

Call for evidence - Approach to OfS public grant funding

About you

Contact details

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In what capacity are you responding to the survey?

To provide an official response on behalf of a higher education provider, organisation or representative group - If yes, please specify which in question box below

Name of higher education provider or representative group, or Professional, Statutory and Regulatory Body (if applicable)

Engineering Professors' Council

Unless you indicate that you would prefer your response to be confidential, we may quote sections of your response when we publish a summary of responses to this consultation on the OfS website (and in alternative formats on request). This may include a list of the providers and organisations that respond, but will not include personal data such as individual names, email addresses or other contact details. Individuals and organisations will not be identifiable in our consultation response. We will not publish individual responses.

Are you happy for passages from your responses to be published on the OfS website?

Yes, I am happy for my responses to be published.

About your higher education provider

How many higher education students does your provider have?

Not applicable

What type of higher education provider(s) are you part of, or do you represent?

Not applicable

Is your higher education provider registered with the Office for Students (OfS)?

Not applicable

Call for evidence questions

Question 1: What are your views on OfS course-based funding?

We are interested in any views, and below are some prompts for respondents to consider:

Should the distribution of funding continue to primarily reflect the courses and subjects students are studying? Should we also consider additional factors and/or approaches for course-based funding? What should we seek to achieve with course-based funding? What activity is currently supported in providers by this funding? Are there any areas of important provision that are currently not supported by our funding allocations? How should our approach adapt in the future? What assessment is currently made by providers of the impact of this funding? Please explain your answer.

The EPC urges that additional funding is needed to support Engineering courses and departments.

Engineering is critical to the success of the UK economy, with R&S innovation, progress towards Net Zero, science superpower status and regional levelling up policy strategically dependent on this sector which employs a fifth of the workforce. However, the STEM sector skills shortfall is currently estimated at over 173,000 workers in the UK, with an average of 10 unfilled roles per business (<https://raeng.org.uk/media/03hjujfc/literature-review-on-engineering-education-and-skills-policy-2.pdf>), which is only set to become more challenging in the future.

Engineering HE could not be more strategically important. Internationally reputed as the gold standard in the delivery of engineering skills, UKHE Engineering outcomes (OfS) confirm the return on taxpayers' investment are among the best in the sector. But engineering remains a high-cost subject, with differences in the costs of provision at subject level highlighted by course resource requirements. The final TRAC-T data before subject level analysis was dropped shows clearly the wide-variation in the average cost of teaching a FTE student in different subjects and between different institutions engineering related subjects reflecting a higher average costs per FTE student than subjects related to the arts, humanities and the social sciences. (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/909417/Measuring_the_cost_of_provision_using_transparent_approach_to_costing_data.pdf.)

Engineering requires more specialist, and thus expensive, teaching and learning facilities and equipment (e.g. laboratories) and involves more specialised and intensive teaching and contact time.

This essential resource is easy to lose, but once scaled down, scaling back up in Engineering is not possible without extensive investment. The pressure on the physical estate and the costly equipment required to teach engineering at the cutting-edge (such as increased/extended infrastructure for active learning delivery) takes a long time to be approved and brought into use.

The average course funding deficit for each STEM student was around £1,900 in 2021 – double that across classroom-based subjects – and since then the gap has grown and is continuing to widen. (<https://russellgroup.ac.uk/media/6004/russell-group-spending-review-2021-submission.pdf>. p24, para 2.30. Calculated using Table B4 in Development of OfS approach to funding, September 2020 and Table 6 in OfS consultation on recurrent funding for 2021/2022). In the context of falling funding (in real terms) for UK students and extensive inflation, it is impossible to reconcile income versus cost of delivery of Engineering HE, even when accounting for existing top up funding.

There is concern that necessary teaching and learning innovations are isolated due to the lack of discipline-specific educational development funds. In the US, significant National Science Foundation funding creates multi-institutions projects and partnerships that regularly produce and disseminate new approaches to engineering education. In the UK such a national fund does not exist. The nearest equivalent was HEFCE catalyst funding which is no longer available since the formation of the Office for Students.

Engineering relies hugely on cross-subsidy from international students, reflecting the shifting landscape of student funding and growth in international students, which are a significant presence within almost all engineering schools. A joint EPC/UCL EE study found that international students account for around half of student fee income in taught engineering (circa £2bn per year and approximately 10% of the fee income to the sector as a whole).(Using HESA student numbers and the advertised fee rates for programmes.) At undergraduate level, the average fee charged to international Engineering students is £19,536. Meanwhile, across England the full undergraduate fee allowable by regulation of £9,250 per year of study is almost universally charged by all providers in engineering. With this income stream under threat within the current policy direction. UK policies that result in a fall in international student numbers in Engineering should be balanced with additional teaching grants and/or raised tuition fees for domestic

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students. Failing that the cost of such a reduction would be undermine the country's homegrown engineering skills pipeline.

Question 4: What are your views on our funding for specialist providers?

We are interested in any views, and below are some prompts for respondents to consider:

What should our general policy aims for this funding be? What additional value to students, providers and the wider sector does this funding bring? Please explain your answer.

What should our general policy aims for this funding be?

Specialist providers are often at the frontier of innovative approaches to higher education, particularly in Engineering which, as a discipline with a focus on innovation, is particularly important to drive standards. Specialist providers also often become centres of excellence in their field, often attracting global reputations. They are also often leaders in wider access, offering atypical programmes and modes of learning. To this end, it is important to the health of the whole HE sector that there is a diversity of provision.

The OfS should therefore find ways to support and assure the financial sustainability of specialist providers, which, given their focus, face greater risks at the hands of policies and circumstances beyond their control (e.g., international student controls, inflation, etc.). This is particularly true for newer or growing institutions, especially in Engineering where the investment in technology necessitates significant investment. It is in no student's interests for these providers to fail, and their specialist approaches can make student transfer (or other student protection measures) difficult to implement. OfS should consider floors on funding, enhanced pro rata calculations, or funding specifically for small and/or specialist providers.

In a strategically critical area such as engineering where skills shortages are so significant and where the student outcomes are critically dependent on costly provision, OfS should aim to provide the assured sustainability that is necessary to investment for growth.

What additional value to students, providers and the wider sector does this funding bring?

An explicit aim of HERA was introduced to increase competition into the sector in an effort to raise quality through differentiated offers. Successful new providers are a useful guide to gaps in meeting the needs of students and the labour market. Small and specialist institutions can function as sandpits for UK HE in terms of innovative teaching and learning practice, modes of study, and approaches to access, opportunity and lifelong learning. Particularly in the area of Engineering, where constant innovation is key to the nature of the discipline, it is valuable to the health of the whole HE sector to support such institutions as a platform for diverse provision. Their financial sustainability is in the interests not only of those institutions, but other providers and students.