

Chief executive's report

Board's primary role in relation to this paper:

- A. Set strategy
- B. Set risk appetite
- C. Oversee performance
- D. Understand context

Purpose

1. This paper provides an update on work undertaken and issues that have arisen since the last board meeting on 9 October 2024 to the extent that they are not covered in other board papers.

Decisions requested

2. The board is invited to note the updates contained in this paper and the update on the implementation of the recommendations of the Public Bodies Review in Annex A.

Paper publication

3. To be published externally along with the board papers with appropriate exemptions.

For further information, please contact Susan Lapworth, Chief Executive.

Quality and standards

Our strategic goal is:

Students receive a high quality academic experience that improves their knowledge and skills, with increasing numbers receiving excellent provision.

Quality case work

4. On 22 October we published an insight brief setting out findings from our recent quality assessments which draws out thematic issues.¹ The brief examines the four main risks to quality emerging from the reports:
 - a. Delivery of courses and resources.
 - b. Academic support and student engagement with courses.
 - c. Assessment of learning.
 - d. Academic leadership and oversight.
5. For each of these themes, the insight brief sets out points for all institutions to consider when thinking about how to improve the quality of their courses. We also provided background information about why we chose to focus on business and management courses and computing courses, and the approach we took to the assessments.
6. We have made provisional regulatory decisions relating to three cases where there were adverse findings for a provider that had been subject to assessment of its computing or business and management courses.
7. In October we published the last of the 12 assessments of student outcomes. An evaluation report based on case studies of how providers have responded to revised condition B3 (student outcomes) is being prepared for publication.

Teaching Excellence Framework (TEF)

8. We have commissioned external evaluations of the early impact of the TEF on providers, and on prospective students' awareness and use of TEF ratings. Fieldwork for these evaluations is complete, and draft reports are due by the end of November. We expect the findings to inform the development of proposals for a new integrated model for quality.

¹ See: <https://www.officeforstudents.org.uk/publications/findings-from-ofs-quality-assessments/>.

Our strategic goal is:

Students are rigorously assessed, and the qualifications they are awarded are credible and comparable to those granted previously.

Apprenticeship end-point assessments

9. We have completed 33 provider visits and signed off 21 reports. Future monitoring check assessments will be opened on a rolling basis as we move into year two of activity. We are piloting our first readiness check assessment and updating our published guidance to reflect the learning from year one.

Our strategic goal is:

Providers secure free speech within the law for students, staff and visiting speakers.

Implementation of the Higher Education (Freedom of Speech) Act 2023

10. The Free Speech Union has received permission for judicial review of the government's decision to revoke the commencement regulations that would have switched on further provisions of the Higher Education (Freedom of Speech) Act 2023. A one-day hearing is scheduled for 23 January 2025.
11. At the time of writing, ministers are continuing to consider options for the future of the legislation and, as such, our pause on implementation continues.

Exempt from publication

12. Exempt from publication.

Equality of opportunity

Our strategic goal is:

Students' access, success and progression are not limited by their background, location or characteristics.

13. We are currently assessing new access and participation plans for 2025-26 and beyond. As of 19 November, we have assessed and approved 108 plans, including all 39 plans for early recruiting providers.
14. We received 149 bids for the Equality in Higher Education Innovation Fund. The high number of bids means that we have extended the timeframe for assessment and moderation of bids. Successful bidders will now be notified by 23 January, with our public announcement of successful bidders following on 6 February.

Our strategic goal is:

Prospective students can choose from a diverse range of courses and providers at any stage of their life, with a wide range of flexible and innovative opportunities.

Registration

15. Since October we have received one registration application and one application for a change of registration category. We have registered one provider in the Approved category and closed one application through withdrawal. Two applications are progressing to a decision with a recommendation for a provisional refusal.

16. Exempt from publication.

17. We have not commenced any new quality and standards assessments since 6 October, 11 assessments remain in progress. We have finalised one further assessment report and published our first four assessment reports in October. This included publication of our first report on an assessment in relation to revised ongoing conditions of registration B1, B2, B4 and B5 for a registered provider completed as requirement of a specific condition of registration placed on the provider when it was registered.²

Degree Awarding Powers (DAPs)

18. We currently have 17 open DAPs assessments. We have completed a further six assessments, bringing the total completed to 12. Since 6 October we have made final authorisation decisions for two cases, provisional authorisation decisions for two further cases, completed two New DAPs monitoring assessments, and published our first report.³

Recurrent funding for 2024-25

19. We released updated funding allocations for six providers on 24 October. These changes resulted from data amendment (two providers), a merger (two providers) and in relation to providers leaving or joining the OfS Register (two providers).

Our strategic goal is:

Providers act to prevent harassment and sexual misconduct and respond effectively if incidents do occur.

Regulating harassment and sexual misconduct

20. We have delivered two webinars: one aimed at providers, and the second designed to support students and their representatives in understanding the requirements in our new condition of registration. Both webinars were well attended, with positive feedback from sector groups about the provider-focused webinar.

² See: <https://www.officeforstudents.org.uk/for-providers/quality-and-standards/quality-and-standards-assessments-for-providers-applying-to-register/assessment-reports/>.

³ See: <https://www.officeforstudents.org.uk/for-providers/registering-with-the-ofs/degree-awarding-powers/daps-assessment-reports/>.

21. We have met with stakeholders, including the Commissioner for Domestic Abuse, Emily Test, Ofsted and Can't Buy My Silence. These meetings addressed questions from these organisations about our new requirements and have helped to ensure they have a clear and accurate understanding of the condition and our approach.
22. We have decided to conduct a sexual misconduct prevalence survey and have recently published the short form questionnaire that will be included after the end of the National Student Survey in 2025.

Enabling regulation

Our strategic goal is:

Providers are financially viable and sustainable and have effective governance arrangements.

Financial sustainability

23. We recently published an update to our May 2024 financial sustainability report to show recent student recruitment trends and updated modelling to estimate the financial impact of this.⁴ Latest recruitment data shows variation across the sector, with some worrying reductions for many providers:
 - a. UK undergraduate recruitment has increased overall by about 1.3 per cent. However, there is significant variability across the sector. Higher tariff group providers appear to have increased by about 10 per cent; medium and lower tariff providers appear to have declined overall by between about 2 and -5 per cent.
 - b. For international recruitment, the latest (published) study on visa application data for the period January to September 2024 appears to show an about 16 per cent decline in study visas, compared to the same period last year.
24. We estimate that approximately 100 providers have failed to meet UK undergraduate recruitment targets that they reported in January 2024; and we estimate that approximately 150 providers could have failed to meet the international recruitment targets reported in January 2024.
25. We have also modelled the potential impact of an increase in employers' National Insurance Contributions, announced in the budget on 30 October, and the subsequently announced increases in the UK undergraduate tuition fee limits from 2025-26, announced by the secretary of state on 4 November.
26. Our modelling suggests that the financial implications of under recruitment against forecast, and the government's announcements, represent an overall annual net income reduction of about £3.4 billion from 2025-26.

⁴ See: <https://www.officeforstudents.org.uk/news-blog-and-events/press-and-media/bold-and-transformative-action-needed-to-address-financial-sustainability-ofs/>

27. We are using our updated modelling to refine our view of financial risks for individual providers. Currently our assessment is that more providers are exposed to increased financial risk. We are undertaking more direct engagement with providers about their financial sustainability, and we have appointed specialist professional services consultants to undertake financial assurance reviews of higher risk providers. We have also strengthened our internal resource on provider engagement and in our financial assessment functions.

Market exit cases

28. We have worked to support genuine students at Applied Business Academy to transfer to other providers following ABA's announcement of insolvency. The DfE had decided to suspend tuition fee payments to this provider until the OfS's open investigation had concluded. Exempt from publication.

Protecting public funding

29. Exempt from publication.

30. We have started our programme of data audit work for this academic year [exempt from publication].

Our strategic goal is:

Students receive the academic experience they were promised by their provider and their interests as consumers are protected before, during and after their studies.

National Trading Standards cases

31. We published two case reports in October 2024 which highlighted terms we were concerned did not comply with consumer protection law.⁵ We are continuing to identify suitable cases to refer to Trading Standards and expect to publish the next batch of case reports in December 2024.

Efficient and effective OfS

32. The OfS's pay remit was approved by the secretary of state on 30 October. Exempt from publication.

33. Work has continued across a number of areas to implement the recommendations of the OfS Public Bodies Review published in July 2024. Exempt from publication.

⁵ See: <https://www.officeforstudents.org.uk/news-blog-and-events/press-and-media/trading-standards-referrals-see-further-changes-in-student-contracts/>