

## IHE Responds to the Independent panel report to the Review of Post-18 Education and Funding

### **Omission of Independent Higher Education Providers**

Independent education providers often sit at the intersection of higher education, technical education and industry, and have been heavily influenced by both student demand and funding models. It is worrying that, while focusing heavily on this intersection, the Augar panel has failed to recognise the considerable contribution of our members to the tertiary education system and this reflects poorly on their understanding of the sector as a whole.

At the point of publication, independent providers make up 20% of the OfS Register, with FECs and Universities making up 40% each. They are a distinct group from the HEIs, FECs and ITPs discussed in the report and teach over 100,000 students collectively. Their omission from the report shows a lack of understanding of some of the core issues discussed, including their role in widening participation in higher education. We hope government will reflect on this in their response to the Augar panel's report.

### **Lowering of the fee cap**

The proposed decrease of the tuition fee cap to £7500 must be met with an equal increase in teaching grant funding to providers which takes into account the way the courses are designed and delivered to fit different students' needs. A failure to ensure the cost of the course can be covered may mean more students must pay upfront fees for specialist courses as providers are forced out of the fee cap system.

Grant funding must be based on student numbers – the funding must follow the student. It is essential that students feel empowered to choose the course and provider that suits them, knowing that funding will follow this choice.

### **Life-long learning and support for innovative delivery models**

A university education is no longer the golden ticket guaranteeing a job for life. The knowledge and skills acquired in higher education will need to be topped up, supplemented and refreshed. It is right that Augar recommends better funding for flexible, lifelong and "second chance" learning including the introduction of a life long learning loan which we have long lobbied for.

We have advocated for better funding and recognition for module level learning since 2015. The removal of funding for so called 'low intensity' study in 2012 caused mature and part-time student numbers to drop significantly the panel rightly recognises that funding by module would address this funding shortfall to increase numbers but also contribute to students transferring between institutions.

The panel has failed to acknowledge the need for incentives to support the provision of accelerated and flexible degrees to expand access to these models for students across the country. The existing cap on fees for accelerated degrees must be supplemented by public funding which follows the student. The reduction in fee cap will mean even less money to

deliver these courses which already save students considerable cost with one year less of maintenance loans.

### **HE/FE divide**

The Review rightly identifies that the division between HE and FE is artificial and arbitrary. Students should not be financially penalised for following a pathway which spans technical, academic and professional studies. The changes suggested by Augar are an important first step to advance technical and professional education to the same status and funding that academic education currently receives.

There is still more to be done to ensure higher education providers who offer qualifications across vocational, technical and academic pathways do not face multiple regulatory bodies creating a disjointed and burdensome system which ultimately students pay for through their fees. Augar has fallen short of removing regulatory barriers across tertiary education, which would eradicate the market distortions which favour degrees and encourage providers to tailor their provision to address unmet needs.

### **Foundation Courses**

Augar's recommendation to remove funding for foundation years is a far too blunt instrument for a complex challenge and shows that the panel has not investigated these courses properly. These courses have been delivered for years very successfully to international, EU and UK students by tertiary education providers who specialise in this provision. Their innovative models provide a template for how foundation programmes can target and support disadvantaged students, offering a gradual orientation to all aspects of the degree level student experience. They are also offered to support access to postgraduate courses which is also not mentioned in the report. Government must build on recent research by the Office for Students to better understand the diversity of models on offer before it can take any action on this recommendation.

The panel is right to emphasise that government must increase funding, support and recognition of the alternative - Level 3 Access Diplomas. This does not diminish the importance of the foundation year to higher education courses in widening participation and achieving social mobility. To remove funding, as the panel suggests, would severely reduce student choice in this vital area.

Higher Education Providers (HEPs) should not be forced into partnerships with other institutions to deliver a course which is clearly in high demand from students. While we support the recommendation to increase funding for Access Diplomas, Augar offered no recommendations to improve access to this funding for HEPs or reduce the regulatory burden for providers who are not FECs. Access to higher education will be damaged by any attempt to remove foundation funding without addressing access to level 3 Access Diploma funding.

## **Technical Education**

We strongly support Augar's recommendations to increase maintenance funding especially for technical education. Maintenance funding should be generous enough to cover the actual costs associated with pursuing a student's choice of tertiary education and include maintenance grants.

The Review rightly addresses the lack of high-quality and accessible technical education in the UK and calls for the expansion of this provision beyond the limited Institutes of Technology. To meet the ambitions of the panel and ensure these courses can be a viable alternative to a university degree, government must not limit awarding powers for level 4 and 5 technical qualifications to a handful of providers. This would reduce competitive pressure on quality and cost and push out those teaching institutions with the best understanding and reach within particular industries. A diverse range of institutions should be designing and delivering higher technical qualifications, building on their unique blend of industry and education experience.

The current funding system does not support learners to travel further a-field to access technical education of a higher quality or of a certain industry. The introduction of better funding for students pursuing technical education will increase the competitive pressure on standards at a national level and ensure students have access to institutions who excel in technical education.