Institutional diversity in UK Higher Education

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1. There is a widespread perception that while institutional diversity is one of the main features of a healthy higher education system, there is some evidence of declining institutional diversity, particularly as smaller, specialised, usually single campus, institutions are absorbed into larger, comprehensive, multi-campus ones. The purpose of this study has therefore been to identify, and if possible measure, the present extent and nature of institutional diversity, taking a number of measures of diversity, and to assess the extent to which this has changed.

2. Over the period under review (1994-95 – 2009-10), there has been a modest reduction in the total number of higher education institutions (HEIs) in the UK – from 183 to 165. That apparent 10 per cent reduction conceals the fact that several new institutions entered the HE sector, mostly from the further education sector, but so too did some private HE providers.

3. A more detailed analysis, having regard to region of location, subject provision, student population characteristics, and other shows that

- There are significant differences in the changes observed across the countries and regions of the UK: London, the South-East, Wales and Scotland have seen significant reductions in the number of HE institutions, through mergers, while some other regions (the North-east and East Midlands, for example), have seen little or no change.
- There have clearly been major changes in the balance of subject provision of undergraduate courses, notably a decline in Science and Technology subjects, alongside a significant increase in Creative and Performing Arts, Media Studies and Politics. However, in general, the major changes in subject provision have matched the changes in demand - although Mathematics is a notable exception to this, having seen an increase in demand and a reduction in supply.
- As regards both mode and level of study, there are fewer institutions which specialise exclusively or largely in full-time, part-time, postgraduate or undergraduate study: in particular, it is notable that only one institution now has no postgraduate students, compared with five in 1994-95.
- Over the last twelve years, many more institutions have enrolled significant numbers of students from outside the UK. It is now the norm for institutions to enroll more than 15 per cent of their students from countries other than the UK.
- A diminishing number of institutions require the highest entry qualifications.

- A significant majority of institutions now recruit over 90 per cent of their entrants from the state sector.

4. 40 institutional mergers have taken place in the UK higher education sector within the last sixteen years, mostly involving the “takeover” of a small specialist institution by a larger one. This fact in itself would seem to imply that there has been a reduction in specialist provision: however, the admission of new institutions within the publicly-funded HE sector has had a partial balancing effect since many of these have been specialist. And of course merged institutions may retain the same curriculum profile and accessibility as the two unmerged institutions.

5. But overall it is true that there is now less opportunity for potential students to enter specialist institutions than 16 years ago. While there has been a net decrease of three general institutions across the UK as a whole over the last sixteen years, the net decrease among specialist institutions has been 14 – despite the significant number of new specialist institutions entering the sector.

6. However, it does not follow from this that the overall diversity of provision has declined, since the opportunities previously provided by specialist institutions may have been carried over into the smaller number of institutions now operating.

7. In all of these respects, it can be argued that the Higher Education sector is less diverse than it was previously. But the changes are marginal – there are still a large number of institutions that have differing characteristics and do different things. Moreover, to the extent that there has been convergence, to a large extent the changes that have been observed represent a response by institutions to the demands and constraints of the external environment, most particularly changes in student demands and needs.

8. For the future, the pressures on HE institutions arising from the Government’s introduction of a new funding regime for HE institutions in England create the most significant change to the HE landscape for at least twenty years. The comparatively minor changes in the diversity of the sector over the last fifteen years may well be over-shadowed by major changes, as growing market pressures come to bear on institutions throughout the United Kingdom. At the time of writing, pressures towards institutional mergers in Wales are considerable, and the setting of fee levels at Scotland’s universities (for UK students domiciled outwith Scotland) is an issue of considerable interest and controversy: it also potentially creates a new kind of diversity between institutions in Scotland.

Overview

Institutions

Number of institutions

9. In 1994-95 there were 183 HEIs. In 2009-10 there were 165. Within this period, no institution has disappeared from the overall count except through merger; and no new institution has appeared except through transfer or de-merger of activity, although in a few instances new institutions were nurtured – largely from the FE sector - towards the point at which they might join the HE sector.

Mergers

10. There have been 40 mergers since 1994 – 95, the large majority involving a specialist institution being "taken over" by a larger, more general institution – the combined institution retaining the name of the larger merger partner. In some cases these mergers have arisen from financial weakness on the part of the smaller partner, but mergers have taken place also because of a general policy decision (for example in relation to medical education in London in the 1990s) or because of a desire for rationalisation, for example in both Scotland and Wales.

New institutions in the sector

11. Alongside the disappearance of some institutions through mergers, 18 new institutions have entered the sector, most of them specialist institutions, many specialising in the creative and performing arts. All had previous existences either within the FE or private sectors or as part of a larger publicly funded institution.

12. In parallel several FE institutions were partly or completely absorbed into large universities; and indeed those universities continue to support FE students.

13. So while 40 institutional mergers have taken place within the last 16 years, over the same period 18 institutions, most of which were identifiably specialist in nature, joined the sector.

Institutions by country-region of the UK

14. Table 1 below shows the number of HE institutions in each UK country and region of England in 1994-95, 2001-2 and 2009-10.

Table 1: Numbers of HE institutions by region, 1994-95, 2001-02 and 2009-10

	1994-95	**2001-02**	**2009-10**
North East	5	5	5
North West	16	15	14
Yorkshire and The Humber	12	11	11
East Midlands	10	9	9
West Midlands	12	11	12
East of England	9	10	10
London	45	40	40
South East	22	17	17
South West	11	13	12
England sub-total	142	131	130
Wales	15	13	11
Scotland	23	20	19
Northern Ireland	2	4	4
UK-wide	1	1	1
Total	183	169	165

Source: HESA publications

15. The net reduction in the overall number of HE institutions was particularly noticeable in the late 1990s, and it was by no means uniform across the countries and regions of the UK. The full report provides more information about these. For example, London appears to show major change, having “lost” five of its 45 institutions over the period under review. However, much of this arose from a conscious policy decision to rationalise the provision of medical education in London, through the incorporation of smaller specialist institutions into larger ones. London has also seen one major institutional merger involving London Guildhall University and the University of North London becoming London Metropolitan University. And some institutions have joined the sector from the FE sector, or by de-merger or transfer from the private sector. Other regions and countries had similarly varied experiences, described in the full report.

Specialist versus General institutions

16. The concept of a monotechnic should not be taken too literally. Most, even if they declare themselves to be specialist providers, offer courses across a range of subject disciplines – there are at present only twelve which teach in only one of the nineteen formally recognised subject areas. The definition of a specialist institution is necessarily subjective. For the purposes of this report an institution is considered to be “specialist” if the whole of its teaching falls within five or fewer subject areas.

17. Table 2 shows the number of such institutions in 1994-95 and in 2009-10.

Table 2: Numbers of general and specialist institutions, and student numbers, 1994-95 and 2009-10

		Number of institutions	**Total Student population**	**Average student population per institution**
1994-95	General institutions	134	1,515,697	11,311
	Specialist institutions	48	51,616	1,075
	Total	183	1,567,313	8,565
2009-10	General institutions	131	2,437,670	18,608
	Specialist institutions	34	55,730	1,639
	Total	165	2,493,400	15,112

Source : HESA publications

18. While there has been a net decrease of three general institutions across the UK as a whole over the last sixteen years, the net decrease among specialist institutions has been 14 – despite the significant number of new specialist institutions entering the HE sector.

19. While there is now less opportunity for students to enter specialist institutions than 16 years ago - and as has been seen, there are marked differences in the changes that have occurred across the UK - this does not necessarily mean that overall curriculum opportunities have reduced. When mergers have taken place it is quite possible that the curriculum offering of the junior partner will be carried over into the merged institution. Moreover, as was seen above despite the reduction in the number of specialist institutions, there are actually more students studying at such institutions than previously.

Diversity of subject provision – supply and demand

<u>Undergraduate supply – the number of institutions teaching major subjects</u>

20. despite changes in definition and data coverage that complicate the analysis, some major changes over time can be identified:

- All subjects in the Physical sciences show a marked reduction in the number of institutional providers, with the exception of Astronomy, the providers of which have more than doubled from a small base. Chemistry is now taught in 66 institutions compared with 93 fifteen years ago (a reduction of 20 per cent). The reduction in institutions teaching physics has been even greater, from 69 to 47, a reduction of 32 per cent.

- Most subjects in the areas of Engineering and Technology similarly show a marked decrease in the number of providers. Minerals technology is taught now in only three institutions compared with eight in 1996-97. Production engineering, Metallurgy, Ceramics, Polymers & textiles and Maritime technology also show marked reductions in the numbers of institutions making provision.

- Botany is now taught in only 11 institutions compared with 22 in 1996-97

- Conversely, there has been a significant increase in the number of institutions teaching Creative and performing arts and English

- Media studies, Publishing and Journalism and Architecture also show large increases, as does Cinematics and photography.

- There has been modest decline in the number of institutions teaching Mathematics.

- Politics shows a marked and Sociology a modest increase.

21. In summary, there have clearly been major changes in the balance of subject provision of undergraduate courses, notably a decline in Science and Technology subjects, alongside a significant increase in a range of others. The full report provides more details.

<u>Demand – undergraduate application data</u>

22. One way of considering whether these changes in supply merely reflect changes in demand from potential students is to look at application figures as a reflection of changes in demand.

23. The full report provides details of the changes in UCAS applications for individual subjects between 1996 and 2010. Comparing this, alongside changes in what is provided by institutions (i.e. a comparison of “demand” and “supply”), even allowing for the limitations of the data, permits some interesting conclusions.

- Media Studies, Journalism, the Creative and Performing Arts, and Architecture all feature strongly as regards both demand and supply.

- There are generally reductions in both supply and demand among Engineering and technology disciplines (although Chemical engineering and Aeronautical engineering are exceptions), and also in Physics and Chemistry.

- However, there has been an above average increase in the number of applications to Mathematics courses, over a period in which the number of institutions teaching Mathematics has decreased sharply.

24. So while there have clearly been major changes in the balance of subject provision of undergraduate courses, notably a decline in science and technology subjects, alongside a significant increase in a number of others, in general, though with some notable exceptions, the major changes have matched changes in demand as evidenced by applicant choices.

Students

Qualifications of undergraduate applicants

25. The qualifications of applicants to HE institutions are of especial interest in view of the Government's intention to give special treatment to the recruitment of students with the equivalent of grades AAB or better.

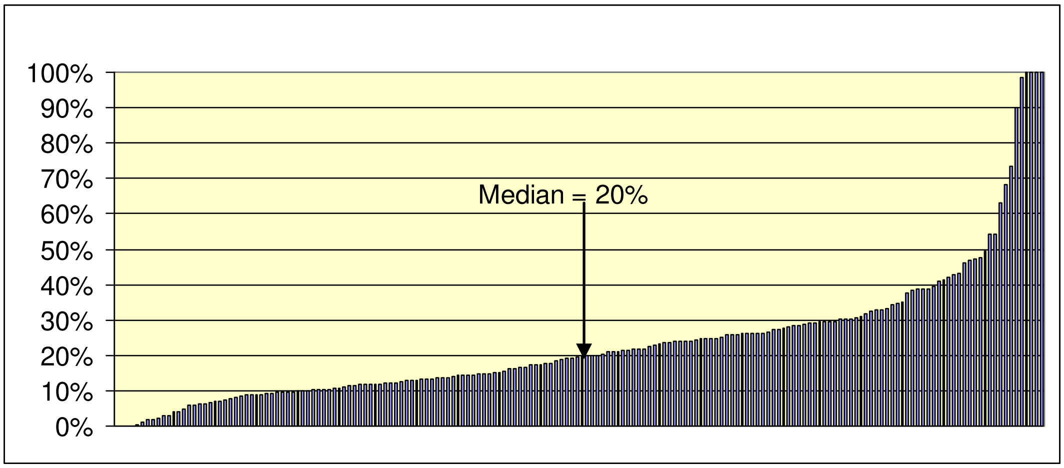
26. In 2004-05 50 institutions (33 per cent) admitted first year first degree students with an average points score of 340 (equivalent to AAB at A-level), while 89 (59 per cent) had an average score of less than 300 (equivalent to BBB). In 2009, only 44 (30 per cent) exceeded an average of 340 points, while 88 (again 59 per cent) had an average of less than 300. This suggests that that there is a diminishing number which require the highest qualifications, and that there is some convergence in this respect.

Level of study

27. Concerning the balance between undergraduate and postgraduate study, in 1995-96 there were five institutions which made no postgraduate provision, and four which were exclusively postgraduate. By 2009-10, only one HE institution had no postgraduate offering, and six were exclusively postgraduate. Of these six, one had de-merged, while one had abandoned its undergraduate courses.

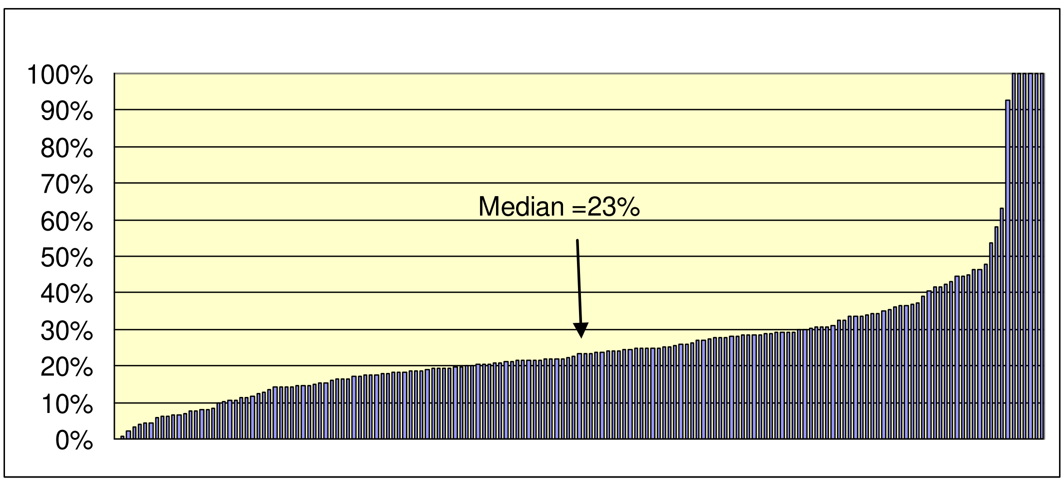
28. Figures 1 and 2 map the changes over time, showing some evidence of convergence, as a growing proportion of HE institutions offer postgraduate study, although there remain several solely postgraduate institutions.

Figure 1: Institutions’ percentage of postgraduate students 1995-96



Source: HESA students Reference volume

Figure 2: Institutions’ percentage of postgraduate students 2009-10

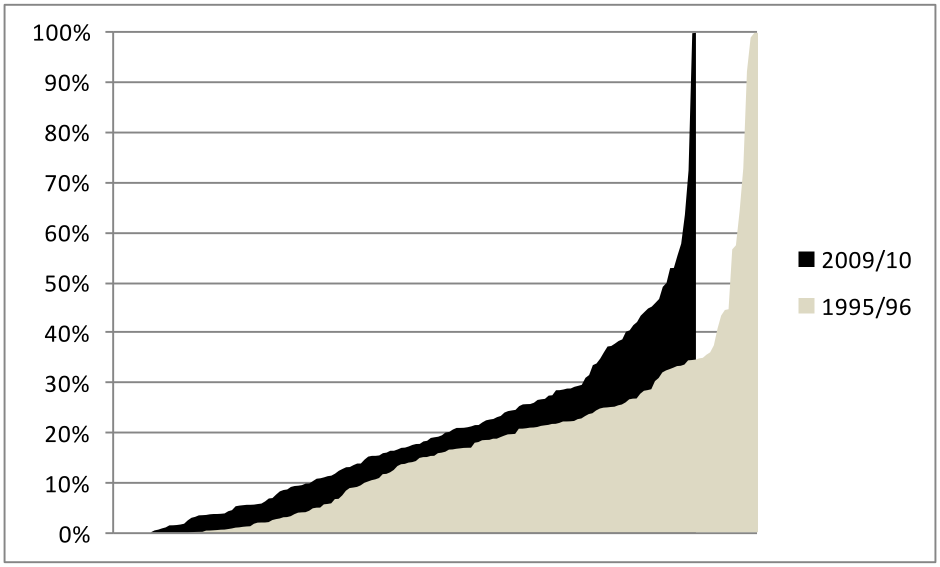


Source: HESA students Reference volume

<u>Mode of study</u>

29. Between 1995-96 and 2009-10, there was a significant shift nationally towards part-time study among undergraduates. Full-time undergraduates increased by 37 per cent, and part-time undergraduates by 54 per cent. As Figures 3 shows, this increase occurred across the whole spectrum of HE institutions.

Figure 3: Percentage part-time among undergraduate students by institution, 1995-96 and 2009-10



Balance between home and EU-International students

30. Another differentiator is the balance between home, EU and other international students. In 1996-97, 86 per cent of full-time students (both UG and PG) were domiciled in the UK, and the average percentage of non-UK students in each institution was 14 per cent, half of whom were from outside the EU. In 2009-10, on average, 21 per cent of students were from outside the UK, of whom two thirds(14 per cent) were from outside the EU. This represents an increase of 50 per cent, the whole of the increase represented by students from outside the EU, whose numbers increased from 7 per cent of the student population to 14 per cent. The proportion of EU students remained constant at 7 per cent (despite the enlargement of the EU in the intervening period).

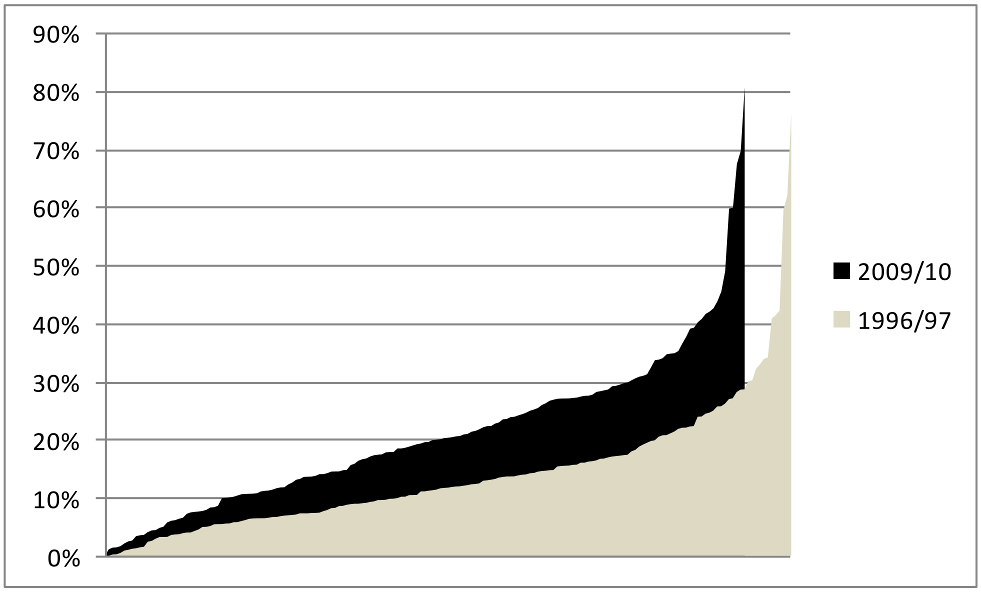
31. In terms of individual institutions, Table 3 below summarises the marked growth in institutions which make significant provision for non-UK students.

Table 3: Percentage penetration of non-UK and non-EU students, 1996-97 and 2009-10

		Non-UK	Non-EU
1996-97	Over 15%	61	18
	Over 30%	12	4
2009-10	Over 15%	102	70
	Over 30%	30	8

32. The distribution by institution is shown in Figure 4.

Figure 4: Percentage of non-UK students by institution, 1996-97 and 2009-10



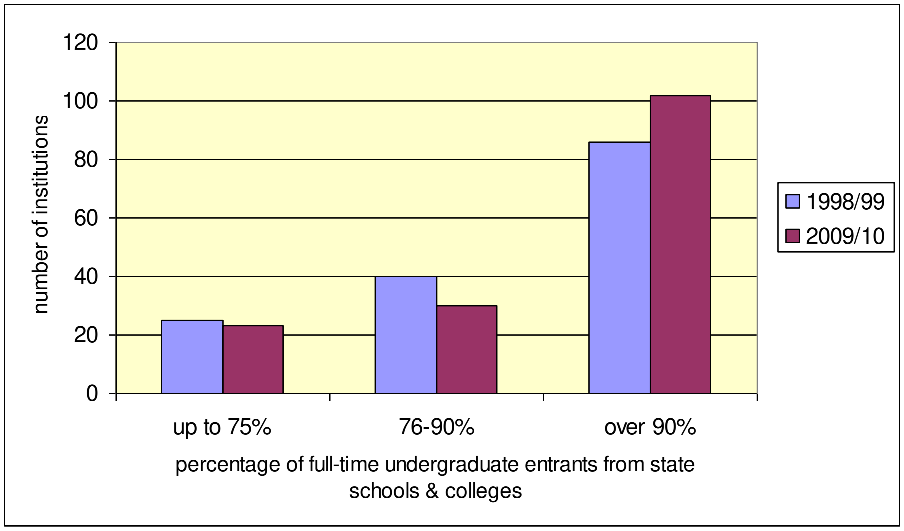
Source: HESA Student reference volumes

33. It is clear that institutions with large numbers of non-UK students have ceased to be a minority, and multi-domiciled enrolments have become the norm.

Widening participation

34. There are three widely used measures of widening participation, but two of these – based on social class and on geographic location – cannot be used to measure changes over time because of changes of definition and coverage. However, a third measure is available – the percentage of full-time young undergraduates entering higher education from state schools and colleges – for which there is reasonable continuity. The change over time is summarised in Figure 5 below, from which it will be seen that the number of institutions admitting more than 90 per cent of their intake from the state sector has grown markedly, implying some convergence in the social composition of institutions' student bodies.

Figure 5: Entrants to full-time undergraduate courses from state schools and FECs



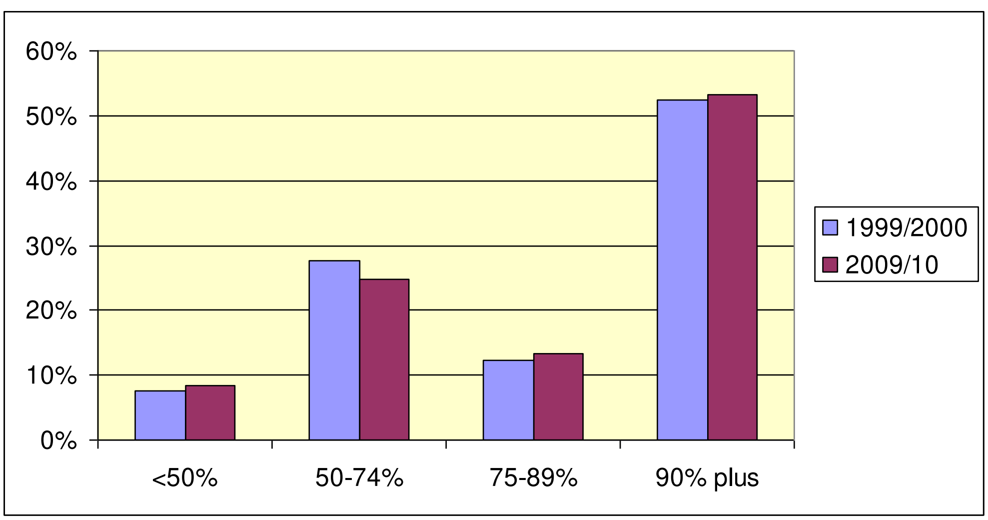
Source: HESA Performance Indicators

Teaching and research activity

Balance between teaching and research

35. While teaching and research activity are obviously closely related, the balance of the income received for each can be measured, as in Figure 6 below, so providing an indication of the balance of activity.

Figure 6: Teaching income as percentage of teaching and research income: institutional distribution, 1999-2000 and 2009-10



Source: HESA, HE Finance Plus

36. On average, approximately 69 per cent of the total (teaching and research – T+R) income received by institutions is specifically designated for teaching, and comes through a combination of funding council grants and tuition fees and support grants. Figure 6 shows that this has been unchanging over the last ten years, although there has been a change in the balance among individual institutions.

37. Figure 6 also shows that the proportion of institutions receiving less than 50 per cent of their T+R income from teaching activities has grown slightly to just over 8 per cent of all HE institutions; while the number receiving between 50 per cent and 74 per cent has declined. The number of institutions in both the higher percentage bands have both increased slightly. Notwithstanding these small changes it there appears, over the last ten years, to have been no significant change in the balance between teaching and research funding across the sector.

Research concentration

38. A further issue affecting institutional diversity is the concentration of funding for research, which has been a subject of policy determination in recent years (i.e. there has been a positive policy move towards greater research concentration)

39. As a result, the number of institutions receiving more than 3 per cent of the total public funding for research has reduced from 11 to 9. Over the whole period, four (identical) institutions have received approximately a quarter of all public research income. So although there has been a policy priority to diversify the sector in terms of its research activity, the data do not suggest that this has occurred.

A look at the future

40. it is clear from the analysis of this report that some of the concerns that have been expressed about the wholesale diminution of diversity in the sector are unfounded - despite a modest amount of convergence in some respects the sector remains highly diverse in many significant respects.

41. However, this report is published early in 2012, after the Government has proposed, through its White Paper, the most significant changes to impact on Higher Education institutions, their staff and their students for at least twenty years. What the impact of these changes will be on the diversity of institutions is impossible to say. It is, however, safe to think that commercial pressures will increase - and it is commercial pressures of this kind which have in the past led to the modest convergence of activity and mission described here, such as it is.

42. A converse influence however is the "opening-up" of the HE sector to new providers, both from the FE and the "for profit" sectors, which will themselves increase diversity and which may spur others to change.