What does the future hold for the Higher Education system in England?

*In the last post of our higher education special, **Louis Coiffait** asks what the future holds for the first cohort of students under the new fees regime, as well as for the Higher Education system as a whole. While there are many things we can't know, there is nonetheless a basis upon which to predict general trends.*

The excitement of freshers week should now be firmly behind the first cohort of students in England paying as much as £9k a year in tuition fees. But will this group, facing higher average debt levels than their American peers, be dealing with a very different kind of hang-over in the future? And what about their lecturers, the courses they are taking, the institutions they are attending or the national system of higher education as a whole? Will they all be in a stronger position after recent reforms, or will our universities go the same way as some of our traditional industries and our football team?

In summary it's still too early to tell. Education is always a long-term business, and one that rarely fits conveniently with the timescales of politicians, CEO's or news editors. But what should we be looking out for, what are the KPI's for those five important aspects of higher education? I'll attempt a quick run-through of my thoughts on each.

For learners the first issue to watch out for is access; are enough people still applying compared to previous years, especially from disadvantaged or non-standard backgrounds. So far the results have been better than expected, with limited drops overall and for disadvantaged applicants, although the figures for mature learners are more worrying. The next consideration is the success rate of those applicants, are as many offers being made? After that one might consider completion rates and other outcomes. How many learners are finishing their course and going into employment or further study? Graduate unemployment rates are persistently high with under-employment (people working in jobs they are over-qualified for) an additional concern. It's hard to untangle these reforms from a wider economic malaise but there is data, such as on graduate starting salaries (holding up well so far), wellbeing scores and satisfaction measures that can be tracked, weighted and compared.

Many university lecturers have opposed the changes, already feeling pressured to perform by the time-consuming Research Excellence Framework (REF), a five-yearly measure of 'research impact'. It could be argued that by tying funding more closely to the student, the new system helps re-balance the role of an academic some of the way back towards teaching. I've not seen much evidence so far of staff welcoming that, with many resenting the uncertainty caused by such major changes happening in so short a space of time. To determine the long-term success we should keep an eye on the supply of new applicants, retention and retirement levels, and satisfaction scores.

When it comes to courses there is a real concern for those arts and humanities disciplines without an immediate or direct appearance of economic relevance. The higher fees sharpen the minds of would-be applicants and their families, prompting interest in the information now held on each course within the Key Information Set (KIS) – such as employment rates and average starting salaries. Many institutions have already responded to the reforms by rationalising their courses, dropping those that are less economically viable. Some might consider this a necessary and overdue process of efficiency, while others may see it as the unwelcome result of an instrumentalist trend that prioritises economic values over all others. Perhaps the key success measures to watch are the range of choices available to future applicants, whether any disciplines at put at risk, and if the domestic supply of work-ready graduates or post-graduate students is harmed.

As for institutions themselves, there is widespread worry for the 'squeezed middle'; middle-ranking universities that lack the reputations of their esteemed peers, but cannot compete at a lower price point with new entrants and nimbler competitors. The jury is out on whether a failing institution would constitute damning evidence of the reforms or merely signify a healthy market. A growing reliance on international students and a few notable examples where that has not been managed so well, could perhaps also signify the impact of these reforms.

When it comes to the performance of the English HE sector as a whole, there is plenty of comparative data out there from institutions such as the OECD, UNESCO and the British Council. By many measures England continues to punch above its weight, to use a well-worn phrase. Our research citation count, global brand and league-table ranking are all admirable. However it is unlikely that we can rest on those laurels for much longer, with emerging economies, especially China and Singapore, investing far more than us in their universities and already seeing the results. Recent OECD data indicates that 24 out of 31 OECD nations have increased their investment in higher education during the recent economic downturn, highlighting why the UK might need to increase its own investment. Other key measures to watch out for include the amount invested as a proportion of GDP (already very low for England), the total cost of HE (and the proportion that is publicly funded) and the proportion of the population that obtains a high-quality degree (Blair's 50% target may be gone but what should we be aiming for instead?).

And of course, this all misses those things that can't be measured (or managed Mr McKinsey) and which some believe matter the most. Will we ever really know how many would-be applicants opted for a job that puts money in their pockets, how many lecturers decided to retire early, which new courses were never developed, what else could have been done with all the Vice Chancellor's time or how England's brand is really faring in the global HE marketplace? We'll probably never know the answers to these questions but there is one last success measure we can keep an eye on – the savings to the Treasury (and the principal motivation for these changes). According to the latest research from think tank HEPI the savings may be negligible, if at all apparent. But as this largely depends on how well this years' freshers repay their debts once they are earning, we'll have to wait to find that out too.

Note: This article gives the views of the author, and not the position of the British Politics and Policy blog, nor of the London School of Economics. Please read our comments policy before posting.

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