

OU in Scotland response to SFC Call for Evidence: A Review of Coherent Provision and Sustainability in Further and Higher Education

The Open University has been at the forefront of innovation in distance education for over 50 years. We are committed to using our expertise in online education to help our students, staff and society navigate through, and recover from, the coronavirus pandemic. To find out more about the University's response across the four UK nations, please visit <http://www.open.ac.uk/courses/coronavirus>

In Scotland, we now have over 18,000 students across the whole of Scotland from the Shetland Isles to Dumfries and Galloway. Our national reach and supported online delivery model have enabled us to respond rapidly and contribute towards Scotland's social and economic recovery.

We have focused our response to this first phase of the SFC review around the six questions asked for in the guidance.

1. What do you think works well in the current further and higher education arrangements that we should keep in order to secure Scotland's inclusive social and economic recovery from the current pandemic? How can we best preserve and strengthen those features of education, research and innovation in Scotland that we most prize, in a very challenging funding environment?

The Open University in Scotland believes that inclusive recovery is vital to Scotland's economic future and we have a significant part to play in supporting this. The pandemic is having a disproportionate effect on the most disadvantaged people in Scotland and it is vital that the priority of widening access to higher education by both government and SFC is maintained to ensure that inequalities in society are not

deepened.

The Open University in Scotland is proud to call itself 'Scotland's national widening access university'. Our open entry policy is as innovative now as it was when the University was founded fifty-one years ago. In 2018/19, 18.7% of our undergraduate entrants were from the most deprived SIMD quintile, 39.3% from the two most deprived quintiles. We already exceed SFC's national aspirations for widening access at both sectoral and institutional level for 2021. However, The Open University in Scotland cannot sustain these numbers without being properly funded to do so.

Teaching grant received by The Open University in Scotland is based on our funded student numbers at completion rather than, as other HEIs are, at registration. As a result, the teaching grant received from SFC is directly linked to the number of students successfully completing OU modules up to the number of funded places allocated. Since the introduction of the Part-time Fee Grant, The Open University in Scotland has seen increasing student registrations year on year, and improved completion rates. This has resulted in sustained growth in full-time equivalent (FTE) numbers such that our overall number of 'fees-only' students (i.e. those in excess of the number of funded places) is now +50% which equates to a gap in funding of £10 million.

The Open University in Scotland is reliant on the Widening Access and Retention Fund (WARF) to be able to recruit and support its students from disadvantaged backgrounds. We recognise that not all HEIs are in receipt of WARF and that institutions operate in the different contexts. However, without WARF, our ability to provide outreach into communities and workplaces, build learner confidence and provide supported pathways to successful outcomes for learners with low previous educational qualifications, would be adversely impacted.

We commend Scottish Funding Council's funding model which supports the broad-based modular nature of OU provision, allowing students to put together programmes of study that best suit their individual needs, skill levels and future aspirations. Students can choose to take a single module or take a set of modules that combine to give a certificate, diploma, undergraduate or postgraduate qualification. This flexibility also allows students to transfer their credit between institutions. Later in this response, under Q6, we suggest how SFC could enhance this model of funding further.

2. What do you think colleges, universities and specialist institutions should stop doing, or do differently, in order to contribute effectively to an inclusive social and economic recovery? (You may wish to comment on teaching and skills development, sectoral and employer needs and employability, research, innovation and knowledge exchange, widening access and equalities issues.)

We support the sector-wide consensus that the outcome agreement process should be done differently; taking a more strategic approach and with lighter touch reporting. We need to avoid having a 'one size fits all' approach to guidance, measures and priorities which obfuscate the different strengths and models of delivery of the diverse institutions in our sector.

The Open University in Scotland has welcomed the new upskilling funding allocation in 2019-20 but, pre-COVID, the criteria were highly prescriptive, and the reporting requirements appeared disproportionate to the level of funding. We would recommend some high-level criteria which could enable institutions greater flexibility to develop innovative solutions to meet the skills needs of the nation at this critical time. SFC may wish to consider making Upskilling a longer-term funding stream rather than for one year at time or consider making it part of their core funding. Specifically, we recommend that Upskilling should not just be viewed in terms of postgraduate provision but it should also include undergraduate, access and non-SCQF accredited provision. We recommend that SFC reviews the allocation of the Upskilling Fund as it is currently based on the historical allocation of additional taught postgraduate places by institution rather than on their potential to deliver on upskilling and reskilling.

We think SFC and the sector should move away from a default position of viewing higher education as the transition of 17 and 18-year olds from school into full-time university and adopt a wider view of the diversity of learners and their needs in Scotland. The reality is that many students do not follow a single linear journey. Immediately after school is not always the right time in a person's life to choose to pursue higher education. Many students will go on to college first or choose to come back to education later in life. This will be even more applicable in the post pandemic environment and as the need to upskill and reskill to support new careers and to support Scotland's productivity intensifies.

3. How can colleges, universities and specialist institutions best support Scotland's international connectedness and competitiveness in the post-pandemic, post-EU membership environment?

Scotland's global reputation for higher education is a major asset and we need to ensure it can be preserved during the challenges brought about by the pandemic.

There are lessons we can learn from this crisis about the many forms international connectedness can take, not only international students coming to Scotland but also students studying with Scottish HEIs on international campuses and studying with Scottish universities online.

The Open University has over 7,000 international students throughout Europe and worldwide and many more studying our courses through our partnerships and accredited institutions.

More than 1,200 serving members of the British armed forces and the Merchant Navy are studying with The Open University across the world. Through an agreement between the Ministry of Defence and the OU going back to the early 1970s, a wide range of courses are available, with course materials supplied via the student's BFPO address. Many have studied while on active service, even in conflict situations.

The Open University delivers international development programmes in partnership with governments, NGOs, funding institutions and local partners. Our programmes in sub-Saharan Africa and South Asia address areas such as front-line health services, teacher education and English language teaching. The Scottish Government currently funds the Zambian Education School-based Training (ZEST) project, enabling the OU to work with World Vision Zambia to develop and roll out a high quality, school-based, professional development programme which will reach up to 4,000 primary school teachers and leaders across Zambia's Central Province.

The Open University jointly owns the innovative online platform, FutureLearn, with the SEEK Group. FutureLearn provides a diverse selection of short courses in partnership with top international universities and specialist organisations and has attracted over twelve million learners from around the world since it was founded in 2013.

4. What opportunities and threats does the post-pandemic environment hold for colleges, universities and specialist institutions? For institutional leaders, how are you planning to address these challenges and opportunities?

The Open University has been able to use its many platforms and UK reach to provide a rapid and focussed response to the challenges of COVID both during lockdown and now in the post pandemic environment. We have worked with the Scottish Government and Skills Development Scotland, to develop a new portal for furloughed workers on www.myworldofwork.co.uk. In the three months from April to June 2020, our free courses on the OpenLearn platform were accessed by 2.5 million visitors. FutureLearn, the online platform founded by The Open University, was able to respond rapidly to the coronavirus pandemic with microcredentials

delivering healthcare-related skills and the OU developed a hugely successful online teaching microcredential to support FE and HE teachers with the practical skills to successfully create online courses and teach adults online.

We continue to work with Skills Development Scotland, Partnership Action for Continuing Employment (PACE) and community partners to identify immediate and long-term skills needs and provide access to OU learning and skills development for those at risk of redundancy. It is vital that the sector continues to work closely with Scotland's enterprise agencies and Skills Development Scotland to support business recovery initiatives. Post-pandemic, we should be looking at the care sector and the opportunity for the further and higher education sectors to be an integral part of ensuring its resilience and sustainability going forward. We see The Open University in Scotland having an important role here with its national coverage and expertise in delivering supported distance learning, particularly for those without traditional qualifications.

We believe that part-time study and flexible work-based education initiatives will play an important role in supporting the economic recovery. We recommend that both Scottish Government and Scottish Funding Council review their support for part-time study to ensure that it is treated on an equitable basis with full-time and that barriers to study such as maintenance support are given urgent consideration. Evidence indicates the most deprived and rural areas will be hardest hit economically by the pandemic¹ and in turn that will have a disproportionate impact on those with protected characteristics such as age, race, gender and disability. The OU in Scotland has almost 40% of our undergraduates from the two most deprived quintiles, 23% living in rural areas and 23% declaring a disability. We want to work with SFC and relevant agencies to mitigate the potential impacts on these groups and ensure an inclusive approach to recovery.

The Part-time Fee Grant has been enormously successful in widening access to higher education and plays a vital role in supporting part-time students to be able to afford to study. However, the amount available to students through the Part-time Fee Grant has remained static for many years. In 2018/19, 72% of our undergraduate entrants received the Part-time Fee Grant, having declared an individual income below £25,000. In the post-COVID environment, some flexibility to both the income and credit threshold (currently 30 credits) should be considered. A lower credit threshold would allow for shorter, more skills focused courses to be studied.

5. What forms of collaboration within the tertiary education eco-system would best enable a coherent and effective response to these challenges and opportunities?

¹ Skills Development Scotland COVID-19 Labour Market Insights

Partnership will be key to a coherent and effective response to the post pandemic environment. We need to avoid unnecessary duplication and, recognising the diversity of our HE sector, allow institutions to play to their individual strengths. It is through developing innovative approaches to partnership and engagement with employers, trade unions, public sector bodies and organisations that The Open University has become the leading provider of flexible learning in Scotland and been able to encourage more people to access higher education.

Relationships with schools will be critical; supporting young people from all backgrounds, faced with limited employment prospects, to aspire and enter higher education with confidence and resilience. Bridging programmes such as The Open University in Scotland's Young Applicants in Schools Scheme (YASS) should continue to be supported by SFC and we would welcome campus universities looking beyond SQA Highers and Advanced Highers to formally recognise other accredited modules.

Collaboration with colleges is an important element of widening access to HE in Scotland and increasing students' employability. The Open University is proud to have formal articulation partnerships with all colleges in Scotland other than those within the University of Highlands & Islands network. In addition to a range of degree programmes in specific subjects, the University's unique Open Degree is available to all HN students, regardless of the HN qualification they have studied at college. This allows the student to gain credit for previous study, whilst building a degree programme more tailored to their own pathway development needs, or the needs of their employer. We note higher completion rates amongst those OU students articulating from college. This Review provides SFC with the opportunity to consider whether the 'one size fits all' approach to delivering articulation is an effective use of funds. Just as WARF recognises the additional costs of recruiting and supporting students from disadvantaged backgrounds, so there should be recognition of the additional costs beyond the funding of places for articulation activity.

Partnership with employers and organisations will become increasingly important in the post-pandemic environment. Funding streams such as the Universities Innovation Fund (UIF) and the Upskilling Fund will be vital in supporting universities to meet the economic and cultural needs of society going forward. We encourage SFC to think creatively in its allocation of UIF and look at opportunities to facilitate support for SMEs and the third sector as part of the economic recovery. These organisations require flexible, tailored education and skills solutions that meet the specific needs of their organisation, their staff and customers/clients. Online, modular curriculum that can be tailored to the needs of an organisation, such as the OU's Open Degree or microcredentials can provide this. A similar work-based solution such as an 'Open Graduate Apprenticeship' is one which we would be keen to see taken forward. Funding for training and skills development for SMEs and third sector organisations should be made available. We welcome initiatives such as the

Flexible Workforce Development Fund that supports businesses to work with education providers to develop their staff and would propose that this be extended to organisations such as The Open University in Scotland, to meet the demand for a flexible, online provision that can be scaled up nationally.

6. How can SFC, alongside government and other enterprise, skills and education-focused agencies, best support colleges, universities and specialist institutions to make their full contribution to Scotland's inclusive, green and education-led recovery? In particular, you may wish to draw out:

- a) How scarce public resources should be prioritised to drive recovery
- b) Particular areas of collaboration between agencies that would best support the sectors' contributions
- c) Adaptations to SFC's funding and accountability frameworks to promote agile and collaborative action by the sectors to build Scotland's recovery
- d) How SFC's funding and accountability frameworks should ensure that equality and wide access to educational opportunity are promoted as key elements of the recovery for younger people and adults
- e) What support SFC and government could give institutions to adapt to a changed environment

There is evidence of a growth in the numbers of mature student applications to universities in AY2020-21. More workers will face redundancy or the need to reskill to adapt to a changing workplace. We would ask SFC to give these students higher priority and parity of esteem with 18-25-year-old learners as people look to find their way back into employment or improve their career prospects. Many prospective adult learners may not have the requisite educational qualifications to be admitted to traditional universities. SFC has the opportunity to review the funding of access modules which may be sub-SCQF level 7 but provide a vital pathway for people without traditional entry requirements to access HE and improve their chances of succeeding and fulfilling their potential. The Open University's access programme provides three, highly supported, 30-credit modules at SCQF Level 6 that facilitate the transition to HE level study and are designed to maximise student success, retention and progression. Currently these access modules do not receive teaching grant from Scottish Funding Council, but we believe they should be eligible in recognition of the bridging towards a higher education level qualification that these modules provide.

We encourage SFC to move away from a default position of favouring the full-time degree both in terms of funding and measures. In the post pandemic environment there needs to be more agile provision and the ability to fund small, 'bite-sized' modules and microcredentials. There is the opportunity in the later stages of this review to consider the potential of credit-based funding/funding by SCQF level as a

way of truly supporting lifelong learning. In the post pandemic environment, the sector needs to be able to support people with the appropriate learning at the appropriate time and to be able to facilitate smooth transitions between institutions.

One particular area of collaboration between agencies that would support the sector's contributions would be a review of the funding model for Graduate Apprenticeships:

- Funding is currently allocated for 4-year, 480 credit, full time Apprenticeships only (or 2 year full-time for postgraduate); there is no flexibility for delivery on a part-time or flexible basis. This prohibits widening access – particularly for those who would require to work part-time or need to flex their apprenticeship, for example due to illness, caring responsibilities or financial reasons. The current structure also means that if someone wants to pause their apprenticeships due to illness, they cannot take a break in learning – they have to leave the programme and re-join at a later date. This is reliant on the provider having bid and secured funding in subsequent funding rounds.
- The current annual bid structure is not conducive to effective planning. It inhibits forward planning and, combined with the small cohorts available and lack of development funding available means it is difficult for institutions to achieve an efficient return on investment.
- We also believe there needs to be a broader range of Graduate Apprenticeship frameworks that reflect the post pandemic skills needs e.g. social work, policing, nursing and management at postgraduate level. Graduate Apprenticeships need to support the needs of SMEs, the public and third sector who cannot best take advantage of the programme as it currently stands.