

# Public Accounts Committee

## Oral evidence: Higher Education Market, HC 693

Monday 12 March 2018

Ordered by the House of Commons to be published on 12 March 2018.

[Watch the meeting](#)

Members present: Meg Hillier (Chair); Bim Afolami; Sir Geoffrey Clifton-Brown; Martyn Day; Chris Evans; Layla Moran; Anne Marie Morris; Lee Rowley; Gareth Snell.

Sir Amyas Morse, Comptroller and Auditor General, Adrian Jenner, Director of Parliamentary Relations, National Audit Office, Charles Nancarrow, Director, NAO, Peter Langham, Director, NAO, and Marius Gallaher, Alternate Treasury Officer of Accounts, HM Treasury, were in attendance.

Questions 1-78

### Witnesses

[I](#): Maddalaine Ansell, Chief Executive, University Alliance, Amatey Doku, Vice President (Higher Education), National Union of Students, and Dennis Farrington, Visiting Fellow, Oxford Centre for Higher Education Policy Studies.

[II](#): Jonathan Slater, Permanent Secretary, Department for Education, Dr Philippa Lloyd, Director General, Higher and Further Education, DfE, and Nicola Dandridge, Chief Executive, Office for Students.

Report by the Comptroller and Auditor General  
The higher education market (HC 629)

Examination of witnesses

Witnesses: Maddalaine Ansell, Amatey Doku and Dennis Farrington.

**Q1 Chair:** Good afternoon and welcome again to the Public Accounts Committee on Monday 12 March 2018. We are here to look at the National Audit Office's work on the higher education market, which is timely, given the Prime Minister's review of higher education and the Minister's announcement today about grading courses as bronze, silver or gold. I will not repeat all the discussions that have been going on, even in the last week, about the cost of degrees, the value of degrees, student choice and how, as a nation, we fund higher education.

We have a good panel in front of us today, ahead of the panel of officials who are responsible for it. I will introduce them. Amatey Doku is the vice president for higher education at the National Union of Students. Maddalaine Ansell is the chief executive of the University Alliance. Dennis Farrington is a visiting fellow at the Oxford Centre for Higher Education Policy Studies.

I will kick off by asking whether you think the market is working and whether students are properly informed about what they are entering into when they choose a degree. Perhaps you can start, Mr Doku.

**Amatey Doku:** First, thank you for inviting me here today; it is a really good opportunity to hear the student view on all these things. In answer to your question—it is a very big question—from our perspective, we do not think it is working at the moment. We do not think the market works for students, and we think it is incredibly complicated, given the size of the investment that they apparently have to take out. In some cases, it leads to the inefficient spending of resource. It would be useful to think about the amount of money that is now going into marketing in universities, in comparison with where that money would have been spent some time ago. We know, and have heard—I hear this when I visit lots of universities up and down the country—

**Chair:** Can you speak up a bit? The acoustics are surprisingly bad in the room.

**Amatey Doku:** Sure. When we visit student unions and universities up and down the country, we hear that it has led to a lot more competition between universities in local areas where there may have been collaboration. A lot of the new measures that have been brought in try to mitigate some of those issues.



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We also think that a lot of the information that is being produced can be quite misleading because of that huge investment in marketing. Asking students to make sense of the marketing and the teaching excellence framework, which we do not think measures excellent teaching, but which is now being used as something—

**Chair:** That is the bronze-silver-gold bit.

**Amatey Doku:** Yes, the bronze-silver-gold bit. What does doing a bronze course in a gold institution mean for students? That is hugely confusing for many students, especially when the metrics that are being used to inform that do not measure excellent teaching and are very complicated to navigate.

Q2 **Chair:** So a summary of what you have said would be that although marketisation might have led to good information being out there, really it is just a confused mass of information. Is anything better? Maybe you were not around, but in the NUS's view, is anything better than what went before? You have talked about what is not so good, but is there anything that you thought should be improved that has been improved already, which makes it easier for a 16 or 17 year old to start thinking about which university and which course to study, and to choose that?

**Amatey Doku:** It is very difficult. I sit on the student information advisory group, and a lot of the work we do on that committee, alongside other players in the sector, is try to ensure that sites such as Unistats are kept up to date and use the appropriate measures to inform students. But when you are up against the thousands of pounds going into university marketing—we know that the Advertising Standards Authority recently had to intervene and to take universities to task—

**Chair:** There is a lot of information out there, and it is all rather confusing.

**Amatey Doku:** Absolutely.

Q3 **Chair:** Okay. Maddalaine Ansell, what is your perspective?

**Maddalaine Ansell:** Thank you very much for inviting me. It is working in part, and you can see that because there have been huge changes in the number of applications received by different universities. Before student number controls were removed, a university could really only recruit that number of students, and if you were a student who wanted to go to a university that had filled its places, that was unfortunate; you would have to go somewhere else. We now see that some universities have expanded considerably, by 30% or 40%, in order that more students who want to go there can find places. We are also seeing some universities contract, because students are voting with their feet and choosing not to go to them.

Q4 **Chair:** Can I go back to the point I made to Mr Doku? Do you think students are really making choices on the basis of good information, or is it marketing or other things that draw students to some universities and not to others? Are students really making informed choices?



**Maddalaine Ansell:** It is extremely complicate to understand how students make choices. There certainly seems to be some evidence that students are making choices based on the location of a university, so they may be less bothered about the reputation of Manchester University, Manchester Met and Salford as they want to study in Manchester because it is a vibrant and exciting city with a great labour market.

There is also quite a lot of snobbery and prestige. I was speaking to the Education Committee a while ago and ahead of me was a student from Warwick University, who said that he would not have gone to do a degree apprenticeship, because of issues of prestige; he was not really thinking, "Would this be a good model of study for me that would leave me with a job and no debt at the end of it?" There are those issues.

Thirdly, the higher education market is extremely diverse, and without face-to-face conversations with somebody who knows what they are talking about, it is very difficult for a student to work out, "Do I want to do a course that focuses on lending by doing? Does that appeal to my way of learning? Do I want to do a course that will direct me towards a particular occupation or job, or do something more general?" And, exactly as Amatey said, what is the difference between doing a course that may not be well taught at a prestigious university, compared with a course that may be absolutely fantastic at a university with a lower overall reputation?

Q5 **Chair:** Okay. Mr Farrington, what about your perspective?

**Dennis Farrington:** Thank you for inviting me. Our interest has always been in the nature of the relationship between students and universities, and particularly the sort of information that potential students would obtain before they became students. In the context of the difficulties currently going on in the universities over the USS, it has become clear that many universities still do not have a clear statement of the terms upon which a student is entering the university.

For example, this morning, on Wonkhe—there is some quite interesting material on that blog—we were writing about the appearance of page 98 of 98 of a well-known university's prospectus, which indicated, "You come to the university, but you take our rules and regulations as you find them." One of them is, "If people go on strike, we will do our best to put you right, but we will accept no responsibility whatsoever for the consequences." What we have been writing about for years is, first, to advocate some sort of standard contract for students entering university, and secondly, a lot of the stuff put out is not meaningful; it is actually—what is said in litigation in the United States—sales puff. It is not meaningful information. It is not saying that you will get a particular qualification but, "If you come here, we will try to get you that qualification." That, of course, is unenforceable.

Take the case currently in the newspapers of the lady suing Anglia Ruskin University from Hong Kong for, I think, £60,000. She got a first-class degree from this university but claims that it was useless to her because it was not of adequate quality. What is needed, in our opinion, is a firm



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statement of the conditions on which students enter university, so that they are all placed on a level playing field. It is more important a fortiori for those who are coming in on clearing, because they do not have access to the sort of information that you would get if you were applying through UCAS in the normal way.

Q6 **Bim Afolami:** Mr Doku, why did you go to university?

**Amatey Doku:** Why did I go to university?

**Bim Afolami:** Yes. I know it sounds philosophical, but I am going somewhere with it.

**Chair:** Trust Bim.

**Amatey Doku:** I went to university because it was an expectation of my family and my school. I did my GCSEs—

Q7 **Bim Afolami:** You just went through the system, right?

**Amatey Doku:** I went through the system, yes.

Q8 **Bim Afolami:** And you went to as good a university as you could. On what basis did you pick your university?

**Amatey Doku:** Again, a lot of it had to do with my school. Obviously, I had five different choices. The school had fairly high aspirations for where they wanted me to go, and they made sure that I applied to universities that matched the grades that I had.

Q9 **Bim Afolami:** I had not met you before, but I was guessing that the answer would be something akin to that. I asked you that question because that is why I think the vast majority of people, myself included, went to university. What I am getting at here is this: even if we provided students with all this better information, better comparison data and all sorts of other good things, and simplified the system, to what extent do you think that your experience, or mine, would actually be any different?

**Amatey Doku:** That is a very good question, which is why one of the concerns that we have about the current system is that universities are spending so much on trying to break that through marketing. Actually, the reason we are having to provide all this “neutral” information is because we are going up against that.

Q10 **Bim Afolami:** You are almost trying to be like *Which?* magazine, competing between different products in a marketplace that we might see in any area of consumer life, right?

**Amatey Doku:** To an extent, yes.

Q11 **Bim Afolami:** Therefore, what would you like to see the new Office for Students do? What sort of role would you like to see it play, from an NUS perspective?

**Amatey Doku:** As we have been saying for a very long time, it is really important that the Office for Students is actually an office for students. We



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know that it has had a bit of a rough start in proving that to students. It will be very difficult to work out what role it plays in this new sector. It really needs to crack down on transparency and how universities are spending their resources. It needs to make sure that it also enforces strong student representation within those institutions, to make sure that there is accountability and transparency over how money is spent.

You then get into very tricky territory though. What is the role of CMA? What is the role of the Advertising Standards Authority? When you accept this very consumer-led, marketised approach, you expose yourself as a sector to all these complications. I cannot sit here and tell you exactly what role the Office for Students should play within that, because we are forcing a market on to a sector that, traditionally, has not been one. I think that is the real challenge.

- Q12 **Layla Moran:** Mr Doku, can I ask about the TEF? I understand that the NUS did not take part in the last national student survey. Why not? Is that right? Have I got my facts right?

**Amatey Doku:** In previous years?

**Layla Moran:** In previous years, yes.

**Amatey Doku:** Last year the NUS had a policy to boycott the national student survey.

- Q13 **Layla Moran:** Why was that?

**Amatey Doku:** The decision was made before my time, but at the time the use of a survey essentially to feed into the marketisation of higher education was not seen as appropriate. In addition, it was documented that the NSS was not the best, and the use of satisfaction was also not the best—not even a proxy for excellent teaching.

- Q14 **Layla Moran:** It has been mentioned a lot in the news today as one of the ways that they will be assessing individual courses and universities. Moving forward, do you feel that it has now changed enough that you will start to participate in it, or do you still think that it is a flawed way of looking at this?

**Amatey Doku:** I think there are some serious problems with the teaching excellence framework as it stands today. One of the things we are really concerned about is why a subject-level TEF is being launched when there is due to be an independent review into TEF. Why are we talking about a subject-level TEF when we haven't even sorted out TEF institutions? We have some serious concerns about the governance of TEF; how metrics are changed; and how it is often informed by the political whims of Ministers, rather than owned by students, the sector and the players within that. Graduate outcomes, for example, are being used and championed as a metric within the teaching excellence framework, but we know, and research tells us, that graduate outcomes and graduate earnings have far more to do with your family background than with what you are taught in the classroom.



- Q15 Layla Moran:** Moving on, and building on what Mr Afolami was talking about, what would the OFS have to do to make you feel that students do have a voice within it, and that they are the Office for Students? I know the NUS was disappointed not to get a place on their board. That didn't happen. What can happen? What can they do?

**Amatey Doku:** There is a lot they can do. We have a very constructive relationship with the Office for Students. We have been working with them from day one and we have regular meetings with top members of the Office for Students. We are pleased to see that all providers will now have to have student representation on their boards. We are also pleased to see that students will be consulted not only individually but collectively. For our student unions, which work tirelessly day in, day out to represent students across the country, it is really important that they will be recognised in the new system. We have got to the point at which the regulatory framework has been published. It is now about how it is going to be implemented, and that is the next phase. We want to make sure that students are engaged not just as individuals. There must be long-standing and meaningful student engagement throughout all higher education providers.

- Q16 Layla Moran:** Thank you very much. Ms Ansell, I just want to pick up on what was just said about students' background being a better predictor. There is obviously a lot of pressure on universities—quite rightly—to reach out to disadvantaged and under-represented groups. What more can universities do, given that that link is pretty robust—it is about the parents' background, rather than the institution itself?

**Maddalaine Ansell:** There is a lot they can do. The universities I represent, which include Oxford Brookes in your constituency, do a great deal of things. One of the things they can do is to have relationships with schools and colleges, and that can take different forms. Some of them are part of multi-academy trusts in a governance role. Some of them support schools through the teachers they train and the kind of curriculum they develop. Other universities, such as Nottingham Trent, provide teachers in shortage subjects, such as English and maths, to help students to improve at the crucial point before they take their GCSEs. There is a whole load of stuff they can do with schools.

They can also look at students and see their potential, not just their grades, when they apply for a place. They can use contextual and other information to think, "Would we be able to support this student to succeed, even if they don't have the grades we might previously have expected?" A lot of the universities in the alliance put on additional maths support, English for academic purposes and that kind of thing for students who aren't quite where they need to be to succeed.

There is a third layer of stuff that universities need to do, which is about encouraging a sense of belonging and participation. It can be things such as teaching students in groups or teams so they don't feel isolated but are working on a real-world problem so they can see the purpose of their





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study. They work with other people so they have a network and don't get too isolated. Universities can and should do a lot in this space.

**Layla Moran:** This is my final question. Do you feel—I appreciate I am putting you on the spot slightly—that the Russell Group universities and the ones with more prestige do as much as your group of universities?

**Maddalaine Ansell:** No, I don't think they do.

Q17 **Layla Moran:** Why not?

**Maddalaine Ansell:** It is partly because the Russell Group are able to recruit students who already come with very strong grades, so to an extent they don't need to. I spoke earlier about application rates and prestige. The Russell Group have a degree of prestige. They are able to attract a lot of applicants with a strong academic background, so they just don't need to work as hard as other universities to support students. But for society as a whole, we need universities to be working to support those students to develop the skills and give them the opportunities, to have the kinds of lives they would like to have.

Q18 **Gareth Snell:** This question is to all three of you. From a value-for-money perspective, how much do you consider widening participation to be an engine and a catalyst for social mobility, as opposed to a PR or marketing exercise for universities to recruit from their local communities?

**Chair:** Shall we start with Mr Farrington, as he's had a bit of a break?

**Dennis Farrington:** The question of value for money is a difficult one, actually. Personally, I came through a system—before your time, most of you—where the idea of a market was non-existent. We did not go to university thinking that we were entering into some sort of contract with the institution to teach us. We went to university because our parents wanted us to go to university, as Mr Doku said, and our teachers wanted us to go to university. We were 5% of the population at the time, and it never occurred to us that we were seeking value for money, because we didn't pay anything.

Now, we are paying. Since 1998, when tuition fees were introduced, the whole idea of the student-institution relationship has changed. It is now based very much more on the idea of this business-to-consumer contract paradigm, which is completely different from what it used to be. So when people are seeking value for money, they are seeking it within that context—that you are paying, or somebody is paying on your behalf, £9,000, £10,000 or whatever or, in the case of overseas students, £25,000 a year to the university to teach you.

Then the question arises: how do you show that what you actually get is value for the money that you have spent? All sorts of ways of doing that have been tried, and it is not clear to me that, in the absence of some sort of clear contractual, if you like, framework between the institution and the student, we can ever resolve that.





**Maddalaine Ansell:** With widening participation, there is a bit of a question of: value for money for whom? It is well known that higher education has public as well as private goods; it is good for the country and the taxpayer if students from widening participation backgrounds are given the opportunity to go to university and pursue the kinds of careers and opportunities that leads to.

I think this is one of the areas where the different drivers in higher education policy do clash. We have had a move towards marketisation, which is about getting students, by exercising choice, to drive quality. Some people can see that as a worthwhile pursuit. But we have also had a drive towards saving money for the taxpayer, because all these reforms took place in a period of austerity.

Then we have the wider goals, which are about the things that universities do that aren't for individual students. So while I absolutely think that universities should spend a lot of time and effort on widening participation, I am not convinced that the current model, which is that this is funded from individual students' tuition fees, is the right model. I would really like to see us go back to grant funding for outreach activities by universities.

**Amatey Doku:** I think your question is an important one. This was one of the concerns we had when the post-18 review was being mooted and a simplistic cut to tuition fees was being suggested. It was suggested that money would be cut from widening participation budgets, and that was something that we were very, very concerned about.

As has been pointed out, some institutions in the sector are doing more of the heavy lifting when it comes to widening participation, while others, which are spending a lot of money on it, are actually being let off the hook, because they are not evaluating where that money is being spent. So when we talk about value for money, what is the value we are talking about? I think we need, as a sector, to have a better conversation about value for money—how is that money being spent?—so that universities can most effectively fulfil their obligations as a public good, rather than looking at this as a simplistic transaction between students and the university.

**Chair:** May I warn Members and witnesses that we have about five more minutes on this session?

- Q19 **Gareth Snell:** Mr Doku, you have hit the nail on the head for me. I represent Stoke-on-Trent. There are two very good universities in the area. It is a very economically depressed area, so both universities do an awful lot of work on widening participation, but I do not know—and I do not know how easy it is to quantify—how many of the students that they motivate to go into the university sector of higher education go to their institutions, so that they feel the benefit of the tuition fee following their upfront investment.

In terms of your experience with universities, what can we do to rebalance that so we do not find that universities in more socially and



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economically challenged areas do the heavy lifting work in schools to get young people to think about higher education as a course for them, when those people may flit off to a more—I do not want to say “prestigious”, because Keele and Staffs are brilliant—romantic university, where their tuition fee benefits somebody who has put little investment into them getting to higher education in the first place?

**Chair:** That was a big question, but can we have quite short answers?

**Amatey Doku:** When we talk about student choice, we often do not talk about the fact that some students will choose to stay in their local area. Trying to rank universities nationally according to certain factors is not always that helpful, because students may not have the choice if they have obligations at home, such as caring responsibilities.

Many universities have what is sometimes a majority of students who are commuter students who do not have the choice to travel up and down the country. Certainly, concerns about market exit in the sector are really concerning, because some institutions are their only choice. It comes back to the point that if we can get the sector to collaborate more so that institutions are not competing, and if we ensure that offer agreements are based on real evidence and not just how much money you are spending on widening participation—that you actually show what the impact is—that would be really good and good for widening participating.

**Chair:** Maddalaine Ansell?

**Maddalaine Ansell:** Sorry, could you repeat the question?

- Q20 **Gareth Snell:** Universities in socially and economically challenging areas are doing a lot of hard work on WP, and people who benefit from that go off to other institutions. Those universities put in money upfront to do the programme, but the benefit of the tuition fee is felt by a different institution elsewhere. How can we remedy that so there is a more equitable playing field?

**Chair:** I expect it applies to a lot of your members.

**Maddalaine Ansell:** A lot of our members recruit very heavily from their surrounding areas, but in fact, all universities recruit fairly heavily from the region where they are situated, with the exception of Oxford and Cambridge, which are in a slightly different category.

One of the biggest ways in which our universities offer value for money to the country and to the taxpayer is that they train and educate those graduates and that so many of them stay in the surrounding areas. That is absolutely crucial for the skills base in those areas. I am thinking particularly of universities such as Teesside, which is in my group; Sheffield Hallam, which provides a lot of people for the SMEs in the manufacturing businesses around Yorkshire; and the University of South Wales, which is looking to teach people in creative industries and give them a skill that gives them the opportunity to live and work in the area that they came from, rather than forcing them to move to a big city. It is



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still quite rare for university students to change institution mid-degree course.

**Dennis Farrington:** The question is predicated on the fact that there is competition between institutions—a market. The fact is that all universities, including those represented by Maddalaine, spend a lot of money on marketing and on trying to persuade people to go to this university or that university. Very often, unfortunately, they get it wrong, as is illustrated by the point I made earlier about the lady suing Anglia Ruskin University, although that is before the courts—it is in the court system.

The idea that the state funds all these institutions to compete against one another in that way runs counter to the idea of higher education as a public good. I see nothing whatever wrong with universities in your constituency promoting widening access and students going off to another institution—that is all part of higher education being a public good. It is unfortunate, in my view, that over the years that I have been studying higher education, it has gone progressively towards a business-to-consumer market. Going back, reverting to more of a “public good” model would be in everybody’s interests.

**Chair:** It is a quick-fire round now. I have got four Members coming in—quickly, I hope—with quick questions. Please direct your questions to the relevant witness.

Q21 **Anne Marie Morris:** Given what you just said in particular, Mr Farrington, is it either desirable or possible to achieve a market?

**Dennis Farrington:** It is not a market in the normally accepted sense—it is not a business-to-consumer market. The fact that all of the language revolves around this business-to-consumer contract is, in my mind, retrogressive.

Q22 **Anne Marie Morris:** Ms Ansell, how would you spend the money being spent on marketing more wisely to deliver, if you like, the better social outcome rather than just people chasing marketing?

**Maddalaine Ansell:** Gosh! There are a lot of ways in which universities would very happily spend their marketing budgets on improving the student experience. I do not think a single one immediately occurs to me.

Q23 **Anne Marie Morris:** Mr Doku, does it make sense to pursue this nirvana of creating a market, or is that the wrong way forward?

**Amatey Doku:** It is completely the wrong way forward. Ever since fees were introduced, we have been very clear that we always stand against every fee rise, because—I will give you one quick example—

Q24 **Chair:** Just to be clear, there is a difference between a fee rise and a market.

**Amatey Doku:** Absolutely, but the minute you have fees you introduce this idea that there is a consumer relationship between the student—



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**Q25 Chair:** Ah, but there is also a difference between a consumer relationship in a market—if you have got flat-rate fees, which is what we have got, there is no market. That is the point.

**Anne Marie Morris:** There is no market—yes, that is the point.

**Amatey Doku:** That is also true.

**Chair:** It is just that we have not got time to go into the NUS's policy situation on student fees at this moment because we are at the end of this bit—and we know your position.

**Dennis Farrington:** Of course, that was never intended. It was intended that there should be differentiation. The original 1998 plan was exactly that.

**Chair:** But it has not happened. That is partly why we are discussing that—

**Amatey Doku:** Sorry, very quickly on that, the reason why there is a relation is that fees have got to such a high level. Having fees at either £9,000 or £6,000—in terms of the effect that that has on students, it is so minimal that universities will charge the £9,000 figure. It is a given good, and it is seen as more prestigious if you are paying that amount.

**Q26 Lee Rowley:** Mr Doku, putting aside the marketisation point you made and confusion in terms of the data available, what is the right dataset for students to have to make the informed choices you seek which they are not making today?

**Amatey Doku:** Again, a very difficult question. Lots of students will make decisions about their institution based on whether it is the right fit for them, whether—

**Q27 Lee Rowley:** That is all fluff. What is the dataset they need?

**Amatey Doku:** The only reason why we have to have this conversation is because of the marketisation. Because universities—

**Q28 Lee Rowley:** I do not want to go back to the ideology. What is the dataset? You open up a document and it says this, this and this, and that will help you to the answer.

**Amatey Doku:** If a student goes to a university and says, "I really like it here," that is a perfectly valid response and it is perfectly valid for them to base a decision on that. If, because they have caring responsibilities at home, they say, "It is closer", that is a perfectly valid reason. I am not going to sit here and say, "This is the data"—

**Q29 Lee Rowley:** Okay. I completely understand your position: there is no dataset that you can outline. Ms Ansell, do you think the level of marketing spend in the sector is appropriate and sends the right signal out to people, looking at value for money and sensible spend?

**Maddalaine Ansell:** It is an inevitable consequence.



Q30 **Lee Rowley:** Yes or no?

**Maddalaine Ansell:** To be honest, I don't know, because I don't know how much each of my universities spends on marketing. I have a vague impression that, obviously, it has increased, but I cannot give you an answer to that.

Q31 **Lee Rowley:** Would you be comfortable if the level of marketing spend went up any further?

**Maddalaine Ansell:** I do not see it is particularly helpful to anyone for there to be constantly increasing marketing spend. I would rather answer Amatey's question, if that is okay, because it was a more interesting question.

**Chair:** It is a brave witness who says that at the Public Accounts Committee.

**Maddalaine Ansell:** Sorry. It was more interesting to me because I do not know that much about marketing spend, and a different witness might be able to help more with that. I am rather with Amatey. It is incredibly complicated to have a dataset, because you need data that is about the likely outcomes for you. If, as Amatey said, you are a student from a widening participation background whose parents are not going to be able to help with contacts or internships when you leave university, the university that will help you achieve even some of the more common datasets like graduate outcomes will be different from that of a child of a couple of barristers who has been to middle-class dinner parties all their life.

Q32 **Chris Evans:** This is a straightforward question. In Wales we have had a number of mergers of universities, so you do not have replication of the marketing of courses and people going on the wrong courses. I know that UCL and the Institute of Education are talking about merging at some point in the future. What are your thoughts on more mergers across the board, in terms of reducing costs for universities?

**Maddalaine Ansell:** I have some experience of the merger of the University of South Wales and I would say that a full-scale merger is an extremely large-scale and complex business, and a lot of expense and effort for the management team over a period of time. But I do think that there is a lot of space—I think Amatey has said this too—for universities to work in more informal ways with each other, to share resources, to make sure that the range of courses is offered in their area without them necessarily competing directly with another university in their space.

That does already happen. We have collaborations between the University of Bristol and the University of the West of England in robotics. We have the same thing in Sheffield, between Sheffield Hallam and the University of Sheffield. We have astronomy between the University of Liverpool and Liverpool John Moores. In fact, I was on Greenwich's Medway campus the other day, and Greenwich and the University of Kent jointly offer pharmacy. So there is a lot of scope for that kind of thing, and I absolutely



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think that it is a sensible and efficient thing to happen and that it should be encouraged.

**Chair:** That does raise an interesting point, which we do not have time to get into, about how on earth a student would judge the quality when they are being taught in or across two institutions.

Q33 **Sir Geoffrey Clifton-Brown:** I have the same quick-fire question for all three of you: as our youngsters have only one choice of which university to go to, how can we improve our careers advice in schools?

**Amatey Doku:** That is a difficult question. I think it requires across the board, not just in schools, for us to get into a space as a society where we are competently looking to see how we can give everyone the skills they need to succeed. We also need to make sure that that is tied in with the industrial strategy—

**Sir Geoffrey Clifton-Brown:** This is about which university they choose to go to. A youngster has one choice. How can we improve that youngster's ability to be able to make the choice that suits them best?

**Amatey Doku:** Sorry; I think I misunderstood your question. There are a couple of things. I think that the universities need to make sure—I think they do—that they are open to students in the local areas. University visits and visiting local schools as well is also important, as is making sure that the teachers are also a part of that and are well informed about what the options are for students. Where we can get it, impartial information is better, but students having the opportunity, when they can, to visit institutions and find out what is going on in them and also have access to the university—

**Chair:** Impartial information is supposed to be the law—we are touching on that in the next panel—for careers advice in schools.

**Maddalaine Ansell:** I think it would be good if, as part of the Government's careers strategy, every young person had the opportunity of a face-to-face discussion with somebody who understood our university sector in all its diversity, had no vested interest—including in getting young people into the Russell Group because that is what the Department for Education thinks is right—and was able to talk through with them what their aspirations were, and what mattered to them in terms of location, the style of being taught and what kind of career they wanted their university to lead to. When they had found a shortlist of universities that might fit the bill, they could do exactly as Amatey says—go and visit them and talk to students to find out, "Is this the right fit for me?"

Q34 **Chair:** Basically, what you are saying is: ramp up the independent advice that is supposed to be in place.

**Maddalaine Ansell:** Yes.

**Dennis Farrington:** We need hard, reliable data—we were talking about datasets on employability or something of that kind—data on which the student can rely. Unfortunately, that is not always the case. We need to be



very careful that the data provided by the universities is reliable. That is in direct answer to your question about how you would go about choosing a university.

**Chair:** Brilliant. Thank you very much indeed. As always, it's longer or briefer than we expected, depending on how it goes. Thank you very much for your time. The transcript of this part of the hearing and the next part will be up on the website uncorrected in the next couple of days and realistically we will now produce our report after the Easter recess. We will obviously be in touch with you about that.

Thank you very much indeed for your time; you are very welcome to stay for the next session, with the people in the Government who are responsible for running this from the official side. If you could make way for them, that would be great, and if you are leaving, have a safe journey home.

### Examination of witnesses

Witnesses: Jonathan Slater, Dr Philippa Lloyd and Nicola Dandridge.

Q35 **Chair:** We now resume our session on the higher education market, based on the National Audit Office's work on that subject. The higher education market exists because successive Governments have introduced fees and determined to allow more choice for students and more competition among universities to attract students, and to change the funding formula accordingly. The NAO Report has been looking at the effectiveness of that, and it is what our questioning will be about today. Obviously we had some useful evidence from our pre-panel, whom I thank again.

Our witnesses today include Dr Philippa Lloyd, the director general for higher and further education at the Department for Education. Welcome to you, Dr Lloyd; I think this is the first time you have appeared in front of this Committee.

**Philippa Lloyd:** No, I came here on alternative providers.

Q36 **Chair:** Forgive me—I should have remembered that. It was only moments ago. Apologies—*[Interruption.]* Ms Moran is pulling me up on that one. Forgive me for that.

We also have Jonathan Slater, who needs no introduction as the permanent secretary for the Department for Education, and who certainly appears here very often—a permanent witness, almost. There is also Nicola Dandridge, who I remember has appeared in front of us as the chief executive of the Office for Students. Our hashtag for today is #hemarket.

I will just kick off, Mr Slater, on a couple of issues that have arisen since we last met—particularly the announcement today by the Minister that individual degree courses will be ranked on a bronze/silver/gold system, as well as institutionally. I think the point was really made by one of our



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earlier witnesses, who said, “Why are we going down this route when there has not been a full evaluation of how well it’s worked for institutions?” Could you explain what is happening and whether you feel it’s too soon—well, you probably don’t feel it is, because you can’t say that as the permanent secretary—or why you have jumped in so quickly, compared with doing a full analysis of the previous system first?

**Jonathan Slater:** We are taking it stage by stage, which is why the announcement today referred to piloting and consultation. There is no doubt that people find it very interesting looking at the Teaching Excellence Framework—or TEF—scores institution by institution, and breaking that down to the next level, subject by subject, will be even more interesting. But as you say, we are still at the early stages in this, so we think the right balance between those competing interests is to do something on a pilot basis, consult as we go and develop as we go. I can talk through that in more detail; perhaps Philippa could, if you want to get into more detail.

Q37 **Chair:** Dr Lloyd, or one of you, how fast will you introduce that? If you are consulting now, will you just outline the timetable?

**Philippa Lloyd:** The idea is to introduce full subject-level TEF from 2019-20. But may I just wind back a moment? Immediately after doing TEF year 2, we did a lessons learned—

Q38 **Chair:** Will you outline what TEF stands for? If we talk in jargon, it is—

**Philippa Lloyd:** Sorry, I did it immediately then. TEF is the teaching excellence framework, which is now called the teaching excellence and student outcomes framework, though people still use TEF for short.

So the results of TEF year 2 were announced in June 2017, and we did a lessons learned from them, which resulted in some adjustment and some additions to the metrics, because there is a TEF year 3, albeit it is smaller in scale than TEF year 2. Obviously, that was quite comprehensive because everyone—not everyone, but lots of people—entered it in TEF year 2. At the same time, people were clear that institutional-level TEF is obviously quite an aggregated picture, and course subject information is what will be very valuable and interesting, if we can get that right.

As Jonathan said, we are in the process of running two pilots—subject-level TEF. We have got 50 universities and colleges involved, and the aim is to run those pilots and to introduce subject-level TEF for real, as it were, in academic year 2019-20. During the passage of the Higher Education and Research Act 2017, it was agreed that there would be an independent review of TEF, and that will take place in academic year 2018-19. So that is where we are at the moment.

**Chair:** Did you want to come in very quickly, Ms Moran?

Q39 **Layla Moran:** The question raised by the representative of the NUS was, why are you doing these pilots now, when there is an independent review coming? Is that not just repeating work that is about to be done? What is



going on? We don't understand the sequencing there.

**Philippa Lloyd:** There is an enormous amount of debate about how one accurately measures the quality of teaching. I think a lot of people support the drive behind TEF, but you can have an enormous debate about which basket of metrics is most meaningful, how you take account of context, etc. We don't want to let the grass grow under our feet while we have got interest and people actively engaged in the pilots, but we have also said that it's one of those—because it is complicated, we will learn by doing and we will iterate as we go. Everyone has been quite accepting of that, so that is why we are carrying on. The independent review will be another very valuable input.

Q40 **Layla Moran:** When you say that everyone is accepting of that, who is “everyone”?

**Philippa Lloyd:** I suppose I mean people in the sector and students—information about the quality of courses and graduate outcomes is of keen interest to people when they are making their choices. I am sure we will come on to that a bit more later. Ways in which we can do this are therefore of key importance and interest.

Q41 **Chair:** The other thing I wanted to raise with you, Mr Slater, was that at the last hearing you were in front of us—a matter of days ago, I think—we asked you about the children missing from school. That was related to a story in *The Times* newspaper at the time. You have since written to us saying that the Government do not collect data on children who are not registered pupils at the school. Since then, the head of Ofsted, Chief Inspector Amanda Spielman, has talked about the Department needing to get a better grip on which children are out of school, and where, to ensure that children are properly educated. She is quoted heavily in *The Times Education Supplement* online, in an article dated 7 March. Do you think it is good enough that the Department says that it is just down to local authorities to understand which children are in school or not? Those local authorities will not know, unless that child has been in a school and then got lost from school. The children who never get registered are part of the problem, surely.

**Jonathan Slater:** The current legislation is the current legislation, which places different rights on different parties, and some parliamentarians—notably Lord Soley—are proposing additional powers for local authorities. That debate happens from time to time in Parliament, and we stand ready, obviously, to respond to any decisions made to change the nature of the responsibilities and rights of parents versus the state.

On the specific point about the concern of Amanda, the chief inspector, in her recent comments—I do not have them in front of me—she also refers to good-quality engagement with Ministers and officials on working out, within the legislative framework that exists, how we can make sure that risks are managed as well as possible, and better than in the past. I would expect announcements on what more we can do within that legal framework. We have issued guidance to local authorities, some of which have not been as clear as they might have been about the powers that



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they already have. We are working with Amanda on what further we can do, and how we might resource joint activity at a local level. You should expect to see something along those lines coming out fairly soon.

- Q42 **Chair:** That is interesting, because one of the concerns that we have is that however good or bad a local authority is, the Department may not have visibility over the children. Children out of school include those who never emerged on to school registers in the first place, those who have been excluded, those who are out because of health reasons, and those who are being home tutored through the parents' choice. There is quite a wide range of children not in a mainstream setting. In terms of the total numbers of pupils that you have oversight of in your position, it is a relatively small percentage. Nevertheless, there is a lot that could go wrong in those institutions. When you talk about changes, do they include extending Ofsted's powers of inspection to, for example, smaller schools that are not currently registered?

**Jonathan Slater:** I am doing my best to quote Amanda, without her actual comments in front of me, on the constructive engagement that she is having with the Department about how we can use our existing powers—ourselves, Ofsted and local authorities—more effectively, with the resources at our disposal, focusing on the risks where they arise within the existing legal framework. A parliamentary debate is going on in parallel about whether the balance between parents' and the state's rights should change. We are working with the chief inspector on how to operate more effectively within the powers that we have.

- Q43 **Chair:** As you know, the Education Committee, our sister Committee, is very interested in this area, as are we. Watch this space, because between us I think we will be getting more involved across the Select Committee corridor.

That brings us on to our main issue today, about access to higher education. When we were preparing for this, one of our real concerns, which I think came out in the pre-panel, was the ability of 16 and 17-year-olds to make this huge choice, on the basis of whatever information they make that choice on. If this were a regulated market in any other sphere, do you think you could accuse some of the institutions of mis-selling?

**Jonathan Slater:** Well, if it were, but it isn't.

- Q44 **Chair:** But if it were?

**Jonathan Slater:** But it isn't. I am not making a pedantic point here. Clearly, if a student was taking on a financial commitment that they had to pay whatever happened to their income after they had left university, and they went to that university thinking that they would get a certain income and they were not getting it, then we would be having one sort of debate, wouldn't we? But that is not the system, is it? The system is one in which they repay only if they earn above a certain sum of money. That is why consumer law applies, but the financial regulation does not. It is precisely because it is not the same as a standard financial—



- Q45 **Chair:** Okay, let me put it a different way. You have a 16 or 17-year-old looking at universities, looking at the marketing literature—whether they get an ensuite bathroom, or what the dining hall is like—and having to weigh that up against the quality of teaching, the value of the degree in the marketplace, and whether that degree can lead on to the profession that they want. They are having to make all those judgments. Do you think that the careers advice available to those young people in schools—even earlier than 16 or 17, but let's focus on that group first of all—is truly independent and good enough? We heard from one of our earlier witnesses about the need for better advice and support at that point. Do you agree with that?

**Jonathan Slater:** I definitely think that we can get a more comprehensive careers offer to 16 and 17-year-olds, which was the point of the careers strategy that the Department published after this NAO Report was published in December. I am very happy to talk about what we are planning to do to turn that piece of paper into something that has a real impact on 16 and 17-year-olds' lives. Yes, definitely—each school in the country should have a dedicated, full-time careers leader making sure 16 and 17-year-olds get really good advice. It is really important that those students have got access to much better information than they have currently got, which is the point of the transparency duty. That is why we and the OFS will be making sure 16 and 17-year-olds have access to much more information than they currently have.

- Q46 **Chair:** It is good you are saying that, because the statutory guidance and section 42A of the Education Act 1997, as amended, talk about independent careers advice, but that can be discharged through a number of methods. Outside speakers can come in, and teachers can provide personal support if they are provided with the right training. From our earlier witness and from talking to other people about this, we have heard that nothing beats having someone really independent who knows the higher education market. The evidence—not just anecdotal evidence—I pick up from the young people in my area is that they are given advice by often well-meaning teachers who want to do well by their students but who have only a narrow understanding of their paths.

An example came up from the work of a charity in my constituency called MyBigCareer. It alerted a number of students, and indeed heads of maths, that you can't get on to some degree courses if you don't have a grade B in maths. Some young people were put into the foundation stage paper in the days when there was still that paper. They did not know, and nor did their teachers, that it was limiting their university choices. That was clearly much further down the line, at options stages. That is in a system where we are supposed to have independent careers advice. To use that as an example, you say it is going to get better, but would that sort of situation be stopped? Will the new system ensure that a 14-year-old making GCSE choices, as well as a 16 or 17-year-old making university choices, is not unwittingly making decisions that rule out career paths?



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**Jonathan Slater:** There are plenty of examples of good practice in individual schools, but it is nothing like as consistent as it should be. Those career leaders don't have access to anything like as much information as would be useful to them. There is lots of work for us to do to provide them with more training, which is what was set out in the strategy, and more information. We can make more use of existing tools. It is great to see so many potential students having the benefit of a conversation with recently graduated students about what it is really like in practice—that student tour goes across the country, but it doesn't reach as many potential students as it should. The Careers & Enterprise Company is a super arm's length body that we fund, and we are going to put more resources into it to help it learn from really good work it has done with groups of schools with high proportions of disadvantaged kids who have historically not gone to university. What information do they need? Having seen the success of a pilot in the north-east, we are now going to roll that out to 20 other areas of the country. There is lots we need to do to improve the quality of careers advice for young people.

- Q47 **Gareth Snell:** Mr Slater, you talked a lot about careers advice specifically focused on 16 and 17-year-olds. What about the people who are a bit older and are going to university or into higher education? I am thinking of my sister-in-law, who went back to university at the age of 26. How would you get good-quality careers advice to those people—mature students and people who have come through a non-traditional educational route? At the moment, you are focusing very much on 16 and 17-year-olds. What other options are available?

**Jonathan Slater:** A couple of things. Obviously, all potential students will have access to the new information. We will make sure data is provided to them. This is really major stuff here. We are talking about application rates, offer rates, acceptance rates, completion rates and attainment rates by gender, ethnicity and socioeconomic origin. Huge amounts of information will be made available that is currently not. All of that LEO outcomes data, which no doubt we will discuss, is going to go out on a new website, which will be available to all, next year. We do see that there are particular services that need to be shaped around the needs of older potential undergraduates.

- Q48 **Gareth Snell:** So what are you doing?

**Jonathan Slater:** We are piloting a couple of things, which Philippa can talk about in a bit more detail if you would like, to make a reality of what the Government has called a national retraining service. What is it that will help people who have been around the system once to get the information they need to make the choices that will be most useful to them? So we are trying out some stuff in some parts of the country to learn from that, alongside providing information.

**Gareth Snell:** Saying that you are doing "some stuff" is not much of an answer.

**Philippa Lloyd:** We are ensuring that all Government careers information



is also on the National Careers Service, and that will be accessible to people of whatever age. That is one thing.

**Gareth Snell:** If they know about it, presumably.

Q49 **Chair:** Isn't it only over-18s?

**Philippa Lloyd:** Sorry?

**Chair:** The National Careers Service.

**Philippa Lloyd:** That is a service that is both online and—

Q50 **Chair:** What age group? I thought it was aimed at over-18s.

**Philippa Lloyd:** It is not—I mean, anybody can access it.

**Gareth Snell:** But we specifically asked you the question about what to offer—

**Philippa Lloyd:** You are asking about adults.

**Chair:** Anyone of any age—that is why I was asking.

**Philippa Lloyd:** I will come to the national retraining service in a minute, but there is also work that the Careers & Enterprise Company will be doing on career hubs, with local enterprise partnerships, businesses, schools, colleges and a variety of others, in order to enhance career guidance in the most deprived parts of the country.

The national retraining service is aimed at adults with low and intermediate skills, who need to upskill, or wish to upskill. We are running some career learning pilots at the moment, to look at not only innovative modes of delivery, but barriers: what are the barriers to people wanting or needing to update and refresh their skills? It is obviously quite a difficult and challenging area. So that is what we are doing there as well. And I should say, going back to the schools careers advice, one of the things which the career strategy was very hot on, and worked on a lot with the Gatsby Foundation, was the Gatsby benchmarks of excellence in careers advice, which are all about driving up the standards.

**Jonathan Slater:** A real practical thing we are doing is offering part-time maintenance loans from next year, to take a practical example that might have stood in the way of a reduction in part-time mature students that we are trying to put right.

Q51 **Gareth Snell:** The national curriculum gives greater marks for explaining as opposed to describing the answer. Unfortunately, what you have done is describe something and not actually explained what you are doing. It is great you are talking about the macroeconomics of LEPs and things, but from the perspective of my sister-in-law—someone who in her mid-20s wants to go back to university and make sure she is making the right choices—what practical support is out there for her today, or would have been out there a couple of years ago, to make sure that she was making



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the right decisions for herself at that time?

**Jonathan Slater:** The heart of it, today, is the National Careers Service, supplemented by the online data that I have described, supplemented by whatever arrangements are in place at individual institutions that she might want to attend.

- Q52 **Chair:** Can I just go back to the careers and enterprise fund, which you mentioned? That was set up in 2015, but you have also mentioned other funds. There is the opportunity areas fund. I know that one of them is extending opportunity areas into Mr Snell's and Ms Flint's respective constituencies—she is another member of the Committee. How free is the careers and enterprise fund to decide how to spend the money you have given it? Is it entirely up to it, or do you have any direction as permanent secretary, Mr Slater?

**Jonathan Slater:** No. The funding that we give it is a return for a plan agreed with Ministers. So we agreed with it that it would implement these 20 career hubs—sorry for the jargon—that Philippa was referring to a minute ago. We fund it to deliver that activity.

- Q53 **Chair:** There is a list of its 2015 grant recipients. Do you monitor how it chooses those grant recipients and make sure that the money is not just flying into certain geographical areas, but is supporting a range of different providers in careers advice? There is a mixture of different size providers in the list of grant receivers. I won't list them all. Do you have any oversight of that?

**Jonathan Slater:** Yes, we do, absolutely.

- Q54 **Chair:** We have seen with other similar set-ups in other Departments, possibly including your own, where you have a main contractor, in this case the careers and enterprise fund, giving money out to smaller providers. But actually, many of those smaller providers would be effectively prohibited from bidding in this case, because of the rate card approach. So they wouldn't necessarily be able to draw the money down unless they are bid for by certain schools. That would limit certain organisations from applying if they needed base funding in order to fund their existence. Dr Lloyd, do you understand what I am driving at here? Some organisations may be very good, but just not able to survive on a rate card funding model.

**Philippa Lloyd:** I do understand. For the career hubs there will be a full bidding process that will be announced in April 2018. We are looking at more consortia-type bids and things like strength of leadership, wider benefits, etc. in assessing that.

- Q55 **Chair:** I have nothing at all against Engineering UK—I think they do excellent work—but it would not just be those sorts of bodies.

**Philippa Lloyd:** No, exactly. It will be a whole group.

- Q56 **Chair:** That is very helpful to know. Finally, about this support and genuine independence of careers advice in schools, you have 16 and 17



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year-olds, and their parents are pretty key in this. What thought or consideration are you giving to making sure that parents get proper advice, not just about the type of university but the other costs and challenges of a young person going to university—the cost of maintenance and so on?

In my experience—and I think a lot of us would agree—young people understand the fees structure quite well, but when you start delving in a bit deeper about maintenance, living costs and so on, these are quite a surprise to young people, and certainly to their families. That can be the barrier that stops them from going, notwithstanding having been able to get loans, or particularly grants in the past. What work are you doing with parents or organisations that help parents understand?

**Philippa Lloyd:** There are various places where information is provided. I will go through that and I will say something about going out to various parts of country. The Student Loan Company provides an enormous amount of information on its products. You also have a dedicated part of The Student Room website that sets out, again, lots of information in an accessible way for students and their parents.

People also use UCAS at various key stages in the application cycle to get information out to prospective students and their parents. There is something called the student finance tour, which I think Jonathan just referenced, which is where we get groups of existing students to go around the country and talk to pupils and their parents about life in university and student finance. We also do that.

- Q57 **Chair:** So if I were a parent like one of my constituents, perhaps someone who is Turkish whose English is not particularly good and who might never have had a child go to university before, where would I go? You talk about websites, but for a lot of people that is quite inaccessible. Do you expect that advice to be part of the independent careers advice that schools offer, so that parents can get to grips with it too, at perhaps even an earlier age than sixth form?

**Philippa Lloyd:** Yes, absolutely. In fact, part of the careers strategy is trialling careers advice in primary schools, to start to get people to think more broadly. Careers advice is not just aimed at higher education; it is about trying to make sure that people make really good choices for their own particular fit of aptitude, skills and preferences.

- Q58 **Chair:** With all the pressures on school funding, Mr Slater, can you give us an assurance that funding for careers advice in schools, which I do not think is strictly ring-fenced, if I read correctly, will not be cut back? If a school head teacher was wondering about whether they could afford to pay a maths teacher or careers advice, I could imagine which way that might go.

**Jonathan Slater:** When the careers strategy was published in December, it was set out how the training for those dedicated careers leaders that I was describing would be allocated.

- Q59 **Sir Geoffrey Clifton-Brown:** Very briefly, when you publish this new



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advice, will Ofsted have a role in schools of assessing the quality of that careers advice provided?

**Philippa Lloyd:** Yes, we have asked them and they said yes. That is part of the deal.

**Chair:** You have asked them? We are used to witnesses who tell us half the answer sometimes.

Q60 **Gareth Snell:** Where do you see the national collaborative outreach programmes—that network of institutions—fitting into this career advice programme for 16 and 17 year-olds? Where do you see the funding for that going long term? I know that 2020 was the original cut-off date, but in my patch certainly it is very effective.

**Philippa Lloyd:** Nicola might want to come in, too. We absolutely want universities to continue with their outreach. As you said, it has proved very effective, and Jonathan has already referred to some practice going on in the north-east. One of the very strong emphases going forward is not just about access, but about participation, retention in university and outcomes.

**Gareth Snell:** Sorry, but my question was specifically about the national collaborative outreach programme.

**Philippa Lloyd:** That's a HEFCE programme. In the way of these things, I don't think it will quite be called that under the OFS, but all I was really saying was that absolutely those outreach programmes are valued—they seem to be valued and valuable. But there will be a premium put on evidence and what really works. Nicola, I don't know whether you want to say anything more on this.

**Nicola Dandridge:** We are very aware of the contribution that the national collaborative outreach programme has made. We have not yet determined what the funding allocations are going to be for 2018-19, so it is too early to say now. Suffice it to say that we do acknowledge the contribution that it has made, and we will be looking very carefully at continuing it.

Q61 **Gareth Snell:** When will that funding decision be made, though? Networks have already started to wind down their activity for fear that they won't have that funding. If that's the case, they may not be able to start again if they do get a new allocation.

**Nicola Dandridge:** Bear it in mind that we are not yet operational. We are going through the transfer from HEFCE to the OFS. But that decision will be made at a board meeting later this month.

**Gareth Snell:** This month?

**Nicola Dandridge:** Yes.

Q62 **Gareth Snell:** When will institutions be told what the outcome is?

**Nicola Dandridge:** April.



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- Q63 Layla Moran:** Sticking with the school theme, the Report was very clear that the biggest predictor of how students will do later on has more to do with their parents and their socioeconomic background. Mr Slater, how are you planning to address the socioeconomic gap at school, rather than just focusing on universities? What can we do there?

**Jonathan Slater:** That's a big question.

**Layla Moran:** It's a huge question.

**Chair:** Rattle off some precise practical things you are doing.

**Jonathan Slater:** Well, we published just before Christmas a very detailed social mobility action plan—a whole set of specific actions, starting with improving the quality of home education before children go to school, combined with all sorts of practical stuff at primary and secondary level as well. Clearly, you're right. But we equally described it as a generational challenge: you don't fix that issue in one go. But we set out all sorts of detail in that action plan. I am happy to explore any of it with you if you like.

- Q64 Layla Moran:** How will you be assessing your progress against that action plan? It's the normal questions we ask here: measurable, smart—all that stuff. Is that part of the plan, or is it fluffy?

**Jonathan Slater:** That was why it was called an action plan, with quite specific measurables. As you would expect, at its heart was making sure that there were the best quality teachers in the schools where the children needed them the most. We have talked in previous hearings about the work we are going to be doing—I will give one practical example—to incentivise teachers to work in those areas that need them the most. We talked about the practical way in which we would give loan forgiveness; we prioritised loan forgiveness for teachers' debt in those areas of the country where we needed the best teachers to go. That would be one specific thing.

The first question is, does it happen in practice? Question 2 is, does it lead to a narrowing in the attainment gap? That will be the outcome measure.

- Q65 Layla Moran:** How often will you be revisiting whether the different aspects of that action plan are working? Is it a once-yearly thing or is it more frequent than that?

**Jonathan Slater:** Inevitably, it varies depending on the action in the plan. Some things you only know once a year as you get applications through—

- Q66 Layla Moran:** How often are you putting it under the nose of the Minister?

**Chair:** Or reporting to Parliament? Do you have to report to Parliament on this?

**Jonathan Slater:** We will report each aspect of the plan as frequently as the data changes—sometimes more frequently than annually and sometimes less.

- Q67 **Layla Moran:** I suppose what I'm really asking is, how much of a priority is this plan for your Department?

**Jonathan Slater:** It's an absolutely huge priority for the Department. The Secretary of State, as the ex-chair of the all-party parliamentary group on social mobility, made it clear on taking up his role as Secretary of State that he saw it as a continuing top priority for the Department.

- Q68 **Bim Afolami:** Just on loan forgiveness for teachers, can you explain exactly what the policy is? I have a constituent, Sam Hankin, who is a teacher, and he has queries on this. Can you just explain the policy at the moment?

**Jonathan Slater:** I'm glad I raised this example. I should probably write to you with the detail, if you have a particular constituent who—

**Bim Afolami:** You can write to me with the detail.

**Jonathan Slater:** The basic idea is that we are piloting loan forgiveness for teachers who work in particular areas—who take up posts in particular areas of the country where there are particularly high levels of deprivation. I can speak to you afterwards if you would like more detail.

**Bim Afolami:** That's fine.

- Q69 **Layla Moran:** Moving back to universities being able to reach out to students from disadvantaged backgrounds, how much more should some universities be doing? We heard from the pre-panel that Russell Group universities may be resting on their laurels a bit. Do you agree?

**Jonathan Slater:** An important role of the Office for Students will be to ensure that really good practice is being applied right across the piece. We can all talk about good examples of stuff that is done well—you will not be amazed to hear that I have some examples in front of me—but is there consistently good practice across the piece? No. That is one of the important things that the Office for Students will assess.

**Nicola Dandridge:** Yes; we will require outcomes and progress in reducing gaps, not just in terms of access to higher education, but in attainment and progression from it, in terms of getting jobs or going on to further study. The new Director of Fair Access and Participation, who will pick up the reins from 1 April, will oversee access and participation plans. They will identify targets for each higher education provider.

As part of the new regulatory framework, we will make the access and participation plans a condition of registration and they will be monitored as part of our ongoing monitoring process. We have a broader approach to the question of widening participation and outreach, because of the focus on access and outcomes. It is embedded in our new regulatory system.





- Q70 Layla Moran:** Oxford University is one of the universities that has been highlighted as doing nowhere near enough—it is very variable among colleges, but across the piece. What teeth do you have with a university like Oxford to make them do this?

**Nicola Dandridge:** The Director of Fair Access and Participation will be negotiating with Oxford to reach an agreement on what their outcomes should be. That will become part of our regulatory framework, as I said. There is a whole range of sanctions that can be applied, from encouragement, engagement and discussion to fines and more interventionist approaches at the other end.

- Q71 Layla Moran:** Fines? Up to how much?

**Nicola Dandridge:** I am not saying that that would be—

**Layla Moran:** No, I am just wondering.

**Nicola Dandridge:** That is still to be determined. The Department is consulting on its approach to fines. I am not necessarily saying that that would be the response; there is a whole range of tools, which is one of the differences between the old system and the new system. In the past, the Director of Fair Access could refuse to sign off a plan, in which case the higher fee could not be charged—that was the nuclear option, if you like. That was actually quite difficult, because it did not allow for a nuanced range of responses. We have many more tools available to us, which will allow for a more nuanced and therefore more effective engagement with universities.

- Q72 Layla Moran:** Just to end that bit, Oxford University are incredibly good at negotiating. Can you reassure the Committee that you are very ambitious for these targets and that you will not let any university get away with resting on their laurels on this?

**Nicola Dandridge:** Of course not.

- Q73 Layla Moran:** I will move on to the other universities that are attracting a lot of students from more disadvantaged backgrounds. The report raised the concern that there may be the beginnings of a two-tier system. Ms Dandridge, what can the Office for Students do to ensure that that does not happen?

**Nicola Dandridge:** It is an extension of the same point. We need to ensure that all universities, including the most selective, are recruiting a wider range of students. That will go some way to reducing the risk of a two-tier system developing. Likewise, I think it goes back to the discussion that we had earlier about effective information, advice and guidance to students from disadvantaged backgrounds, so that they are fully aware of the full range of options available to them.

In addition, we will require, as part of our regulatory framework, that universities don't just recruit students, but provide support to students from disadvantaged backgrounds, to ensure that they succeed. So there will be encouragement and pressure, in terms of recruiting a wider range

of students, and also a requirement that appropriate support is provided. I think we need to look at that important issue in the round, in terms of what we require of all universities to widen participation and ensure successful outcomes.

- Q74 Layla Moran:** That was very comprehensive. I will move on to switching courses, now. Only 2% of students switch courses and they are more likely to drop out than to move to another organisation. Mr Slater, what can we do about that?

**Jonathan Slater:** We gave a call for evidence on this back in 2016—what was standing in the way of transfers, where people wanted to do so? And the No.1 issue that came up, from 60% of the responses, was better information, basically, to enable transfers to take place. That was the No.1 issue.

So, in establishing the Office for Students, we have placed on it the responsibility of ensuring that providers are providing better and more comprehensive information, to support transfers where people want to take advantage of that opportunity.

- Q75 Layla Moran:** I see. So how do we stop the perverse incentive? Obviously, if a student moves, the money moves with them, so how do you ensure that the universities aren't dampening people wanting to go by not giving them that information? How can you monitor standards?

**Nicola Dandridge:** Again, I go back to the regulatory framework. To get on to the register, we will require universities to demonstrate what arrangements they have for enabling and facilitating transfers, and they have to demonstrate that they make those arrangements clear to students, so that students are aware. Likewise, we have a wider responsibility to make sure that the transfer arrangements are working effectively at sector level. So it's going to be a requirement at provider level as well as a responsibility on us to make sure that better use is made of transfers, when it is appropriate.

**Philippa Lloyd:** It is a condition of registration, isn't it?

**Nicola Dandridge:** Yes. You have to demonstrate that you—

- Q76 Layla Moran:** One more question. Obviously, they can't get their money back, can they? I mean, if a student goes to a university and it is absolutely wrong for them, they can't then say, "Well, I want a proportion of my fees back".

**Nicola Dandridge:** It depends why it has gone so wrong for them. If it is because they were misled in some way, then they may well be able to argue for their money back; if it's that they made a bad choice, then it may be much harder. That is right. But they can transfer. If they can identify a suitable course, they can pick up where they left off from the previous university.

- Q77 Layla Moran:** Have we considered a North American-style credit system, so that they can bring some of the learning that they have taken in from



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one university to another—?

**Nicola Dandridge:** That is what we have.

**Jonathan Slater:** Some do—that is precisely the point. It is that there is much more information that we could offer students about the potential for doing precisely that. Some have to start again; more often than not, they can just move straight into the second year.

Q78 **Bim Afolami:** On information provided to students so they can make effective choices, to what extent are you going to provide the data for incomes post-graduating from particular subjects, and career paths five, 10 years out? Is that sort of information what you envisage providing to students?

**Jonathan Slater:** Yes. That is what we call the longitudinal educational outcomes, or LEO, database. What we have been tracking for the last five years or so is what is happening year by year to students leaving school, on into university they go, and on into the world of work. How much are they earning, year by year by year?

Obviously, there's much more to success in a degree than how much you happen to earn, but that is a very important measure. And I talked about this new website that we are launching next year, which will have on it what students have earned—course by course, provider by provider. Absolutely. *[Interruption.]*

**Chair:** Sorry, but we will have to adjourn—we have a medical situation.