

Our response to the higher education reform consultation

Universities UK (UUK) is the collective voice of 140 universities in England, Scotland, Wales, and Northern Ireland. Its mission is to create the conditions for UK universities to be the best in the world, maximising their positive impact locally, nationally, and globally. Universities UK acts on behalf of universities, represented by their heads of institution.

Student number controls

1. What are your views of SNCs as an intervention to prioritise provision with the best outcomes and to restrict the supply of provision which offers poorer outcomes? Please explain your answer and give evidence where possible. If you consider there are alternative interventions which could achieve the same objective more effectively or efficiently, please detail these below.

The UK's universities play a vital role in the British economy, building skills and educating our workforce to compete on a global stage. Our universities are vibrant institutions, embedded into regional skills needs and collaborating with local businesses. The 2019 Conservative manifesto points to the positive impact of universities— 'They [...] do an excellent job of generating many of the skills that our economy needs—and lays out the role for universities in the education, health and prosperity of their local areas.

The UK has an unmet and growing need for graduate skills—one million more graduate vacancies than graduates in 2022. This is likely to grow with demographic changes with the number of 18-year-olds set to increase by over 15% between 2022 and 2030. As noted by the Chancellor of the Exchequer in 2013 when removing student number controls, access to higher education is a basic tenet of economic success in the global race

Adverse impacts on government's objectives, including levelling up

Student number controls were previously removed as they represented a ~~cap on~~ aspiration, and do not serve the student or the wider economy. Students from non traditional or disadvantaged backgrounds should have the same opportunities as others to pursue and achieve their aspirations. They are often juggling employment, caring responsibilities, care needs, and/or the pressures of lower incomes. This can lead to less flexibility in where they can live and what they choose to ~~study~~ study—will need to study locally or be commuter students. Therefore, SNCs will have a disproportionately negative impact on these students' choices. This runs directly counter to government objectives on levelling up.

The government states that it recognises the importance of skills pipelines to support future-facing industries and wishes to support access to education across the creative arts, humanities and STEM. However, the risk of imposing SNCs based on current or past employment outcomes will mean the UK's skills base becomes narrower and less responsive to future skills needs. This has previously been demonstrated with the 2011 number cap on nursing students, which has contributed to ~~educational~~ educational shortages in

It would also risk compounding the limits on student choice set out above, with the cumulative impact of multiple levers being used to target similar issues. As we argued in responding to the OfS on student outcomes regulation, there are risks of universities adopting overly risk-averse recruitment practices that will favour students

The higher education system must remain flexible enough to meet future skills needs. The lifelong loan entitlement is an excellent opportunity to drive future economic growth through greater opportunities for upskilling and retraining. Introducing SNCs has the potential to undermine this by restricting opportunities for students to take advantage of credit transfer and modular study while also making the system less agile. The imposition of SNCs would create uncertainties that would prevent universities being able to make local decisions on provision and disrupt their consultative work with students and employers to better meet future skills needs.

2. What are your views on how SNCs should be designed and

internal reviews of courses, which reflects government research the benefits of higher education participation for individuals and society and measures already

4. Do you have any observations on the delivery and implementation of SNCs, including issues that would need to be addressed or unintended consequences of the policy set out in this section?

Please give evidence where possible.

Our answers to the previous questions have set out the unintended consequences of implementing SNCs, which we summarise below:

- entrenching disadvantage and inconsistency with levelling up objectives
- narrowing of the skills base, loss of innovation and agility to meet future skills needs including making a success of the lifelong loan entitlement
- removal of students' right to choose the path that best suits their life circumstances
- risk of students choosing a path with even poorer outcomes in the long-term

tuc 0.0 (n)Tj 0.001 astuct 2 (

any unintended consequences of such a policy, including its potential impact on

This could be particularly challenging given upcoming demographic changes the number of 18-year-olds in the UK increasing by 15% between 2022 and 2030. Restricting pathways to higher education will affect an increasing number of young people over the next decade.

We acknowledge the government's concern around students making the best possible choices and are supportive of efforts to strengthen alternatives to all undergraduate degrees, which will empower students' decision making. However, we would question whether implementation of MERs would address concerns around misdirection. As acknowledged in the Education Committee's launch of its inquiry into careers education in schools there are significant challenges to be met in careers

area would see the greatest student losses, both in terms of proportion and number of students below the threshold. Only 62% of students in subjects allied to medicine are above the proposed GCSE MER threshold, meaning this policy could create or exacerbate shortages in some occupations, such as nursing. Other subjects which would see significant student losses as a result of a MER include European languages (72% above threshold) and engineering (79% above threshold). The importance of foreign language skills has been cited by the House of Lords and the British Chambers of Commerce as a serious impediment to economic growth and the government's vision for Global Britain, and engineering is fundamental to achieving the ambitious aims of the UK Innovation Strategy.

Research by the Institute for Fiscal Studies shows that a GCSE MER would exclude 22% of age 18-19 entrants to social work courses, 15% to communications and creative arts, 17% of computer science and 13% of business entrants. UCAS analysis found that the shortage areas of education and computer sciences would see particularly negative impacts of a MER set at Level 2. The wider context of increasing graduate vacancies, with high rates of underqualified graduate employment and graduate jobs forecast to increase by 22% in 2022 relative to 2021, means it would be short-sighted to restrict the number of graduates in these valuable areas.

We support the government's efforts to ensure there is a greater range of valuable post-18 opportunities to learners. The success of government reforms to higher technical education rests on how well prospective students understand the benefits to them. Prospective students must make an informed choice to pursue alternatives to full-time undergraduate study if they wish to do so and not feel compelled because they have no other alternative due to a MER. Students and the public could perceive the introduction of a MER to be at odds with government's ambitions around lifelong learning, and the introduction of the lifelong loan entitlement (LLE). The LLE should empower learners to be more flexible in their learning and its

participation areas, indicating the positive impact of institutional autonomy in this area.

The introduction of a minimum eligibility requirement (MER) that relates to access to student finance would remove the flexibility universities have in their decision making to use contextual information alongside their own minimum entry requirements. A MER would also have considerable resource implications and create practical difficulties for school and college advisers and for university admissions teams. We would recommend government consulting further with universities and schools on how a MER would work in practice, how problems could be overcome, and to consider what other actions could be more effective in meeting the government's aims. For example, many universities already do a great deal of work to ensure their students attain the levels of numeracy and literacy required, and further actions could build on this.

6. Do you think that a grade 4 in English and maths GCSE (or equivalent), is the appropriate threshold to set for evidence of skills required for success in HE degree (L6) study, managed through their eligibility for student finance?

Yes or No.

Please explain your answer and provide reference to any pedagogical or academic sources of evidence to explain your reasoning.

No. We are concerned that this proposal would have unintended consequences and not be helpful to meet government's objectives behind a MER. We would welcome further engagement with government and other relevant stakeholders on how problems with this proposal might be overcome and what alternatives could work more effectively. Level 2 is a relatively early stage of learning and restrictions could impact on student confidence and their ability to succeed at level 3. A proposed level 2 MER would have the following unintended consequences:

Consequences for disadvantaged students and across ethnic groups

- Level 2 attainment is strongly linked to students' backgrounds and levels of disadvantage. Students who receive free school meals (FSM) tend to have lower average attainment than those who do not. In 2018 those receiving FSM had an average attainment 8 score of 34.6 compared to 48.6 for non FSM students.

- Research by the Institute for Fiscal Studies shows one in four undergraduates eligible for FSM at age 16 would not have been able to access student loans under a GCSE English and Maths requirement compared to 9% of those not T* 226

7. Do you think that two E grades at A level (or equivalent) is the appropriate threshold to set for eligibility to student finance, to evidence the skills required for success in HE degree (L6) study?

Yes or No.

Please explain your answer and provide reference to any pedagogical or academic sources of evidence to explain your reasoning.

No. Again, we are concerned that this proposal would have unintended consequences and would be unhelpful to the government's objectives. We would recommend further exploration with universities and schools on the problems, how they might be overcome and what potential alternative actions exist. Unintended consequences include:

Consequences for disadvantaged students

Level 3 attainment is strongly linked to students' backgrounds. In 2018 disadvantaged students had an average point score (APS) at A level of 28.8 compared to 34.2 for non-disadvantaged students. Gaps also exist by institution type. In 2018 19, students who attended independent schools had an APS of 40.9, compared to 32.9 for state-funded schools - a trend that continued during the coronavirus pandemic where attainment increased for all school types. A larger proportion of students at independent schools also achieved at least two A levels, compared to their counterparts at state-funded schools (89.4% versus 79.0%).

Consequences for levelling up

-

8. Do you agree that there should there be an exemption from MERs for mature students aged 25 or above?

Yes or No.

Please explain your answer and give evidence where possible.

Yes. It would be inconsistent with the aims of the lifelong loan entitlement if a MER were to apply to students aged 25 or above. Mature learners are more likely to enter higher education through further education routes, access and foundation eli a

9.

all level 4 and 5 qualifications on MERs important that level 4 and 5 learners can progress between different pathways, to give them the broadest possible choice of options, and that they can choose to go on to study at university. A MER applying would prevent this.

11. Do you agree that there should be an exemption from any level 2 eligibility requirement to level 6 study for students with good results at level 3?

Yes or No.

Please explain your answer and give evidence where possible.

Yes. Students should be rewarded for making rapid progress at level 3, and therefore if a level 2 MER was imposed, there should be an allowance made for level 3 results.

12. Do you agree that there should be an exemption to MERs for students who enter level 6 via an integrated foundation year, or who hold an Access to HE qualification?

Yes or No.

Please explain your answer and give evidence where possible

Yes. Foundation year and access to HE courses prepare individuals without traditional qualifications for study in higher education, including those who would not meet a MER. This preparation helps to rectify any skills gaps that would hold a student back from succeeding at university. If this exemption did not apply, there would be little value in some students taking a foundation year or access to HE courses as they would not be eligible to study in higher education.

13. Are there any other exemptions to the minimum eligibility requirement that you think we should consider?

Yes or No.

Please explain your answer and give evidence where possible.

Yes As there is a link between level 2 and 3 attainment and socioeconomic disadvantage, there could be a case for including exemptions for disadvantaged students (including care experienced students). We are opposed to students being excluded from accessing higher education as a result of their background. However, there are many methods for measuring disadvantage, such as FSM, IMD, POLAR, and MEM. Each measure has its own advantages and disadvantages, making it difficult to apply an agreed measure consistently to students who are struggling to succeed in their courses.

disproportionately impact those students who need support to succeed in higher education.

We recognise government's concerns on the differences between students are charged between foundation years and Access to HE. We propose working with

- costs of foundation year provision are likely to be much higher than Access to HE costs. There is indicative evidence which shows that costs in higher education are higher than in colleges.

We also note that while foundation year provision can be delivered successfully to a high quality in further education partners, there are key benefits to delivering foundation years in higher education. Students benefit from the continuity of provision between their foundation year and Level 6 qualification; the curriculum and delivery is fully integrated to maximise the likelihood of success at Level 6; and students benefit from wider resources and support, such as libraries and laboratories, which may not otherwise be available to them. Access to these resources account for a large part of the cost of delivering in HE, students see a clear benefit in their progression and attainment as a result of this.

foundation year students generally make greater use of both academic and pastoral support services

Foundation years strengthen the pipeline of skills for many sectors, with significant proportions of students in some subjects entering through a foundation year. Foundation years accounted for 16% of all entrants aiming for a first degree level university study in engineering, 10% in biological sciences, 11% in computer sciences and 12% in physical sciences. These students go on to work in key shortage areas, supporting the government's wider aims of levelling up and an advanced, highly skilled workforce in strategically important areas. Therefore, reduced foundation year provision has the potential to exacerbate skills shortages in many areas, which runs counter to government aims of better meeting the needs of employers and the economy.

The government's consultation also states that lower tuition fee loan limits would apply to students accessing English student finance whether they choose to study in England or elsewhere in the UK. UK Government may wish to consider unintended consequences of this policy through liaison with the devolved administrations.

16. Do you agree there is a case for allowing some foundation year provision to charge a higher fee than the rest? Or is there another way for government to support certain foundation years which offer particular benefits? Please explain your answer.

Foundation year provision differs in scope across UUK members. For some universities, provision will be focussed on a small number of subjects, whereas for

Winter (t w)2 (l (r)1 (o)2 (v)1 (h)1 (m)-32 (l)2 (w)2 (s)3)-3n (i)2 (c)1 t(m)2 (a (i)2 c (i)2 t (s)3

offer

17. If some foundation year provision were eligible to attract a higher fee, then should this eligibility be on the basis of:

- particular subjects
- some other basis (for example by reference to supporting disadvantaged students to access highly selective degree level education)?

Please explain your answer.

Please see our answer to the previous question.

National scholarship scheme

18. What are your views on how the eligibility for a national scholarship scheme should be set?

We commend the government's aim to address the ongoing financial barriers preventing disadvantaged students from achieving their full potential in higher education and its plan to introduce a national scholarship scheme, backed by new funding. We agree that additional support is needed alongside other existing interventions. We are unclear whether there will be corresponding funding being made available to the devolved administrations for similar schemes. We would welcome clarity on this. It is also important that English domiciled students supported by this scheme are able to choose the right courses for them at whichever UK provider they choose.

The proposals set out in this consultation, on top of changes to parameters to the student loan system, have the potential to damage access to higher education. Therefore, the national scholarship scheme will be crucial to offset some of the more damaging impacts. The scheme should be targeted at disadvantaged individuals who have the potential to succeed in higher education, but who may not have had sufficient opportunity through their pre-HE education. It should come with the freedom of choice to allow these disadvantaged individuals to study at the most suitable course for them at a UK institution that is right for them and should not be limited to higher tariff institutions.

Eligibility should be informed by consistent and reliable metrics that relate to disadvantage. As part of our [Fair admissions review](#) we evaluated the indicators used to inform contextual admissions and proposed that the sector move towards a 'basket' of consistent indicators for disadvantage that included Index of Multiple

Deprivation (IMD), free school meals (FSM) status, and care experienced status. A similar approach could be implemented here.

It is also important that a national scholarship scheme complements the work that universities do through their access and participation plans (APPs), rather than duplicating it.

Design of the scheme should consider that students (both young and mature) are significantly concerned about meeting their living costs while studying; these concerns will only increase due to the cost of living crisis. Students from disadvantaged backgrounds will have less recourse to family support, will need to take out higher loans to cover their living costs. UUK has recommended reinstating maintenance grants, targeted to students who need them the most, as the most direct means of supporting disadvantaged students in higher education.

Level 4 and 5 courses

19. How can Government better support providers to grow high-quality level 4 and 5 courses? You may want to consider how grant funding is allocated, including between different qualifications or subject areas, in your response.

We are keen to develop level 4 and 5 courses both through HTQ provision and with existing undergraduate programmes to increase choice and flexibility but most importantly to open higher education to new learners and those upskilling in the workplace.

One of the most effective ways of growing high quality level 4 and 5 courses is to build local partnerships between providers and employers. This has already been the focus of the strategic development fund but this needs to go further. We need to ensure that all level 4 and 5 provision can be increased and integrated in a coherent offer for learners. We need support to build partnerships that will sustain this provision over time, engaging learners, working with employers, enabling progression between providers and embedding in local skills infrastructure, including Institutes of Technology. We want to explore practical ways in which we can make these changes work for learners and employers including the provision of information, advice and guidance, developing and testing user journeys and adopting smart regulation. This will require grant funding.

Specific demand remains uncertain for level 4/5 provision, so additional support will be needed to both research and understand demand but also engage with learners and employers and promote the opportunities that will be created through high quality



end of a qualification the assessment of each module needs to be considered by the providers at the point of programme design. It is unclear what an assessment of the quality of individual modules by the Institute would cover and how this would add value to learners and employers rather than burden to providers. Considering ambitions for the LLE to be the single student funding mechanism, the scale of assessing every module and the resources, administration and delays that this would involve far outweigh any potential benefit.

We believe there are already sufficient mechanisms in place to deliver what the LLE aims to achieve. This includes the fact that standards for HTQs are approved by IfATE; that higher education institutions processes for programme design and quality assurance are already covered by QAA/OfA arrangements; that there already exists a credit framework in higher education that almost all institutions use; that increased guidance on modularity will come out through the LLE process. More guidance should be developed as needed, based on experience and evidence.

Overall, we must avoid an increasingly complex regulatory landscape for qualifications at level-5. There is significant overlap between the activity of the regulators—this often manifests in duplicate reporting requirements which takes time away from supporting students. This is something that was acknowledged in a recent letter to the OfS. We would be happy to work with the DfE to explore where the burden can be reduced to support wide engagement with the government's level 4 reforms.

26. How would these approaches align or conflict with OfS and/or university course approval requirements?

We do not see these proposals as necessary or adding value to the learner or

However, imposing blanket regulation