



Department for Business, Innovation & Skills

Applying Student Number Controls to Alternative Providers with Designated Courses. Response form

There is no obligation to use this form when responding, but doing so will make your responses easier to analyse. There is no obligation to answer all questions. We look further to receiving your feedback.

The Department may, in accordance with the Code of Practice on Access to Government Information, make available, on public request, individual responses.

The closing date for this consultation is **23 January 2013**

Please return completed forms to:

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Question 1

Name of organisation (or name of person if the response is a personal response and is not submitted on behalf of an organisation)?

What type of organisation is it? (e.g. Alternative Provider, HEI, FEC, Regulatory Body etc.)

Resource Development International (RDI) – Alternative Provider

Question 2

Do you have a preference for Method 1 (control based on eligible students) or Method 2 (control based on students accessing funding)? If so, why is this?

Method 2 is preferred because it more accurately and fairly reflects the cost to Government for each alternative provider.

Method 2 recognises that some eligible students (often mature and/or working) still prefer to pay their fees as they study rather than take out a fee loan and incur debt. This is the group who are now fearful of debt who will not attend a campus university due to the high debt they will incur. Alternative Providers, such as online study providers, should be encouraged rather than penalised in this situation because there is now a social need to fill this gap in provision created by the higher campus fees. There is also a cost benefit to the Government of allowing alternative providers to fill this gap.

Method 2 could be extended in future by measuring the average cost per student by provider and this data used to incentivise alternative providers to improve the value of education they provide to the student and the Government. These measurements of value could be then further extended to include the average amount of loan repaid by the student over time by institution, as occurs in the US.

Question 3

What is your view on submission of data to HESA? Do you think designated courses at alternative providers should participate in the Key Information Set and therefore complete the National Student Survey and Destination of Leavers in Higher Education survey (if student numbers are large enough to permit this)?

It is important that data on alternative providers is made available publically. However, the current data collection/publication systems (HEFCE/HESA/KIS) are designed for full-time students at traditional campus HEI's and this data model does not fit many alternative providers whose data will be compared directly with campus HEI data by the public, often inaccurately. A substantial amount of the HEFCE/HESA/KIS collected for campus HEI's is irrelevant to alternative providers. Any data collected and publicised for alternative providers has to be statistically relevant and properly contextualised to avoid misleading the public.

HEFCE funded HEI's receive a Teaching Grant and fees per student of up to £9000 per annum in sufficient quantity to enable them to afford significant administrative overhead to cope with the HEFCE/HESA data requirements. Alternative providers do not receive a Teaching Grant and

their fees are capped at £6000 per annum (£4500 for part-time students) meaning their overhead has to be tightly controlled to ensure the quality of their education provision.

The government admits that the collation of data for HESA/KIS is costly. If alternative providers are required to make costly data submissions to Government then this should be reflected in the funds they receive from Government. Alternatively, Government data collection requirements for alternative providers should be designed to minimise the cost of collection and maximise its relevance for the public and Government. For example, the duplication of data collected by HEFCE and HESA should be eliminated, and only statistically relevant data should be collected.

Rather than duplicate the current costly data collection system, the Government could decide to engage with alternative providers and use this as an opportunity to review what/how data is collected and to extend the data to include, for example, information about student employability/career progression during the study period and to include data on student fee loan repayments.

Question 4

Are there any other methods for controlling student numbers on designated courses at alternative providers that you would recommend instead of Method 1 or Method 2?

None at this time.

Question 5

Do you agree that there should be an exemption from student number controls for alternative providers with small numbers of students accessing student support? If so, do you have suggestions as to how the Department should define 'very small'?

We agree that there should be an exemption from student number controls for alternative providers with small numbers of students accessing student support. Reviewing the figures in Annex A, Table A.2 suggests that circa. 80% of government payments to Alternative Providers are made to those providers with more than 100 concurrent students. Therefore 100 or fewer **concurrent** students could form the basis of the definition of a 'very small' provider, meaning there would be no student number control until the 100 concurrent student limit is reached.

Question 6

Equality considerations: Do you think that the proposals for applying student number controls will have any equality implications (e.g. positive, negative, or neutral) for people with protected

characteristics (as set out in the Equality Act 2010), or people from low income groups?¹ What impacts might there be and do you have any evidence of possible impacts?

Given that the majority of alternative providers provide either a specialist or relatively (compared to traditional HEI's) low cost education opportunity, applying student number controls will limit the study opportunity for low income groups, especially working class men, who are fearful of high levels of fee loan debt, as reported recently by Government. This gap in provision for those fearful of high levels of debt has been compounded by the withdrawal of traditional HEI's from the FE sector, meaning a further reduction in opportunity for those low income groups who do not want to afford the high fees (full-time or part-time) to study at a traditional campus HEI.

Question 7

Do you have any other comments on the proposals within this consultation document?

Both the funding system and data collection systems adopted must recognise the different delivery models adopted by alternative providers, including online, blended and accelerated campus study delivery.

The current SLC funding system is designed around the full-time study mode. A future funding system for alternative providers must provide explicit guidance on what is considered to be a part-time study mode, which are normally flexible/modular rather than time/semester constrained.

Thank you for taking the time to let us have your views. We do not intend to acknowledge receipt of individual responses unless you tick the box below:

Please acknowledge this reply



At BIS we carry out our research on many different topics and consultations. As your views are valuable to us, would it be okay if we were to contact you again from time to time either for research or to send through consultation documents?

☒ Yes

☐ No

¹ Section 149(1) of the Equality Act 2010 imposes a duty on Ministers to have due regard to three specified equality matters when exercising their functions. These are: a) eliminating discrimination, harassment, victimisation and any other conduct that is prohibited by the Act; b) advancing equality of opportunity between people who share a relevant protected characteristic and people who do not share it; and c) fostering good relations between people who share a relevant protected characteristic and people who do not share it. The Equality Duty covers the following protected characteristics: age, disability, gender, gender reassignment, pregnancy and maternity, race, religion or belief and sexual orientation. The duty to have due regard to the need to eliminate discrimination also covers marriage and civil partnerships.

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