



# Interim chief executive's report

## Purpose

1. This paper provides an update on work undertaken and issues that have arisen since the date of the last board meeting on 24 March 2022, to the extent that they are not covered in other board papers.

## Recommendations/Decisions required by the board

2. The board is invited to:
  - a. Note the updates contained in this paper.
  - b. Note the OfS communications overview at Annex A.
  - c. Note the risk report at Annex B.
  - d. Note the OfS business plan at Annex C.

## Further information

3. Available from Susan Lapworth.

## Summary of main activity

4. On 23 March 2022 we published the Office for Students strategy 2022 to 2025. The strategy sets out two areas of focus that will guide our work over the next three years: quality and standards, and equality of opportunity. It also includes an account of the enabling regulation necessary to allow us to pursue our areas of focus and day-to-day regulatory activity more effectively. Eleven goals sit under these three areas to provide focus.
5. We produced and shared internally our business plan for 2022 to 2023 on 20 April 2022. The business plan sets out the work we will deliver in the coming year to achieve the goals in our strategy and how we plan to do it, including the resources required. We have carried out engagement activities with staff, including a briefing on the business plan's content and how individual teams should engage with the plan in their work. An external version of the business plan is being published on 26 May 2022. A near-final draft is available at Annex C.
6. On 6 April 2022 we published our student engagement strategy for 2022 to 2023. This strategy develops the pre-existing student engagement strategy 2020 to 2023, and has been updated to reflect the changed external context for students caused by the coronavirus pandemic, and the areas of focus of our new strategy. The overall goals of student engagement have not changed, but the activities to deliver them effectively have been reprioritised.
7. We discussed with the board at its March meeting the situation for the Academy of Live and Recorded Arts (ALRA). The high court has since made a winding up order placing ALRA into compulsory liquidation. All of ALRA's 284 registered students were offered the opportunity to transfer to Rose Bruford College of Theatre and Performance, which intends to teach the existing ALRA courses through to the end of the summer. Beyond this, courses will become a hybrid between legacy ALRA courses and Rose Bruford's current courses to maximise benefits to students while retaining some continuity in terms of their intended learning aims. [Exempt from publication]. We are working with the validating bodies to ensure destinations of all students are tracked, alongside our ongoing work with the Department for Education to provide funding support to Rose Bruford to ensure ALRA students are able to continue their studies.
8. The closure of ALRA was covered in FE News and the Guardian, along with trade press including What on Stage, The Stage, Drama and Theatre and Arts Professional all mentioning the OfS's role in securing new places for students. On social media, we contacted students – letting them know that there was a place for them at Rose Bruford. This was an important intervention, helping to ease some immediate concerns at a very difficult time for ALRA's students. We have maintained updated information for students on our website, and will continue to do so as the Official Receiver continues their work.
9. We are also undertaking a lessons learned exercise to ensure that we are taking every opportunity to use the experience of ALRA's closure to ensure the systems we have in place for such cases are as effective as possible in terms of identifying potential market exit cases as early as possible and managing them if they do arise. This is drawing on the insights of a range of partners and we are working closely with the Department for Education to ensure we have a shared strategic view of how to respond to these situations and how we can most effectively share information and coordinate our work to protect the interests of students.

10. We are nearing completion of the analysis of consultation responses relating to regulating student outcomes, and the Teaching Excellence Framework. The preparation of our response and recommendations in relation to our future approach to student outcomes and TEF is underway. A more detailed update is contained in paper 6.1.
11. In April 2022 the Skills and Post-16 Education Bill received royal assent. The new Act provides the underpinning legislation for the Lifelong Loan Entitlement and also provides new powers for the OfS in relation to assessing providers' absolute performance on student outcomes and publishing information about higher education providers. Section 33 of the new Act amends HERA to make express provision for the OfS to publish information in a wide range of circumstances, including in relation to any investigations we conduct. We consulted in December 2020 on publication matters and are now running a focused supplementary consultation to take into account our new powers. We plan to consider all responses and make final decisions about our approach to publication in early summer.

## Participation

12. Our latest Insight brief, 'Schools, attainment and the role of higher education,' was published on 7 April 2022. It discusses how providers can best work with schools to improve the attainment of disadvantaged pupils and improve their chances of going on to higher education, a good degree and a graduate-level job. The related OfS Insight event was attended by 150 people in person in London and 520 online, in our first hybrid conference. It also saw good coverage in national and trade press, with Ofsted Chief Amanda Spielman and John Blake's speeches in particular garnering attention. There was coverage in the Mail Online, Telegraph (print only), Times (print only) | News, University Business, THE and Research Professional. There was also a PA piece reprinted in a number of local outlets, alongside significant and positive social media coverage of the event.
13. John Blake has conducted a number of media interviews since taking up the role of director for fair access and participation – including with TES and FE Week. More are planned in the coming weeks.

## Experience

14. On 18 May 2022 we announced the membership of our panel of experts as part of our review of blended learning. This review will enable us to understand the different approaches to blended learning being implemented by providers. We had previously announced the panel's chair, Professor Susan Orr, Pro-Vice Chancellor: Education at De Montfort University, but have now made public the following additional members:
  - a. Dr Melissa Highton, Assistant Principal for Online and Open Learning and Director of Learning, Teaching and Web Services, University of Edinburgh
  - b. Professor Nick Lieven, Professor of Aircraft Dynamics, University of Bristol and former TEF subject panel Chair for Engineering and Technology.
  - c. Dr Dave Thomas, senior advisor at Advance HE and Associate Lecturer, Kent and Medway Medical School

The reviewers will carry out interviews with senior leaders, teaching staff, and students at a number of providers over the coming weeks. The panel's report to us, containing case studies of blended learning practices, will inform an independent OfS report setting out our views about approaches to blended learning that are likely to be compliant, or not, with conditions of registration B1 and B2. The OfS plans to publish its report in September 2022.

15. On 16 March 2022 we published an Insight brief, '[Learning more about international students](#),' which calls for evidence from providers and other organisations in order to identify innovative and sector-leading practice in ensuring international students can integrate and receive a fulfilling experience in the UK. The evidence collected will inform a report sharing best practice and inform the OfS' future approach in relation to international students.

## Outcomes

16. We are now implementing our revised quality conditions B1, B2 and B4. We expect to undertake [\[exempt from publication\]](#) investigations related to those conditions in 2022-23. The majority of the investigations will involve visits to providers by academic experts who can provide credible judgements about providers' practices and allow us to reach a view about the extent to which these may be compliant with our requirements. We will maximise the impact of this investigatory activity by focusing investigations on particular aspects of the conditions and considering compliance within a single subject area. We will also carry out a small number of desk-based investigations into grade inflation. Where appropriate, we will take enforcement action against individual providers as a result of an investigation, and will also use the publication of information about this activity as a major opportunity to influence sector practice to the benefit of students. We are setting up a dedicated team to develop and deliver the programme. The costs of this activity will be part-funded through £1.7m provided by the DfE.
17. There was extensive coverage of our analysis of degree classifications over time, which finds that nearly six in 10 first class degrees awarded in 2020-21 cannot be explained by a range of factors which may historically have affected attainment. The story was on the front page of [The Times](#), and there was also coverage in print and online in the [Daily Telegraph](#), [Daily Mail](#) and [FT](#). There was print coverage in the [I](#) newspaper, and an online story from [The Guardian](#). Conor was interviewed on the BBC News Channel about the report, which also featured widely on BBC radio news bulletins and was written up by the [BBC News](#) website. The story was also picked up by [Forbes](#) and the Press Association, as well as coverage in the sector press from [Times Higher](#), [Research Professional](#), [Wonkhe](#) and [University Business](#).
18. On 8 April 2022, we published new figures that show a significantly [reduced use of 'enhanced monitoring'](#) requirements for registered providers. The average number of conditions of registration subject to enhanced monitoring has fallen from 1.3 in November 2019 to 0.3 last month. This reflects the work we have done on re-setting our risk appetite after the initial registration process and represents a significant reduction in the regulatory burden the OfS places on providers.

## Value for money

19. On 1 April 2022 we published the [guidance](#) we received from the Secretary of State for Education and the Minister of State for Higher and Further Education on the Higher Education

Strategic Priorities Grant for 2022-23. The guidance informs us of the grant for the 2022-23 financial year, which includes £1,397 million (an increase from £1,330 million in 2021-22) that is distributed by the OfS to providers to support work on high-cost subjects, student mental health, degree apprenticeships and a range of other priorities. The guidance included a capital budget of £450 million for the three-year period 2022-23 to 2024-25 to fund facilities and buildings. Decisions on funding allocations will be made in summer 2022, ahead of the 2022-23 academic year.

20. In February we published the outcomes of our consultation on an approach to funding for world-leading specialist providers, which invited eligible providers to make submissions by 28 March 2022. Concurrently, we appointed members to a time-limited committee of the board to make decisions about which providers are world-leading specialist providers. The committee has 12 members, including Lord Wharton as chair and Nolan Smith as deputy chair. We plan to publish a biography for each member of the committee on our website along with a register of interests for the committee.
21. We received 44 submissions and the panel is in the process of reviewing these and is aiming to make decisions by the end of June. We will provide an update to the board at its meeting in July.
22. The Risk and Audit Committee discussed the OfS's annual report and accounts at its meeting on 18 May 2021. We sent a near-final draft report to RAC members on 11 May 2022, circulating this to board members at the same time. Following small amendments requested by the RAC, the final report will be circulated to board members once I have signed it as accounting officer. We aim to publish the report on 7 June 2022. The financial outturn for the year was within 1% of our overall budget.

## Efficient and effective

23. Exempt from publication.

24. Exempt from publication.

25. In relation to the designated data body, we have continued working with Jisc to improve the clarity and level of information in its expression of interest ahead of undertaking the statutory consultation on the suitability of Jisc to be designated. We expect to issue the consultation on 26 May 2022 with a view to making a recommendation to the Secretary of State in the summer. We are also required to complete a triennial report on the current designated data body, HESA, and we plan to do this in parallel to the designation process.
26. To ensure effective oversight of these issues relating to the designated data body, we plan to convene a committee of the board, chaired by the deputy chair, to make relevant decisions.
27. HESA's plans to implement the new HESA data platform from 2022-23 are on schedule and we expect year-end student data signed off by providers in autumn 2023 to be submitted to the new system on the basis of the new data model. The subsequent stage of the Data Futures project is to collect student data in-year, rather than only at the year-end. On 19 April we reported to the board that the chief executive had agreed to delay the implementation of the collection of in-year student data until the 2024-25 academic year [exempt from publication].

28. On 12 May we published our decision about delaying the in-year collection of student data alongside further decisions about the approach to collection and about consequential removal of some aspects of the current collection. We are continuing to consider responses to the other aspects of our consultation on Data Futures and data burden and currently expect to publish our decisions by the end of July.
29. The regular risk report is attached at Annex B of this paper, for the board's information. This report reflects our current strategic risks and there is a separate item on the board's agenda about draft revised strategic risks, which have been reviewed to ensure they align with our new strategy. Following feedback from the RAC and the risk management internal audit we have made some changes to the presentation of the data [exempt from publication].
30. On 16 March 2022 we launched our new digital strategy, which outlines how we will improve the student experience by using digital to more effectively regulate providers, and how we will deliver value to the taxpayer by improving our organisational efficiency and effectiveness.
31. We shared our plans for a trial of hybrid working with the board in the chief executive's report to the March 2022 board meeting. The trial began on 4 April 2022 and will run for 3 months. Staff can work up to 60% of their contracted hours remotely, and up to 30% of their contracted hours can be worked outside of the core hours of 9am to 5pm, Monday to Friday. We are reviewing the effectiveness of the policy, its impact on our ability to deliver a significant programme of work, and are seeking feedback from staff to inform decisions about how we work in future. We are also mindful of the importance and benefits of in-person working, particularly for colleagues at an early stage of their career or new to the OfS.
32. Exempt from publication.