Post-18 education and funding consultation response

Q1. This review will look at how Government can ensure that the post-18 education system is joined up and supported by a funding system that works for students and taxpayers. The panel would like to understand your priorities. What, if any, are your principal concerns with the current post-18 education and funding system?

As a representative body of students at a Higher Education institution, most of our responses to this consultation focus primarily, although not exclusively, on issues in Higher Education; those that directly impact our membership.

CUSU has a number of significant concerns related to the current post-18 education and funding system. First, we do believe that the current tuition fee system places an excessive financial burden upon students, disingenuously mature students and students from poorer backgrounds to undertake university-level study.

However, we wish to highlight that attempts to reform this by introducing a tiered fee will worsen this problem not resolve this. As representatives of a university likely to continue charging the highest fees in such a system, we are concerned that such reforms could damage access to universities like Cambridge for students from poorer backgrounds, who have a greater incentive to base decisions around university choice on cost. As an organisation that puts significant efforts into expanding access to Cambridge University for these applicants, we are deeply alarmed by any proposals that could see the cost of a Cambridge education act as a barrier to access, and that motivate cost as a feature of the decision-making for those entering post-18 education.

Moreover, we believe that maintenance funding for students from poorer backgrounds is another significant issue in the current post-18 education system. Since the abolition of means-tested maintenance grants, poorer students have been expected to take out larger loans than students who can rely on parental support. This produces an unjust system, that will harm social mobility and economic growth in the future, with former university students from poorer families unable to save after university, due to spending a longer time paying off their student debts than those who were able to take out a smaller loan when entering university. CUSU would welcome moves from the government to reintroduce these means-tested grants.

Finally, CUSU has significant concerns about the current state of funding for postgraduate study in England & Wales. First, the available funding for Masters study is inadequate at present, with few universities able to offer many bursaries or scholarships to Masters students, and the available funding from Research Councils having fallen in recent years. While the recent introduction of government loans for Masters study is welcomed, it is regularly the case that these loans cover only tuition fees, or less than the full tuition fee, requiring students to find alternative maintenance support to fund their studies. This is an issue that needs to be remedied, with loans covering the full cost of Masters study. In order to achieve this, some regulation of the maximum tuition fees for Masters study may be worth considering.

Second, we believe the current level of PhD stipend available from UK research councils is a concern, with the amount increasingly falling behind the graduate salary levels. This
functions as a disincentive for application to PhD programmes, particularly for those from poorer backgrounds. Improvements in PhD funding provision should be taken seriously by the government, as well as the working conditions of PhD students who lack the employment rights of graduate students in other countries who are classed as employees.

Q2. How do people make choices about what to study after 18? What information do they use and how do they choose one route over another: for instance, between academic, technical and vocational routes?

At CUSU, we are aware that Cambridge students are unlikely to be representative of the decisions made between post-18 study, with the majority of our members having been focused on pursuing academic study well before their final year of schooling. However, we recognise that there are significant influences upon these decisions that are undesirable.

First, the differing cost of varying forms of education will have a greater sway upon the decisions of those from poorer backgrounds than on those who will have access to parental financial support throughout academic study. Moreover, socioeconomic divides also play a role in stratifying educational paths due to the devaluing of non-academic paths and differing expectations of the most appropriate post-18 routes across social classes. The UK should desire a system of post-18 education, not only where students from poorer backgrounds have the opportunity to study at university, including traditionally exclusive universities like Cambridge, but to also make vocational and technical routes appealing to young people from wealthier backgrounds who may feel “expected” to go to university, regardless of their own desires. Indeed, we think it will be largely impossible to achieve the former without greater emphasis on the latter.

Q3. How do people make choices later in life about what further study to undertake?

We believe, students are primarily motivated to undertake further study by a passion or interest in pursuing a particular career path or research field. However, while this should be the primary factor in decision-making also, it is too often outweighed by other issues.

Without doubt, funding is an essential part of any decisions made about further study, except for those in a very comfortable financial position. The availability of funding, and considerations related to whether study is "worth" the costs, are necessarily an important concern when making these decisions.

Moreover, particular issues face those making decisions about whether to undertake further study in an ‘academic’ field. One of these is the need to find an appropriate supervisor for proposed research. The significant emphasis placed upon supervisor-fit in the allocation of studentships by research councils here has the potential impact of reinforcing the conventional parameters of academic disciplines, stifling innovation, as well as disincetivising applications from those with more innovative proposals.

Furthermore, many students are wary about the prospect of undertaking postgraduate courses in academic fields due to perceptions of elitism in academia and concerns about whether they will be comfortable in these settings.

Q4. In recent years we have seen continued growth in three-year degrees for 18 year-olds. Does the system offer a comprehensive range of high-quality alternative
routes for young people who wish to pursue a different path at this age? How can Government encourage provision across a wider range of high quality pathways to advanced academic, technical and vocational qualifications?

CUSU believes there are many ways that the government can work to improve provision. In particular, working to incentivise and grow the provision of degree apprenticeships should be a priority, as many young people would like the opportunity to gain academic qualifications while training for a particular field of work they wish to pursue. Moreover, a growth in these programmes can help reduce the social stratification that currently occurs between academic and vocational routes, emphasising the benefits of both routes. Moreover, we believe that there should be greater apprenticeship opportunities in general, with liveable pay for young people who undertake this route. This will ensure young people have real options when leaving school and do not feel like they have to undertake academic study to get a fulfilling and well-paid job.

Moreover, the government can create a fairer post-18 system with wider options for young people if it takes stronger action against the use of unpaid internships. These internships work to restrict particular professions to those who are in a financial position that allows them to work without pay. Supporting organisation to provide internships with properly remuneration will enhance the options available to most young people.

However, CUSU is not in favour of the introduction of two-year degree programmes, at least not for standard-age students. While we believe there may be benefits of these programmes for mature students who wish to gain qualifications quickly, we think that any introduction should be restricted to these students for a number of reasons. These are addressed in the response to Q5.

Q5. The majority of universities charge the maximum possible fees for most of their courses and three-year courses remain the norm. How can government create a more dynamic market in price and provision between universities and across the post-18 education landscape?

CUSU is concerned by the government’s rhetoric about the need for a “dynamic” market, which ignores the fact that the experience of students during their education cannot be compared to that of consumers in many other markets, with the likelihood of changing provider due to low quality teaching.

While CUSU does believe that £9,250 fees are too high at present, as explained in response to Q1, we do not believe a more “dynamic” approach involving variable fees to be desirable. Such a change would lead to highly selective universities like Cambridge having selection processes that not only select by academic credentials, but also by a willingness to pay higher fees than one would at less prestigious universities. Moreover, a varied fee system will embed, not only reflect, reputational differences between universities, with those charging lower fees appearing weaker and devaluing the study of students at those institutions. Where variation in fees does exist, at Masters level, many prospective students are effectively priced out of courses at prestigious universities if their loan cannot cover fees and living costs. For this reason, we reiterate our belief that the Government should consider regulation of Masters’ fees, to ensure institutions are not charging excessive and unnecessary fees for these courses as a means of subsidising other university expenditure. There is a particular danger of this occurring at Masters level due to the limited time students are studying at an institution, limiting their ability to hold institutions to account.
Second, we are concerned about proposals to introduce two-year degree programmes across the sector. We believe this would be bad for standard-age students, for whom we believe the staggered nature of degrees across three years gives students time to adapt to university life and academic expectations, during a time of many changes in their lives. We believe that to reduce a university education to a specific amount of study and contact hours is to misunderstand the learning process for students in higher education. Incentivising two-year study by offering a lower amount of total fees will push students into an excessively intensive degree for financial reasons, potentially leading to weaker results than they might otherwise have received.

Q6. What barriers do current and new education and training providers face in developing innovative or diversified provision?

The main barrier facing current providers in developing diverse and innovative provision is the stagnation in funding. Higher Education providers cannot be expected to continually offer new and different forms of educational provision without a funding system that allows long-term stability for existing provision.

In order for new providers to offer good quality innovative education and training, we believe less focus should be placed on removing “barriers”, as strict expectations are essential for a marketplace under which students are investing significant money and time. If new providers are not required to meet a satisfactory baseline, there is a great danger of students receiving inadequate education, or potentially to lose all investment due to institutional failure.

Q7. How can Government further encourage high-quality further education and higher education provision that is more flexible: for example, part-time, distance learning and commuter study options?

As a representative organisation of an institution with a very small proportion of part-time students, CUSU has limited expertise on this issue. However, it is clear that the government could do much to increase part-time student numbers by reducing tuition fees, as this was the student group whose numbers decreased the most after the introduction of £9,000 fees, with the new levels of debt disincentivising part-time study. Moreover, the more recent removal of means-tested maintenance grants has made part-time study yet more difficult to undertake for many.

In seeking to provide a more flexible provision of HE, the Government would be wise to consider the recommendations from the report on student transfer from the University of Sheffield (Should I stay, or should I go?: Student demand for credit transfer and recommendations for policy and practice), which proposes a system of student transfer centred on the welfare needs of students.

Q8. To what extent do funding arrangements for higher education and further education and other post-18 education and training act as incentives or barriers to choice or provision: both at the individual and provider level? How does this impact on the choices made by prospective students and learners? What can government do to improve incentives and reduce barriers?

High tuition fees and the unavailability for means-tested maintenance support are the most significant barriers to the pursuit of Higher Education in the UK. If the government wishes to maximise choice for young people, and for this choice to include Higher Education for young people from all backgrounds, it should prioritise reintroducing
means-tested maintenance grants and a reduction of tuition fees, undifferentiated by university prestige.

CUSU firmly believes that opportunities beyond academic educational routes, such as apprenticeships, ought to be more available to young people and not be perceived as lesser. One way in which the Government can work to increase the incentive to undertake apprenticeships, is by raising the apprentice minimum wage to a liveable amount, while providing incentives for organisations to take on apprentices. It is vital that the Government focus not just on increasing the amount of apprenticeships available, but also on making an apprenticeship a worthwhile and plausible route, particularly for those without parental financial support. Better remuneration for apprentices will also counter social stigma against vocational routes. As outlined in the response to Q4, an increase in the availability of degree apprenticeships can also help to prevent the strict lines between “academic” and “vocational” pathways that contribute to a social stratification of career paths.

Q9. What particular barriers (including financial barriers) do people from disadvantaged backgrounds face in progressing to and succeeding in post-18 education and training?

The primary barrier to access and success in Higher Education for students from disadvantaged backgrounds stem from financial concerns and variation in quality across pre-18 educational experiences. With regards to the latter, without greater investment and support for the schooling and other educational requirements of children from disadvantaged backgrounds, there will remain significant barriers to accessing Higher Education for these young people.

However, the Government can also remove barriers for these students by making university more financially viable. Examples of this are outlined in our response to Q10. We also recognise that significant social expectations of the “correct” post-18 path impact on all young people.

Q10. How should students and learners from disadvantaged backgrounds best receive maintenance support, both from Government and from universities and colleges?

Primarily, we believe that students from financially disadvantaged backgrounds should be supported better by central Government, through the reintroduction of means-tested maintenance grants. The reintroduction of these grants will annul the current requirement that these students take on a greater level of debt than their fellow students who can rely on parental support. Students from disadvantaged backgrounds often need to seek more part-time work alongside their degree than others, reducing the time they can commit to their studies.

However, we also believe that offers of bursaries and/or fee waivers from institutions to financially disadvantaged students may also incentivise application and acceptance of offers. The Government can encourage such practices by recognising it within Widening Participation reporting and the use of institutional incentives.

Q11. What challenges do post-18 education and training providers face in understanding and responding to the skills needs of the economy: at national, regional and local levels? Which skills, in your view, are in shortest supply across the economy? And which, if any, are in oversupply?
At CUSU, we think the question of skills supply is one that the Government should approach delicately, and should take care not to take on a simplistic understanding of the skills gained in Higher Education. There is a danger here of recognising the need for “hard” skills taught in scientific and vocational pathways, which lead to more obvious career paths, and unreasonably devaluing “soft” skills in critical and creative thinking, social analysis, cultural awareness and communication fostered in the arts and social sciences.

However, there are some skills that we believe do need to be prioritised by Government. In particular, the current shortages in recruitment and retention of teachers are an issue that should be addressed as a matter of priority. Given these circumstances, the Government should consider eradicating tuition fees for PGCE courses, a pathway more common for those seeking a long-term career in teaching than schemes like Teach First. Moreover, the Government should factor teacher retention into key decisions about pre-18 education.

Moreover, the huge shortage in nurses in the UK at present, which has led to vacancies being filled by agency staff, must be addressed by the Government. The removal of the NHS bursary for nursing students, which offered a pathway into the nursing profession free from student debt, is a key contributor to this problem, and the growing shortage of trained nurses is evidence that this policy should be reversed. Given the modest salaries of nurses, the Government cannot reasonably expect to recruit enough nursing students while also expecting them to take on significant personal debt in the process.

The Government should also look to address gender gaps in skills training. With computing becoming an increasingly important skill in the workforce, energies should be put into providing opportunities for young women to gain skills in a field that has been dominated by men to this point.

Q12. How far does the post-18 education system deliver the advanced technical skills the economy needs? How can Government ensure there is world-class provision of technical education across the country?

CUSU has limited to say on the issue of technical skills, as we do not represent students undertaking technical education courses. We do however think that efforts should be made to improve the opportunities and access to technical courses for young women, who have typically had less access to these male-dominated courses.

Q13. How should students and graduates contribute to the cost of their studies, while maintaining the link that those who benefit from post-18 education contribute to its costs? What represents the right balance between students, graduates, employers and the taxpayer?

While we recognise it is not within the scope of this consultation, we must emphasise that CUSU believes that Higher Education tuition should be free, and funded through public taxation. We think it is evident that all of society benefits from citizens having access to a wide range of educational opportunities, and the skills that are brought to society as a result of this education benefit all, not just the student themselves. This policy position was agreed through CUSU’s democratic decision-making processes.

However, beyond free education, we hold the broader conviction that there is presently an imbalance in the distribution of costs, with students and, in the case of maintenance costs, their parents, taking on an unreasonable portion of costs. Many of the highest
earners in society received a university education for free, or at least substantially less than students today. We believe it is fair that more of the financial costs of Higher Education are taken on by high-rate taxpayers with reduced fees for students themselves.

Moreover, we agree with the response from the University of Cambridge that the Government should implement changes to the student loan system “which ensure that no interest accrues until graduation, potentially with a sliding interest rate dependent on earnings thereafter capped at (for example) CPI +1%.”

Q14. What are the most effective ways for the Government and institutions to communicate with students and graduates on the nature and terms of student support?

The Government should work proactively to maximise exposure amongst school-age student to information about student support by supporting university outreach departments and other well-suited groups to engage with concerns of those considering university application. At present, too little information is delivered directly to these young people, who may know nothing of the university funding system other than headline fee costs. This issue is likely to be more prominent among students from disadvantaged backgrounds, who are less likely to have family experience of HE. It would also be wise for Government to produce resources giving simple explanations of student systems that can be of use to prospective and current students. Any and all significant changes to repayment conditions of student finance should be communicated directly by the Government or SFE to graduates.

Q15. What are the best examples of education and training providers ensuring efficiency in the method of course provision while maintaining quality? And what are the challenges in doing this?

It is impossible for an institution to ensure efficient and high-quality course provision without robust internal accountability systems, in which students can individually and collectively express their views on the quality of their education. By working hard to create meaningful engagement with academic representatives and individual students, universities can identify the key issues of concern and work with engaged students on how courses can be improved.

This work can be done most efficiently in the presence of an adequately-funded, independent students’ union, that can liaise with the concerns of students across the university and support students to make representations to their department on desired improvements to their course. We believe that access to such an organisation should be a regulatory requirement for HE providers, given the benefits of an independent, democratic organisation for both institution and students in communicating about quality across courses.

Moreover, we believe the Government should recognise the dangers of an increasingly “competitive” HE sector in reducing the efficiency and quality of course provision, by disincentivising the sharing of best practice across the sector. Universities are at their most efficient in delivering high-quality education when they communicate successes and challenges with one another, strengthening the overall understanding of effective educational methods as students and academia change over time. If the government is focused on creating a “dynamic marketplace” for HE, it must work to ensure that this does not dissuade institutions from working together to improve educational methods.
Q16. What are the ways that Government can increase the value for money of post-18 education?

At CUSU, we firmly believe that the value of a Higher Education experience goes far beyond enhanced salaries after graduation, and greater focus must be placed on the value students gain during their studies. We second the observation from the University of Cambridge that the phrase ‘value for money’ erroneously suggests “that post-18 education is a product that can be purchased off the shelf, rather than a partnership between a provider and student”.

However, there are a great number of ways that Government can improve value for money for students in Higher Education. For one, lower tuition fees would immediately improve value, but there are a number of ways in which fee income could be spent better. One important issue here is that students will see better value in their degrees if spending on excessive managerial pay at the top of universities is curbed.

More importantly though, there are key student services that receive inadequate funding at present, reflecting badly on value for money for students. The most significant of these is mental health support, in particular the availability of university counselling services. With a huge increase in mental health issues among students in recent years, the demand for counselling is high, and at most universities, existing provision is unable to cater to demand. These services require a significant increase in funding to support students through their degrees, and access to university-funded counselling is a reasonable expectation for students paying over £9,000 in tuition fees.

Moreover, students can reasonably expect their institutions to properly fund and support the existence of an independent students’ union on campus. Students’ unions provide key representation to institutions, but also provide student-led social environments and independent advice to students. All of these things improve the value of a degree to students, but the funding provided by universities to the campus SU varies widely, with the scope of advice and social provision reflecting this.

Moreover, a significant factor in reducing the value for money of university education are student concerns about unreasonably high rent in university accommodation, with many termly rent payments exceeding maintenance loans and being far higher than private accommodation in the area. Such levels of rent are an unreasonable extra price tag on university education for students already taking out significant loans to study.