

CONSULTATION RESPONSE

OfS consultation on distribution of capital funding for financial year 2021-22

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Question 1: To what extent do you agree that a bidding process is the most appropriate means of addressing the strategic objectives and priorities for capital funding for 2021-22? (See paragraphs 4 to 11.)

Strongly agree

Tend to agree

Tend to disagree

Strongly disagree

Don't know / prefer not to say

Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.

The consultation argues that a bidding process enables funding to be allocated more strategically. However, while this might be true, it is arguably still possible to do the same via a formulaic approach that attaches conditions of spend to any grant. A bidding process that is open to over 400 providers to apply for a share of £130m is likely to be incredibly inefficient, requiring time and resource within those providers to write bids and time and resource by OfS staff to assess bids.

The bidding process will inevitably be oversubscribed, meaning that good projects either miss out on funding, or have the application amount downrated.

Bidding processes also penalise smaller institutions that don't have large teams to manage funding rounds, as is often observed with research council application processes.

A formulaic approach, with clear terms and conditions on how funding can be used, would avoid both these issues.

Question 2: If we were to allocate capital funding through a bidding exercise, to what extent do you agree with the proposed approach to assessing bids? (See paragraphs 12 to 35.)

Strongly agree

Tend to agree

Tend to disagree

Strongly disagree

Don't know / prefer not to say

Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.

The criteria proposed appear to be independent of each other. Paragraph 4 also suggests these priorities are separate and does not indicate all three need to be included within one bid. This is appropriate, as it may be that a provider is providing excellent flexible provision in an area of regional

skills need but that are not those considered nationally by government to be strategic (e.g. projects focused on categories 2 and 3 of criterion 1). Providers offering HE opportunities to learners wishing to study other subjects should not be penalised, particularly if those providers are doing this in a flexible, innovative way, possibly in partnership with employers.

Question 3: If we were to allocate capital funding through a bidding exercise, to what extent do you agree with the proposed approach to prioritising between bids? (See paragraphs 36 to 49.)

Strongly agree

Tend to agree

Tend to disagree

Strongly disagree

Don't know / prefer not to say

Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.

The descriptions used for the scoring matrix suggest that bids that purposely do not address one of the criteria will be marked down for not doing so. The language used against scores 1 and 2 are negative in tone, and essentially seek to penalize providers who focus on either category 1 or category 2 (in terms of subject choice). It would be logical for the value for money (criterion 2) to be a limiting grade, but if a provider is offering a high quality bid in terms of categories 2 and 3 within criterion 1, because they do not offer subjects in category 1 or they have no capital infrastructure gaps in this area, they (or more specifically, their students) should not miss out on investment opportunities.

Question 4: To what extent do you agree with the proposed changes to terms and conditions that should apply to capital grant? (See paragraph 50.)

Strongly agree

Tend to agree

Tend to disagree

Strongly disagree

Don't know / prefer not to say

Please provide an explanation for your answer. If you believe our approach should differ, please explain how and the reason for your view.

Question 5: Do you have any other comments on the proposals set out in this consultation?

N/A