

# **Office for Students consultation on regulating quality and standards in higher education**

Response from the British Academy  
January 2021

## Background

The Office for Students (OfS, the regulator of higher education in England) is consulting about its approach to regulating the quality and standards of higher education providers. It is seeking views on proposals to adjust its approach now that most providers have completed the initial process of registration. The consultation covers four areas:

1. Defining 'quality' and 'standards' more clearly for the purpose of setting minimum baseline requirements for all providers
2. Setting numerical baselines for student outcomes and assessing a provider's absolute performance in relation to these
3. Clarifying the indicators and approach used for risk-based monitoring of quality and standards
4. Clarifying the OfS's approach to intervention and to gathering further information about concerns about quality and standards

Comments on proposals 1, 3 and 4 fall outside the British Academy's remit as the UK's national academy for the humanities and social sciences, since they are concerned with the relationship between the regulator and individual higher education providers. However, the plans for monitoring student outcomes under proposal 2 have potential to have a direct impact on the ongoing health and vibrancy of the disciplines within our remit.

The OfS proposes to set sector-wide benchmarks at each level of study for student outcomes based on continuation, completion and employment metrics, but to assess institutions against these benchmarks at a granular, subject, level, and to not make allowance for institutions which admit large proportions of students from under-represented backgrounds. This metrics based approach therefore assumes that all students should be able to achieve the same outcomes in terms of progression and graduation rates, and entry into a graduate job, regardless of prior experience, subject of study or institutional location.

## Questions relating to Proposal 2

Question 2a: Do you agree or disagree with the proposed approach to assessing student outcomes set out in Annex B?

Agree/**Disagree**/Neither agree or disagree

We strongly disagree with the elements of the proposed approach to assessing student outcomes that relate to student progression to professional and managerial jobs and postgraduate study. We agree that a high-quality course "provides educational challenge, is appropriately resourced, and delivers good outcomes" but the consultation sets out a number of assumptions about what constitutes 'good outcomes' that we believe cannot be substantiated.

It is not at all clear that the variance in student outcomes in relation to graduate destinations, is explained solely, or even primarily, by the value to the economy of the knowledge and skills gained from the degree studied. Student outcomes are the product of several factors, the most obvious drivers being institutional reputation, location, gender, ethnicity, socio-economic background, government policy, and the performance of the economy.<sup>1</sup> Destinations are therefore of limited value in assessing the quality of the course from which an individual graduated.

The consultation assumes that the primary purpose of study in higher education is immediate entry into what is considered a 'graduate job' or progression to further study, so that they are in such roles by the time the data is collected in the Graduate Outcomes survey (15 months

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<sup>1</sup> Belfield et al (2018) [The relative labour market returns to different degrees](#) Institute for Fiscal Studies

after graduation). This is unrealistic for the typical pathway of many careers or for students who decide to take time out from employment directly after study for a range of reasons, including to travel or because of caring responsibilities.

The proposals assume that there is an agreed understanding of what constitutes a 'graduate job' and that this is accurately captured by the 'professional and managerial' data classification. The concept of a 'graduate job' remains contested, making it challenging to accurately capture in datasets.<sup>2</sup> Data classification has struggled in the past to keep pace with how roles depend on the skills and knowledge gained, and while recent changes to the Standard Occupational Classification in SOC2020 have corrected some anomalies, many will inevitably remain given the complexity and diversity of the job market. This will be increasingly so as the economy recovers from the impact of the global pandemic and the job market is reshaped.

Taking the lack of clarity at a conceptual level of what constitutes a 'graduate job' a step further, the consultation does not appear to specify how the Office for Students intends to define 'professional and managerial' for the purpose of this benchmark. We assume that this will be included in the further detailed consultation and urge the OfS to consider carefully how this can be done in a way which realistically represents the roles in which graduates are likely to be at the point data is captured (15 months post-graduation in the case of the Graduate Outcomes survey), bearing in mind typical career trajectories.

Nevertheless, any approach based on graduate outcome metrics will also fail to reflect the wider social and economic benefits of higher education.<sup>3</sup> A graduate who enters employment for example in the charity or community sector, an overseas development context, or in many areas of the creative and cultural industries, may not initially be considered to be in a 'graduate job', but nevertheless makes substantial use of the skills and knowledge gained from their course to benefit society and the economy, as well as in due course develop their career.<sup>4</sup>

We know that many graduates of the disciplines which fall within the British Academy's remit enter jobs that are of social importance, but which may not attract high salaries or be classified as 'professional and managerial', such as those self-employed in the creative industries, in entry level roles in the cultural and heritage sectors, or working for charities or community organisations, or those who become entrepreneurs and start their own companies, who are crucial to achieving the Government's ambitions on R&D and innovation.<sup>5</sup> Graduates who study arts, humanities and social science disciplines are highly employable across a range of sectors and roles and underpin key sectors of the UK economy. They have skills employers value – communication, collaboration, research and analysis, independence, creativity and adaptability – and are able to build flexible careers which may move across a number of areas of employment while remaining resilient to economic downturns. Maintaining a strong flow of talent into such sectors is vital for the economy and society as a whole. Some institutions specialise in courses leading to opportunities in these areas and this should be encouraged and rewarded, rather than penalised or forced to stop this provision, which could be the effect of the adoption of the proposals in this consultation.

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<sup>2</sup> See for example Elias & Purcell (2013) [Classifying graduate occupations for the knowledge society](#) HECSU/Warwick Institute for Employment Research; Green & Henseke (2016) 'The changing graduate labour market: analysis using a new indicator of graduate jobs', *IZA Journal of Labor Policy* 5(14) <https://doi.org/10.1186/s40173-016-0070-0>

<sup>3</sup> BIS (2013) [The benefits of higher education for individuals and society: key findings and reports](#)  
<sup>4</sup> British Academy (2020) [Qualified for the Future: Quantifying demand for arts, humanities and social science skills](#)

<sup>5</sup> British Academy (2017) [The Right Skills: Celebrating skills in the arts, humanities and social sciences](#)

Question 2b: Are there any other quantitative measures of student outcomes that we should consider in addition to continuation, completion and progression (see Annex B paragraph 18)?

As indicated in the answer to question 2a, we consider quantitative measures of student outcomes in relation to graduate destinations to be highly problematic, as they are dependent to a large part on factors unrelated to the quality of an individual's higher education course. These challenges are magnified in relation to metrics based on graduate salaries, so we would strongly object to this being included as an additional measure – see further our response to question 2f below. For example, there are several professions which are graduate entry, and critical for the functioning of society, but for which the 'market value' in terms of starting salary is below the national average, including teachers, nurses, religious ministers and social workers (starting salaries typically £24,000 compared to a national average of £26,500). Our evidence shows that as individuals progress through the first ten years of their career, arts, humanities and social science graduates are able to make strong progress up the career ladder and show strong wage growth, but this will not be reflected in measures which focus on earnings shortly after graduation.<sup>6</sup> If the LEO dataset is to be used as a measure of student outcomes at all, it should be to provide evidence of typical longer term career trajectories as a counter to the more immediate evidence available through the Graduate Outcomes survey. Even in this case, it is crucial that it is weighted for regional variations and for the likelihood of individuals (particularly women) taking time out from employment for caring responsibilities.

The emerging Graduate Outcomes dataset provides useful information about other aspects of the contribution higher education makes to the roles graduates take in society and the economy, for example in relation to job satisfaction and use of skills learned; this would be a fruitful avenue to explore as an alternative measure of the quality of student outcomes.

Question 2c: Do you agree or disagree with the proposals for the levels of study at which indicators should be constructed? Should any additional indicators be considered (see Annex B paragraph 25)?

**Agree**/Disagree/Neither agree or disagree

The proposal identifies the levels of study between which there are likely to be valid differences in student outcomes which need to be taken into account in setting baseline indicators, and these classifications are well established within the higher education dataset making metrics based on them reliable.

Question 2d: Do you have any comments about an appropriate balance between the volume and complexity of indicators and a method that allows us to identify 'pockets' of performance that are below a numerical baseline (see Annex B paragraph 32)?

There are a number of challenges in applying metric-based approaches at increasing levels of granularity, such as are proposed in the consultation to enable the identification of 'pockets' of performance which fall below the baseline indicator. At subject level, sample sizes rapidly become too small to be statistically valid.<sup>7</sup> Increasingly, provision will be interdisciplinary, as

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<sup>6</sup> British Academy (2020) [Qualified for the Future: Quantifying demand for arts, humanities and social science skills](#)

<sup>7</sup> MacInnes (2018), [Personal commentary submitted along with the British Academy's response to the Department for Education's consultation on the Teaching Excellence and Student Outcomes Framework: Subject-level](#)

this develops the skills and knowledge which are needed to resolve the challenges of the future, but this provision is not well captured within existing higher education datasets.<sup>8</sup>

The consultation sets out an intention to establish a single, sector-wide baseline indicator for each level of study by mode of study. It seems unlikely that this will achieve the necessary transparency and public confidence about the indicator it is suggested is necessary in Annex B, paragraph 9 of the consultation document, given the number of factors for which it must account. For example, the metric will need to allow for the fact that on the one hand, the volume of provision in healthcare is tightly controlled in order to provide the numbers of graduates needed to meet anticipated workforce demand, while on the other, that courses in disciplines such as arts, humanities and social sciences prepare students for a wide range of career pathways, where demand cannot be predicted and may be affected by the economy and other circumstances far beyond the control of higher education providers or even single governments. Recent analysis by the OfS itself highlights the extent to which provision in medicine and other healthcare subjects are outliers in the data.<sup>9</sup>

The complexity of defining a 'graduate job' conceptually, and the multiple ways in which this definition is currently applied within standard datasets will further reduce the transparency of the indicator. A single baseline which controls for all these issues, among others, can only be derived in a highly complex manner in which it will be difficult to gain public confidence.

Question 2e: Do you agree or disagree with the demographic characteristics we propose to use (see Annex B paragraph 36)? Are there further demographic characteristics which we should consider including in the list of 'split indicators'?

Agree/Disagree/Neither agree or disagree

The availability of data across these demographics is well established within the higher education datasets.

Question 2f: Do you agree or disagree that the longitudinal educational outcomes dataset should be used to provide further indicators in relation to graduate outcomes (see Annex B paragraph 46)?

Agree/**Disagree**/Neither agree or disagree

Use of the longitudinal educational outcomes dataset is highly problematic. While the Graduate Outcomes dataset is still experimental and is limited to information 15 months after graduation, the additional use of the LEO data will not resolve the issues identified in response to question 2a above about the limitations of measures of graduate destinations. Most importantly, using graduate earnings as part of a regulatory approach fails to recognise that the return from higher education cannot be measured solely, or even primarily, in economic terms on the basis of salary achieved.

The data provided by LEO is backward looking, and past performance of graduates in the labour market is not a reliable indicator of future graduate outcome. Even in more stable graduate labour markets such as medicine, salaries fluctuate considerably. The LEO data does not control for differences in regional employment markets, differences between part and full time employment, and only has partial coverage of individuals in self-employment.<sup>10</sup> It does

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<sup>8</sup> British Academy (2016) [Crossing Paths: Interdisciplinary Institutions, Careers, Education and Applications](#)

<sup>9</sup> OfS (2020) [Developing an understanding of projected rates of progression from entry to professional employment](#)

<sup>10</sup> Universities UK (2019) [The uses and limits of Longitudinal Education Outcomes \(LEO\) data](#)

not include any individuals who have left the UK to work abroad. Its use is therefore likely to particularly disadvantage providers who specialise in preparing graduates to enter the creative industries, where self-employment is common, and language graduates who use their technical language skills and intercultural understanding to work outside the UK, both areas of national strategic importance.<sup>11</sup>

Question 2g: Do you have any comments about how the range of sector-level performance should be taken into account in setting numerical baselines (see Annex B paragraph 57)?

We agree that it is “equally important that students from under-represented groups are able to succeed when they enter higher education, and to do so at the same rates as students from more represented groups.” However, we believe that great care will be needed to ensure that the setting of a single sector-wide baseline by level and mode of study does not lead to unintended consequences that disadvantage under-represented groups. We note that the Office for Students recognises that this approach may lead to providers changing their provision to avoid regulatory consequences (consultation document Annex B, paragraph 67a and note 28), and therefore intends that a provider’s behaviour and reasons for such changes will be a relevant factor in the overall assessment of the regulatory condition. We urge the Office for Students to pay close attention to this in their future regulatory activities to ensure that institutions which serve particular groups of students are not disincentivised in the range of provision they offer, thus narrowing the options available to such students and reducing the diversity and vibrancy of the UK’s higher education sector.

Maintaining healthy, innovative and evolving disciplines through a range of provision is vital to meet national skill and knowledge needs. The British Academy is already concerned about narrowing of provision in some subject areas which it represents and the lack of strategic oversight at a national level about changing patterns of provision across geographies and institutional types, which has in the past been vital to facilitating coordination and targeted support to enable the maintenance of strategically important subjects. The current funding and regulatory environment does not provide support or incentives for institutions to maintain a longer-term strategy for subject diversity and continue to deliver subjects that are strategically important but do not attract high levels of student demand. There is currently no national monitoring of departmental or course closures, nor does the current regulatory architecture play a sufficient role in assessing the impact of closures or in intervening to prevent damage to the health and diversity of provision, including across different regions and institutional types, and as highlighted above, the risks around this are liable to increase when the proposals in this consultation are implemented. The British Academy is therefore undertaking activity of its own to monitor the health of the disciplines within our remit, and intends to publish findings in Spring 2021. We would welcome opportunity for our Chief Executive and relevant Officers to meet with Nicola Dandridge and her senior team to discuss how we could work with the Office for Students and other appropriate sector bodies to monitor and strategically encourage and maintain provision in the full range of disciplines which the UK needs to create a thriving knowledge economy as well as offering choice to students from all backgrounds.

Question 2h: Do you have any comments about the other contextual factors that should be taken into account and the weight that should be placed on them (see Annex B paragraph 68)?

As highlighted under question 2g, we urge the Office for Students to pay close attention to a provider’s behaviour in choosing to discontinue courses, and believe therefore that this

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<sup>11</sup> British Academy (2019) [Languages in the UK: a call to action](#)

contextual factor should receive considerable weight within the regulatory approach. We would also encourage the Office for Students to think broadly when identifying “external factors outside of the provider’s control that might affect performance”, to include the impact of wider government policies which may lead to short term changes in demand for graduates in particular subjects, as well as the overall economic situation which will influence the graduate employment market and hence have consequences on a provider’s performance in the student outcomes metrics.