Strategically important and vulnerable subjects: a new policy approach

B12/6 Agenda item 6 27 January 2012

Issue

1. This paper proposes a new policy approach towards strategically important and vulnerable subjects (SIVS), including a series of actions to understand and respond to the key risks to strategically important provision following the HE reforms.

Recommendation(s)

- 2. Board members are invited to:
 - a. Note the previous approach to SIVS.
 - b. Note that we have received evidence from partner agencies and held seminars with representatives of these agencies, universities and industry, which are detailed in **Annex A**.
 - c. Agree the new policy approach proposed in paragraphs 22-27.
 - d. Consider and advise on the identification and assessment of risks to subject provision (in **Annex B**), and the areas initially identified as strategically important (in **Annex C**), taken from the evidence and advice provided by partner organisations.
 - e. Consider and advise on the list of recommended actions in paragraph 28, and the actions proposed in response to this.
 - f. Agree that the Chief Executive's SIVS Advisory Group should continue, with its membership to evolve and its role to be aligned with the future work of the Observatory.

Timing for decisions

3. The Board's decisions at this meeting will determine our policy approach to SIVS for 2012-13 onwards, including immediate actions proposed during 2012-13 and consultation on our longer-term approach through the second phase of the teaching funding consultation, which is scheduled between February and May 2012.

Further information

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Members' Interests

5. Board members representing HE or FE institutions are likely to have an interest in how we monitor and respond to risks to subject provision in the future.

Background

- 6. HEFCE's current approach to strategically important and vulnerable subjects derives from a request from the then Secretary of State in 2004 to advise on 'whether there are any higher education subjects or courses that are of national strategic importance, where intervention might be appropriate to enable them to be available...and the types of intervention which it believes could be considered'. The letter included a list of subjects the Government considered to be strategically important.
- 7. In response to this HEFCE appointed a Board level Advisory Group, chaired by the late Sir Gareth Roberts. The Group's report, published in June 2005, established a policy framework to secure the national interest with regard to strategically important subjects. A key plank of the policy was that the English HE system's success is founded on the ability of autonomous institutions to respond dynamically to changing circumstances. The report suggested that 'HEFCE should guard against an overly interventionist role' and focus on 'subjects which are both strategically important and vulnerable'. Importantly, government should define strategically important subjects, and HEFCE's role should be to identify whether they are vulnerable.
- 8. Drawing upon the subjects highlighted by the Secretary of State, the Advisory Group identified broad subject areas which should be considered both strategically important and vulnerable, and to which HEFCE's attention should be focused:
 - a. within STEM: chemistry, engineering, mathematics and physics
 - b. modern foreign languages and related area studies
 - c. quantitative social science (QSS)
 - d. land-based studies².
- 9. This approach has provided the basis for a programme of work in SIVS between 2005-06 and 2011-12³. Each strand of the programme has addressed specific aspects of vulnerability in different strategically important subjects. Examples include:
 - a. promoting demand and attainment among potential students, for example the National HE STEM programme and the Routes into Languages programme, which bring universities and schools together to work on demand-raising and curriculum development activities.
 - b. securing and increasing the supply of provision, for example through additional teaching funding for very high cost and vulnerable science subjects, the provision of Additional Student Numbers (ASNs), and the enhancement, through collaboration, of the sustainability of SIVS, for example the alliances between the physics departments in the Midlands and in the South East.

3

¹ HEFCE 2005, Strategically Important Subjects – Final Report of the Advisory Group, p1 http://www.hefce.ac.uk/pubs/hefce/2005/05_24/

² Subsequently removed from the list following a second Advisory Group report in 2008

³ A full list of SIVS investments is available at www.hefce.ac.uk/aboutus/sis.

- c. promoting the flow of graduates into employment, for example by supporting the development of new programmes with employers and Sector Skills Councils in specific areas of STEM.
- d. monitoring and forecasting the provision of SIVS, for example by analysing data on the flow of graduates through A-level, application to higher education and on to undergraduate, postgraduate taught and postgraduate research programmes, and by asking higher education institutions to provide early warning if they are considering the closure of SIVS provision.
- e. seeking to understand the employment outcomes from SIVS, and the relationship between the supply of and demand for these subjects, by analysing salary data and labour market surveys.
- 10. Although the first Advisory Group identified a group of subjects as strategically important and vulnerable, there has been a fluid approach to subject boundaries and the portfolio of activities supported within the SIVS programme has extended beyond this core. For example, although biological sciences and computer science were not identified as SIVS, universities have been supported in each area to develop provision that addresses specific employer concerns about the nature and sustainability of provision. Similarly, interventions such as the ring-fence of STEM funding within QR and the allocation of numbers through the University Modernisation Fund have extended beyond the SIVS subjects.
- 11. In 2010, HEFCE commissioned an evaluation of its SIVS activities since 2005⁴. The evaluation suggests that the programme has enabled HEFCE to exercise leadership in this area without heavy-handed market interference. Individual projects have provided value for money and those on the supply-side appear to have been particularly effective. It is, however, difficult to disaggregate the impact of investments on the demand-side and to establish whether there has been a sustainable resolution of the root causes of vulnerability, for example levels of student demand.
- 12. In 2011, HEFCE published an analysis, steered by a third SIVS Advisory Group, of the latest position of the subjects identified as strategically important and vulnerable⁵. Drawing on the latest data on the flow of students through undergraduate and postgraduate programmes, this concludes that:
 - a. At a time of wider expansion in undergraduate numbers, those in SIVS have seen a continued expansion, and at a rate higher than other subjects during recent years. However, some concerns remain, for example among the engineering and modern language disciplines, and with regard to the accessibility of SIVS provision via part-time programmes and at post-1992 institutions.
 - b. There has been sustained growth in the flow of postgraduate taught and postgraduate research students during the last decade, and in the SIVS areas the flow of taught students has been higher than the average overall. A significant proportion of this growth is, however, attributable to international students.

⁴ http://www.hefce.ac.uk/pubs/rdreports/2011/rd05_11/

⁵ http://www.hefce.ac.uk/pubs/hefce/2011/11 24/

Discussion

- 13. The Government's 2011 White Paper *Higher education: Students at the heart of the system*⁶ proposes a student-led system, made possible by substituting a large proportion of the teaching funding currently routed through HEFCE for loans and grants to students. Within this system, the expectations of informed fee paying students and higher salary-paying employers, coupled with greater competition through the removal of student number controls and the entry of new providers, are intended to drive innovation, quality and efficiency.
- 14. There are, however, constraints on this system, notably a cap on the level of the fee that can be charged and controls on the recruitment of the majority of students within most institutions. The Government will also maintain some public funding for teaching, 'to fund additional costs and public policy priorities that cannot be met by a student-led funding system alone'⁷. The White Paper identifies a number of priorities for the use of this funding, which include meeting 'the additional costs of higher-cost subjects at undergraduate and postgraduate levels such as medicine, science and engineering, that cannot be recovered through income from graduate contributions' and support for 'those subjects which are strategically important and vulnerable and require support to avoid undesirable reductions in the scale of provision'.⁸
- 15. This provides HEFCE with two key challenges with regard to subject provision: firstly, to establish an approach to supporting the teaching of high cost subjects that mitigates the impact of costs on the demand for and supply of the highest cost provision; secondly, to identify those subjects where there is evidence that the student-led system proposed by the Government operating alongside the dual support system for research, and activities such as business engagement and international student recruitment may not sustain a flow of graduates, supply of programmes and expertise, and level of research activity consonant with the national interest. There is also a challenge associated with establishing a method for controlling the Government's student finance expenditure without unduly distorting subject provision, to which HEFCE has responded by protecting the previously identified SIVS from the cuts necessary to create places for low fee provision during 2012-13.
- 16. At this point, it is difficult to predict how the Government's reforms will influence student choices about whether and what to study and to what level, and how their choices will in turn influence the decisions of universities and colleges with regard to subject provision. Both sets of decisions may be influenced by employers, although this will depend on the effectiveness of the information made available on employment outcomes, and the extent to which employers seek influence by, for example, sponsoring students and providing placements. As ever, decisions on subject provision will also be

⁶ http://discuss.bis.gov.uk/hereform/white-paper/

⁷ White Paper, paragraph 1.25

⁸ Ibid, paragraph 1.26

influenced by research performance and funding, which is being sustained overall, but increasingly distributed on a more selective basis⁹. It may also be affected by knowledge exchange factors, which may be influenced by economic conditions and a changing regional and business support landscape.

- 17. In response to the request in our grant letter and to the White Paper, we have considered the risks to subject provision in the new system, and have sought advice and evidence from partner bodies with an interest in this area: the Research Councils, the Royal Society, the Royal Academy of Engineering, the British Academy, the Alliance of Sector Skills Councils and the Government's Chief Scientists. We met with each of these groups to discuss our approach between January and April, sought written evidence by mid-June, and we debated the evidence with representatives of these agencies and of universities and industry at two seminars in September. The list of seminar participants and the agenda from these meetings is attached as **Annex A**. We are in discussion with each partner body to seek their agreement to the publication on our website of the evidence they submitted.
- 18. In seeking this advice, we indicated an assumption that the new student-led system for financing teaching, operating alongside our teaching funding and the dual support system for research, will for the most part achieve the Government's aspirations with regard to subject provision. In this context, we said that our SIVS policy would be concerned with identifying the minority of areas in which this may not be the case and determining any mitigating action that may be taken. Given the funding available to us, we also indicated that this would normally be undertaken in collaboration with other funders and agencies, and that we would explore avenues other than funding alone, such as improvements to information, advice and guidance. Given the level of uncertainty about the way in which students, institutions and employers will respond to the reforms, we also made clear that a key aspect of our approach would be to identify and monitor risks, rather than respond to speculation before we have a full understanding of the impact of the HE reforms.
- 19. A key tenet of our previous approach to SIVS was that we could expect the Government to identify the subjects it considered strategically important and that HEFCE could then identify which of these subjects may be vulnerable. Vulnerability, in this context, signalled a risk that the subject may not continue to be made available at the current level, and HEFCE's interest extended beyond the quantity of provision at national level to its availability across the regions, its accessibility to low participation groups and its fit with employer representations of their requirements.
- 20. The current Government has not specified a group of subjects that it considers to be strategically important. Instead, it has asked HEFCE to consider the subjects that should in future be within scope, with a view to avoiding any undesirable reduction in the scale of provision. Alongside this, the Government is promoting greater dynamism within the undergraduate teaching system, with a view where possible to self-correction rather

⁹ See www.hefce.ac.uk/news/ hefce/2011/funding.htm

than government intervention. The operation of a self-correcting system of this kind may, however, be restricted by the cap on fee levels, the continued operation of controls for the majority of students, the high costs and requirements associated with entry to the system, particularly in the STEM subjects, and the extent to which the key higher education participants may make decisions on the basis of imperfect information or externalities, including the interaction between teaching, research and the other activities undertaken within universities and colleges.

Recommendations

- 21. Based on our understanding of the risks to subjects, gained from our discussions with stakeholders over the summer and from our observations and analyses of current levels of subject provision, we have developed in discussion with the current SIVS Advisory Group a new approach to supporting subject provision, which is set out in the paragraphs following. This approach is also described in the proposed text of the second stage teaching funding consultation, which the Board is also considering at this meeting (Paper B12/7). Although the impact of the HE reforms remains uncertain, a number of the risks identified suggested a need for immediate action. The risks and associated suggested actions are, therefore, described here, along with a summary of the steps taken to date.
- 22. It is proposed that, subject to available funding, HEFCE should continue to support a portfolio of activities addressing subject vulnerability, but that such support should no longer be based on one single list of subjects considered to be strategically important and vulnerable; instead, it should build upon and extend beyond the subjects previously identified as SIVS. This move away from a single list of SIVS reflects our perception that the coalition government has adopted a less prescriptive approach to identifying the subjects it considers to be strategically important, that the level of change as a result of the HE reforms is such that there may be risks to the availability of any subject, and that these risks may not apply to the entirety of the activity undertaken within a subject. We believe this approach will enable greater flexibility and granularity in identifying and communicating these risks, and in influencing and implementing appropriate action.
- 23. Although there have been significant increases in student numbers in many of the subjects previously identified as SIVS, and our interventions have helped to sustain provision in these areas, we will continue to take specific steps to sustain the current group of maths, physics, chemistry, engineering, modern languages and quantitative social sciences. For example, paper B12/7 on teaching funding identifies how we propose to continue to provide a higher rate of funding for the highest cost STEM subjects. As made clear in paper B11/94 on the Catalyst Fund, which the Board considered in December 2011, we may also make a small number of discretionary investments with partner organisations to address specific concerns about the sustainability of these disciplines, for example as evidence emerges of the impact of the Government's reforms, including intelligence from our Institutional Teams. We will also consider whether the Catalyst Fund could be used to sustain the progress made by projects such as Routes into Languages, the Quantitative Methods initiative, the HE

STEM programme and the South East Physics Network in stimulating collaboration between universities to raise the demand for and sustainability of these subjects. Any such interventions would be considered through the approval processes established for the Catalyst Fund, although we expect such investments to be more selective than previously, given the constraints on our funding.

- 24. Beyond this, and given the level of uncertainty about the impact of the funding reforms, it is proposed that HEFCE should monitor developments in order to:
 - a. identify risks to the continued availability of *any* subject and the likelihood of these risks occurring, given the available quantitative and qualitative evidence.
 - b. consider the significance of these risks, if they were to occur, drawing upon advice from government departments and Research Councils on their priorities, and bodies such as CBI, the UK Commission for Employment and Skills, and the Sector Skills Councils on labour market signals.
 - c. determine those areas where the materiality of the risk suggests that HEFCE should initiate a response, which would normally be in collaboration with other funders and stakeholders.
- 25. This new approach would be more inclusive and distributed than our policy to date, effectively reversing the process we have previously followed by asking 'is a subject vulnerable', then 'is this significant' and 'what, if anything, can be done'. Given the constraints on our funding and powers, and the Government's preference for self-correction, we anticipate a highly selective approach to intervention, and we may in many cases simply wish to communicate risks to other key parties such as institutions, employers and Government, with a view to influencing their actions.
- 26. We propose that our interpretation of 'subject', in this context, should be broadly conceived, embracing sub-disciplines, different types and different levels of provision. We also propose that we should work towards the principles in our Strategy Statement of securing opportunity, choice and excellence with regard to subject provision. We have been advised by stakeholders that:
 - a. our activity should be founded on a sophisticated evidence base, which embraces the pipeline of students from schools and colleges through to postgraduate study and employment, seeks within reason to forecast trends and requirements, and includes international comparisons.
 - b. we should look beyond the quantity of activity at national level to consider issues such as the quality of outcomes and, given the potential for more students to seek local study options in the future, its location and accessibility, including where appropriate cross-border issues.
 - c. we should allow sufficient time for issues to self correct, intervening only if we are satisfied that this is unlikely to happen, and we should implement sustainable solutions; equally, we should acknowledge that it is difficult to resuscitate provision once it has been lost.

- d. we should seek to involve industry and other users of graduates and research in the identification and response to risks, and where possible schools and colleges.
- 27. In order to achieve this, we propose that a set of indicators should be developed for monitoring risks to subject provision, with a view to this being incorporated within the work programme of the proposed Observatory function. As a starting point for this, and drawn from the evidence we have received, we have produced an initial register of the risks to subject provision, which is attached as **Annex B.** Also drawn from the evidence received, we have produced in **Annex C** an initial summary of the areas that we have been advised would be a particular concern if their sustainability were to be threatened.
- 28. Based on this initial analysis, we have identified a number of actions for immediate consideration, described below. Several of these are addressed within the second stage teaching funding consultation (Paper B12/7) or steps are already being taken to address them. There will be a requirement to consider residual risks once each action has been implemented.
 - a. HEFCE should take steps to ensure that its implementation of the Government's undergraduate student number proposals does not provide incentives for universities and colleges to move provision away from those subjects for which there is evidence that their cost, and the particular A-level subject combinations required for entry, may limit their inclusion within any allocation of places to low-fee provision, or within any population removed from controls (e.g. STEM and modern foreign languages).
 - i. <u>Action</u>: To address this issue for 2012-13, we have excluded the current list of SIVS from the calculation to create the 20,000 margin, on the condition that institutions at least maintain their non-AAB entrant levels to SIVS courses. At the time of writing, we do not know whether the Government will wish to continue with this policy during 2013-14. If it does, we will need again to consider its impact on subject provision and take steps to attempt to mitigate these risks where appropriate.
 - b. HEFCE should consider the development of a more granular approach to supporting the teaching of high cost subjects, recognising that the capacity and willingness of institutions to cross-subsidise between subjects may be reduced by the replacement of block grant by student fees. This may require costs to be identified and supported at a more detailed level than the current price bands (some areas such as physics and IT / computer science are high cost within the current Bands B and C), and particular monitoring of high cost activities within subjects (e.g. there are particular infrastructure requirements in some areas within the biological sciences and high-cost digital media). Decisions on the approach to be implemented will need to balance the imperative to address identified costs against the Government's aspiration to reduce the regulatory burden in higher education.

- i. <u>Action</u>: The proposals to support high-cost subjects at undergraduate level from 2013-14, set out in detail in the second stage of the teaching funding consultation, seek to address concerns about the differential costs of provision. The funding rates proposed recognise broad cost differences between subjects within the current price group B, and also the higher cost of provision for a small number of subjects in the current price group C. We will need to monitor the effect of this new system of funding rates on subjects, if adopted.
- c. HEFCE's regulatory approach should complement any funding it provides to support vulnerable activity. If funding is provided for high-cost subjects or measures implemented to sustain student numbers in these or other subjects, those universities and colleges affected could be required to provide assurance that they have sustained their level of provision in the subjects concerned, and to provide advance notification if they intend to close a material aspect of this provision. Again, however, decisions on the approach to be implemented will need to balance the imperative to sustain subject provision against the Government's aspiration to reduce the regulatory burden.
 - i. Action: As outlined above, the exclusion of the current SIVS from the cut to create the margin in 2012-13 was made on the condition that institutions at least maintain their entrant levels to SIVS courses. The system for allocating fee supplements should itself regulate the sustenance of provision in these subjects as the level of funding will reflect the level of student activity reported in these areas. We would, however, propose to continue to ask institutions to notify our Institutional Teams if they intend to close provision in any of the areas receiving a fee supplement, with a view to brokering change within the locality as appropriate.
- d. HEFCE's requirements on information provision to students should enable the link between higher cost and longer courses (e.g. technology-intensive courses in media, in-vivo training within biological sciences, MEng within engineering) and employment outcomes to be highlighted.
 - i. Action: The current key information set (KIS) includes four categories of information relating to employment outcomes, which address early career salary, professional accreditation and progression to jobs defined as 'graduate'. Within its growth review announcements, the Government also confirmed the establishment of an industry and university group to work with a small group of STEM-focused sector skills councils on industry accreditation, which would in due course be considered for inclusion within the KIS. HEFCE analysts are also working to access long-term salary data and to review the definition of 'graduate' jobs, with a view to improving this information over time.
- e. HEFCE should develop a new approach to supporting specialist institutions, which reflects their additional costs beyond those that may be recouped from fees due to the intensive and professional nature of their provision, the lack of flexibility to cross-subsidise and accommodate changes in income inherent to such

institutions, and the public benefit arising from them in terms of sustaining a diverse and high quality higher education system (e.g. music conservatoires, agricultural colleges).

- i. <u>Action</u>: The second stage teaching funding consultation sets out HEFCE's plan to review the institutional-specific targeted allocation, which is currently provided in recognition of the additional costs incurred and the additional public benefit added through the delivery of provision at specialist institutions.
- f. HEFCE should work with the Research Councils, Government departments and other users of graduates and research to identify and support provision within larger institutions that may be vulnerable due to a level of specialism that hampers sharing of resources and other economies of scale (e.g. some modern foreign languages and area studies, statistics). Any such support would need to be conditional on the participating institutions collaborating to minimise costs and enhance viability, and implemented in a manner that secures change for the long-term.
 - i. <u>Action</u>: The SIVS team in HEFCE will begin discussions with partner organisations, some of which have suggested intervention of this kind, with a view to determining whether a partnership approach could be developed to address issues of scale. Any funding proposals arising from this would be channelled through the approval processes to be established for the new Catalyst Fund.
- g. HEFCE should work with the Research Councils and employer representative groups to develop a more integrated national strategy for postgraduate studies, taking into account the public benefit arising from postgraduate studies, and the risks to postgraduate provision as a result of undergraduate student debt, reductions in Government funding and reliance on international students. Key aspects of this would be a method for supporting postgraduate taught activity for which there is a public benefit, but cannot be covered by tuition fees, with employer involvement as appropriate, and the development of a systematic approach to understanding and monitoring postgraduate activity.
 - i. Action: The proposals set out in the second stage teaching funding consultation include support for taught postgraduate provision from 2013-14, in recognition of the risks described above. We will need to gather new information on postgraduate activity including costs, fee-levels and returns in order to determine how this funding should operate in this longer term, and to provide advice to Government and other stakeholders on the position of the postgraduate economy. Paper B11/91 on implementing change within HEFCE, which the Board considered in December, clarified that this will be taken forward within a new cross-cutting structure within HEFCE, a key aspect of which will be the development of links with appropriate external organisations.

- h. HEFCE should work with Government, universities and employers to ensure that the provision and take up of work and international placements, which are central to many STEM and modern foreign languages programmes and are recognised to enhance employability, is at least sustained following the implementation of the HE reforms. This may require measures to mitigate the impact of such placements on levels of student debt, and to enhance understanding among students and employers of the benefits of such placements.
 - i. <u>Action</u>: HEFCE is contributing to the UK HE Student Mobility Joint Working Group ("the Riordan review") and the Review of University/Business Interaction ("the Wilson review"), which are expected to make recommendations to government in these areas. We will consider our approach to supporting work and international placements when the final reports from these groups have been presented.

Recommendation: The Board is invited to:

- a. Note the previous approach to SIVS.
- b. Note that we have received evidence from partner agencies and held seminars with representatives of these agencies, universities and industry, which are detailed in **Annex A**.
- c. Agree the new policy approach proposed in paragraphs 22-27.
- d. Consider and advise on the identification and assessment of risks to subject provision (in **Annex B**), and the areas initially identified as strategically important (in **Annex C**), taken from the evidence and advice provided by partner organisations.
- e. Consider and advise on the list of recommended actions in paragraph 28, and on the actions proposed in response to this.

Other issues

29. HEFCE has had a SIVS Advisory Group to provide advice to the Chief Executive in this area since 2005, during which time the groups have been chaired by Sir Gareth Roberts, Sir Brian Follett and Peter Saraga, producing four reports. The group was originally established following the direction from the then Secretary of State, to identify SIV subjects and the principles on which to base intervention. We were then asked by the Government in 2008 to extend its focus to the interaction between graduate supply and employer demand, in response to a recommendation in the Sainsbury review 'The Race to the Top'. The group, which consists of representatives from Government, institutions and employers, has provided constructive challenge to the implementation of our current SIVS policy, as well as the development of the new approach set out here. With the forthcoming changes to HEFCE's role and the proposed new policy approach to SIVS, we believe there is still value in the provision of advice from this group, although its membership will need to evolve to reflect the new environment and approach, and its role will need to be carefully specified to align with the future work of the Observatory.

Recommendation: The Board is invited to

a. Agree that the Chief Executive's SIVS Advisory Group should continue, with its membership to evolve and its role to be aligned with the future work of the Observatory.

Resource implications for HEFCE

- 30. The main financial implications arising from the new approach to SIVS relate to the recurrent funding to be provided for high-cost subjects (at both UG and PG level), and for specialist institutions. Full details of these are set out in (Paper B12/10) on the second stage teaching funding consultation. It is also likely that there will be a need for funding from the new Catalyst Fund, although we anticipate that we will only make funding interventions on an exceptional basis, and in collaboration with other funders.
- 31. More broadly, staffing resource implications arise from the creation of a strand of work for postgraduate issues, and the continuation of an internal project group to coordinate our work on SIVS. In addition, it is anticipated that the retention of Institutional Teams with a presence in the regions will be an important mechanism for providing information and early warning signs of significant changes to subject availability.

Risk implications

Funding and HEFCE reputation risk

32. The key risk is that in the longer term, HEFCE may not have sufficient funding to address subject-related issues which we consider could benefit from investment. We will mitigate this by building relationships with partner organisations and encouraging collaborative funding approaches, although of course we also recognise that funding restrictions at other organisations also creates risks.

Public interest risk

33. It is possible that the decisions of students and institutions under the new fee and funding system will result in changes to the shape of subject provision across the country, creating imbalances in the supply of and demand for HE subjects, and the risk that HE provision does not meet the priorities of Government, industry or the wider public. While our new approach will enable us to intervene in a small number of areas in collaboration with other funders and partners, we need to recognise and be clear that the overall shape of subject provision in the sector is beyond HEFCE's control.

Communications and engagement

34. This paper is a protected document and should not be disclosed before the publication of the second stage teaching funding consultation (scheduled for February 2012), which will set out the shape of our proposed new approach to SIVS.

Communications plans for this publication are detailed in the separate Board paper relating to the consultation.

35. After decisions have been taken at this meeting there will be a need to report back to the current SIVS advisory group, and also to the partner organisations that provided evidence and took part in seminars in summer 2011. Assuming this new policy approach goes ahead, our SIVS team proposes to engage more closely with subject associations and other organisations with an interest in the health of disciplines, to get early warning of issues and to negotiate any necessary interventions. We anticipate that the move away from a set list of SIV subjects may take time to become well-understood, as the term 'SIVS' and the subjects to which it currently relates are well known in the sector and more widely. The move away from the current list may also result in more lobbying from subject communities and this will need to be carefully managed.

Regulation and sector impact assessment

36. We have undertaken a sector impact assessment for the proposed new policy approach. This is available on request. In regulatory terms, the assessment suggests that the overall policy approach will not result in an increase in regulatory burden, largely because we do not propose to undertake any additional data collection. However, if any interventions are made to support particular subject areas (for example, through the catalyst fund or through teaching funding), these ought to be the subject of separate impact assessments. Similarly, the sections on equality and diversity, and on sustainable development, indicate that while the policy approach will not have a direct impact on these areas, separate impact assessments should be undertaken if specific interventions are made. Finally, the possible linking of existing data from multiple sources for monitoring purposes may mean that information or data about individuals is used. For this reason we will be undertaking a full privacy impact assessment for the new policy approach.