

Regulatory case report for Arden University Limited: Ongoing condition B3 investigation outcome

Summary

This report confirms that the Office for Students (OfS) has found Arden University Limited ('the provider') at increased risk of a future breach of ongoing condition of registration B3 (student outcomes) for five of the indicators investigated.

Background

Arden University Limited is a higher education provider with study centres in London, Manchester, Birmingham, Leeds and Berlin. The provider historically offered higher education qualifications for part-time students by distance learning, but in 2016 also began offering qualifications through a full-time, blended learning delivery model.

The provider was selected for an assessment of its compliance with ongoing condition of registration B3 (student outcomes) as part of the OfS's 2022-23 annual prioritisation cycle. As set out in Regulatory advice 20: Regulating student outcomes,¹ each year the OfS decides:

- which student outcome measures, modes and levels of study we wish to prioritise
- whether we should focus on any particular split indicators, such as subject of study or student characteristics, or on any other themes, such as partnership arrangements
- how many cases we will assess in that year.

We published the final prioritised categories for 2022-23 in a statement on the OfS website in November 2022.²

The provider was one of 12 providers where the OfS opened an investigation in 2022-23. In selecting the provider, we placed particular weight on the number of students potentially affected by performance below our numerical thresholds, the statistical certainty we had about that underperformance, and the number of indicators or split indicators that were below a numerical threshold.

The indicators in scope of our investigation are in Table 1 below.

¹ See OfS, '[Regulatory advice 20: Regulating student outcomes](#)'.

² See OfS, '[Statement about ongoing condition B3 prioritisation criteria](#)'.

Table 1: Indicators in scope of our investigation for Arden University

Indicator	Provider's indicator value (%)	OfS numerical threshold (%)
Continuation, full-time, first degree	71.2	80.0
Completion, full-time, first degree	54.6	75.0
Progression, full-time, first degree	39.0	60.0
Continuation, part-time, other undergraduate	30.1	55.0
Continuation, part-time, first degree	42.4	55.0
Continuation, part-time, postgraduate taught masters'	40.4	65.0

Investigation outcome

In its written submission to us, the provider made arguments relating to three main themes:

1. It emphasised the socioeconomic profile of its student population, noting it consisted of high proportions of mature students, those from more deprived areas, and those from the lowest Associations Between Characteristics of Students (ABCS) quintiles.³
2. It set out details of investment it has made from 2020 onwards and actions it has taken, focusing on student support and resources, and increases in teaching staff.
3. It provided contextual information which it considered relevant to its progression data.

The OfS considered the extent to which this information satisfied us that the provider's performance in relation to the indicators in scope of assessment was justified, despite being below the relevant numerical threshold. We have included some examples of this information here to illustrate our approach to reaching our decision for this provider.

Socioeconomic profile of students

The OfS did not consider that the socioeconomic profile of the provider's student population justified the provider's performance. This was because this argument is not supported by the performance shown in the split indicators included in the data dashboards. For example:

- We noted that performance in continuation for full-time, first degree students was likely to be higher for students from ABCS quintile 1 (where students have characteristics that suggest they are least likely to continue in higher education) than it was for students from ABCS quintiles 4 and 5.

³ ABCS is a set of measures that seeks a better understanding of how outcomes vary for groups of students with different sets of characteristics (for example, ethnicity, sex and background). Students in the lowest ABCS quintiles are those least likely to achieve positive outcomes. See OfS, '[Associations between characteristics of students](#)'.

- The provider was concerned that its higher proportion of older students when compared with other providers was leading to lower performance. However, we noted that in practice completion rates for full-time, first degree students, those aged 31 or over on entry, were higher than the completion rates for younger age groups.

We did not, in our assessment, identify examples of indicators where the outcomes of students with particular characteristics appeared to be driving below-threshold performance. Instead, we noted that performance was below threshold (often substantially so) for all student characteristics. We also took account of the provider's performance compared with its individual benchmark values, which was below benchmark for all indicators.⁴ We use benchmarking data to support our understanding of how students with similar characteristics have performed elsewhere in the sector. On considering this information, we concluded that there was no evidence of contextual factors resulting from the socioeconomic background of the provider's students that would justify the provider's performance.

Investment programme and other actions taken by the provider

We acknowledged that the provider set out a range of steps it has taken, or intends to take, to improve the quality of its courses, focused largely on continuation and completion for full-time, first degree students. Many of these actions had been developed in response to external reviews commissioned by the provider. These reviews had helped identify some of the issues that had led to weaker continuation and completion rates at the provider, such as concerns relating to students' support needs, and these issues had informed the type of investment and actions the provider has put in place.

We noted the focus on increasing student support, study resources, and teaching staff at the provider. We considered this in the context of rapid, substantial growth in student numbers and we identified provider data that showed that the percentage of total revenue spent in the key areas of investment remained constant between 2018 and 2022. Our data shows that there were 1,380 entrants to full-time, first degree programmes in 2017-18, which had increased to 5,540 entrants in 2020-21. This illustrates the extent of growth at the provider. We also considered the provider's forecast student numbers, which predict a further increase in full-time undergraduate entrants to 8,960 by October 2025, and a cumulative effect on the size of the full-time undergraduate student population which would result in 22,005 students in October 2025 compared with 10,563 in October 2022.

We received evidence from the provider that demonstrated some substantial and wide-ranging initiatives designed to improve outcomes for students, particularly for full-time first degree students. This included a significant change to the academic calendar employed by the provider. We noted the provider's evaluation of this activity, which identified emerging evidence of benefits to students. We also reviewed evidence from the provider's internal programme monitoring and noted the focus on student outcomes data utilised in the monitoring activity. The provider also submitted evidence of further actions planned for the 2023-24 academic year and beyond that suggested a continued commitment to, and investment in, improving outcomes for students.

We did, however, consider the time lag between the increase in student numbers and the delivery of the investment made by the provider between 2018 and 2022. We identified that, for a substantial number of students studying between 2016 and 2020, it was likely that the level of

⁴ See OfS, '[Description of statistical methods](#)'.

resources available to students had not supported the delivery of positive outcomes. Furthermore, updated student outcomes data, in both OfS data and in internal data shared with us by the provider, indicated a mixed picture of improvement that was not consistent across all modes and levels of study. While the provider's performance in relation to the indicators had improved (with the exception of the continuation, part-time, first degree indicator), it remained consistently below the OfS's numerical thresholds for all of the five indicators that we found to be at increased risk of a future breach.

However, in our final decisions we took into account that the data currently available in OfS dashboards relates to students studying at the provider prior to the introduction of the revised condition B3. As such, we were mindful that providers have had limited opportunity to respond to the revised thresholds and condition before assessments started in February 2023. We further balanced this with the provider's evidence that it had already taken steps to improve the quality of its courses and the outcomes for its students, and was continuing to implement additional, wide-ranging plans to address remaining factors contributing to weaker student outcomes. We did, however, note that the provider's plans in response to reviews of its part-time, distance learning courses at both first degree and postgraduate taught masters' level were not as well developed as those for full-time courses, and that further work was required in this area of provision.

Contextual information relating to progression data

The provider set out contextual factors that it suggested could influence our interpretation of the progression data. In particular, the provider highlighted that it felt positive progression outcomes for some health and care management students were not adequately reflected in the progression indicator because some healthcare occupations are not classified as professional or managerial employment in the OfS indicator specifications.

To reach our view on this argument, we considered the nature of the course offered by the provider, which we identified as being designed to equip students for leadership or managerial roles. We therefore did not accept that this course was intended to provide access to a particular profession that is not classified as managerial or professional. We also considered the classification of health and care occupations in the OfS indicators, and identified a wide range of roles that would be considered professional and managerial employment, including practitioner roles and associate professional roles in the health and care sector. The provider did not include any details of specific occupations that it felt were excluded that we could have verified in the indicator specifications.

We also considered additional information from students' responses to the Graduate Outcomes survey. We identified that job titles of graduates who were not counted as having positive outcomes were consistent with roles classified as non-professional employment. Although related to the field of study, these roles do not require specific qualifications for entry, and therefore are roles that students could have entered without their qualifications. We also did not identify any single occupation commonly reported by respondents that, if classified differently, would have had a material effect on the provider's progression outcomes. Finally, we analysed the survey responses for other questions, such as whether graduates from health and care management described their activity as meaningful, as fitting with their future plans and as utilising what they learnt through their study. For the additional questions, less than 30 per cent of respondents answered positively and we therefore did not consider this represented evidence that the outcomes for these students should be counted positively.

Having taken these factors into account, we did not agree that weaker progression outcomes for this provider were the result of data classification issues and therefore did not agree that performance was justified. However, as with other indicators, in our final decisions we took into account that providers have had limited opportunity to respond to the revised thresholds and condition before assessments started in February 2023.

Conclusion

In conclusion, we acknowledged that the provider's submission demonstrated it had already taken some steps to improve the quality of its provision and to support the delivery of improved outcomes, and for some aspects of its provision these steps were substantial. On balance, our view was that, for continuation and completion indicators for full-time, first degree students, these actions would be likely to lead to further improvement. However, our assessment was that there was still an increased risk of breaching the condition until performance could be shown to have sufficiently improved. We identified, for example, that this improvement would be more challenging to achieve in the context of further substantial increases in the provider's student numbers. We were also less satisfied that sufficient plans were in place for part-time students, although we recognised that the provider has committed to further work in this area. We also did not agree with the provider's arguments about the influence of contextual factors relating to the socioeconomic background of its student population. We therefore concluded that the provider was **at increased risk of a future breach of condition B3**.

We did, however, note that the provider had taken a strategic decision to withdraw from the delivery of part-time, other undergraduate courses. We considered that the data for the continuation, part-time other undergraduate indicator reflects the historical withdrawal of these courses, and were satisfied that this contextual information justified historical performance for this indicator.

We communicated to the provider our final decision, that it was at increased risk of a future breach of condition B3, and our imposition of an 'improvement notice' (via a specific condition of registration) requiring it to improve the outcomes it delivers for students for five of the indicators within scope of our investigation. The improvement notice requires the provider to undertake a comprehensive review of the adequacy and effectiveness of its current improvement plans, and to ensure that it takes targeted actions to improve outcomes for the indicators we found to be at increased risk ahead of a further assessment by the OfS in 2028.