College Scenarios: implications of the new HE in FE landscape
Developed by MEG with LSIS support

Introduction

These three scenarios are based on college responses to the new HE in FE landscape and, in particular, the anticipated impact of the Core and Margin exercise. Although they are based on real colleges' comments and reactions, none of the three presents the picture from a single college. Rather all three scenarios constitute a summary of HE issues as they are emerging at the start of the allocation process.

Scenario 1: College A - New entrant to the HE market

College A has a successful track record in offering a range of FE programmes. In the last few years, students from some vocational courses have experienced difficulty in securing places on HE courses at neighbouring universities. Many of these students are from Widening Participation backgrounds, including a number of mature students. Although higher education is not seen as a core activity for the college, staff and governors are keen to ensure that all students who can benefit from HE are given the chance to do so. The opportunity to bid under the Core and Margin process was seen as an attractive option, enabling the college to serve the needs of students not seen as a priority by others.

The college is a significant provider of students to a neighbouring university which is prepared to offer validation for a Foundation degree course in Media Management. The short timescale for application for Core and Margin places meant that much of the detail of this arrangement, including some of the financial and quality control issues, had to be left for later discussion within a wider partnership arrangement. Evidence of demand could be clearly demonstrated from the number of college students who had either failed to gain HE places locally in recent years or who had expressed a desire to remain in the college for higher level study. Accordingly, the college decided to set its fee for higher level courses at what it believes will be an attractive and affordable level at £6,000.

News of a successful bid for 25 places marks the start of a renewed effort to prepare the college for a new type of course and a new type of student. Higher education courses, even on a small scale, require different approaches to quality assurance. Despite the fact that the college has a successful track record with Ofsted, a rapid programme of staff development in HE quality systems is being planned, with the assistance of the partner HEI. Teaching staff are also involved in intensive activity to prepare to teach a group of students with different needs and expectations to the existing FE cohorts.

The challenge of providing a distinctive HE experience which reflects the needs of HE learners is not underestimated. Support from the validating HEI is of great assistance in planning courses and ensuring that the level of study is appropriately demanding - and equates to equivalent provision elsewhere.
Finally, some thought is being given to the needs and expectations of the students themselves. The college recognises that individuals may need support in coping with the demands of higher level study. Arrangements have been made for additional tutorial and study support, especially in the early months of the course when students may find their existing skill sets challenged.

The scale of the intended HE operation makes it difficult to justify separate study or social facilities. However, the college hopes to use imaginative timetabling and accommodation which is both appropriate and, where possible discrete, to encourage a real sense of group identity. The college has no doubt that the new higher education students will recognise that their HE experience will be intellectually challenging, academically valuable and above all provide knowledge, skills, and a qualification which will help them to build their chosen career.

The challenges facing College A are:

- **Establishing the validation agreement** and new relationship with the partner university. Care must be taken to ensure that this is worded in such a way that the college is not disadvantaged at any point in the future, whilst still recognising that the university has a legitimate interest in the quality of the courses delivered.

- **Underestimating the challenge** around developing the necessary HE culture within the college:
  - former FE and new students must have a sense of a distinctive HE experience; and
  - staff must be enabled to teach HE, and with a greater level of autonomy, in a very short period of time. The college must ensure that they are up to date with both their subject and the approaches to pedagogy found in mainstream HE.

- **Building on the relationship with** the validating university and surrounding HEIs to gain access to appropriate continuing professional development (CPD) for college teaching staff.

- **Establishing a new relationship** with HEFCE and the Student Loans Company (SLC). This includes making suitable provision for data collection and submission, establishing systems for claiming student funding and measuring student attendance and progress. The college will not be able to offer any other courses which qualify for student support via the SLC.

- **Introducing budget arrangements for the HE offer** which take into account costs of delivery and any exceptional costs which emerge as a result of introducing new provision.

- **Marketing the offer and recruiting students,** but taking care to ensure that the target number is not exceeded.

- **Evaluating the success (or otherwise) of the provision** after the first year and planning for any growth under subsequent core and margin exercises.

Scenario 2: College B – an experienced provider gaining direct numbers via Core and Margin

College B took part in the Core and Margin exercise this year and gained 200 directly-funded numbers, a small net increase in its overall HE offer. It had previously been largely reliant on franchised numbers from two HEIs but was increasingly concerned about their desire to conserve their own student numbers. One of its former HEI partners lost out heavily in the Core and Margin exercise and the college is waiting to see if their approach changes as the college begins to compete for students. The university has agreed to validate the college's courses but any change of attitude on its part in future could have significant consequences for College B. The college will now seek other validating partners for areas of the curriculum which its main validating HEI doesn't cover. Its other partner HEI did not participate in the Core and Margin exercise, having decided to maintain a fee of £8,500.

Core and Margin enables the college to review its franchised provision: it was always in no doubt that it wanted to be directly-funded as far as possible. It also intends to grow part-time numbers (which are not capped at the moment) just in case this year's numbers become the base-line for any future cap.

The college recruited all its funded numbers last year. A number of courses were over-subscribed and it was able to raise its admissions criteria as a means of selecting the best students and improving retention. Overall applications to study HE at the college have increased but staff are proud of the fact that internal applications have risen by nearly a third. The college has an internal progression rate of 28%. It has achieved this by ensuring that there is at least one HE course that leads directly on from every Level 3 programme that is offered. It received a positive outcome from the QAA IQER exercise.

Having gained numbers, the college has reviewed its HE portfolio and decided to grow some areas of HE. It has evidence of a clear demand in Digital Media, Applied Science and in Tourism and has gained employer sign-up to support employees on these particular (part-time) Foundation Degrees.

The college's main validating body is not guaranteeing places for top-up students. However, all of the LMI suggests that college B's main market lies with work-based and part-time students. It is in negotiation with a number of professional bodies to see how it can enrich its existing courses with industry-relevant qualifications. Part time recruitment has held up well over the years despite being in an area with relatively few large employers. The college intends to infill more part-time students into full-time classes to ensure viability this year.

The college wants to ensure that it has the right blend of full time teaching staff and part time staff who have come in from industry. It is now responsible for quality assurance and data returns and is putting an emphasis on the development of effective delivery systems for both of these requirements. In the past the college's partner universities did this, but having had a number of partners in its history of delivering HE, college B has been exposed to a range of different management styles. It can also use this experience to devise an approach which responds more flexibly to the individual needs of students.

The college is aware that it will also have to cover some costs concerning student engagement, such as IAG, marketing and better access to Student Union representation (one of its previous partners funded a part-time member of staff to act as a link between the two institutions). Staff are aware that the Key Information Set (KIS), National Student Survey (NSS) and the new RHFE systems will all focus on this aspect of its HE delivery.

College B is trying to move towards a culture in which all staff, at all levels, support the concept of internal progression to college-based HE. The college needs a clear, robust and comprehensive plan that converts potential students into enrolments, persuades employers to invest in the training and up-skilling of their staff, promotes the employment of full time students amongst the same employers and emphasises and reinforces the quality and affordability of HE provision at the college.

The college has increased its marketing spend and undertaken a more targeted approach, selling the long-term benefits of higher-level qualifications to potential students and their employers. It is focusing on internal and local students and trying to raise awareness about both the new funding regime and not paying fees up front. It is actively courting students during the application process e.g. responding immediately with a courtesy email/text/letter, getting tutors to make a decision within three weeks and then looking at ways of keeping students warm until September so that they do not go anywhere else. It is also revamping its website and moving towards more customised areas for courses in order to make it more attractive to potential students.

The college delayed completing the HE prospectus for 2012 as long as it could, only publishing it in the autumn. It has made a big effort to promote all of its higher-level work, including non-prescribed HE (NPHE), rather than just focusing on the HEFCE funded courses. This will be the last traditional prospectus as the college intends to use its website and social media as the means of publicising its courses in future. It will be able to make changes more rapidly, using media that students use rather than a traditional handbook which rapidly becomes outdated.

The challenges facing College B are:

Meeting the unexpected costs of direct funding

- Staffing, student support and quality assurance are expensive to put in place. Whilst the college is able to learn from its experience with other HEI partners and from the IQER process, the true cost of each of these activities can be greater than initially assumed when delivered directly by the college. Economies of scale are difficult to make at this level of provision.
- Putting in place financial and data systems to deal with both HEFCE and the SLC.
- Providing impartial CEIAG for HE students.

Forming alliances and agreements with other HEIs

- The college is now seen as a competitor in its local HE market. Whilst its strategy of offering courses not available elsewhere is a good one, it should not assume that this will automatically lead to low-cost validation arrangements or the same level of support from its former partner HEIs.
- The college should now seek strategic alliances with a range of HEIs in order reduce any dependency on one particular validator or group of validators.
- Securing progression for college directly-funded HE students seeking a top up year should be part of these discussions.

Being certain about employer commitment to the college

- Employer commitment can never be guaranteed. Does the college have a Plan B?

Developing a new marketing strategy

- This is time intensive but vital. The marketing strategy will require a coordinated approach between various staff members – has the college factored in these costs?
- Will the marketing strategy for the first year of direct funding work?
- If difficulties are encountered with securing validation at an appropriate cost or resolving the issue of higher course fees with one partner HEI, are alternative sources of validation or alternative qualifications (e.g. HND) available? Will these be attractive to students, given that the application process is in its final stages?

Scenario 3: College C – an established large HE in FE provider

College C is a large college with a wide curriculum offer including significant amounts of HE and FE. It has been in receipt of direct funding from HEFCE for a number of years and has ambitious plans to expand its HE provision including growing its flexible and part time offer. Accordingly, it set its fees for Full time courses at £7,000 in anticipation of growth via the core and margin exercise. In preparing its bid, the college had regard to the local economic situation and the likely reaction of its own FE students to the increased cost of higher level study at other institutions. The college expected to achieve growth through progression from its own FE vocational courses and from mature students who may find study options outside the local area too expensive.

The growth bid was successful but as with all other successful bids, was reduced pro rata, giving an overall net growth of around ten per cent. The college finds this rather disappointing given its plans to expand and the size of its bid, as it represents neither a substantial increase in numbers nor simply a small marginal increase. The short timescale inherent in the Core and Margin process, which took place after the end of the UCAS application period, presented significant problems in marketing any new provision. The timescale also made it impossible for teaching staff to validate new courses with their partner university. The college therefore plans to achieve incremental growth across a wide range of its provision rather than seeking to develop provision in new areas.

The challenges facing College C are:

Marketing and Recruitment

- Failing to recruit to the new target number as the new HE market begins to operate. Students may either prove too debt averse in the first year of the new regime or seek employment as an alternative to full time HE study.
- Over-recruitment, thus incurring financial penalties.

The college now faces a dilemma as to how much investment and effort to put into marketing the increased numbers.

Maximising autonomy

- Giving active consideration to applying for the power to grant Foundation degrees so as to give the college more autonomy in its HE mission.
- This process will take several years and be costly, so it is not an immediate answer to the question.
- Considering alternative qualifications such as HND which the college is able to validate without HEI support.

Achieving success in an increasingly competitive market

- Reviewing agreements with partner universities to ensure that there is understanding and acceptance of the college's growing role as an HE provider. This may require alternative validators to be found if agreement cannot be reached.
- Developing specialist provision with employer sign-up, in an effort to guarantee recruitment and funding.
- Establishing its role as a major provider of HE to its local and regional community.