



**Senate**

<b>Paper Title</b>	Higher Education and Research Bill & Higher education white paper: 'Success as a Knowledge Economy'
<b>Outcome requested</b>	Senate is asked to <b>note</b> the briefing note circulated to all staff on Friday 27 May and included below which covers both the Bill and white paper.
<b>Points for Senate members to note and further information</b>	<p>Further information on both the Bill and white paper can be found at the following addresses:</p> <p><a href="http://services.parliament.uk/bills/2016-17/highereducationandresearch.html">http://services.parliament.uk/bills/2016-17/highereducationandresearch.html</a></p> <p><a href="https://www.gov.uk/government/publications/higher-education-success-as-a-knowledge-economy-white-paper">https://www.gov.uk/government/publications/higher-education-success-as-a-knowledge-economy-white-paper</a></p> <p>QMUL's response to the Green Paper was included in papers for the March meeting of Senate and can be found here: <a href="http://www.arcs.qmul.ac.uk/QMIntranet/governance/senate/15-16/2016-03/171561.pdf">http://www.arcs.qmul.ac.uk/QMIntranet/governance/senate/15-16/2016-03/171561.pdf</a></p>
<b>Questions for Senate to consider</b>	Senate is asked to consider both the White Paper & Bill and the potential impact on the sector and QMUL.
<b>Regulatory/statutory reference points</b>	
<b>Strategy and risk</b>	Both the Bill and the White Paper have implications for all aspects of QMUL's activity and the full range of its Strategic Aims and Objectives.
<b>Reporting/consideration route for the paper</b>	
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## **Higher Education White Paper: A summary for staff**

### **Introduction**

On 16 May, the government published its higher education (HE) and research White Paper, ['Success as a Knowledge Economy: Teaching Excellence, Social Mobility and Student Choice'](#). This note provides a high-level summary of the key points contained in the White Paper, drawing in particular on analysis undertaken by Universities UK (UUK) and the Russell Group.

This note does not provide commentary on the government's proposals and how these might impact the sector. Further communications from the Principal will provide some of this perspective, as will any QMUL responses to consultations linked to the White Paper.

### **Market reform**

The White Paper signals an intent to further open up the HE 'market' as a centrepiece of the government's reforms.

The government is proposing measures to make it easier for new providers to enter the system. This includes new rules that will make it easier and quicker for new institutions to achieve their own degree awarding powers, and streamlines the process so that they can be operational as quickly as possible.

The government says it is putting in place 'rigorous tests' for institutions who want to enter the system. The institutions will also be subject to on-going monitoring and, if there are any signs that quality is falling, the White Paper states that the new Office for Students (see below) will be able to take action.

The government is also calling for evidence on whether students should be able to switch university courses more easily, if the student is unhappy with the provision they are receiving or their circumstances change.

### **Information and choice**

The government is continuing a policy of requiring universities to make more information available to prospective students.

The White Paper mentions data on issues such as teaching intensity and contact hours, although some definitions are still to be established.

There is also an emphasis on providing students with better information on the future earnings of graduates. The White Paper proposes that the government will link higher education and tax data together to chart better the transition of graduates from higher education into the workplace.

Alongside the White Paper, two independent reviews have been published, looking at graduate employment outcomes for science, technology, engineering and maths (STEM) subjects and computer sciences. These reviews found considerable variation in employment outcomes and employability, they highlighted the importance of students having access to work experience opportunities, and also graduates having the 'soft skills' they need to thrive in the work environment.

### **Teaching Excellence Framework (TEF)**

The government is conducting a 'technical consultation' over the details of the TEF, which it is committed to introduce, responding in its view to a need to act 'pre-emptively' to uphold teaching quality.

The government is proposing to link TEF to an institution's ability to increase tuition fees. The first round of TEF in 16/17 will be based on an institution having a valid and successful Quality Assurance Agency report, with subsequent rounds being based on metrics and written reports, the exact composition of which will be the subject of the consultation.

The outline timetable is as follows:

<b>Academic year</b>	<b>TEF activity</b>	<b>Fee increases</b>
2016/17	TEF – year one (TEF1) - outcome based on successful QAA report.	Not applicable
2017/18	Pilots of TEF – year two (TEF2) (with optional participation) at institutional level with three levels of rating (meets expectations; excellent; outstanding).	Institutions that successfully passed TEF1 in 16/17 can apply an inflationary increase for students starting year one.
2018/19	Roll-out of a full version of TEF2 at institutional level.  Pilots at TEF2 at subject level.	Institutions that achieve at least 'meets expectations' in the pilot phase in 17/18 can apply an inflationary increase for students starting year 1.
2019/20	Implementation of TEF2 at subject level.	Institutions that achieve at least 'meets expectations' in TEF2 in 18/19 can apply an increase for students starting year 1 that is half the rate of inflation. Institutions achieving excellent and outstanding can apply an increase at the full rate of inflation.

### **Office for Students**

The White Paper signals the dissolution of the Higher Education Funding Council for England (HEFCE), to be replaced by a new Office for Students (OfS), which will take over its responsibilities for teaching.

A separate body, UK Research and Innovation, will be responsible for quality-related research (QR) funding (see sections 8 and 9 below).

The White Paper proposes that the OfS will ensure the ongoing quality of provision. It will be given the necessary powers to set out and operate a risk-based regulatory framework for monitoring and compliance.

All providers will be subject to annual data monitoring by the OfS to assess a range of indicators that give assurances and raise red flags about shifts in provider activity or behaviour, or failure to meet a range of input and output benchmarks. These indicators will include graduate employment and progression to postgraduate study; student retention levels; degree outcomes; National Student Survey results; number of complaints to the Office of the Independent Adjudicator; TEF scores; and student entry requirements and UCAS tariff data.

### **Access and social mobility**

The responsibilities of the current Office for Fair Access (OFFA) will be incorporated into the new Office for Students. The position of Director of Fair Access will be retained within the new OfS structure.

The White Paper states that *'the TEF core metrics will be broken down to include those from disadvantaged backgrounds'*. The core metrics will be benchmarked against factors including subject, prior attainment and age and they will be split by POLAR quintiles (which is a map of the UK broken up into smaller areas that illustrate how likely young people are to participate in higher education using five scales – with the lowest scale being the most disadvantaged and the highest scale being the most advantaged), and *'there will be specific criteria and explicit instructions in the guidance to consider a provider's performance at achieving positive outcomes for those from disadvantaged groups'*.

The White Paper reiterates the Prime Minister's announcement in January that a 'transparency duty' will be introduced for all universities. Universities will have to publish detailed information about application, offer and progression rates, broken down by ethnicity, gender and socio-economic background.

### **Research and innovation**

UK Research and Innovation (UKRI) will be established as a single non-departmental public body operating at arm's length from government. It will effectively merge the seven existing Research Councils and Innovate UK into a *'single, strategic research funding body'*.

A new body called Research England will be created under UKRI to take responsibility for managing the Research Excellent Framework and delivering quality-related research (QR) in England (these functions having been previously exercised by HEFCE).

The names and brands of the Research Councils and Innovate UK will be retained and the money that has already been allocated to the funding streams of each of these bodies under UKRI will be maintained. There is a proposal that the Research Councils will focus more on their distinctive areas of research, while UKRI would be responsible for cross-cutting areas including back office and corporate functions and the Global Challenges Research Fund. The Secretary of State for Business, Innovation and Skills will set budgets for each of the nine bodies through an annual grant letter. The UKRI board will not be able to transfer funding between these bodies between years, unless they are given permission by the Secretary of State.

The most likely date for UKRI to become operational is April 2018, but it will exist in shadow form well before this.

As currently, the Secretary of State will continue to allocate the dual support budgets separately in an annual grant letter. In addition, future legislation is intended to strengthen the commitment to the dual funding system by requiring the Secretary of State to consider whether there is an appropriate balance between funding via Research Councils and QR funding, taking advice from UKRI and the Office for Students.

The White Paper confirms that the Higher Education Innovation Fund (HEIF) will sit within the UKRI framework, most likely to be administered by Research England.

### **UKRI and OfS working**

UK Research and Innovation (UKRI) is expected to work closely with the new OfS to ensure a coordinated and strategic approach to the funding of teaching and research in England. Future legislation is intended to ensure OfS and UKRI can share relevant information and data, and work together on areas of shared interest. This will include UKRI and OfS working together to assess the financial health of the higher education sector in England, ensuring that UKRI has access to information on overall financial health so its funding decisions safeguard research sustainability.

### **Next steps**

Further detail will emerge over the coming period as proposals are developed and legislation is brought forward. QMUL will engage wherever possible in these discussions to reinforce and build upon the points of principle and detail made in the Green Paper response.  
[connect.qmul.ac.uk/governance/principal/messages](https://connect.qmul.ac.uk/governance/principal/messages).