

Chief executive's report

Purpose

1. This paper provides an update on work undertaken and issues that have arisen since the date of the last board meeting on 2 December 2021, to the extent that they are not covered in other board papers.

Recommendations/Decisions required by the board

2. The board is invited to:
 - a. Note the updates contained in this paper.
 - b. Note the risk report at Annex B.

Further information

3. Available from Nicola Dandridge.

Summary of main activity

4. Our primary area of focus for the last few months has been the various consultations that we have published, notably the three consultations on student outcomes and teaching excellence, published on 20 January 2022. The consultations address student outcomes, the Teaching Excellence Framework, and the data indicators that underpin both. The consultations will be open for responses until 17 March 2022. These proposals reflect a significant amount of work from OfS staff, and represent an important milestone in our efforts to regulate quality and standards in a proportionate, strategic and sustainable way. The consultations follow from our previous consultations on regulating quality and standards in higher education and on new quality and standards conditions which we undertook in 2020.
5. Meantime, we are analysing the responses from the related consultation on quality and standards (other than student outcomes) and will be making final decisions on the relevant conditions in February 2022.
6. The consultation on Data Futures and data collection was launched on 16 December 2021 and remains open until 3 February 2022. It is targeted primarily at data analysts and planners within the sector. It seeks views on how the OfS can ensure it has the data required to perform its functions, while collecting that data in a proportionate way. It focuses upon how the Higher Education Statistics Agency, as the designated data body in England, should take forward the Data Futures programme to collect in-year student data, and the resulting nature, frequency, and timing of data collections.
7. The results of these various consultations will underpin and inform our new OfS strategy which will come into force in April 2022. Our consultation on the strategy for 2022-25 closed on 6 January 2022. We are analysing responses to inform the development of the finalised strategy. Our analysis of the responses we have received is contained in paper 4.1.
8. Exempt from publication
9. Exempt from publication
10. Exempt from publication
11. As the board is aware the National Audit Office is undertaking a study into 'Regulating the financial sustainability of higher education providers in England'. The focus of their work is on the OfS's and DfE's responsibilities to protect students' interests from the consequences of financial risk in higher education providers. The final report is due to be published in February with a public accounts committee hearing in March.

Participation

12. Our new Director for Fair Access and Participation, John Blake, started with the OfS on 1 January 2022. He is currently assessing revised approach to access and participation, and the monitoring and oversight of current plans. This will be the subject of discussion at this board meeting (agenda item 5.1).
13. On 30 November 2021, we published experimental statistics on students changing course from 2012-13 to 2018-19. This data covered full-time students on first degree courses (excluding

those at colleges) who transferred credit and entered directly into the second year of a new programme of study. The main conclusions from this analysis are similar to the ones drawn out in the previous publication: more students transferred without credit, both within the same provider and to a different provider, than took credit with them which enabled them to bypass the first year. Compared to 2017-18, there was a small increase in the proportion of 2018-19 entrants who had to restart their course rather than continuing (4.4 per cent rather than 4.1 per cent). Underrepresented groups remain more likely to restart a course at their original provider than students from groups with higher levels of participation.

14. Next year's planned publication on students changing course will explore how we identify transfers which allowed students to use some of their previously accumulated credit, even if that credit was not enough to allow progression directly to the second year of a new programme of study.

Experience

15. The board has previously discussed our approach to harassment and sexual misconduct, and the Statement of Expectations that we published in April 2021. At the time, we said that we would follow up on its publication by examining how universities and colleges responded to the statement. As part of this we said we would want to hear from students and students' unions as to the impact of the statement, and would also consider options for connecting the statement directly with our conditions of registration.
16. We are currently completing an exercise to tender the process of investigating the impact of the Statement of Expectations to a third party. Our priority is to understand how providers have responded to the statement by reforming their systems, policies and processes, and to understand from students and their representatives that their experience had improved – for instance in terms of whether providers have in place clear and accessible reporting systems, whether staff are trained to take disclosures effectively, and students have confidence that their provider will take reports of harassment and sexual misconduct seriously. That work will be undertaken over the next few months, with a view to reporting back to the OfS this summer. Depending on the terms of the report, we will then need to decide what further work may be required.
17. On 18 January 2022, we joined a Ministerial roundtable to discuss the prevention of Non-Disclosure Agreements by universities and colleges in sexual harassment cases, and on 26 January 2022 joined a summit convened by the Minister and the Secretary of State on antisemitism in the sector, to coincide with International Holocaust Remembrance Day on 27 January 2022. In the meeting, we drew attention to the fact that our Statement of Expectations (above) extends to antisemitic harassment.

Outcomes

18. The student outcomes consultation, referred to in paragraph 4 above, proposes the setting of minimum thresholds for student outcomes as part of our assessment of condition B3. These thresholds are proposed at a level that takes into account a variety of factors that might have influenced those outcomes, including the characteristics of different groups of students. The thresholds are set by reference to different modes and levels of study, with thresholds for the proportion of students continuing into their second year of study, completing their qualification,

and progressing into professional employment and further study. It is proposed that a provider's context will be taken into account as we make judgements about whether the requirements of the condition have been satisfied.

19. The TEF consultation discusses proposals for the future TEF scheme. As with previous iterations of the TEF, the scheme would give ratings to providers for excellence above the proposed minimum baseline quality and standards requirements, therefore incentivising the delivery of excellent teaching and learning, as well as emphasising the importance of delivering excellent student outcomes. It is proposed that TEF awards would be assessed every four years, with the decision of which rating to award – gold, silver, bronze, or the new 'requires improvement' category – resting with an expert TEF panel.
20. The consultation on student outcome and experiences data indicators outlines how the OfS proposes to construct, present and interpret the data indicators to be used as the evidence base for regulation of student outcomes and informing TEF assessments, as well as A&P dashboards. The proposals are accompanied by a range of supporting information, as well as interactive data dashboards that illustrate the impact of the proposals, and technical documentation outlining the data definitions and statistical methods used.
21. There was substantial and prominent coverage of these consultations in both the national and sector press. An article in The Sunday Telegraph previewed the proposals, with follow up stories in the I and Daily Express. James wrote an article for The Times Red Box, and I was interviewed by Times Radio and LBC Radio. There was also coverage in The Times, Daily Mail, Financial Times and Guardian, including a supportive leading article in The Times. Press Association coverage was picked up by many local and regional papers. The story was covered on BBC Radio news bulletins across the six national and many local stations, including Radio 4's 8am bulletin during Today. The coverage was broadly supportive in its response.
22. A detailed overview of our communications activity is available at Annex A.

Value for money

23. We published our value for money annual report on 7 December 2021. Publication of the report is part of our value for money strategy which sets out how we promote value for money in the provision of higher education, and shows how we have regard to the need to use our resources in an efficient, effective, and economic way. It focuses on the 2020-21 financial year, and reviews value for money processes and initiatives within the OfS.
24. As referenced in the previous report to the board, we launched a consultation on the approach to world-leading specialist provider funding in October 2021. The consultation closed on 1 December 2021, and between 17 December 2021 and 21 January 2022 we have been undertaking recruitment for the specialist provider panel which will assess bids from providers.
25. On 30 November 2021, the review of the Transparent Approach to Costing (TRAC) 2021 was published. The UK Higher Education Regulators and Funders (Financial Sustainability) Group commissioned KPMG to conduct the review in response to a request from the government as part of a wider review of bureaucratic burden.
26. While TRAC was identified as a source of burden, the majority of survey respondents took the view that the burden was justified. It was noted that TRAC data are used for a range of

purposes by a number of stakeholders including institutions, funders, and the Department for Education. The review identified several opportunities to reduce burden, noting that to some extent the burden outlined by institutions was one of perceived, rather than actual, burden. The margin for sustainability and investment was outlined as a barrier to greater engagement with the TRAC data, and it was suggested that increased benchmarking could result in greater insights. TRAC(T) was identified as needing reform to improve the utility of data, while it was noted that it is possible that improved levels of compliance with TRAC requirements could result in further reductions in burden.

27. We published the capital funding announcement for the financial year 2021-22 on 17 December 2021. This announcement followed on from the consultation undertaken between March and April 2021, the outcomes of which were reported in July 2021. Overall, £128 million was distributed between the 100 providers through the bidding exercise conducted, an increase of £4.4 million above the £123.6 million we expected to have available. This was made possible by further reviewing other existing funding commitments, with overall capital funding distributed in the year remaining at £150 million. Bids were assessed against two criteria: that the funding was for 'relevant expenditure', and that the project and associated risks would be well managed and provide value for money. In total, 166 bids requesting a total of £272 million were submitted.

Efficient and effective

28. Paper 7.1 gives an update to board members on the way we have been approaching our internal operations during the pandemic.
29. The regular risk report is attached at Annex B of this report, for the board's information. We are in the process of reviewing our strategic risks, to ensure they align with our new Strategic Plan to be published in April. This work will be considered by the Risk and Audit Committee at its meeting in February, before being included on the board agenda for its meeting in March. The intention is to finalise our strategy risks prior to the publication of the new OfS strategy in April.
30. Alongside this we are also undertaking our annual risk management internal audit, which this year is focusing on a reflection of our current approach and lessons learned (including whether we can make improvements in how we present our risk report to the RAC and the board). This will also be considered by the RAC in February and the board in March.
31. Our internal spotlight on our value of openness has recently concluded. Blog posts were written by a range of colleagues giving an insight into their work at the OfS, and a panel discussion was also held to discuss how to create more opportunities for open discussion. The latest values and behaviour survey identified that 69% of respondents agreed or strongly agreed that they can see clearly how the OfS values apply to their work. The next spotlight has been launched by the values and behaviours group and is now underway, with a focus on our value of diversity.