

2013/3

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## Pocket Watch – What does 2013 hold for HE?

### Introduction

Another year under the new fee regime of course but what else might 2013 hold for the world of higher education?

### Current context

The second half of 2012 saw three issues in particular bubble up all of which seem likely to run through 2013 as well. These include first, the whole question of recruitment trends and what impact the fee regime let alone other factors such as visa arrangements and digital learning may have on future numbers. UCAS's end of year report last month confirmed the bald facts: *"fewer applications in 2012, a small increase in the acceptance rate, a large fall in acceptances"* but also pointed to some more subtle nuances arising from changes in demography and deferral practices. Debate remains fierce about the longer-term impact particularly for mature and foreign students and about how far the numbers threshold should be opened up beyond this year's ABB. Many eyes will be fixed on this month's important census point in the application cycle to see if numbers have picked up from last month's 6.3% drop. Second, and highlighted in a report by HEPI last October, just how sustainable funding calculations used in setting the current fee regime will prove to be. Much hinges here on how far the graduate market picks up and long-term revenue starts to flow back to the Treasury. Third the opening up of HE learning and research arising partly from the growth of global learning platforms but also partly from such national developments as the Finch review; the potential here has many drooling

### Likely themes for 2013

Currently six stand out. First, and never far away, widening participation where HEFE and OFFA have been working on a more coherent national strategy for which an interim report is due this month and a final version in the autumn. Second, the implementation of a new risk-based QA model, under consultation in 2012 and due to be implemented for 2014. Third, further movement within the sector itself as more organisations gain the 'university' title, various types of campus offshoot are considered and further re-positioning of mission groups happens. Fourth, and signalled again in this year's OECD Education Report, the growing importance of HE as a global commodity, a tradable asset worth potentially £20bn in UK terms by the end of the decade but subject to intense global competition. Fifth, continual manoeuvring around the HE-business interface given added stimulus by Lord Heseltine's Oct 2012 report and added urgency by continuing lethargy in the labour market. Sixth, strong pressure on the sector to make the case for HE at a time when Treasury officials are looking closely at future spending plans and students, let alone parents, are weighing up the odds

### Some useful dates

- Publication of annual grant letter (Jan 2013)
- Interim report on widening participation strategy (Jan 2013)
- Confirmation of student number control limits for 2013/14 (Feb 2013)
- Deadline for submissions to the REF (Nov 2013)
- Implementation of new QA system (2014)



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