



Chief executive's report

Purpose

1. This paper provides an update on work undertaken and issues that have arisen since the date of the last board meeting on 23 September 2021, to the extent that they are not covered in other board papers.

Recommendations/Decisions required by the board

2. The board is invited to:
 - a. Note the updates contained in this paper.
 - b. Note the risk report at Annex B.

Further information

3. Available from Nicola Dandridge.

Summary of main activity

4. On 24 November 2021, the Department for Education announced the appointment of John Blake, as the new Director for Fair Access and Participation, alongside the publication of a new guidance letter. The appointment and the guidance letter are included at item 6.1 in the board papers.
5. Our primary focus since the 23 September 2021 board meeting has continued to be the development of proposals and the formulation of decisions about the way we will regulate quality and standards. We continue to assess consultation responses to our July proposals for revised B conditions (other than the student outcomes condition B3). We intend to publish the outcomes of this consultation by the end of January 2022 and will be updating the board on our preliminary analysis of responses under item 5.1. Meanwhile, we are developing proposals for consultation in relation to student outcomes (condition B3), TEF and for the data indicators that will underpin the policy proposals. These are also due to be published in January 2022.
6. Since the last board meeting, we have finalised proposals for our next strategy, publishing a consultation on 11 November 2021. As board members will recall from earlier discussions, our consultation proposals identify two main areas of focus: quality and standards and equality of opportunity. They also cover our objectives and strategic goals, alongside details about how we plan to deliver them over the next three years. There is continuing interest in freedom of speech issues and our regulatory role in this area. We made a decision to open an investigation at the University of Sussex, focused on whether or not the university has met its obligations for academic freedom and freedom of speech within the law for all students and staff, whatever their views. Our decision to open an investigation means that we have identified potential concerns that require further scrutiny. The fact that we are conducting an investigation should not be interpreted as indicating that any form of wrongdoing has actually taken place. Information about our decision to launch this investigation is now in the public domain because a parliamentary question about our activity was raised in the House of Lords, prompting the Department for Education to issue a formal request for information under section 78 of HERA to which we were required to respond. Once a statement had been made in Parliament about our decision to open an investigation we issued a short statement to confirm our position. We do not plan to make any further statement in relation to this case unless or until we reach formal findings. James has also contributed an opinion piece to the Daily Telegraph on broad policy matters relating to free speech and academic freedom.
7. On 27 October 2021, the Chancellor of the Exchequer presented the Autumn Budget and Spending Review to Parliament. It did not include a significant response to the Augar review, but the Chancellor has confirmed that a response is due in the coming weeks. The response to the Augar review is likely to have implications for our work at the OfS.

Participation

8. Following last year's update to associations between characteristics of students (ABCS) data, we published a new report on 13 October 2021 which examines how outcomes differ when accounting for multiple student characteristics. In this update, we have rolled forward the five years of data used in our statistical modelling. After consideration and improvements made since the previous two publications of ABCS, this latest update is no longer marked as experimental.

9. In October 2020, following an initial postponement due to the Covid-19 pandemic, we published a joint bidding competition with Research England and UKRI, which invited proposals to improve access and participation for black, Asian and minority ethnic students into and through postgraduate research. £8 million was made available for the scheme - £6 million from Research England and £2 million from the OfS. We had an excellent response, receiving 63 bids requesting £35 million in total. In May 2021, OfS and Research England appointed through an open recruitment process an external panel to review and make recommendations on bids and help ensure a robust process. Members had experience relevant to the aims of the competition, representing the variety of experiences and expertise that were likely to be reflected in the proposals. Following the panel's recommendations in September 2021 the Director for Fair Access and Participation, Chris Millward, approved the OfS contribution to funding for 13 projects to be supported through the scheme, with a total cost of £7.8m. The projects were announced by the Science Minister on 24 November 2021. Research England is responsible for funding and monitoring the projects from this point and the OfS will be responsible for administering the evaluation of the scheme.

Experience

10. We published a list of providers that have adopted the IHRA working definition of antisemitism on 10 November 2021, alongside case studies of how providers are tackling antisemitism. Articles in the Telegraph, Guardian, Times, Mail, FE News, THE and i News covered this. Coverage focused primarily on the significant increase in the number of providers signed up to the definition, helped by the continuing campaigning work of groups of Jewish students, including the UJS.
11. On 10 September 2021 we published a topic briefing setting out some of the collaborative approaches that universities and colleges can take to help prevent suicide among students. The briefing offers advice to universities and colleges on the steps they can take to support students who may be at risk of suicide as well as providing links to a range of training materials. It was accompanied by a blog from the Director for Fair Access and Participation and the vice chancellor of the University of the West of England, Professor Steve West.
12. We published on 25 October 2021 guidance which set out the arrangements for the National Student Survey (NSS) 2022 and the actions required from all participating universities, colleges and other higher education providers by 26 November 2021. As part of phase two of the review of the NSS, we are looking more widely at its role, including which questions should be asked to support regulation and student information across all four countries of the UK. We are currently piloting new questions for future NSS years.
13. Following the University and College Union's (UCU) announcement of ballot results on USS pensions and pay and working conditions, we published a briefing note for providers regarding potential disruption to students caused by industrial action. The briefing reminds providers of their responsibilities, under the OfS's conditions of registration and consumer protection law, to minimise the affect of industrial action on students. It highlights that they should seek to make up for any lost teaching, and consider whether partial refunds would be appropriate.
14. On 16 November 2021, the UCU announced three days of strike action and indefinite action short of a strike, beginning on 1 December 2021. On 25 November 2021, the Director of Regulation, Susan Lapworth, wrote to providers that we know will be affected by this action, to

draw attention to our briefing note and emphasise our expectation that providers minimise the impact on students.

15. We have also updated our [student guide to industrial action](#), which includes information on consumer rights, what students can expect from their providers during industrial action, and how to make complaints to their provider and the Office of the Independent Adjudicator for Higher Education (OIA).

Outcomes

16. Our latest [insight brief](#) published on 4 November 2021, 'Inequality, employment and the role of higher education,' looked at the link between geographical disparities, access to and outcomes from higher education. The briefing drew on data highlighting considerable geographical disparities affecting students and graduates in England and examined the work the OfS, universities and colleges are doing and could potentially do to address disparities relating to participation and outcomes.
17. Also on 4 November 2021, we updated our [geography of employment and earnings data](#) which reflects differences across the UK. The report presents a method developed by the OfS for grouping areas based on measures of local graduate opportunity. We continue with work to ensure that assessment of students is rigorous and consistent, and that the awards and qualifications granted to students are credible and hold their value over time. On 7 October 2021, we published a [review](#) which examined policies on spelling, punctuation and grammar in written assessment at a small number of higher education providers. It features anonymised examples of approaches that we consider do and do not maintain rigour in student assessment, and draws attention of higher education providers to assessment policies that are likely to be a cause for regulatory concern. [The Independent](#), [The Times](#), [Research Professional](#), [The Guardian](#), [The Telegraph](#), [Mail Online](#) and [THE](#) all covered this review.
18. A detailed overview of our communications activity is available at Annex A.

Value for money

19. We published a [report](#) on 12 November 2021 analysing the most recent data on senior staff pay in universities and colleges in England. The figures include details of salary, allowances, or other forms of remuneration for vice chancellors, alongside information on staff paid over £100,000 a year for the 2019-20 academic year. The data shows that average pay for vice chancellors has plateaued – although there remains significant variation across the sector. The total remuneration paid to vice chancellors and other heads of higher education providers fell in 60 providers, while it rose in 93. The report also highlights that pay increases for vice chancellors are lower on average than the 1.8 per cent increase recommended for university staff during this time. This report on senior pay was mentioned in the [Daily Mail](#), [Times](#), [Telegraph](#), [ITV News](#), [Research Professional](#) and [Wonkhe](#). Press Association copy was widely used across a range of regional and local newspapers including the [Evening Standard](#).
20. In October 2021, we launched a [consultation](#) on the approach to world-leading specialist provider funding. The consultation closes at midnight on 1 December 2021. It is intended that the bidding period will take place between January and February 2022, with providers receiving funding no later than March 2022.

21. Our proposed approach would involve establishing a panel, as a time-limited committee of the board, which will determine whether specialist providers meet criteria to be deemed world-leading. The OfS Chair, Lord Wharton, has agreed that he will chair this panel, and that the Director of Resources and Finance will also be a member of the panel and act as deputy chair. We will start the process of seeking nominations of other panel members and advisers once the consultation is complete. As set out in the consultation, we intend to seek nominations from national or international organisations such as representative bodies (of employers, higher education providers and professional or subject associations) and other relevant organisations, such as other regulators or funders.
22. We consulted in March and April 2021 on the approach to capital funding for financial year 2021. Following the consultation, we announced a small formula allocation for providers, totalling £7.4 million, and invited bids for distribution of the bulk of the funding available. We received 166 bids seeking funding totalling £272 million and the quality of bids was generally high. The bidding document had set an initial cap of £3 million on the amount that any provider might receive through the competition, but explained that we might reduce this further to ensure that funding for the bids came within budget. Given the volume of high-quality proposals received, we reduced the maximum cap to £2 million for successful bidders. In doing so, we sought to ensure we were able to offer an overall package of support across a broad group of providers that we considered best met the priorities for the funding allocation.
23. In total, we are funding 100 bids, of which 44 providers receive the maximum allocation of £2 million. The total distributed through the competition is £128 million. At the time of writing, we are expecting to publish a document by the end of November setting out the outcomes of the capital bidding competition.
24. The government announced the outcome of its Autumn Budget and Spending Review 2021 on 27 October 2021. The review sets departmental budgets up to financial year 2024-25. We will not, however, learn of the financial settlement for the OfS until we receive a statutory guidance letter from the Secretary of State, which we would also expect to set out the government's strategic priorities for funding.
25. We are in the process of collecting providers' submissions to the Higher Education Students Early Statistics survey for 2021-22. The deadlines for initial submissions are 11 November 2021 for further education and sixth form colleges and 9 December 2021 for all other providers. All providers must sign-off their data by 1 February 2022. This is the data that will largely inform the distribution of formula grants for 2022-23. We will also use it to distribute the additional one-off funding of £10 million provided by the government for 2021-22 to support increases in undergraduate student numbers in the year arising from the use of centre-assessed grades for A-Levels and other Level 3 qualifications this summer.

Efficient and effective

26. Exempt from publication

27. The board will need to review its strategic risks and associated risk tolerance and appetite to ensure they align with the new strategic plan (due to be in place from 1 April 2022). We intend to hold a session with the board at its meeting in March with advice and input from the directors' group and Risk and Audit Committee.

28. As the board will be aware the National Audit Office are undertaking a study into the financial sustainability of the English higher education sector. The study question being addressed is 'How well are DfE and OfS protecting students' and taxpayers' interests from risks to higher education providers' financial sustainability'. We are providing information to the NAO to support their review and they are planning to publish their findings by the end of February 2022. We will provide a further update at the next board meeting.
29. We are currently gathering evidence on the performance of the designated quality body (the Quality Assurance Agency) to inform the triennial review we are required by HERA to complete and submit to the Secretary of State, and plan to take a final report of our findings to the Quality Assessment Committee in spring 2022. The board will then have an opportunity to discuss these issues. The timetable has been delayed by the covid-19 pandemic and the review will therefore also reflect on year four.
30. On 20 October 2021, we published the outcomes of a consultation on our approach to reportable events. The consultation sought views on amendments to the definition of a 'reportable event' which we had proposed to allow us to provide greater clarity on reporting requirements and reduce regulatory burden for providers. The consultation resulted in the publication of revised guidance in Regulatory advice 16: Reportable events, effective from 1 January 2022.

31. Exempt from publication

32. Following an open recruitment process, we have appointed six new members to three committees of the board. The new members will bring a wide range of experiences to the organisation. The appointments are:
- a. Satish Jeram to the Risk and Audit Committee
 - b. Nisha Arora and Dr Michael Grenfell to the Provider Risk Committee
 - c. Paul Grattrick, Dr Jagjeet Jutley-Neilson, and Dr Graeme Pedlingham to the Quality Assessment Committee.