

INDEPENDENT HIGHER EDUCATION

IHE response to the HESA consultation on changes to the HE-BCI survey

May 2024

Introduction to the HE-BCI Record

To what extent do you agree with the proposals to change the introduction?

Agree.

Please provide any contextual information to support your above answer, or any alternative approaches you think should be considered, about the changes to the introduction.

We recognise the opportunity that the HE-BCI return could present for our members to showcase the contribution that they make to local economies and the community. One of the key strengths of these institutions is their close links with industry, generating the sorts of knowledge exchange activity that HE-BCI seeks to capture. Many also have strong links with local social and community organisations, and making a civic contribution is at the core of their mission.

However, completing the HE-BCI return is burdensome and resource intensive for our members. They do not have the systems or resource in place to support the nature of this data collection. For many, it is done so manually – taking a significant amount of resource and also compromising the quality of the data that can be captured. Overall, we feel that the proposals increase this burden – both in the additional information to be collected and as a result of guidance which is not clear or specific to SME providers. There is little or clear link to funding, as the majority of our membership are excluded from KEF and HEIF funding. Ultimately, this means that in order to resource this, providers need to take away from resource that would

otherwise be focused on delivering their programmes and support to students. We feel strongly that this needs to change.

Furthermore, the potential value of the survey to our members is reduced as the emphasis is on financial benefits, such as income generation, and less information is captured on activity with wider social and community value – such as opportunities for students, cultural activities or activity which creates place-based benefits. It is in these broader areas that IHE members generate considerable value, and the HE-BCI return does not provide opportunity to demonstrate this.

Coverage of the HE-BCI Record

To what extent do you agree with the proposals to change the coverage?

Agree.

Please provide any contextual information to support your above answer, or any alternative approaches you think should be considered, about the changes to coverage

We are broadly supportive of the changes to definitions in the Coverage statement. More activity undertaken by IHE members will now fit into these, making the information collected more representative of the sector as a whole. We support the broader definition of SMEs to include sole traders.

Table Two

To what extent do you agree with the proposals to change Table Two?

Agree.

Please provide any contextual information to support your above answer, or any alternative approaches you think should be considered, about the changes to Table Two.

The inclusion of certain master's programmes is welcome, but further guidance is needed to enable providers to determine which income from this provision is returnable under Head 3. Specifically, whether this includes all programmes at level 7 (i.e. postgraduate diplomas and certificates as well as master's degrees), and whether income from both home and overseas students is countable.

More broadly, guidance is needed on whether only income from 'professionals in the industry' undertaking these courses is countable, and how this should be determined. For example, if students progressing to the level 7 provision from an undergraduate degree should be excluded, or can be included if they meet entry requirements for professional experience in the industry. Further examples of postgraduate programmes included and excluded could be provided to give further illustration of this.

Head 2, facilities and equipment, only allows for return of information about external use of specialist facilities from businesses with an income generated for the provider. The use of specialist facilities for community or civic value (for example, the use of facilities by a charity or social enterprise with no income generated) is not included – this is a limiting emphasis on the generation of financial value, and discounts activity of broader social value undertaken by some institutions.

As noted in our earlier response, where guidance is not clear and does not apply to SME HE providers, the burden of providing the information is greater still.

Table Three

To what extent do you agree with the proposals to change Table Three?

Agree.

Please provide any contextual information to support your above answer, or any alternative approaches you think should be considered, about the changes to Table Three.

As is noted in the guidance, regeneration-related activities may be returnable to both Table Three but also Table Two (as consultancy, or specialist facilities and equipment). Further examples would be beneficial in the guidance for Table Three to support providers to determine which table is most relevant for the income / activity they wish to report. This is particularly relevant for providers with creative and cultural specialisms, who are likely to have spaces (such as theatres, studios) but also be involved in projects in those spaces.

As noted in our earlier response, the returnable information is financial (income from regeneration funding) and this potentially excludes regeneration activity with broader social or community value. We encourage HESA to consider including activity which generates knock-on or in-kind income for the provider. For example, if a provider works with local community groups to deliver regeneration activity using its theatre space this could generate revenue through increased visibility, or catering sales at the venue. Limiting returnable information to that with financial benefit risks HE-BCI data not being fully reflective of the impact generated across the sector as a whole.

Table Four

Do you agree that the definition of a spin-out given in the Table 4 guidance is clear and implementable?

Disagree.

Are there any firms that you consider to be spin-outs, and which you believe you would be unable to report under the proposals?

None have been identified by IHE members.

Please provide further detail on the reasons for your response

The definition of a spin-out is more inclusive than previously, expanding the scope of information to be collected and recorded by providers. Many IHE members would have activity to report in this area. Student start-ups and spin-outs are especially prevalent, driven by close links with industry and an emphasis on the development of entrepreneurial skills. The expansion of the record to include these, and sole traders, increases the scope of returnable activity for IHE members, especially those operating in certain fields such as the creative industries.

Whilst we support the collection being reflective of the nature of spin-out activity across the sector as a whole, it does mean that it will be more burdensome for smaller providers where higher numbers of staff and students are likely to be sole traders or start their own business. This information is not something our members have collected before, and they do not have systems in place to do so, meaning it would need to be done manually. The addition of new data items would therefore add significant burden.

We would like therefore for there to be consideration of how the burden of additional data collection in Head 5 can be reduced. Some of the proposed data items are especially burdensome. Our members noted in particular the information proposed to be collected under major milestones. The methods to collect this data will be time consuming and resource intensive, for example by contacting spin-outs directly. We would also strongly urge HESA to explore using linked data, such as LEO or Companies House information, as an alternative to requiring this from providers.

We note too that burden is increased by the definitions and guidance not being clear for providers who do not have a traditional university structure. In particular, many IHE members have a staff population who have part-time roles in industry alongside their role at the institution, making it more complex to determine where IP is owned. Further guidance and examples are needed to clarify for providers where spin-out activity is reportable if the IP is owned by an individual but that individual works both for the institution and in industry. We support the collection of this information, but would urge HESA to ensure that it is collected consistently across providers regardless of their structure in order to ensure that the data collected provides an accurate picture of spin-out activity across the sector as a whole.

Clarification is also needed on some of the other definitions in the Table 4 Guidance, in particular student start-ups. Further guidance is needed on what comprises 'formal business/enterprise support from the HE provider', with some examples to illustrate this.

As noted in our earlier responses, for the majority of our members there is no link to funding in the completion of this return. The resource required to do so will be taken from otherwise delivering programmes or support to students. Whilst we acknowledge that collecting this information could have some value for the sector, and that our members have a contribution to make in this space, there needs to be a clear link to funding to cover the administrative cost and justify the resource burden of completion.

Please complete your provider's burden assessment for changes to Table Four - set up

8-10: Significant change to systems and/or processes. Detrimental impact on ability to do other activities. Cannot be serviced from existing capacity. Release date very challenging. Requires training / re-skilling.

Please complete your provider's burden assessment for changes to Table Four - run

8-10: Sustained increased resources required. Conflict with other business priorities. Cannot be systemised - lots of manual checking. Requires subject matter expert (SME).

Please provide any contextual information to support your above answer, or any alternative approaches (not already mentioned) you think should be considered, about the changes to Table Four

As we have already noted, the proposals for Table 4 will be a significant burden for our members. They have not collected this information before, and do not have the systems or resources in place to do so. For the vast majority, the collection is done manually – creating a significant administrative cost and compromising the quality of the data provided. There is little or no link to funding to justify the resource burden of completion.

Spin-Out Census Data Collection

Do you agree that the definition of a spin-out is clear and implementable for the Spin-out Census?

No.

Please provide information on any additional barriers you would face with Option 1 (full Spin-out Census data collection in summer 2024)?

IHE members consider the resource required to complete the spin-out census to be significant, and that this is not justified by the value of collecting this information. For many, these changes come within just a few years of starting to complete the HE-BCI return. The vast majority do not have systems in place to collect this information, and as such do so manually.

The information proposed is not something that they will have collected before, increasing further the burden of doing so. This is especially the case for student spin-outs and sole traders. For some members, this could represent a large number of graduates, and they simply do not have the systems or the resources in place to do this. This also means that the quality of data that is returned cannot be assured.

If HESA wishes to continue with the proposed spin-out census, we recommend that the amount of data items collected is greatly reduced. We also recommend that the data is collected but not published in the first year, to enable a quality check on the first iteration.

In addition, and as noted in our earlier responses, to justify the collection of this information there needs to be a much clearer link to funding, so that the administrative cost of doing so is covered and there is clear incentive and benefit for providers. Where there is no funding provided, resource would be used which would otherwise be focused on delivering programmes and support to students. We do not agree that this should be the case.

Please indicate your preferred option(s) for data collection for the Spin-out Census, by indicating your first and (if desired) your second, and third preference, below:

- **Option 1: full Spin-Out Census data collection in summer 2024.**
- **Option 2: a reduced Spin-out Census in summer 2024, and the additional data points in Option 1 collected during the HE-BCI C23032 collection period (November 2024 - January 2025).**
- **Option 3: full Spin-out Census collected during autumn 2024.**

	1st	2nd	3rd
Option 1		x	
Option 2	x		
Option 3			x

What are your reasons for selecting the answer you gave in the previous question? Please let us know what views you have on the proposed approaches, including our discounted Option 4.

As noted in our earlier responses, our members have not collected this information before, and do not have the systems or resource in place to do so. It will not be feasible to complete the full census on the proposed timeline, and the reduced data collection will still have a significant burden and cost.

Please complete your provider's burden assessment for Option 1 of the Spin-out Census data collection - set up

8-10: Significant change to systems and/or processes. Detrimental impact on ability to do other activities. Cannot be serviced from existing capacity. Release date very challenging. Requires training / re-skilling.

Please complete your provider's burden assessment for Option 1 of the Spin-out Census data collection - run

8-10: Sustained increased resources required. Conflict with other business priorities. Cannot be systemised - lots of manual checking. Requires subject matter expert (SME).

Please complete your provider's burden assessment for Option 2 of the Spin-out Census data collection - set up

8-10: Significant change to systems and/or processes. Detrimental impact on ability to do other activities. Cannot be serviced from existing capacity. Release date very challenging. Requires training / re-skilling.

Please complete your provider's burden assessment for Option 2 of the Spin-out Census data collection - run

8-10: Sustained increased resources required. Conflict with other business priorities. Cannot be systemised - lots of manual checking. Requires subject matter expert (SME).

Please complete your provider's burden assessment for Option 3 of the Spin-out Census data collection - set up

8-10: Significant change to systems and/or processes. Detrimental impact on ability to do other activities. Cannot be serviced from existing capacity. Release date very challenging. Requires training / re-skilling.

Please complete your provider's burden assessment for Option 3 of the Spin-out Census data collection - run

8-10: Sustained increased resources required. Conflict with other business priorities. Cannot be systemised - lots of manual checking. Requires subject matter expert (SME).

Table Five

Do you use the data provided in Table Five?

Yes.

The information in Table 5 has potential value for our members as it can be used to benchmark against other providers in external funding bids. As we have noted in our response to Table 2, there is an emphasis across the collection on the generation of financial value. Table 5 is the only aspect of the return that captures activity of broader social value. Many IHE members are generating impact for the external community through events, and would have information to submit here.

To what extent do you agree with the proposal to pause data collection on Table Five?

Disagree.

To what extent do you agree with the proposals to change Table Five?

Agree.

Please complete your provider's burden assessment for changes on Table Five - set up

4-7: Minor to medium changes to systems and processes. Difficult to resource. Date for go-live sub-optimal. Requires bespoke training.

Please complete your provider's burden assessment for changes on Table Five - run

4-7: Increased resources. Sustained opportunity cost. Complexity in planning. Requires specialist support.

Please provide any contextual information to support your above answer, or any alternative approaches you think should be considered, about the changes to Table Five.

Some IHE members already collect this information so it will be marginally less burdensome to do.

New Fields in The Template

To what extent do you agree with the proposal to collect additional data on spin-outs?

Disagree.

Please complete your provider's burden assessment for changes to collect additional data on spin-outs - set up

8-10: Significant change to systems and/or processes. Detrimental impact on ability to do other activities. Cannot be serviced from existing capacity. Release date very challenging. Requires training / re-skilling.

Please complete your provider's burden assessment for changes to collect additional data on spin-outs - run

8-10: Sustained increased resources required. Conflict with other business priorities. Cannot be systemised - lots of manual checking. Requires subject matter expert (SME).

Please provide any contextual information to support your above answer, or any alternative approaches you think should be considered, about the changes to collect additional data on spin-outs.

The collection of additional data on spin-outs will create significant burden for IHE members. They will not have collected this information before, and do not have the systems or resource in place to do so. There is little or clear link to funding, as the majority of our membership are excluded from KEF and HEIF funding. Ultimately this means that in order to resource this, providers need to take away from resource that would otherwise be focused on delivering their programmes and support to students. We do not agree with this and feel strongly that where providers are not eligible for funding there should be no requirement to complete the census. We recognise the value of collecting this information across the sector as a whole, but this requires funding to cover the administrative cost and justify the resource burden for providers.

Closing Feedback

Do you have any other comment on the collection method of the HE-BCI data?

Overall, IHE members feel that the resource required to complete the HE-BCI return is significant, and the benefit they derive from doing so does not justify this. There remains little link between completing this return and funding, meaning that there is no return on investment for providers. This is especially an issue for smaller providers with fewer resources. To resource this takes away from resource otherwise focused on delivering programmes and support to students. We feel strongly that where providers are not in receipt of HEIF or KEF funding there should be no completion requirement, or that additional funding is provided to cover the administrative cost and justify the resource burden.

Contact IHE

- For more information, or to speak to someone about this consultation response, please email info@ihe.ac.uk
- Visit our website at www.ihe.ac.uk
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