

BIS Consultation Paper – November 2012

Applying Student Number controls to Alternative Providers (APs) with Designated Courses

Question 1 – Respondent Details

BIMM and Tech Music School, referred at as “The BIMM Group”

Type of organisation: Alternative Provider

The BIMM Group provides courses focused on contemporary music education. It operates two brands - BIMM and Tech Music School. BIMM was established in 2001 and Tech Music School was established in 1983.

The BIMM Group is vocationally-led and has established strong relationships with the Music Industry, around which its courses are designed. BIMM seeks to equip students with the skills necessary to succeed in the Music Industry, which employs 124,000 people in the UK and is a major export for the UK economy. Around 75% of BIMM students progress into the Music Industry.

Question 2: Do you have a preference for Method 1 (control based on eligible students) or Method 2 (control based on students accessing funding)? If so, why is this?

The BIMM Group has a preference for Method 1.

Method 1 reflects the current student number control mechanism operated in the mainstream university sector. Accordingly, applying the same method to Alternative Providers would be one step in levelling the playing field, which is understood to be an objective of BIS, based upon the June 2011 Higher Education White Paper ‘Students at the Heart of the System’. By contrast, the application of Method 2 would serve to create a further distortion between the two sectors.

In addition, the application of Method 1 requires more robust processes and systems in terms of data provision to HESA and HEFCE. Whilst the BIS consultation paper suggests this may be a limitation within Method 1 (‘an additional burden / cost for providers’ - page 19), the BIMM Group views this as part of the ongoing process to raise the quality assurance requirements amongst all Alternative Providers – which it welcomes.

Question 3: What is your view on the submission of data to HESA? Do you think designated courses at alternative providers should participate in the Key Information Set and therefore complete the National Student Survey and Designation of Leavers in Higher Education survey (if student numbers are large enough to permit this)?

Yes, the BIMM Group believes that Alternative Providers should participate in the submission of data to HESA and submission of the National Student Survey and Designation of Leavers in Higher Education survey.

Participating in the established student surveys and data collection exercises would be of benefit to students as it would enable them to make more informed choices about courses because more information would be publicly available.

The BIMM Group agrees that Alternative Providers who are small (perhaps less than 100 students) and are also likely to offer a very narrow range or perhaps only one course, should not be expected to participate in the national surveys as it is likely to present an administrative burden and the costs are likely to outweigh any benefit to prospective students.

Question 4: Are there any other methods for controlling student numbers on designated courses at alternative providers that you would recommend instead of Method 1 or Method 2?

No. The BIMM Group has considered other methods, but none are considered more suitable than Method 1.

However, the BIMM Group believes it is important that Alternative Providers are given the opportunity to ensure appropriate processes and systems are in place to ensure both the returns to HESA/HEFCE and KIS/National Student Survey can be completed to the high standard which currently occurs in the mainstream university sector. Therefore, Alternative Providers should be required to submit the various surveys and returns in November 2014 (based upon the academic year 2013/14).

This data would then be analysed by HESA/HEFCE and could then be used to implement a student number control mechanism in the academic year 2015/16. This timescale implies a 5 month period from May 2013 (assuming the consultation process is finalised then) for Alternative Providers to implement the necessary systems and processes to ensure that at the start of the academic year 2013/14, data can be accurately and robustly captured. This timescale is considered challenging, but achievable. A timetable for implementation by Alternative Providers is proposed under Question 7 below.

Attempting to implement Method 1 earlier than this risks poor quality and possibly unreliable information being produced. This may then serve as a weak foundation for the student number control mechanism in the future.

Question 5: Do you agree that there should be an exemption from student number controls for alternative providers with small numbers of students accessing student support? If so, do you have suggestions as to how the Department should define 'very small'?

Yes, the BIMM Group believes there should be an exemption for very small providers. It would support and exemption for colleges with up to 100 undergraduate students. As noted above, this cut-off also aligns with BIMM Group's suggestion regarding the exemption from HESA returns, KIS and the National Student Survey.

This is important because it allows new Alternative Providers to enter the market, thereby ensuring the higher education sector continues to become more diverse and responsive to the needs of students (as set out in the June 2011 White Paper, 'Students at the Heart of the System').

Question 6: Equality considerations: Do you think that the proposals for applying student number controls will have any equality implications (e.g. positive, negative, or neutral) for people with protected characteristics (as set out in the Equality Act 2010), or people from low income Groups? What impacts might there be and do you have any evidence of possible impacts?

Yes, the BIMM Group does believe there may be an impact in terms of the overall agenda of widening access and participation in Higher Education.

The courses offered by the BIMM Group are typically practice-based in music performance, songwriting and production, relying less on academic results and more heavily on the development of high-level practical skills in preparation for a sustainable career as a music industry professional. Entry to courses requires a practical test in the form of an audition with less emphasis being placed upon traditional academic results. The assessment methods employed whilst the student is on a course are also based upon the demonstration of practical skills and less on traditional academic testing, such as examination by essay and report writing.

This approach has enabled the BIMM Group to widen access and participation in higher education. It has increased the overall diversity in the sector and has enabled students who would otherwise be unable to enter higher education to obtain a relevant, highly-vocational degree qualification.

Question 7: Do you have any other comments on the proposals within this consultation document?

(a) Chapter 1 – Overview of the New designation system

The BIMM Group supports the approach being adopted as outlined in Chapter 1 of the consultation document. Continually raising the quality hurdle across the sector, by ensuring high-quality provision coupled with a robust process of checks around financial sustainability, management and governance is welcomed.

(b) Timing of the introduction of student number controls

As noted above, the BIMM Group believes implementation in 2015/16 is achievable provided the consultation is concluded in the next few months. This would then enable Alternative Providers to implement the necessary reporting processes and systems or order for a number control mechanism to be effective. Assuming BIS finalises the consultation process in May 2013, the timetable would be:

- May 2013 to September 2013 (5 months) – APs are able to put the necessary processes, people and systems in place to be able to capture data required for HESA and KIS
- October 2013 to July 2014 (10 months) – APs capture all the relevant data during the academic year in order to complete KIS and HESA returns (in the same way as the publicly-funded universities)
- November 2014 – HESA and KIS return submitted (same time as publicly funded universities)
- December 2014 to June 2015 (7 months) – data analysed and reviewed by HESA and HEFCE
- July 2015 – student number controls communicated to APs and applied for the academic year 2015/16

This would bring the AP sector into line with the publicly-funded universities and would enable a level-playing field in this particular area.

(c) Allowance for Growth

The BIMM Group believes it is essential that the method employed to control student numbers must allow for growth of the Alternative Provider sector. The reasons for this are:

- The Alternative Provider sector remains nascent. In 2011/12, the sector accounted for £100.3m of student support (BIS consultation) compared to a mainstream university sector of around £14 billion, which is less than 0.75%. Unless the sector is able to grow to a more sustainable size, there is a risk it could disappear in the medium term and private investment (which the sector currently attracts) will also cease. Establishing a range of more diverse operating models, as outlined in the June 2011 White Paper, is then unlikely to be achieved.
- Demand for higher education has been in decline for the last 2 years. UCAS applications were down by 11% last year and initial indications suggest that applications are down by around 7% in the current year. The BIMM Group believes this is as a direct result of the increase in fees amongst the traditional universities, which now charge an average of £8,500 per annum. Alternative Providers typically charge lower fees on average and continue to see strong demand for their courses.

The BIMM Group proposes that a mechanism for controlling student numbers at Alternative providers is established under the following scenario:

- An allocation of 3% of the eligibility-pool to the AP sector in the year of implementation;
- An allocation of 4% of the eligibility-pool to the AP sector in the second year after implementation;
- An allocation of 5% of the eligibility-pool to the AP sector in the third year after implementation;
- The eligibility pool should be based on first year intake, as opposed to total student numbers on all years of a course. (This is our understanding of how a cap is applied to the university sector)
- Thereafter, participation in the core/margin system enjoyed by universities;
- Access to the uncapped HEFCE 25,000 student-pool enjoyed by universities that charge less than £7,500 per annum or an additional HEFCE controlled student-pool for universities and APs that charge £6,000 or less;
- Implementation of an uncapped HEFCE controlled student-pool for disadvantaged students;
- Exemption from capping for undergraduate students with A-level grades of ABB or equivalent enjoyed by universities.

(d) Sanctions for Alternative Providers

Sanctions should be put in place for over-recruitment of students in order to ensure that any control is effective. However, in the first 3 years the sanctions should not be punitive and should reflect the actual cost to the taxpayer as a consequence of any over-recruitment.

(e) Private paying students

The BIMM Group believes that those students who pay fees privately should be excluded from any student number control mechanism.

(f) Timing

BIMM Group believes it is critical that no capping mechanism should be introduced for the academic year 2013/14. The reasons for this are:

- Under Method 1 it will take at least a year for private providers to put systems and processes in place to report numbers to HESA and participate in KIS; and
- The UCAS deadline for 2013/14 has already passed and students have already made decisions for the next academic year. To apply controls for 2013/14 could result in students having to be turned away from the colleges they have applied to; and
- A number of Alternative Providers will have made investment decisions in the past which should not be jeopardised retrospectively (BIMM Group is in the process of opening a new college in Manchester).