

Priorities for the Office for Students regulatory framework

Summary

The principles of risk-based, proportionate regulation in the interest of students forms a welcome basis for the new OfS regulatory framework. We now need to see how this will be delivered in practice. The UK has a world-leading higher education system with an enviable international reputation for quality and student satisfaction, and which delivers significant economic, social and cultural value. The OfS has a key role to play in its future success for the benefit of students, universities, communities and all UK citizens.

With this in mind, the OfS should:

- (a) recognise the way in which **institutional autonomy** underpins the ability of providers to deliver for students across the four fundamental objectives on access, quality and standards, consumer law and value for money
- (b) work closely with UK Research and Innovation (UKRI) to ensure a **joined-up approach to regulation and funding**, and maintain oversight of the health and sustainability of the sector
- (c) protect students by putting in place appropriate, risk-based, **safeguards** to ensure students receive a high-quality experience and receive qualifications which hold their value
- (d) ensure a **risk-based approach** to regulation is delivered in practice which enables providers to maximise the use of funds for the benefit of students and to fulfil their charitable objectives
- (e) ensure its own processes and governance are **transparent and accountable** and that it provides value for money for students, providers and taxpayers
- (f) continue and strengthen student and sector involvement in the **co-design of regulation**.

How the regulatory framework can underpin the success of UK HE

Higher education is a national and international success story for the UK. Universities are one of this country's major assets – with a global reputation for quality and student satisfaction, teaching over two million students a year, and leading the world on research impact per pound invested. Russell Group universities in particular deliver significant economic, social and cultural value to the UK and their local communities across the full range of their activities. Russell Group universities:

- **inject nearly £87 billion into the national economy every year** through their teaching, research and export activities, and support more than 261,000 full-time equivalent jobs – which is greater than the entire population of cities like Aberdeen, Milton Keynes or Plymouth
- **engage with and open themselves to their local communities**, supporting social cohesion, enhancing prosperity and health, facilitating social mobility and acting as vital sources of local leadership.

Our ambition is to build on this success. We want to ensure students can continue to benefit from a high-quality education and a rewarding experience under the new regulatory environment. Key to this will be the UK maintaining a sustainable and globally competitive higher education sector with excellent staff, world-class research, links to businesses and local communities, and international partnerships.

The OfS has a critical role here. To ensure the future success of the sector for all stakeholders it must deliver a genuine risk-based, proportionate and joined-up approach to regulation.

Maintaining institutional autonomy to underpin positive experiences and outcomes for students

- Institutional autonomy is the foundation of high quality education, student choice, institutional diversity, competition, collaboration and international competitiveness. Maintaining autonomy will be critical to enabling the OfS to deliver for students across its four fundamental objectives on access, quality, consumer law and value for money.

A joined-up approach to research and education

- Excellent teaching and research are fundamentally linked within universities. This needs to be understood and factored into core OfS approaches, recognising the value of interconnections between teaching, learning, research and innovation as these do not happen in isolation.
- Close working between the OfS and UKRI – as well as with other sector regulators – will be critical to ensuring oversight of the financial sustainability and health of the sector. Formal mechanisms should be introduced to ensure cooperation between the OfS and UKRI.

Safeguards to protect students

- We welcome increased competition. However, opening-up the market without adequate controls in place could mean students receive a sub-standard experience, may not receive qualifications which hold their value over time, and may even be at risk of not being able to finish their studies.
- Appropriate safeguards must be put in place to protect students regardless of the type of provider they are studying at. This means maintaining a robust baseline of quality.

A risk-based and efficient approach to regulation

- We welcome the commitment to deliver a risk-based and proportionate approach to regulation. An increased regulatory burden would mean less resource available for other activities from which students will benefit. Rather than applying the full range of initial and ongoing conditions to all providers, the regulator should make a judgement about which conditions to apply based on its risk assessment of each individual provider (as committed to in the Higher Education and Research Act – clause 7(1)).
- Assurance is also needed that the regulator will operate in an efficient manner and provide value for money for students, providers and taxpayers.

A transparent and accountable regulator

- Greater clarity is needed regarding the way in which the regulator will make decisions (including how it will work with the designated quality body and with providers themselves). Mechanisms should be introduced to ensure that the processes and governance of the regulator itself are transparent and accountable. This would help to ensure that providers and students have confidence in the decisions of the regulator.

Involving students and providers in the design and implementation of regulation

- Continuing and strengthening the active involvement of providers in the design and implementation of regulation should enable the regulator to draw on academic and institutional expertise leading to intelligent regulation. In turn, this would be of benefit to students in helping improve their experiences and outcomes.
- Alongside the regulator's plans for engaging students through the student panel, working with providers represents a valuable opportunity to engage students in shaping the regulatory approach as providers offer a direct channel of communication to their students.

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