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Pocket Watch – How are the HE reforms working?

Introduction

Six months on, the first assessments of the impact of the HE reforms are beginning to come through. We've had trend evidence through UCAS reports of course, notably more positive in January, and plenty of anecdotal evidence, some of it less positive when the changes first kicked in but last week we had two HEFCE papers which start to add some detail. Other assessments are to follow, the Commission on the Future of Higher Education which runs to May is for instance looking at HE in the round and where it goes from here, UUK is looking at part-time study while million+ have already looked at the cost effectiveness of the new funding changes. These two latest papers, one on the impact of changes generally and one on the sector's financial health, may not give us the full picture yet and indeed some of the information has not been put in the public domain but they do provide some useful pointers

Key messages

The impact **Report** is the first in an annual series of such Reports that HEFCE will be producing no doubt informed by the new HE Observatory it's setting up later this year. The financial **Paper** is one of a number of financial summaries that HEFCE has been providing for the sector in England over the last 20 years. It's based on data submitted at the end of the year. Together therefore they provide a useful overview of the impact of the reforms as follows:

- On demand for HE in England: 47,000 fewer starters this year, changes to deferred entry practices and demography offering some explanation but worries about long-term effects on part-time, postgrad and international take up
- On different student groups: mature students affected more than younger ones but participation gaps still entrenched despite £610.7m of fee income above basic fees being set aside for access measures this year
- On the sector itself: STEM subjects have fared better than arts though with some notable variations, physics up but civil engineering down and some specific concerns about downward trends in modern foreign languages. Equally some parts of the country have suffered more than others, the N.W. seeing a 15% drop in entrants, the S.E 7.1%, and only specialist institutions and FE colleges maintaining numbers over the past three years
- On the sector's finances: total income up a lower 2.8% but limited surpluses, wide variations and concerns about recruitment levels with financial forecasts projecting a 3.5% fall in undergraduate numbers for 2012/13. Considerable efficiency savings have already been made particularly in the area of staff costs which fell for a second year running but this is all against a backcloth of possible further efficiencies

As to the future, HEFCE will publish an evaluation of Unistats in April, consult on the high grades policy in the summer and publish an updated financial bulletin in the autumn. The Government will announce 2015/16 spending figures in June and a widening participation strategy in the autumn while the Research Excellence Framework completes next year

But for the present four concerns stand out: recruitment of part-time learners and mature students; take-up of postgrad opportunities; support for vulnerable subjects; and the continuing need to support those from disadvantaged backgrounds



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Impact of HE reforms March 2013