



Educational Oversight Review

Consultation Document

March 2024

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Introduction

1 This consultation seeks views regarding the proposed implementation of a new review method that has been developed to replace a number of existing QAA methods.

2 The consultation will be of interest to providers of higher and further education, their representative bodies, other sector bodies, government departments and students. We would particularly encourage comments from providers that are subject to review with QAA under the current methods.

3 QAA is an educational oversight body recognised by the Home Office and UK Visas and Immigration for assessing the quality and standards of 'alternative providers' seeking to obtain or maintain a Student Sponsor Licence, and additionally conducts reviews for certain providers that are seeking specific course designation in Wales, Scotland and Northern Ireland. Currently, QAA operates four separate methods¹ plus an annual monitoring function, to review providers for these purposes. Collectively, we refer to these methods as the 'alternative provider methods'.

4 Providers eligible for the methods described above are subject to a full review once every four years, followed by annual monitoring in the subsequent three years. Providers are assessed against the Core and Common practices of the UK Quality Code for Higher Education (2018 version) and are required to produce an action plan following each full review. The action plan then provides the basis for assessment during the annual monitoring process.

About this consultation

5 This consultation proposes to replace the alternative provider methods currently deployed by QAA with a new single method - the **Educational Oversight Review** - with flexible elements to reflect the circumstances of different providers. While we have periodically reviewed elements of the alternative providers methods, we have not made any significant changes to date. We consider that now is the right time to do so for the reasons set out below.

6 The consultation document is intended to be read alongside the [proposed provider guidance document](#) that we have produced. The guidance document gives a detailed explanation regarding how we intend the Educational Oversight Review to operate in practice. We strongly recommend that before considering the next section - 'Our proposals for a new method' - that respondents read the proposed provider guidance document.

7 We consider a comprehensive review is necessary for a number of reasons. Firstly, as noted above, there are currently four methods covering various types of providers and varying complexities of provision. The existing methods were originally introduced when there was a much larger constituency of well over 100 providers requiring review. This changed primarily after the changes to regulation in England brought about by the *Higher Education and Research Act* (HERA) 2017 when many alternative providers were required to seek registration from the Office for Students; and there are now fewer than 35 providers requiring review under these methods.

¹ Higher Education Review (Alternative Providers) (HER(AP)); Higher Education Review (Foreign Providers) (HER(FP)); Recognition Scheme for Educational Oversight (RSEO); and Educational Oversight-Exceptional Arrangements (EOEA).

8 For providers seeking educational oversight for Student Sponsor Licence purposes, the existing established methods offer robust assessment of quality and standards to ensure Home Office requirements are satisfied using the UK Quality Code for Higher Education (the Quality Code) as the recognised external reference point. Currently, the vast majority of providers seeking a review under the alternative provider methods are doing so for the purposes of a Student Sponsor Licence. When the methods were first developed, however, this group was a minority of providers, and the majority were using the review to support their applications to the Department for Education in England for specific course designation. This route is no longer available. We therefore consider that it would be beneficial if the outcomes of the review could now more explicitly reference the requirements set out by the Home Office in their Student Sponsor Guidance² and reflect the providers seeking review.

9 Secondly, in the past couple of years, QAA has had a number of providers - that we have not previously reviewed - come forward to request a review, and we have identified that it is not always clear to these new applicants, which review method they require and why. QAA also operates other review methods in Wales, Scotland and Northern Ireland that provide information to the funders and regulators in these nations and, generally, these reviews also fulfil the needs for an external quality review by an educational oversight body.³ In England, QAA is only able to review a provider for educational oversight purposes where it has been determined that the provider is not an English higher education provider (as defined by HERA) and cannot register with the Office for Students.⁴

10 From queries we have received from providers, we have concluded that providers do not always understand the distinction between the different review methods and the bodies from which they must seek educational oversight. We consider further that operating four different review mechanisms for different provider circumstances has the undesirable effect of making the educational oversight requirements appear much more complex than is necessary. We have concluded that we can simplify the review arrangements while maintaining the rigour required and making it clearer for providers how they can engage us with these review mechanisms. We consider this will have the benefit of removing a potential barrier to entry for providers who may currently be put off by the perceived complexity of arrangements.

11 Thirdly, QAA considers that the nomenclature being used by the current review methods is no longer fit-for-purpose. We are aware that providers referred to as alternative providers have not always welcomed this terminology. We consider, particularly in England, that there is less distinction between different provider types based on their corporate arrangements, but rather the distinction is primarily in relation to the different regulatory arrangements that may apply for different organisations depending on their provision. We therefore consider it is necessary to update language used in our methods to better reflect the realities of being a higher education provider in the UK at this time.

12 Finally, the current alternative provider methods use the 2018 version of the Quality Code as its reference point. QAA is currently working with the higher education sector to review the Quality Code, and, subject to separate consultation, will be producing a revised

² QAA's reviews have always used the Quality Code as a reference point, and this covers all of the quality assurance requirements set by the Home Office, but our reporting did not frame the outcomes of the review in this way.

³ QAA is the relevant educational oversight body in Scotland and Northern Ireland; in Wales QAA provides its reviews to HEFCW as the educational oversight body.

⁴ For the avoidance of doubt, if a provider has applied for Office for Students registration and has been unsuccessful, QAA cannot review it under these methods.

version later in 2024. The anticipated revision to the Quality Code⁵ would require significant updates to the current methods in any event, and therefore we consider it is timely to produce one set of proposals rather than revising the method, and then revising it further to accommodate a new reference point (or vice versa).

13 We have presented this consultation as being related to a whole new review method, rather than a revision of the existing methods. We consider this to be a simpler approach as it allows us to explain the proposals of how the new method will operate, as opposed to explaining the differences between four different methods and how these new proposals operate. That said, many of the elements of the existing review methods, where they remain in our view appropriate, are included in the new methods which will lead to some familiarity for those providers that will transition from one of the existing methods to the new method.

14 We therefore have concluded that a comprehensive review is now necessary to address all of these matters. Our proposals in this regard are set out in the remainder of this document. We intend to implement the new Educational Oversight Review method from the 2024-25 academic year and are therefore consulting now to understand the views of stakeholders in relation to the method we are proposing to implement.

15 QAA's work and review methods are informed by the fundamental values of the European Higher Education Area. QAA's approach and methods are designed to meet the standards and reflect the guidelines set out in the Standards and Guidelines for Quality Assurance in the European Higher Education Area. QAA seeks to encourage engagement with other Bologna expectations, including means to enable mobility. QAA considers this proposed method to be aligned with the European Standards and Guidelines, and once consultation has concluded and the review method finalised, will seek to register the new method with the European Quality Assurance Register.⁶

Next steps

16 The consultation is open for six weeks. Respondents can respond to our proposals by [completing the online survey](#). We are able to answer queries on the consultation and the proposed method - interested parties should contact AssessmentServices@qaa.ac.uk.

17 QAA will be holding a webinar on 10 April 2024 to answer queries on the consultation. For more information, and to register, please visit the [event booking site](#).

18 Following the conclusion of the consultation, we will consider all responses. We will then make changes to our proposals where we consider there is a clear reason to do so. We intend to publish our consultation response and a final provider guidance document in June 2024.

⁵ The proposed revision of the UK Quality Code for Higher Education is due for separate consultation in April 2024. We strongly recommend that stakeholders responding to this consultation also consider that consultation.

⁶ QAA's entry on the EQAR can be viewed at www.eqar.eu/register/agencies/agency/?id=39

Our proposals for a new method

19 This section will outline the proposed new review method and how it is different to the existing alternative provider methods, detailing our rationale. Each paragraph will be followed by a question which can be answered via an online survey. We encourage respondents to use the online survey to respond to this consultation to ensure we can capture fully their views and the reasons for them.

Proposal 1: Categorisation of providers

20 In the proposed provider guidance document, we have set out new guidance for providers considering applying to QAA for educational oversight. The aim here is for providers to understand whether they are eligible to apply. In addition, we have included a table to highlight the provider description, as stated by the Home Office, to help providers establish an understanding to which description might apply to them if they are applying for the purposes of a Student Sponsor Licence.

21 In our proposed guidance, we have aimed to clearly state three different categories of providers that we consider should apply to this review method, and how the categorisation of the provider will affect the review method and its contents. Existing providers subject to the alternative provider methods will be recategorised in this way. Providers will be classified into either category A, B or C, depending on the provider context and their reasons for seeking a review from QAA.

22 The purpose is to clearly inform which components of the review (discussed further below) applies and why. For context, under the alternative provider methods, an individual provider would be directed to a particular review *method* based upon certain provider characteristics - for example, an embedded college or an overseas higher education institution - as opposed to finding flexibility in the review method itself, which we are proposing would be the case here. Noting the reasons that providers may seek a review, the intention now is for providers to be categorised but with a clearer articulation as to why and what aspects they will then be assessed against, as opposed to operating a whole separate review method. We consider that this should significantly simplify for providers an understanding of both whether this review applies to their circumstances, but also what elements of the review will apply to them.

23 In forming the proposed categories, we have sought to both recognise the existing groupings of providers that are subject to the alternative provider methods, other providers that could opt for the methods, while also seeking to ensure that it is clear for providers for which these review methods apply.

Q: Do you agree with the proposed categories of providers set out in paragraph 2 of the guidance document?

Proposal 2: Components of review

24 Where it is relevant to do so, we have sought to maintain a number of similarities between the Educational Oversight Review and the alternative provider methods. Where there are more significant differences then these are discussed in the below paragraphs.

25 We intend to introduce a flexible method of review driven by a 'component' system (designed to replace the existing multiple methods). Different components of the review will apply depending on the categorisation of the provider seeking review.

26 There are four proposed components that can be called upon to develop a review: the FSMG component, the Core component, the Full component and the Monitoring component. Further details of each of these are found on pages 3-5 of the guidance.

27 The purpose of applying different components depending on the provider category, is to ensure providers are assessed accurately against the relevant requirements associated with their reasons for review (seeking a Student Sponsor Licence; specific course designation or for voluntary reasons) and the context of the higher education being offered by the provider - noting some providers, for example, may only offer short courses. As an example, a provider offering education courses where the student can achieve a complete qualification at Level 4, 5 or 6 or equivalent of the FHEQ, and seeking a Student Sponsor Licence (category A), would be required to undertake three of the four components (FSMG, Full and Monitoring components). Whereas a provider seeking specific course designation only (category B), would be required to undertake two of the four components (Full and Monitoring components).

28 We consider the distinction between the Core and Full components to be appropriate because of the different nature of the higher education provision that the categories of provider subject to these reviews will be offering. The Core component is designed to meet the minimum requirements set by the Home Office for educational oversight for those providers not offering full higher education programmes. The Full component represents a full assessment against all aspects of the Quality Code for those providers offering full higher education programmes.

Q: Considering the table on page 3-4 of the guidance document and the information regarding the contents of the components within the guidance document (paragraphs 6-19) - do you consider the proposed structure of each review for each category of provider is appropriate?

Proposal 3: A single method of FSMG check

29 We are proposing that all providers within category A will be subject to a financial sustainability, management and governance (FSMG) component, in line with the requirements set by the Home Office in their Student Sponsor Guidance.⁷ This is a check on financial sustainability, management and governance, which has the aim of giving students reasonable confidence that they should not be at risk of being unable to complete their course as a result of financial failure of their education provider. We are proposing that this check will be consistent across all providers requiring a review for the purposes of satisfying the Home Office's educational oversight requirements. This is a change from the arrangements under the existing alternative provider methods, where providers under the RSEO or EOEA methods have not been subject to the same FSMG requirements as providers under the HER(AP) or HER(FP) methods.

30 Our reason for this proposal is that we consider it an anomaly within our current approach that the requirements surrounding consideration of the FSMG check should differ depending on the provider under review. We wish the revised method to explicitly align with the requirements of the Home Office for providers requiring a review for that purpose, and therefore conclude a consistent approach is necessary. In making this proposal, we have considered that will introduce additional financial cost for some providers that have not previously been subject to the approach to the FSMG check that we are now proposing.

⁷ www.gov.uk/government/publications/student-sponsor-guidance

In mitigation, QAA will review specifically the approach to the FSMG check to identify where, with the experience of having conducted this for some time, it may be possible to identify efficiencies in the approach.

31 In making this proposal, we have also considered the associated costs that providers will have to bear, as we intend (as at present) to pass on the costs to the provider of the FSMG check. However, in redeveloping the method, we have identified where efficiencies can be delivered, particularly in the monitoring process, which has an overall effect on fees. We consider this a relevant consideration with regard to whether it is therefore proportionate to implement a single model of the FSMG component. We discuss further the impact on fees for reviews later in this consultation, and respondents may wish to consider that information before forming a view in relation to this consultation question.

Q: Do you agree that all category A providers should be subject to a consistent FSMG check?

Proposal 4: Indicative timelines for review

32 A key aspect of any review method is the timeline and the key stages that feature as part of this. As with the current alternative provider methods, we intend to retain the overall cycle of a full review, with follow-up monitoring activity in the three subsequent years. However, we do intend to condense the timeline of a full review as compared against the current alternative provider methods.

33 The reason for this is that we consider it is possible to reduce the overall time burden on providers while ensuring, at the same time, each stage is given a sufficient amount of time to be completed. We are cognisant of the fact that significant time and resource is required within a provider to facilitate the review. We want to ensure we support providers to meet the required deadlines. To that end, we also intend to revisit the templates and other submissions we require of providers to ensure that they are clear to providers regarding what is, and what is not required.

34 The tables below compare the timeline for the existing alternative provider methods to the indicative length of a review, depending on whether the provider is subject to a Core component or Full component review.

Educational Oversight Review (EOR)		Higher Education Review (Alternative and Foreign Providers)	
Indicative working weeks	Activity	Working weeks	Activity
Week 0	QAA informs provider of proposed review team and the name of the QAA Officer coordinating the review	Week 0	(New provider submits application form) Provider begins reviewing handbook and preparing for review Provider nominates facilitator and lead student representative

			<p>Provider begins to access online briefing material</p> <p>QAA informs provider of dates of review visit and size of review team</p>
+1 week	Provider confirms agreement of review team after checking for potential conflicts of interest	+4 weeks	QAA informs provider of membership of review team and name of QAA Officer coordinating the review
+4 weeks	<p>Preparatory meeting between QAA Officer and provider</p> <p>Category A providers only - submit FSMG documentation</p> <p>Providers pay review fee</p>	+6 weeks	Preparatory meeting between QAA Officer and provider
		+6 weeks	<p>Providers requiring educational oversight submit FSMG documentation and pay FSMG fee (exact date to be specified depending on the circumstances of the review)</p> <p>Providers pay review fee</p>
+9 weeks	<p>Provider uploads self-evaluation and supporting evidence to QAA's electronic folder</p> <p>Lead student representative uploads student submission</p> <p>Review team begins an initial analysis</p>	+12 weeks	<p>Provider uploads self-evaluation and supporting evidence to QAA's electronic folder</p> <p>Lead student representative uploads student submission</p> <p>Review team begins an initial analysis</p>
+11 weeks	QAA Officer informs provider of any requests for additional documentary evidence	+15 weeks	QAA Officer informs provider of any requests for additional documentary evidence
+13 weeks	<p>Provider uploads additional evidence</p> <p>Team conducts further analysis</p>	+18 weeks	Provider uploads additional evidence (if required)
+15 weeks	Team holds first team meeting to discuss the initial analysis and agree the programme for the review visit	+20 weeks	Team holds first team meeting to discuss the initial analysis and agree the duration of, and programme for, the review visit

+16 weeks	QAA Officer informs provider of: <ul style="list-style-type: none"> - the team's main lines of inquiry - who the team wishes to meet - any further requests for documentary evidence 	+ 20 weeks	QAA Officer informs provider of: <ul style="list-style-type: none"> - the duration of the review visit - the team's main lines of inquiry - who the team wishes to meet - any further requests for documentary evidence
+19 weeks	Review visit	+24 weeks	Review visit
+20 weeks	QAA Officer sends key findings letter to provider (copied to the Home Office for category A providers)	+26 weeks	QAA Officer sends key findings letter to provider (copied to the Home Office, and/or awarding bodies or organisations as relevant)
+24 weeks	QAA sends draft review report to provider and lead student representative	+30 weeks	QAA sends draft review report to provider and lead student representative (copied to awarding bodies or organisations as relevant)
+26 weeks	Provider (including lead student representative) review draft report to check for any factual inaccuracies	+33 weeks	Provider and lead student representative give factual corrections (incorporating any comments from awarding bodies or organisations)
+27 weeks	QAA confirms final report; if the report contains negative judgements - provider considers whether it intends to appeal		
+29 weeks	QAA publishes report	+36 weeks	QAA publishes report
+31 weeks	Provider submits action plan for review by QAA	+44 weeks	Provider publishes its action plan on its website

Educational Oversight Review (EOR)		Recognition Scheme for Educational Oversight (RSEO) & Educational Oversight - Exceptional Arrangements (EOEA)	
Indicative working weeks	Activity	Working weeks	Activity
Week 0	QAA informs provider of proposed review team and name of the QAA Officer coordinating the review	Week 0	QAA informs provider and degree-awarding bodies/organisations (DAB/O) of the review visit
+1 week	Provider confirms agreement of review team after checking for potential conflicts of interest		
+4 weeks	Preparatory meeting between QAA Officer and provider Category A providers only - submit FSMG documentation Providers pay review fee	+4 weeks (minimum)	Preparatory meeting
+9 weeks	Provider uploads self-evaluation and supporting evidence to QAA's electronic folder Lead student representative uploads student submission Review team begins an initial analysis	+8 weeks	Provider's self-evaluation and student submission
+11 weeks	QAA Officer informs provider of any requests for additional documentary evidence	+11 weeks	Team requests additional documentation
+13 weeks	Provider uploads additional evidence Team conducts further analysis	+13 weeks	Provider uploads additional documentation
+15 weeks	Team holds first team meeting to discuss the initial analysis and agree the programme for the review visit		
+16 weeks	QAA Officer informs provider of: - the team's main lines of inquiry		

	<ul style="list-style-type: none"> - who the team wishes to meet - any further requests for documentary evidence 		
+19 weeks	Review visit	+14 weeks	Review visit to provider
+20 weeks	QAA Officer sends key findings letter to provider (copied to the Home Office for category A providers)	+16 weeks	Key findings letter to provider, UK Visas and Immigration and DAB/O
+24 weeks	QAA sends draft review report to provider and lead student representative	+20 weeks	Draft report to provider for comments on factual accuracy
+26 weeks	Provider (including lead student representative) review draft report to check for any factual inaccuracies	+23 weeks	Provider submits comments on factual accuracy to QAA
+27 weeks	QAA confirms final report; if the report contains negative judgements - provider considers whether it intends to appeal		
+29 weeks	QAA publishes report	+26 weeks	Review report published at www.qaa.ac.uk and provider publishes action plan
+31 weeks	Provider submits action plan for review by QAA	+36 weeks	Provider sends its action plan to QAA Provider adds a link from its website to the report page on QAA's website

Q: Based on your understanding of the Full and Core component reviews as set out in the guidance document, do you agree that the indicative timescales proposed for a full review (paragraphs 31-32 of the guidance document) are appropriate?

Proposal 5: Simplified application arrangements

35 Under the alternative providers method, QAA has an initial application process before the provider is accepted for review. We have sought to simplify this process with the goal of QAA being able to provide specific guidance to providers before they enter into the review process, and exploring their reasons for requiring a review to ensure that the review process is right for them, before they make a commitment to proceed.

36 All providers will be required to apply through a formal application process but there are varying routes for category A and B, and category C providers. Under the alternative

provider methods, an application fee has previously been charged. We have decided to remove the application fee for category A and B providers, noting their sole purpose for applying is to satisfy another body's regulatory requirements, and therefore we wish to remove barriers to entry.

37 For providers who are seeking a review for other purposes (category C providers) there will be a set fee for application. The reason for this is that QAA considers it is likely that additional scrutiny will be required at the application stage to ensure that providers applying for a review are equipped to be able to engage with the review process. We consider this to be a lesser risk for category A and B providers as there will also be additional regulatory scrutiny applied to these providers, and therefore we anticipate that they will likely have undergone greater amounts of internal deliberation regarding how they intend as a provider to engage with external scrutiny processes. We propose the application fee will be £1,500 for category C providers, which is a reduction of the current fee cost of £1,615 under the current alternative provider arrangements.

Q: Do you agree with QAA removing an application fee for providers requiring a review for the purposes of educational oversight for the Home Office, or specific course designation, and maintaining a fee of £1,500 for providers that request a review for other purposes?

Proposal 6: A standard approach to reviews and analysis

38 The main review activity - requiring providers to submit evidence that will be assessed by expert assessors, including students - is a common approach to all QAA reviews. The method requires providers to undertake a self-assessment, and this will be scrutinised by assessors, including through a visit. QAA reviews are designed with consideration to the requirements of the European Standards and Guidelines for Quality Assurance.

39 For completeness, we wish to give respondents the opportunity to comment on these elements, particularly noting we would wish to ensure that our guidance is as clear and helpful as possible for providers undergoing review. We consider there is, however, limited scope to alter the underlying principles (that is, providers submit a self-assessment and our expert assessors consider that information) as that is a core function of any external quality assurance arrangements.

40 As noted previously, we also intend that the 2024 version of the Quality Code will be the reference point for the review method. We consider this is appropriate to ensure that the review is being conducted on a comparable basis and using a reference point that is widely understood and engaged with across all different types of providers operating in UK higher education. To ensure that the minimum requirements of the Home Office are met for providers undergoing a Core component review only, we have mapped some of the sector-agreed principles to the Home Office requirements.

Q: Do you have any comments on the process of review, as set out in the guidance document between paragraphs 33 and 121 (including suggestions for enhancements to the guidance)?

Q: In relation to the Core component, do you have any comments on the mapping between the Quality Code and the Home Office requirements, as set out in pages 8-13 of the guidance?

Proposal 7: Review judgements and resultant actions

41 The outcome of this process is a report that contains the assessment team's analysis and concludes with a number of judgements. The report will be structured to reflect judgements against the sector-agreed principles in the Quality Code, as well as an overall judgement. For providers undergoing a Core component assessment only, this judgement will refer specifically to the quality assurance requirements of the Home Office; for providers undergoing a full assessment, there will not be specific reference to the Home Office in the judgement. In this case, as the assessment is a full review against all aspects of the Quality Code, the requirements are broader than those set out by the Home Office (which is permissible under the Home Office's expectations for educational oversight).

42 We have now set out an updated range of procedures if providers are unsuccessful in their review. In general terms, this means that a provider that has demonstrated alignment with most of the sector-agreed principles of the Quality Code but requires action on a small number will have a chance to address these issues by producing an action plan within four weeks, that we shall assess. This will extend the review period.

Q: Do you agree with the range of judgements we have set out in paragraphs 90-94, and in Annex 6, of the guidance document and how those judgements will be determined?

Q: Do you agree with the approach we have set out in paragraphs 100-108 of the guidance document regarding how we shall determine an unsuccessful outcome for a provider?

Proposal 8: Monitoring arrangements

43 The follow-up activity in the subsequent three years following a full review will now be referred to as Monitoring. Where it is relevant to do so, we have sought to maintain a number of similarities between the Educational Oversight Review and the alternative provider methods.

44 We are proposing, as a point of difference to the alternative provider methods, that all providers could be subject to only a desk-based assessment following either a full review or in subsequent years of monitoring. A monitoring visit will only be triggered under certain circumstances - for example, if there have been significant changes within the provider - and will be determined on the basis of an annual return from providers. Annex 8 of the guidance document sets out the circumstances under which a monitoring visit would apply. Our reason for this proposal is that we consider that risks in relation to quality and standards can be mitigated, in a range of circumstances, through the monitoring process, without the need for an in-person visit. We consider this to be a proportionate approach, and one that has been informed by our experience of operating the existing methods for a number of years.

45 We have also set out an approach that there will be a range of judgements possible from the annual return monitoring process, and a monitoring visit where it applies. Our expectation is that the normally expected outcome from a provider will be that they are judged to be making acceptable progress. Our view is that this is reasonable because the monitoring arrangements will be based on the action plan produced by the provider following their full review, and provided that has come from an acceptable review outcome, then it should be acceptable to us that the provider follows that agreed plan for a number of years before a new review process takes place.

Q: Do you agree with the proposed approach that the expectation will be that the monitoring process will consist primarily of an annual return, and that a monitoring visit will only take place under certain circumstances?

Q: Do you agree with the range of monitoring judgements we have set out in paragraphs 146-150 and in Annex 6, of the guidance document and how those judgements will be determined?

Proposal 9: Educational Oversight Review fee schedule

46 QAA is a charity and does not receive any funding to cover the costs incurred in conducting reviews for educational oversight. Consequently, the costs of such activity must be borne by providers.

47 In forming our proposals for the Educational Oversight Review, we have been mindful of the impact of our proposals and the method on the costs to then be charged to providers. A general benefit of reviewing and consolidating established methods as we have done is that we have also been able to identify efficiency savings in our approach, which we can then aim to pass on, at least in part, to providers.

48 Our fee schedule can only be finalised once this consultation has been concluded and we have determined the final process for review, subject to the consultation outcomes. We do, however, consider it important to give providers indicative information regarding the fees that we would anticipate charging in the 2024-25 academic year. As is current practice, fees would then be revised in subsequent years, normally to reflect an inflationary increase.

49 We are proposing the following fee levels for a Core component review, a Full component review, and the Monitoring fee. Under the alternative provider methods, we charge an Annual Maintenance fee that is based on a banded rate table according to the number of students at a provider. We are proposing to abolish this arrangement and charge a flat fee for all providers.

50 Our indicative fees, based on the proposals in this consultation and in line with the proposed method set out in the guidance document are:

Review element	Indicative cost
Full component review ⁸	£26,500
Core component review ⁹	£12,500
Monitoring fee	£4,900 per annum
Monitoring visit	£3,000
FSMG check ¹⁰	£5,000

⁸ The Full component review fee is based on appointing a team of three reviewers and one QAA Officer for a three-day onsite visit.

⁹ The Core component review fee is based on appointing a team of three reviewers and one QAA Officer for a one-day onsite visit.

¹⁰ As noted elsewhere in this consultation, QAA is considering further operational refinement to the FSMG check. We therefore include this figure as a likely maximum fee for the 2024-25 academic year but hope to reduce it further where possible.

Partial review	£variable, depending on number of sector-agreed principles to be considered
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51 Providers currently subject to a Higher Education Review (Alternative Providers) and now requiring a Full component review will likely see a small reduction in the cost of their full review, as this price currently stands at £27,565. Providers subject to a Higher Education Review (Foreign Providers) and now requiring a Full component review will see an increase from £21,525. Providers under the Recognition Scheme for Educational Oversight, or Educational Oversight - Exceptional Arrangements methods that require a Core component review, will also see a small increase from £11,025. Additionally, a number of providers that have not been previously subject to the FSMG check charge will now also have this added to the review component, increasing their charge in a full review.

52 However, the majority of existing providers will save significantly through significant reductions when comparing the Monitoring fee to the Annual Maintenance fee in the alternative provider methods. Currently, some providers pay an Annual Maintenance fee of £9,450, and therefore will see this almost halved through the new Monitoring fee. For the majority of providers, including those who are now subject to an additional FSMG fee that they have not previously paid, providers within the alternative provider methods should see a reduction in total fees paid to QAA over the course of the full four-year cycle.

Q: Do you have any views on the indicative fee schedule?

53 Currently, the Annual Maintenance fee is charged on a calendar-year basis. We consider this to be inefficient, particularly noting all other elements related to the review (the monitoring arrangements and the four-year cycle) are determined on an academic year basis. We have also had feedback from providers that this is confusing to them in terms of understanding what is being paid for, and when. We therefore propose that, in a year where monitoring is due to take place, we will invoice providers on an academic-year basis so the Monitoring fee will be due in early autumn each year. Providers do not have to pay a Monitoring fee in the year the full review takes place, and the full review will be invoiced at the appropriate point in the review timeline.

54 For existing providers in the alternative provider review methods, this will be subject to the transitional arrangements set out below.

Q: Do you have any views on our proposal to charge the Monitoring fee on an academic-year basis, rather than a calendar-year basis?

Proposal 10: Transition arrangements

55 The implementation of this proposed new method is dependent on the finalisation of the new version of the Quality Code, which we are anticipating will take place near the end of the 2023-24 academic year (subject to separate consultation). Our proposal is that we shall implement this new method in the 2024-25 academic year.

56 All new providers that apply for a review will be subject to the new review method. In order to facilitate a smooth transition, and to minimise issues for providers that intend to apply for a review, QAA will no longer accept applications for the current alternative provider methods after 1 March 2024. Providers that contact QAA in this period will be contacted individually by QAA to discuss their individual circumstances and what arrangements can be made for their review.

57 For existing providers subject to the alternative provider methods, there are a significant number of providers due to be reviewed in 2024-25. We consider that if we do not review these providers in 2024-25 against the new sector-agreed principles in the Quality Code, it would be necessary to conduct another full review in 2025-26, or, at the latest, 2026-27 for these providers in order that QAA could be confident that the providers were operating in line with the updated Expectations of the Quality Code.

58 We consider this to be highly undesirable - it will subject providers to significant additional cost, and would also have the effect of further bunching providers together, meaning a significant number of providers needing a full review in one year (the providers from 2024-25 being re-reviewed, plus the providers due for a review in 2025-26 or 2026-27). This would likely have the effect of creating additional overhead costs for QAA, which we would, in turn, have to pass on to all providers.

59 We recognise that only confirming the method and reference point for review late in the 2023-24 academic year may present a challenge for some providers. To that end, we are proposing the following transitional arrangements and mitigations for the 2024-25 academic year only:

- a We will attempt to schedule as many reviews as possible later in the academic year 2024-25 (most likely from the early part of the 2025 calendar year). This will allow some providers additional time to prepare.
- b We will, for reviews taking place in 2024-25 only, direct our assessors to consider - where they are fully confident - whether a Core practice in the 2018 Quality Code would have been met that is similar in nature to a sector-agreed principle in the 2024 Quality Code, but that further evidence is required to demonstrate the sector-agreed principle is met, then in this case it will be acceptable to form a judgement that the sector-agreed principle is met. In this circumstance, the action plan should be used to ensure that within the next 12 months the provider is able to provide additional evidence in relation to the relevant sector-agreed principles. (If the assessors consider they would be unable to conclude that the Core practice of the 2018 Quality Code was met, and there is no evidence of alignment with the sector-agreed principles of the 2024 Quality Code, then the assessors will reach a negative judgement in line with the guidance, with the appropriate consequences).
- c We will ensure that we provide templates as early as possible in the 2024-25 academic year (irrespective of the providers review timing within that year) to allow the provider the maximum time for planning and preparation should they wish.

60 We consider these mitigations should be sufficient to allow us to implement the new method, with judgements against the new Quality Code, in 2024-25 without any detriment to the providers subject to review.

Q: Do you agree with our proposal to implement the new review method in the 2024-25 academic year with mitigations in place for existing providers due a full review in that year?

Q: Do you have any suggestions for additional mitigations we could implement to aid the transition for existing providers?

61 For existing providers currently subject to the Annual Maintenance arrangements, we need to make additional transitional arrangements with regard to the proposed fee arrangements. All providers were invoiced at the start of 2024 for their Annual Maintenance fee for that calendar year. We are proposing that we implement the new Monitoring fee for providers subject to the alternative provider methods from 1 January 2025. We propose to invoice providers in January 2025 a pro rata amount for the remainder of the 2025-26 academic year (£2,858 based on the indicative fee listed above), and then again in August 2025, the full amount of the 2025-26 Monitoring fee.

Q: Do you agree with our proposed approach for managing the transition from the Annual Maintenance fee to the Monitoring fee for providers, subject to the alternative provider methods?

Concluding question

62 QAA wishes to ensure that the process of consultation allows respondents to offer the widest range of possible views. We consider that the questions we have set out above in relation to the 10 proposals that we have highlighted regarding significant features in relation to educational oversight review, should be sufficient to allow respondents to offer views on those matters. We also wish to ensure that any other views are captured, and therefore have included this concluding question.

Q: Do you have any further views in relation to the contents of the guidance document, or in relation to these proposals that you have not included elsewhere in your response to this consultation?

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