

Higher Education Commission - Postgraduate Education Inquiry

million+ Submission

1. million+ is a university think-tank which provides evidence and analysis on policy and funding regimes that impact on universities, students and the services that universities and other higher education institutions provide for business, the NHS, education and the not-for-profit sectors.
2. Postgraduate study is an integral part of the activities and opportunities that UK universities offer and postgraduate students from the United Kingdom and overseas make a vital contribution to the UK's world-class research base. Yet both the Browne Review and *Students At The Heart of The System*, the White Paper published by BIS Ministers in June 2011, failed to consider postgraduate study and the future of postgraduate provision in sufficient detail. million+ therefore welcomes the opportunity to submit evidence to the HE Commission inquiry into postgraduate education.

Scale and Scope

3. Postgraduate education covers a huge diversity of provision. UK universities offer postgraduate opportunities across the full range of academic disciplines and courses that vary in duration, intensity, cost, mode of delivery, mode of assessment and eventual qualification.
4. Modern universities are a core component within this ecosystem. In 2010-11 modern universities supported two fifths (239,945 or 40.8%) of all postgraduate students studying at UK universities including 15.9% of higher research degree students, 37.7% of higher taught degree students and 58.1% of students studying other postgraduate qualifications.
5. Just as postgraduate provision is diverse, so too are postgraduate students. In 2010-11 there were 588,720 postgraduate students studying at UK universities. Of these students, nearly half (47.3%) were studying part-time; just over half were female (54.1%); just under two thirds (63.7%) were from the United Kingdom compared to 8.5% from the EU and 27.8% from overseas; most (43.9%) were aged 30 and over; 5.2% had known disabilities and approximately one sixth (16.6%) of UK-domiciled postgraduates were from BME backgrounds.

The Value of Postgraduate Education

6. Postgraduate education produces major benefits for students, universities, businesses, the public and not-for-profit sectors and has significant wider economic, social and cultural benefits, as set out in the million+ report *A Postgraduate Strategy For Britain: Expanding Excellence, Innovation and Opportunity*.
7. For individual students, the benefits of postgraduate education last throughout working life and beyond. Postgraduate qualifications enhance employability and provide entry to professions for those entering the workplace for the first time; they also provide new, higher level skills and improved progression prospects for people who are mid-career.
8. Universities benefit from the supply and provision of the next generation of academics, by the creation of economic benefit, the generation of intellectual property and the development of partnerships with users (business, companies and the public and not-for-profit sectors) as well as

through the establishment of international higher education partnerships with institutions in countries throughout the world.

9. Business benefits from postgraduate study, not only through the provision of skills and continuous professional development in the workplace, but also by the exchange of knowledge and research.
10. Postgraduate education is increasingly important for the training and professional development required to meet new challenges and ensure the adoption of improved professional and working practices in the public and not-for-profit sectors.
11. On a national and international scale, postgraduates contribute to strategic research and development and are repositories of the higher level skills required for economic growth and societal improvement

UK Participation

12. There is no optimal number of UK-domiciled postgraduate students in the UK as it is primarily an open and competitive market and the laws of supply and demand determine the numbers of students undertaking each course. Nonetheless it is concerning that the number of UK-domiciled postgraduate students has not significantly increased over the last decade. Many universities now depend on overseas student fees to subsidise the running of specialist postgraduate courses and this has implications for the development of a new and more representative generation of UK academics:
13. If the UK is to rebuild its economy in new and sustainable ways, expansion of the number of UK-domiciled PGT, PGR and doctoral students is essential. million+ believe that new targets should be set to increase the number and diversity of UK-domiciled postgraduate students and that the role of modern universities in achieving those targets should be recognised and incentivised.
14. In addition the policy of research funding concentration must urgently be revisited. Increased concentration of research funding, the concentration of students in regional hubs and concentration of doctoral funding will not encourage an increase in the number of UK domiciled students and are most likely undermining the potential diversity of the UK's own postgraduate profile.
15. The increased concentration of funding is also damaging the strength and diversity of the UK's research base. The number of Doctoral Training Units has been limited on funding grounds yet when modern universities offered to resource DTUs which had been supported by independent assessment panels but for which no funds were made available, Research Councils such as the ESRC declined to 'kitemark' the DTU. Other kitemarked DTUs already receive funding associated with the doctoral training designation but are now being used as vehicles to assign further research student positions (e.g. CASE awards from EPSRC) that are being deducted from other areas of established excellence.
16. The removal of HEFCE QR funding for 2* research¹ raises further questions as to how the early career researchers of the future will be supported, particularly given that 3* and 4* research does not develop in a vacuum but rather from earlier research which may lack that status but still has considerable value. For its part the Technology Strategy Board has removed support from smaller

¹ Quality that is recognised internationally in terms of originality, significance and rigour

Knowledge Transfer Partnerships. This further concentration of research funding is removing opportunities for modern universities to bid for and access other funding sources to support postgraduate provision and will undermine innovation in new and emerging areas.

17. The NHS and Social Care Act also poses significant risks both to the future postgraduate participation of health allied professional staff like nurses and midwives and to the research and postgraduate provision supported by faculties of health in modern universities. Among other uncertainties, the Department of Health has proposed that the national budget for post-registration training should be withdrawn and replaced by a levy paid by GPs and other commissioners.
18. Similarly the policy being pursued by the Department for Education of transferring initial teacher training from universities to schools has the further potential to undermine university education departments that support education research and a range of postgraduate qualifications which in turn help support school and college improvements.
19. Notwithstanding university expertise and excellence in health and education and the need for NHS and teaching staff to access opportunities to enhance their professional qualifications, the sizable investments which universities have made in both health and education infrastructure and professional academic staff are now subject to considerable uncertainty. More generally the wider implications of Departmental policy decisions for postgraduate provision do not seem to be fully considered and liaison between relevant departments in advance of decisions and policy announcements appears to be weak.

International Dimensions

20. The UK is highly competitive in the international postgraduate market. UK universities attract a significant number and market share of international postgraduate taught and research students and also teach and accredit postgraduate courses in countries throughout the world.
21. There were 49,795 EU postgraduates and 163,890 international postgraduates studying at UK universities in 2010-11. The UK had 15% of the global share of postgraduate research students in 2008 and a further 1,895 postgraduate research and 72,290 postgraduate taught students were enrolled on transnational education courses provided by UK higher education institutions in 2010².
22. Modern universities play a key role in educating postgraduate taught and research students and in extending the subject and discipline range of programmes and research studentships available to EU and international students. In 2010-11, modern universities supported 26.3% of EU postgraduates and 36.5% of all international postgraduates (who came from more than 150 countries).
23. The presence of international postgraduates has significant short and long-term benefits for the United Kingdom. In the short-term, international postgraduates add greatly to the UK knowledge base and make an economic contribution through tuition fees and additional expenditure on accommodation, living costs, books and equipment. London Economics estimated the value of UK education exports to be £14.1 billion in 2008/09, with education-related projects attracting a total of £9.6 million Foreign Direct Investment³. Tuition fees income from EU and international

² UUK International Unit (2010) International higher education in facts and figures =

³ BIS (2011) Research Paper Number 46, Estimating the Value to the UK of Education Exports
<http://www.bis.gov.uk/assets/biscore/higher-education/docs/e/11-980-estimating-value-of-education-exports.pdf>

postgraduates was estimated at £554 million per annum by full time postgraduates and £311 million per annum by part-time postgraduates, whilst non-tuition fee spend was estimated at £13,739 per student or £2,043 million in total. International and EU postgraduates also make a vital social and cultural contribution to student life and to society more generally.

24. In the long-term the presence of international students alongside UK students gives an international perspective to our future research leaders. In addition the connections that international students make and the networks that they build during their period of study in the United Kingdom foster intercultural understanding and facilitate future trade and investment between the UK and overseas nations.
25. The international postgraduate market is highly competitive and the UK postgraduate market is likely to be squeezed over the coming decade due to competition from other institutions and countries which are investing and developing excellence in higher education. There are also significant and immediate risks associated with the new visa regime in the United Kingdom and the closure of the Tier 1 post-work study route, factors which are likely to make the UK universities less attractive to highly qualified international postgraduates. million+ endorse the Home Office Select Committee view that international postgraduates (and undergraduates) are not economic migrants and should not be treated as such and fully support efforts by Universities UK to change Home Office policy.

Access to Postgraduate Study

26. Postgraduate study is not a universal entitlement but it is important that those with the potential to benefit from further study should be able to take advantage of the opportunities available, irrespective of background, age and financial circumstances. Modern universities play a key role in offering flexible postgraduate study options to students from diverse backgrounds, of different ages and different stages of their careers, reflecting the widening participation admission strategies promoted by these universities.
27. Little is known about the level of unmet demand for postgraduate study but the requirement for postgraduate fees to be paid up front and the very limited scope of the Personal and Career Development Loans (PCDLs) scheme undoubtedly act as barriers to participation, particularly amongst those without recourse to family or employer support.
28. Recent research suggests that undergraduates from more disadvantaged backgrounds are between 1.8 per cent and 2.4 per cent less likely to progress to postgraduate study than students from more privileged background⁴. However at national level relatively little is known about the composition and diversity of the postgraduate student cohort which makes it difficult to identify, let alone tackle, the barriers to postgraduate study that are faced or perceived by under-represented groups.
29. million+ believe that more work is needed to collate and analyse the various data sources on postgraduate student backgrounds, sources of funding and motivations for study. This will enable the development of widening participation markers for postgraduate study that are necessarily different to those that are used to monitor access to undergraduate study.

⁴ Wales, P (2011) Access All Areas? The Impact of Fees and Background on Student Demand for Postgraduate Higher Education in the UK. Presentation at the 2012 Royal Economic Society conference

Implications of the New Funding Regime

30. Postgraduates are a core part of any knowledge intensive economy and the higher level skills and attributes that postgraduate study provides are vital and valuable across the public, private and third sectors. million+ share sector concern that the new higher education funding regime may have a detrimental impact on rates of postgraduate participation (particularly amongst UK-domiciled graduates) and for the range of university postgraduate provision.
31. In the short-term the withdrawal – and late, partial reinstatement – of postgraduate teaching funding means that postgraduate tuitions fees are set to rise for 2012-13. Research launched at the 2012 Royal Economic Society conference suggests that a 10% increase in postgraduate tuition fees is associated with a fall of between 1.7% and 4.5% in the probability of a student continuing their studies. Close attention should therefore be paid to postgraduate enrolments and trends in postgraduate provision from 2012-13 onwards.
32. The impacts of the shift on demand for postgraduate study will take time to filter through but in the longer-term it is possible and plausible that the higher levels of debt that students will accrue during their undergraduate degrees under the new funding system may have a significant deterrent effect on postgraduate enrolments from 2015-16 onwards. At this early stage it is difficult to quantify the magnitude of this risk and the extent to which postgraduate enrolments will be reduced and/or delayed but any reductions would have substantial and long-term consequences for individuals, for postgraduate provision by universities and for the United Kingdom as a whole.
33. There is no case to transfer public funding for higher education from undergraduate to postgraduate provision. However million+ believe that research into the postgraduate intentions of the 2012-13 undergraduate cohort should therefore be commissioned and undertaken at the earliest possible opportunity and the effectiveness of the Personal and Career Development Loans (PCDLs) scheme kept under review. The possibility of a Treasury-neutral loans scheme or schemes for postgraduate students should also be fully explored and costed by the Department for Business, Innovation and Skills.
34. The postgraduate demographic is also likely to change, reflecting variable undergraduate application trends by age and by region. UCAS statistics show a stark 10.7% decline in mature applications for undergraduate study compared to 2011-12 and mature undergraduates are known to be more debt averse than their younger peers⁵ so it seems likely that rate of progression to postgraduate study amongst people who go to university for the first time later in life will reduce, with implications for social mobility and the fulfilment of potential.

Summary

35. The UK higher education sector enjoys a well-deserved reputation for excellence; postgraduate provision is a core part of the UK higher education brand and modern universities play a key role in sustaining this success. In England the higher education funding and policy landscape is undergoing significant change and change that is not confined to remit of the Department for Business, Innovation and Skills. This has implications for postgraduate provision and participation and for the

⁵ Connor, H and Dewson S (2001) 'Social class and HE: Issues affecting decisions about participation by lower social class groups' DfES Research Report No. 267.

development of the future academic workforce. Professionally-focused postgraduate provision is important for business and innovation and for the delivery of innovative public services. There is a real risk that key provision in health and education will be undermined and that access to the professions will be restricted.

36. It should also be noted that the policies of the Home Office in respect of student visas have been opposed by BIS and that other aspects of the policy in respect of post-study work and entry to the UK by professional skilled staff have been opposed by the Department of Health and multinational companies like Nissan. Until the Government takes a holistic view of the benefits of international students, including postgraduate students, the policies of UKBA and the Home Office will continue to be a major threat to the postgraduate market.
37. There is furthermore an urgent need for BIS to reassess the policy of research concentration and to investigate how a comprehensive postgraduate loan scheme might be supported. It should however be recognised that the removal in England from 2012-13 of direct funding for undergraduate provision and the transfer of responsibility for the funding of first degrees from the state to the graduate via the student loan system, is likely to pose a long-term risk to postgraduate participation that could only be properly addressed if the ratios of the contribution between state and graduate were revisited. million+ continue to believe that innovation, opportunity and fairness should be the cornerstones of future postgraduate taught and doctoral provision in the UK's universities and that these principles should inform funding and any loan schemes that may be developed.

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