

# **AcSS Policy response to Office for Students Consultation on regulating student outcomes**

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The Academy of Social Sciences responded to the OfS 'new approach to regulating student outcomes'. This consultation covers outcomes within universities (like continuation from year one to year two; and completion/ graduation rates) and outcomes related to employment post-graduation. The aim is to set thresholds for all courses where failure to achieve minimum rates could trigger regulation. There is no 'allowance' for different student intakes or employment structures in different parts of the UK, though OfS says it will take these 'contexts' into account in any regulatory activity it undertakes as a result of the metrics.

AcSS welcomes the general clarity of OfS consultation and the thoughtful way it has set out its reasoning. We welcome the commitment to transparency in setting out the reasons for its choices of outcome measures, and of the data it will use. We welcome too the recognition that English higher education is generally high performing, and that regulatory intervention needs to be justifiable and proportionate.

It is, however, very unclear how OfS will make judgements about the prioritisation for regulatory interventions based on the outcome measures, particularly on the 'progression' measure – employment after graduation. The AcSS response focuses on this outcome measure particularly, and its use as a measure of the quality of university teaching.

### **Issues of principle**

The measures of continuation and completion are, of course, much more under the direct control of universities, whether by their admissions policies, their teaching, or the other support they offer students.

The employability measure is different in various ways.

Employability is not the only measure of whether and how students continue to benefit from their time at university after they leave. It is important, however; most students and their families do care about it, and there are legitimate public policy interests in considering it on behalf of students. But post-graduation employment pathways are much less under the control of universities, are a less direct indicator of teaching quality, and assessing employment outcomes is subject to various competing values. It involves consideration of the extent to which university education helps individual students meet their aspirations, the extent to which it promotes individual social mobility, and the degree to which it contributes to area-based levelling up.

Achieving the employability thresholds proposed by OfS is subject to social processes and causes other than the quality of the university course a student takes. Individual student characteristics – such as race, sex,

disability, social background – affect how individuals do in the labour market, especially in the initial hiring decisions made in the months after graduation. Employment prospects are also affected by the structure of the labour markets in which students are seeking work. OfS knows this of course, from its own [report of geography of employment and earnings](#).

Since the aim of the outcome metrics is to trigger consideration of whether a university, or ‘pockets’ within it, are failing to meet the minimum standards required before a regulatory intervention is considered, it is all the more essential to consider the extent to which these ‘contextual’ factors – for individual student characteristics or area-based differences – will be taken into account in these regulatory decisions. While it is understandable that OfS has chosen absolute metrics for its thresholds, rather than attempting a statistical benchmarking for different courses, different student compositions, and different areas of the country, OfS has acknowledged that some of these issues may be legitimate contextual justifications, insofar as they suggest the employability measures are a less direct measure of ‘quality’ of teaching or university provision.

Our response considered these issues, as well as technical matters, as we summarise below. But another issue of principle we raised was the lack of clarity about how these potential justifications with ‘contextual evidence’ would be used to decide which universities to consider sanctioning, and how that would work for courses vs institutions as a whole. We recognise that OfS promises further guidance on these issues, but in the absence of them, it is difficult to assess the degree to which the employability metrics are indeed an absolute minimum set of standards to enable OfS to carry out its regulatory duties.

For example, the consultation contains a brief discussion about student intake and ‘historical patterns’ of these as a possible justification or context. But the consultation is less than clear about the degree to which area-based differences in SOC1-3 employment rates will be taken into account. The only example given in the consultation is of a ‘rapid change in labour market’ but evidence from the Levelling Up White Paper as well as OfS’ own analyses suggests that the long-standing differential structures of area-based labour markets is likely to be far more of an issue.

There is a genuine tension between what individuals may rationally do to improve their prospects in a disadvantaged area (or by giving them the skills to move) and how provision of more employees with graduate skills may, in the long-term, contribute to area-based levelling up. (See for instance a [recent IFS report on graduate mobility](#).) Since the remit of OfS is to regulate the quality of higher education provision, we believe that more transparent discussion about how OfS will use the data and legitimate contextualising

justifications for departure from the thresholds is essential. We support the [submission of Universities UK](#) about these issues.

Finally, as a third point of principle, AcSS has long advocated better, more standardised and clearer data – for universities' own monitoring and to trigger better support for more specific supports such as stronger and more specific careers counselling, and for students and their families as they make their decisions.

This was in fact our input to the Pearce Review of TEF, where we favoured publication of data in a form that recognised it was inherently multi-dimensional, rather than as gold-silver-bronze league table. We also recommended that it should include contextualising narrative information, such as comparing employment outcomes for graduates compared to non-graduates in a particular area. We recognise that this is not the approach the government has chosen to take in its TEF consultation.

We think that this approach would help students and parents make better decisions, and stimulate more continuous efforts by universities to solve quality problems where they exist. We hope that the dashboards OfS is proposing to publish will take this approach, and that they will also provide relevant contextual information as well as the raw data.

This is partly because of our concerns about the social mobility implications, as well as the place-based levelling up agenda. We recognise too that individuals' choice of university is a one-off decision, made for a range of factors including geographic location, and that alternatives to university are not currently as well-developed as government says it plans to implement in future. We are not claiming transparent information is a panacea. But we support moves towards it, as long as it includes these contextual factors.

We therefore believe that a structured narrative template would be an essential accompaniment to the data dashboard, shedding some light on what the data might mean, and what they do not. We do not, however, see how this narrative could be provided without a better understanding of the contextual factors that OfS will take into account before deciding what deviations from the progression thresholds are indicators of shortfalls in teaching quality, and which are simply relevant matters for students to understand.

**Technical issues:**

The employment benchmark is that 60% of full-time undergraduates who graduate should be in 'professional' or related employment 15 months after graduation. The employment benchmark for those graduating from full-time taught post-graduate courses is set at 80% (PGCEs at 85%) and for PhDs

at 75%. One positive point is that the employment benchmark now includes the Office for National Statistics SOC category of ‘associate professionals’, which we had strongly argued for in our response to the initial OfS consultation.

However, this is still a fairly ‘rough and ready’ and static classification of graduate employment. Many jobs for which employers may require an undergraduate degree (because they think it worthwhile as a selection measure or as a way to improve their workforces) won’t be included. Career pathways differ for different groups of students in different subjects; we note particularly that women and ethnic minorities may be more likely to get different initial placements which do not reflect the long-term benefits of their career trajectories. So while these employment thresholds may make sense as a way to consider whether or not there are concerns about a particular HEI, they won’t be able to serve as an absolute indicator of HEI quality in the absence of the contextual data. Our consultation response raised various issues about these issues.

There are other technical issues about the response data that will be used to judge employability, particularly differential response rates in obtaining the data, and courses with relatively small numbers of students. There are also questions about the possible other indicators that OfS might use contextually, such as measures of graduate satisfaction that their course prepared them to do the jobs they wanted.

Our response to OfS is also clear that graduate *earnings*, as opposed to graduate skills and outcomes, should NOT be used in OfS regulation. These would be even more subject to area differences, compositional differences according to student characteristics, and differences between those working in the public vs. the private sector.

### **Other policy issues**

In order for government to meet its other policy objectives, both for individual social mobility, where students from disadvantaged family backgrounds gain from going to university, and for progress towards place-based levelling up in regions of relative disadvantage, OfS will need to consider the contextual information carefully. This links directly to the [Levelling Up White Paper](#), and to the [DfE Augar response consultation on ‘higher education reform’](#), for which responses are due on 6 May 2022.

The Institute for Fiscal Studies and Sutton Trust [report of November 2021](#) is of interest here. It covered the extent to which individual universities, subjects and courses promote intergenerational mobility. The measure of the mobility rate is the ‘access rate’ (share of students with eligibility for free school meals, FSM) times the ‘success rate’ (share of the FSM students

who are in top 20% of earnings distribution at age 30). While more selective universities did well in their success rates, they admitted far fewer students on FSM. There are subject differences, but in general the subject rankings follow general patterns on graduate earnings, with law and economics scoring relatively highly. As IFS says about courses (particular subjects at particular universities), ' Many courses that do poorly in terms of boosting earnings on average do a lot to promote mobility.' There are interactive tables [here](#).

