



**‘Piloting a streamlined approach to validation’ - a joint project by The Open University,
Independent Higher Education and QAA**

INTERIM REPORT

Definitions of Validation

1. Validation arrangements, as defined in the *Higher Education and Research Bill (46)*, are ‘arrangements between one registered higher education provider and another registered higher education provider under which the first provider-
 - a) Grants a taught award or a foundation degree to a student who is a student at the other provider or
 - b) Authorises the other provider to grant a taught award or a foundation degree on behalf of the first provider’.

2. The QAA defines validation more precisely as ‘a process by which a degree-awarding body judges a module or programme developed and delivered by another organisation and approves it as being of an appropriate standard and quality to contribute, or lead, to one of its awards. Students normally have a direct contractual relationship with the delivery organisation’ (QAA Glossary of terms).

3. Under the current system in the UK, a provider without degree awarding powers looking to offer higher education programmes¹ must secure a validation agreement from a degree awarding body (usually a university). There are approximately 80 UK universities who validate provision in other institutions.

¹ This includes degrees, certificates and other academic awards

Context for the Project

4. The 2015 Green Paper '*Fulfilling our Potential: Teaching Excellence, Social Mobility and Student Choice*' highlighted the need to remove significant barriers to entry, diversity and innovation in HE provision in relation to providers seeking validating partners.
5. The 2016 White Paper '*Success as a Knowledge Economy: Teaching Excellence, Social Mobility and Student Choice*' developed this theme further by setting out the Government's proposal for the new Office for Students (OfS) 'to actively encourage providers to develop validation services and support exemplar validation arrangements to help good negotiations between validators and providers who seek validation'. Subject to the passage of the Higher Education and Research Bill and the creation of the OfS, the new regulator will work with the sector to strengthen the Quality Code and introduce specific expectations around validation that validating universities will be required to meet. Furthermore, to ensure that barriers to validation are removed wherever possible, the OfS will be granted the power to designate a 'validator of last resort' if the Secretary of State considers this to be appropriate.

Background to the Project

6. The Open University (OU), Independent Higher Education (IHE) and the Quality Assurance Agency for Higher Education (QAA) are collaborating on a pilot project to test a new validation model that can be promoted as an exemplar of best practice for UK HE providers (both validators and teaching institutions). The overall objective is to develop a transparent, consistent and risk based approach to validation removing unnecessary obstacles that might discourage new providers from entering the sector.
7. The OU has over twenty years of validation experience, nationally and internationally, following its takeover of the Council for National Academic Awards (CNAA) role in 1992, and has a reputation for a platinum level service for supporting partners, particularly in assisting institutions to apply for and acquire Taught Degree Awarding Powers (TDAPs). For the OU validation is a means of widening access and increasing diversity of opportunity and the University is supportive of new entrants in both the public (mostly Further Education Colleges – 'FECs') and private sectors. OU processes are designed to protect students and the reputation of the UK's HE and to provide a cost-effective and developmental service which permits high levels of

autonomy, leading to independence for its partner institutions if they can meet the relevant criteria.

8. IHE is the UK membership organisation and national representative body for independent providers of higher education, professional training and pathways. Since 2007, it has worked with partners and stakeholders worldwide to represent the interests of the independent education sector and its students.
9. The OU and IHE share the common goal of establishing a robust and flexible validation model that encourages new entrants to the sector whilst protecting the interests of students. Three alternative providers (APs)² represented by IHE are participating in the pilot project – Oxford Business College; The National College for Digital Skills (Ada); and London College of International Business Studies. In addition, there will be representation from the FE sector – New College Durham and City College Liverpool.
10. The project will also involve regular collaboration and dialogue with HEFCE and the Association of Colleges (AoC), all of whom have representation on the project steering group, as well as other relevant groups such as the Council of Validating Universities (CVU).
11. The wider positive impacts and benefits from the project include:
 - a) Developing a high quality, flexible and risk based model for validation that meets the future needs of the UK HE market and provides an efficient way for new quality providers to enter the sector and thereby supporting student choice
 - b) Developing better protection for providers³ entering into a validation relationship and their students
 - c) Providing an active response to the proposals within the 2016 HE White Paper and Bill for encouraging diversity and competition within the sector
 - d) Widening access to higher education for under-represented groups through the expansion of provision within the FEC and AP sectors
 - e) Reducing the burden on institutions whilst maintaining high standards to enable more resources to be diverted to teaching and learning enhancing the student experience

² An alternative provider is defined as any provider of higher education courses which does not receive annual funding from HEFCE or its equivalent bodies in the devolved administrations directly

³ The term 'provider' is used throughout the report as a generic term that includes alternative providers and Further Education Colleges

- f) Encouraging new and innovative delivery models to enhance the choices available for students
- g) Enabling greater autonomy for high quality validated institutions over time, following a risk based judgement, which assists their development and potential journey towards degree awarding powers

12. This report is an interim report on progress of the project up to the end of November 2016. A further update will be provided in March 2017.

Validation as a positive tool for innovation and student choice in higher education

13. The project partners remain strongly committed to validation as an important tool in developing new and innovative models of higher education delivery. Most importantly, new providers drive student-centred innovation which increases access and participation for students who are unlikely to choose more traditional higher education models. Some of the benefits of support for HE delivery in FECs and APs through validation arrangements are set out below.

For students, validation:

- provides an avenue for collaboration between academics and industry experts to create specialist, industry-led, cutting-edge programmes of study
- facilitates innovative approaches to small group learning by supporting small providers who would otherwise not be able to deliver degrees
- helps to expand and diversify the regional higher education offer so that students can study on their own terms in their local area
- enhances the learning experience through shared professional development of staff and lecturers as a result of partnerships
- means that students receive both the education they have chosen and an award from a university that is recognised and trusted by employers
- allows their chosen programme to be designated for student support, extending access to industry leading specialist providers for students who would not otherwise have the funding to attend

For universities, validation:

- facilitates greater access and progression routes into higher education through partner institutions, which is of particular importance to the Open University as an open access institution
- disseminates good practice on industry-led teaching, 'employability' and vocational needs through their partners' links with industry, employers and local communities
- broadens the range of awards made in the university's name
- widens their external profile and institutional reach through a range of quality partnerships

For partner providers, validation:

- facilitates degree awards in small and specialist institutions whilst they grow their academic quality assurance and enhancement capacity
- ensures externality in small, specialist and new providers to support their integration into the higher education sector
- enables the development of teaching and research collaborations which can give partner providers access to cutting-edge research or delivery techniques
- facilitates quality enhancement and access to a wider community of practice in areas such as teaching, assessment, quality assurance and IT
- means greater scope for programme development and student outreach

Project strands

14. Drawing on the above analysis and on feedback from providers, it has been agreed that the project should focus on the distinct strands of activity set out below, which may be refined or developed as the project progresses.

- i. The development of exemplar templates and standardised practices within validation that help providers better understand the needs of the process. The OU will liaise with other validators to share practice and review its own templates and guidance seeking feedback from its partners and the pilot providers.
- ii. Reviewing the use of metrics by validators and other stakeholders. The OU will liaise with other validators and review its own data requirements to ascertain whether they are transparent and fit for purpose and ensure that they are aligned with the QAA metrics and other key data including HEFCE, HESA and TEF data.

- iii. Developing a more streamlined risk-based institutional approval model with a faster approval time for mature providers with a strong quality track record as identified by the current quality regime and demonstrated by the provider. A model will be trialled and evaluated as part of the project.
- iv. Discussing with HEFCE and QAA the potential to develop a complementary or integrated institutional review process that meets both the requirements of national bodies and those of validating universities and minimises duplication and the burden on providers. Whilst encouraging greater alignment, this process will respect and encourage the different roles of the regulator and a validator, as well as the need for validating universities to ensure equivalence of experience across its own provision and validated students.
- v. Exploring solutions to support providers in identifying a suitable validation partner. This will consider the potential role of future regulators and the potential for a central advisory service on validation for new providers and those seeking new partnerships.
- vi. Understanding anti-competitive practices and unnecessary barriers to entry by providers and seeking solutions through a principled and practical approach to validation.
- vii. Developing best practice for contractual arrangements that ensures institutional-level consistency of approach to validation arrangements. This will include consideration of an independent complaints process and an arbitration process for partners.
- viii. Developing a consistent and transparent validation costing model, focused on services provided.
- ix. Evaluating best practice in the sector for ongoing partnership management through consultation with other validators and providers. The OU will review its own systems for partnership support and enhancement.
- x. Developing risk based monitoring and review processes that allow increased autonomy for providers as they develop and mature.
- xi. Developing a set of principles/criteria for the approval of alternative delivery models, including 'accelerated' degrees, blended learning, and flexible credit delivery, drawing on best practice from across the sector.

Current perceived obstacles for providers in developing successful validation partnerships

- 15. At its best, validation can be both a mutually rewarding academic partnership between an awarding and a teaching institution, and a helpful form of apprenticeship in which the less mature institution learns from the more established one. There are

many examples of effective and successful long term partnerships across the sector. There is also a great deal of variety in validation practices across the sector, with both the institutional autonomy of validating universities and the particular needs of validated providers ensuring that no two arrangements look exactly the same.

16. Nevertheless, validation stands as a critical part of the regulatory infrastructure, and its role as a gateway into the higher education sector means that any dysfunction will have a substantially negative impact on the diversity and quality of provision available to students. While not representative of all partnerships, unsatisfactory practices must be identified and addressed in order for good practice to be developed which can facilitate successful partnerships across the sector.
17. Through consultation with IHE and AoC, the following aspects of current validation practice have been identified as perceived obstacles to a mutually satisfactory and successful partnership, with student needs at the forefront.
 - a) ***Difficulty in identifying a suitable validation partner*** – The first step in the process of securing validation is often the hardest of all. Providers report their frustration in finding no clear, authoritative source of advice on the process of identifying and securing a validator. A substantial amount of effort can be expended in the search and this effort is often duplicated by those who are new to the sector and so do not have the personal contacts which are frequently relied upon to speed up the process. The past and current validation activity of a university does not by itself provide any guarantee of its willingness to consider a new partner.
 - b) ***Difficulty in matching institutional procedures with provider's expectations*** – Providers also seek an approval process which would take less than 6 months especially for those who can demonstrate institutional maturity. However, it should be noted that a prolonged approval process could be due to a partner not meeting their obligations and providing information at the requisite time. Providers may seek an approval time of under 6 months but this may not be feasible for less 'mature' providers as they require more time to develop their systems.
 - c) ***Lack of clarity on the approval process and requirements for validation, particularly in the initial stages of negotiation*** – This is an area in which providers report having experienced wide variation between validating universities. Providers feel that the process would be enhanced with improvements to documentation for validation to increase the rigour of the process and to provide greater transparency on requirements. A larger role for templates and guidance materials would help providers to understand the needs of the process, particularly in the earlier stages, to

enable them to focus less on wording and more on the integration of policies into their daily practices in such a way as to make a real impact across the organisation and in particular to the student experience.

- d) ***Duplication in QAA requirements and in the institutional element of the review by their validating universities*** – Providers feel that there is some duplication in the processes and documentation covered in the current QAA Higher Education Review and institutional approval by their validating university. Furthermore, there are perceived differences between validating universities in their approach to this process with some adopting a more rigorous approach than others. Both reviews have the same objective of establishing institutional competence, and should therefore have a comparable level of intensity. If QAA and validating universities could build greater understanding and trust in each other's processes, then they could become more complementary, minimising duplication and reducing burden without sacrificing rigour.
- e) ***Lack of convergence in the use of metrics by different validating universities and the QAA*** – Submitting varying sets of data to different bodies increases the burden on providers. The intentions behind the metrics required by validators is not always clearly articulated and could be better communicated. Some validators require module-level metrics, while others would prefer programme level or completion metrics, but most agree that it would reduce the burden on institutions if the validator's requirements could be aligned, where possible, with those of HEFCE and QAA.
- f) ***Lack of clarity on validation costs*** – Providers find that validation costs can vary considerably between validating universities and that they often lack clarity about how these costs are calculated and when they are applicable in both the approval and ongoing relationship stages. Moreover, the costs associated with changing validation partners can be considerable because of the overlap in validator often required and the complexity of satisfying the different requirements of both the incoming and the outgoing partner.
- g) ***Perceived anti-competitive behaviour on the part of some validating universities*** – Providers report perceived anti-competitive behaviours which create a barrier to entry, and would like to see greater transparency in order to facilitate more open competition. Universities can choose what provision they wish to validate and there have been examples of universities not validating a particular course on the grounds that it would compete with one of their own courses. These have included situations where a university discontinues a validation arrangement because they have launched their own programme which would then compete with that of the provider. This can cause further complications when the university's new programme

closely resembles the validated programme and there are questions over intellectual property. However, there can also be good grounds for a university to choose not to validate a particular course, for example they might not have the necessary subject expertise (due, for example, to the departure of specific staff) or resource constraints might mean that they can no longer properly support the validation relationship.

- h) **Lack of consistency for contractual arrangements** – Providers feel they would benefit from institution-level consistency of approach to validation arrangements. Partnerships should be with institutions, not people and should not be arbitrarily altered following changes in leadership. Some have argued that there is little consistency of approach and that this has disadvantaged both providers and their students. Providers would like to see better protection within validation based on more consistent contractual arrangements. Some providers feel pressured or inclined to work with multiple partners as part of their ‘risk management strategies’.
- i) **Need for better relationship management** – Providers would like enhanced relationship management and support within the collaborative relationship. In particular, they would value more provider participation in validating universities’ internal dialogues. It can be difficult for partnerships to be truly collaborative when discussions take place and decisions are taken at programme, school and department boards where partner staff are not able to participate, even when they are best placed to explain the programme design and answer any questions. Providers would also welcome improved training and person specifications for academics involved in managing relationships. Some highlight that the quality of support offered by subject specialists varies widely, and a lack of understanding of institution-level and national policies has hindered relationships. They would also welcome specific roles for institution-level relationship managers including appropriate training and professional standards frameworks that could be rolled out as a national policy possibly with QAA and/or HEA. Providers also highlighted that external examiners from universities sometimes lack experience outside the traditional models of higher education and would like to see specific support for external examiners to engage with alternative models. More external examiners with experience of both vocational courses and collaborative partnerships would also be beneficial. It is important to note that engagement and commitment from staff in both institutions is vital for effective ongoing relationship management and this should be established at the beginning of the partnership.
- j) **Desire for increased autonomy** – Providers seek greater autonomy over the programmes they offer, as they mature, allowing them more flexibility to make

changes and introduce new programmes in order to respond more quickly to external examiner recommendations and student feedback and demand.

- k) ***Insufficient support for alternative delivery models including accelerated and more work-based degrees*** – Providers feel they would benefit if universities became more familiar with and willing to validate different and innovative models for delivery of degrees including accelerated routes. APs and FECs often attract mature professionals returning to study who prefer to study intensively. Providers report that they have experienced difficulties in finding a validation partner for such programmes with some having to change or add an additional partner to accommodate these degrees. Other providers, particularly FECs, seek to deliver more applied, vocational degrees in a different way with an employer involved in the design and delivery of the programme.

Principles of ‘good’ validation practice

18. The OU and IHE believe that for an exemplar model of validation to enjoy the confidence of all relevant stakeholders, it must: minimise the burden on validated providers; be founded upon clear requirements and transparent processes; and ensure quality compliance whilst also creating the conditions for sustainable partnerships which promote development and innovation.

19. In order to achieve this, an exemplar model of validation should embody certain principles of good practice, which have been developed by the project working group and are set out in draft form below. They will be revised as the project progresses. In finalising these principles, the project will draw on validation practices across the sector through consultation with QAA and other groups such as the CVU.

- a) ***Founded upon clear requirement and transparent processes*** – The validating university should provide information in advance on its processes and expectations. Clear mutual goals and expected outcomes should be established as early as possible and both parties should be clear about their specific roles and responsibilities within the process and the amount of time and effort that partnerships require. Where a provider is likely to need additional developmental support before institutional approval stage, any additional consultancy input and associated costs should be made clear to the provider at the outset.
- b) ***Gives practical support for aligning institutional policy and process*** – Validation partners should ensure compatibility with standards in their internal policies and

practices to ensure students are supported in the validation processes. Validating universities should make their expectations for the internal policies of partner providers clear in the initial stages of negotiations and develop support including template policies and staged guidance materials that foster sustainable partnerships from the earliest stages of approval. Transparency of process from the outset would prevent providers from having to 'second guess' requirements, aid the negotiations on policy alignment and ensure providers can supply the correct information at the appropriate stage.

- c) ***Minimises burden through greater consistency and less duplication*** – To reduce administrative burden on institutions and create greater consistency in the validation process, regulators and validating universities should cooperate to bring together national quality assessment requirements and validating universities' institutional review processes. This would minimise the administrative burden on validated providers by reducing duplication between national quality assurance (QA) processes and the institutional review element of validation. Validating universities and regulators should aim to further cooperate to establish a common set of metrics for the purposes of both regulation and validation where both require similar data.
- d) ***Supports the embedding of a quality culture in partner institutions***
– Validation needs to ensure that both parties are able to engage openly and constructively with the QA process and clearly articulate their issues and concerns at an appropriate level within their partnering institution. Validating universities should support the embedding of a quality culture within partners. Whilst they must ensure that partner staff understand the QA risks and how they can be managed they must also support the long-term development of internal quality processes within the validated provider through supportive partnership activities.
- e) ***Utilises robust, efficient and proportionate review processes*** – Validating universities should ensure robust approval and review processes that prioritise standards and efficiency within a proportionate framework. Institutions which have been previously validated and which have a long and solid track record of providing HE programmes at an acceptable level of quality may be judged as posing a lower risk than brand new providers. Validating universities should use a framework which allows a 'lighter touch' review where risk is low yet allows them to intervene at short notice if they have reason to believe that the standards of their awards are in jeopardy.
- f) ***Promotes growth, diversity and innovation in higher education*** – Validating universities should ensure that their principles for validation are allowed to evolve in light of a changing environment and that they encourage the development of

innovative delivery methods such as accelerated degrees and flexible delivery so that partners are able to respond to the needs of a dynamic market.

- g) ***Operates on a transparent financial model*** – Validating universities should adopt a transparent financial model which clearly sets out direct and indirect costs including ‘consultancy’ activity which may be needed prior to institutional approval. It is imperative that providers are made aware of and understand the full financial implications of entering into partnerships at the beginning of the process. Any circumstances for additional and/or change in costs should be clearly set out at the start of the relationship and be linked to services provided. This will help to protect students from rising fees due to costs associated with validation.
- h) ***Establishes clear and consistent contractual arrangements*** – There should be clear contractual arrangements that encourage continuity and the long-term sustainability of the partnership and therefore offer better protection for both students and partners. Contractual arrangements should always be agreed in advance of any validation processes for the duration of the contract. Partners should ensure contract terms and conditions do not result in a sudden or unexpected rise in student fees which would not comply with guidance from the Competition and Markets Authority (CMA).
- i) ***Validating partnerships should be collaborative, not competitive*** – Providers need to establish with validators in advance the extent to which the latter is able to support particular academic developments. A ‘validator of first choice’ would ensure that competition is not a consideration in any validation arrangements and would not agree exclusivity with any partners. All partnerships should prioritise collaboration and on-going relationship management should be focused on quality enhancement and institutional development. Validating universities should foster a true sense of partnership and nurture growth within the partner to reach their desired potential.
- j) ***Ensures institutional level management of validation and clear professional standards*** – A good model of validation will include dedicated managers or practitioners for validation services and ensure the process is managed at an institutional level. Good partnership management will aim to ensure longevity, and remain sustainable through changes in departments or Senior Leaders. Partners will ensure there is clear and open communication which fosters trust and reduces risk to students or the course.

The Role of Regulators in Validation

20. The final project report will make recommendations on the potential role of the OfS in respect of validation, having explored this question through dialogue with DfE, HEFCE and others during the course of the project. The views of both validated providers and validating universities will also be sought. Initial ideas for discussion in this area include:
21. **A Register of Validators** – Regulators should maintain a list of validators as part of the central Register of HE Providers, identifying universities which currently undertake validation and the subjects they validate. To further develop this into a tool for validation, validators should be permitted and encouraged to amend their listing to include their capacity for new validation activity, the subject areas in which they would welcome partnerships, and other information including any additional services they can offer to students on validated courses, their standard contract periods, charging model, etc. as appropriate.
22. **Supporting validation relationships** – Regulators could play a vital role in supporting the establishment of new validation partnerships through their work to encourage collaboration and raise standards in higher education. This could be particularly helpful in scenarios where a validating university is withdrawing from validation activity at short notice and we would expect regulators to intervene in a supporting role to protect students and ensure the continuity of courses. The recent example of a university withdrawing from validation of a network of colleges within the North East is an example of where students are at a risk and where coordination at a sector level is vital.
23. **Validators of first choice** – Through their work to promote collaboration, regulators could promote transparency in the relationships between regulator, validator and provider. In particular, the OfS could identify ‘Principles of Validation’ similar to those identified above, to which validating universities would be asked to adhere. Those universities who can show that their practices align to these principles could then be recommended or designated by the OfS as a ‘**validator of first choice**’ for any provider in need. This would encourage validating universities to adhere to the agreed principles of validation, while addressing key issues which have impacted on partnerships in the past including competition concerns and the difficulty of securing a long-term commitment to validation.

24. **Arbitration** – Regulators could appoint a body to provide arbitration for validation partnerships, where partnerships are placed at risk. Either partner could request arbitration and the regulator could also require arbitration in cases where students are placed at risk from a breakdown in partnership.
25. **Concerns processes** – Validation should be included in the future quality processes to identify concerns about institutions, both validated and validating. Where established principles of validation are not being met, and this is impacting on the quality of the student experience, there should be a clear avenue to raise this issue with the regulator. This process would support the use of the principles of validation, as well as ensure there are appropriate avenues to address issues in validation from a variety of stakeholders including the students on validated courses.
26. **Impartial broker** – Via oversight of the central Register of HE Providers, regulators could play an advisory role, brokering validation relationships between degree-awarding institutions and providers, and recommending a validator of ‘first choice’ for any provider experiencing difficulties in identifying an appropriate partner from the Register. This could be particularly helpful in scenarios where a validating university is withdrawing from validation activity at short notice. It could fulfil a coordinating role between sector bodies and promote transparency in the relationships between regulator, validator and provider. This would help to ensure that validating universities adhere to the agreed principles of validation and any associated exemplar validation model.
27. **Responsibility to review validation** – Regulators should have the responsibility to review validation across the sector to ensure that it continues to meet the aims of the Higher Education and Research Bill and associated Government policy to increase innovation in higher education, enhance student choice and most importantly to widen access to higher education. A review should also be carried out prior to any decision to appoint a validator of ‘last resort’ as allowed for in the Higher Education and Research Bill.

Progress to date

28. A meeting was held with pilot providers in July 2016 to discuss the project proposal and direction. A further meeting will be convened in December 2016.

29. A Project Steering Group has been established (involving representation from the OU, Independent HE, AoC, QAA and HEFCE) to provide a strategic overview of the project. A project working group involving OU and IHE representatives has also been formed to lead on delivering the project outcomes and to manage and mitigate risks.
30. Project Strand III – in response to this project and approaches from a number of FECs currently validated by a university in north-east England which suddenly terminated 12 validation partnerships, the Open University has developed a streamlined institutional approval process which maintains its existing high standards of QA processes and reputation for effective validation partnerships. The new approach will allow institutional approvals and programme validations to be achieved within a faster than usual timeframe whilst still maintaining the integrity of the process. It relies on acceptance by the University that the potential providers have a good quality standing with programme delivery, successful QAA reviews and have met the required FSMG requirements. The process was agreed for FECs because of the reliable oversight arrangements they have in place but the University is now looking at whether the approach can be adopted with APs. The process will be trialed for the pilot APs as part of the project.
31. The institutional approval of one of the pilot providers was completed using the new process within a 2 to 3 month period. The other four approvals are scheduled for November and December 2016 and early 2017. Initial feedback on the process has so far been positive. However, a full evaluation will be undertaken and feedback will be sought from pilot providers, panel members and other stakeholders.

Project Timelines

32. The proposed deadlines for the remaining strands are:
- Strand I (templates and guidance), VII (contracts), VIII (costings), V (difficulties with identifying a partner) – by the end of January 2017.
 - Strands II, IV, IX, X and XI – by the end of March 2017.