

Consultation on OfS strategy for 2025 to 2030 – UA submission

About University Alliance

[University Alliance \(UA\)](#) represents leading professional and technical universities across the UK. Our members specialise in working with industry and employers.

Their teaching is hands-on and designed to prepare students for their careers. Their knowledge and research drive industry and the public services to innovate, thrive and meet challenges. Alliance universities are leading the way in innovation and business support in the green, tech, and healthcare industries. They are major educators in healthcare, engineering, the creative arts, social sciences, degree apprenticeships and more.

Q1) Do you have any comments to make on the OfS's proposed strategy for 2025 to 2030 or the priorities set out within it?

Overview

Whilst University Alliance supports many of the priorities set out in the proposed strategy, we were dismayed to see a lack of focus on cutting the cost and burden of higher education regulation. In fact, many of the proposals seek to expand the OfS's regulatory remit. At a time when a) up to 72% of higher education providers are facing a deficit in 2025-26 [by the OfS's own calculations](#) and b) the Chancellor of the Exchequer has [urged](#) "every regulator, no matter what sector" to enact a "cultural shift" and tear down the regulatory barriers that are holding back growth, cutting – or at the very least freezing – regulatory cost should be the OfS's top priority.

The Secretary of State is demanding that higher education providers develop a [sustained efficiency and reform programme](#) and the OfS expects them to take "[rapid and decisive action](#)" to avoid going bust. It is only right that the OfS also takes meaningful steps to become a more efficient regulator, cutting the cost of its regulation and improving its value for money to students, providers and the taxpayer.

The case for increasing regulation simply hasn't been made for a sector that is generally high performing and an important [engine of economic growth](#). In the OfS's own estimation, "most provision in the higher education sector in England is already excellent" and "most students have positive experiences of HE". The UK HE sector enjoys the [lowest drop-out rate of any OECD country](#). By no means does this mean that there is no need for regulation, but it must be proportionate and targeted.

Higher education providers already feel the existing burden of OfS regulation is high, and there is too much overlap with other regulators. [UUK research](#) found that universities have had to hire 18 extra staff on average to meet the current regulations. In its [inquiry into the OfS](#), the House of Lords Industry and Regulators Committee found that many of the regulator's decisions and data requests "generated a significant burden for providers" and called on the Government to reconvene the Higher Education Data Reduction Taskforce. The Taskforce never took place and no attempts to reduce unnecessary burden on providers have explicitly been made, yet the OfS is proposing in this strategy to collect even more data from providers and expand its remit to areas such as transnational education (TNE).

The Lords Committee also queried whether the OfS provides value for money to providers. Noting widespread provider discontent over the [18.5% registration fee rise in 2023](#), it observed, “the OfS appears to be adding to their regulatory burdens and then charging them more as a result.” A similar outcome seems inevitable if the OfS decides to take forward the proposals in the strategy without an explicit focus on cutting the cost and burden of its regulation.

It is notable that despite the above-inflationary rise in registration fees in 2023, the OfS does not currently have the capacity to carry out one of its core statutory functions: granting degree-awarding powers (DAPs) to providers. This suggests any expansion of its regulatory remit would significantly increase the cost of OfS regulation. It is important to understand that this cost would ultimately be borne primarily by students.

In spite of these concerns, University Alliance does support several elements in the draft strategy. First and foremost, we welcome the acknowledgement that the OfS must change as regulator. We concur with the need for more agile and flexible regulation and for the OfS to have a sharper purpose. We also broadly agree with the three priorities set out in the strategy: quality, student interest and sector resilience. That said, we are not sure if equality of opportunity is well served by acting as a cross-cutting theme, which seems to dilute rather than enhance its importance. Nonetheless, work in these areas needs to be carried out in ways which do not increase the cost of the operation of the OfS, or the cost passed on to providers. The financially challenging context for higher education providers means that their response to any regulatory change will need to be delivered within increasingly constrained resources.

Quality

University Alliance strongly supports the proposals for an integrated approach to quality that drives continuous improvement across the sector. We agree with the [Public Bodies Review](#) that interactions between the two strands of OfS’ quality activity are currently unclear, and support the development to develop a single system to assess quality at all registered providers with TEF and enhancement at its core.

We also welcome the commitment to explore realignment with the European Standards and Guidelines (ESG) for quality assessment. It is our view that UK higher education as a major global education export would be better served by the four nations fully aligning to European and international norms.

That said, we do not believe that implementing a single quality assessment system and aligning with the ESG must necessarily cost more. The OfS should explore cost-effective ways to implement an integrated, ESG-compliant approach to quality assessment without adding to provider cost and burden, drawing on innovative and efficient models from the devolved administrations and overseas.

One way to constrain costs immediately is to rule out the inclusion of transnational education (TNE) within its scope. University Alliance has [long had theoretical and practical concerns](#) about the extension of OfS regulatory oversight to TNE. Firstly, it is not immediately obvious why provision that is already regulated by overseas governments should be a priority for the OfS. This does not seem to be a good use of student and taxpayer money. This is doubly the case at a time when both OfS and provider resources are seriously constrained, and there is a strategic aim to grow this provision – which was [worth £2.4 billion in 2021 and has grown by 123.90% since 2010](#) – in the revised [International Education Strategy](#) to benefit the British economy.

Like most of the higher education sector, we believe there is a serious risk of damaging the reputation of a prominent, highly respected export product for the UK. With UK TNE provision currently operating in 228 different countries and territories, it is also difficult to understand how the OfS could develop the in-country expertise to perform this role effectively without significantly increased resources.

We are supportive of the principle of collecting more and better data on UK TNE provision and would be keen to explore lower burden alternatives that would reassure the OfS that registered providers are meeting their regulatory obligations when they are operating overseas.

Another area that we think would be sensible to put on hold at this time is the plan to develop a quality risk register. Firstly, the concept of a risk register sits uneasily with the development of a more enhancement-led system, and it is not immediately clear what benefits would ensue from it. Secondly, we do not yet have a good understanding of the impact of the equality of opportunity risk register. An evaluation of this still relatively new initiative should be undertaken before the OfS decides to develop a second risk register.

Student interest

The OfS's increasing focus on the student interest is welcome and fully supported by University Alliance. Arguably this area has long been underdeveloped. However, we are concerned about the intersection of the OfS's regulatory work on the student interest with consumer protection regulation.

The draft strategy outlines plans to develop a model contract and seek new consumer protection powers. We do not believe the case has yet been made for either of these. We agree with UUK that there is a need for the sector as a whole and individual providers to be as clear as possible with students on what they can expect from higher education, what is expected of them, and what their rights are. However, the OfS should explore impactful collaborative work that could be done with both higher education providers and consumer regulators such as the CMA and National Trading Standards before increasing regulatory requirements or seeking new powers. Many providers have effective student contracts in place already. The OfS should seek to share examples of good practice and provide further guidance or model templates instead of imposing a one-size-fits-all model contract on a diverse HE sector.

The strategy acknowledges that many issues that profoundly affect students' experience of higher education, notably accommodation and the overall cost of living, are beyond the OfS's regulatory remit – and frequently the control of providers. It is vital that the OfS is mindful of what can be achieved in these areas through regulation and endeavours to avoid mission creep, utilising non-regulatory levers to improve the student experience.

Sector resilience

Like the student interest, the prioritised focus on sector resilience is welcome and something that UA called for in our 2023 [evidence](#) to the House of Lords. In principle we welcome the plan for an improved approach to data collection, enabling more frequent and flexible collection while – crucially – minimising regulatory burden. Given the [well-publicised problems with Data Futures](#) this is not all guaranteed and the OfS should proceed with extreme caution.

That said, the current approach of analysing historic data is arguably no longer fit for purpose. The OfS should also consider more fully the risks to the current data-led regulatory approach and how it will address these. Declining survey response rates, particularly for Graduate Outcomes, presents significant long-term challenges for data-led regulation. It is

welcome to hear that OfS is planning to increase its efforts to work with other regulators on data collection. It's vital that it extends this work to smaller sector-specific PSRBs who also have an outsize influence on higher education.

However, just as important as improved data – if not more so – is the OfS's plan to increase engagement with institutions on their financial position and build trust. Trusted relationships will arguably yield more fruits for both the OfS and providers than any data collections.

Many higher education providers' finances are in a highly precarious state, but it is important for the OfS not to lose sight of the main reasons for this, which are down to public policy decisions taken by successive governments. While providers are responsible for managing their finances, the government controls their main sources of income through the tuition fee cap and immigration policy. Therefore, public policy solutions are ultimately needed to stabilise provider finances, and the OfS must recognise the limits of what it can do to improve sector resilience. There is danger that increased regulation could worsen the situation of providers and offer little protection for students.

The OfS is also proposing more oversight of governance and management, which it has linked to both the student interest and sector resilience. It is not clear what the implications will be for providers and their governing bodies. The governance codes issued by the Committee of University Chairs (CUC) are well established and most universities commission an independent review of their governance every three years. It's difficult to see how greater regulation by the OfS would substantially enhance the sector's governance and there is a danger of increased regulatory burden and overlap with the CUC. Moreover, the CUC is currently reviewing the Higher Education Code of Governance to ensure that it remains fit for purpose in the future, with an emphasis on financial management. If the sector can demonstrate that this is happening, this should allow the OfS to take a more risk-based approach and not become overly prescriptive in how governance should happen and be monitored.

Q2) Do you have any comments about any unintended consequences of the proposed strategy or the priorities set out within it, for example for particular types of providers, particular groups of students, or for individuals on the basis of their protected characteristics?

Inherent in the proposed strategy is an increase in the cost and regulatory burden for all higher education providers. This is likely to have a disproportionate impact on providers which are in financial deficit and smaller and more specialist institutions, which are less likely to have the resources to respond to increased regulation.

Q3) Are there aspects of the proposals you found unclear? If so, please specify which, and tell us why.

- The 'integrated approach to quality' and Quality Risk Register are both underdeveloped ideas which require more consultation and engagement with the sector.
- OfS investigations continue to lack transparency and haven't been adequately addressed in this strategy. It is not clear what role they will play under a more integrated approach to quality assessment.
- The ways in which the OfS intends to work with Skills England and adapt its approach to the LLE are both underdeveloped.

- It's not clear what the implications are for providers of the OfS becoming a prescribed whistleblowing body.
- It's not clear how the 'I statements' will be used or measured.
- It is stated that the OfS will collect prevalence data as a 'measure of the impact of the [harassment and sexual misconduct] condition'. This is contradictory to previous we have been given, notably that the OfS will not interpret lower prevalence as better compliance with the condition.

Q4) Our previous strategies have covered periods of three years. For this strategy, we are proposing an extended strategy period of five years. Do you have comments on this proposal?

We support the proposal for a five-year strategy alongside annual business plans.

Q5a) Do you think that our proposed 'I statements' appropriately and clearly describe the impact that delivery of our strategic objectives should have on our key stakeholders?

Whilst the "I statements" are appealing in their simplicity, it is not clear how they will be used or measured by the OfS. For example, how will they interact with the OfS's [KPIs](#)? Some of the statements are more easily measurable than others, for example those that align with questions in the National Student Survey. It would be much more difficult to measure the taxpayer statement "I am proud of England's higher education sector" – and it's not clear whether doing so would be worth the resource involved. For this reason, we are not convinced that the "I statements" will add value to the OfS's strategy.

Q5b) Do you think that the strategic objectives distilled in our proposed 'I statements' are the right ones? Do you propose any additional 'I statements'?

University Alliance supports the amendments made by Universities UK in its submission, which we have reposted below.

For **students** we recommend:

- *Separating* 'I am fairly and effectively assessed' from 'I am confident that prospective employers will recognise the value of the qualification that I achieve', which refer to two related but distinct issues. The latter should include the addition 'and that (where relevant) it meets requirements of professional accreditation'. This addition is something a provider should be required to meet, if it is promised to the student, whereas employer perspectives are influenced by many factors and potential biases.
- *Adding* 'and career aspirations' to 'My course is well organised and delivered, enabling me to acquire knowledge and develop skills relevant to my subject area'. Students consistently report employability and career goals as important to them, and while there are limitations to the use of narrowly defined 'good outcomes', we do think there needs to be a reference to career aspirations.
- *Removing* 'my hopes and expectations when I chose it are being met' from 'I'm getting what I was promised when I signed up for my course'. The latter is objective and can be tracked, the former is subjective.

- *Changing* ‘power’ for ‘authority’ in ‘I am treated fairly by my institution and my views are listened to and acted on appropriately by those in positions of power’.

For **institutions** we recommend:

- *Adding* ‘I receive timely and clear responses from the OfS when I submit and/or request information.’
- *Separating* ‘I understand the OfS’s regulatory priorities and requirements’ from ‘I am confident its regulatory approach is driven by the interests of students and informed by the expertise in the higher education sector’. These are two distinct ideas and the first is particularly important for burden. The risk of sector ‘gold plating’ could be minimised if the OfS made clear to providers what is required of them.

For **taxpayers**, we recommend:

- *Removing* ‘I am proud of England’s higher education sector’. This example relates to something far harder for the OfS and providers to influence on their own when it is subjective judgement from a hugely diverse population, comprised of many individuals who may have no direct or conscious interaction with higher education.

If the **OfS** were to introduce ‘I statements’ for itself as an organisation, we would recommend the following:

- I understand and regulate in accordance with the concerns and priorities of students and the sector.
- I understand the context I am working in, and this understanding is reflected in the way I regulate and prioritise.