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A partnership accountability framework for a more resilient higher education sector

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Executive summary

Financial fragility, rapid growth in partnership provision and uneven regulatory oversight are colliding in ways that put academic standards, student protection and public confidence at risk. The most visible risks are currently associated with franchising in England, but the underlying challenge is wider and affects validating arrangements, other collaborative provision and some forms of transnational education across the United Kingdom.

This paper argues that the sector does not lack principles. It lacks an operational model. The UK Quality Code remains the correct common reference point, but providers and regulators also need a practical framework for governance, allocating accountability, gathering data, identifying risk early and managing failure when partnerships come under pressure.

The paper proposes a model partnership accountability framework built around four elements:

1) a clear partnership lifecycle;
2) a functional accountability matrix;
3) a regulatory mapping layer; and
4) a failure-and-recovery model with clear intervention triggers.

While the sector is in the habit of thinking about these matters as applying to lead providers scrutinising their delivery partners, such a framework should also be adopted by delivery partners as a demonstration of both quality and integrity. Indeed, in an environment of increasing complexity of business models for delivery partners, this level of governance and quality assurance planning becomes ever more essential as a bi-lateral accountability system.

The paper also argues that current approaches to student protection are too weak for large or complex partnership failures, especially where institutions are financially fragile or heavily reliant on rapid growth, franchise income or volatile international markets.

The policy choice is becoming clearer. Either external rules will continue to tighten in a piecemeal, reactive way, or the sector must demonstrate it can govern partnership provision with greater consistency and discipline. The framework outlined here is intended as a practical response to that challenge.

Introduction

Recent reports from the Higher Education Policy Institute and the Post-18 Project point to the same uncomfortable conclusion: financial fragility, rapid partnership growth and regulatory ambiguity are colliding in ways that put educational quality and student protection at risk.[1] The policy challenge is not simply to criticise those failures. It is to set out a more sustainable way of governing partnerships so that quality assurance and quality enhancement are strong enough for a harsher operating environment.

When this paper refers to partnerships, it is primarily addressing arrangements in which a registered UK higher education provider authorises another organisation to deliver its programmes or modules. These include franchised provision, where the awarding institution retains overall responsibility for standards but contracts out significant elements of delivery, and validation arrangements, where a delivery partner's programme is approved to lead to the awarding institution's qualification. However, collaborative provision also spans joint delivery with colleges and independent providers, subcontracted teaching, and other models where responsibility for aspects of recruitment, teaching, support or assessment is shared between organisations. The framework this paper proposes should apply across this whole landscape, not only to franchising, by setting expectations for lifecycle management, accountability structures, regulatory mapping and failure-and-recovery planning. The article also encompasses some forms of transnational education, particularly where UK awards are delivered through partners overseas rather than directly through the UK provider's own branch campus. It acknowledges that partnership activity increasingly crosses national regulatory boundaries (even within the UK) and that data for transnational partnerships is more fragmented and harder to standardise, which is a specific risk the proposed framework must take into account. However, the analytical focus remains on UK-based franchising and validation, with transnational examples used mainly to underline the need for consistent standards, better data and clearer accountability where delivery is remote from the awarding body.

The answer is not another abstract statement of principle. The sector needs a practical and adaptable partnership accountability framework that puts the UK Quality Code at its core, recognising its strength as a shared reference point for setting out the principles and expectations for securing academic standards and assuring and enhancing quality across UK higher education providers. Developed by the Quality Assurance Agency on behalf of the sector, it provides providers, regulators and students with a consistent description of expectations for standards across all four nations.[2] A partnership accountability framework should build upon the Code and other existing guidance, translating them into operational governance, clearer lines of responsibility, stronger data requirements and much earlier intervention points when risks begin to rise. Such a framework would help institutions respond constructively to the warnings in Tom Richmond's HEPI Debate Paper *A Degree of Regulation* and John Blake's *Blood, Debt, Toil and Arrears,* while also offering policymakers a route beyond the false choice between laissez-faire expansion and blunt central control.

Why this matters now

John Blake's Post-18 Project paper presents a wide diagnosis of post-compulsory education policy failure. Nearly 30 years ago (and just before devolution, so addressing the whole UK), the Dearing Report established the principle that students should contribute to the cost of their undergraduate education through fees but also set out a wider 'compact' for a mass, lifelong learning system.[3] Blake argues that England still lacks the coherent post-18 settlement the report promised, with policy instead becoming layered, contradictory and unclear about purpose, funding and accountability.

Tom Richmond's HEPI Debate Paper brings the institutional consequences into sharper focus. It points to worsening financial indicators, continued pressure on liquidity and the limits of monitoring as a substitute for resilience. Once an institution's growth strategy, recruitment model or financial portfolio becomes unstable, quality assurance is no longer a parallel technical function. It becomes part of the institution's front-line capacity to protect standards, continuity and the student experience.

The House of Commons Education Committee has added urgency to this picture.[4] Its report on higher education finance and international students concluded that current student protection arrangements are inadequate for large or complex failures and called for stronger teach-out and transfer planning, whereby a failing delivery partner either arranges to conclude teaching for enrolled cohorts, or arranges for them to transfer to another provider to conclude their period of study. The Committee said these arrangements should extend to international, postgraduate and research students. That concern sits squarely within the argument of this paper: partnership governance is now inseparable from institutional resilience.

What the evidence implies for partnerships

The sharpest warning in the HEPI Debate Paper concerns franchised provision. Student numbers in franchised higher education more than doubled in three years to 108,600 by 2021/22 and then increased again to 135,850 in 2022/23. Most of those students were taught by providers not registered with the Office for Students. The same paper also notes that 53 per cent of detected Student Loans Company fraud in 2022/23 occurred in franchised provision, and quotes concerns that lead institutions use franchise arrangements to bring in income without adequate quality assurance.

Those figures should not be read as an argument against partnerships as such. Collaborative provision remains vital for widening participation, local access, specialist delivery and flexible routes into higher education. But they do show that the sector can no longer treat partnership governance as a niche matter delegated to part of the quality function. In a context of financial hardship and regulatory scrutiny, intersecting pressures bring it to a position of prominence.

Blake's wider argument helps explain why this intersection matters. If years of policy layering have weakened clarity across the UK sector, then partnership governance is one of the places where that instability now shows up most sharply – and where the sector can devise its own, explicit, operating model without waiting for a grand new bargain.

The Quality Code is necessary but not sufficient

The 2024 *UK Quality Code for Higher Education* remains one of the few genuinely shared reference points across the four nations of the United Kingdom.[5]

That makes it the right starting point for a partnership framework. Principle 8 of the Code anchors partnership activity in academic standards, student experience and shared responsibility rather than in narrow contractual compliance.[6] The supporting guidance is thorough and useful. But principle alone is not enough when systems are under financial and regulatory strain.

There is no shortage of guidance on partnerships. The UK Quality Code and Principle 8 set out what a good partnership looks like in broad terms; the supporting advice and guidance offers detailed reflective questions; the Universities UK Franchise Governance Framework equips governing bodies with the right questions to ask, and the new Committee of University Chairs Code of Governance hardens expectations on risk and oversight.[7] What is still missing is a shared operational model that links those principles to the way institutions actually allocate accountability, manage the partnership lifecycle and respond when risks escalate.

A stressed system needs operational clarity: who is accountable for each decision; what data must be seen by whom; what triggers enhanced monitoring; and what happens when a partnership begins to fail. Existing guidance gestures to such a model but does not yet specify one clearly enough.

Where regulatory powers over franchising and subcontracting have developed piecemeal and where the English government, in particular, is now considering much tighter controls, there are only two credible options. Either more detailed rules are imposed from outside, or the sector demonstrates that it can design and operate a comprehensive partnership framework that protects students, upholds standards and limits excessive risk-taking. The model outlined here is intended as a contribution to that second route: a practical template that boards, executives and regulators can recognise and test and which could apply to providers in the devolved nations equally as well as English providers.

Elements of a model partnership accountability framework

A model partnership accountability framework could offer a set of practical structures that autonomous providers can adapt and adopt, rather than another series of questions to consider.

The framework sketched here is intended to be sector-owned – developed by provider representative bodies and the UK Quality Committee for Higher Education – but reinforced by clear, shared expectations from regulators and funding bodies across all UK administrations that providers adopt and evidence it in practice.

Any such framework should acknowledge the intersection of academic standards, student protection, institutional solvency and public trust. It requires four moving parts:

- a clear lifecycle for partnerships, from exploration and due diligence through approval, monitoring, review, renewal, suspension and exit, with defined decision-makers and escalation routes at each stage;

- a functional accountability matrix, ideally setting out in plain terms (ideally at the level of named individual or role) who is accountable, who is operationally responsible, who must be consulted and who must be kept informed (that is, a Responsible, Accountable, Consulted and Informed (RACI) matrix) for standards, curriculum, recruitment, support, data complaints and regulatory compliance;
- a regulatory mapping layer that links those functions to the Office for Students' Conditions of Registration, devolved national regimes, student sponsor rules and, where relevant, overseas regulators; and
- a failure-and-recovery model that sets triggers and / or thresholds for enhanced monitoring, recruitment caps, action plans, teach-out and termination, so that institutions are not designing their crisis response in the middle of the crisis. In light of the House of Commons Education Committee's recent conclusions on insolvency and disorderly exit, credible partnership failure-and-recovery planning must include concrete, costed teach-out and transfer routes for all major collaborations, backed by data, financial planning and contractual provisions that make those routes deliverable in practice, including for international and postgraduate students.

The case for that approach is now stronger because the sector's weaknesses are no longer merely theoretical. They are showing up in public debate, in regulatory interventions and in concern about whether some partnership arrangements are educationally and financially sustainable.

What needs strengthening

First, the sector should strengthen the operational use of the Quality Code in partnership settings. Many institutions can point to sound policies, but fewer can demonstrate in practical terms who owns each partnership risk across the student journey, from due diligence and approval to ongoing monitoring, suspension and exit. A stronger model would map a clear path from mission and academic strategy, into the detail of policy, enhancement activity and day-to-day implementation.

Secondly, equivalent student experience must move from aspiration to testable expectation. Partnership students should receive an equivalent academic experience, including robust access to academic advice, digital resources, wellbeing support, disability support, careers guidance and routes for representation. This provision should be backed by evidence at programme and site level, including continuation, attainment, progression and complaints data, so that institutions can identify whether equivalence is being delivered in practice rather than assumed in policy. The Committee of University Chairs Code of Governance expects governing bodies to apply the Code's provisions or explain why they do not. A partnership accountability framework can apply the same logic to equivalent student experience: where provision at a partner site differs from the home campus, the differences should be clearly articulated, justified, monitored and accepted by all stakeholders, rather than allowed to emerge by accident.

Thirdly, risk-based oversight should be sharpened for both lead and delivery partners. The framework should propose proportionate scrutiny based on the risk and maturity of the partner. Habitually, the sector thinks about this issue in relation to lead partners looking at delivery partners. But in the current climate, where a lead provider may cap or withdraw student numbers according to their TEF award and where a specialist delivery partner may contract with only a very small number of lead partners, risk can no longer be assumed to flow only in one direction. Nor can it any longer mean only academic complexity or operational novelty in either direction. It must also include rapid growth, dependence on one recruitment channel, heavy reliance on franchise income, weak liquidity, exposure to international volatility and poor control over admissions or attendance monitoring. It is not inconceivable that many of these risks could apply as much to the lead partner as to the delivery partner. There have been high-profile instances of registered and established degree-awarding bodies indulging in high-growth, high-risk practices that might lead a delivery partner wanting to protect its quality and reputation to assess carefully the risks of becoming involved with them.

In operational terms, this bi-directional accountability means both lead and delivery partners should be required to evidence how they assess each other's solvency, governance and quality assurance capacity, and how they respond when risks increase on either side of the relationship.

What needs reforming

One major reform concerns the relationship between quality assurance and financial sustainability. The HEPI Debate Paper argues for capital buffers, leverage limits, liquidity expectations and institutional stress testing, borrowing ideas from financial regulation because some providers now operate with debt and cash positions that leave them vulnerable to shocks. Whatever one thinks about adapting these financial regulatory approaches, the direction of travel is clear. Quality assurance can no longer ignore the business model on which teaching depends.

At an institutional level, that means partnership approvals should include a formal assessment of financial resilience and downside risk, not just academic design and legal form. At a national level, regulators should expect both governing bodies and academic governance bodies to see a common picture of core risks for all major partnerships, so that educational quality and financial exposure are not considered in isolation from one another.

A second reform concerns the regulatory treatment of higher-risk franchising. The present regime has allowed substantial delivery to sit outside the most direct forms of regulation, while still drawing on public subsidy through student support. This does not mean every partnership should be treated as suspect. It does mean that approval thresholds, reporting expectations and intervention powers need recalibrating so that the most exposed forms of collaborative provision face the highest burden of proof. A practical accountability framework can help by showing what a well-governed partnership ought to look like before a regulator decides whether to intervene, thereby providing reassurance to institutional leaders, provider-level governance systems, regulators and – critically – students.

A third reform concerns data. Institutions need joined-up reporting that can connect academic strategy and mission with academic outcomes, student support indicators, attendance, complaints, partner performance, financial exposure and regulatory returns. Without data, risk-based oversight is more slogan than method.

For example, in a partnership with a high-growth franchisee, the lifecycle model should require the lead provider to take an early decision on the maximum proportion of institutional income and student numbers that the partnership is allowed to represent. The accountability matrix would name the committee that can pause recruitment if continuation rates fall, and the failure-and-recovery model would spell out who in the lead provider triggers teach-out if the partner's attendance data or financial position deteriorate. That level of specificity goes beyond current sector guidance and is essential if governing bodies are to move from asking questions to taking timely decisions.

What may need a fresh start

Some problems appear too deep for minor adjustment. Blake suggests that the wider post-18 settlement suffers from repeated policy layering without a clear and durable theory of the relationship between the state, students and institutions, while Richmond similarly argues that the relationship between providers and government has become too unstable to support long-term resilience.

If that diagnosis is right, then quality assurance itself needs a clearer constitutional place. It should not be expected to compensate for long-term underfunding, incoherent growth incentives or unresolved disputes about what higher education is for. A fresh start would define more explicitly what public authorities fund, what providers owe in return and how quality assurance, student protection and financial oversight fit together within that settlement.

There is also a strong case for starting again in the governance of high-risk franchise networks. The evidence on scale, opacity and fraud is serious enough that guidance alone is unlikely to restore confidence. A more credible approach might treat large-scale franchising less as a routine commercial choice and more as a licensed activity requiring explicit justification, enforceable limits, transparent accountability and clear powers of suspension where student interests are threatened.

Policy implications

The national policy implications are substantial:

- In England, the Department for Education should require the Office for Students to develop an approval regime for higher-risk franchising and subcontracting based on educational need, student benefit, institutional capability and demonstrable quality controls, rather than assuming that existing registration arrangements are sufficient.
- Regulators and funding bodies in all four nations should align partnership regulation more closely with quality assurance, by expecting providers to evidence lifecycle governance, functional accountability, clear escalation routes and credible, costed teach-out and transfer arrangements for all substantial collaborative provision.
- Given the House of Commons Education Committee's judgement that existing Student Protection Plans are inadequate for large or complex failures, partnership-rich institutions should be expected to evidence more detailed, testable contingency planning for partnership exit, including how they would secure continuity of study for students taught in franchised and collaborative provision, including international and postgraduate students.

- Policymakers across the United Kingdom should preserve the value of the UK Quality Code as a common reference point even where national regulatory approaches differ, because partnership activity increasingly crosses institutional and jurisdictional boundaries.
- National data expectations should be tightened and consistently enforced across the UK, drawing on, but not limited to, the Office for Students' new framework for sub-contractual arrangements in England. Regulators and funding bodies in the four nations should ensure that student data collections reliably capture students taught through franchising, validation and other sub-contractual partnerships, and should move to routine publication of partnership-level information on student numbers, outcomes and fee flows. These data should be used to inform risk-based monitoring of large-scale or higher-risk collaborations, whether domestic or transnational, and should be available in a form that enables both lead and delivery partners to demonstrate how they are meeting shared responsibilities for quality, standards and student protection.
- If the sector were to drive these changes, oversight would need to be coordinated across multiple sector bodies to ensure adequate depth and breadth of coverage, and consistency across all the UK nations. This could be led by Universities UK, GuildHE and Independent HE, who could jointly commission the UK Quality Committee for Higher Education (which includes the Association of Colleges) to design the framework and its supporting tools, working with Higher Education Statistics Authority on data specification, Quality Assurance Agency and Advance HE on structure, guidance and training, and the Office of the Independent Adjudicator on complaints and student protection implications.

The institutional implications are equally important:

- Governing bodies should ask whether partnership activity is being treated as core strategy or peripheral business, with explicit oversight of scale, concentration risk and dependency on particular markets or partners, and clear sight of how this aligns with their conditions of registration.
- Academic governance bodies should require clearer evidence that equivalent academic standards and student experience are being achieved across all partnership sites and assure themselves that policies are being implemented and refined in the light of experience, in practice – not simply that they exist in statutes and regulations.
- Senior leaders should ensure that finance, quality, compliance and student protection teams are working from a common risk framework rather than from separate reporting lines that only meet when a crisis occurs. There should be a clear, defining narrative across providers' processes and approaches, and senior leaders should have confidence that any gap between policy / process and implementation is negligible in practice, is documented and is either closed or explained coherently.
- Institutions should define in advance the thresholds that trigger enhanced monitoring, recruitment pauses, action plans, contract variation, teach-out or termination, because uncertainty at the point of failure is itself a student protection risk.

Of course, in a regulated sector, a sector-owned framework such as this paper proposes falls some way short of an enforceable, regulatory requirement unless and until regulators and funding bodies reference it explicitly in their conditions, guidance or assurance processes. Care would need to be taken to ensure the consequences of a breach were comparable, no matter which regulator / funding body was applicable. This highlights one of the critical issues generated by the fragmentation of regulatory approaches across the UK; that the sector cannot engage in any meaningful way in unified, collaborative, pre-emptive self-management because of that very fragmentation. But that is a discussion beyond the scope of this paper.

Conclusion

The central message is not that partnerships are inherently problematic. It is that the sector has tolerated too much ambiguity in how partnership risks are governed at the same time as financial pressure has made some providers more willing to expand through arrangements that stretch oversight and weaken assurance. In that environment, quality assurance and quality enhancement need to become more concrete, more data-rich and more clearly connected to strategic and financial decision-making.

A model partnership accountability framework offers one way to do that. It will not solve the wider funding and regulatory tensions in higher education on its own, but it can help institutions govern partnerships with more transparency, consistency and with stronger protection for students. In a sector looking for practical responses rather than another layer of abstraction, or the long horizon of legislation, that may be exactly the sort of proactive, sector-led reform now required.

Operational accountability is now a policy question, not an institutional or sector housekeeping exercise. The sector already knows a great deal about what good partnership governance looks like. The question is whether it is prepared to apply that knowledge consistently before the next crisis or institutional collapse forces a blunter answer from government.

Endnotes

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