

Education Committee

Oral evidence: [Value for money in higher education](#),
HC 343

Tuesday 12 Dec 2017

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[Watch the meeting](#)

Members present: Robert Halfon (Chair); Lucy Allan; Michelle Donelan; James Frith; Emma Hardy; Trudy Harrison; Ian Mearns; Lucy Powell; Thelma Walker; Mr William Wragg.

Questions 1-61

Witnesses

[I](#): Sam Brook, Warwick University graduate, Aaron Oreschnick, degree apprentice, Manchester Metropolitan University, Polly Tyler, Nottingham Trent University student, and Taylor McGraa, Education Officer, Goldsmiths Students' Union.

[II](#): Nicola Dandridge, Chief Executive, Office for Students, Amatey Doku, Vice President (Higher Education), National Union of Students, and Conor Ryan, Director of Research and Communications, Sutton Trust.

Written evidence from witnesses:

- [National Union of Students](#)
- [Office for Students](#)
- [Sam Brook](#)
- [Sutton Trust](#)

Examination of witnesses

Witnesses: Sam Brook, Aaron Oreschnick, Polly Tyler and Taylor McGraa gave evidence.

Chair: Good morning. Thank you very much for coming today. We are going to be slightly more informal than usual. We are glad that you have come because we want to hear from students and people on the ground, as well as all the experts and academics. For the benefit of the public watching this and for the benefit of the tape, will you introduce yourselves from my left to right and say who you are?

Sam Brook: Good morning, everybody. My name is Sam Brook. I studied Economics at Warwick. I graduated in 2016 and am currently on the RBS grad scheme.

Polly Tyler: I'm Polly Tyler. I'm a mature student at Nottingham Trent University. I am in the third year of my Sociology degree.

Aaron Oreschnick: My name is Aaron Oreschnick. I work for Pizza Hut and I am on a degree apprenticeship at Manchester Met doing a chartered manager degree apprenticeship.

Taylor McGraa: My name is Taylor McGraa. I'm the education officer at Goldsmiths Students' Union.

Q1 **Chair:** Thank you. May I ask you to speak slightly louder for the microphones and for the people watching outside? Our inquiry is called "Value for Money in Higher Education". Can each of you describe what you think value for money in higher education actually means?

Sam Brook: Personally, I think value for money in higher education is about what costs I received at university. I went to Warwick and studied Economics. Spending £9,000 a year there got me 250 hours of contact time, which was often shared with 349 other students. Some simple back-of-the-envelope statistics: that equates to a one-hour lecture being £18,000 to deliver. That is a broad statistic. There is a lot of cost involved in running universities outside of just putting on lectures, but this is what I see as the primary function of university: for me to receive an education, to attend lectures and be well educated. If the net cost of one of those lectures is £18,000 and you compare it with £4,500 to send a kid to secondary school for a whole year, the stats do not add up, so I think value for money is poor in that sense.

Q2 **Chair:** You say you think the primary role of going to university is to get an education. Would you say it is also to make sure that you have a job at the end?

Sam Brook: It definitely facilitates a job. However, I am of the opinion that currently in the UK, universities basically represent a monopoly on



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jobs. It is not essentially that I am going as a gateway to a job; I am going because it is necessary for me to get a job. Universities are therefore in a position of power whereby they can charge—capped at £9,000 by the Government—as much as they basically want on the premise of increased earning potential throughout the course of your life. I believe that a lot of that is as a result of the innate ability of the person going to university, not as a result of all the things that you are taught at university. I think that there is a benefit to going to university and there are a lot of things that you are taught at university—hence there should be some cost attributed to it—but I do not see it necessarily as an essential gateway, even though it currently holds that status.

Polly Tyler: My main reason for going back to university was because, as a single parent, I got quite concerned a few years ago thinking about how I will fund my son through university on a single wage, which was not high. My main aim is to earn more as a result of having a degree so that I can fund him through university. That is my main reason. In terms of value for money, it is probably not value for money in an obvious sense. I am on quite a different degree to what you have done, Sam—I have fewer contact hours. In terms of value for money, it is what you put into it. There is a lot that the university offers as well as the degree.

Q3 **Chair:** What made you choose university over doing an apprenticeship?

Polly Tyler: I didn't really see an apprenticeship as an option at my age; that was not really something I looked into. I looked at my local universities, because moving really was not an option, so I was quite restricted in terms of which universities I was able to access.

Aaron Oreschnick: As a degree apprentice, I have no university fees. Everything for my education is paid for by my employer and the levies. In terms of value for money for me, that is great, but this is the third degree that I have tried. The first time, I was doing Music at Leeds and I got glandular fever in my second year. It was very much the same—not much contact time besides me having access to those facilities to be able to practise and to hone my skills. Then I did a degree in Art and Design, but I had to drop out because I was in a car accident—I had a drunk driver go into the back of me. That was a very intensive degree; it was 9 to 5 every single day and you had tutors in and out all the time. Doing a degree apprenticeship is very different because I go in to university for two days every month, but on those two days I am in nine hours of lectures where we have a lecturer with us for the entire day. We have support and access to those tutors whenever we want. If we send them an email at 10 o'clock at night, we will most likely get a reply within half an hour, and if not then the following morning, with the answers to our questions. The university are so supportive and have so much help and support for you for anything that you need. Especially doing a degree apprenticeship, you are set up for a job in the future. I am getting four years' work experience doing this because I am working at the same time and I have a guaranteed job at the end of it. I have already progressed in work in the first year and a half of me being at university; I am already being involved in higher departments in the company. For me, there is a definite value-for-money

element because I am applying everything that I am learning straightaway.

Taylor McGraa: It is really interesting to hear everybody's take on it. What is really obvious is that everyone's value for money in their education experience completely differs depending on the context, background and what institution they went to. For me, the reason I was really interested in coming here today is that I would argue that value for money is a really unhelpful way of thinking about education. What do we actually mean when we are talking about value for money? For a lot of people it boils down to either the contact hours—but when you think about that in the wider context, academics are often on zero-hours contracts, have a very low wage, and are under a lot of pressure already—or personal input, which puts a lot of personal pressure on something that you are investing over nine grand a year into. To me, value for money in education is basically just the marketisation of education in its grossest form. That is what it means to me.

James Frith: Taylor, I agree with you. Faced with the reality of the situation and your insight at Goldsmiths—I should say, by the way, that I am an unpaid voluntary member of an advisory board for a university comparison site—what else might value be? For money or not, the reality is that we are scrutinising the market in front of us. We can argue the principles of that, but what else do you see as the job of the university that might give value? Take the money bit out, but the value is important here. Sam talked about the primary concern being his education, but what else might value mean for undergraduates?

Taylor McGraa: What value would they get out of their degree?

James Frith: From being at university, yes.

Taylor McGraa: Are we talking about it dislocated from the money?

James Frith: Yes.

Taylor McGraa: Okay. Again, it comes down to personal context, but I think it is academic endeavour. The idea that universities were made to give people a high-salary job or to be a form of social mobility is true in some ways, because of the way that they have been shaped today, but that was not really what academia and universities were built for. The value is much more holistic.

Personally, I did have to take into account jobs, social mobility and things like that, because I was the first person in my family to go to university and I couldn't have afforded to take that financial risk. However, when you take the debt out of the equation, the value for me was that it made me see the world in a different way, and the people I met. It gave me the language to come to things like this, to criticise the world and to weigh things up.

Q4 James Frith: So at the very least, that should also be included in a system that expects you to pay for it, shouldn't it?



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Taylor McGraa: Yes, but I don't think it is something that can be equated to pay and money. Once you start doing that, I think you are going down a very slippery slope, which we're already doing.

- Q5 **James Frith:** I agree. Aaron, you gave a very powerful summary of your experience doing a degree apprenticeship. Are you able to say what lessons normal university life, or original university life, can learn from the approach that degree apprenticeships have taken?

Aaron Oreschnick: I think the hardest thing that I had with doing a traditional degree was that I didn't really see how I was going to apply it to real life, especially when doing a degree like Music, or Art and Design. Most of the people I went to university with on both of those courses have done conversion degrees into other disciplines—becoming solicitors or educators, for example—because they couldn't do anything with those degrees that they wanted to do. They had to give up on their dreams and do something more realistic.

Taylor said that a lot of the value is holistic. For me, it is about the people, the facilities and the support that you get. I have an amazing library at Manchester Met and access to anything that I need. Given that I am doing a degree apprenticeship, that is hugely important, because I am not at university every day; I am at work doing a 70-hour week sometimes, because it's busy and I need to be there. I am deputy manager and my responsibility is to run my business, so I need 24-hour access and online access. I need to be able to contact my student support tutors, and talk to them about my dyslexia and all the extra stuff that I need.

The university is there to give that to me, but I think one of the biggest things that I see with the students, as a student rep for my course, is that they forget to ask for help. Universities are ready to help and they are kind of saying, "Come to us," but they are not going to spoonfeed it to you. There needs to be a lot more onus on students to find that value, because the universities are ready to provide it.

- Q6 **James Frith:** One last question to Polly. It was a very interesting moment in your life when you decided to go back to university not just for your own betterment, but to fund your son through university subsequently. Is that what you said?

Polly Tyler: Yes.

James Frith: What are you experiencing beyond the immediate deal of higher education? What are the other valuable things that you are getting from going back to uni?

Polly Tyler: I think it's similar to Aaron's experience, actually; it is those additional things. There is a lot of support at the university: the good library and a lot of online information. One of the biggest things that I have found valuable is that as part of my course, in the second year, we did a service learning project. We worked with a community organisation in Nottingham—it had to be not-for-profit—in small groups to resolve an issue that they had. One thing that came out of a previous year's work on



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this—I do not know whether you have heard of Nottingham being the first city to class misogyny as a hate crime. That was as a result of one of our service learning projects. It is about working with the community to resolve an issue that they have.

- Q7 **Emma Hardy:** Thank you for coming. Thinking about what made you choose the courses that you were on, Sam and Taylor, am I right in thinking that you went straight from school to university?

Sam Brook: Yes.

- Q8 **Emma Hardy:** Thinking about your experience at school, do you feel that you got the careers advice you needed on what subject to study at university, what degrees were available or what debt would accumulate at the end? Do you think you got that from schools?

Sam Brook: I think my own choice of what I did at university was very personal. I had always wanted to do Economics, just from being interested in current affairs, business and so on. I was enabled at school to have a wide choice of universities and to learn all the details of what universities provided. As to debt and the finance side of going to university, I think that that is incredibly murky. I think that almost no one entering university understands the level of debt they will have in the future and what they will come out of university with. It is a very easy fudge for schools and universities and the Government. People basically accumulate this mountain of debt to paper over the cracks for the first five or 10 years of a person's career, life and time at university. The school thinks, "Go to university because it makes the school look good and we get the percentages." Universities look good because they have more people and so on. When you come out of university, it becomes a problem at a later stage in life, and it is that element that is most unclear.

- Q9 **Mr Wragg:** Good morning, everybody. There are obviously a variety of courses that you are doing, so my question follows on, and it is for anyone to answer. In terms of the potential for a divide in the value for money between an arts degree and a science degree, there might be a perception out there that the fees of some students are in fact subsidising other courses, and they do not feel they are getting value for money for their course. Have you got any thoughts on that? We will perhaps start with Taylor.

Taylor McGraa: I am sorry; what is your question specifically?

Mr Wragg: The question essentially is: are the arts subsidising the sciences in terms of student fees?

Taylor McGraa: As in they are—

Mr Wragg: Is an arts degree student getting the same amount of bang for their buck as a science student?

Taylor McGraa: This is why the entire argument is not useful, to be honest. If you want to do an arts course, you should be able to do that without having to weigh up how much you are going to get out of it.



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Actually, it is a really big myth that graduates with arts degrees are less employable.

Mr Wragg: I did not say that. I asked about value for money.

Taylor McGraa: It is insinuated a little bit. I can only speak for Goldsmiths specifically. At Goldsmiths our courses that would be considered more vocational do worse in the DLHE scores than our Fine Art degree and things like that. Are you asking whether people get more bang for their buck—

Q10 **Mr Wragg:** Contact time. Do they get better resources and this, that and the other?

Taylor McGraa: Um, well, I have never done a non-arts degree, so I cannot speak on that, but I would say that talking about it in those terms is probably not useful to the argument I wish to make today, but thank you for your question.

Q11 **Lucy Allan:** I just want to come back on something really powerful that Sam said about a degree being a gateway to a good job. My concern is that, in effect, people have to pay to get access to the jobs market. Would you agree that in some jobs, even yours, that would be unnecessary? If you had the right ability and talent, you could be doing your job without having to pay for access to that job.

Sam Brook: Definitely, and I think that is applicable to 95% of the jobs in the UK. With the exception of doctors and nurses and some highly skilled jobs that are learned directly through university, I think that that is exactly the case.

Q12 **Lucy Allan:** I think that is a very powerful point you made, and we should be concerned about that. Did you say 95% or 85%?

Sam Brook: It was an arbitrary figure, but it is a very high number of jobs among my peers that I know of.

James Frith: Aaron's testimony—the way you have spoken about your experiences—is an alternative way of accessing the jobs market.

Chair: We are going to come on to maintenance and student support.

Q13 **Thelma Walker:** I personally benefited from a full grant for tuition fees, maintenance and everyday costs—my mother was widowed back in the '70s. That maintenance grant has been cut. I am aware that 77% of students have to work during term time just to make ends meet, and that 70-odd% of students are really stressed out about managing financially. Should the Government reintroduce maintenance grants? Do you agree that most students—this is to Polly, in particular—are struggling financially, and that that is having a negative impact on their studies and on the quality of their life?

Polly Tyler: Yes, I think they should absolutely be introduced. I get a full maintenance grant for myself, I get a grant for my son, and then I get the full student loan on top of that. My biggest concern before going back to



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university was whether I could keep a roof over my son's head while I was there. If I did not have that certainty, I could not have done it. I needed to be 100% certain that I could pay the mortgage. Apart from a brief period in one of the summers, I have not worked while I have been there, because it would just be too much for me to deal with that as well, so I needed to have that income.

One of my other concerns about funding is that I am quite dependent on tax credits as well. I get child benefit and child tax credit as well. My grant and loans are just enough to cover my mortgage and bills, and I am dependent on child benefit and child tax credit for food and clothes. I get that weekly, so that is my weekly payment. I am very concerned about the introduction of universal credit. If I did not have a reliable source of income, I wouldn't be able to do it. It just wouldn't be an option. I am very concerned about that coming in next year.

- Q14 **Thelma Walker:** Do you have ongoing concerns and worries—this is to all of you—about the debt from your student loan when you complete the course? There is the everyday worry about finances, but then there is the long-term concern about what you are going to owe at the end.

Polly Tyler: I don't see it as a loan; I see it as a graduate tax. I am 38, and it is very unlikely that I will pay off the debt that I have, because in 30 years I will be retiring.

Thelma Walker: And it is written off after 30 years.

Polly Tyler: Yes, or on retirement, so I very much doubt I will earn enough to pay off the whole thing. I will obviously pay whatever is deducted, but I don't really see it as a debt in the same way. It helps having a mortgage already, so I don't need to worry about the loan being counted against me.

- Q15 **Thelma Walker:** What about you, Aaron? Can I ask how you feel? It is going to be slightly different for you.

Aaron Oreschnick: Obviously, I don't get maintenance because of the degree apprenticeship, but I do have a lot of students who work for me. I have a student who has just graduated from Manchester Met doing exactly the same degree as the one I that I have just finished—three years. She is coming away from that degree with £50,000-worth of debt.

Thelma Walker: And that's the average, I believe.

Aaron Oreschnick: Yes. I am concerned for my team, and we make sure we give them any time off we can for exams, revision and getting coursework in. Especially in restaurants in general, the majority of the team you see are students because they need a job. It was the same when I was at university in Edinburgh and Leeds. I needed a job. Especially when I was in Edinburgh, I was working full time on top of doing a full-time nine-to-five degree as well. I was getting very little sleep, but I needed to do it so I could survive. I wasn't getting enough support. I didn't have my parents supporting me, so I had to work. I had to put every ounce of effort into surviving. It really is about surviving.



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Q16 Lucy Powell: Hi, everybody. Thanks very much for your contributions so far. I think that between you, you probably represent the full scale of opinion, with you, Taylor, seeing things very much holistically—the wider contribution—and Sam, you coming in very strongly about calculating the amount of contact hours per input and output and so on. All those views are very valid. I just want to say that it is good to hear that Manchester Met, which I represent as an MP, is providing you with such a good experience, Aaron.

My question is really about employability and destination for you as graduates, as undergraduates and on degree-level apprenticeships. Coming back to something that Sam was saying earlier, in this country we actually have some of the highest levels of graduates working in what would be described as non-graduate jobs—much higher than most of our economic competitors. My question has two parts. One is: how much did you look at the destination of people who had previously done your course, and their employability? How much did that feature in your choices? And secondly, do you think that the universities give you enough careers guidance and enough opportunities to meet with employers and do things that you might want to do? Perhaps you could each quickly answer that.

Sam Brook: When I was going to university, my decision about which one to go to was highly influenced by my graduate destination, etc. However, having started my graduate destination and looking back on what I gained from university and whether that was actually applicable to the job I ended up doing, I don't think that all the stuff I learned is relevant, and therefore, potentially it was not as necessary as is first alluded to when you go to university.

Q17 Lucy Powell: But Warwick obviously gave you that access to those networks and things, did they?

Sam Brook: Yes, I suppose they did, but I think that that could be done in a different way. I am not sure it is completely pinned to the fact that it was the university that was driving that.

Polly Tyler: My university is very good in terms of employment. There is a whole employability module that I do—the service learning I mentioned is part of that. The whole course is very much focused on getting people into work. Then there is a whole employability service, who will help you, right the way through your degree, with looking at work, careers options and all those things. A lot of that is not tailored as much towards mature students, but they are still very good. In terms of choosing the degree, I had worked previously as a welfare rights adviser, so for me Sociology was a continuation of what I had already been doing. But I had to pick my university based on what was local.

Aaron Oreschnick: For me, each year we do a negotiated business project, so it is very much about employability, negotiating with the business what we are going to do in university, and it is really about gaining skills that you can use straightaway. I am building relationships



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constantly with people in our restaurant support centre. I am heavily interested in learning and development, and that is my end goal. That is where I want to be, so my mentor from Pizza Hut is the head of learning and development. She really supports me with that future destination.

When I went originally to university to do Music, my idea was, "I'll go into music and then I potentially want to do teaching, but I don't really know. But I love music, so I'll go and do Music". When I went and did Art, it was because it was my second love. I wanted to go towards something like stage design or sculpture and do that kind of thing, but I didn't really have an end goal. Going into employment and then Pizza Hut offering this degree was, "This is a way for me to develop within my role and to develop further in the business," and that is why I wanted to go for it. I have been so passionate about going for it.

Q18 Lucy Powell: So you were already working in that sector.

Aaron Oreschnick: Yes, I have worked for Pizza Hut for 12 years now. They started advertising it three years ago, and I am a year and a half into my four-year course.

Taylor McGraa: On the side of my personal experience, going to Goldsmiths I didn't look at any data scores. I did see that the media department had a really great reputation. I looked at media and English—this kind of relates back to the earlier question from Emma Hardy—and I ended up moving to straight English because it was maybe perceived as "more prestigious", in my mother's words. I ended up not enjoying it, and going back to doing Media and English, and paying another £18K, because I realised that I actually made a mistake. It wasn't about practicality for me; it was about the wider experience.

In the wider context of thinking about careers and graduate destinations, it is an important conversation to have, because it is a really great part of education to learn about your transferable skills and how to apply them in the working world. However, I feel like at the moment the conversation is far too much entwined with specifically the university experience, and that the careers service and advice on their career destination that all people should be entitled to is too much entwined with the university experience, and that is ostracising a whole cohort of people, especially those whose decision may have been affected by the maintenance grant's now being taken away, and so on.

I said earlier that universities were never made to give people jobs. While career services and universities are really useful, what I am seeing personally now, because of the heavy pressure on debt and expectation after you leave, is that I feel like the whole careers thing is encroaching a little bit on academic endeavour. I am seeing it in Goldsmiths at the moment, where there is talk every time we pass new courses through. People have suggested maybe having a formal consultation with the career service to see if there is an actual destination for that new course. It may be considered in the review of academic departments; employability may now be seen as part of that policy review. And it has



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really taken away from what education is really supposed to be about, which is—

- Q19 **Lucy Powell:** So you think the whole construct of the way that the fee system is perceived has consumerised, if you like, or marketised, as you were saying earlier, instead of maybe just being seen as a graduate tax, and therefore the pursuit of academic rigour as a thing in itself?

Taylor McGraa: Yes. And I am not saying that people should go to university literally for academic rigour, because that would be quite an elitist way to go about it, and personal development is super-important. But I think the conversation has just become a little bit convoluted at the moment.

Chair: Okay. We will now move on to degree apprenticeships.

- Q20 **Trudy Harrison:** Thank you, all. I will just declare an interest, as an apprenticeship ambassador and as the co-chair of the Apprenticeship Delivery Board. I am really keen to understand, Aaron, what the relationship is between the university and your employer. I am also interested in payment terms. I mean, is this a way for Pizza Hut to employ a manager on the cheap?

Aaron Oreschnick: No, definitely not. I am on the regular deputy manager wage for the company, and Manchester Met does not partner with any company that pays the apprenticeship wage; companies have to pay the minimum wage—well, the living wage. The university will not approach any company at all that pays the apprenticeship wage, which I think is really quite noble in terms of the institution as well.

As for the relationship between the employer and the university, the course changes due to employee feedback and due to the employers' feedback as well. The course is very much written around what the employers want us to learn about and know about. We went through a programmed select committee last year, where with one of the modules—I think it was in our third year—we had to sign off on it being changed, even though it is two years away, because they wanted to move the digital side of it into every single module and not have a dedicated module for it. That is because of employer feedback and because of the feedback from us.

As for myself, I am part of the student representatives for the course, so I go to the student liaison meetings and the programme committee meetings, and I feed back everything from all of the guys who are on the course. And it is amazing how much the university listens and actions the things that we take to them. They don't just sit and go, "Well, we're right, you're wrong." They actually listen to us and go, "Okay, we need to give you more support here. We'll get library services in here and we'll help you with that. We're going to move the rooms around, because these rooms are not suitable for your needs." There is so much help and support and they do listen to what we want. We get visit tutors that come out to our businesses to see us in business, and that is part of our assessment criteria as well. We can request more of those visits and just say, "These are the exact times that we can take," and they are just fantastic.



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- Q21 **Trudy Harrison:** You paint a very encouraging picture and I am glad to hear that, but we still see nearly twice as many students at school being persuaded down the university route.

Aaron Oreschnick: Because of the stigma.

- Q22 **Trudy Harrison:** Well, quite possibly. I will be keen to hear about that as well, but I do worry whether there is a risk that the benefits of going to university—independence, moving away from your folks—could be lost with degree-level apprenticeships.

Aaron Oreschnick: First, you can still move away from your folks; you do not need to live at home still. Secondly, there is someone on my degree apprenticeship from Pizza Hut who went from school into the degree apprenticeship and when he said he was going to do it, none of his friends knew they could do that. The amount of knowledge around degree apprenticeships is ridiculously low. People do not know that it is an option, that it exists; and apprenticeship comes with a stigma. People look down on it and think it is less of a degree. They just do not understand. Then you go, “Well yeah, fine, I am doing my degree course while I am working. I am doing it over four years instead of three. I have still got as many assessments as you, I am still held to the same marking criteria. Let’s compare some of our work.” And they realise that it is as good a quality degree as a standard degree. I have got firsts in every single assessment I have had so far.

- Q23 **Lucy Powell:** Just a very quick follow-up to that. Sam, I was thinking of you at this point. Hearing of Aaron’s experience, do you wish you had known about those options before you made your choice, because he is actually getting paid rather than getting into debt for that experience?

Sam Brook: I honestly think that yes, there would have been a value in knowing that that was an option and I agree entirely with Aaron that, because of a stigma and a lack of knowledge that there is this other option, people do not pursue it. I would probably fall victim, and do fall victim, to that stigma, in that I would want to go and get as good an education as possible because this is what our society values, and so on. So I think, for me personally, I would have still made the same choice. That is not to say that there is not this stigma. Basically, it needs to stem from schools and increasing knowledge in secondary school that there are these other options. Then, if that were to dissipate, you would become more open to something.

- Q24 **Chair:** Aaron, I just have to say, you are absolutely right about the stigma. When I was going around the country meeting degree apprentices, some of them were not even allowed in the school where they did their schooling, because the school did not want to have anything to do with them even though they were doing state-of-the-art degree apprenticeships like you were, because they wanted to go and encourage the other students at that school that this was an option.

Polly, I know I asked you about apprenticeships at the beginning. If you had known about degree apprenticeships and if there had been one in the



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field that you are doing, would you have thought about that as an option or did you just want to do the university degree?

Polly Tyler: Possibly, yes. The idea of working at the same time might have been an option. It was not really something I had any information about, to be honest. I think I just looked at those more obvious options and I certainly agree about the stigma. I come from a very middle-class family, so it is very much the case that "If you don't have a degree"—there is a stigma there.

Q25 **Chair:** The hope was that, because degree apprenticeships were introduced, that would make them more prestigious, because they are at a higher level, not just levels 2 and 3.

Aaron, what would you do, if you had a magic wand, to make more people aware of degree apprenticeships and take the option you have done?

Aaron Oreschnick: I think it needs to be talked about more and talked about more in a positive light, especially from schools. When you are in high school, you are always told about the traditional degree route. You are not taught about the apprentice route. It stems from people talking about it in a positive way and it is going to take time and ambassadors to show that these are the options, but these are also the different options. Yes, I am doing management, but you can do it and be a solicitor. There is digital marketing, digital technology, there are loads of different options. Within management, there are the fashion pathways, hospitality pathways, retail pathways.

People do not know about it. We have to go out into schools and we have to bring that to the schools and say that this is an option. For me, being a dyslexic, I never thought that academia would be great for me because I struggled at reading. Now, doing a subject that I love—I love hospitality and really love my job—I am enjoying reading because I am understanding the processes behind it.

Q26 **Michelle Donelan:** Good morning. My question is in two parts. First, the Government have announced a number of initiatives, about raising the threshold before you start paying back to £25,000 and capping the current tuition fees. What else do you think they could do in this area for value for money?

Secondly, what else do you think universities could do? I did note your whole point, Taylor, about it not necessarily being about value for money. You could turn that on its head and say that there is then a question about where universities are spending the money that they get. Are they spending it on teaching and resources in academia—are we saying value for academia, for instance—or are they spending it on marketing and vice-chancellor wages and other potentially questionable areas?

Sam Brook: On your first point, the recent initiative to raise the repayment threshold to £25,000 is fundamentally a great one, especially since it was promised by George Osborne previously and now we are raising the threshold to £25,000.



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One of the things I find interesting, and what I wrote in my letter to the Committee, is that under our current system, what we have, due to incredibly high interest rates, is a ballooning debt system. If you never repay your debt, and therefore you don't earn very much money throughout your career, you will basically achieve value for money from education, because you will never repay that much. If you earn lots of money, you repay your debt very quickly—way before the 30-year cut-off when it is written off—and you pay a lesser sum. What actually happens is that you have this really interesting picture for people in the middle. On the £21,000 system, if you start on a salary of £28,000 and assume a 3% increase in wages throughout your career for 30 years, you will repay considerably more in real terms than the £42,000-worth of debt that you came out with. You get this ballooned middle, whereby people starting on a salary of £30,000 who earn 3% growth for the first 10 years and then get a promotion and then start earning £80,000 when they are 40, could end up repaying sums that are £80,000 or £100,000.

Chair: It is brilliant what you are saying, but because of time, could we just keep it slightly shorter?

Sam Brook: The only thing I would do would be to reduce interest rates to the consumer prices index and then it would basically mean that everyone would repay the real return on what they took out.

Michelle Donelan: Does anyone else want to add anything?

Chair: It was a great answer. Emma.

Q27 **Emma Hardy:** Taylor, I completely support what you are saying about this whole idea of universities and value for money, and that the only judgment we make on the value of education is how much cash it gives us at the end.

I am quite interested in the other support that universities give, similar to what Michelle was saying. Polly, do you get pastoral support and that sort of guidance, beyond just the contact hours with your tutor?

Polly Tyler: I do. I think, being older, you have a much better relationship with a lot of the lecturers and tutors. That can make it easier, but at the same time I think they see me as less in need of help than younger students.

Q28 **Emma Hardy:** I just wonder, when we are looking at the value of universities and what they give, would you think that extra support would be something that should be promoted, rather than just contact hours or graduate earnings?

Taylor McGraa: If the regulation is going to continue like it is through things like TEF—where the money is being spent in terms of support should really be on things such as mental health services and pastoral care and things like that. Where it is going, because of things like TEF, is on new buildings, on recruitment and on looking good in the prospectus. So, yes. To answer that in two parts, in terms of value for money, money is



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going on things at the moment that aren't necessary, but are "necessary" for the institution to survive, under the regulations that the Government currently have in place.

- Q29 **Michelle Donelan:** So there are some universities out there charging identical fees to other ones, where one will be investing a lot more in their teaching, resources and so on than the other one. Would you not argue that the student is not getting as good a deal? We need to give better transparency, so that the student can make an informed choice. It cannot be fair if one is employing the money differently to the other one, spending it on core services. One person would leave that university having had more resources spent on them per head.

Taylor McGraa: Yes. I would scrap fees. That would be my answer.

Hon. Members: So would we!

Lucy Powell: Or maybe scrap the concept—the way in which it has been modelled means that we have to make these judgements, maybe.

Chair: Thank you very much. What you have told us is invaluable. We have learned a huge amount from all of you. We will make sure that the interest rate—CPI—and your individual experiences are all incorporated into our Report when it is published sometime next year. On behalf of the Committee, we would like to wish you every success in your futures, and congratulations on what you are doing, and taking on a degree, and the way you have done degree apprenticeships and the degree that you did. Congratulations and thank you.

Examination of witnesses

Witnesses: Nicola Dandridge, Amatey Doku and Conor Ryan.

Chair: Good morning. Thank you for coming. I think you were in the audience for the previous panel, which I am sure you will agree was excellent. Could you kindly introduce yourselves and your organisations?

Amatey Doku: Amatey Doku from the National Union of Students.

Nicola Dandridge: Nicola Dandridge, Chief Executive of the Office for Students.

Conor Ryan: Conor Ryan, Director of Research at the Sutton Trust.

- Q30 **Chair:** Thank you. Before I pass over to my colleagues, I want to start by asking about the NAO Report published last week, which is pretty damning. It quotes only 35% of students as being satisfied; it shows that there is a lack of awareness of students in terms of taking out finance and careers; it suggests there is variable destination data amongst all universities, including the Russell Group. The Report talks about the significant fall in part-time students and about how, although more disadvantaged people are going to university in proportion to wealthier people, the number is not high, and suggests that the destination data of



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disadvantaged students is not great. It also suggests that disadvantaged students are less likely to go to good universities. Given all that, and what the rest of the NAO Report has published, do you not think that our universities or higher education system need fundamental reform?

Amatey Doku: We are very pleased that the NAO has concurred with what NUS has been saying for a long time, in terms of when these reforms were brought in, and certainly in terms of the current fee system. We think that higher education needs urgent reform, and we certainly think the funding system creates perverse incentives that do not benefit the vast majority of students.

I am pleased you mentioned disadvantaged students, and also the big drop in mature and part-time students which needs to be addressed. As vice-president for higher education, one of my top priorities this year is looking at things like, for example, the black attainment gap, which stands at about 26%. Clearly, universities are not providing exactly the same, equitable provision for all students. The National Audit Office Report picked up on a number of things in that area and they should be a stark warning to this Government that we need a fundamental rethink of the current system.

Nicola Dandridge: The National Audit Office Report raised some very significant issues that we need to take extremely seriously. A lot of them are indeed being addressed. Some of them fall directly within the remit of the Office for Students remit and we will be looking at them—not least value for money—but it would be a mistake to assume that everything is a disaster in our higher education system. There is a huge amount that is extremely positive: we have high graduate employment outcomes; there are increases in participation by students from disadvantaged backgrounds. Many things are moving in the right direction and therefore I am not sure that it would be appropriate to use the NAO Report as a justification to argue that the whole thing needs to be turned upside down. I don't think that is the case.

Conor Ryan: There are a number of reforms that we would like to see. We have published Reports recently calling for a fairer fees system where you have means-tested fees and the restoration of the maintenance grant. We would like to see more transparency over contextual admissions so that universities give a break to kids who come from disadvantaged backgrounds, because the gap, particularly at the high tariff universities, is significant. We also think it is really important that there is proper transparency about outcomes: employability outcomes, salary outcomes for different courses, and also what the social benefits are of those courses as well. We think reform is needed and we hope that the review promised by the Prime Minister comes to fruition.

Q31 **Chair:** Do you define elite universities or the best universities in terms of being in the Russell Group?

Nicola Dandridge: I don't know what is meant by elite universities. The whole point about our system is that we have a huge diversity that



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accommodates the different needs and aspirations of different students. On any suggestion that there is some sort of linear model with an elite at the top and poor quality at the bottom, I don't think it works like that. There is a whole diversity. In fact, one of the strengths of the sector—

- Q32 **Chair:** Do you not accept that the Russell Group is seen as representing the universities that are more prestigious, so people go to those universities that are seen as more prestigious?

Nicola Dandridge: I accept that they are perceived as more prestigious, but we must not lose that sense of diversity of the whole sector.

- Q33 **Chair:** Would you therefore accept that in some ways there is not a level playing field? If we take the example of Nottingham Trent University, 25% of its students come from quite deprived backgrounds. It has incredibly positive destinations data. It makes all its students, every single one who goes through the door, do real work experience or a degree apprenticeship, and yet an organisation like that is not classed as prestigious because it is not allowed to be a part of the Russell Group.

There are many good Russell Group universities, but there are some that perform less well than Nottingham Trent University and others, so would you not say that it is a sort of outdated view that we have and in some ways the Russell Group is a bit of a closed shop? Nottingham Trent University, despite its incredible results and what it is doing, is not allowed to be a part of the Russell Group because it does not specialise in research in the same way that Russell Group universities do.

Nicola Dandridge: Can I answer your question by referring to the discussion that took place before about the need for very much better information, advice and guidance for students? That is the way into this problem. At the moment the way in which particularly young people, but mature students as well, are being told about what their options are is very distorted. We need a much better system of making sure that students understand what options are open to them—indeed, Nottingham Trent might absolutely be the right solution for them—so that they can then make the right decisions as opposed to relying on, as you rightly say, maybe outdated ideas about what is right for them.

- Q34 **Michelle Donelan:** To pick up on your point before I ask my main question, you mentioned that the system has a great diversity of options for students, but there is not great diversity in the price point. Given that it is basically a consumer choosing a product, there should be diversity in the price point there if you are getting differentials.

My other point is about the Office for Students, which will potentially offer the transparency that we have been talking about. Do you think that that will go far enough, because the DfE is talking about a system a bit like your local council tax: you get your form and it says exactly where the money has gone, but it is vague because there are grouped big percentages on, say, staff. You would not know how much is on the vice-chancellor or how much is on something else. Marketing would be a vague term, for instance. Will that go far enough? Secondly, will it be a



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case of just naming and shaming or will there be enough power for the Office for Students to do something about it if they think students are not getting value for money?

Nicola Dandridge: The premise on which the Office for Students was set up in the Higher Education and Research Act 2017 was to address value for money. That is the thread that runs right the way through the responsibilities that the office has. I should say at this point that the Office for Students does not actually exist yet. We come into existence on 1 January, so I am talking in a somewhat provisional mode at the moment. The way in which value for money is looked at in the proposals in the regulatory framework on which we are consulting gets at value for money in all sorts of different ways, of which the transparency duty to which you have referred is only one. There are a whole number of conditions that address value for money in different ways and, in particular, there is a real drive to acknowledge the importance of improved information, advice and guidance. So if you look at our responsibilities in the round, I think there is a lot in there that, if we pursue them effectively, can have a real impact on the points you are addressing, of which the transparency—making it clear how the money is spent—is only one part.

Q35 **Michelle Donelan:** So will the office be able to do enough? That was fundamentally my question.

Nicola Dandridge: I certainly hope so. That is the intention.

Amatey Doku: If I may come in on that, we have been looking very closely at the new reforms as they come in and, for us—and I think the leadership of the Office for Students agrees with us—there needs to be adequate student representation throughout the Office for Students, to make it as transparent as possible. Ultimately, a lot of these questions about what information students need will change and will need to be worked out over the next couple of years. Students need to be right at the heart of that and we cannot get to a situation where next year we are looking at less student representation at the Office for Students, at board level and throughout the entire organisation

I want to pick up on a point that was mentioned. I do not think just saying that we need more information for students in terms of trying to dismantle the elitism within the system goes far enough, and I think that the Office for Students has a role to play in making sure that they are cracking down on institutions that may game some of the metrics in order to bump up their teaching excellence framework scores, which is a real concern, certainly when it comes to issues like widening participation. We know that the incentives are set up in a way that universities are encouraged to take students who are not from disadvantaged backgrounds because they have higher satisfaction and probably get higher graduate destinations.

The Office for Students will have the power to penalise those institutions if they try to game the metrics for widening participation, but we do not know whether they will be able to do it in time to stop that happening, so we are looking very closely at the Office for Students. We want to make



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sure that we have strong positive relationship with them, but it is absolutely vital that student representation is maintained throughout, and that issues such as widening participation and the fall in the numbers of mature and part-time students are not lost and our universities are not let off the hook.

Conor Ryan: I echo that point. Our concern through the Bill was the loss of the independence of the director of fair access through OFFA at the moment. We hope that the director for fair access post is at least as powerful as OFFA is in its current role. We think it is really important that, for example, the director of fair access is accountable to this Committee as well as the leadership of the Office for Students.

- Q36 **Ian Mearns:** Nicola, on this issue of the hierarchy of prestige, I must admit that I found your answer a little perturbing. There must be a hierarchy of prestige, otherwise why would the parents of youngsters who attend independent schools try to get them into Oxford and Cambridge if it's the last thing they do? Why is it that Oxford and Cambridge have so many youngsters going to their institutions from non-state sector schools? If there was no hierarchy of prestige and no elitism, why would that fact of life pertain in the 21st century?

Nicola Dandridge: I agree. I think I made the point that there is a perception of prestige. There is a prestige—it is undeniable; it is there. But one cannot and should not argue from that that therefore there is a linear algorithm of excellence and quality, with some universities at the bottom on a single line, with say Oxbridge at the top. Oxford and Cambridge are completely outstanding and nothing I am saying is going to detract from that, but there are different models of excellence and not every student will benefit from going to Oxford or Cambridge. I worry that we are setting students up to fail if we tell them that that is the only way they can succeed, for two reasons. Firstly, because they won't all get in, by definition. Secondly, there are nearly 2 million students in England and they are going to have a whole range of aspirations and will want to do different things, so implying that there is only one way and one place to go is simply misleading. That is my point.

Ian Mearns: I accept that, but at the same time we cannot deny the facts of the current situation.

Nicola Dandridge: I totally agree, and accept that too.

- Q37 **Chair:** The thing is, there is not a level playing field, because in the example I highlighted a moment ago, that university is not allowed to join the Russell Group and therefore is not regarded as prestigious. That is not fair, given that that university and many others are performing incredibly well, and there are examples of universities in the Russell Group not performing as well.

Nicola Dandridge: I absolutely accept that. Indeed, the teaching excellence framework, by way of example, is trying to get at that by measuring outcomes of teaching excellence in a way that cuts right across the sector. We see some Russell Group institutions not doing so well and



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many institutions outside the Russell Group doing extremely well. I think there are attempts to try to address that problem, and the Office for Students will be taking on the teaching excellence framework and therefore engaging with that very debate.

- Q38 **Chair:** Why not disband the Russell Group and just have a genuine league table of various indicators—qualifications, employability and so on?

Nicola Dandridge: I'm not sure it will be the job of the Office for Students to disband the Russell Group.

- Q39 **Chair:** I am not saying that it is the right thing to do, I am just asking for your thoughts on it, as a way of making sure that there is a level playing field.

Nicola Dandridge: I will give that some reflection.

Chair: Emma has been waiting patiently, as always.

- Q40 **Emma Hardy:** I am going to ask you a question similar to the question that I asked the previous group. I am thinking about when students choose which university to apply for, how informed that choice actually is. The National Audit Office Report said that only 20% of students had accessed some of the data available, and only 2% of part-time students used it when looking for courses. Do you think that there is a role for the Office for Students in helping students to become informed about what the best course for them would be?

Nicola Dandridge: Yes, absolutely. That is one of our priorities. Sitting within the Department for Education now, I think there is a lot that we can do in terms of joining up with schools. Certainly young students receive a lot of that advice in schools. We don't do this well, and we could do it a lot better. Thinking through really effective careers advice, particularly in relation to hard-to-reach students and students from disadvantaged backgrounds, is completely critical. Of all the many responsibilities that the Office for Students has, this must be one of the priorities. It is actually not just young, full-time undergraduates. There is an issue about the information and advice that is given to mature students, and to students across the piece. It has to be very sensitive, informed by the employer voice, and regionally sensitive as well. It is a big programme of work.

- Q41 **Emma Hardy:** Would the Sutton Trust have recommendations of how we can help students to choose the best course for them?

Conor Ryan: It is about transparency. I very much agree that that is a crucial role for the Office for Students. One of the things that will be happening over the next few years, and is starting to become available, is linked data between schools and universities about what happens afterwards, not just for three years but potentially to the age of 40.

Once you get that sort of data available to young people in an accessible form, it will give them a sense not just of the salaries—it isn't all about salaries—but if they want to go for a particular type of career, what the career outcomes genuinely are for different types of universities: Russell



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Group, non-Russell Group, higher apprenticeships, or whatever it may be. Once you have that, you will begin to have better-informed students and young people. At the moment, it is quite difficult to get a lot of that data. We know that because we publish research on it and it takes a while for us to get it. It will certainly take a while for students to get a lot of it.

Amatey Doku: It is difficult to have this conversation without understanding the context that we are in. Unfortunately, because of the drive towards a marketisation of higher education, and because universities are being encouraged to compete with each other, there is a lot of information and money being spent on producing information in the form of marketing for universities. We talk about value for money; it would be interesting to know how much the university sector over time has increased its spend on marketing. I do not necessarily think that that is a useful amount of money for universities to be spending—certainly not in terms of student experience.

We are now in the bizarre situation where only last month the Advertising Standards Authority got involved, telling six universities to take down misleading claims. That is what happens when we push an agenda of marketisation of higher education and encourage universities to compete. To some extent, there is a lot of misinformation that might get out to students, and that is a real concern for us. We heard about the TEF being used to help students make decisions. I think that does not necessarily happen. Oxbridge have done very well in the TEF.

I think there are real concerns that TEF does not really measure excellent teaching. It is called the teaching excellence framework but it does not measure excellent teaching at all at its current state. We do—students do—want excellent teaching but the metrics that are used of satisfaction and graduate outcomes are not really the right metrics that are even proxies for measuring excellent teaching. Then it reduces it to gold, silver and bronze, which is not very helpful for students.

A couple of students' unions did some research very recently and surveyed about 9,000 students from 123 different institutions. It was really interesting that students who answered the survey said that they would make different decisions if they knew their university was a gold, silver or bronze. Unfortunately, a lot of students said that they would not have considered applying to their university if they knew it was a gold because—we can only draw from that—they would not feel that they would fit in to that university because it was not somewhere that they could aspire to.

We know that was the same, and quite high, for BME students. About 10% of BME students are at gold institutions. A lot of work needs to be done in terms of the real equality impact of the teaching excellence framework. It needs to and should measure excellent teaching. At its current stage, it does not do so. There are a lot of questions about that. There is marketing: understanding that the Office for Students is going to be up against millions being poured into marketing across our education. That is going to be a real uphill struggle.



- Q42 Michelle Donelan:** You mentioned the marketisation of the university system and that being in part to blame. Is it not actually that it is not operating as a market that is the problem? You have got basically people paying the same price for differentiating products—that is what has gone wrong—whereas the original vision was that you would be getting value for money because you would be paying different rates and getting a different level of service based on what you actually wanted.

Because we have not got the transparency in the system and because there are not the different price points, it is not actually working in the way it was originally designed to do. Isn't that the problem, rather than the fact that it is marketised?

Amatey Doku: I agree 100% that it doesn't work, even on its own terms, but I think fundamentally we should not be looking at higher education as a simple commodity that can be bought and sold by students. We can't see students as consumers in a set-up where they have still to be accepted by the institution to come in.

They don't have all the information they need to act in that way, so that they can start analysing and comparing the balance sheets of different institutions and then make an assessment about efficiency in that sense. Yes, it is not working on its own terms but we don't think higher education works like that.

- Q43 Lucy Allan:** Following that point—for all of you—do you agree that if you are paying for something you have an absolute right to expect some sort of value, even if it is across a range of metrics? I am not just talking in terms of per hour of contact or levels of pastoral care; I am talking about a whole range of metrics.

Wouldn't it be helpful to all students to have an agreed transparent range of metrics, so that all universities could set out where they were on that benchmark, and then students could make that choice? If you are paying for something, you do expect value of some form. It does not necessarily need to be monetary.

Conor Ryan: I absolutely agree. That is something that we would hope the Office for Students would be able to do, so that we are not just reliant on the marketing that Amatey was talking about. We would like to see transparency on contact hours and tutor support but we would also like to see the same set of transparent measures when we look at the access measures, particularly for universities.

Quite often it is difficult to work out what they are actually doing because they sometimes choose different measures. Having a common sense of metrics, but explained in a very clear way that students, their parents, teachers and others can understand, would be excellent.

Nicola Dandridge: You are absolutely right that there has to be that degree of transparency, so that students can understand what they are getting. The proposed conditions in the regulatory framework, which is still under consultation, set out exactly what those could be, not in a prescriptive way. It just suggests that these are the sorts of things that



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students should be entitled to know about. Indeed, it does make reference to students' rights as consumers.

I don't think anyone, though, is suggesting that the relationship between a student and a university can solely be defined in terms of their being a consumer. It is just that it is part of it, just as you have outlined. It is also an awful lot more as well. You are right that in a very basic sense a student should know what is on offer and make a choice on the basis of that information. That is what the regulatory framework is seeking to do.

- Q44 **Chair:** Before we come to Lucy, I want to ask again about graduate outcomes. You said, "It's very good." May I just quote from the beginning of the National Audit Office Report? It says: "Graduate outcomes vary widely by subject, provider and family background, as well as other factors such as prior attainment and local labour markets. The difference in median earnings between subjects 10 years after graduation is estimated to be up to £24,000, and between providers up to £13,000. Graduates earn, on average, 42% more than non-graduates. However, graduate earnings for some providers and subjects are lower than for non-graduates", who have also not incurred the liability of repaying a student loan. Is it not the case that what the NAO and the IFS said, what *The Economist* magazine published over the summer and according to other studies, the fact is that although it is true generally that graduate outcomes are good, that is pretty variable? People, particularly from disadvantaged backgrounds, are not coming out of university to highly skilled, graduate-paid jobs. If that is the case, and you agree with that, what should be done about it?

Nicola Dandridge: There is a lot in that question. One of the areas where I thought that the NAO Report maybe slightly missed the mark was precisely this area of graduate salary outcomes, because it assumes that all graduates should earn the same, whereas many graduates—of their own choice—are going into jobs that earn less. For instance, students studying nursing or social work, or going into the creative industries, are deliberately choosing to study for careers where the graduate salaries will not be the same as if they became bankers. They know what they are doing. It is an informed choice—if it isn't, it certainly should be. You are going to have the variation of salary outcomes, and that is inevitable.

- Q45 **Chair:** But it is proportionately hitting the most disadvantaged.

Nicola Dandridge: That is absolutely the right question. That is a really serious issue. It is to do with the whole range of entrenched inequalities. That is a real issue for how we at the Office for Students, the university and higher education systems, and indeed society at large can address some of these really entrenched problems about how we can ensure that students from disadvantaged backgrounds don't carry that disadvantage with them throughout their education and into their careers. I think it is a huge issue, but it is a mistake to conflate that with a criticism of universities—

- Q46 **Chair:** It is not a mistake that we make, because we say that more



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people from disadvantaged backgrounds are going to university. Of course that is a great thing but, as the NAO and others highlight, the proportion again is poor and they are not going to the best universities, whether it is Nottingham Trent or the Russell Group. Will you comment on that, please?

Conor Ryan: Sure. We have done several pieces of research just on the differentials—it is subject choice and university, and there are big differences between universities and between subject choices. The other thing that we have found in some of our research is that even young people with exactly the same degree from a similar university can a few years later end up earning a bit less than somebody who has, say, been to a private school, if they had been to a state school, were from a disadvantaged background or whatever. So there are issues there.

For us, I think, it is really important that employability is addressed in universities. It is good that the Director of Fair Access is going to have more responsibility around retention issues and around those sort of employability issues, because where there are big inequalities for graduates is around internships. We have shown that you need to have about £1,000 a month to live in London as an intern if you are on an unpaid internship where all you are getting is your travel and your lunch. So we need to have proper paid internships, but we also need to see universities—whatever course you are on—facilitating those internships. Some courses have plenty of employability in them; some have virtually none. That is really going to be important, particularly for those disadvantaged young people who do not have the same networks that others have.

Q47 Lucy Powell: I have a couple of questions that relate to what has just been said, so I will bring them into one question. I was a comprehensive girl from the north who got into Oxford, but I left after a year because I absolutely hated it, and went to King's, where the teaching experience was much superior to the teaching experience that I had had at Oxford. So, Nicola, you say that Oxford and Cambridge are outstanding, but I wonder whether part of the problem here is what we are measuring.

We have this in the school system, although we are getting much better at it in the school system, and it absolutely builds on what Robert was saying. It is that often there is a measure of intake rather than of experience and outcomes, and obviously what we are looking at with Oxbridge is the creaming-off of the best, so of course those outcomes are going to be good; it is not necessarily the experience that students have had.

So, what more can we perhaps do, Conor, about contextualised admissions—looking at where people have come from and the progress that they make, through and beyond university, as the measure of whether an institution is good and providing value for money? What do you think about that?



Conor Ryan: We published some research recently on contextual admissions, and I was quite startled, in one sense, by one of the things that we found, because a lot of this debate has focused on contextual admissions somehow depriving other young people of university places. We found that 20% of non-disadvantaged young people were being admitted at two grades below the published grade within the system.

So, having contextual admissions and having them transparent could be done. We showed with free school meal kids, who are least likely to get into university, that you could have a 50% increase in the top 30 universities by having that two-grade offer made to them. It is the same sort of offer that is already being made to a lot of more advantaged young people.

However, it is not enough, as you say, just to do the contextual admissions; it has to be followed up by proper pastoral retention work. It has to be recognised, as it is in schools with the pupil premium, that when you have young people from backgrounds where they may have less of the social background or the skills that may have come from a more privileged education, you give them that support, so that they can make the most of the university experience and then have the employability and get the good jobs afterwards that come with getting into those universities. But we certainly think that being transparent about contextual admissions needs to be a part of that mix.

Q48 **Lucy Powell:** And am I right in thinking that that lowers you in the league tables, because your intakers have come in with fewer points on A-level? I know Manchester University takes a lot of deprived local children, but that is why it is not in the top 50 universities; it is because people are coming in with fewer A-levels. It is a disincentive.

Conor Ryan: Some of the newspaper league tables have a measure that looks at your A-level grades coming in, and we think they shouldn't.

Nicola Dandridge: Can I make one point about this, because we have the director for fair access and participation who will be starting at the Office for Students in January? Perhaps I can reassure both Conor and Amatey about that director's focus. They will play a fundamentally important point in the OfS, and the first registration condition in the proposed framework is about access, very much focusing on outcomes. So, to pick up on your point, Robert, they will address this concern about what happens to students from disadvantaged backgrounds when they leave. This is at the heart—the centre—of what the OfS is about. There is no dilution here, at all.

However, to deal with your specific point, the Teaching Excellence framework again benchmarks for these considerations. It acknowledges the intake, accommodates it, and seeks to look at what added value there is as a consequence. So, it is trying to get at these sorts of things.



Amatey Doku: I will just add to that, as one of our concerns is that, at the moment, in the way that the new regulatory framework has been set up, there are different incentives that universities have to respond to. Unfortunately, it is not very clear that universities are being penalised for having very low retention outcomes for people from disadvantaged backgrounds, or having big attainment gaps for people from disadvantaged backgrounds, or people with disabilities, or people from black and minority ethnic backgrounds.

So that is one of our concerns—yes, there is all this regulation, but some of the things around widening participation are certainly for students once they arrive and go through the system seem to be added on. There is an intention that the OfS will look carefully at this, but what we need to see is that a lot more universities really need to start putting resource into ensuring that those students do not drop out.

On the general point about graduate outcomes, I think we have accepted the fact that people's backgrounds are a far greater determinant of where they are going to end up and their future career. Obviously there is the gender pay gap and the ethnic minority pay penalty as well: those metrics that measure graduate outcomes as a start need to be taken out of any assessment of teaching excellence. All that you are doing is reinforcing the system. For us, it is very concerning that we are using graduate destinations as a measure for teaching excellence. We would be keen to see that taken out.

- Q49 **Lucy Powell:** So what measure do you think might work there, to actually get to what the Chair was saying and I am saying about getting a greater sense of the quality of experience at the institution that might give an ordinary kid like yourself or me a better experience?

Amatey Doku: One of the things that I have been doing this year is to have a wider conversation about what we think teaching excellence looks like. We are going to be launching some research in January. We are doing two reviews: Theresa May's funding review, and a review into the teaching excellence framework. We are going to be responding to that by doing some research. We fully expect it not to look like what the TEF looks like at the moment. It will be a much broader look and will encompass all aspects of the student experience, but crucially ensuring that there is equity in provision for all students.

- Q50 **Chair:** Can I challenge you on one part of what you have said? You said that it should not include graduate destinations, but surely people go to university—and make a considerable sacrifice in order to go to university—because they hope to get a skilled well-paid job at the end of it? If everyone at the university is getting a 2.1 degree but not coming out with paid jobs, given the loan that they have to take on, then surely that should be measured? What is the point, if at the end of it you do not have a job and a positive destination? Surely the careers advice, the teaching and so on should be measured in terms of destination as much as qualification and experience and so on?



Amatey Doku: The challenge there is that people go to university for different reasons. Some go with a clear aim to do a course that will get them a specific job at the end of it, some go to university because they want to get a qualification to get a job, and others go because they want to get into academia, then others go because they want to further their understanding in a specific field. One of our concerns is that when you try and adopt a crude metrics way of measuring these competing outcomes you end up not having anything that is particularly helpful for students when they are coming in. Lots of students go in not knowing what they want to do, but we are concerned that as it currently stands you are essentially rewarding universities for the intake by measuring that, because there is inequality in graduate destinations and because family background is more likely to determine where you go. If you speak to anybody involved in student representation in the country—

- Q51 **Chair:** There are other measures including social disadvantage. If a university has 25% of their people from deprived backgrounds and yet the people leaving that university are getting the same jobs as the wealthiest students—which does happen in the case of Nottingham Trent, and there are many other examples, that is just one that is fresh in my mind—then surely that is a good way of measuring destination?

Amatey Doku: Absolutely. We want to see all universities providing for all students. I was merely commenting on the fact that, as it currently stands, all that the metrics are doing are reinforcing that. One of the other aspects that we are keen to look at is learning gain. We know that a lot of work is being done on learning gains, and about what other values students get throughout their degree. That is something that we want to encourage. At the moment, the system is just reinforcing inequality.

- Q52 **Lucy Allan:** At the beginning, Conor, you were talking about maintenance grants and reintroducing them. I agree with you completely, and I wondered if the other two panel members could comment on whether that would enable more disadvantaged children to aspire to universities where they might otherwise think, “No I’m not going to go there, it’s not for me.” Is it just financial considerations, or is it something else?

Amatey Doku: We protested very hard when maintenance grants were cut, and we are clear that we think they should be reinstated. The fact of the matter is, at the moment, if you are from a disadvantaged background, you come out with a bigger debt than those from less disadvantaged backgrounds. That surely must be seen as a very clear disadvantage. We know that there is a cost-of-living crisis for lots of students. It is no coincidence that NUS’s priority campaign this year is a poverty commission, which is collecting evidence—I think the deadline for submission is today—about the hardships and challenges that many students face. That has a knock-on effect on their whole university experience. Also, for the taxpayer as well, it is a pretty unhelpful thing to have cut, because in nursing for example, we have seen a massive drop in nursing applications. At a time when there is a huge skills gap, which is unfortunately going to increase because of Brexit, we should be doing as



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much as we can to make sure that we are allowing our students to succeed in education, to get the skills.

- Q53 **Thelma Walker:** On the back of that, talking about the quality of experience, we have got the student from a deprived background who gets over the hurdles and gets a place at university but is under stress, it seems, all the way through their studies. The quality of that experience, thinking about day-to-day living, affording to live, then looking to the future with a massive debt—compared with a more affluent student or a student from a more affluent background—and who can't rely on the bank of mum and dad. How do we address this? What would you like to see happen to address this?

Amatey Doku: We have been very clear. As I said, we want to see the reintroduction of maintenance grants as a key priority, but we also think that the entire funding system needs to be reviewed and we welcomed calls for that review. You can't just have freezes and raising of the repayment threshold as the end goal. We need a complete, comprehensive, fundamental review of the system and, crucially, to have those students at the heart of that conversation.

- Q54 **Emma Hardy:** On part-time students, that is what I wanted to ask about and you have just answered it, almost: my concern is about the number of health professionals, mature students, who are part-time and the dramatic fall in numbers. What do you think universities could do to encourage more part-time and mature students?

Chair: If we could have very brief answers, please, because we are running out of time.

Conor Ryan: We are doing some research into what has happened there because there seem to be a number of factors. We need to look at the fee structure for part-time students, because although there were other factors, there has been a significant drop since the fees were trebled, and that needs to be part of the mix.

Nicola Dandridge: There is a specific statutory obligation on us to look at the position of part-time provision and part-time students and we will be doing that, but I cannot add more to what Conor has just said and Amatey said.

Mr Wragg: The elephant in the room at the moment is vice-chancellor pay.

Chair: You saved that until the end.

- Q55 **Mr Wragg:** I saved the best until the end, yes. On the subject of money, which has dominated our discussions, how important to this debate about the value for money is vice-chancellor pay?

Amatey Doku: There has been a lot of attention on vice-chancellor pay and if we are going to talk about value for money, the most important part is not looking at the simple, crude transaction between the consumer and the university; it is looking at where that money is being spent. Is it being spent in the most transparent and open way?



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I would say that there has been a trend of when things are going wrong in higher education, the Department for Education and some of the Ministers start attacking universities on certain things. It was no coincidence that this has come up at the time it has, certainly with universities being in the news. We have always been very clear that universities should implement a 1:10 ratio between the lowest- and highest-paid employees to ensure fair pay across the whole sector. With all the concerns students have over financial issues, some of those pay packets are quite hard to stomach. It is important to recognise, however, that there are wider issues for students, and tackling this issue alone will not solve what we see as a crisis in higher education funding.

- Q56 **Chair:** You raised an important point about other spending. Capital spend, for example, has gone up quite a bit according to the NAO, but the NAO says that it is not always clear that the money spent on capital spend is bringing value for money to students in terms of tuition and academic attainment.

Amatey Doku: There is an element of that in shiny buildings that look good in a prospectus. Actually, when I speak to students and student officers on the ground, it is not necessarily clear that that money is being spent in a way that is doing enough to alleviate a lot of what is happening in some institutions, which is over-recruitment to get as many students through the door as possible. While spending from tuition fees has gone up, the amount that the Government need to spend on university buildings has gone down.

- Q57 **Chair:** Do you agree with the NAO when it talks about the risk that "increased capital spend represents a zero-sum game, with little overall benefit to educational quality"?

Nicola Dandridge: I did not think that was quite fair either. Some of the capital expenditure is on teaching facilities that directly benefit students, and that is why it is being done. The NAO's comment was too simple.

- Q58 **Ian Mearns:** A possible consequence of the increased marketisation of our higher education system is that the people within those institutions take on some of the more unsavoury aspects of the market. JK Galbraith said: "The salary of a chief executive of a large corporation is not a market reward for achievement. It is frequently in the nature of a warm personal gesture by the individual to himself." Is that creeping into our higher education institutions?

Nicola Dandridge: In relation to what?

Ian Mearns: Salaries in particular.

Nicola Dandridge: There is a sense in which some senior salaries have got out of kilter. There is a legitimate public concern about the levels of some of the salaries. One of the conditions that we are consulting on is precisely this. We are proposing that anyone being paid more than £150,000 a year be required to justify it. The Office for Students will look at that justification to ensure that it is appropriate. That in itself acknowledges that there is an issue that needs to be addressed. It is



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something that we at the Office for Students have to take very seriously. If the pay cannot be justified, we will have to get into a discussion with the institution about what happens next, but we have a whole array of tools and responses available to us to deal with it.

Having said all of that, universities are autonomous and we have to respect that. It is critical that they try to sort this out themselves, acknowledging the wider public concern. We are waiting for guidance from the Committee of University Chairs that is going to try to tackle some of this. We have high hopes that that will be robust and deal effectively with the public concern and the political concerns that have been expressed. Yes, we have the powers. Yes, I think there is a problem. Yes, at the OfS we have to be prepared to deal with this and tackle it, but for the time being, we are waiting to see whether the sector can seriously address the issue and the levels of pay and ensure that they are justified. If they are not, the OfS will have to intervene.

- Q59 **Ian Mearns:** Isn't part of the transparency that needs to be investigated how these decisions come to be made in the first place?

Nicola Dandridge: Yes, I think that is right. One of the things that the CUC guidance will look at is process and this whole question of vice-chancellors sitting on remuneration committees. I anticipate that that is something that just has to be addressed. There is a process issue, but I also think that there is a level-of-salary issue. I hope that that is something that the CUC code will be addressing and taking very seriously.

- Q60 **Chair:** Should salaries not be linked to performance? We may argue about the measurement, but they should be linked to performance, whether it is qualifications, destinations or whatever the criteria are.

Nicola Dandridge: Yes, that must be right. It should also be linked to the size of the organisation you are running. Some of these universities are huge, billion-pound international operations, and some of them have far fewer responsibilities.

- Q61 **Chair:** You do agree that it should be linked to performance, depending on what the metrics are. They perhaps should be uniform metrics, subject to different sizes of universities.

Nicola Dandridge: Yes, I am not sure what the uniform metrics would look like, but it must be linked in some transparent way to performance. That must be right.

Chair: Thank you very much indeed for coming today and for your answers. You said that universities did not need a complete overhaul. I would only suggest to you that while there are many wonderful things going on in our universities up and down the land and many students have an incredible time getting fantastic jobs and qualifications, reports by the NAO and others suggest that there is mounting evidence that if you look at this as an educational ladder of opportunity, there are rungs that are missing. That is why we are doing this inquiry, and I am sure that you will be looking at these things as you start your role at the beginning of



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January. Thank you very much to our other two witnesses.