

Chief executive's report

Purpose

Board's primary role in relation to this paper:

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

1. This paper provides an update on work undertaken and issues that have arisen since the report to the last board meeting on 25 May, to the extent that they are not covered in other board papers.
2. The paper is structured around the headings and goals of the OfS strategy 2022-2025 and therefore provides a progress report in delivering those goals.

Recommendations/decisions required by the board

3. The board is invited to:
 - a. Note the updates contained in this paper.
 - b. Agree, with effect on and from 10 July 2023, the proposed changes to the OfS scheme of delegation in relation to the role of the Remuneration and Nominations Committee and associated matters at paragraph 47.
 - c. Note the OfS communications overview at Annex B.

Further information

4. Available from Susan Lapworth.

Summary of main activity

5. We hosted an insight event on 15 June on protecting students as consumers which attracted more than 450 attendees. The accompanying insight brief also set out how students' rights are protected by consumer law and explored how the OfS's regulatory approach helps ensure these rights are upheld in practice.
6. We are nearing the end of our series of pilot visits to providers as part of our plan to refresh how we engage with those we regulate. We also hosted, in May, the first of a new series of regular briefings for providers' accountable officers. We have received positive feedback in relation to both of these activities.
7. On 20 June our annual report and accounts for 2022-23 were laid before Parliament and published. On 8 June we published our business plan for 2023-24.
8. On 1 June the Department for Education (DfE) announced the appointment of Professor Arif Ahmed as the first Director for Freedom of Speech and Academic Freedom. We expect him to take up his post in mid-August. There was substantial interest in Professor Ahmed's appointment; he wrote an opinion piece for The Times, and there has been significant follow up in both the national and sector press, as well as discussion on social media.

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 investigations

9. Work continues to finalise assessment reports for our investigations of the quality of courses in business and management and in computing at 11 providers. We invite each provider to comment on the content of its report and to make representations about publication. We still intend to sequence decision making to consider publication of reports first, then determine whether any further regulatory intervention is appropriate, for example to require a provider to take action to resolve any concerns.
10. We continue to progress our assessments of 12 individual providers' compliance with condition B3 (student outcomes). Six further cases are being progressed, with some involving additional work to resolve issues with the quality of student data previously submitted by providers. We discussed prioritisation of indicators for the 2023 monitoring cycle with the Quality Assessment Committee and the committee's advice will inform our decisions. We anticipate publishing information confirming the indicators we will prioritise for assessment and which providers have been selected in the autumn.

The Teaching Excellence Framework (TEF)

11. The TEF Panel continues to assess the 229 providers that are taking part. The work for panel members is intensive and the timetable for producing outcomes is tight. Meetings will continue into late July, and we expect to release provisional decisions to providers at the beginning of August as planned. The panel will consider any representations made by providers and make its final decisions, in time for publication of ratings from late September (where a provider does not make representations on its provisional rating). We anticipate publishing summaries of the reasoning for the panel's judgements later in the autumn, and **exempt from publication**.
12. We intend to brief the board on the TEF outcomes in September.

Assessing quality and standards

13. In relation to the assessment activities we have taken on from the Quality Assurance Agency for Higher Education (QAA), we expect to publish guidance for providers seeking registration and degree awarding powers shortly. We now have a pool of 150 academic assessors across a broad range of subjects. We have further rounds of recruitment underway to appoint additional assessors in niche subjects or subjects where we need greater numbers. We are also building up the number of lead assessors from applicants retained on file from previous recruitment rounds. We are putting in place the training and other arrangements to appoint our first teams of assessors.

Transnational education

14. In May we published an [Insight brief on transnational education \(TNE\)](#). TNE students make up nearly a sixth of students registered at English providers. Our brief draws on data published by Jisc on the experiences and outcomes for students living abroad who study with English universities and colleges, and gives details on the scale and characteristics of TNE, our interest in it and how we regulate it.
15. We have worked with Jisc, in its role as the designated data body, to develop proposals for changes to data collection in relation to TNE activity and partnership arrangements, with a view to collecting information that would better facilitate our regulation. In May, Jisc launched a [consultation](#) on those proposals.

Our strategic goal is:

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

The credibility of awards

16. We continue to investigate matters relating to the credibility of awards at three providers. [Exempt from publication.](#)

Our strategic goal is:

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

Higher Education (Freedom of Speech) Act 2023

17. We are continuing to discuss the timetable for commencement of the provisions in the Higher Education (Freedom of Speech) Act 2023, with DfE officials. That timetable will be determined by DfE, rather than the OfS. [Exempt from publication.](#)

Speakers and events in providers

18. In May we published sector-level data from providers' [Prevent accountability and data returns](#) for the academic year 2021-22. The return covers data relating to the core areas of the Prevent duty: welfare, staff training, and external speakers and events. [Data from](#) the accountability return shows that during 2021-22, 31,545 speakers or events were approved to be held in universities and colleges. During that period 260 planned events (less than 1 per cent) at 19 providers did not go ahead, and a further 475 (1.5 per cent) went ahead with some form of mitigation. Of the events that did not go ahead, the majority (85 per cent) were rejected for procedural reasons, with examples given such as insufficient information submitted with the application, lack of availability for the venue requested, or the event organiser not following the correct process. Approximately 10 per cent of events were rejected for health and safety reasons, with the remainder rejected for "other" reasons – examples were given such as a previous breach of terms and conditions or no suitable space being available. The number of events rejected for reasons relating to a Prevent risk was suppressed i.e. the number was 2 or less, for data protection reasons. The figures show an increase in the number of both approved

and unapproved events and speakers compared to 2020-21, when providers were subject to various restrictions due to the coronavirus pandemic. Although most events and speakers went ahead as planned, the data does not capture decisions not to invite speakers in the first place or voluntary withdrawal of requests for approval.

Freedom of speech case

19. Our consideration of matters connected to freedom of speech and academic freedom at the University of Sussex is now at an advanced stage. Exempt from publication.

Our strategic goal is:

Graduates contribute to local and national prosperity, and the government's 'levelling up' agenda.

Lifelong loan entitlement

20. We have received funding from the DfE to take forward work to prepare for the implementation of the new lifelong loan entitlement. We are recruiting to support this work and expect that we will publish a discussion paper on our approach to regulating student outcomes in the summer. We are also moving forward work to consult on the potential introduction of a third category of registration. We anticipate that such a category would enable us to protect students who need to access student finance when they are no longer be able to access advanced learners loans. Exempt from publication.

Equality of opportunity

Our strategic goal is:

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

Revised approach to access and participation plans

21. We have been working with providers that joined the first wave for new access and participation plans in 2023 through webinars and telephone surgeries. We tested draft guidance and templates with this group to test the clarity and usefulness of these documents. We published final guidance on preparing plans in May.
22. We have agreed submission deadlines with all providers in wave one and are now preparing for assessment from early July. Our intention is to evaluate findings from the wave one cohort to improve guidance and support as appropriate for future cohorts.

Uni Connect

23. In May we published three independent reports which examine the impact and delivery of the Uni Connect programme as part of its evaluation. We also published a blog post on the report's findings and set out the next steps which include undertaking a review of funding for equality projects like Uni Connect to ensure their success.

24. We launched a new [Uni Connect website](#) to help learners, teachers and advisers find activities, advice and information on the benefits and realities of going to university or college.

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.

Higher education market

25. We have registered three providers since the board's last meeting, [exempt from publication](#). We expect to make provisional or final decisions for four more providers, [exempt from publication](#), before the board's meeting on 4 July.
26. We have made two decisions on applications for degree awarding powers (DAPs) since the board's last meeting. We have awarded time-limited New DAPs to SP Jain London School of Management, and indefinite Full DAPs to New College Durham.

Our strategic goal is:

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

Prevalence of sexual misconduct

27. We have been developing a pilot survey to measure the prevalence of sexual misconduct in higher education. Currently, 26 providers, with an estimated total student population of more than 500,000 students, have indicated that they will participate in the pilot. We anticipate that the fieldwork for the pilot survey will be conducted in early autumn 2023.

Our strategic goal is:

Providers encourage and support an environment conducive to the good mental health and wellbeing that students need to succeed in their higher education.

Mental health

28. In early June we held [two webinars on approaches](#) to supporting student mental health. The webinars included contributions from seven OfS funded projects from the [mental health funding competition programme](#), sharing experiences of developing and evaluating targeted interventions to meet the needs of different groups of students. The independent evaluators also presented at one of the webinars on their initial findings. Both webinars were recorded and are available on our [website](#).
29. A Westminster Hall debate was held on 5 June to discuss a proposed statutory duty of care in higher education. This followed a [petition](#) started by bereaved family members of students who have died by suicide. In his speech, Minister Halfon set out the government's plan to support

student mental health, including commissioning a national review of university suicides, setting up a new mental health taskforce, and asking all universities to sign up to the university mental health charter, the development of which was part-funded by the OfS.

Enabling regulation

Our strategic goal is:

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

Financial sustainability

30. We continue to assess financial information from providers in relation to financial years ending in 2022. We have received information from 236 out of 255 providers. 106 providers are subject to a more detailed assessment, which is broadly consistent with the number last year. Some of these providers are a priority because they have forecast low liquidity and others will have a focused review on a particular area of risk.
31. In May we refreshed our internal financial sustainability risk register. This was informed by engagement with providers, including through roundtable events with sector finance directors, our engagement with sector bodies and other stakeholders, and from our analysis of sector-level finances. The highest priority risks, considering likelihood and impact, are the inflationary impact on costs and the ability of some providers to maintain sufficient investment in their estates at a time of reducing operating margins. The reliance on fees from international students remains a sensitive part of the financial model for many providers.
32. Following publication of our [annual report](#) on the financial sustainability of providers on 18 May, we published our annual report on the [Transparent Approach to Costing data for 2021-22](#).
33. We wrote to 23 providers in May that are heavily reliant on recruitment of students from China, asking for responses from those we consider less able to manage turbulence. We are currently considering responses from providers to understand their approach to monitoring and mitigating risks, and the actions they would take to ensure their provider remains financially viable and sustainable if there were a large unplanned reduction in the recruitment of such students.

Protecting public funding

34. On 26 May we hosted an [online event for the chairs of audit committees in registered providers](#) to discuss their role in addressing risks relating to the use of delivery partners. We were pleased to welcome audit committee chairs from approximately 50 providers, alongside colleagues from audit firms that work in the sector. During the event we highlighted our focus on ensuring public funding is being paid out appropriately. We presented a case study which outlined the importance of having effective internal controls for the oversight of partnership arrangements, clear delegations in place to approve partnerships, and robust processes to avoid conflicts of interest.

35. The feedback from the event has been positive, with attendees telling us they welcomed the opportunity to attend an event focused on their specific remit and to hear about emerging sector risks.

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.

Insight event on protecting students' consumer rights

36. On 15 June we hosted an insight event exploring the role of the OfS and other organisations with responsibility for protecting students' consumer rights. The event provided an opportunity for students, providers and policymakers to hear about our emerging approach to regulation of student consumer protection, and to have updates from the Competition and Markets Authority about its guidance and from the Office of the Independent Adjudicator about patterns of student complaints.
37. The event drew significant interest, with over 450 attendees. The Insight brief which accompanied the event set out our expectation that registered providers should treat all students as consumers for the purposes of consumer protection law.

National Trading Standards

38. Since our last update to the board we have referred a further registered provider to National Trading Standards (NTS) under the terms of our agreement. We referred this provider because we were concerned that its contract with students includes terms which (in our view) require clarification and further detail to help avoid misrepresentation to students. This brings the number of cases referred to four.
39. NTS has contacted all of the providers we have referred and has reported that one provider has agreed to amend its terms and conditions, and is discussing with trading standards how those changes should be communicated to different cohorts of students. We will consider publication matters when these discussions have concluded.

Impact of industrial action

40. We have been monitoring the impact of the marking and assessment boycott, organised by the University and College Union (UCU), which is currently taking place at a number of registered providers. While it is not the role of the OfS to comment on the substance of an industrial dispute, we recognise the significant disruption this kind of action can have on students, particularly those due to graduate who are awaiting degree results.
41. On 12 June, we wrote to providers that are affected by the marking and assessment boycott. We reminded them of our expectation that students should graduate or progress on time (where this is appropriate in academic terms) and that degrees awarded should continue to reflect a student's academic achievement. We also asked providers to tell us about the arrangements they had put in place to avoid any adverse impact on students, including through our reportable events requirements as appropriate.

Our strategic goal is:

The OfS minimises the regulatory burden it places on providers, while ensuring action is effective in meeting its goals and regulatory objectives.

Risk-based approach

42. We have appointed PwC to undertake an independent review of the financial data that we collect from providers to ensure we are collecting the right data for our purposes, and to explore whether we could take a more risk-based approach for providers with different risk profiles.

Efficient and effective OfS

Engagement with providers

43. We are nearing the end of our series of pilot visits to providers as part of our plan to refresh how we engage with those we regulate. Senior staff from the Regulation directorate have been leading visits to a range of providers, accompanied by colleagues and, in some cases, board members. We are evaluating the feedback from staff and providers to inform the next phase of visits from the autumn. A list of providers we have visited is available in Annex A.

Briefing for accountable officers

44. On 23 May we hosted the first of a new series of regular briefings for accountable officers; we were joined by approximately 90 attendees. The event was an opportunity for accountable officers to hear updates about the OfS's work and ask questions. During the session I provided a general update about our current priorities, and that was followed by a session on our quality work.

OfS finances

45. On 23 May DfE laid regulations under section 70 of HERA to increase OfS registration fees. This is likely to generate over £5m in additional income for the academic year 2023-24 and will allow us to deliver our new freedom of speech functions and our work on quality and standards. Providers are no longer required to pay fees to the QAA following removal of its designation.
46. Whilst the increase in fees is welcome, we have a big agenda to deliver and are recruiting to ensure we have capacity in the right areas at the right time. Our original budget for this financial year had included an assumption that the increased fee income was agreed. **Exempt from publication.**

Scheme of delegation (Remuneration and Nominations Committee)

47. **Exempt from publication.**

Annex A: Provider visits

Provider	Date	Visitors
Grantham College	24 May	Exempt from publication
Matrix College	26 May	Exempt from publication
Norwich University of the Arts	26 May	Exempt from publication
Nottingham Trent University	1 June	Exempt from publication
ESCP Business School	7 June	Exempt from publication
Anglia Ruskin University	8 June	Exempt from publication
Manchester Metropolitan University	12 June	Exempt from publication
University Academy 92 Limited	12 June	Exempt from publication
University of Oxford	16 June	Exempt from publication
Hugh Baird	20 June	Exempt from publication
Liverpool Institute of Performing Arts	20 June	Exempt from publication
University of Central Lancashire	20 June	Exempt from publication
National Film and Television School	21 June	Exempt from publication
Harper Adams University	21 June	Exempt from publication
Birmingham City University	23 June	Exempt from publication
Leeds College of Building	29 June	Exempt from publication
University of Gloucestershire	7 July	Exempt from publication
Lancaster University	10 July	Exempt from publication
Leeds Conservatoire	Cancelled by provider the week of the visit	Exempt from publication