HE Quality Assurance

1. Summary

1.1 This paper builds on the Russell Group’s submission to the Quality Assessment Review Steering Group’s deliberations as set out in the discussion document, *The future of quality assessment in higher education* (February 2014)\(^1\).

1.2 The UK is renowned globally for the quality of its higher education and, in particular, for its world-leading universities. Our universities produce excellent research on a grand scale. They compete on an international stage to attract the brightest minds from around the world to study, research and teach. They are committed to providing an outstanding student experience, where teaching is enhanced by world-class research and facilities.

1.3 It is vital that any new quality assurance (QA) system, or adaptation of the current system, supports this position and protects the UK higher education ‘brand’. A new QA regime should eliminate unnecessary burdens and support a system that recognises and rewards high quality institutions.

1.4 QA must be risk-based and proportionate, focusing resources on new providers and areas of weakness while relieving the highest performing institutions of unnecessary regulatory burden. Any new QA system must have three core components:

1) It should be demonstrably risk-based to be effective
2) Standards should be consistent, but regulation should be proportionate
3) Any new HE providers should be subject to the most rigorous QA tests.

1.5 As such, we make the following recommendations:

- That the UK should have a **unified but meaningfully tiered** quality assurance system with a single QA provider
- High performing institutions with a consistent track record should be subject to significantly less regulatory intrusion through a principle of **earned autonomy for quality assurance**.
- New HE providers should be subject to a **rigorous fitness test for entry**, and
- A series of **defined triggers** should be developed to indicate when an institution should be:
  - Subject to additional, targeted review; and
  - Potentially promoted or demoted between tiers, subject to the affected institution being able to challenge the QA decision.

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\(^1\) See HEFCE (2015) [http://www.hefce.ac.uk/whatwedo/lt/qa/review/discussion/](http://www.hefce.ac.uk/whatwedo/lt/qa/review/discussion/).
2. Introduction

2.1 On 27 October 2014 the Higher Education Funding Council for England (HEFCE) announced a review and consultation of QA practices in England, including the possibility of a tender(s) for QA provision based on the conclusions of the review.\(^2\)

2.2 The announcement indicated that the Higher Education Funding Council for Wales (HEFCW) and the Department for Employment and Learning Northern Ireland (DELNI) were joining the HEFCE review of QA provision.

2.3 HEFCE’s 2015-2020 business plan, *Creating and sustaining the conditions for a world-leading higher education system*, includes a welcome commitment to:

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Reduce the burden of regulation while further enhancing the reputation of English higher education through quality-assurance, and by ensuring that excellence, enhancement and innovation are promoted and recognised.\(^3\)
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2.4 The best means of ensuring ‘excellence, enhancement and innovation’ is to free universities with a strong track record of high quality higher education provision from unnecessary regulatory intrusion, while providing support and guidance when requested.\(^4\) Resources and regulatory effort should then be focused on where problems of quality are most likely to occur, for example with new entrants and with existing higher education providers that need to improve their educational provision.

2.5 Below, we set out some of the context for the review. This context also provides background to our own recommendations on the necessary core components and structure of an effective QA system for UK Higher Education.

3. Context

**Background to the current external QA system**

3.1 *The Further and Higher Education Act* (1992) dissolved the Universities Funding Council and created separate higher education funding councils for England and Wales – HEFCE and HEFCW. The Act included assigning responsibility for the quality assurance of institutions designated for financial support. Subsection 70(1)(a) of the Act states that the English and Welsh higher education funding councils shall:

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secure that provision is made for assessing the quality of education provided in institutions for whose activities they provide, or are considering providing, financial support.\(^5\)
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\(^3\) See HEFCE (2015) p18 [http://www.hefce.ac.uk/media/hefce/content/about/howweoperate/corporateplanning/businessplan/HEFCE%20Business%20plan%2011%20to%2015.pdf](http://www.hefce.ac.uk/media/hefce/content/about/howweoperate/corporateplanning/businessplan/HEFCE%20Business%20plan%2011%20to%2015.pdf).

\(^4\) Clearly this principle should also apply in Wales, Scotland and Northern Ireland.

3.2 Subsection 39(1)(a) of the *The Further and Higher Education (Scotland) Act* (1992) similarly assigned responsibility for securing provision for quality assessment to a newly created higher education funding council in Scotland.

3.3 In 1995, the Secretary of State assented to the creation of a UK-wide group to examine the coordination and provision of quality assessment in higher education; the Joint Planning Group for Quality Assurance in Higher Education (JPG). This group included members from the Committee of Vice-Chancellors and Principals (CVCP - now Universities UK), the Standing Conference of Principals (SCOP - now Guild HE), HEFCE, the Committee of Scottish Higher Education Principals (CSHEP - now Universities Scotland), the Northern Ireland Higher Education Council and HEFCW. It also included observers from government departments in the devolved administrations and the Department for Education. It had an independent Chairman, then-Principal of the University of Glasgow, Sir William Fraser, confirmed by the Secretary of State.

3.4 In 1996 the JPG recommended that independent work on university-wide quality assurance should be united under a single body working with the higher education funding bodies.

3.5 In April 1997 the Quality Assurance Agency (QAA) was formed to provide quality assurance to universities and other higher education providers in England and Wales. The founding members of the QAA were CVCP and SCOP. It was established as a charity and company limited by guarantee governed by a Board.

*Challenges of the existing QA system*

3.6 The existing QA system has a number of flaws and can be burdensome for universities that have a good track record of high quality provision. The system could be made more efficient and effective by addressing the key concerns highlighted below.

3.7 Independent study by the Higher Education Data and Information Improvement Programme (HEDIIP) confirms that universities make over 500 separate data reports per annum to meet various data demands. A large proportion of these data reports are to professional, statutory and regulatory bodies (PSRBs). PSRBs review and accredit academic programs for the purposes of certification or professional education. These reviews are usually in addition to QAA reviews of universities, creating duplication and increasing the reporting burden on university staff.

3.8 Where a university already has an established programme of quality reviews with PSRBs, this should be fully reflected in the wider QA system so that quality only needs to be judged by one organisation.

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6 The Scottish Higher Education Funding Council had an observer without committing the Scottish Executive the any decisions reached by the group.

3.9 Despite the 2012 HEFCE consultation intended to make QA more risk-based\(^8\), many universities continue to experience significant reporting burden. In its report of the 2012 consultation, HEFCE committed to provide the following guidance to the QAA:

Tailoring [QA] reviews to the individual circumstances of providers\(^9\)

3.10 The revised QAA review has not introduced a sufficiently differentiated QA review, including reducing reporting burdens for the best performing universities that can demonstrate a long history of high quality provision.

3.11 We agree with the Quality Assessment Review Steering Group’s discussion document principles that the QA regime must:

- [recognise] the autonomy of providers and the responsibility of awarding bodies for the quality and standard of awards; [and]
- [be] based on co-regulation.\(^10\)

3.12 Institutional performance should be reflected in the level of autonomy and freedom from external QA review to which higher education providers are subject. This means there is currently insufficient differentiation in the treatment of higher education providers for the purposes of QA.

3.13 Concerns have also been raised that the QAA has strayed from its core mission to provide QA for UK HE provision. Recent and ongoing work on the QAA’s contractual obligations to provide QA for the Home Office’s visa system suggest the QAA is growing into areas unforeseen when the agency was founded.

3.14 We are concerned about the QAA’s capacity to quality assure private alternative providers on behalf of BIS and the Student Loans Company (SLC). In response to concerns raised in the media, former QAA Director of Assurance Stephen Jackson, noted that the QAA is currently not effectively equipped to deal with higher education providers deliberating providing misleading data:

How can you guard against that sort of criminal behaviour through a peer review process [?] – our methods are just not geared to dealing with those issues… Our process is based on trust…\(^11\)

3.15 On 29 January 2015, BIS announced the introduction of more rigorous QA reviews for private alternative providers in receipt of SLC funds, including a new requirement for annual application to renew SLC designation. This announcement was followed by the HEFCE grant letter announcement, on 30 January 2015, in which BIS delegated


\(^9\) Ibid p11.

\(^10\) The future of quality assessment in higher education p5 [http://www.hefce.ac.uk/media/hefce/content/whatwedo/learningandteaching/assuringquality/qareview/discussion/QAR_Discussion.pdf](http://www.hefce.ac.uk/media/hefce/content/whatwedo/learningandteaching/assuringquality/qareview/discussion/QAR_Discussion.pdf).

responsibility to HEFCE for both private alternative providers’ SLC course designation and the conferral of degree awarding powers (DAP) on private alternative providers.

**HE issues in Wales and Northern Ireland**

3.16 The new Further and Higher Education (Wales) Act 2015 will have implications regarding QA for Welsh universities\(^\text{12}\). These include new powers for HEFCW to issue guidance in relation to quality assurance and increased power to compel institutional compliance of those institutions for which it has direct regulatory responsibility.

3.17 On 19 January 2015 the Welsh government launched a consultation on the designation of private alternative providers for purposes of publicly financed student support (which concluded 10 April 2015). At the moment, private alternative providers operating in Wales may apply to the Welsh government to have specific courses designated to be student support eligible (similar to England). This consultation included questions about QA of private alternative providers in Wales\(^\text{13}\).

3.18 The government-commissioned review of HE financing in Wales (due to be completed post-Welsh Assembly elections in 2016) led by Professor Sir Ian Diamond is likely to raise additional issues for Welsh higher education\(^\text{14}\).

3.19 Similarly, the funding crisis in Northern Ireland will increase pressure on Queen’s University Belfast and the University of Ulster. The recently published 2015/16 budget approved by the Northern Ireland executive\(^\text{15}\) results in cuts to universities, compounding recent cuts to the higher education budget.

4. **A new QA system – proposed core components and structure options**

*Existing QA benefits*

4.1 We acknowledge the value of a unified QA system which assures the public, students and government of the quality of all HE providers in the UK provided that this system is suitably proportionate in nature, reflecting the relative risk and uncertainty associated with individual HE providers.

4.2 We also acknowledge that, under the existing QAA, progress has been made in two key areas:

(a) Institutional review of universities reflecting the relative performance of institutions (although there is more work to be done in this area); and

(b) Providing useful guidance and support in new areas of university activity (e.g. transnational education).


New challenges

4.3 However, as well as addressing existing flaws, the QA system across the UK needs strengthening with regard to the entrance tests applied to new HE providers and the independence of the QA provider. The deregulation of student numbers from 2015 and the proposals from HEFCE about how it will deal with quality assurance and cost control have exacerbated our concerns.

Universities’ own quality processes

4.4 It is important to recognise that all universities and other higher education providers have rigorous systems of internal QA and assessment. All Russell Group universities engage in the external examiner system ensuring that we pursue the highest standards of education achievement and commitment to engagement.

4.5 Universities are subject to numerous external checks on quality from professional institutes, associations and other bodies (for example so that courses can qualify in contributing to Chartered status). These systems have been instrumental in the global reputation for excellence UK HE currently enjoys, as exemplified by the number of world-class institutions that the UK can boast. It is vital that any new QA system, or adaptation of the current system, must not jeopardise these systems nor create unnecessary duplication.

Concerns

4.6 We are concerned that a new QA system could result in a regime that is either:

(a) One-size-fits-all, introducing additional costly and unnecessary regulatory burden on high performing universities; or
(b) Is not sufficiently sophisticated and/or responsive enough to deal with problem institutions (be they new or existing providers).

4.7 While we agree with components of the Competition and Market Authority’s policy paper on higher education regulation16, notably the need for a common threshold of quality assurance applicable to all higher education providers and that rules should allow for “innovative approaches to the delivery of HE provision”17, we do not agree with the CMA that the public, students or the higher education market will be well served if the “baseline level of quality is kept to a minimum”18. The CMA suggests that there should be no differentiation of higher education providers beyond an entry test to the market.

4.8 The approach suggested by the CMA will increase the likelihood of institutional failure at the low-end of the compliance spectrum. In turn, this is likely to have a negative impact on students’ and the public’s faith in the higher education market – and may, in particular, send unhelpful signals to potential overseas students who may not

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17 Ibid p.42.
18 Ibid 28.
understand the highly differentiated approach to HE in the UK. Furthermore, those graduates with degrees from defunct higher education providers risk being left with valueless credentials in an increasingly global economy. A much more rigorous baseline entry level of quality would address these problems.

**Vision**

4.9 The future QA regime for England, Wales and Northern Ireland should have three core components:

1) It should be demonstrably risk-based to be effective
2) Standards should be consistent, but regulation should be proportionate
3) Any new HE providers should be subject to the most rigorous QA tests.

4.10 As such, we make the following overall recommendations that are set out in more detail below:

(a) QA must be demonstrably risk-based to be effective;
(b) QA standards should be consistent, but regulation should be proportionate;
(c) We support an element of external review in QA, but higher performing institutions should have more control over the process, for example on timing and in how external reviewers are selected.
(d) QA should respect and recognise the many aspects of internal quality assurance our universities undertake in the spirit of self-regulation, including the external examiner system.
(e) Engagement with other external quality validation processes (for example in quality assurance of courses for chartered status) should be recognised.
(f) A unified but tiered system of QA, categorising institutions based on risk analysis, outputs and track record;
(g) High performing institutions with a consistent track record should be subject to less regulatory intrusion and fewer audits through a principle of earned autonomy for quality assurance;
(h) New HE providers should be subject to a rigorous fitness test for entry; and
(i) A series of defined triggers should be developed to indicate when an institution should be:
   i. Subject to additional, targeted review; and
   ii. Potentially promoted or demoted between tiers, subject to the affected institution being able to challenge the QA decision.

**Risk-based**

4.11 Any QA regime should be risk-based. The burden of reporting and compliance should reflect the outcomes and operations of the HE providers the regime is assuring.

4.12 QA should be proportionate and not seek to regulate for the sake of regulation. Any regulatory intervention and reporting burden should focus on the behaviour and track record of individual institutions. A lighter touch approach should be introduced for institutions with the lowest risk profile.
Consistent but proportionate

4.13 There should be consistent understanding and faith in the QA system to assure the public, students, government, employers and other HE stakeholders of the integrity of HE provision in the UK.

4.14 However, achieving consistency does not equate to treating all HE providers the same. The QA system should not treat high performing universities with a long track record the same as new alternative providers with no history or those institutions that have previously struggled to meet regulatory expectations.

4.15 There must be more differentiation within the QA regime based on institutional outcomes, performance and length of time delivering high quality provision in the UK. Furthermore, institutions subject to regular reviews by reputable PSRBs should be alleviated of intensive QA reviews.

4.16 QA regulation must reflect the relative standing and record of individual institutions – in other words, regulation should be equitable, but not equal.

External review

4.17 We support an element of external review in QA. However, members of the external review teams must be capable of assessing the type, quality and aspirations of the institutions and programs being assessed.

4.18 Assessed institutions may support external review by having input to the constitution of the review teams and potentially also to the timing of reviews. This could help ensure external reviews are appropriate to the specific nature of higher education provision and institutional mission. For example, the highest-performing institutions which operate in a global context can request reviewers from like-institutions which may be UK-based or international. External reviews could also be scheduled to ensure they do not cause other unintended disruptions (NB: that there is already room for negotiation in this in the existing QA system).

Self-regulation, external examination and validation

4.19 External QA processes should complement and not duplicate universities’ existing internal processes, including self-evaluation, audit and educational enhancement activities. University senates and academic councils provide oversight of academic quality and planning within institutions and the effectiveness of these internal systems needs to be recognised.

4.20 Our universities’ use of the highest quality external examiners (i.e. those with a recognised international standing) is an example of best practice for which universities are understandably proud. External validation in the examination system helps ensure educational standards across universities and can reflect the global nature of some academic disciplines.
4.21 External examination is effectively managed by universities themselves, drawing on the wider international community of scholars to which university academic staff belong.

4.22 The new QA system should work with and recognise the quality of self-regulation already embedded in universities’ operations and the other aspects of external validation that are already built in to particular courses/disciplines in the form of compliance with professional, statutory and regulatory bodies’ (PSRBs) requirements (e.g. for contribution to chartered status).

*Unified but tiered*

4.23 All HE providers operating in the UK should be subject to QA.

4.24 However, QA should follow a *tiered system* based on sustained performance of individual institutions. A tiered system represents earned trust in the operations of individual higher education providers based on their outputs and performance over time.

4.25 Each tier should involve a reporting burden and regulatory interventions reflecting the sustained performance and track record of institutions assigned to that tier. High performing institutions with a long track record should thus expect fewer regulatory interventions and a lower reporting burden than institutions new to UK HE and/or institutions which have struggled to meet regulatory expectations (see *earned autonomy* below).

4.26 The tiers within the QA system must be meaningful and significant – there should be an appropriate level of performance (or lack of performance) assessed for an institution to be moved to a different tier. We could envisage at least four tiers with a top tier ‘gold standard’ for the most trusted institutions and new entrants assigned to the lowest or probationary tier. All higher education providers operating in the UK should be subject to the QA regulatory requirements of one tier.

4.27 An outline of a possible system of QA tiers is outlined in *Annex A*. In this proposal, those institutions situated in lower tiers would be subject to greater QA intervention in order to build trust, to protect public investment and the UK HE brand, and to support performance improvement.

4.28 Those institutions situated in higher tiers would be subject to less QA intervention based on track record of performance, compliance, planned activities, provision for risk and ongoing outputs. Institutions in the highest tier will be have *earned autonomy in QA*, described below. It may also be appropriate to link QA tier level to the new tiered status for visas, which is being considered for development by the Home Office.

4.29 It should be possible for any institution to be promoted or demoted through the various QA tiers based on assessed institutional behaviour and outputs over time. Movement between tiers should involve significant QA review (offset by relaxed regulatory intervention for those moved to a higher tier). Individual institutions should also have the opportunity to challenge any QA decision that might result in a change of tier for their institution through an independent appeal process.
4.30 We do not agree with the position articulated by the CMA that there should be no differentiation of higher education providers beyond an entry test to the market. A tiered system of QA will support students’, graduates’ and the public’s confidence in UK higher education provision.

**Tier 4 - Earned autonomy for quality assurance**

4.31 The term *earned autonomy* is used in other sectors to refer to the reduction in regulatory intervention reflecting ongoing excellence and performance. It refers to a regulator’s trust in an institution’s self-governance to maintain standards and pursue enhancements.

4.32 Our universities are already autonomous self-governing institutions responsible for their own admissions, degree granting and other academic and commercial decisions. We use the concept of earned autonomy in this paper only in reference to quality assurance. In other words, the highest performing institutions with a track record of global excellence and student outcomes will have *earned their autonomy in terms of quality assurance* and can expect a light touch QA regime that responds to their needs and requirements appropriately.

4.33 This highest tier should include institutions that:

(a) Have demonstrated sustained excellence over a critical length of time;
(b) Have a robust internal QA review process;
(c) Have a high level of positive student outputs (including good student completion rates, graduate employment rates and student satisfaction rates);
(d) Perform at a globally recognised level of competition with systems for ongoing enhancement; and
(e) Have positive review results with reputable and reliable PSRBs and in other external reviews.

4.34 *Earned autonomy* should permit the best universities to expect:

(a) No institutional review, or at the very least, significantly increased gaps between institutional reviews
(b) Increased self-reporting of key data and information; and
(c) Enhancement-led QA, working in collaboration with the QA provider and other Tier 4 institutions, identifying best practice and working through themes for educational enhancement.

4.35 Self-reported data could take the form of audited ‘quality statements’ (along the lines of audited financial statements) undertaken by institutions themselves and submitted to the central regulating body or quality assurance provider. This would reflect the primary regulator’s trust in the governing bodies of these institutions and allow these institutions to reflect their own unique missions in the reporting of quality information.

**Tier 3 – High performing institutions**
4.36 These institutions will be high performing, but not necessarily operating at a globally recognised level of competition or demonstrate the highest levels of student completion, graduate employment and student satisfaction.

4.37 Institutions should undergo institutional QA review on a regular, scheduled basis in addition to self-reported data.

4.38 Sufficiently rigorous self-reported audited statements and a strong track record for increasingly excellence in select PSRB reviews and institutional review could be used as ground for promotion to Tier 4. Questionable audited statements, frequent or systemic complaints and other causes for concern should be ground for demoting institutions in this tier.

**Tier 2 – Newer providers**

4.39 Newer higher education providers that have demonstrated good performance through at least one institutional review after being admitted to the UK higher education QA system can be promoted to the second tier.

4.40 Institutions in Tier 2 should be subject to more frequent, regular institutional reviews than institutions in Tier 3.

4.41 Furthermore, institutions in Tier 2 can be subject to additional reporting requirements as determined by the QA provider based on the assessed strengths and weaknesses of an individual provider.

4.42 Institutions in Tier 2 should also be supported in strengthening their governance and self-assessment practices as a means of improving quality and the strength of higher education provision.

**Tier 1 and pre-entry - Rigorous fitness test for entry**

4.43 A new QA system should be instrumental in assessing and making a judgment on the fitness of HE providers proposing to operate in the UK. Initial assessment for entry to the UK HE market should include consideration of:

(a) Meeting core academic standards and expectations regarding student admissions;
(b) Provision for student protection against institutional failure; and
(c) Outcomes associated with operations in other jurisdictions.

4.44 Rejecting proposed HE providers which do not meet fair student and public expectations of HE provision in the UK will reduce the long-term cost of regulation and ensure new HE providers are aware and compliant with the regulatory framework.

4.45 Within Tier 1, institutions should be subject to frequent QA visits and review procedures.
**Triggers for intervention**

4.46 Monitoring of institutional indicators should be ongoing. Certain combinations of indicators should trigger additional investigation by the QA provider as necessary. The triggers should be taken as a ‘basket of indicators’ which, in various combinations, may flag the need for more detailed investigation.

4.47 These indicators should include:

(a) Questionable data submissions/ self-reported audited statements on quality.
(b) Negative/questionable conclusions of other key external inspections and reviews (to avoid duplication of reviews with the QA agency).
(c) Complaints or concerns being raised about academic provision\(^\text{19}\)
(d) Problematic student completion rates.
(e) A change in ‘ownership’, statutory status or governance arrangements.

April 2015

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\(^{19}\) Potentially along the lines of QAA’s existing ‘cause for concern’ scheme ([http://www.qaa.ac.uk/concerns](http://www.qaa.ac.uk/concerns)).
### Annex A – Possible system of QA tiers

<table>
<thead>
<tr>
<th>Tier</th>
<th>Description</th>
<th>QA features</th>
<th>Has approval for...</th>
<th>Subject to...</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>DAP</td>
<td>SLC/funding designation</td>
<td>Home Office visa-sponsor status</td>
</tr>
<tr>
<td>4</td>
<td>Highest performing universities operating for a significant length of time and at globally competitive standard &amp; demonstrating strong outcomes for students.</td>
<td>&quot;Earned autonomy&quot;, QA enhancement support, infrequent QA review &amp; self-reported key data, use of PSRB and other reviews as evidence of quality, recognition of self-regulation.</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>3</td>
<td>High performing providers operating for a significant length of time, demonstrating quality enhancement &amp; no cause for concern.</td>
<td>Regular QA reviews (consistent cycles) and self-reported key data, QA enhancement advice, recognition of self-regulation.</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>2</td>
<td>Providers with 6+ years of operation (including at least one institutional QA audit and external review) with no cause for concern.</td>
<td>Regular QA reviews (6 year cycle) and self-reported audits, additional QA reporting requirements.</td>
<td>Maybe</td>
<td>Maybe</td>
</tr>
<tr>
<td>1</td>
<td>New providers meeting entry requirements to UK HE market. (* degrees validated by a higher tier provider).</td>
<td>Frequent QA visits &amp; reporting (4 year cycle + triggers for annual review), more rigorous assessment of in-course operations &amp; audit of student records.</td>
<td>NO*</td>
<td>Maybe</td>
</tr>
<tr>
<td>Pre-entry</td>
<td>Rigorous review of prospective new providers</td>
<td>Review of provider's academic governance, evidence of operations elsewhere (if relevant), review of provider's financial standing &amp; spot checks of academic operations performance.</td>
<td>NO</td>
<td>NO</td>
</tr>
</tbody>
</table>

Headings: Degree awarding powers for institutions (DAP); designation for Student Loans Company financing or authority funding (SLC/funding designation); Home Office status – currently Highly Trusted Status for sponsorship of Tier 4 (international student) visas, but this likely to change to a tiered system; subscribing to the Office of the Independent Adjudicator (OIA); subscribing and reporting to the Higher Education Statistics Agency (HESA).