

Jisc's Expression of Interest to become the Designated Data Body for England

April 2022

Introduction

This document represents Jisc's response to the Office for Students ('OfS') invitation to express an interest to become the Designated Data Body (OfS 2022.13), dated 17 February 2022.

Jisc welcomes the opportunity to present this expression of interest to become the new Designated Data Body ('DDB') for higher education information in England. Jisc is ready to work with its partners and stakeholders to ensure England and the UK continue to be underpinned by trusted data and analysis for the further and higher education sectors.

Jisc is the UK's higher, further education and skills sectors' not-for-profit organisation for digital services and solutions which is dedicated entirely to our members' and stakeholders' needs.

It is proposed that Jisc will acquire the knowledge and skills required to carry out the activities of the DDB by the acquisition of the Higher Education Statistics Agency ('HESA'), preserving the DDB activities as a distinct directorate and merging shared service activities into Jisc's shared services.

The transfer of the DDB and other HESA assets is dependent on Jisc and HESA reaching agreement on the terms of a merger, obtaining all the relevant regulatory approvals and the approval of HESA and Jisc trustees.

This proposed 'merger' will provide significant benefits to the sector, principally:

- **Increasing investment available to DDB activities;**
- **Combining expertise to create a resilient, joint capability for delivering future data needs; and**
- **Providing value for members.**

Jisc is uniquely placed to achieve all the benefits a merger would bring, whilst minimising the risk of disruption to HESA's subscribers. Jisc has strong links with HESA already, through working with HESA to deliver data analytics and custom data services using HESA data as well as providing a range of existing back-office services (from technology through to procurement advice). We have also been working in partnership with HESA to deliver the Data Futures programme, which is at the heart of preparing the DDB to meet the needs of the higher education sector for the foreseeable future.

Jisc has long established and deep relationships with the higher and further education sectors. Jisc works with and support the same institutions that HESA does which will provide Jisc, as the DDB, a truly unique position from which to continue to provide outstanding services and support.

HESA's capabilities have been gained over 28 years' of collecting, processing, and publishing information about the higher education sector. Jisc recognises how vital data is in supporting the delivery of high quality higher education to all students. With Jisc becoming the DDB, data will remain within the sector for the benefit of the sector and its students. Jisc will continue to develop the data collection platform (Data Futures) and invest in innovation to reduce the burden of collection and maximise the uses of data for the benefit of the sector.

By being part of a larger organisation with the extended capabilities available from across Jisc, the DDB within Jisc will be even better placed to continue to evolve and extend to meet the needs of an increasingly diverse sector.

The DDB collects data from English higher education providers in accordance with the requirements of the OfS, which is also the regulator of the DDB. In planning the merger, Jisc understands the importance of the role of the DDB and its contribution the OfS's objectives of ensuring that every student's higher education experience in England is one that provides value and enriches that student's life.

Jisc is planning to improve the effectiveness of the DDB over time, without risking its ability to continue operate to the high standards expected from it. We note below further areas where we expect to be able to make improvements to the operation of the DDB. We will also investigate how we may make further use of technology to improve operational effectiveness. This will be done with care and consideration – it will not happen overnight, but Jisc's aim is to build on the work started by HESA. In recent years, Jisc has been working with HESA on the Data Futures platform and we believe this provides an insight on how working together makes it easier and more efficient to deliver complex projects.

About Jisc

Since 2012, Jisc has been the UK's higher, further education and skills sectors' not-for-profit organisation for digital services and solutions. Jisc is a company limited by guarantee and a charity. Its members are Universities UK (UUK), GuildHE and the Association of Colleges (AoC) as well as institutional members (higher and further education institutions across the UK).

Jisc champions the importance and potential of digital technologies for UK education and research. Jisc owns and operates the Janet network – providing superfast, secure connectivity to the sectors as the UK's National Research and Education Network (NREN).

In addition to Janet and associated cyber security support services, Jisc negotiates sector-wide deals with IT vendors and commercial publishers, delivers a range of data analytics services such as Heidi+ and learning analytics, and also provides trusted advice and practical assistance for universities, colleges and learning providers.

Serving our members and the sector is at the core of what we do. We have worked closely with HESA over many years. For the past two years Jisc has been working successfully alongside HESA to deliver the critical Data Futures programme. In 2019 HESA transferred its commercial activities to Jisc.

Jisc has gained vital experience in managing successful mergers having successfully merged with Eduserv and the Higher Education Careers Services Unit (HECSU) in the last three years. Jisc will use its experience to ensure a merger with HESA is successful – realising the benefits from the merger as well as safeguarding HESA's business as usual activities.

About HESA

HESA was formed in 1993 as a company limited by guarantee and a charity. Its members are UUK and GuildHE and it works with HE providers in each of the four nations, collaborating with them to collect and curate one of the world's leading HE data sources. Using this knowledge and expertise HESA provides a rich, open source of HE information for data users.

HESA collects, assures and disseminates data about HE (soon to include FE) in the UK on behalf of nine 'Statutory Customers'. It has the technical capacity with extensive experience in data collection, analysis and assessment to meet the needs of multiple agencies and stakeholders as well as higher education providers.

Our shared vision

The Boards of both HESA and Jisc share a common vision which is to maximise on strengths of both organisations.

Jisc has a proven track record in the delivery of national infrastructure, digital and data services. HESA has a proven track record having operated as a designated data body for the past three years and as the data collection agency before that. HESA has extensive knowledge and capability in data collection, processing and publishing data on higher education in the UK.

After the merger the DDB will be maintained as a distinct division (directorate) within Jisc. Non-DDB activities, comprised mainly of support services, will be re-deployed to within Jisc's existing shared service activities – realising significant cost savings. By re-deploying supporting activities, Jisc will deliver a saving on the DDB, which will be passed on to the sector, which combined with other measures that HESA is already taking to reduce costs, work to achieve the 10% like for like reduction in current subscriptions.

By creating a new directorate Jisc will ensure the DDB continues to provide its critical services without disruption. The transition of HESA into Jisc will be approached by keeping the core DDB business areas working as they are at the point the merger occurs. For HE providers and statutory customers, it is therefore expected that the services they presently receive from HESA will continue.

Both Jisc and HESA share an ambition to ensure the successful operation of Data Futures when that project goes live, as well as to work on post-merger integration projects that yield better ways of working, improvements for HESA subscribers and further efficiency savings.

In merging with HESA, HESA employees would transfer into Jisc and this will ensure that the DDB maintains the expertise, processes, and relationships that currently enables HESA to perform these duties. In addition, being part of a much larger organisation, Jisc will be able to provide a greater level of support to the DDB such as larger HR, IT and legal teams. This will aid operational efficiency and benefit employees working within the DDB as they will join Jisc training programmes which will enhance their careers, benefiting the individuals and the DDB with retention and recruitment. Being part of a larger organisation also allows for economies of scale, it will also allow for greater investment in the DDB's infrastructure, product development and greater opportunities for staff.

Jisc has a strong culture focused around serving the education, research and skills sectors. Jisc works hard to provide a supportive, inclusive framework in which all its employees can develop and succeed. Based on experience of previous mergers, Jisc recognises that managing culture is critical to success in any merger scenario as well as in the future operating of the DDB. HESA operates in a highly regulated context and this focus drives a culture and way of operating which has underpinned HESA's success so far. Jisc is already familiar with HESA culture having worked with HESA closely on a range of projects

and from the acquisition of HESA's commercial business arm 'HESA Enterprise' in 2019. HESA and Jisc will work together to build on these joint experiences, recognising the unique role of the DDB and the context within which it works, to ensure that the new division works effectively as part of the Jisc family.

Duty to compile and make available higher education information

The DDB plays a vital role in supporting the OfS's regulatory objectives by the collection and publication of accurate, reliable and timely data. The OfS uses this (and other data) to provide vital insights on the performance of all of the providers of higher education in England. Data collected by the DDB allows the OfS to make evidence based evaluation of how the sector is performing, in particular, to identify any barriers that may exist that prevent students from accessing high quality education that allow students to achieve the desired outcomes from their investment from higher education. As such, the data collected by the DDB provides a corner stone from which effective regulation, in line with the OfS's stated objectives, can be fulfilled.

As the DDB, Jisc will continue to compile appropriate information relating to registered higher education providers and the higher education courses they provide, and to make the information available in an appropriate form and manner to the OfS, UKRI and the Secretary of State and, at least once a year, to publish appropriate information relating to registered higher education providers and the higher education courses they provide in an appropriate form and manner.

One of Jisc's obligations in becoming the DDB is to ensure that the content of its publications outside those produced by it as the DDB do not contradict (and therefore undermine) outputs of the DDB or the OfS. Jisc will ensure that the quality control processes it has over its publications will identify any such areas of conflict so that we can resolve any problems before publication.

HERA only applies to providers of higher education in England. HESA also works on behalf of HE providers in Wales, Scotland and Northern Ireland ('statutory customers') to help them fulfil their statutory obligations to provide information to the funding and regulatory bodies in each administration and Jisc will continue perform this work, working closely with these other statutory customers.

Jisc recognises the need for the services it delivers as the DDB for England is, and must be seen to be, independent from work it performs for other statutory customers. Jisc recognises that there remains a potential for conflicts to arise from work it does on behalf of the statutory customers, particularly where there are differences in policy. Jisc will work closely with its statutory customers and the OfS to ensure any conflicts are resolved. It will do this by building on the existing mechanisms that are operated by HESA to ensure they work across Jisc where applicable.

Changes to data specifications are currently managed within a change framework at HESA, this framework includes a process for capturing requirements from customers and actioning changes to the published specifications. We expect that the OfS will require that all changes to the data collected under HERA will need to be approved by the OfS and not delegated to Jisc. With this in mind Jisc would expect to ensure a formal approval stage is working before any changes to data specifications are approved for implementation, and for this process to seek approval from a suitably delegated member of OfS staff. Jisc would expect to agree delegation for this as part of the designation agreement so that this is clear. Jisc would be happy to report on this area as part of its KPI reporting framework.

Regulation and management of conflicts of interest

The DDB is subject to regulation by the OfS and HESA and Jisc recognise the importance of keeping statutory and non-statutory activities separate.

As part of the post-merger governance structures, Jisc will establish an internal committee to oversee the DDB in respect of its statutory activities and responsibilities ('statutory oversight committee'). The statutory oversight committee will report to the Jisc main board, and its chair will be a Jisc trustee. Members of the statutory oversight committee will be appointed by Jisc's Nominations and Governance committee.

The terms of reference for the oversight committee will include considering and advising the Jisc Board on the strategy for the Directorate, recommending to the Jisc Board the annual budget for the Directorate, including the setting of subscription levels, and keeping under review the effectiveness of data governance and risk management.

Additional governance will be provided by Jisc's Audit and Risk Management committee, which meets four times a year, and which will also have oversight of the DDB as part of Jisc.

The DDB's financial performance will be managed as a separate division. Shared service and other activities carried out on behalf of the DDB will be re-charged to the DDB based on the direct costs of providing the service (i.e. salary and on costs, any third party costs and an apportionment of direct overheads). These calculations will be reviewed on an annual basis. The scope of the activities undertaken by the DDB division will also be reported on distinctly and in accordance with HERA as part of Jisc's annual report, including the cost of delivering the DDB services, to the OfS.

Value for money

Jisc recognises that the burdens placed on providers are proportionate and fees charged are appropriate and represent value for money and in planning the merger, Jisc and HESA are actively looking at ways the DDB can operate more efficiently, for example by sharing resources and using technology to provide efficiency savings, which will be passed on to members. It is proposed that the subscription model run by HESA (i.e. cost recovery for statutory activities) is maintained and in a manner that is in accordance with section 67 of HERA. The total cost of the subscription does depend on the services HESA is required to provide and we are aware these may change over time (for example, these may include multiple data collections per year).

The activities of the DDB will benefit from the economies of scale being part of a larger organisation will bring. Jisc will be in a position to deploy specialist skills to the DDB function, at marginal cost, where the same skills may only be retained by the DDB at present on a full-time basis. For example, should a specialist technical or architecture skill be required the DDB can draw upon a much larger group of 'in-house' skills without the need and costs associated with recruiting in such skills. This would also help with covering peaks and troughs in demand, such as the need for software engineering resource. We are currently looking at other activities where the DDB could benefit from sharing Jisc resource.

HESA have been targeting cost savings and as part of our merger discussions we have identified efficiencies that will be made in the provision of support services to the DDB. The cost implications arising from the implementation of the Data Futures platform are unclear. For example, if multi-year collections are required, there will be a cost impact. However, any net cost savings will be passed on to the sector.

Data protection

Data collected by HESA operating as the DDB contains a lot of sensitive data and HESA has put in place extensive controls to ensure data is collected, stored and published in an appropriate and legal manner. These controls include having appropriate legal agreements with providers and users to protect the data subjects. HESA also has rigorous technological safeguards and controls over data.

It is imperative that these controls are preserved. Following the merger with Jisc, the same controls will be kept in place, albeit this will continue to be reviewed and updated to ensure that they are effective and appropriate.

For the avoidance of doubt, areas of Jisc outside the DDB (save for administrative support purposes) will not have 'free' access to the data collected by the DDB. The DDB will remain responsible for ensuring any data shared with wider Jisc divisions (or any other individual or body) is done so in accordance with Jisc's agreements and the law.

HESA collects data from providers using the statutory power on behalf of statutory customers across the four UK nations. The collection notices describe the purposes to which the data can be used, and these will apply to Jisc at the point of transfer. Furthermore as part of its agreements with providers HESA also establishes areas where providers consent to the data being used for other purposes by Jisc and in accordance with the collection notices. This will continue to be managed by data protection expertise within the DDB division of Jisc.

Jisc recognises that any onward use of data beyond the statutory purpose must have a separate and explicit legal basis and must not be incompatible with the agreements between HESA and the providers. Data protection arrangements are therefore a vital part of the DDB's operations and the highest of standards and controls will continue to be in operation within the DDB.

As part of the merger, the existing HESA data governance including policies, processes, Data Sharing Agreements, and dataflows are maintained ensuring operational continuity and ongoing compliance post completion of the merger. This includes maintaining dedicated data protection capability within the DDB directorate with defined responsibility for the HESA data. This data protection capability will work with Jisc's separate data protection team and the statutory oversight committee, which is a sub-group of the Jisc board that will oversee DDB.

Code of practice for statistics

HESA is designated a Producer of Official Statistics under the Statistics and Registration Service Act 2007 and is listed within the schedule to the Official Statistics Order 2018. Adhering to the code of practice for statistics adds credibility and confidence in the quality, value and trustworthiness of statistics published by HESA. Jisc is not currently designated as a producer of official statistics but does see the benefits that this would bring – both to statistics produced by the DDB and also wider, within Jisc. Jisc is currently seeking to be added to the schedule to the Official Statistics Order (and thus become a producer of official statistics). If Jisc is not designated as a producer of official statistics by the time it merges with HESA, Jisc will voluntarily adopt the code whilst it seeks designation.

Information security

Maintaining the security of the data held by HESA is of upmost importance. In addition to data protection controls mentioned above, Jisc will ensure that protecting information from unauthorised access will continue with the upmost rigour following the merger. As with HESA, Jisc has extensive experience in protecting information and will continue to make information security an absolute priority. Jisc is already certified to ISO 27001 Information Security standard.

Governance

Jisc is a registered charity and company limited by guarantee. Our constitution allows for two classes of membership, representative members and institutional members.

Representative members are Jisc's original members and guarantors and comprise the AoC, GuildHE and UUK. Each of these representative members holds 30% of the voting rights (i.e. 90% in total).

Institutional membership is open to all eligible higher and further education institutions across the UK. Collectively, institutional members hold 10% of the voting rights. This class of membership was introduced to enable our VAT-exempt cost sharing group.

Engagement Groups

Jisc recognises the importance of engaging the sector in the delivery of the DDB functions and plans to operate and build on the mechanisms already in place across HESA. As DDB Jisc would continue to operate the following groups:

HESA-Provider Forum

This group operates as a sounding board and provides the DDB with access to sector knowledge and know-how in helping the DDB develop services and products, so that the DDB can meet the combined needs of the sector. It's also an important channel for consultation and feedback from the sector on DDB services.

Jisc is also mindful of the role this group has in ensuring the services support the need of providers specifically around the need to manage the overhead or burden of collecting and processing data, this group therefore also has an aim around minimising cost and maximising value. It's also a key channel for sector groups to feedback to the DDB on any topic the sector groups deem helpful.

Representation on this group continues as it has done under HESA and comprises broadly three representatives each from the following groups: Independent Higher Education (IHE), the Student Record Officers Conference (SROC), the Higher Education Strategic Planners Association (HESPA), the Universities and Colleges Information Systems Association (UCISA) and the Academic Registrars Council (ARC) long with colleagues from HESA Statutory Customers. The meetings would be attended by the most appropriate DDB staff for the items on the agenda. It is for the DDB staff to Chair the forum and oversee the agenda. The group will meet as required or at least quarterly.

Graduate Outcomes Steering Group

This will continue to meet around three times per year or as required. This group helps the DDB steer the development of the graduate outcomes survey. It works to ensure the survey meets the needs of customers by reflecting the views of groups represented and it is envisaged it will continue to provide challenge across all aspects of delivery of the survey (fieldwork, through to quality assurance, data delivery and official statistic outputs).

Data Futures Programme Board

The Data Futures Programme Board is the key decision making group for Data Futures, meeting monthly and comprising sector representatives from statutory customers and sector groups. The Terms of Reference and approach will not change.

Liaison and support for the sector

Existing operational services, such as HESA's Liaison function which is at the heart of delivering the DDB functions, would continue to operate as they do under HESA, providing a wide range of services and support for colleagues across the sector.

Jisc's Board

Jisc's board of trustees is made up of senior leaders and managers working in UK further and higher education alongside a range of commercial experts. The trustees determine our strategic direction and priorities to reflect the present and future needs of the education and research communities.

The trustees include one nomination each made by our representative members (UUK, GuildHE and AoC) meaning Jisc is owned and guided by the communities it serves, truly delivering against their priorities.

Schedule 6 of the Higher Education Research Act 2017 has 4 relevant conditions to be satisfied. Conditions A and C are not set out as they are minor in the context of the proposed transaction, as Condition A (competency) will be demonstrated by the continuity of operations and staff between HESA and Jisc, and Condition C (consent) is a given if the transaction proceeds.

Condition B is that:

- (a) the persons who determine the strategic priorities of the body represent a broad range of registered higher education providers,
- (b) the body commands the confidence of registered higher education providers, and
- (c) the body exercises its functions independent of any particular higher education provider.

Condition D is that the body is a body corporate and is not:

- (a) a servant or agent of the Crown, or
- (b) a body to which the Secretary of State appoints members

Jisc's board includes a broad range of higher education providers and as a well-respected sector agency with high satisfaction scores (94% in further education and 86% in higher education based on our 2022 surveys) we command the confidence of registered providers. We are independent of any particular HE provider. We are a registered charity and our objects and Articles of Association demonstrate that we are not a servant or agent of the Crown or a body to which the Secretary of State appoints members. Jisc has received legal opinion that our board does conform to the requirements of HERA.

Appointment of Trustees

Representative members each nominate one person to the board and act collectively to appoint the chair. The Board can appoint up to eight persons on the recommendation of Jisc's Nominations and Governance Committee.

Jisc's Funding Bodies can nominate one person to the Board on the recommendation of Jisc's Nominations and Governance Committee.

Each representative member and funder also sits on the funders and owners' group which provides advice to our trustees and leadership team around priorities and ensures funding is being spent appropriately.

Currently, Jisc and HESA do have one trustee in common. It is proposed that one of HESA's current trustees will be added to the Jisc board.

A copy of Jisc Articles of Association can be obtained from:

<https://www.jisc.ac.uk/sites/default/files/jisc-articles-of-association-nov-2021.pdf>

Charitable objects

The charitable objects of Jisc will be adjusted slightly prior to the merger. The changes will expand the beneficiary class to ensure that all of the people served by either of the merging charities can continue to be served and confirm a further way in which services will be provided to beneficiaries, with no material effect to the meaning of the objects. As this is a regulated amendment to our objects, the permission of the Charity Commission is required. A submission requesting approval in principle has been submitted to the Charity Commission.

The revised objects will be as follows:

The objects of the charity are restricted to the advancement of education, lifelong learning and research, for the public benefit, through the provision of services to those within higher education, further education, research communities, and charitable and/or not for profit organisations including those in the public sector and the public at large, principally but not exclusively by the provision and/or maintenance of digital technology, and/or by providing or supporting services connected with or delivered through digital technology and/or the provision of data and associated services. To guide but not so as to restrict those objects the charity has among its aims:

- *promoting the adoption and use of information technology in all its forms, including but not limited to digital infrastructure, applications, cloud services, data, security, content, discovery*
- *enriching the educational experience and improving the quality of research*
- *thought leadership*
- *conducting and supporting careers advice and student services*

Heidi Fraser-Krauss - **Chief executive officer**

For and behalf of Jisc

Date: 9th March 2022

Annex A

HESA's current operations and technical capability

HESA operates well-developed systems and processes to collect, store, process, and disseminate its data. HESA currently collects data from around 300 higher education providers (HEPs) across the UK and 174 further education colleges with 14 collection streams which provide a significant set of information regarding all aspects of higher education, from the people involved – students, staff and graduates – to the core educational offering, through to the essential business of running an HEP, such as estates management, business interactions, and financial reporting.

HESA works closely with HEPs, further education colleges, relevant sector professional groups and with our Statutory Customers to ensure the sector voice is integrated into the data collection and quality assurance processes from end-to-end. This, combined with HESA's statistical expertise and knowledge of the sector, ensures that the resulting datasets are of the very highest quality.

The proposed merger with Jisc will ensure all of HESA's current activities are continued.

CAPABILITY

As with Jisc, HESA has strong capabilities in technical capacity with strong data quality and data security. This will ensure that, post-merger, Jisc will continue to deliver the functions set out in the Higher Education Research Act (HERA). HESA's analytical power, versatility, and user focus, combined with our rich store of high-quality, historic data, is unmatched anywhere else in the UK. Jisc will continue to shape the higher education data landscape in the information it compiles and publishes.

DATA FUTURES

Data Futures is a transformational programme for the HE sector to provide in-year student data. Jisc and HESA have been working successfully on this programme for two years. It is expected that Data Futures will be rolled out from the summer of 2022. Jisc will support this roll out and within Jisc post-merger, the larger resources of Jisc will further help ensure the programme is a success.

GRADUATE OUTCOMES

The Graduate Outcomes survey provides key information on graduates' activities and outcomes. Supporting more informed student choice, it will provide policymakers, HEPs, and the wider public with richer insights into the value of higher education and the state of the graduate labour market.

OPEN DATA

Jisc already provides a lot of support in enabling Open Data and it will continue to promote the free use of collected data to copy, use, share, and adapt for any purpose.