

Response to the Green Paper

“Fulfilling our potential: teaching excellence,
social mobility, and student choice.”



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Executive Summary

1. The Higher Education Statistics Agency (HESA) is pleased to submit this response to the government's Green Paper on higher education: "Fulfilling our potential: teaching excellence, social mobility, and student choice". We believe this is an important set of proposals, outlining changes required to build on the original reforms set out in the White Paper on higher education in 2011, putting students at the heart of the system.
2. Given HESA's role and remit, our response will be confined to areas relating specifically to higher education data. These concern the following issues:
 - The importance of data for the ambitions set out in the Green Paper
 - Maintaining the strength and effectiveness of the current UK HE data infrastructure and processes
 - Current and future HESA reforms
3. In summary, on the relevant points raised in the consultation document, we believe that:
 - **The existing arrangements for data collection and dissemination in the UK higher education sector work well for all parties, do not require structural change, and can be transferred to the proposed new set-up largely in their current form.**
 - **It will be important in future to retain a single UK-wide data infrastructure for higher education.**
 - **The reforms to data collection and the UK HE data landscape that HESA is currently leading on will significantly upgrade the sector's capability and infrastructure, and will support many of the ambitions set out in the Green Paper.**
4. These reforms broadly fall into four areas, which will inform HESA's future strategy:
 - Upgrading the UK's HE data infrastructure
 - Increasing the usefulness of the data we collect
 - Enhancing insight through analysis and dissemination
 - Increasing the efficiency of our operations
5. We welcome the opportunity to be involved in future discussions on the data requirements underpinning the proposals in the Green Paper, and look forward to continuing to work with government as the policies take shape.
6. For further information on this response, or any issues raised within it, please contact Paul Clark, Chief Executive, Higher Education Statistics Agency: paul.clark@hesa.ac.uk.

Introduction

7. HESA exists to advance education by collecting, processing, and disseminating data on all aspects of the UK higher education sector. We are a charity and a company, and operate as an independent, autonomous service organisation. We work closely with higher education providers (HEPs), sector regulators, funders, government departments, policy-makers, and other stakeholders. We operate across all four countries of the UK.
8. Given HESA's role and remit, our response will be confined to areas relating specifically to higher education data. These will concern the following issues:
 - The importance of data for the ambitions set out in the Green Paper
 - Maintaining the strengths of the current arrangements
 - Plans for future reform
9. In general terms, as the independent, authoritative, and trusted source of data on all aspects of higher education in the UK, we believe that HESA's role will be more important than ever in the context of the changes described in the Green Paper. The strengths of HESA's current structure and function need to be maintained and developed in the set-up that is established once the final form of the changes is known. These strengths include:
 - Independence from government of the statistical agency (in accordance with our status as an Official Statistics producer), promoting impartiality, trust, and confidence.
 - The fact that HESA operates across all four countries of the UK, and supports a single UK-wide data infrastructure.
 - Operating as a shared service for the sector, which ensures that data services are provided in the most efficient way, achieving economies of scale.
10. These points relate particularly, but not exclusively, to HESA's future relationship with the proposed Office for Students. However, they also relate to some of the other potential structural changes proposed in the Green Paper (and other relevant outputs from BIS). These include the potential shift of research funding to Research UK (as well as the focus for HESA data to analyse, assess, and underpin the UK's research infrastructure, policy, and performance), and the location for policy on business interaction and innovation, on which HESA also currently collects and processes data. More broadly, the issues of independence, UK-wide operation, and efficiency extend beyond these structural points, to ensuring that HESA can continue to play its part in supporting effective decision-making on higher education, promoting public trust and confidence (particularly for students, potential students, and those advising them), and supporting the global competitive strength of the UK higher education system overall.

11. HESA is currently undergoing substantial change and reform (outlined below, on p.11), with the overall aims of becoming more agile, flexible, and efficient. These changes will ensure that we are better able to support the aims of providers, policy-makers, and the wider public in relation to information on higher education.
12. The remainder of this consultation response will set out the reasons why having timely and accurate data is critical to the achievement of the aims of the Green Paper, the strengths of the current system in place which can deliver this, and the plans that are currently either already in train or are being prepared which will result in significant reform of the UK higher education data infrastructure.

The importance of data for the ambitions of the Green Paper

13. The demand for accurate, high-quality, and timely data on higher education is accelerating all the time, mirroring developments in other areas of public policy. Securing the flow of this data will be important to achieving a number of the ambitions set out in the Green Paper, including:
 - Delivery of the Teaching Excellence Framework (it will need to be underpinned by reliable and rigorous data, which can be trusted by all parties)
 - Provision of effective choice tools for prospective students
 - Expanding the sector to accommodate new providers, and promoting choice and competition
 - Support for the responsibilities of the Office for Students
 - Underpinning the quality assurance framework
 - Ensuring efficiency in the design and delivery of services
14. Data is becoming increasingly important as a function of the regulatory architecture of the higher education system in England – especially given the substantial shift in funding for teaching from grants to student loans that has taken place since 2012/13. This shift has had three consequences that are especially relevant for data:
 - First, grant funding for teaching is no longer available as a regulatory tool to incentivise or penalise particular behaviour;
 - Second, it (rightly) gives more weight to informed student decision-making and input;
 - Third, it drives a need to ensure value for money in the provision of services and the allocation of resources, leading to greater efficiency.
15. Each of these three areas depends on having high-quality data available for all relevant parties in order to ensure the system can function effectively, and that good decisions can be made.
16. More broadly, the higher education sector in England has become both more diverse and more dynamic in recent years, and the data infrastructure needs to be capable of reflecting this accurately. In addition, the system has become more market-based, and markets depend on data in order to function effectively. These trends are only likely to continue in the future.

17. However, the pace of change to the higher education sector in England (and across the UK) has led to a lag in the development of the infrastructure. This applies as much to the data infrastructure as to any other part, and changes are needed in order to ensure that this infrastructure remains fit for purpose for the future. Particular issues that need to be addressed include:
- Providing data on a more frequent and timely basis than at present (while maintaining overall quality)
 - Ensuring the data infrastructure can accurately capture the full range and diversity of higher education provision
 - Making the collection system more efficient, to reduce the burden and the cost of data collection for providers
 - Ensuring that the right data is collected to support decision-making
 - Developing approaches that can ensure comparability and consistency of data across the sector
 - Ensuring that data on higher education can be linked effectively with data from other sources, substantially expanding its value and usefulness
 - Making more of the sector's data available as open data, to promote trust, facilitate greater insight, and encourage innovation
18. HESA currently has a number of programmes in place that will deliver these aims. Information on these is set out in more detail later in this response. Collectively, they will ensure that the necessary improvements can be made to the higher education data infrastructure in England, and across the UK, ensuring that it has the capacity to change and develop in the future as increasing demands are placed upon it.

Maintaining the strength and effectiveness of the current UK HE data infrastructure

19. HESA is widely recognised as being the authoritative and independent source of data on UK higher education. The information it provides is high quality, leading to increased trust and confidence. This data is used by the relevant agencies and departments of the four governments of the UK, as well as Higher Education Providers (HEPs), funding bodies, researchers, commentators, and private companies with an interest in the sector. HESA also provides data, advice, and guidance to foreign governments and agencies, and its expertise is recognised around the world.
20. HESA's strengths and services are built on a number of principles that need to be preserved in any future set of arrangements for data collection and dissemination in the sector. Among the most important of these principles are:
 - Trust
 - Independence
 - Efficiency
 - UK-wide operation

The trusted source of data

21. HESA has been collecting data on higher education in the UK since 1992. Over this period, it has built up a strong track record and reputation for quality and authority, and has developed a high degree of trust from its stakeholders. This trust derives both from the quality of the data it provides, but also from the fact that HESA is impartial and independent from government. Our services are valued by government departments, funding bodies, agencies, and by providers alike.
22. We have very strong relationships with over 250 Higher Education Providers, including more than 100 Alternative Providers. This means that the coverage of our data is unrivalled in the UK HE sector, thereby increasing the confidence that policy-makers, providers, and the wider public can have in the information we provide. In 2015 around 60 Alternative Providers submitted student data to HESA for the first time, increasing both the reach and flexibility of our systems. An additional 40 Alternative Providers are anticipated to submit data in 2016. We anticipate that this trend will increase in future years, and that HESA will therefore be able to support effectively the government's aim to continue opening up the higher education sector to new providers, which can operate on largely the same terms as existing providers.
23. HESA works closely with the Office for National Statistics, and with staff from the Government Statistical Service (embedded in BIS in particular), on the provision of data and statistics for national policy-making purposes. We provide the Official Statistics on higher education, and our output meets the high standards set by the UK Statistics Authority.
24. The trust accorded to our data, coupled with its high quality, is particularly important as more of it makes its way into the public domain to support student decision-making and protect the student interest. HESA collects the Key Information Set that is made available through the UNISTATS service, which is the primary source of comparable information available for prospective students making their university choices. Over time, more and more providers will be included on the website, thereby opening up greater choice for students and increased competition for providers. We administer the Destination of Leavers from Higher Education Survey (DLHE), which is the primary source of data on graduate outcomes. This information has acquired increasing relevance in recent years, and will continue to do so in the future. We have recently initiated a major review of DLHE, to ensure it remains fit for purpose. The outcomes of this work will be available in summer 2016, and will be incorporated into our data collection and provision cycles as quickly as possible.
25. We anticipate that the provision of data for these purposes will evolve rapidly over the next few years, as more feedback is secured on how students make choices, and what information they find most useful. We have already provided advice to the government on the data that could potentially underpin the Teaching Excellence Framework (TEF), and will continue to work with officials as this policy develops, to ensure that the underlying data is of the appropriate quality and reliability. Over time the data items and underlying analysis to support the TEF will develop, and we look forward to continuing to make a significant contribution to this policy area.

An independent agency

26. HESA is an independent company limited by guarantee and a charity. Its members are the major representative organisations in the HE sector: Universities UK, and Guild HE. The data it collects from HEPs is provided to the four funding bodies and relevant government departments of the UK as well as to the devolved governments and a wide range of other departments, agencies, and organisations. HESA was set up as a shared service for the HE funding bodies whose authority to collect and provide data is derived from the Higher and Further Education Act 1992.
27. This set of arrangements guarantees the impartiality and independence of HESA's operations, and thereby of the data it provides. Preserving independence will be critically important for the future, as data becomes more integrated and fundamental to driving public policy, student choice, and service delivery.

Efficient

28. HESA operates as a shared service, ensuring that HEPs can discharge their statutory responsibilities regarding the provision of information on higher education in the most efficient way possible. The model of collection, aggregation, and quality assurance of all data on higher education in the UK by a single agency not only ensures this efficiency, but also guarantees the comparability (and thus the usefulness) of the resulting data.
29. The organisation employs around 120 staff, and has an annual turnover of £9M. From Jan-Dec 2015 for all our collections we processed 112.5 million records. Within this, we processed 103 million student records to arrive at complete and quality checked data relating to 2.8 million students from across the sector. We support 163 Higher Education Providers and 101 Alternative Providers as well as assisting statutory customers, sector agencies and software houses. Our helpdesk team receives around 20,000 emails and 10,000 telephone calls a year. In addition, in the 2015/16 academic year we will put on more than 100 training events to train over 2500 people. The training is centred on improving understanding of data with a view to enhancing analysis and use, as well as improving efficiencies within providers.
30. Increasing efficiency in our operations will be a major focus of the next five years. We have initiated programmes which will ensure value for money in the provision of our services, will provide for increased collaboration amongst relevant agencies in the sector to avoid duplication, and which will also take advantage of the latest developments in digital service design and delivery that can substantially improve efficiency. These programmes build on the valuable work carried out to date by the Higher Education Data and Information Improvement Programme (HEDIIP).

UK-wide operations

31. HESA operates a UK-wide service, on behalf of all four governments and HE funding bodies. This arrangement is not only efficient, but also greatly enhances policy-making and student choice. There is a substantial flow of students, funding, and activity between the four countries of the UK, which can be most effectively captured by retaining a single UK-wide data infrastructure. Policy developments in one part of the UK also have an impact on other parts, which at the very least need to be monitored and assessed. In addition, in practice, relationships and partnerships between HEPs also cross borders, making it important to continue to operate a single system of data collection and provision. The Funding Councils and relevant government departments of Scotland, Wales, and Northern Ireland strongly support this view.
32. HESA is recognised as being a world-leader in the collection and dissemination of higher education data, and is also an integral part of the global competitive advantage of the UK higher education sector. We regularly receive visits and enquiries from foreign governments and regional agencies, and have provided training and consultancy advice to a number of government departments. Recent examples of countries with which we have engaged include: China, Japan, South Korea, Pakistan, India, Sri Lanka, Saudi Arabia, Oman, New Zealand, Kazakhstan, the Netherlands, Serbia, and Romania.
33. The competitive advantage resides not only in the efficiency and effectiveness of HESA's operations, but also in its independence, its coverage (which allows for comparability of data across the entire UK higher education system), the quality of its data outputs, and its engagement with its stakeholders. While there are undoubtedly improvements that can be made (see the section below, on HESA's planned programme of reform), the current model has served the sector and its stakeholders well, based as it is on a number of important values and principles, set out elsewhere in this response.
34. These values and principles are capable of being transferred into the proposed new regulatory architecture, ensuring that the organisation can continue to deliver high-quality, high-value services. We therefore believe that HESA can continue to operate effectively in the proposed new environment (on the assumption that the statutory responsibilities for data and information set out in the 1992 Act will transfer to the Office for Students under any new legislation). HESA data is already accessible and made available under licence, and we believe there is no need for the 'additional powers' described in the Green Paper to be established.
35. We believe that a reformed and upgraded version of the existing set of arrangements for data collection and dissemination will allow the strengths of the current set-up to be preserved, while ensuring that the government's aims in relation to regulation, public information, and student choice can be achieved.

Current and future HESA reforms

36. HESA has recently initiated a number of reforms that collectively will deliver significant change and improvements to HESA, and benefits for the sector and its stakeholders. These include the following:
- *Data Futures Programme*: this is a multi-year programme, supported by all four funding bodies of the UK, to collect and disseminate student data in-year. This represents a significant shift from the current position, whereby student data is collected only once per year, and is available around 14-15 months after the beginning of the relevant academic year. The Data Futures Programme will ensure that policy-makers, funders, regulators, and providers all have much earlier sight of trends and developments in student recruitment and retention (among other things), thereby greatly enhancing policy-making at the national level, as well as HEPs management. A consultation exercise on the programme was recently carried out with the sector, with over 90% of respondents indicating support. Data Futures will deliver the new system in the 2018/19 academic year. While this in itself is a significant undertaking, it represents the first stage in a much wider long-term programme of change to data collection and dissemination methods and principles. In future, new and more efficient methods of collecting data will be introduced year-on-year, and the principle of in-year collection may be applied to other of HESA's data collections (where relevant).
 - *Data governance*: as part of the Data Futures Programme, HESA will be seeking to build on the work carried out by HEDIIP, which is hosted by HESA. This aspect of the Programme will seek to ensure that the HESA student data collection can meet the needs of a wider group of data collectors and regulators, in order to reduce the overall number of collections that HEPs need to carry out. It will also aim to reduce the burden of data collection on HEPs, and ensure that the utility of the data collected is maximised.
 - *Data outputs*: We are currently in the process of re-evaluating our data outputs, to ensure they can continue to meet the needs of users. We have recently rolled-out a substantially upgraded version of our core analytics service ('Heidi Plus'), which was jointly developed with Jisc. This service allows for better access to the data, more powerful analytical tools, and standardised analyses for smaller providers. It is available free of charge to all full HESA-subscribing institutions. Over time, we will continue to introduce new products, services, and outputs, based on rapid feedback on user needs.
 - *Data linking*: HESA is currently engaged in a number of projects to link our data more effectively with other public sector datasets, with the aim of enhancing insight and decision-making. Examples include participating in a project with BIS, DWP, and HMRC to link graduate outcomes with employment and tax data; review of the Destination of Leavers from Higher Education Survey, to assess options for linking this with other data sets; and work to connect HESA data more effectively with the National Pupil Database, and the Individual Learner Record (including

the dissemination of this to researchers). It is anticipated that this area of work will grow over the next few years, to allow HESA and the higher education sector to take full advantage of the opportunities afforded by big data analysis.

- *Open Data:* We are developing an open data strategy that will lead to all core HESA data publications being available as open data within five years. We will also be making as much of our other data as possible available as open data (within the protections imposed by the fact that much of it is personal data, and therefore cannot be available openly). As part of that strategy, as of January 2016, we will be publishing a wide range of data via the HESA website under a Creative Commons licence, which means that the data will be freely available for onward use.
- *Collaborations:* As part of our future strategy, we will develop more collaborations with other sector agencies and organisations, where there is a clear common interest to do so. These collaborations will seek to pool resources and expertise, increase efficiency, de-duplicate activity (where any duplication currently exists), and create room for investment.

37. Implementing these reforms, in addition to wider organisational change, will ensure that HESA can continue to support the sector and the government in their joint aims, and can adapt effectively for the future. There is strong support for these changes within the sector, and across HESA's major stakeholder organisations.



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