



House of Commons Education Select Committee: Value for money in higher education

Briefing – November 2018

In October 2018, the House of Commons Education Select Committee published a report entitled: [Value for money in higher education](#). This was the culmination of the committee's inquiry, which was launched in September 2017. Education policy is a devolved matter and this briefing refers to England only.

Summary

Value for money for students and the taxpayer

- The committee recommends that HEIs publish a breakdown of how tuition fees are spent to ensure greater transparency. It further advises that this should take place by the end of 2018 and that the Office for Students (OfS) should act if this time frame is not met. It reiterates that value for money is one of the four core objectives of the OfS.
- The committee notes the importance of institutional autonomy but believes that the system of self-regulation for senior management pay is unsuitable. It requests that the OfS publishes specific criteria for HEIs on salary uplift to be linked to average staff pay, performance and other measures confirmed by the OfS.
- The report recommends that institutions regularly publish the total remuneration packages of their Vice-Chancellors. It further advises that Vice-Chancellors should not be able to sit on their own remuneration boards and this principle should be enforced by the OfS.

The quality of higher education

- The report notes that only 15% of prospective students use the Teaching Excellence and Student Outcomes Framework (TEF) as a source of information when applying to higher education. It advises that the independent review of the TEF should explore how the ratings system is used by students to inform and improve choice. It should also include an assessment of how TEF is used in post-16 careers information.
- The committee recommends that HEIs embrace flexible educational approaches, such as credit transfer and 'hopping on and off' learning. This may support greater numbers of part-time, mature and disadvantaged students to enter higher education. It recommends that the Government's post-18 review develops a funding model which allows more flexible options.
- The committee supports the wider introduction of two-year accelerated degrees. It calls on the post-18 review to consider potential funding models for this innovation that would particularly benefit disadvantaged students.

Skills

- The committee notes that the Institute for Apprenticeships (IfA) stated it was 'agnostic' about degree apprenticeships. However, it recommends that the IfA focuses on the growth of degree apprenticeships. The report states that degree qualifications should be retained in apprenticeship standards and the IfA should remove the bureaucratic obstacles that HEIs are facing.
- The committee states that the IfA and the Education and Skills Funding Agency (ESFA) should engage more proactively with the higher education sector.
- The committee believes some of the funds currently allocated by the OfS for widening access (£337 million in 2018/19) could be better spent on the development and promotion of degree apprenticeships, with some funding earmarked for disadvantaged students to start apprenticeships.
- The report advises that all HEIs should offer degree apprenticeships and encourage students from all backgrounds to undertake them.
- The committee advises that the Government engages with HEIs and UCAS to agree on appropriate tariff weighting prior to the introduction of T-levels in 2020. The Committee encourages HEIs to continue to accept BTEC qualifications.

Social justice

- It is recommended that HEIs concentrate their efforts on value for money for the most disadvantaged students. Those that do not should incur penalties if not enough progress is made.
- The committee advises that the use of entry tariffs as a measurement within league table should be replaced with a more rounded approach, which would include contextual admissions, foundation courses and other routes.
- HEIs are called upon to outline their contextualisation policies within their application information to assist with widening participation objectives.
- The report recommends that the OfS works to reduce the number of unconditional offers. It outlines that the increase in unconditional offers is damaging to the interests of students.
- The committee supports calls for a redesign of the funding system for part-time and mature learners.
- The report recommends that the Government restores the pre-2016 funding system and reintroduces the means-tested system of loans and maintenance grants.

Graduate employability

- The report recommends that the OfS ensures all HEIs are transparent about graduate employment outcomes and secures this through funding agreements. It supports the use of Longitudinal Education Outcomes data (LEO) in this endeavour.
- The Committee notes that the current system of tuition fees and repayments draws parallels to a graduate tax. It advises that promoting better public understanding of the system should be part of the higher education review.
- The report calls on the Government's current post-18 review to examine the quality of careers information given to students. It indicates that careers advice, especially in relation to apprenticeships, is poor.

Next steps

The Government's review of post-18 education and funding, commonly referred to as the Augar Review, will report in early 2019. The Government has published the review's [terms of reference](#). The Government's independent review of TEF will also report in 2019. Shirley Pearce, Chair of Governors at LSE, will lead the review. In relation to accelerated degrees, the Government has [announced](#) its intention to legislate for an uplift of 20% in the cost of tuition fees for accelerated degree programmes.

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