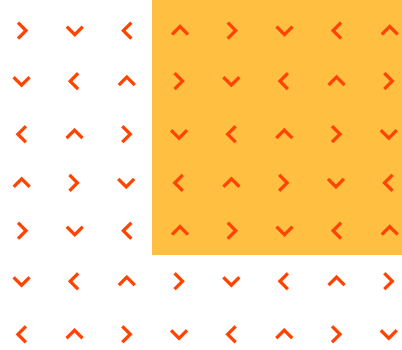


**WONKHE**

# The higher education policy landscape

**JANUARY 2023**

In association with 



As we enter 2023 there seems little immediate prospect of any form of funding review for the sector, leaving cost pressures high on the agenda of all institutions whatever their size or financial state. Yet, given the high people costs; historical structures of universities; and high estate costs, the levers that boards can pull to influence the costs in the short term are limited. The approach has to be one of investment in long term sustainability. Shaping an organisation that is set up to meet the strategic goals of excellence in teaching; learning; research and innovation will mean investment in digital and IT; in breaking down some of the organisational silos that exist and driving a more entrepreneurial culture across universities. In parallel, income diversification is not the panacea that will solve the financial issues but it is important when looking at university's role in levelling up; skills reform and productivity.

We saw in the Autumn statement a focus on research funding and innovation with a significant increase in R&D spending; Innovate UK programmes and Investment Zones in "left behind areas" with universities at their heart. Locations TBC but the direction of travel points to ever increasing partnership and collaboration to access funding and demonstrate impact. While collaboration is a fundamental part of how universities operate, there is more work to be done on partnership with businesses and other public sector bodies to maximise these opportunities.

At the same time there has been a drop in university entrants for the first time in several years, while this is from the historic high of the previous year (and so not a cause for alarm per se) governors need to keep an eye on the skills agenda and the Lifelong Learning entitlement as the government maintains its focus on alternative routes to tertiary education. Gillian Keegan and Michael Barber will be at the heart of this, though progress remains slow.

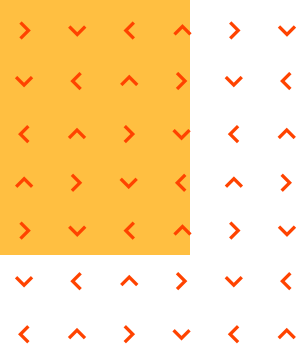
**“Shaping an organisation that is set up to meet the strategic goals of excellence in teaching; learning; research and innovation will mean investment in digital and IT; in breaking down some of the organisational silos that exist and driving a more entrepreneurial culture across universities.”**

So as always much to digest as we look forward to 2023 and beyond and as many universities are starting the strategic review cycle once again a good time to reflect on how it might look, and feel different from those that led up to this point?

**Justine Andrew, Partner**  
Head of Education and Skills at KPMG

*Unless otherwise stated, all opinions remain those of the Wonkhe team and not KPMG.*





A new calendar year brings a chance for a big political reset – or so both major political parties hope – as another challenging year lies ahead with high inflation, industrial unrest and critical problems in the nation’s infrastructure. Although we have our own share of problems in the sector – not least funding which gets more acute by the month as Justine points out – universities are not felt to be the part of Britain in 2023 which isn’t working. Though we are naturally affected by wider failures of state – from declining health outcomes to a faltering economy there’s still a fresh opportunity to demonstrate to politicians and taxpayers exactly what we do – and how well we do it. A general election cycle is looming, and funding and other higher education policy may be on the table in front of voters – and any changes beyond the election could have ramifications for decades to follow. Getting ahead of that moment feels like an important new year’s resolution for universities starting 2023.

That means a redoubling of efforts in the civil and local community engagement and reaching out beyond borders wherever we can. Even if – as is now sadly too often the case – it includes universities intervening directly in offsetting some of those state failures for example in providing “warm banks” in campus spaces for people in the community who cannot afford to heat their homes this winter. It’s also the right thing to do. And so like it was in the pandemic, there’s an opportunity to demonstrate higher education at its most impactful best – to policymakers yes, but ultimately to the people who will decide our fate at the ballot box. And so while we can’t and won’t get most of what we need and want from ministers as long as the sector remains in the policy freezer, there’s a lot more to be done by universities to help start thawing the long ice.

For this briefing we’ve added some links to some extra reading on the issues on [Wonkhe.com](https://www.wonkhe.com) – they are not meant to be exhaustive, just a useful aide to read more and read around some of the issues we discuss in this document – you can find all of these and much more on Wonkhe.

**Mark Leach**  
Editor in Chief, Wonkhe





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## Events, dear boy, events

As the political turbulence of the early Autumn settled down, a newly focussed team in Westminster has taken the reigns under Rishi Sunak. His cabinet appointments saw former apprenticeships minister Gillian Keegan take the Secretary of State for Education role. Robert Halfon, another noted fan of apprenticeships, landed a Minister of State role for Skills, Apprenticeships, and Higher Education. The erstwhile chair of the House of Commons Education Committee is seen as a safe pair of hands, if not a mild sceptic of universities, certainly not from the more hostile wing of his party. Freedom of speech now sits with Schools Minister Claire Coutinho, and responsibility for student loans ended up with Baroness Baron in the House of Lords, so things look a bit more spread out among the newly minted DfE team.

**“Inside the sector, fears remain about capacity to take on increasing numbers of international students, with shortfalls in accommodation provision locally and other services leading to significant challenges in numerous providers.”**

The Lifelong Loan Entitlement looks set to proceed under the new administration - as a policy that seems to unite everyone it has the chance to make skills provision and short courses far more accessible. Chancellor Jeremy Hunt's Autumn Statement was primarily focused on clearing up the mess left by his predecessor - we were concerned that cuts may affect core university funding, but this time round the sector will only suffer further below inflation rises. The results from the spring consultation on minimum eligibility requirements, and possibly number controls, remain unknown for now.

Michael Barber has been brought in by Hunt to oversee delivery of government skills policy, including the LLE, so eyes will be on what he's able to do - and how a newly engaged Treasury will exert its influence over education policy in the coming months.

At Business, Energy, and Industrial Strategy, Grant Shapps leads the department. George Freeman is back as science minister, along with Nusrat Ghani working on the brief as well. The big jobs there are protecting the size and scale of R&D investment which the government has committed to in the latest financial statement and sorting out Horizon affiliation or what comes after - the Plan B which UKRI has been actively working on.

International students has become an increasing political flashpoint over the last few months. With rising numbers of student immigration thanks in part to UK universities choosing to recruit more internationally to makeup financial shortfalls from decline home fee revenue. The Home Secretary has hinted that a clampdown is on its way, perhaps targeting dependents and “low quality courses” although we await any policy detail as a substantial row in Whitehall plays out over the issue. Inside the sector, fears remain about capacity to take on increasing numbers of international students, with shortfalls in accommodation provision locally and other services leading to significant challenges in numerous providers.

### Read more on Wonkhe:

[Here's how we'll make Plan B work for Britain](#)

[What is behind the rise of Nigerian students coming to the UK?](#)

[A crackdown is coming on international students](#)

[Gillian Keegan profiled](#)

[Higher education in the labyrinth: a tale of managing enormous risks arising from insoluble problems](#)

## Regulation by dashboard

There's a fairly clear expectation – in law and from previous practice – that academic quality and standards should be assured by the sector rather than by an arms-length government body. Over the summer, the independent Quality Assurance Agency stepped back from its role as designated quality body (DQB) – the Office for Students' (OfS) English quality regime did not allow the agency to continue to comply with international standards (prompt publication and student involvements were the things OfS would not sign up for) and would make QAA unable to retain the memberships it needs to work elsewhere. From March 2023 England sits outside the rest of the UK and most competitor nations in not complying with international quality assurance practice - OfS will most likely take on the QAA's DQB role from April 2023.

**“Academic quality and standards should be assured by the sector rather than by an arms-length government body.”**

The Office for Students finalised its own methodology for a data-driven approach to monitoring quality in higher education early this academic year. It feels like we've been experiencing consultations about monitoring providers against the B3 (“Quality and standards”) regulatory conditions for years - but we now have the dashboards and the thresholds, and the new condition in place.

In essence, the B3 dashboards put a lot of the data the regulator uses in assessing the quality of student outcomes (continuation, completion, progression) into the public domain. Each of these indicators now has an attached threshold - differing by mode and level of study - below which a provider (or any group of students within a provider, most notably a group of students studying the same subject) must not fall on pain of regulatory action.

The thresholds are not as stringent as you may expect - these are lower level, worst case, numbers. For example, for any given group of full-time undergraduate students it is expected that 80 per cent will continue their studies into year two, 75 per cent will complete their course, 60 per cent will be in a positive outcome - this is deliberately and substantially below average sector performance in each case.

Action will not follow the data immediately - it seems to be coming in waves of “boots on the ground” inspections conducted by OfS in subject areas defined by the Secretary of State, and a great deal of contextual leniency will be offered by the regulator – OfS claims to be open to arguments based on peculiarities of recruitment patterns or the local area. The first chunk of investigations is in business provision and further investigations will follow this calendar year - covering undergraduate and postgraduate taught provision in computer science, law, and four others.

Alongside this we have a new Teaching Excellence Framework (TEF), the above-the-threshold approach to teaching quality enhancement that uses similar but not identical metrics (we get some actual student voice in the National Student Survey, but not the now discontinued overall satisfaction question) to inspire, somehow, excellence.

**“We have a new Teaching Excellence Framework (TEF), the above-the-threshold approach to teaching quality enhancement that uses similar but not identical metrics.”**

TEF now boasts both a provider submission and a student submission - both of which will have a meaningful impact on TEF ratings. On that you'll



get one rating for student outcomes and another for student experience - combined to give an overall TEF category. The medal metals stay, but are augmented by a new more remedial “does not meet expectations” level.

**“Governors can expect to see a whole lot more of the OfS data dashboards in board papers and presentations.”**

Governors can expect to see a whole lot more of the OfS data dashboards in board papers and presentations (and request them if they are not forthcoming), but this should not come at the expense of your own provider’s bespoke analysis of the progress of its students. While the OfS numbers may - again, bear in mind that OfS will be looking contextually - have the potential to lead to regulation, they are not always going to be the most appropriate measure of teaching quality or the student experience for your own provider.

**Read more on Wonkhe:**

- [OfS dashboards usher in a new era of regulation](#)
- [OfS blended learning policy gets another tweak](#)
- [John Blake deletes the cheat codes to access and participation](#)
- [NSS consultation yields no changes to OfS plans](#)

## Freedom of speech

The Higher Education (Freedom of Speech) Bill continues its way through the legislative process as does the debate alongside it, despite a complete change in the ministerial team and their advisors since it was introduced. As ever, the quiet good that universities do in relation to the exchange of ideas on campus is often eclipsed by a small number of high-profile cases that trigger the outrage spiral with unnerving accuracy. It's been a running sore on the reputation of the sector for years (arguably, it's been an issue as long as there have been universities) - the latest attempt to solve this problem (the Higher Education (Freedom of Speech) Bill) takes a hard-edge regulatory approach..

**“Universities on an individual and national level have been nervous of entering a national conversation that can often be toxic and politicised.”**

Some would argue this is because the existing safeguards and policy do not work, others would suggest that this is because they are not seen to work. Either way, universities on an individual and national level have been nervous of entering a national conversation that can often be toxic and politicised. Certainly, governing bodies will gain a huge new range of responsibilities in this area on the Bill's passage - and will need to be thinking now on the best way of discharging these, and ways to mitigate the risks involved.

Though a lot of recent commentary has focused on the rarefied world of student debating societies, the implications for the everyday activities of higher education - for professionals and practitioners speaking to students as a part of their studies, for academic staff from around the world appearing as guest lecturers, and for student societies inviting the wide variety of uncontroversial external voices that appear on campus each ear - also need to be considered.

It's counterintuitive but probably accurate to think that the Higher Education (Freedom of Speech) Bill will itself prove a threat to the diversity on campus - but as providers need to manage new forms of risk that have serious legal and regulatory implications, board members will need to work harder to thread the needle of free speech and inclusion.

**“It's counterintuitive but probably accurate to think that the Higher Education (Freedom of Speech) Bill will itself prove a threat to the diversity on campus.”**

The latter stages of scrutiny in the House of Lords saw the removal of the statutory tort - a measure allowing anyone who felt as if their freedom of speech was being constrained recourse to the civil courts. Cross-party consensus saw this removed entirely in preference to the government amendments that clarified ministers' intention that this measure would be a last resort after other avenues of complaint (the provider or SU itself, and the Office for Students ombuds function).

Peers also added language banning the use of non-disclosure agreements by universities - a measure supported by the government and likely to remain on the face of the bill. It joins a series of Commons amendments designed to support the collection of data on universities' overseas funding which makes for a less focused bill.

### Read more on Wonkhe:

[Is the Chinese Community Party influencing activity on campus?](#)

[Who are the victims in the campus culture wars?](#)

[The real free speech problem in universities](#)





## Belonging at university

Despite “belonging” being the buzzword of the moment in universities – and, more notably, as being aspect of the student experience known to contribute to student success - there has been relatively little insight at a sector-wide level as to what the term actually means. Covid-19 clearly dialled up the barriers to creating student belonging - and as the country emerged from the lockdown restrictions it became clear that re-engaging students would be a significant challenge.

### “Covid-19 clearly dialled up the barriers to creating student belonging.”

Wonkhe, with Pearson have been working with staff and students to build a rich and multifaceted understanding of student belonging over the last year. The 5,233 students, and 430 members of staff and 15 students’ unions involved in the research taught us more about belonging and inclusion than we ever could have predicted and gave us a wealth of insights from which we could analyse the conditions and interactions that contribute to feelings of belonging.

The recurring themes within our data form four foundational areas: connection, inclusion, support, and autonomy. Governors will need to take note as the student experience becomes increasingly central to regulation – we know, for instance, that students who feel like they “belong” in their university are more likely to continue with and complete their course.

### Connection

When we asked staff about the most significant “space” students are likely to forge sustained peer connections and develop friendships, the most popular answer was “on their course during scheduled contact hours”. Students also felt strongly that they wanted to build connections at course level.

We found staff tended to overlook peer connections as a basis for confidence, whereas students reported that exposure to other students through academic societies, group work, or in seminars, studios, and labs increased their confidence levels.

Our report recommendations cover a wide variety of activities and initiatives which can help students build connections, and include online social spaces, communications between staff and students, personal tutors, group work and communal spaces.

### Inclusion

Students associated diverse, inclusive content with course credibility. In our qualitative findings, there were rarely comments from students about how diverse content related to “seeing themselves” in the course material or the standalone need for diversity. Notably, students saw diverse content as appropriate academic rigour and giving them a more rounded perspective of the discipline - and conversely a lack of diversity led students to question the credibility of their course and the expertise of their educators. It also led them to question how well their course was preparing them for the graduate workplace.

### “A lack of diversity led students to question the credibility of their course and the expertise of their educators.”

In addition to recommendations around inclusive content, the report also explores accessibility, neurodiversity, access to resources and representation of staff.



## Support

Well-defined, clearly articulated, inclusive support systems and networks were seen as fundamental to the cause of building a sense of belonging in students. Above all other findings, eliminating a deficit model approach to support by integrating support throughout the course and across the university had the greatest potential to remove deeply ingrained feelings of unbelonging, “otherness” or “imposter syndrome”.

**“Well-defined, clearly articulated, inclusive support systems and networks were seen as fundamental to the cause of building a sense of belonging in students.”**

University staff survey respondents felt strongly that supporting students should be a shared responsibility across the institution, enabling students to access appropriate support at the point of need. We found that when students had to request support specifically, they often had to overcome bureaucratic administrative burdens, which was both frustrating and alienating. Training and support for staff is critical to ensuring students can benefit from the provision in place, as and when they need it.

## Autonomy

Being able to make informed decisions about their learning and contribute to the wider university experience was a strong indicator of feelings of belonging. Despite an increasing number of projects around co-creation in the sector, the practice is not widespread. One of the key recommendations in this section, particularly with reference to developing more inclusive content, is for co-creation to become standard practice.

We also saw that a student’s mindset played a part in the feedback students received – students displaying growth or fixed mindsets among our diarists appeared to respond differently when receiving poor grades. Positive, productive feedback

**“Being able to make informed decisions about their learning and contribute to the wider university experience was a strong indicator of feelings of belonging.”**

on assessments gave students a straw to clutch at when anxious about upcoming assessments. It ensured students felt able to progress as not knowing where they went wrong was a key reason for feeling disappointed but also anxious about improving for future assessment.

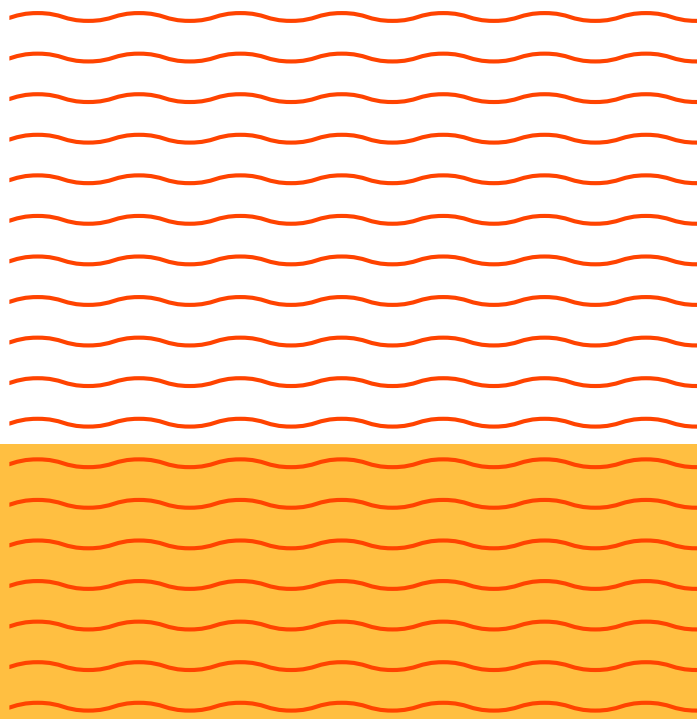
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### Read more on Wonkhe:

[The four foundations of belonging at university](#)



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