-technology-committee/news-parliament-2015/industrial-strategy-evidence--16-17/>.

Government response to the 7th Special Report

On Monday 20 February the Government responded to the Committee's report on Leaving the EU: implications and opportunities for science and research. Read the response at:

<https://www.publications.parliament.uk/pa/cm201617/cmselect/cmsctech/1015/101502.htm>

Education Select Committee

On Tuesday 21 February Sir Michael Barber, the preferred candidate for OfS Chair gave oral evidence to the Committee. Read the transcript of the session at:

<http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/education-committee/appointment-of-the-chair-of-the-office-for-students/oral/47490.html>.

Written questions

The answers to written questions can be found by clicking the name of the MP or Lord beneath the title. Members may appear more than once if they have asked several questions on the same topic.

Erasmus: foreign students

[Seema Malhotra MP](#)

Universities: Hereford

[Bill Wiggin MP](#)

Universities, research and innovation working group

[Catherine West MP](#)

Students: Loans

[Liz McInnes MP](#)

[Jim Cunningham MP](#)

[John McDonnell MP](#)

Sector News

Rt Hon Justine Greening MP speech – teaching profession

On 16 February Justine Greening addressed the Chartered College of Teaching and set out her vision for the profession. Read the full speech at: <https://www.gov.uk/government/speeches/justine-greening-teachers-the-experts-driving-social-mobility>

Universities and plagiarism

On Tuesday 21 February Jo Johnson has today called on universities to do more to stop students buying custom written essays online. He has asked for guidance aimed at universities and information for students to help combat the use of ‘essay mills’ websites as well as other forms of plagiarism. As part of this guidance, Johnson has asked for “tough new penalties for those who make use of essay mills websites”.

- Government press release: <https://www.gov.uk/government/news/jo-johnson-demands-tough-penalties-on-student-plagiarism>
- Universities UK response: <http://www.universitiesuk.ac.uk/news/Pages/Response-to-calls-for-tougher-action-to-tackle-plagiarism.aspx>

BEIS stakeholder working group on EU exit

Also on Tuesday 21 February BEIS published the terms of reference and membership of its “high level stakeholder working group on EU exit, universities, research and innovation”.

- Terms of reference and membership document: <https://www.gov.uk/government/publications/eu-exit-universities-research-and-innovation-stakeholder-working-group/terms-of-reference-and-membership-high-level-stakeholder-working-group-on-eu-exit-universities-research-and-innovation>

“The overarching purpose of the group is to provide a forum for BEIS, DfE, DExEU, and a broad range of UK representatives of the universities, science, research and innovation communities to discuss issues of common interest in approaching the UK’s exit from the EU. The emphasis will be on considering all factors related to research and innovation that need to be taken into account as government policy develops.”

Industrial Strategy investments in UK research and development

On Thursday 23 February Rt Hon Greg Clark announced investment for UK research and development as part of the Government’s industrial strategy:

- Funding of £126 million announced for a world class research centre at the University of Manchester for development of advanced materials.
- Investment of £103 million in Rosalind Franklin Institute (RFI), creating a new national centre of excellence for life and physical sciences.

Business and Energy Secretary Greg Clark said:

“Research and development has a proven track record of making our economy more competitive and creating new products, services and better ways of doing business. For these reasons, we’ve placed the UK’s strengths in science, research and innovation at the core of our modern Industrial Strategy.

“Government investment in these two centres for advanced materials and life and physical sciences will support growth across a range of sectors, provide the skills and training to grow our expertise in these cutting-edge fields, and facilitate positive collaboration between industry, academia and Government.”

Please see the press release here: <http://bit.ly/2mav9nW>

HEFCE grant letter

Also on Thursday 23 February Jo Johnson MP wrote to Tim Melville-Ross confirming funding allocations for the financial year 2017-18.

Read the letter at: <http://www.hefce.ac.uk/media/HEFCE,2014/Content/News/2017/Grant-letter-2017.pdf>.