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INTRODUCTION

Since the increase of tuition fees to a maximum of £9,000 per annum, the sector has become more politicised and institutions find themselves operating in a climate of more league tables and publicly available information.

Ensuring that risks are managed effectively, efficiently and proportionately can and does help to mitigate the potential for a risk to materialise and negative events unfold. It can also help institutions pursue new opportunities designed to develop the educational offer provided to students.

Many risks are interlinked and it is important for the governing body and audit committee to continue to manage the entire risk profile, which will include both exceptional and business as usual risks.

This report provides an in-depth analysis of the contents of institutions’ risk registers across 20 of our higher education clients. The focus of our analysis was to understand the risks higher education institutions (HEIs) had identified as significant in relation to three core areas primarily selected to reflect the increased profile of discussions at committee meetings.

Our three core areas of analysis focus on:

- tuition fees;
- internationalisation; and
- UK visas and immigration.

For each of these themes we have considered how risks, in terms of their nature, likelihood and impact, have changed over time since 2012.

Students are now, more than ever, considering the value they are getting from their learning and study programmes; while institutions are increasingly concerned about the possibility of falling student numbers which results in less overall income.

Internationalisation is a real growth opportunity for the sector. Given the potential, institutions need to make sure they continue to comply at all times with the requirements relating to UK Visa and Immigration (UKVI) regulation. Interestingly, UKVI related risks were surprisingly low during the period 2012–2014 inclusive.

Yet, the risks that institutions face are much broader. We have therefore examined every risk from our sample of risk registers and considered those notable emerging risk themes such as joint delivery and partnerships, student recruitment and financial sustainability.

We encourage you as trustees, audit committee members, vice-chancellors and university secretaries to compare your own understanding of the current risks that your institution is facing and make sure you and your teams are considering and managing these risk exposures in a suitable manner.
TUITION FEES

Fee related risks have been consistently included on institutions’ risk registers since 2012; from the risk registers reviewed there were a total of 116 (8 per cent) fee related risks.

During the period 2012 to 2014 the number of fee related risks recorded on risk registers has overall been relatively consistent year on year, which may not be surprising in itself. Yet there were more fee risks in 2012 as this new regime commenced, but since that time the number of risks have marginally reduced.

As is publicly known and with recent media coverage and debates, fees continue to be a significant concern for institutions. The Higher Education Statistics Agency (HESA), in its Statistical First Release published in January 2015, confirms that the total number of higher education enrolments decreased in 2013/14 by 2 per cent on the previous academic year. UCAS, however, has confirmed that 512,400 applicants were placed in higher education during the 2014 cycle; an increase of 3.4 per cent on the previous year. Therefore, while higher education applications may be rising, the number of enrolments has decreased. This shows that while initial student interest may be high, institutions are finding the process from application to enrolment more challenging. Yet, institutions may take some comfort in HESA’s statistical release as it confirms that the decline in enrolments in 2013/14 is not as severe as the 6 per cent decline recorded between 2011/12 and 2012/13.

The principal tuition fee risks are broken down as follows:

- 31 per cent of tuition fee risks are concerned with the ability to achieve adequate tuition fee income in the new funding environment;
- 31 per cent of tuition fee risks centre upon the perception of quality and an inability to meet student expectations in the new fee regime, particularly for those institutions charging the maximum amount for tuition;
- 25 per cent of tuition fee risks centre upon the impact of increased tuition fees on demand and the loss of funding from undergraduates; and
- 13 per cent of tuition fee risks are concerned with fee planning and in particular determining the right amount of tuition fees to charge students.

Many of the risks captured by institutions do not explicitly identify tuition fees or fee rises as the principal area of concern; the focus appears to be student recruitment and retention and the effect these factors may have on institutional income. Overall, 47 per cent of all fee related risks relate to a failure to recruit students, recognising that tuition fees and the open market agenda has increased in profile over this period, while 21 per cent of said risks focus on student demand, retention and satisfaction and the risk of lost fee income should the institution fall down in these areas. 14 per cent of fee related risks are concerned with government policy or policy changes, and particularly funding body student number control (SNC).

1 Higher Education Statistics Agency Statistical First Release 210 – Student Enrolments and Qualifications January 2015
ASSOCIATED TUITION FEE RISKS: BROKEN DOWN BY KEY THEME

PERCENTAGE OF RISKS RECORDED IN ALL RISK REGISTERS OVER THE PERIOD 2012 TO 2014

<table>
<thead>
<tr>
<th>Risk Category</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Failure to recruit and managing student numbers</td>
<td>41%</td>
<td>48.5%</td>
<td>53%</td>
</tr>
<tr>
<td>Student demand, retention and satisfaction</td>
<td>19.5%</td>
<td>21.5%</td>
<td>21%</td>
</tr>
<tr>
<td>Tuition fees</td>
<td>19.5%</td>
<td>19.5%</td>
<td>16%</td>
</tr>
<tr>
<td>Government policy</td>
<td>5%</td>
<td>5%</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
<td>3%</td>
<td>5%</td>
</tr>
</tbody>
</table>

With the removal of the SNC institutions are incentivised to embark upon further growth and, coupled with the open market agenda, actively drive institutions’ strategies to ensure they are focused on grasping opportunities and invest to grow plans.

OVER THE PERIOD 2012 TO 2014, FEE RISKS WERE REPRESENTED ON CORPORATE LEVEL RISK REGISTERS AS SHOWN BELOW:
With 2012/13 being the first year where institutions were able to charge up to £9,000 per year it may be considered natural that the impact of this policy change would be reflected more greatly in risk registers at that time, and through 2013 and 2014, the risk from tuition fees in itself may have reduced. What is interesting is the growing risk in relation to recruitment; since 2012, this type of risk has appeared more frequently and is reflective of institutions’ growing concern in this area with an open market. A particular issue for institutions centres upon not only the ability to recruit students, but in particular, the ability to recruit learners of the right quality and calibre that possess the right qualifications and skills. This is not new, but as institutions have been dealing with increased levels of tuition fees and concerns more centrally around student numbers, quality of intake has arguably, for some institutions, potentially been less of a priority.

Quality is an important theme and there is far more pressure on institutions to demonstrate the value of their study programmes to both existing and potential students. Our analysis of risk registers has shown there to be a growing emphasis on this element since 2012. This is in respect of the perceived value for money, employability and wider learning and developmental experiences.

With reduced government funding, institutions must be doing all they can to maximise income and seek alternative sources of revenues and funding. From the risk registers reviewed, it is clear that all institutions are challenging their mode of delivery, engagement strategies and alternative funding.

In order to increase income, some of the initiatives that institutions are progressing include:

- ensuring the admissions process is effective and efficient;
- adapting and improving student recruitment activities in order to maximise student numbers;
- diversifying the learning and teaching portfolio;
- further developing part-time, sandwich and post-graduate learning to ensure focus is not solely on traditional three year full-time undergraduate programmes;
- implementing structured online delivery modes to enhance the student experience and maintain tuition fee income;
- building stronger partnerships and collaborating with further education colleges; and
- diversifying income streams by expanding enterprise activity. For example, entering into research partnerships with small and medium sized enterprises (SMEs).
For those institutions seeking to diversify their income streams, there is the option of entering into partnership and collaboration arrangements with other organisations such as SMEs, social enterprises or other industry bodies. Horizon 2020 is one means through which effective higher education participation may be facilitated. Between 2014 and 2020 almost €80 billion of funding has been made available from the EU for consortia of partners to collaborate, share ideas and innovate.

**What does this mean for your institution?**

Building on our review of higher education fee related risks, institutions may find it useful to consider the following core questions.

- What does your institution’s data tell you about application and enrolment conversion rates? Does the institution trace, and are there any patterns in the levels of initial student interest compared with actual student enrolment?
- Does your institution fully understand the challenges it faces in seeking to meet the rising expectations of students and other stakeholders? What changes have been made thus far?
- Has your institution considered all options, and progressed viable programmes in order to maximise income?

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3 European Commission Horizon 2020 in brief, The EU Framework Programme for Research & Innovation 2014
INTERNATIONALISATION

Today’s higher education students have high expectations of their learning experience; it is against this backdrop that internationalisation is becoming increasingly important.

Student populations are becoming more diverse, many EU and non-EU students are coming to the UK to study; institutions play an important role in preparing their students to live in a global society. Internationalisation is of growing importance and institutions are looking to see how they can maximise the associated benefits, building on the progress that may have been made thus far.

The Higher Education Academy has noted that ‘three-quarters of higher education providers in the UK now have some form of transnational arrangements in place, ranging from overseas campuses to collaborative arrangements and partnerships’. Research from the Department for Business, Innovation and Skills estimated the total UK transnational education revenue to be almost £496 million in 2012/13.

The transnational education offer has expanded rapidly over recent years and the market is now highly competitive. Institutions should investigate how they are able to compete internationally and may benefit from improved marketing and communications as a way of enhancing their global profile. All of the institutional risk registers we examined contained some form of internationalisation risk. 6 per cent (77 risks out of 1,383) of all risks identified by institutions since 2012 were associated with internationalisation. The number of internationalisation risks increased from 2012 to 2013, and from that time have begun to stabilise which may reflect a growing maturity within higher education risk registers in respect of this area of opportunity. Yet, our review of higher education risk registers indicates that institutions may be focusing more heavily on those negative risks and not necessarily reflecting upon the opportunities that internationalisation holds. This may be reflective of the relatively low internationalisation associated risks recorded across all risks registers. Institutions should be mindful of the need to ensure all risks in relation to opportunities (as well as threats) are properly captured on the risk register. By doing so, institutions will have a greater ability to raise their profile in the international market and recruit a broader range of students.

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4 The Higher Education Academy Enhancing student learning and teacher development in transnational education April 2014 p.72
5 Department for Business, Innovation and Skills BIS Research Paper Number 194, The value of Transnational Education to the UK November 2014 p.3
The most common internationalisation risks relate to:

- collaboration arrangements and the risk that they may not deliver desired outcomes;
- failure to recruit desired numbers of international students;
- failure to provide adequate support and a high quality student experience to those studying internationally;
- the capacity of the institution to deliver its international objectives both in terms of finance and internal resource;
- failure to comply with associated legislation overseen by UK Visas and Immigration and the impacts this may have on the institution’s reputation and its students; and
- significant competition and how this may affect the institution.

THIS INFORMATION IS FURTHER ANALYSED BELOW, BROKEN DOWN INTO KEY RISK THEMES:

<table>
<thead>
<tr>
<th>Internationalisation Risks: Broken Down by Key Theme</th>
<th>Percentage of Risks Recorded in All Risk Registers Over the Period 2012 to 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Failure to recruit</td>
<td>27%</td>
</tr>
<tr>
<td>Collaboration and partnerships</td>
<td>22%</td>
</tr>
<tr>
<td>Finance and resources</td>
<td>18%</td>
</tr>
<tr>
<td>Student engagement and programmes</td>
<td>14%</td>
</tr>
<tr>
<td>Quality</td>
<td>8%</td>
</tr>
<tr>
<td>Legislation</td>
<td>4%</td>
</tr>
<tr>
<td>Reputation</td>
<td>4%</td>
</tr>
<tr>
<td>Competition</td>
<td>3%</td>
</tr>
</tbody>
</table>
Some institutions are looking to grow their international student population and programmes. As such, it is not surprising that in recent years risks associated with a failure to recruit have increased by 12 percentage points. In addition, given the economic climate in which institutions have been operating, combined with tuition fee rises, it is only natural that risks associated with finance and resources have also increased; finance and resource risks have risen by a total of 11 percentage points since 2012.

From the risk registers reviewed, we can determine that, of all the internationalisation risks recorded, 25 per cent were deemed to be high to medium risk in terms of severity. 40 per cent of internationalisation risks were recorded as medium risk and 35 per cent were recorded as low risk.
The majority of high to medium risks (43 per cent) centre upon a failure to recruit; 29 per cent concern student engagement and programmes. Those core high risks relate to:

- the risk of a significant fall in international full-time undergraduate demand;
- failure to attract and recruit sufficient overseas full-time undergraduate students so that institutional targets are met. Failure to do so impacts on the achievement of strategic objectives, income and naturally student numbers;
- failure to increase numbers of postgraduate students, which again negatively impacts on strategic objectives and income; and
- the institution’s international reputation may be damaged as a consequence of failures within international partnerships. This may affect an institution’s ability to recruit international students.

In comparing risk registers over time, and looking directly at impact and likelihood, it can be observed that there has been very little movement with regards to internationalisation risks. This may be reflective of the difficult financial climate over the last few years; but interestingly, many of the risks previously identified not only remain but have not reduced in either impact or likelihood.

The vast majority of internationalisation risks do not focus upon the key programmes or programme initiatives that the institution may be developing. Instead, many risk registers draw attention to:

- a failure within the institution to adequately develop emerging student markets and actively engage internationally;
- insufficient improvements in relation to programme quality and standards affecting international student recruitment numbers;
- failure to establish international research partnerships; and
- failure to ensure that international collaborative partnership arrangements meet intended benefits. For example, ensuring that the process for delivering awards overseas is robust and meets best practice.
Within the internationalisation risks identified by institutions are related governance risks and the importance of establishing effective governance processes. There must be clear ownership of the international programme and when institutions are collaborating overseas it is necessary for the responsibilities and expectations of each party to be clearly identified and articulated. Quality remains an essential component and institutions must ensure that this is not compromised, particularly as they enter into international research partnerships or other collaborative ventures.

**What does this mean for your institution?**
Building on our review of internationalisation related risks, institutions may wish to consider the following core questions.

- Does your institution understand the cost of its overseas activities and associated margins?
- Does your institution have a clear plan for developing its international activity and associated programmes? Is the rationale understood, are the strategic objectives clearly articulated and are measures of success documented and reported?
- Has your institution considered the various options for diversifying funding in the aim of further developing its research work? Does your institution effectively promote its research globally and seek out opportunities for enhancing knowledge transfer?
UK VISAS AND IMMIGRATION

As part of our analysis we have looked at risks concerned with UK Visas and Immigration (UKVI) separately to internationalisation, although the two are clearly interlinked.

As institutions seek to grow their international programmes it is vital they are aware of, and meet, all of the legislative requirements when recruiting students from overseas.

Interestingly, from all of the risks we identified from risk registers in 2012, 2013 and 2014 only 2 per cent (26 risks out of 1,383) were focused on visas and immigration. This was surprisingly low based on the profile of this area of activity in recent years, aligned to government policy. It may be that such risks were integrated into wider government policy and legislation risks. However, as illustrated in the graph overleaf, the risk of loss of status has increased in profile over the period reviewed.

Each year, institutions must pass an annual assessment in order to retain their Tier 4 sponsor licence. In recent years there have been a number of institutions where the application to renew the highly trusted sponsor status has been refused, pending further investigation. During an investigation, the Home Office may remove the institution from the Tier 4 Register of Sponsors, thus preventing the institution from sponsoring any new international students. In recent months one institution has seen its visa licence suspended over concerns that it exceeded the visa refusal rate, set by government, for international students.

With 5 per cent of all HEI enrolments in 2013/14 coming from countries within the EU (excluding the UK) and 13 per cent from countries outside of the EU, there is clearly scope for institutions to achieve real benefits by maximising their international offering. However, institutions must stay abreast of process and legislative changes in order to ensure their licence status is not impacted and that students are adequately informed of their obligations. Recent changes in immigration procedures for students coming to the UK, is one example where the system is arguably becoming more complex. Moving forward, students that make their immigration application overseas will only be given short term entry clearance. Within the student’s first 30 days in the UK they must visit their local post office and collect a Biometric Immigration Document (BID). The BID acts as evidence that the student has permission to stay in the UK for the duration of their studies (in addition to a short period afterwards). This requirement is being implemented in phases between February and July 2015.

Institutions must ensure they do not breach international student related legislation and regulations. The core risks we identified from our review of institutions’ risk registers relate to:

- complying with UKVI regulations;
- breaching UKVI regulations which may lead to a loss of the Highly Trusted Sponsor Licence; and
- the effects of UKVI regulations on international student numbers.

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6 Higher Education Statistics Agency Statistical First Release 210 – Student Enrolments and Qualifications January 2015
**UKVI RISKS: BROKEN DOWN BY KEY THEME**

<table>
<thead>
<tr>
<th>Regulations and compliance</th>
<th>Loss of status</th>
<th>Student numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>56%</td>
<td>22%</td>
<td>22%</td>
</tr>
</tbody>
</table>

**PERCENTAGE OF RISKS RECORDED IN ALL RISK REGISTERS OVER THE PERIOD 2012 TO 2014**

**HOW THIS DATA IS BROKEN DOWN OVER THE PERIOD 2012, 2013 AND 2014 IS ANALYSED BELOW:**

![Comparison of visa and immigration risks: 2012 to 2014](image-url)
Across the risk registers examined in 2012, 2013 and 2014 combined there were a total of 104 (out of 1,383) internationalisation or visa and immigration associated risks. This equates to 7.5 per cent of all the risks recorded.

**What does this mean for your institution?**

Building on our review of UKVI related risks institutions may find it useful to consider the following core questions.

- Does your institution maintain strong communication links with the Home Office and its UKVI team?
- Has your institution developed guidance to aid staff as they encounter conflicts of interest between student welfare and compliance? An institution may be required to report a breach (under Tier 4) but this may conflict with their duty of care to a student.
- Does your institution have manageable and practical arrangements in place for monitoring student attendance? Have you considered what other institutions may be doing and whether the sharing of best practice could be facilitated?

*IN TERMS OF SEVERITY, FROM THE INFORMATION AVAILABLE TO US, WE CAN DETERMINE THAT: 22 PER CENT OF UKVI RISKS WERE DEEMED TO BE HIGH RISK; 52 PER CENT WERE DEEMED TO BE MEDIUM RISK; AND 26 PER CENT WERE RECORDED AS LOW RISK.*
**OTHER RISKS IN SUMMARY**

Institutions should be asking the question, ‘does your risk register list all of the significant risks that the institution faces?’

With the ever changing higher education landscape, coupled with increased competition, it is vital that institutions ensure all of their risks are appropriately identified. Most institutions know the risks they face but there is merit in tracing risks that are interlinked and ensuring that risks are not considered in isolation. The governing body and audit committee will then be better placed to assess the entire control environment, challenge the identified risks and opportunities the institution faces and be assured that the risk management arrangements are sufficiently robust.

The risks across 2012, 2013 and 2014 can be broken down into the following themes.

<table>
<thead>
<tr>
<th>RISK THEMES</th>
<th>PERCENTAGE OF RISKS CAPTURED IN RISK REGISTERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Finance</td>
<td>20%</td>
</tr>
<tr>
<td>2 Organisational factors e.g. internal governance and resources</td>
<td>15%</td>
</tr>
<tr>
<td>3 Estates</td>
<td>8%</td>
</tr>
<tr>
<td>4 People</td>
<td>8%</td>
</tr>
<tr>
<td>5 Student satisfaction</td>
<td>6%</td>
</tr>
<tr>
<td>6 Internationalisation</td>
<td>6%</td>
</tr>
<tr>
<td>7 IT</td>
<td>4%</td>
</tr>
<tr>
<td>8 Relationships</td>
<td>4%</td>
</tr>
<tr>
<td>9 Student numbers</td>
<td>4%</td>
</tr>
<tr>
<td>10 Learning and teaching</td>
<td>4%</td>
</tr>
<tr>
<td>11 Reputation</td>
<td>4%</td>
</tr>
<tr>
<td>12 Quality</td>
<td>4%</td>
</tr>
<tr>
<td>13 Assessments</td>
<td>3%</td>
</tr>
<tr>
<td>14 Research</td>
<td>3%</td>
</tr>
<tr>
<td>15 Regulation</td>
<td>2%</td>
</tr>
<tr>
<td>16 Visas and immigration</td>
<td>2%</td>
</tr>
<tr>
<td>17 Institutional / programme specific</td>
<td>1.5%</td>
</tr>
<tr>
<td>18 Leadership</td>
<td>1%</td>
</tr>
<tr>
<td>19 Legal</td>
<td>0.5%</td>
</tr>
</tbody>
</table>
The following sections focus upon each of the core risk themes identified opposite. We provide more focus on those risk themes that, from our analysis, are more common and more frequently recorded.

The relative proportion of each risk area broken down by year is as follows:

<table>
<thead>
<tr>
<th>Risk Area</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>18%</td>
<td>21%</td>
<td>20%</td>
</tr>
<tr>
<td>Organisational factors</td>
<td>15%</td>
<td>10%</td>
<td>19%</td>
</tr>
<tr>
<td>Estates</td>
<td>9%</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>People</td>
<td>7%</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>Student satisfaction</td>
<td>6%</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>Internationalisation</td>
<td>6%</td>
<td>6%</td>
<td>4%</td>
</tr>
<tr>
<td>IT</td>
<td>3.5%</td>
<td>4%</td>
<td>6%</td>
</tr>
<tr>
<td>Relationships</td>
<td>5%</td>
<td>3%</td>
<td>9.5%</td>
</tr>
<tr>
<td>Student numbers</td>
<td>4%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Learning and teaching</td>
<td>6%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Reputation</td>
<td>5%</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>Quality</td>
<td>3%</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Assessments</td>
<td>2%</td>
<td>3%</td>
<td>5%</td>
</tr>
<tr>
<td>Research</td>
<td>3%</td>
<td>4%</td>
<td>2%</td>
</tr>
<tr>
<td>Regulation</td>
<td>3%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Visas and immigration</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Institutional/programme specific</td>
<td>1%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Leadership</td>
<td>1%</td>
<td>0.5%</td>
<td>1%</td>
</tr>
<tr>
<td>Legal</td>
<td>0.5%</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Comparison of risks captured by theme during 2012 to 2014
FINANCE

Overall there were 273 financial risks (out of a total of 1,383) across the risk registers in 2012, 2013 and 2014, meaning that 20 per cent of all risks were finance related.

From our analysis, we have been able to determine that 19 per cent of finance related risks were concerned with budgetary management, 16 per cent with opportunities for income maximisation, and 12 per cent with government funding and policies. The types of risks identified are further analysed.

**Budgetary management**

Under the budgetary management theme a number of risks focus on: the ability of the institution to control budgets effectively; failure to ensure set budgets are achieved; failure to monitor income and expenditure appropriately; failures within the institution's financial controls particularly in times of change; and the control processes established for budget allocation and authorisation fail.

Other risks centred upon:

- the risk of inadequate financial forecasts;
- incurred debts are not appropriately or effectively managed;
- financial exposure as a result of Students' Union or pension liabilities;
- that surplus or levels of institutional reserves are threatened through a failure to control expenditure;
- failure within individual school / facility to manage their budgets which may then impact negatively on the institution as a whole; and
- failure to react appropriately, and take the necessary action for rectifying errors, when they are identified.

A small number of institutions identified risks concerning their own internal management information processes and how there may be flaws or problems in the process that jeopardise the ability of the organisation to manage finance and costs appropriately.

**Opportunities, income and maximisation**

There are a number of risks that relate to the ability of the institution to take opportunities that may hold financial benefit. In the aim of seeking to maximise income, institutions would be wise to consider all options for diversifying their income streams and failure to do so is a risk identified specifically by a number of institutions. Income maximisation for institutions centres upon creating enterprise initiatives and commercial opportunities and there are concerns that institutions are not positioning themselves appropriately to enable them to seize new investment opportunities as they arise. Other income maximisation risks centred upon:

- failure to increase external research income which means the institution's ability to expand its enterprise activity is reduced. Linked to this is a failure to recognise movements in respect of research and enterprise markets;
- failure to fully maximise and develop emerging student recruitment markets, such as effective employer engagement or postgraduate taught degrees;
- failure to engage with business and thus increase enterprise income which may lead to poor Higher Education Business and Community Interaction Survey (HE-BCI) metrics and impact on Higher Education Innovation Funding (HEIF);
- failure to develop research partnerships with small and medium sized enterprises (SMEs) leads to a loss of funding in respect of the EU Framework 8, otherwise known as Horizon 2020; and
- failure to maximise revenue through effective utilisation of physical assets and in a way that is properly joined up with other enterprise activities, for example short courses.
There are clear links here with the internationalisation risks discussed earlier; the emphasis that institutions are placing on opportunities and income maximisation is becoming increasingly important and significant.

Institutions have concerns about their ability to generate sufficient non-HEFCE income; the core risk for institutions centres upon not having sufficient income to meet commitments. There are concerns that increased competition may impact on the ability of institutions to raise research funding, that funding from collaborative ventures may reduce, and that institutions may fail to secure funding necessary to ensure key capital developments and maintenance projects can be undertaken.

4 per cent of all financial risks concern cost increases. Doubts in relation to financial increases mainly centre upon staff costs and how these may become unaffordable; there are worries that staff costs may be rising at a rate that cannot be sustained by the level of current income.

Government funding/policy

With government funding to HEIs reducing, it is not surprising that 12 per cent of all finance related risks were directly associated with funding and policy decisions at national level. Our analysis of risk registers shows there is a certain amount of apprehension and uncertainty about funding income streams and the government’s higher education policy. If reductions in grant are not offset by increases in income from other areas, the financial standing of the institution becomes uncertain. Institutions have recorded risks in relation to:

- concerns that government funding reductions will not be offset by growth in fee income, which could leave the institution in a financially unstable position; and
- concerns that the HEFCE funding methodology is inflexible or may change, which may mean the loss of certain provisions and cutbacks take hold.

3 per cent of finance risks centre upon the economic climate and overall financial health. Institutions identify the difficult financial climate they are operating in, alluding to the wider economy more generally. These institutions draw out the negative financial impact they have experienced and the difficulties the wider economic climate poses.

Targets

It is not surprising that a number of institutions have identified risks concerning their inability to meet financial targets and objectives. Many institutions have serious concerns about the financial consequences of failing to achieve the necessary savings or financial surpluses they consider are required. Institutions have identified the need to achieve income growth through specific activity such as increasing academic research and student numbers.

- there may be further changes to the funding regime set by government and that government policy changes may impact upon both student demand for courses and institutional income;
Banks and suppliers
There are risks around breaching banking covenants and failure or further instability in the banking system which consequently put institutional funds at risk. There are also risks identified in relation to supplier or commercial contract failures, which would have financial repercussions for institutions should they occur. In terms of suppliers, institutions should ensure they effectively engage with third parties and that there are clear frameworks, such as service level agreements, in place and are actively managed.

Value for money
Institutions have recorded risks concerning sustainability, value for money and procurement. There are concerns that the approach to procurement may be flawed, which could affect the ability of the institution to achieve value for money (VfM). Institutions in England are under obligation, as part of the Memorandum of Assurance and Accountability (MAA) with HEFCE, to ensure that public funds are not only used for their proper purposes but that they seek to achieve VfM. It is then important that institutions seek to understand where their VfM strategies may be falling down and make the necessary improvements. It is also important for institutions to embrace the commitments set out in Universities UK’s Efficiency Task Group’s Efficiency, effectiveness and value for money report. The report identifies seven key themes in relation to: workforce; estates; research; asset sharing; higher education data; procurement; and evidence and the sharing of good practice. Institutions should, as part of their VfM strategies and plans, consider each of these elements and reflect on how improvement can be made.

Fraud
The financial consequences for institutions should a fraud or theft occur is also an issue. There are concerns that institutions may be exposed to bribery and corruption, which may damage the organisation financially but may also affect its reputation.

THE KEY RISKS RECORDED IN 2012, 2013 AND 2014 ARE BROKEN DOWN AS PER THE BELOW:

![Comparison of key finance risks from 2012 to 2014](image)

7 Higher Education Funding Council for England Memorandum of assurance and accountability between HEFCE and institutions 2014, p.6
8 Universities UK Efficiency, effectiveness and value for money 2015
INTERESTINGLY, THE NUMBER OF RISKS AROUND OPPORTUNITIES AND INCOME MAXIMISATION HAS INCREASED OVER THE PERIOD, FROM 10 PER CENT IN 2012 TO 24 PER CENT IN 2014. THIS MAY NOT BE SURPRISING; AS GOVERNMENT FUNDING IS REDUCING, INSTITUTIONS ARE LOOKING FOR OTHER AVENUES TO GROW THEIR INCOME STREAMS. THE ANALYSIS ALSO SHOWS THAT: RISKS IN REGARDS TO INCOME SHORTAGES HAVE INCREASED FROM 5 PER CENT IN 2012 TO 12 PER CENT IN 2014; RISKS IN RELATION TO GOVERNMENT FUNDING AND POLICY HAVE BEEN RELATIVELY STABLE ACROSS THE PERIOD; AND RISKS WITH REGARDS TO MANAGEMENT INFORMATION HAVE INCREASED TO 6 PER CENT. AS OPPORTUNITIES AND INCOME MAXIMISATION BECOMES MORE OF A PRIORITY, INSTITUTIONS ARE PLACING MORE VALUE AND ATTACHING GREATER IMPORTANCE TO GOOD QUALITY MANAGEMENT INFORMATION.
ORGANISATIONAL

Overall there were 205 organisational risks (out of a total of 1,383) across those risk registers we examined in 2012, 2013 and 2014. 15 per cent of all risks related to organisational factors; the key risk themes identified are:

Governance
The majority (25 per cent) of organisational risks focused upon institutional governance. Within those risks there is a focus on a failure to implement and adhere to policies and procedures and a failure to have robust internal processes in place, which leaves the institution exposed. There are concerns that failures in governance may mean that statutory return deadlines are breached, management effort is spread too thinly, that change or change management programmes are not effectively implemented and that the skill set of the governing body fails to keep pace with a changing higher education sector. Other risks identified include:

• ineffective or non-compliant governance leads to internal control failures impacting negatively on institutional performance;
• ineffective governance processes and internal structures prevent the institution from achieving its objectives and targets;
• the culture within the institution is not aligned to the changing higher education environment meaning that organisational progress is hindered;
• there are ineffective communication mechanisms in place with regards to both staff and students, particularly where institutions operate in multiple locations; and
• a failure to develop and implement an institutional strategy or business plan that is both appropriate and effective.

Internal resources
Given the difficult financial climate in which institutions have been operating, it is not surprising that a significant number of risks focus upon insufficient internal resources. There are concerns that institutions do not have the means to make the gains they would like and therefore fail to identify and maximise opportunities as they arise. There are also concerns that individual schools / faculties do not have the resources they require, that the deployment of staff resource is ineffective thus creating a significant delivery failure, that the workload of individual departments increases to a point where focus is diverted away from organisational strategy and development, and that staff shortages lead to a decline in services provided to students.

Institutional disruption
As may be anticipated, many institutions are concerned about the potential effects of a significant incident or a system loss or failure. It is the unexpected adverse event that has the potential to have serious implications for institutions. The risk registers we examined brought out the following factors in particular; a serious incident involving either staff or students, which may lead to loss of life, prosecutions and penalties and which may adversely impact on the institution’s reputation; and a failure within the institution to effectively manage the impact of an emergency or critical incident. Somewhat linked is business continuity but only a small number of institutions have business continuity clearly identified on their risk register.
Reputation and competition
Given the increasingly competitive market it is only natural that institutions are concerned with reputation. There are concerns that specific programmes and projects may bring adverse attention, which could ultimately damage an institution’s standing. The principal risks recorded on the risk registers we examined concerned:

• poor graduate employability record which may deter potential students;
• reputational risks arising from engagement with academies and academy trusts;
• reputation may be damaged through the use of social media;
• failure to support local and regional businesses and a failure to play an active part in the local community may adversely impact on institutional reputation;
• the potential for negative audit and inspection outcomes to have reputational ramifications; and
• reputational exposure from the activities of the Students’ Union.

A small proportion of risk registers focused on competition related risks directly. Although few, those risks centred upon a failure to respond to initiatives developed by competitors, and a failure to respond to market needs.

Academic processes
There are risks centred upon how specific programmes may not be adding value or meeting student and / or employer need. There are concerns that certain qualifications may have perceived low value, that timetabling systems are not efficient and that examinations are not well run or there are problems with delivering results to students. Other risks identified by institutions include: individual faculties fail to diversify their academic portfolio, leaving them vulnerable to sector wide changes; and that student disciplinary and appeals processes are not well designed or facilitated.

Student attainment, experience and quality
There are a number of interlinked concerns that the institution may fail to provide an adequate student experience; the quality of the student experience deteriorates; student attainment targets are not attained; the consequences being that complaints may increase and institutions fail to suitably prepare graduates for employment, all of which may result in reputational damage.

5 per cent of all organisational risks focus on quality. Concerns centre upon a failure to make sufficient improvements in standards, failure to comply with quality standards and a failure to embed quality assurance processes and ensure transparency.
THE KEY RISKS RECORDED IN 2012, 2013 AND 2014 ARE BROKEN DOWN BELOW:

From this information it is clear that governance is recognised as an important area for institutions; albeit there has been some variation in the number of those risks recorded in recent years. Yet, given that 26 per cent of organisational risks in 2014 were governance focused, this indicates the level of concern and the importance institutions place on this element. Reputation is an interesting factor as it would appear that institutions are becoming far more concerned about this area, with the number of risks recorded between 2012 and 2014 rising by nine percentage points. Quality is a theme that appears to be increasingly on the radar of institutions; rising steadily since 2012 from 3 per cent to 7 per cent in 2014.

Linked to governance is leadership but it is interesting that only 12 (or 1 per cent) of risks throughout 2012, 2013 and 2014 were focused upon the leadership of the institution directly. While the level of governance risks were in line with our expectations, we were surprised that many of the risks tended to be around process and less around effective leadership.
12 (OR 1 PER CENT) OF RISKS THROUGHOUT 2012, 2013 AND 2014 WERE FOCUSED UPON THE LEADERSHIP OF THE INSTITUTION DIRECTLY.
ESTATES

A total of 114 or 8 per cent of risks recorded in 2012, 2013 and 2014 centre upon the higher education estate.

The UK higher education sector had a total of 15,431\(^6\) buildings as at 2012/13; it is essential that effective oversight is in place and that facilities are maintained for the good of the overall student experience.

The key estate risk themes identified from our analysis are as follows.

**Project management**
The majority of estate risks centre upon the management of projects and a failure to deliver intended project outcomes. There are risks that best value is not achieved, that the student experience is impacted by works on campus and that wide spread improvements are not realised. There are also concerns that capital projects may fall into difficulties and due to a lack of management may fail to meet or comply with building requirements and are not completed to time and budget.

**Health and safety and estate security**
There are risks with regard to failing to maintain the health and safety of students whilst they are studying. This originates out of an inability to establish effective safety management processes. Health and safety risks are considered in terms of the risks to students but also a failure in statutory compliance, and so a failure to adhere to appropriate legislation.

7 per cent of all estates risks were focused upon campus security. Institutions identified risks in relation to a security breach, which may threaten operational capacity and assets.

**Estates strategy and sustainability**
Institutions have concerns that they may be unable to adequately deliver the estates strategy which could impact on the student experience and the ability to achieve value for money. Without developing an appropriate estates strategy, institutions may miss potential rationalisation opportunities and may fail to create suitable learning and social spaces. There are also risks centred upon the poor use of the existing estate and potential liabilities attached to institution’s properties.

Overall, 5 per cent of estates risks are focused upon sustainability matters. Institutions are concerned with a failure to deliver environmental targets and effectively integrating sustainability into the institution’s long term strategy. A small number of risk registers identify carbon reduction targets specifically.

**Inadequate facilities**
16 per cent of estates risks centre directly upon the ability of the institution to meet the expectations of students. Institutions have identified risks around the fitness for purpose of the estate and infrastructure and how estate deterioration may negatively impact upon the overall student experience. In addition, there are risks that the quality and quantity of student accommodation does not meet identified need.

**Contractors and utilities**
Overall 3 per cent of estates risks are focused on contractors and 3 per cent upon utilities. There are concerns in relation to contractor under-performance and the potential impact this poses for institutions. In terms of utilities, there are risks in relation to failures by utility suppliers which create disruption to essential services.
THE KEY RISKS RECORDED IN 2012, 2013 AND 2014 ARE BROKEN DOWN BELOW:

Comparison of key estate risks from 2012 to 2014

- Project management
  - 2012: 30%
  - 2013: 23%
  - 2014: 20%

- Health and safety
  - 2012: 20%
  - 2013: 21%
  - 2014: 21%

- Estates strategy
  - 2012: 24%
  - 2013: 11%
  - 2014: 25%

- Inadequate facilities
  - 2012: 18%
  - 2013: 19%
  - 2014: 12%

- Utilities
  - 2012: 0%
  - 2013: 3%
  - 2014: 5%
Interestingly, project management risks appear to have peaked in 2013 but reduced in 2014, back to a level more consistent with 2012. It is natural that as institutions undertake new builds or campus development, project management associated risks will become more prevalent.

Institutions that embark upon new developments will be keen to understand: the key risks at each stage of the contracts lifecycle; what can be done to manage those risks; and where to focus potentially limited resources where they matter and will have best effect.

There has been variation in the risks associated with the estates strategy over the period; yet, with 25 per cent of risks focused on this area in 2014, this is a factor clearly on institutions’ agendas.

It is concerning that 18 per cent of facilities risks in 2012 and 19 per cent of risks in 2013 centred upon inadequate facilities. As competition for students ever increases the estate and learning environment is imperative in attracting future learners (and so income). It is therefore reassuring that risks concerning the adequacy of facilities reduced to 12 per cent in 2014.
PEOPLE

Given that an organisation cannot operate without its employees, it may not be surprising that 108 (or 8 per cent) of risks focused principally on staffing. The key people risk themes identified are:

**Recruitment, retention and withdrawal**
The majority of employee risks (31 per cent) focused on recruitment, retention and withdrawal. There are risks identified in relation to how institutions recruit staff, and in particular, how recruiting senior members of the right calibre is sometimes problematic. Staff retention and turnover is also a specific cause for concern for institutions as it impacts on the overall support available to students. Some institutions note that they are experiencing high staff turnover and there are a high number of unfilled vacancies, which may stem from an inability to make the organisation attractive to prospective employees. There is a clear understanding amongst institutions that a failure to attract and retain experienced staff members will impact on the ability of the organisation to deliver high quality programmes and teaching excellence. The ability of the institution to grow and achieve key success measures is thus severely hampered.

**Staff development, engagement and support**
There are concerns regarding the institutions ability to develop staff and their careers, particularly in times of financial constraint. Institutions are very mindful of the need to ensure staff communication remains effective, especially in times of change and they are concerned with ensuring plans and priorities are understood by the whole staff population so that all are aware of what the faculty, and the institution as a whole, is working towards. Institutions, within their risks, identify the softer elements necessary for engaging employees, such as creating a sense of enthusiasm and a supportive infrastructure, to enable success to foster.
Compliance and performance management
14 per cent of employee risks relate to compliance. Key risks communicate principally to compliance with employment legislation, such as equality and diversity but also a failure to comply with established internal HR practices.

Only 5 per cent of employee related risks focus upon performance management. A small number of risks centred upon potential increases in poor staff performance and the internal processes in place for disciplinary action. More often, institutions are concerned with how they can bring about improved performance and how this can be maintained in the longer term.

Industrial action
A significant proportion (12 per cent) of employee related risks were focused upon industrial action. The principal risks centre upon the involvement of trade unions in response to pay or pension disputes. There are concerns that industrial action may impact on the student experience due to the withdrawal of teaching staff and that such activity will generate unwanted attention which may impact negatively on an institution’s reputation.
From considering the principal risks, as one may anticipate, recruitment, retention and withdrawal is a consistent concern. Linked to recruitment and retention is staff development, engagement and support and it is not surprising that both themes have been dominant. Clearly this is a vitally important element in maintaining quality and expertise within the institution.

The threat of industrial action is a consistent feature during 2012, 2013 and 2014; moving no more than two percentage points over the period. Performance management is also a consistent and steady theme over the last three years.
OTHER RISK THEMES

Student satisfaction and quality

Many of the student satisfaction risks relate in some way or another to the student experience. A core objective must be to provide an outstanding student experience otherwise levels of recruitment, retention and achievement may be impacted. There are concerns that failures in major projects, such as ICT transformational programmes and a failure to improve courses will affect the overall student experience. The quality of courses and how they may be recognised locally, nationally and internationally has clear links with the student experience and some institutions have concerns that they are unable to deliver the improvements they would like.

There are also risks around a failure to provide adequate support to students in terms of any pastoral support they may require, which is particularly necessary as students live away from their home support network. With increasing competition, student satisfaction becomes ever more important and a number of the risks identified face this issue head on.

Student satisfaction is intrinsically linked to quality. In terms of quality there are risks identified in relation to: a failure to maintain an appropriate quality and standard of teaching; deterioration in student achievement, which may be reflective of issues within the learning programme; and failure to communicate and enact academic related policies and procedures to set standards. Other core risks include: collaborating partners fail to perform in terms of meeting the institution’s requirements of quality and standards; deteriorating standards as a result of a lower than desired student in-take; and failure to provide quality information, advice and guidance to students on careers.

All of this links to the overall student experience, which is a fundamental factor in the achievement of student success.

Information technology

Technology risks are now very common amongst all organisations, given the reliance placed upon IT. The key IT related risks identified by institutions relate to: the impacts of a major IT disaster; a network security breach, which may lead to a loss of information; a loss of key data which is held on servers; and the threat of cyber terrorism and e-crime. The vast majority of IT risks are concerned with the business disruption that may be experienced following an unwelcome episode.

There are concerns that systems will not meet the needs of the organisation and may therefore impact on the quality of management information. There are risks identified with regards to the inability of an institution to provide the IT investment that it would like, which may result in the organisation failing to maximise new technologies. There are also concerns that too much reliance is being placed on the internal IT team.

Over time, we expect to see more risks focused upon institutions not taking the opportunities that technology provides.

Relationships

Risks centre upon a failure to develop and maintain effective working relationships. Many of these concerns focus on the institution’s collaborative or partnership arrangements it has put in place with the Local Enterprise Partnership, local authorities, employers, further education colleges or other institutions.

A number of institutions are concerned about the relationship it has with the local community; this relationship is an important one for those institutions that recruit students locally. Some institutions consider it important to make a full contribution to their local community. For example, as institutions seek to undertake new build developments, gaining the support of those within the community is an important factor.
Learning and teaching
Learning and teaching risks are concerned primarily with the academic programmes of institutions. Risks centre upon: a failure to deliver high quality learning on a consistent basis; a failure to plan the curriculum appropriately; inconsistencies in the learning experience; failure to make necessary enhancements to the curriculum and taught courses; the threat to academic courses due to lower than anticipated levels of recruitment; failing to embed the institution’s learning and teaching strategy; and failure to provide the appropriate course portfolio.

Student numbers
There are risks centred upon a failure to recruit the required number of students, either at undergraduate or postgraduate level; this impacts on strategic objectives and income. Reputation is also affected by an inability to recruit the necessary or desired number of students. It should be noted that institutions are very mindful of the need to recruit students of the ‘right’ quality.

Reputation
Reputation is a key issue for the sector; managing the brand is important. Institutions are, in the main, concerned with the erosion of their reputation and how actions, particularly in terms of student engagement, may be a key factor.

The core risks centred upon the ability of the institution to manage its reputation in the face of, for example, its research portfolio, teaching quality, poor student experience outcomes and rapid internal changes. Institutions are concerned with how such factors may influence reputation and a number are thinking more strategically, and actively considering their position within the new higher education market. There are links here with ensuring effective marketing and press coverage as a means of actively managing brand and reputation. In seeking to maximise the potential of technology to reach large numbers of people quickly, we would expect to see institutions fully utilising social media as a mechanism for further developing their brand.

Assessments
A poor institutional assessment has the potential to have far reaching impacts and can adversely affect an organisation’s reputation. Those assessment related risks identified by institutions include: failing to meet the expectations of external assessors regarding teaching, learning and the standard of academic awards; adverse Quality Assurance Agency review; failure of Ofsted inspection and an inability to maintain a good standard for teacher training provision. Other risks identified include: failing to achieve the quality assurance threshold; failure to reach targets, such as Welsh Medium Targets; failure to improve league table position; failure to improve upon National Student Survey results; and loss of ability to be a research degree validating institution.

Research
A number of institutions are concerned about enhancing their research and knowledge transfer. The research related risks identified include: the implications of failing to achieve satisfactory outcomes with regards to the research programme; failure to achieve satisfactory outcomes in the Research Excellence Framework; reputational and budgetary implications if sufficient research is not undertaken; the risk of failing to sustain research and scholarship ambitions; and growth in research activity is not achieved. Other risks identified by institutions include: failure to raise the institution’s profile as a centre of research and knowledge transfer; and the risk of failing to ensure all courses are informed by research and scholarship (as well as professional practice).

Regulation
Only 2 per cent of institutional risks centred upon regulation. The principal risks recorded on risk registers include: failure to meet the requirements of the memorandum with the relevant funding body; loss or suspension of charitable status; and failing to act in accordance with the institution’s Instrument and Articles of Government. There are also concerns in relation to compliance with statutory legislation such as freedom of information and data protection.
Legal
Legal risks centre upon a failure to comply with legislative frameworks. Risks focus upon: legal action which may be brought against the institution; the excessive costs of defending an institution against legal claims made against it; and the risk of an increase in the volume of complaints and legal challenges.

Institutional or programme specific
Institutional or programme specific risks are focused upon those risks that are often unique to the institution, as a result of the very specific nature of a course programme or learning aim. They include for example the farm risks that would be relevant only to an agricultural institution.
FUTURE LANDSCAPE AND EMERGING RISKS

Outside of the risk register analysis, and drawing on our extensive understanding of the sector, and from our experience of working closely with diverse institutions, we consider the following to be key areas of emerging risk:

Student recruitment
Over recent months we have been asked by a number of institutions to undertake a review of student recruitment. As part of this review we have considered how the institution engages with academics so that courses can be made more appealing; the aim is to effectively market courses to potential students, which is becoming increasingly important as competition becomes greater. This type of review is becoming increasingly common, especially for post 1992 institutions who may not have a strong research base and who are actively seeking to develop a strong institutional brand.

In addition, new industries are being developed and as a consequence there is a growing demand for new skill sets. Institutions may therefore, benefit from considering how best they can respond.

Financial sustainability
The Memorandum of Assurance and Accountability (MAA) states that: ‘HEIs should have a financial strategy that reflects their overall strategic plan, sets appropriate benchmarks and performance indicators, shows how resources are to be used, and how activities and infrastructure will be financed. This should include how the HEI assesses and reviews its own sustainability, including the use of sustainability assessments’.

As government funding for higher education is reducing risks associated with financial sustainability are becoming an increasingly common factor. Coupled with the MAA requirements, institutions need to have effective processes in place which enables them to evaluate their position and make the right financial decisions for the longer term. Financial sustainability should be embedded within the control and risk framework and the institution’s approach should be understood by all of the governing body, vice-chancellor and senior managers.

Programme / funding viability
Linked to financial sustainability is programme funding viability. The MAA states that: ‘an HEI should know the full cost of its activities and use this information in making decisions. If it does not seek to recover the full cost, this should be the result of a clear policy set by the governing body and included in the financial strategy, and should not put the HEI in financial difficulty’. Institutions must therefore consider the costs and income attached to each course or study programme and make the necessary business decisions that will ensure longer term financial sustainability whilst also meeting the needs of current and future students.

Pensions deficits
One emerging risk centres upon pensions deficits. Over recent years the pensions deficit has been increasing with the Universities Superannuation Scheme (USS) in 2013 confirming that the deficit stood at £11.5 billion\textsuperscript{10}. Not all institutions will have high levels of pensions deficit but for some, this will certainly be an area of emerging risk.

\textsuperscript{10} USS Report & Accounts for the year ended 31 March 2014, 2014
Possible solutions and opportunities

There are a number of potential solutions and opportunities available to institutions, including:

**Shared services**
Entering into a shared services arrangement is an option for institutions. Both the government and HEFCE continue to promulgate the benefits of shared services, but it has to date tended to be of services on the periphery of the organisation and not core business support. One way in which institutions could focus more on partnership and collaboration opportunities is through engagement with their Local Enterprise Partnership.

**Joint delivery and partnerships**
Through joint delivery of information systems and modernisation programmes there is the potential to develop new ways of learning and teaching.

**Demonstrating social impact and social return on investment**
Social impact enables recipients of funding to demonstrate how the work they do meets the needs of the beneficiaries. This is also an important element of demonstrating public benefit which helps demonstrate compliance with charities requirements.

**Blended learning**
The much heralded advent of MOOCs (massive open online course) has not necessarily materialised as expected. Nonetheless, the opportunity to combine online and distance learning with more traditional delivery methods could enhance efficiency as well as meet student expectations with regard to integrated technology as part of the learning experience.
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