

Office for
Students



Higher education short course trial

Challenge Competition

Reference OfS 2021.34

Enquiries to shortcourse@officeforstudents.org.uk

Publication date 25 August 2021

Contents

| | |
|--|----|
| Foreword | 2 |
| Introduction..... | 3 |
| The Lifelong Loan Entitlement and Skills for Jobs..... | 4 |
| Purpose of this competition..... | 4 |
| Competition scope and priorities | 5 |
| Bid requirements and assessment criteria | 7 |
| Access to student finance..... | 9 |
| Bidding process and timescales | 10 |
| Data and monitoring requirements..... | 11 |
| Next steps..... | 11 |

Foreword

Michelle Donelan, Minister of State for Universities

This government recognises that our education system must offer more flexibility to learners throughout their lifetime. That access to higher education can be picked up and paused as the needs of the learner, and the wider economy, evolves and changes. That learners have a genuine choice in how they study and at what point in their life they do this, recognising that we all have different experiences, needs, and aspirations.

As the Universities Minister, I am committed to bring about the change that is needed so our higher education system supports learners to achieve their goals throughout their lifetime. That their educational needs are met when they are ready to study. That they are empowered to retrain and upskill as their needs change. That they can use this flexibility and choice to give themselves more options and opportunities in their careers. That learners can fulfil their potential.

I am excited to announce that the Office for Students has today launched the Higher Education Short Course Trial Challenge Competition. This is a significant step as we build towards the Lifelong Loan Entitlement.

This competition will offer up to 20 providers a unique opportunity to participate in the trial, testing a new system where short courses will be offered flexibly to learners. The funding we are providing through this competition and environment we are creating will support providers to be innovative in their offer and approach. It will more strongly bring together the experience and expertise of providers and employers, so these courses meet the skills the country and the economy needs.

It is an exciting time to be part of the journey as we build towards the LLE, and I hope you will be a part of this.

Introduction

1. The Prime Minister announced in September 2020 the introduction of a Lifelong Loan Entitlement (LLE). The government aims to introduce the LLE from 2025, providing individuals with a loan entitlement to the equivalent of four years of post-18 education to use over their lifetime. Current plans are that it will be available for both modules and full years of study on higher education courses, regardless of whether they are provided in further education colleges or universities.
2. Under this flexible skills system, people can build up learning over their lifetime and choose how and when they study to acquire new skills.
3. As part of the pathway to LLE delivery, and ahead of the consultation on the LLE design, the Department for Education (DfE) is piloting access to student finance for higher education short courses from academic year 2022-23. The DfE has asked the Office for Students (OfS) to launch a Challenge Competition that will provide funding for the development of new, short courses at Levels 4 to 6. This is an innovative opportunity that will enable providers to offer prospective students greater choice in how they choose to study, with more flexible options to develop their skills.
4. The Challenge Competition is part of the government's piloting of access to a new student finance product especially designed for learners studying shorter, flexible provision in support of the development of the LLE. The government is keen to learn from students, providers and employers during the development of the LLE, including reflecting on providers' experiences of adapting and developing short courses like the ones proposed as part of this trial.
5. The trial will test the interest of both students and employers in shorter courses aimed at developing skills needed by employers and the economy. It will also allow the OfS to understand how the current regulatory system works for this type of course and whether we may need to adapt our approaches.
6. The Challenge Competition invites Approved (fee cap) providers to develop new short courses from existing qualifications at Levels 4 to 6, in a range of subject areas and at a range of levels.
7. A total of up to £2 million will be made available to around 20 projects. We are expecting the scheme to be highly competitive. Providers are encouraged to work with each other on proposals where they are in the same local area or working with the same sectors.
8. Approved (fee cap) providers are eligible to apply as the lead provider and can be the lead on **one** bid. They can be involved as partners in multiple collaborative bids. Non-Approved (fee cap) providers may also be involved in multiple bids, but are not eligible to be the lead provider.
9. Funding for successful providers will commence in December 2021 and must be spent by March 2022. Delivery of developed courses should commence from September 2022. Funding is intended to support the development of courses. Delivery costs and support for students will need to be financed through other routes.
10. Students studying on short courses developed through the Challenge Competition may be able to access tuition fee loans from academic years 2022-23 to 2024-25 through the Student Loans

Company (SLC), subject to eligibility criteria. This will be enabled by the Secretary of State, who will be responsible for designating a list of short courses eligible for student finance.

The Lifelong Loan Entitlement and Skills for Jobs

11. The government intends to introduce the Lifelong Loan Entitlement from 2025. The government set out its initial steps in the Skills for Jobs white paper, published on 21 January 2021, and has introduced key legislation as part of the Skills and Post-16 Education Bill, laid before Parliament on 18 May 2021.
12. The Skills and Post-16 Education Bill will underpin the Prime Minister's Lifetime Skills Guarantee, as part of the government's blueprint for a post-16 education system that will seek to ensure that everyone, no matter where they live or their background, can gain the skills they need to progress in work at any stage of their lives. The government's plans for the LLE aim to bring about radical and transformative change to the way that individuals can choose to study, enabling adults to study flexibly at Levels 4, 5 and 6 throughout their lifetime.
13. As part of the pathway towards the introduction of the LLE, the DfE is looking to trial different aspects of a more flexible system, including new student finance products and the short courses trial. The programme will help the government to better understand how employers, providers and prospective learners may behave towards greater funding flexibility, and adapt to user needs. It will allow testing of supply of and demand for flexible study, and thereby inform the introduction of the LLE.
14. The government's Skills for Jobs white paper and Build Back Better paper¹ set out its ambitions to support economic growth by addressing skills gaps through technical education routes, particularly at Levels 4 and 5. This includes the development of Higher Technical Qualifications (HTQs) and existing T-Levels, particularly focusing on the role of the Institutes of Technology.

Purpose of this competition

15. In response to the objectives described above, the OfS will make available up to £2 million to providers to develop and adapt components of existing courses at Levels 4 to 6 into short courses. This programme will also enable a new student finance offer to be tested ahead of the roll out of the LLE from 2025.
16. The primary purpose of this funding is to develop and test demand for short courses. This is to enable improved access to skills and higher level education that meets employer demand and is delivered in a flexible way to suit a wide range of learner needs.
17. The OfS is able to provide funding to certain higher education providers for the provision of education under sections 39-41 of the Higher Education and Research Act 2017 (HERA). The Challenge Competition has been designed with due regard to the OfS's general duties under section 2 of HERA, particularly the need to promote equality of opportunity in connection with access to and participation in higher education, and to promote quality and greater choice and

¹ The government's Skills for Jobs white paper (published in January 2021) is available at <https://www.gov.uk/government/publications/skills-for-jobs-lifelong-learning-for-opportunity-and-growth>. Its Build Back Better paper (published in March 2021) is available at <https://www.gov.uk/government/publications/build-back-better-our-plan-for-growth>.

opportunities for students in the provision of higher education by English higher education providers.

18. We have designed the competition in a way that is intended to gather learning on how new forms of provision could enable greater choice for students who are currently underrepresented in higher education – especially adult learners, a group the OfS has highlighted as being underrepresented as part of our insight work.² In doing so, we have identified that the learning arising from the competition will be enhanced by enabling collaboration between providers, and thereby engaging a wider range of learners, providers and study locations. We have, therefore, had regard to the benefits for students and employers resulting from collaboration between providers.

Competition scope and priorities

19. Development funding proposals from an individual provider must be for a minimum of £25,000 and not exceed £100,000. Development funding can include the costs associated with developing new short courses from existing qualifications, including curriculum development and staff costs.
20. We welcome bids from consortia of providers and strategic partners that can work together to develop and deliver the short courses set out in this competition. An Approved (fee cap) provider must be the lead on each bid and they can only be the lead on **one** bid. There is no limit to the number of partners (including non-Approved (fee cap) providers) involved in each bid. The combined value of a collaborative bid should be to a maximum of £150,000. The scale of funding must be proportionate to the number of partners in a collaboration.
21. There is no limit to the number of short courses an individual or collaborative proposal may contain. Proposals can include the development of more than one short course and multiple short courses can be created from one or more existing qualifications. We are particularly interested in proposals to develop more than one short course from an existing qualification.
22. The following funding criteria apply to short course provision developed and delivered through this competition. Short courses should:
 - a. Consist of 30 or 40 credits, or be comprised of clearly defined smaller elements adding up to a 30 or 40 credits short course in a coherent way.
 - b. Run no longer than a year in duration.
 - c. Be developed from an existing loan-funded qualification at Level 4 to 6 (e.g. first degree, other qualification at Level 4 or 5 designed to align with occupational standards).
 - d. Fall within the subject and priority areas listed in paragraph 23 below.
 - e. Be standalone courses in their own right. This means that:

² See www.officeforstudents.org.uk/publications/improving-opportunity-and-choice-for-mature-students/.

- i. courses will need to be validated from the point of delivery by the degree awarding body or awarding organisation of the full higher education course(s) from which they are derived
- ii. a valid and reliable assessment of student achievement should be conducted at the end of the short course
- iii. students should receive a completion certificate showing the award of credit. This should include the name of the course, the level of the course, and the name of the provider that delivered the course and (if different) the awarding body, the number of credits and the grade. Courses should also demonstrate their own value in supporting individuals to upskill or re-train while enabling progression to a full qualification. This includes directly enhancing the learners' ability to gain employment or increasing their productivity if they are currently in employment. There should be clear benefits to employers from a current or potential employee taking the course.

23. We are seeking to fund a wide range of subjects through the trial, both technical and non-technical courses, in the following areas: STEM, education, digital innovation, and healthcare. We are keen to consider courses that will help meet the skills needed for Net Zero, and welcome bids to highlight how the proposed course(s) meets this aim. The subjects prioritised within this pilot are aligned with wider government priorities around skills, Net Zero, and public services. This broad specification is intended to allow providers the scope to develop short courses using their knowledge of local demand and skills needs. We welcome bids from a broad range of subjects where there is evidence to support how they contribute to the priority areas.
24. We will aim to support a balance of different levels of courses, including courses developed from degree qualifications, as well as at Levels 4 and 5 designed to align with occupational standards. Through the assessment, we will aim to ensure that there is a good mix of technical and non-technical courses across all levels and that no level of provision is disproportionately represented within the funded portfolio of projects.
25. We want the trial to cover a range of different types of learners, especially focusing on mature learners who have either no previous experience of higher education study or who are returning to study. We do not anticipate a large proportion of the learners to be recruited from students currently studying on higher education courses.
26. Short courses will be subject to the OfS's existing, and any future, regulatory requirements, including those relating to quality and standards. In addition, the OfS will not approve any short courses where the fee levels for proposed short courses are more than pro-rating the normal full-time annual fee for the courses from which they are derived.
27. We expect to see:
- a. Adaptation of existing courses into short courses at Levels 4 to 6 within the eligible subject areas.
 - b. Courses that support individuals to upskill or re-train while also enabling options to progress to a full qualification.

- c. Courses that respond to clear and evidenced local or national employer skills needs. We expect to see evidence of employer contributions both to the development of a course and its planned delivery. This must include evidence that there is partnership, input or support in curriculum design, development or delivery, or other evidence that demonstrates explicit employer support.
- d. Proposed course(s) tied to clear evidence of student and employer demand.
- e. Funding requested that is proportionate to the size of the anticipated student cohort and the scale of the activities that will be delivered.
- f. Fee levels for the proposed short courses that are proportionate to the amount of study involved, i.e. no more than, and preferably less than, pro-rating the normal full-time annual fee for the courses from which they are derived.
- g. Courses that enable flexible learning using flexible delivery approaches, for example the use of blended learning, remote learning, weekend and evening provision, which maximises accessibility and makes learning possible alongside employment or other responsibilities.

Bid requirements and assessment criteria

28. Proposals must be underpinned by a strategic approach and a firm evidence base, and must be informed by and integrated with the needs of students and relevant employers.

29. Bids must include:

- a. Explicit support from employers. To be eligible for funding, this must include evidence that there is employer partnership, input or support in curriculum design, development or delivery, or other evidence that demonstrates explicit employer support. At a minimum, we expect three letters from businesses, chambers of commerce or other employer organisations providing evidence of their commitment and level of involvement in the project. At least two of these letters must be from businesses who can credibly demonstrate that they would be interested in recruiting individuals who had completed this course, or encouraging their existing employees to undertake it.
- b. Evidence of the funding and resources that all partners and stakeholders will commit towards the project.
- c. Evidence of support from the degree awarding body or awarding organisation, whilst not pre-empting the outcome of any validation processes for new awards.
- d. Evidence that courses will respond to local and national skills needs either through upskilling or retraining existing or prospective employees, including evidence of demand and likely uptake by students.
- e. Evidence that courses meet the eligibility criteria for a short course for this competition and that they enable credit accumulation. Bids must also include other information about the proposals as requested in the application template.

- f. Evidence that the fee levels to be charged for the short course are proportionate to the amount of study involved, i.e. no more than, and preferably less than, pro-rating the normal full-time annual fee for the courses from which they are derived.
- g. A robust evaluation and monitoring plan, including how the project will meet programme aims.

30. Bids for this competition will be assessed against the following criteria:

- a. The extent to which the proposal addresses employer needs through its courses. This will include consideration of how employers are directly involved in and support the creation of these short courses and how this supports courses that directly address key skills needs.
- b. The extent to which proposals are supported by funding or other forms of investment from partners, particularly employers. We expect to see a proportionate funding contribution from all the partners involved in the proposal. This will help to evidence demand and share risk, as well as value for money.
- c. The extent to which the proposed courses are likely to meet demand from different types of learners, particularly those who have been identified as underrepresented in higher education. We are particularly interested in how courses would support mature learners.
- d. The extent to which activities will test new and innovative approaches. This will include consideration of how far bids demonstrate additionality to any activities which are already planned or underway, including, but not limited to, the Higher Education Growth Fund, the Skills Accelerator, and the Institutes of Technology in-work skills pilot.
- e. The extent to which proposals demonstrate consideration of steps to market, including: course development; recruiting learners; supporting students onto and through courses; satisfying any internal processes; and staff recruitment timelines. Bids should be underpinned by appropriate risk management and mitigations.
- f. The extent to which the proposal demonstrates a rigorous approach to the design of the project, the evaluation of its success and ongoing monitoring.
- g. The extent to which the fees to be charged for the short courses secure value for money for students and the government, including when compared with fees charged for courses from which they are derived.

31. Funding will be awarded to the successful bidders on the following basis:

- a. Development funding:
 - i. A maximum level of £100,000 for bids from individual providers and £150,000 for collaborative bids
 - ii. The funding available is revenue only and must not be used for capital expenditure

- iii. The funding is expected to contribute to the costs associated with developing new short courses from existing qualifications, including curriculum development and staff costs.
- b. Funding will be provided during the period from December 2021 and must be spent by March 2022. Delivery of developed provision should commence from September 2022 and must begin no later than January 2023. Courses should be completed by August 2025. Bids should indicate the rationale for the start date if later than September 2022.
- c. This funding is intended to support new activity in terms of the adaptation of existing courses into new standalone short courses. We do not expect to fund activities already underway, or those which would take place irrespective of this competition. If proposals overlap with existing activities (e.g. existing continuing professional development activities), they should make clear how the requested funding will provide genuine additionality and avoid duplication.
- d. We anticipate supporting a wide range of projects, to deliver a diverse set of evidence-based bids.

Access to student finance

- 32. To support access to short courses developed in this trial, students registered on them may be able to access tuition fee loans. This will be enabled by the Secretary of State, who will remain responsible for designating a list of short courses eligible for student finance. The Secretary of State intends not to designate for student finance any short courses where the fee levels for proposed short courses are more than pro-rating the normal full-time annual fee for the courses from which they are derived. Further guidance on the availability of tuition fee loans will be made available in due course.
- 33. There will be no upper or lower age limit or prior qualification restrictions (equivalent or lower qualification – ELQ) placed on access to student finance for the purposes of this trial. Students must meet the criteria to be eligible for higher education student finance in England (including that they normally live in England).
- 34. Where they are eligible and their course is designated, students will be able to access student finance for up to a maximum of four short courses and using their entitlement will not typically impact upon their ability, at a later date, to take out a higher education student finance tuition fee loan (e.g. for an undergraduate degree) as long as they continue to meet the eligibility criteria for that loan.
- 35. Funded providers will be required to comply with the SLC requirements for the provision of complete, accurate and timely information for the purpose of student finance administration.
- 36. Funded providers must meet regulatory requirements in terms of providing accurate information, advice and guidance to prospective students, and those registered on short courses developed through this competition.
- 37. We intend that the maximum tuition fee loans available for academic year 2022-23 will be £3,080 and £2,310 for 40 credit and 30 credit courses respectively. We expect that providers will set a fee for the short course that is competitive, provides value for money and is

proportionate to the amount of study involved, i.e. no more than, and preferably less than, proportionating their normal full-time annual fee that applies to the higher education qualification course from which the short course is derived.

38. Students will be able to apply for loans from the SLC to pay for their tuition fees. The SLC will make payments directly to the provider on behalf of all students assessed as eligible for support, upon receipt of valid confirmations of attendance from the provider.
39. Providers will be required to clearly state tuition fee costs in their course offers and to provide the locations of online information on student finance eligibility, terms of repayment, and the application system.
40. We expect providers to ensure that clear information is given to students applying for student finance. This must be in line with the online information provided by SLC about the finance application process.

Bidding process and timescales

41. Eligible providers are invited to submit bids for funding using the template at Annex A.³ Proposals must be emailed to shortcourse@officeforstudents.org.uk by **1700 on 28 September 2021**. Late submissions will not be accepted. Bids not using the template, or altering it, will be deemed invalid and will not be assessed. Bids should not exceed the maximum length specified in the template.
42. Following submission, bids will be assessed internally and moderated by an external panel. As part of their moderation, the external panel will consider the extent to which the funded activity will form a balanced portfolio.
43. Final decisions will be made in accordance with the OfS's scheme of delegation.⁴
44. The timetable for this competition is as follows.

| Date | Activity |
|--------------------------------|---|
| 28 September 2021 | Deadline for bids |
| 28 September – 29 October 2021 | Assessment process |
| 11 November 2021 | Panel meeting to review and recommend bids for funding |
| Week of 22 November 2021 | Decisions communicated to bidders and public announcements made |
| December 2021 | Funding commences |

³ The bid template is available alongside this guidance at www.officeforstudents.org.uk/publications/higher-education-short-courses-trial-challenge-competition/.

⁴ Available at www.officeforstudents.org.uk/about/who-we-are/our-board-and-committees/.

Data and monitoring requirements

45. Funded projects will be subject to individual monitoring arrangements depending on the level of funding awarded and risk assessment.
46. Project participants will also be required to collate and return data on applications (to determine demand) and numbers of students starting and completing funded courses, as part of the competition. The OfS will contact funded providers to set out how this data will be collated, including frequency of returns. Students on courses developed through this competition will also be included in the provider's Higher Education Statistics Agency (HESA) or Individual Learner Record (ILR) student data returns, and made identifiable within them according to OfS specifications included within published guidance for those returns. This will allow for the calculation of student numbers and continuation and outcomes data. Anonymised and aggregated data will also be shared with the DfE to enable learning for the pathway to the LLE.
47. We will issue grant award letters to all funded projects setting out the terms and conditions of the funding, which must be formally agreed before grant payments will commence. We will take a risk-based, proportionate approach to monitoring, to ensure value for money and for the OfS to share learning from the trial with the DfE for future policy development. We will undertake meetings with projects to better understand the activities, impacts and outcomes and to support analysis and dissemination.
48. The selected projects will be required to form a network, to share information and learning between themselves, the DfE and with the OfS. We will also commission an independent evaluation of the overall scheme and will notify the funded projects of this work accordingly. We expect all funded projects to work with us and the evaluators in an open and transparent way throughout, to share expertise, learning and best practice for the benefit of students and the wider higher education sector, and to provide detailed analysis of successful and unsuccessful activities to understand lessons learnt. The DfE and the OfS will look to seek feedback from participants in the trial, providers and learners beyond the trial period to enable this.
49. Funded projects will need to be able to measure the outcomes for those involved beyond the funded programme. We expect projects to inform the OfS during the life of the programme about its plans to monitor those specific outcomes, and to engage with our evaluator to ensure a consistent approach to that monitoring is applied across all funded projects.

Next steps

50. Interested and eligible higher education providers are invited to complete the bid template at Annex A and email it to shortcourse@officeforstudents.org.uk by **28 September 2021**. The template is available to download on our website.⁵
51. We will update the short course trial FAQs⁶ throughout the development period; therefore we encourage providers to review this page frequently.

⁵ See www.officeforstudents.org.uk/publications/higher-education-short-courses-trial-challenge-competition/.

⁶ See www.officeforstudents.org.uk/advice-and-guidance/skills-and-employment/higher-education-short-course-trial/frequently-asked-questions/.



© The Office for Students copyright 2021

This publication is available under the Open Government Licence 3.0.

www.nationalarchives.gov.uk/doc/open-government-licence/version/3/