

# THE BIS HIGHER EDUCATION WHITE PAPER: *A response from Higher Education Wales*

## ABOUT HIGHER EDUCATION WALES

1. Higher Education Wales (HEW) represents the interests of Higher Education Institutions (HEIs) in Wales and is a National Council of Universities UK. HEW's Governing Council consists of the Vice-Chancellors of all the HEIs in Wales. HEW provides an expert resource on the Welsh Higher Education sector.

## (I) INTRODUCTION

2. Higher Education Wales welcomes the opportunity to contribute to the discussion on the BIS White Paper. Universities UK has responded to the document on a UK-wide basis, a copy of which has been sent to you, but this document should serve as briefing on some of the key issues for Wales. Given that higher education within the UK is a devolved matter, we will focus on those areas that have a particular cross border impact on universities in Wales.
3. HEW would note, as others have, that some of the policies in the White Paper are very broad and come without full explanatory detail. Some of this detail has subsequently been provided in relation to University title (UT) and Degree Awarding Powers (DAPs) in a technical consultation issued by BIS in August 2011 and in further documents published by HEFCE. We will be responding to the BIS technical consultation (*A New, Fit for Purpose Regulatory Framework*) and will ensure that the Welsh Government and Wales Office is sent this response. Where we comment on issues in relation to proposed changes on Degree Awarding Powers or University title in this document, we do so without prejudicing our fuller response to the BIS technical consultation in late October 2011 on these matters.
4. This response will first address some core principles in relation to the impact of the changes on universities in Wales, followed by a section devoted to clearly positive proposals in the White Paper. It will then proceed to highlight five areas where the White Paper's proposals may have a cross border impact or cross border interest that should be considered.
5. We would highlight that some elements of the BIS White Paper are already being pursued in Wales. HEFCW issued a Key Information Sets circular (on which HEW is working with HEFCW) contemporaneously with the BIS White Paper.<sup>1</sup> Indeed the drafting of Student Charters in Wales is advanced having been progressed as a result of past and current joint work between UUK/HEW and the NUS, supported by the strong steer given to HEFCW in the Welsh Government's Remit Letter sent in March 2011.

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<sup>1</sup> See

[http://www.hefcw.ac.uk/documents/publications/circulars/circulars\\_2011/W11%2027HE%20Key%20Information%20Sets%20Outcomes%20and%20next%20steps.pdf](http://www.hefcw.ac.uk/documents/publications/circulars/circulars_2011/W11%2027HE%20Key%20Information%20Sets%20Outcomes%20and%20next%20steps.pdf)

## (II) CORE PRINCIPLES

6. HEW's response to the White Paper and its cross border impacts is guided by three principles:
- a) **The primacy of quality** – Considerations in relation to the quality of higher education provision should be the key driver for all decisions relating to the Quality Assurance systems in the UK, including policy on Degree Awarding Powers and University title.
  - b) **The imperative of strategic delivery on national priorities** – Wales's universities are committed to the delivery of important national objectives for higher education in Wales, as set out by the Welsh Government (in *For Our Future*) and by HEFCW. It is clearly desirable that wider policy frameworks (be they UK or EU frameworks) should, where possible, assist the delivery of such strategic national priorities for Wales.
  - c) **The maintenance of the quality of the UK higher education brand for international HE applicants** – International higher education applicants widely recognise the high quality higher education delivered within the UK universities generally and the role that proper quality assurance plays in the delivery of well reputed learning outcomes. The maintenance of the UK brand of higher education is therefore important for universities across the UK.

## (III) POSITIVE PROPOSALS

7. HEW would wish to highlight upfront some positive proposals in the White Paper, these include:
- **The proposal to consult on the EU cost-sharing exemption on VAT** – This consultation on VAT is to be welcomed in the context of exploring the efficiency of shared services in the HE sector. Current rules on VAT have hindered efforts by universities across the UK in the past to share services and other ways to gain efficiencies across institutions. We hope that HM Treasury will agree to such changes as this would ensure that significant efficiency savings could be made in a number of areas.
  - **Postgraduate education** – Postgraduate education is crucial for Wales's success as a knowledge based economy and ensuring that this aspect of HE provision is supported is pivotal. It is therefore to be welcomed that the White Paper has adopted the recommendations of Sir Adrian Smith's report on Postgraduate Education (*One Step Beyond* - Mar 2010) in full and has agreed to take them forward. We note that Sir Adrian's Report has a UK territorial scope and therefore we assume that work on delivering the recommendations of *One Step Beyond* will be conducted in association with the devolved administrations and through the UK 'Funders Forum'. HEW would be pleased to cooperate in the implementation of *One Step Beyond* in Wales, perhaps through the HEW Research Advisory Group (comprising Wales's Pro Vice-Chancellors for Research).

In Wales there are issues in relation to Post Graduate Taught (PGT) funding that arise from the switch away from credit based teaching grant in Wales. HEW has raised matters in relation to this point directly with HEFCW in response to a recent circular (W11/12HE) on the future of teaching funding in Wales.

#### **(IV) CHANGES IN RELATION TO QUALITY ASSURANCE, DAPS & UNIVERSITY TITLE**

8. As we have mentioned, HEW will be responding as appropriate to the technical consultation on a new regulatory framework for the HE sector. Without pre-empting this response it is clear that proposed changes in the White Paper in relation to Taught Degree Awarding Powers (TDAPs) and University title will need careful thought, consultation and inter-Ministerial deliberation. Currently the criteria for DAPs and UT are consistent across the UK. Recent proposals for England may change this position significantly were Scotland, Wales and Northern Ireland not to adopt a similar set of criteria in law through their own devolved procedures, though it is worth noting that, at present, the only substantive changes being proposed in this area are for England. Were there to emerge significant changes to the criteria for awarding degrees between the four parts of the UK this may well have a longer term impact on the external perception of quality criteria in the UK.
9. Our initial concern would be that any proposed changes in requirements for TDAPs or University title should be driven solely by considerations relating to quality (see our 'Core Principles' above) and not by any particular policy objective unrelated to quality.
10. One concrete issue would be whether a new university headquartered in England recognised under any changed rules for England only, may be able to physically set up a higher education provision base in Wales. Were such an entity able to teach university courses in Wales using English DAPs that differed to those that applied to HEIs headquartered in Wales, the confusion about which criteria applied in Wales would be significant. Clearly such matters need considerable thought and discussion.
11. The paramount importance of high quality provision should also guide consideration of the **proposed 'risk based' approach to QA** in England. Though this approach has been welcomed by many in the university sector as being more proportionate and targeted than the current system, the devil will doubtless be in some of the more detailed proposals which we will be consulted on in due course by the QAA. HEW will also seek to communicate with HEFCW and, as appropriate, the Welsh Government, which holds QA responsibilities for Welsh HEIs, on this detail.

#### **(V) POST QUALIFICATION APPLICATIONS**

12. Given that the university sector in Wales is a full participant in the UK-wide student applications system run by UCAS, the full and early involvement of Welsh stakeholders in consideration of further moves in England in relation to post-qualification applications (following the conclusion of the UCAS review of admissions) will be essential.

## **(VI) THE INTRODUCTION OF A CORE AND MARGIN MODEL**

13. Though the core and margin model applies to England alone, the nature and extent of cross borders flows between Wales and England will mean that substantial changes to funding models in England may have some impact on flows of students into Wales and flows of potential students from Wales to the rest of the UK. On one aspect of the 'core and margin' model - the AAB+ proposal - HEW has responded to a similar proposal from HEFCW in their recent circular on the future of teaching funding (W11/12HE). There are a number of issues to consider in relation to this proposal and HEW has requested a dialogue with the Funding Council to consider how policy proposals in relation to high grade achievers may be taken forward in Wales. It will be important to ensure that Wales continues to attract a full range of students with different levels of UCAS point attainment. Whatever the discussion on any AAB+ proposals may be in Wales, the strategic priority of the university sector in Wales will remain widening access to higher education from traditionally underrepresented groups.

## **(VII) ALTERNATIVE PROVIDERS AND THE DELIVERY OF STRATEGIC OBJECTIVES**

14. On the issue of **alternative higher education providers**, HEW would note that our core principle of strategic delivery should be the litmus tests in consideration of Welsh Government financial support for alternative providers. One key issue is the delivery of strategic priorities in Wales. If alternative providers operating in Wales do not deliver some of the (higher cost) activities agreed to be strategically important in Wales - such as in relation to widening access, retention, Welsh Medium higher education, priority subject areas and so on - then key strategic objectives may not be fulfilled through financially supported provision in this area. Ensuring that different types of providers are given the level of financial support commensurate with their delivery of strategic priorities is also a matter of fair competition. Access by Welsh domiciled prospective students at such private providers in England from 2012/13 to the tuition fee loan should be a matter for further consideration.

## **(VIII) THE ROLE OF FUNDING COUNCILS**

15. The new regulatory role proposed for HEFCE as 'lead regulator' has some parallels with the new strategic role proposed for 'Universities Wales' in the Independent Review of Higher Education Governance in Wales (the McCormick Report).<sup>2</sup> As HEW has welcomed some aspects of the McCormick Report, we look forward to the consultation paper due to be issued in late autumn 2011 by the Welsh Government on potential governance changes to higher education in Wales and the future role of a new lead funder in Wales. HEW will revisit the proposal to make HEFCE the 'registrar' for HE providers in England in its consultation response to the technical consultation due on 27 October 2011.

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<sup>2</sup> See <http://wales.gov.uk/docs/dcells/publications/110317hegovreviewen.pdf>

## **(IX) SUMMARY**

16. In conclusion, HEW welcomes some of the proposals in the White Paper, particularly in relation to postgraduate study and VAT cost sharing. There is also much to welcome in the White Paper's proper focus on the centrality of the student experience and the importance of student involvement in their learning.
17. In relation to Degree Awarding Powers and University title, HEW believes that there is a strong case, following the close of the consultation for the BIS technical consultation, for the convention of a formal Joint Ministerial Committee (JMC) of the UK's Higher Education Ministers to consider the ramifications of proposed changes in England for the UK's wider quality assurance and University title system. Such a forum would allow some significant issues in relation to the proposed changes to be explored fully. HEW has previously proposed to the last UK Government that such a JMC should be established in relation to a range of cross border higher education issues. Impending legislation in relation to HE affecting the jurisdiction of England and Wales, in the draft HE Bill, provides us with an important opportunity for such a JMC to contribute to policy as it affects higher education on a cross border basis.

## **HIGHER EDUCATION WALES**

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