



Covid, the cost of living crisis and what next for SUs

What will happen and how should we respond?

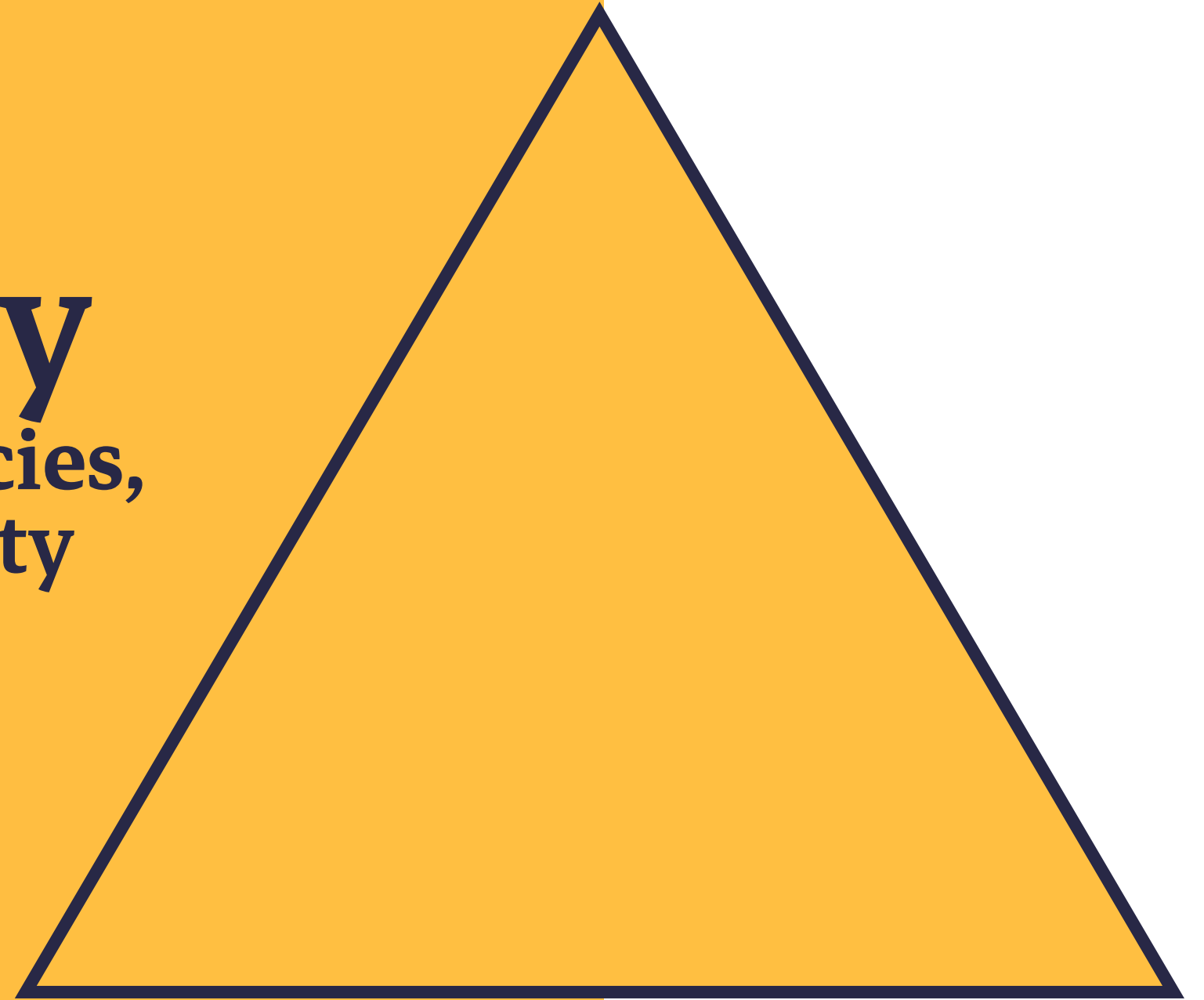
JIM DICKINSON | ASSOCIATE EDITOR SUs | WONKHE
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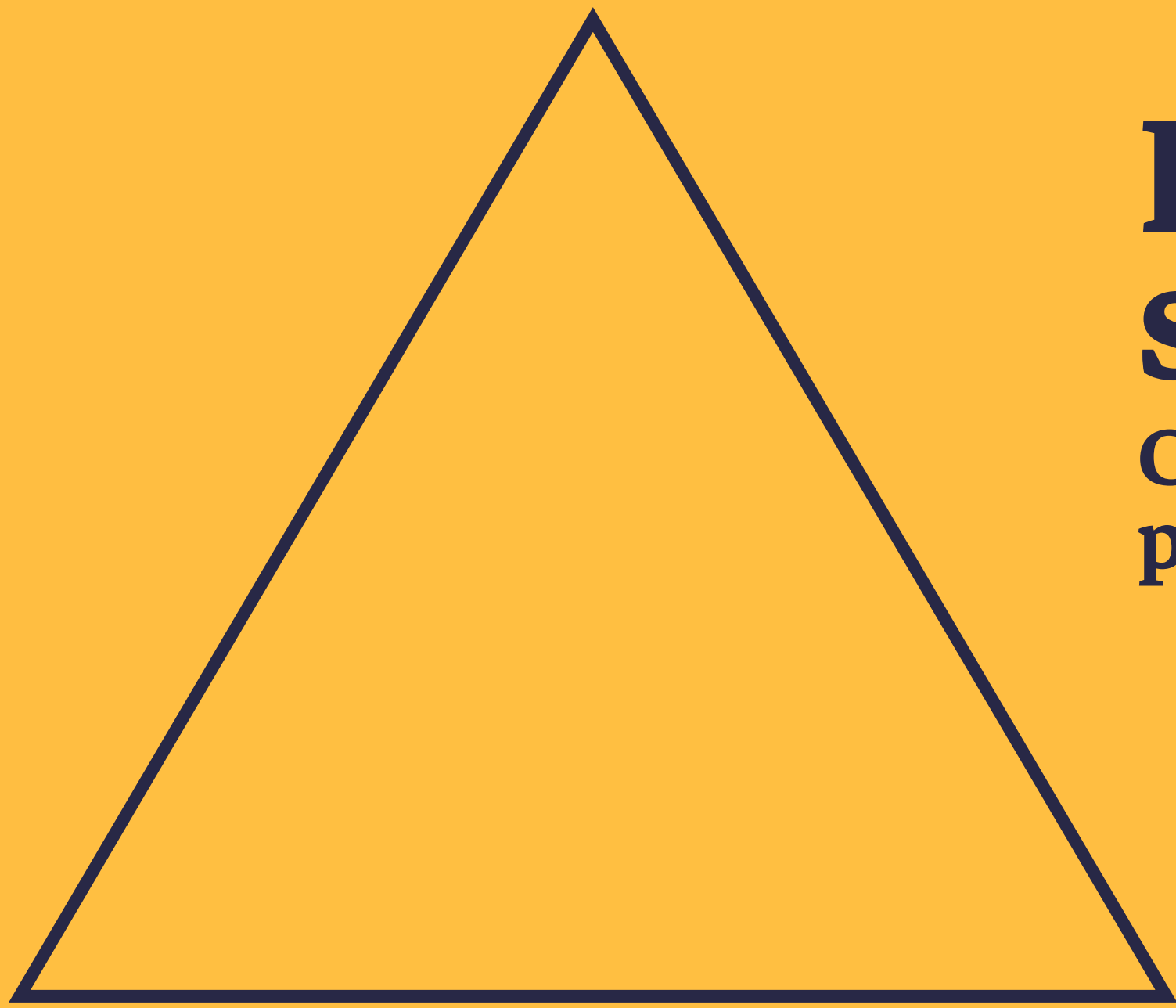


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Internal solidarity

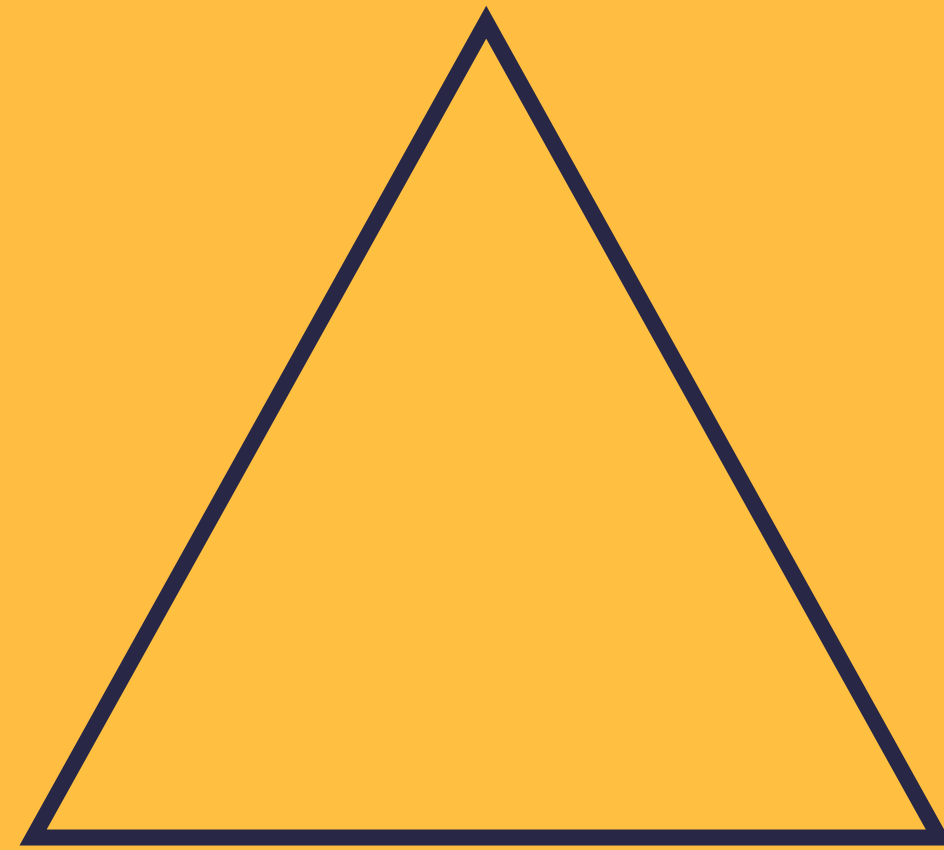
Skills, competencies,
attributes, capacity





External solidarity

Connections, partnerships,
people, relationships, contacts



Agenda

Knowledge, understanding,
data, evidence, debates,
priorities

IS

**Work on your skills
Go on some training
Get a mentor/coach
Practice before term starts**





ES

Go meet people in the uni
Set up catch ups
Find people in other SUs
Hunt down people in the community
Plan some join projects



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AG

Read the research

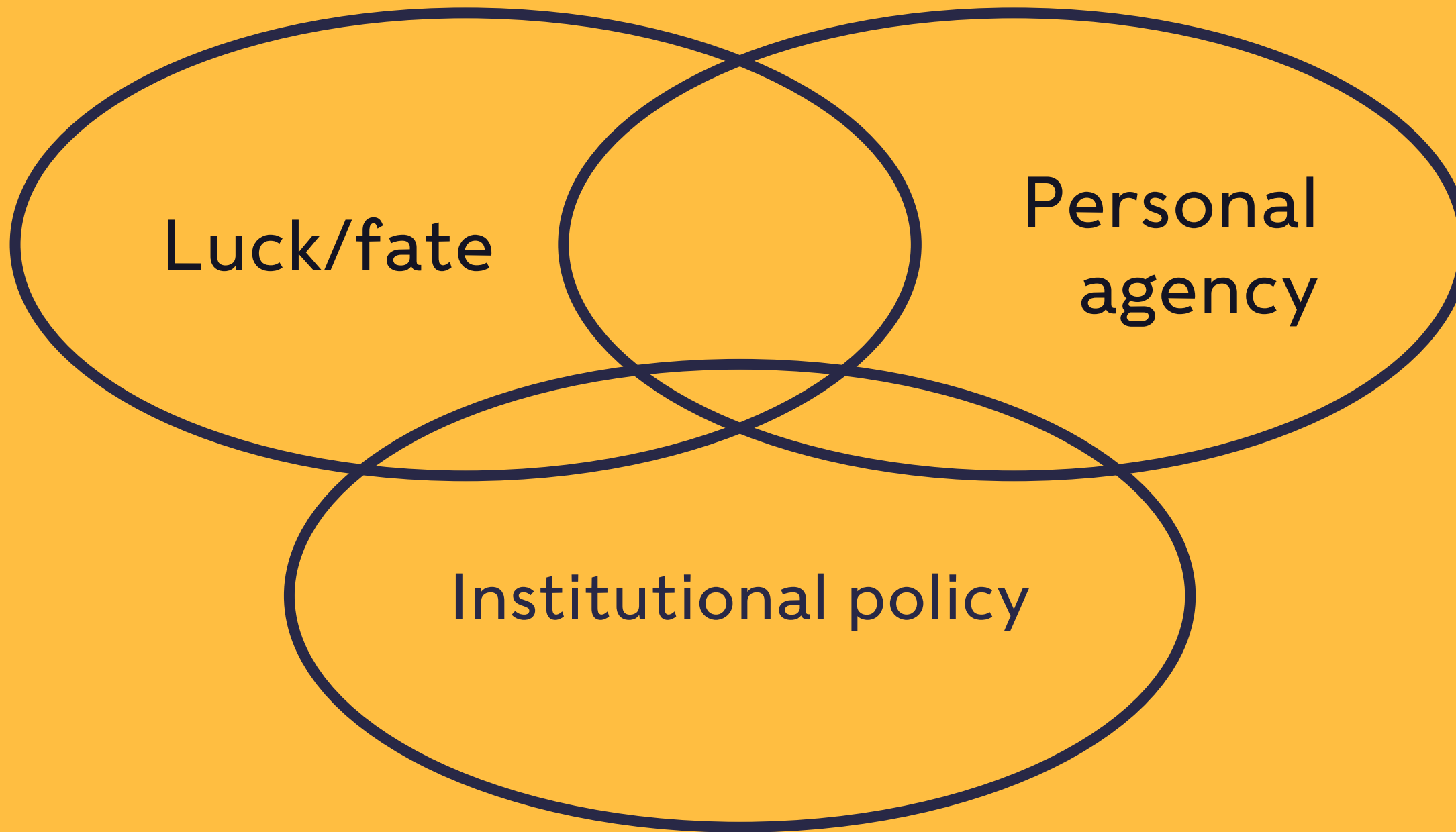
Hunt down the briefings

Find the relevant stats

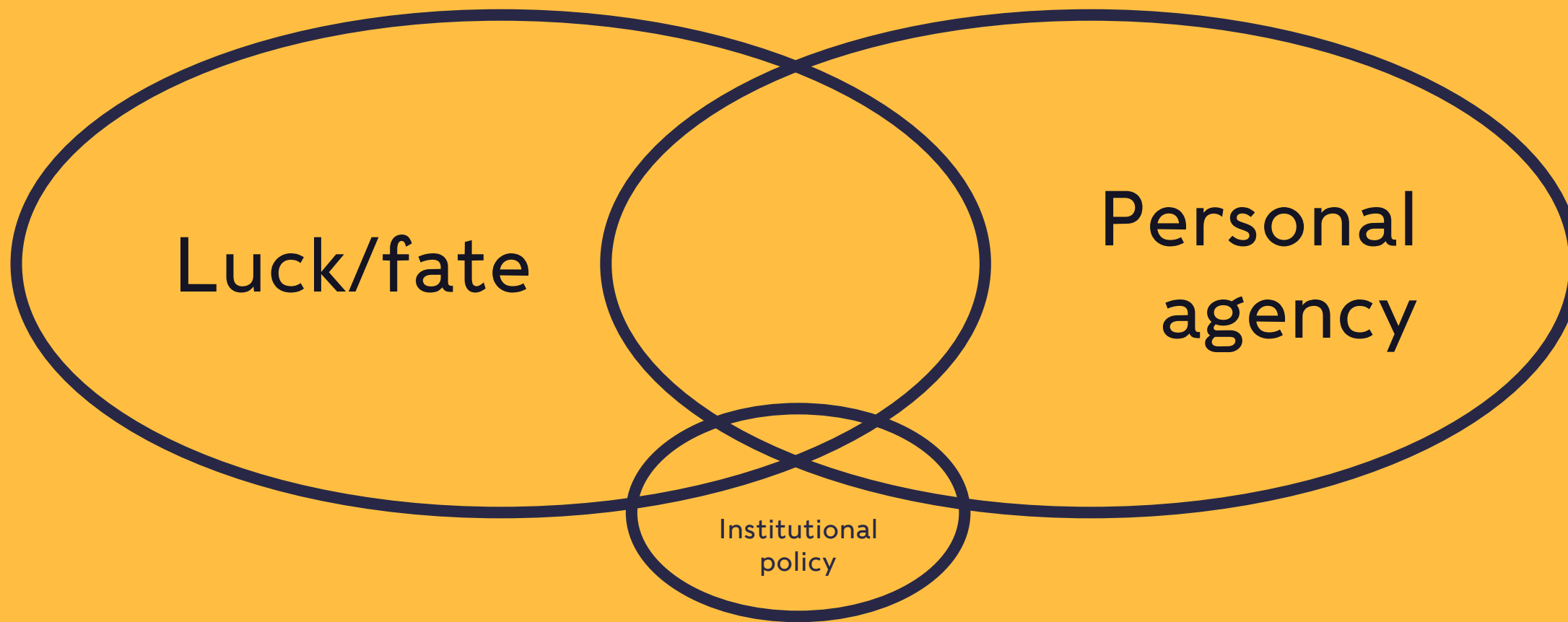
**Read previous committee
papers**

Ask staff for intel

Contact us!

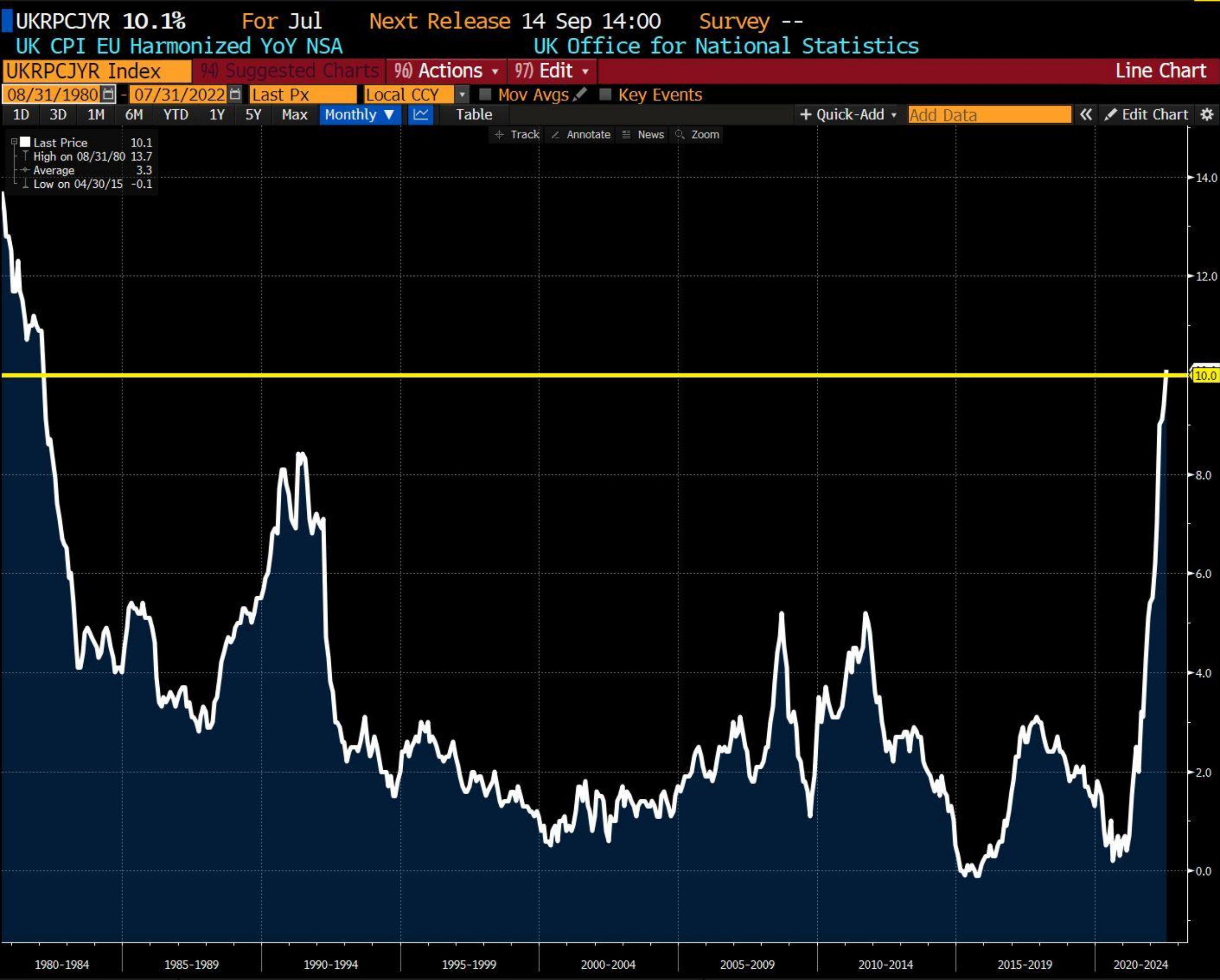


- 2018 study, England HEIs
- 14,000 UGs and PGTs
- Asked about factors that impacted their student experience being good or bad
- Also asked about career prospects and factors influencing that
- Weight and type of influencing factor analysed in free text comments



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**KNOW
UNDERSTAND
INFLUENCE**



10.1%

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CPI at 10.1%

- Analysts had predicted 9.8%
- Inflation not the same for everyone...
- And not just energy bills:
- Food running at 12.7%, driven by staples
- Transport costs up at 15.1%
- Restaurant up at 9%
- Contracting student spend means fewer hours and jobs for students

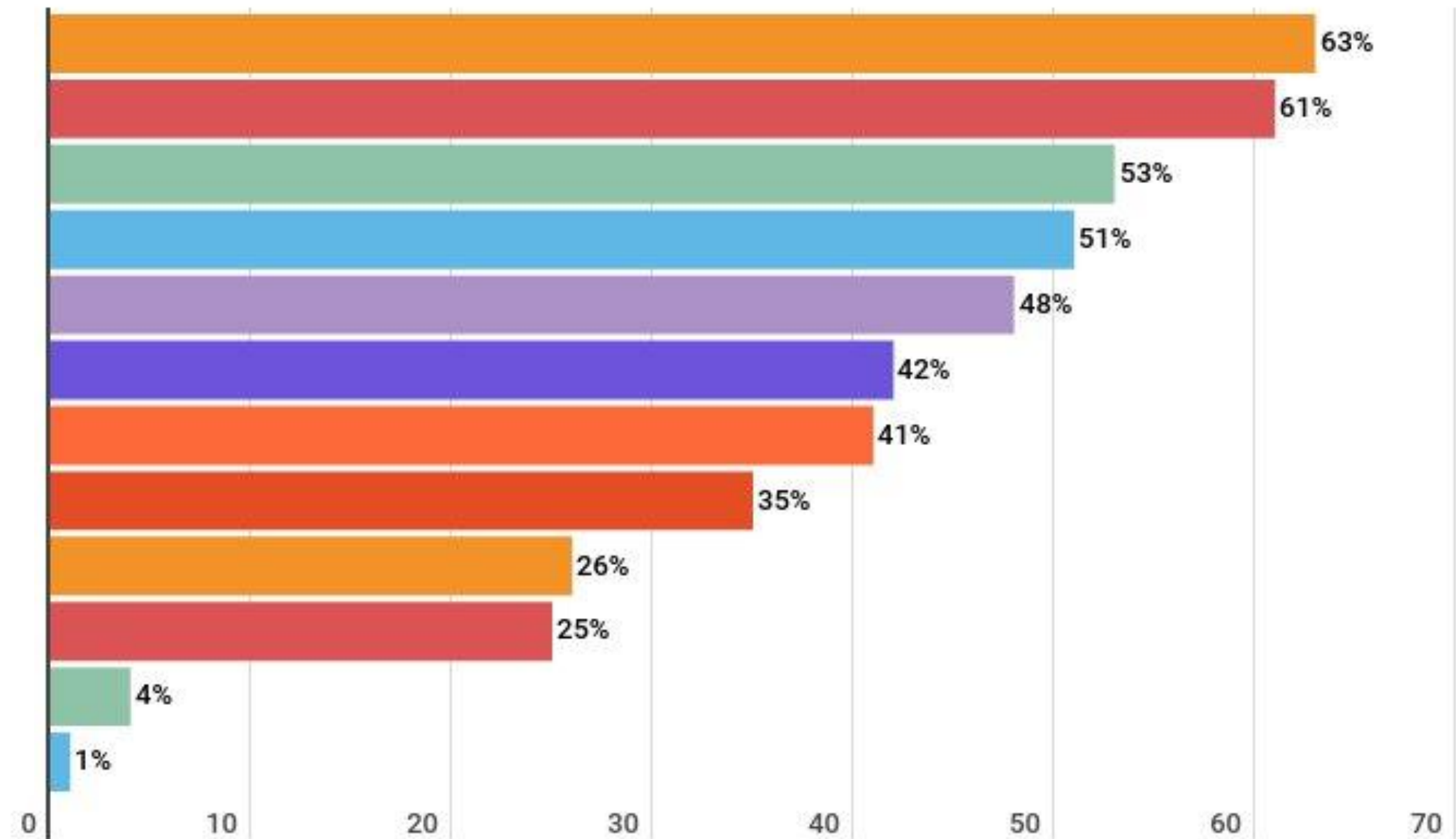


One in seven university students fear they may become homeless within the next six months as escalating bills, rent and prices pile pressure on their limited finances. new research from [Nationwide Bu](#)

The poll of 1,000 UK universi (66%) of students are strugg costs or have fallen behind o climate, and many are having meet. Almost three quarters money from family members food and rent in the last year on their overdrafts to cover t

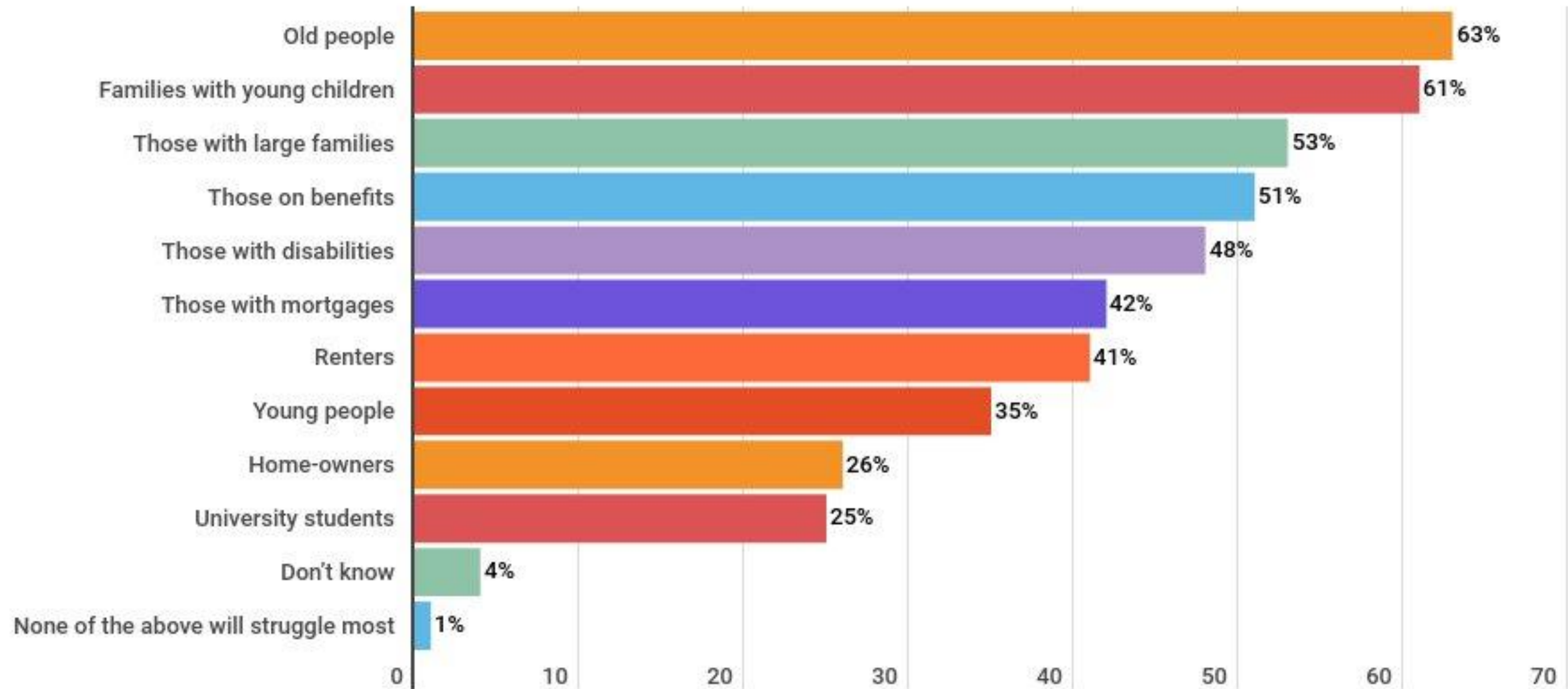
Housing costs were a 'key factor' in deciding which university to attend for one in five (24%) students and as they get ready to start a new year of study next month, many are facing issues to pay for essentials like food and rent. Almost half (47%) have felt 'shame and embarrassment' in asking to borrow more and a third (36%) have felt like they couldn't ask for help to pay for these essentials. That's why Nationwide has teamed up with Shelter to raise awareness that struggling students can get help and to help raise vital funds so Shelter can continue providing its free expert advice and support.

As the cost of living rises, which of the following groups do you think are going to struggle most? Select all that apply



Fieldwork: 1st Aug - 3rd Aug 2022 | Interview method: Online Survey | Population represented: GB Adults | Sample size: 2011

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**Amount of value wiped
from max
maintenance loan
since 2019**

£X,XXX

**Amount of value wiped
from max
maintenance loan
since 2019**

£2,025

Food Insecurity On College Campuses: The Invisible Epidemic

[Maureen McCoy](#), [Sarah Martinelli](#), [Swapna Reddy](#), [Rachael Don](#), [Adam Thompson](#), [Matthew Speer](#),
[Randy Bravo](#), [Michael Yudell](#), [Saigayatri Darira](#)

JANUARY 31, 2022

10.1377/forefront.20220127.264905



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Tuition fees should double to increase the amount of money spent on students' education



Interest rates on student loans should decrease to make the system fairer



If you look at who goes into HE, "free education" would be a middle-class subsidy better spent on early years



The maximum maintenance loan should be frozen to keep student debt down



There is a danger that recruiting international students could mean fewer places for home domiciled students



Ideally, higher education should become more efficient to keep costs for the taxpayer down and keep fees low

Get a job in Wetherspoon's if you miss out on university, A-level students told

Analysis has found that as many as 60,000 teenagers will miss the grades needed for their first-choice university this year

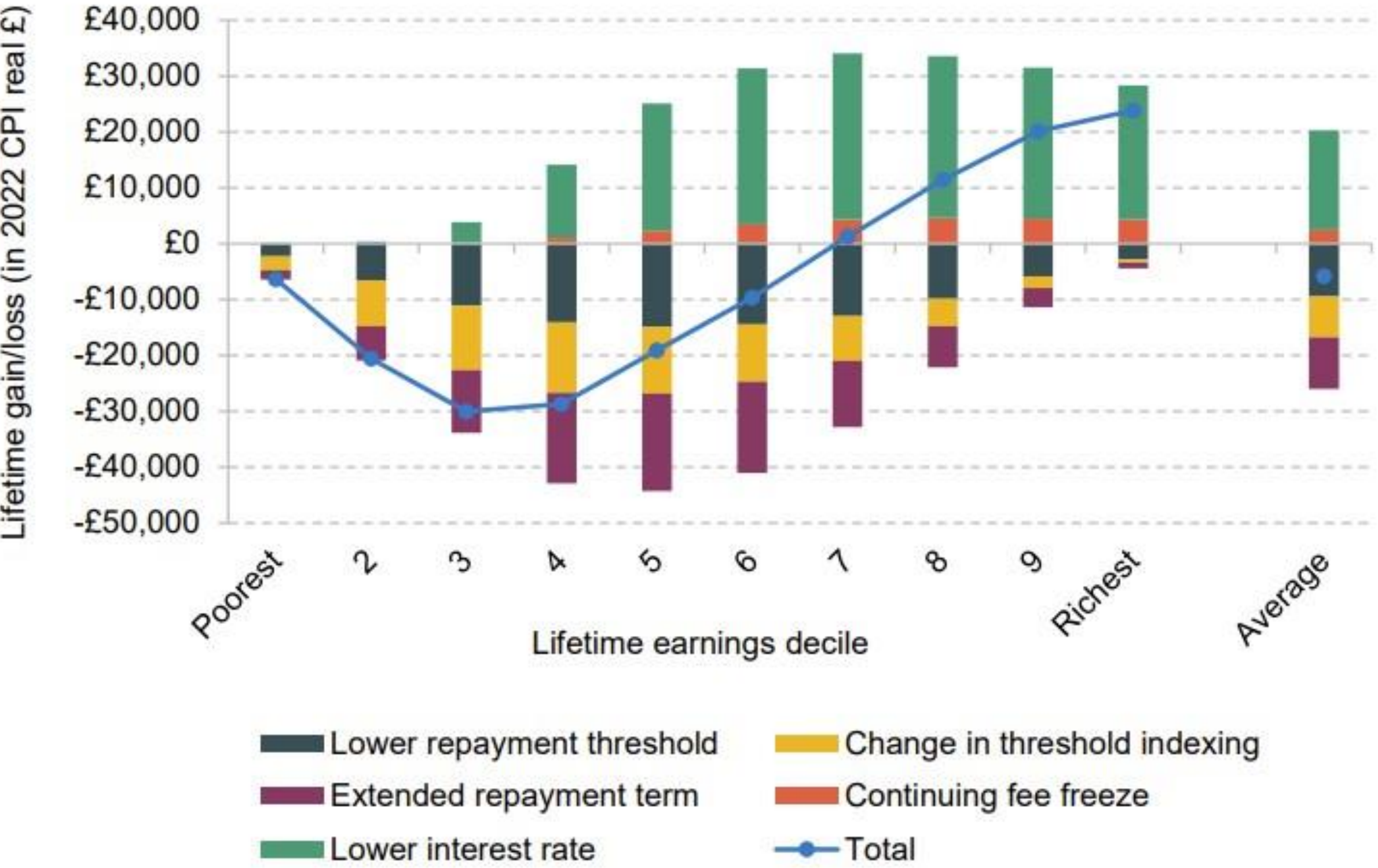
By Louisa Clarence-Smith, EDUCATION EDITOR

13 August 2022 • 2:32pm



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Figure 3.2. Impact of reforms on 2023 entry cohort



Closed petition

Require universities to partially refund tuition fees for 20/21 due to Covid-19

The quality of online lectures is not equal to face-to-face lectures. Students should not have to pay full tuition fees for online lectures, without experiencing university life. The Government should require UK universities to partially refund tuition fees while online teaching is implemented.

Pushing 'the uni experience' has strengthened the case for refunds

Selling 'the uni experience' has helped put bums on seats and cash in coffers, but now it's providing grist for refund-seeking students, says Madeleine Davies

March 10, 2021

Madeleine Davies

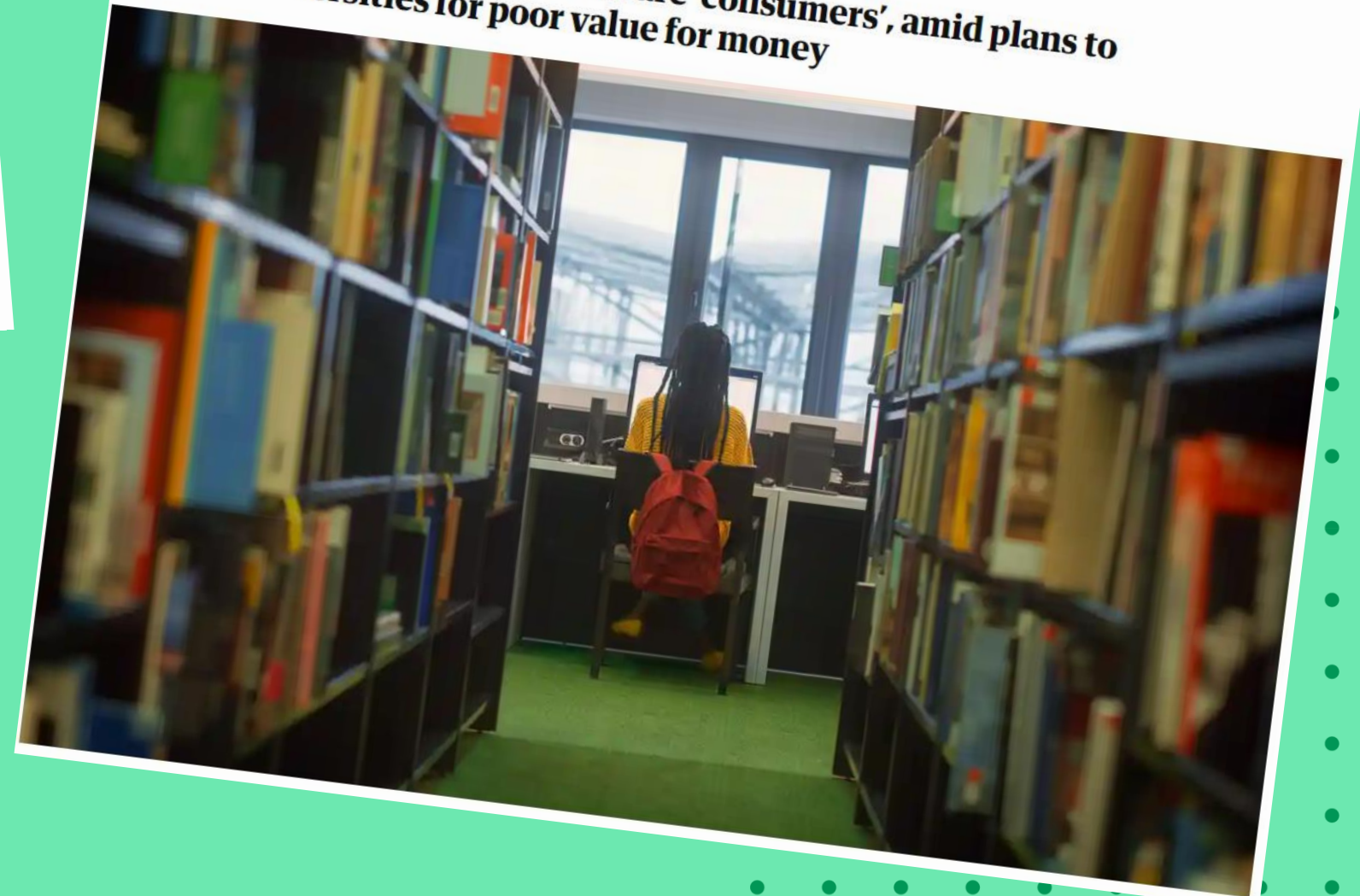
Back in May 2020, student Sophie Quinn gathered 330,000 signatures to a petition brought before the House of Commons Petitions Committee; disruption caused by a period of industrial action, followed by the first national lockdown, had led, she argued, to online higher education provision of variable quality, no access to campus facilities and lack of contact with staff.



Source: iStock

Students in England should apply for refund if unsatisfied, says minister

Michelle Donelan says students are 'consumers', amid plans to punish universities for poor value for money



Lifetime gain/loss (in 2022 CPI real £)



One-year threshold freeze

Further threshold freeze

Change in threshold indexing

Continuing fee freeze

Total

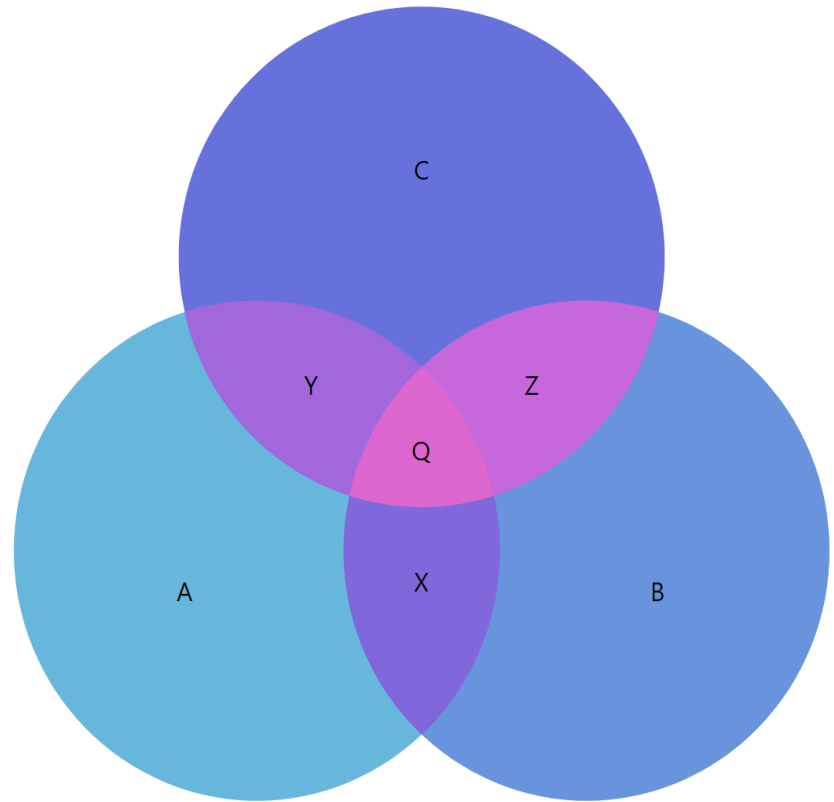
Household Income	Durham Grant
£25,000	£2,000
£30,000	£1,500
£35,000	£1,000
£40,000	£500
£42,875	£200

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- Judged as what was needed (no more) to make the difference
- 25k is now higher – earnings growth
- £2,000 worth less – inflation rising faster
- Costs of support outside of financial support increasing too, and support from DfE/OfS declining (frozen but volume + inflation)
- Triple whammy!



UCU Strikes

- “Universities hoarding billions”
- (High risk) aggregated ballot strategy
- Early and expensive
- Will members last the course?
- What will the university’s tactics be re participation?
- What if the **university** can afford a rise but **universities** can’t?



The frame game...

- Wonkhe is the home of higher education people, politics and policy
- People and politics determine frames – the sort of thing you’re trying to do and the sort of people you’re trying to do it for
- Policy as way of delivering on that frame
- For example: “Helping hard working families get on in life”
- Efficiency...





Ministers to fund after

Exclusive: tuition-fee entry requirements un



▲ Information on repaying student loans

Ministers are to pave the way for tuition-fee cuts, a cap on qualifications among the consultation.

The long-awaited consultation on the **Augar review** of tertiary education is due to publish its long-awaited consultation on the 2019 Augar review of post-18 education and funding.

Divisions between No 10 and over alternative policies the leader called “a menu of options” behind the scenes for the

SUS

UK universities

✓ Added

No 10 plans to lower salary level at which graduates start repaying loans

Bill to UK taxpayer deemed too high amid effort to encourage more students into vocational training



The National Union of Students says it will be ‘totally opposed’ to any reduction: ‘The injustice is simply astounding’ © Oli Scarff/AFP/Getty

Bethan Staton in London and George Parker and Peter Foster in Brighton SEPTEMBER 26 2021

1308

The government is planning to cut the earnings threshold at which graduates begin repaying student loans in a bid to save the Treasury money and push more young people towards cheaper vocational education.

Chancellor Rishi Sunak wants to overhaul student financing in his spending review ahead of **next month’s Budget**, reflecting Treasury concerns that the taxpayer is footing too great a burden of funding university courses.

University tuition fees about to be 100? Government considers higher education funding the cost of the student loan

Bill to UK taxpayer deemed too high amid effort to encourage more students into vocational training

2021 | UPDATED: 01:33, 10 July 2021



136 shares

700 View comments

Government is considering a number of potential policies to lower Government's student loan costs differential fees for maths, sciences and nursing courses

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Read all about it

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- Currently graduates start to pay back student loans when their salary hits £27,295, but ministers are looking to reduce that figure. "That's the plan," said one minister.

UK universities ✓ Added

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The National Union of Students says it will be 'totally opposed' to any reduction: 'The injustice is simply astounding' © Oli Scarff/AFP/Getty

Bethan Staton in London and George Parker and Peter Foster in Brighton SEPTEMBER 26 2021 1308

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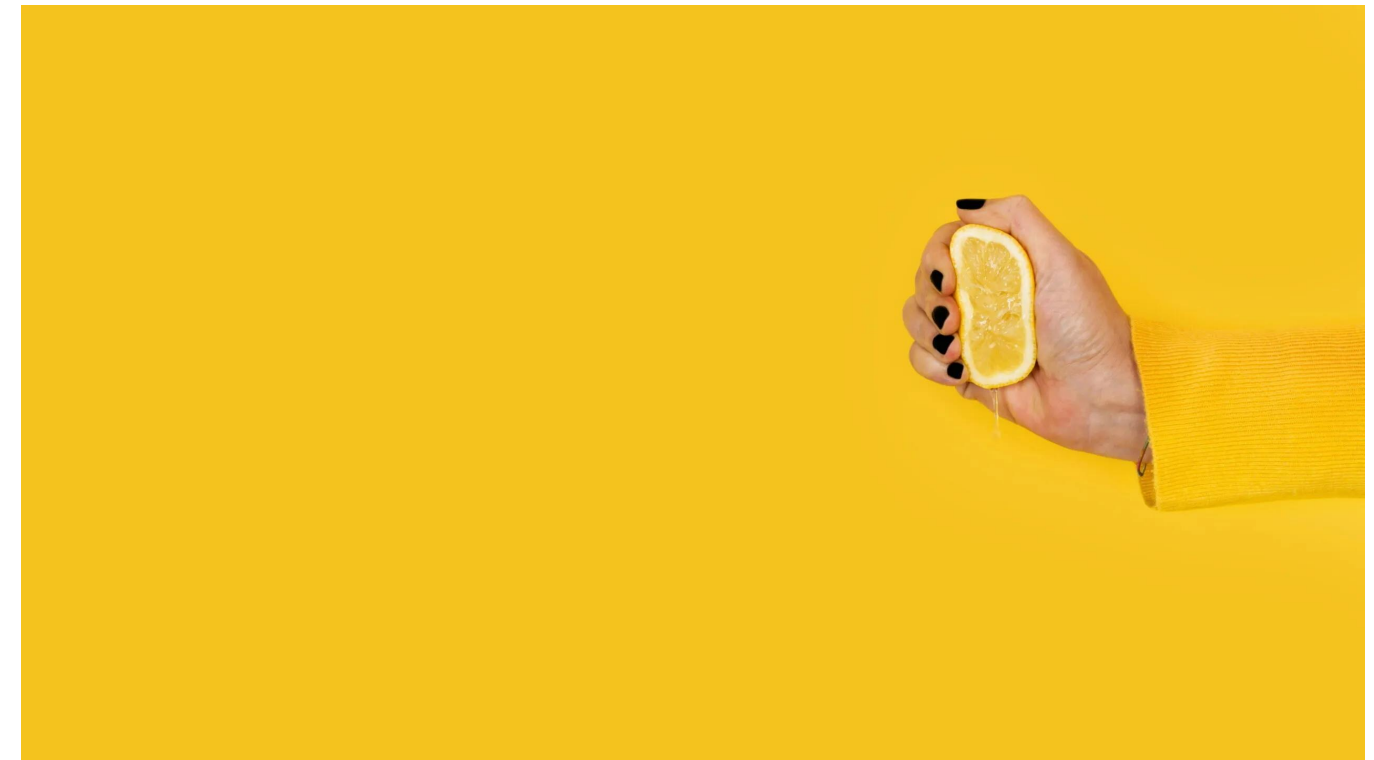
Chancellor Rishi Sunak wants to overhaul student financing in his spending review ahead of [next month's Budget](#), reflecting Treasury concerns that the taxpayer is footing too great a burden of funding university courses.

Efficiency



Efficiency

- The higher education sector must become more efficient
 - By spending less on each student
- The student loan scheme must become more efficient
 - By taking more money from graduates



Mandelson hints tuition fees could rise

Paying for excellence must not come at price of barring poorer students, says business secretary ahead of independent review



▲ Peter Mandelson. Photograph: Lefteris Pitarakis/AP

The government today gave its strongest indication yet that it wants university tuition fees in England to increase.

The business secretary Lord Mandelson told university leaders he would not preempt a review this autumn into whether fees, capped at £3,225 a year for students starting in October, should rise.

But Mandelson, whose department is in charge of universities, told vice-chancellors that excellence in higher education was "not cheap" and the country "had to face up to the challenge of paying for excellence".

The peer would not be drawn over how much fees could rise. However, [a report by vice-chancellors in March](#) argued that £5,000-a-year fees would not deter students, even though the National Union of Students says this would leave most graduates more than £27,856 in debt by the end of their courses.

A separate poll has shown two-thirds of vice-chancellors want fees to rise and more than half want them to increase to £5,000 or more.

Browne

- Removing the £3,290 cap on fees - no cap
- Upfront loans to cover tuition fees and living costs of students.
- Means tested grants would be available for students from lower income families.
- Students would repay the loans after graduation, and only when they are earning more than £21,000.
- Repayments would be made at a rate of 9% on any income above £21,000.
- Any debt not repaid after 30 years would be written off.
- For comparison, the system at the time demanded repayments of 9% on income above £15,000, and debt was written off after 25 years.
- Part-time students would no longer have to pay upfront tuition fees, and would instead be eligible for loans.

SECURING A SUSTAINABLE FUTURE FOR HIGHER EDUCATION

AN INDEPENDENT REVIEW OF HIGHER
EDUCATION FUNDING & STUDENT FINANCE.
21 October 2010

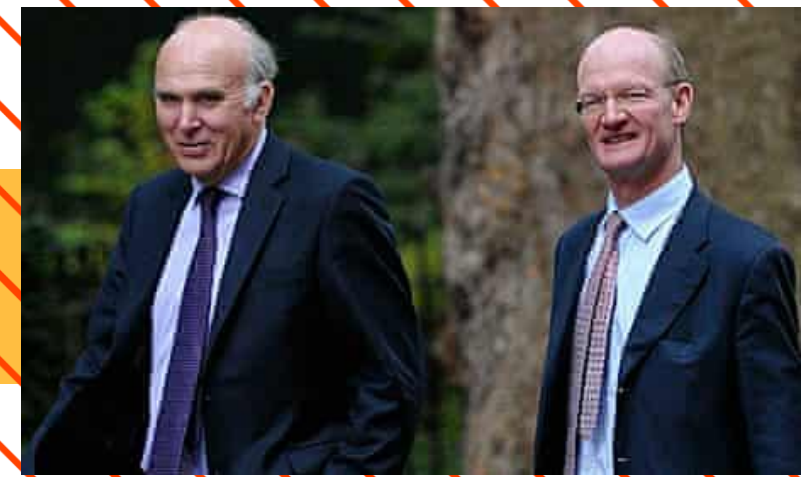
www.independent.gov.uk/browne-report





Problem?

- Fees tripled but contribution didn't
- A subsidy that only kicks in if you're not economically successful, when you're at the other end of your life, and is likely to be reduced.





DEMOLITION
10.11.10

News • UK News

Nick Clegg signed LibDems' death warrant with tuition fees vote betrayal

Nick Clegg signed the Liberal Democrats' death warrant yesterday when he ignored student protests to triple university tuition fees.

SHARE   

By [Bob Roberts](#)

0007, 10 DEC 2010 | UPDATED 09:18, 27 JAN 2012

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[Gallery] Here's Why Jane Hill Is Still With Her Partner

Docker Report [View More](#)



2010 onwards

- Vince Cable and David Willets (BIS)
- £9,000 (tripling) fees (but RAB 33%)
- Income contingent repayment with threshold
- Removal of number cap (and caps)
- Intense competition
- A regulated quasi market of autonomous providers (consumer information, outcomes, top up interventions on access)

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21 October 2010

www.independent.gov.uk/keee-report



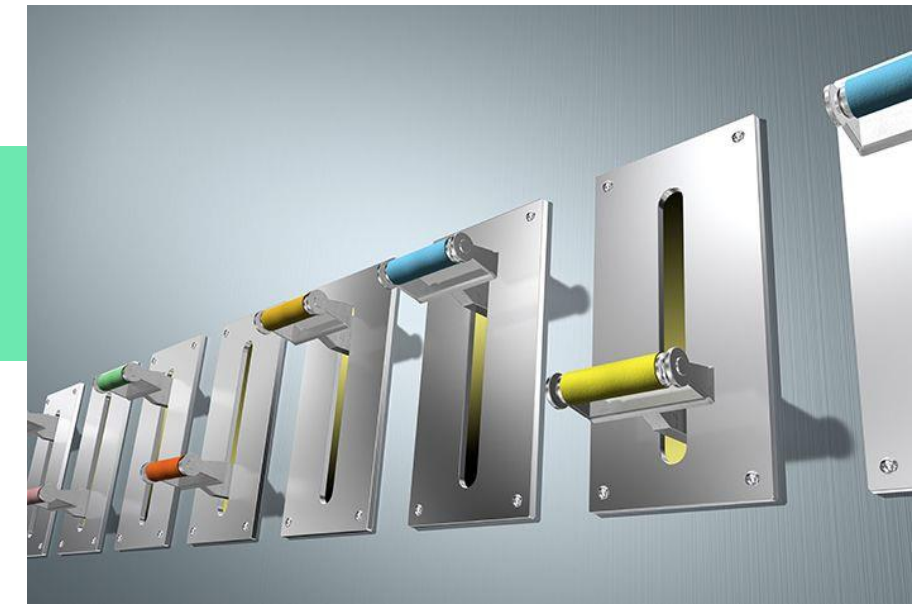
The decade

- Cap on student numbers removed
- Fees not variable (7.5k average modelled)
- Mature and part time participation collapses
- “New” and “alternative” allowed and encouraged
- Participation not impacted
- Postgraduate loans
- Earlier loans sold off...
- Threshold debate...



Six levers in UG system

1. Principal (maintenance)
 2. Principal (tuition fees)
 3. Interest rate
 4. Repayment rate
 5. Repayment threshold
 6. Term (write off)
- Plus
 - Top up funding in grants to universities
 - Penalties for early repayment
 - Relief for some pathways
 - Extra maintenance for some pathways
 - Compelling participation in the scheme
 - Rules on no of years of entitlement



Six levers in UG system

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2. Principal (tuition fees)

3. Interest rate

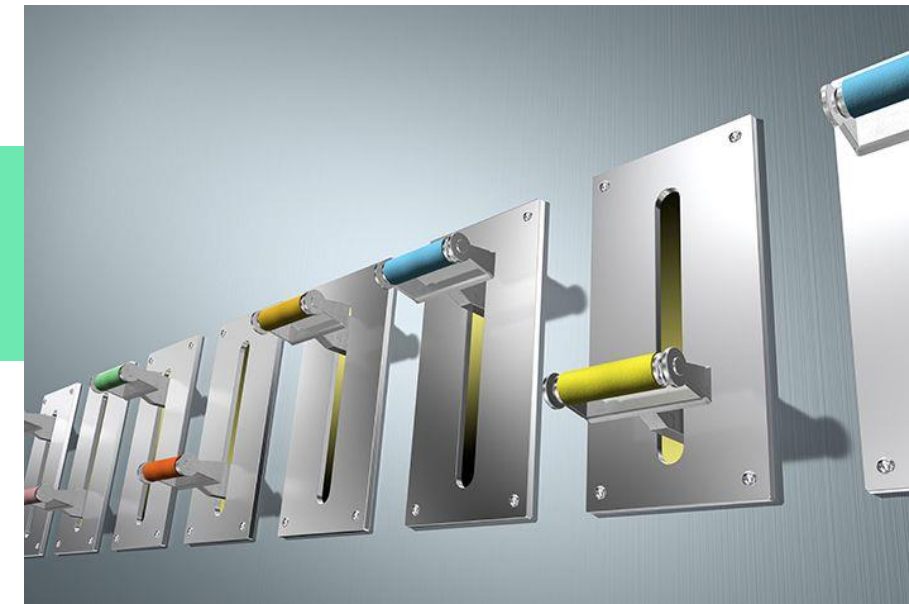
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• Plus

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Warning: Govt may retrospectively hike student loan costs – if it does I pledge to organise protest



Martin Lewis
9 January 2015



Update: 6 July 2015: Sadly, since I first wrote this blog, the likelihood of the Government freezing the student loan repayment threshold – and thus retrospectively increasing the cost of student loans – has increased.

There have been more mutterings from policy wonks, plus the former Minister for Universities (though no longer an MP), David Willetts, – the one who introduced the system – has written that he thinks a freeze should happen. This is a particular disgrace as it was him who promised it would rise in the first place.

This is a fast-moving subject, it could change as soon as this week's Budget: updates on it and any action will go in my [weekly email](#). Also, watch my [BBC Daily Politics rant](#) on it from Friday 3 July 2015.

Let me be plain – I am writing this blog to put down a marker to the Government. If it decides to renege on its promise to uprate the £21,000 student loan repayment threshold, it will have mis-sold university education to many students, betraying both them and me personally and I will do all I can to organise protest.

It is thankfully only a mooted idea so far, yet I'm worried that it is quickly gaining traction. So I want to bash out a quick explanation...

- **What is the uprating of the £21,000 threshold?**

Students in England who started university in or after 2012 will repay 9% of everything they earn above £21,000 (pre-tax salary) once they graduate. The first repayment will be in 2016, then from the following year the repayment level is due to increase in line with average earnings. This is very important – if it doesn't increase, in real terms students (ie, factoring out inflation) will be paying an ever increasing proportion of their monthly income on student loans.

For a more detailed explanation see my [20 student loans mythbusting guide](#).

Snap!

Labour pledges to abolish tuition fees as early as autumn 2017

Jeremy Corbyn to say party will seek to provide free tuition for EU students in UK, with reciprocal arrangements in Europe



▲ Jeremy Corbyn plays an erhu on a visit to the Pagoda Arts and the Wah Sing Chinese community centre in Liverpool on Sunday. Photograph: Matt Cardy/Getty Images

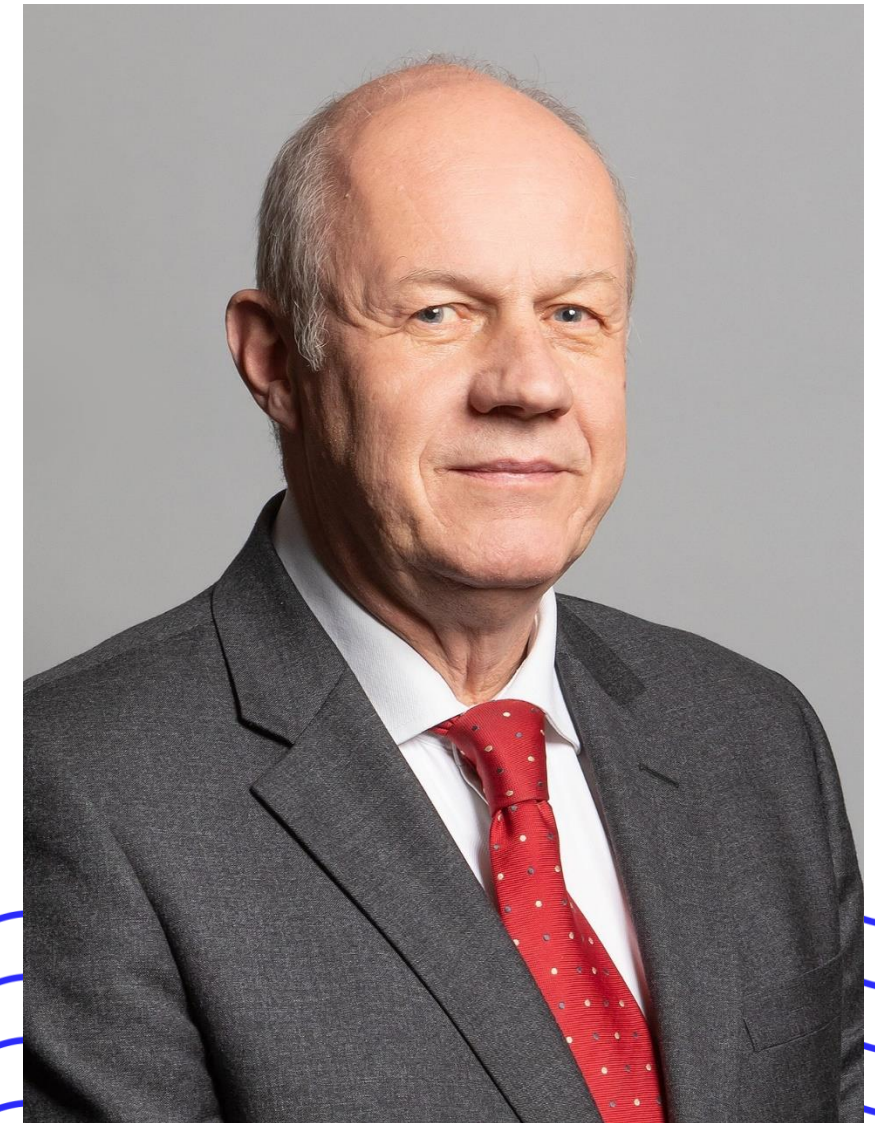
New university students will be freed from paying £9,000 in tuition fees as early as this autumn if Labour wins the election, **Jeremy Corbyn** will say on Monday.

Damian Green on the “Youthquake”

He argued that the party needed to “change hard” to woo young, educated voters who backed Labour:

“I think this is clearly a huge issue. I think in the long term we’ve got to show that they are getting value for the money.

If we want to have 40%-plus of people going to university and if we want those university courses actually to be valuable, which I think is where the strain is often taken in European universities – you actually look at the teaching that you get in some European universities, you have lecture halls with 600 people in and things like that – it’s not actually as good a teaching and learning experience as you get in this country.”





Nick Timothy

“Ministers have argued for years that more people with degrees means more economic growth: we need, therefore, more graduates.

“But there has been no improvement in Britain’s productivity as graduate numbers have increased.

“Many graduates work in non-graduate jobs, and many earn no more than if they had not gone to university at all.

“Certain degree subjects offer no return on investment, while studies show there are entire universities where average graduate earnings 10 years after study are less than those of non-graduates.



Conservative party conf 2017



“The British Dream”

- We want everyone to have the opportunity to benefit from studying more after they leave school. Because it's good for them and good for the country too. But today, young people take on a huge amount of debt to do so. And if we're honest, some don't know what they get from it in return. We have listened and we have learned. So we will undertake a major review of university funding and student financing.
- We will scrap the increase in fees that was due next year, and freeze the maximum rate while the review takes place. And we will increase the amount graduates can earn before they start repaying their fees to £25,000 – putting money back into the pockets of graduates with high levels of debt.



Phillip Augar

THE REVIEW MUST:

Maintain the principle that students should contribute to the cost of their studies while ensuring that payments are progressive and income contingent.

Continue with the reforms in train to build a strong technical and further education sector that encourages the skills that we need as a country.

Place no cap on the number of students who can benefit from post-18 education.

Support the role of universities and colleges in delivering the Government's objectives for science, R&D and the Industrial Strategy.



Alison Wolf

“As Professor Alison Wolf argues, sub-degree technical qualifications can have high labour market value and contribute to productivity growth. They are shorter and often cheaper. And they would serve many young people better than many of the degrees on offer today.

Ministers could accept Wolf’s proposal for a single financial entitlement, held by the individual and spent whenever they wish on whatever kind of tertiary education they choose.

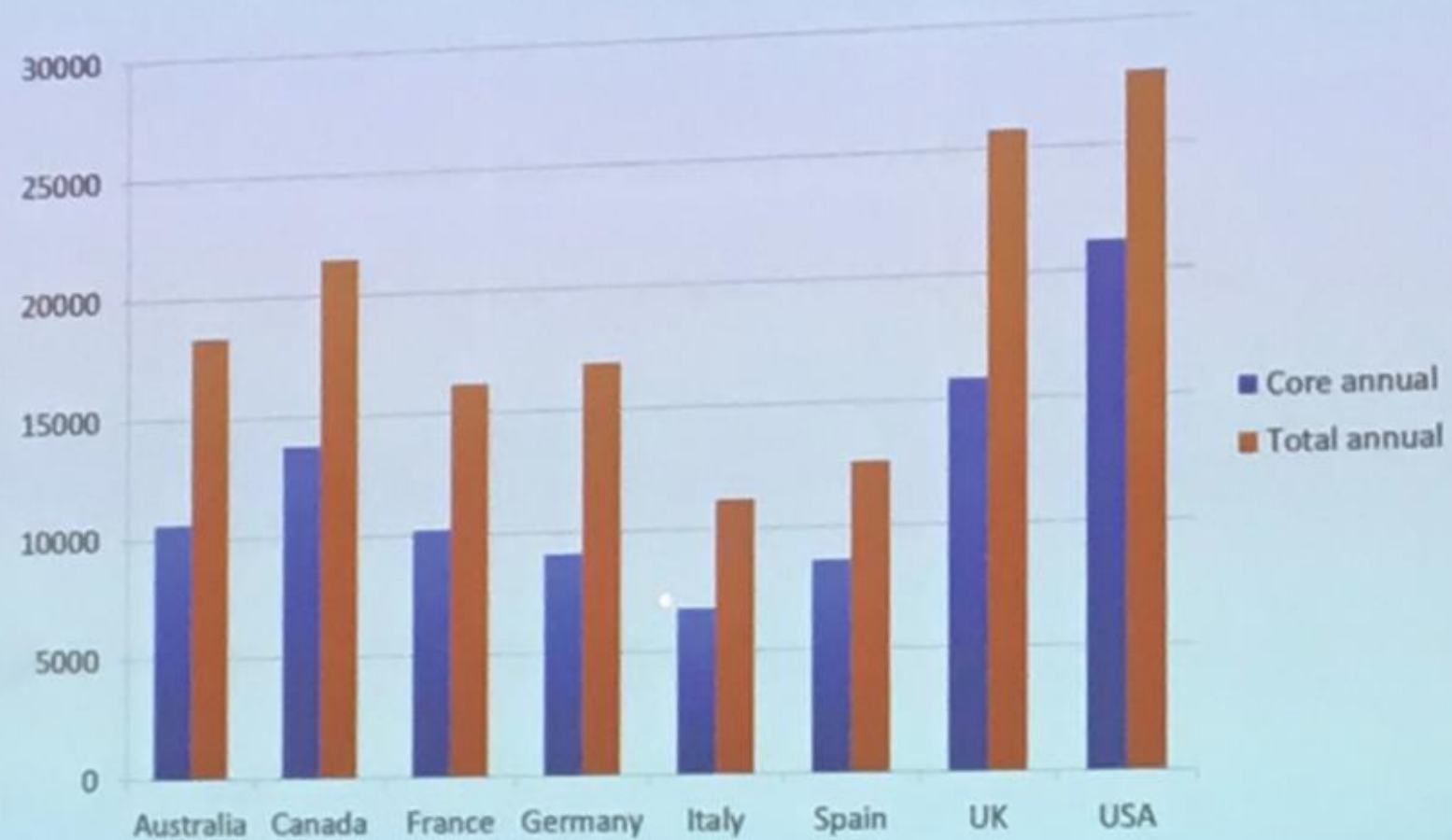
Rather than forcing half of the population into expensive undergraduate courses, young people could choose the kind of study that suited them.

Students would have an incentive to shop around for the best-value courses. Universities would be more likely to compete on price, rather than charge the maximum permissible fee.

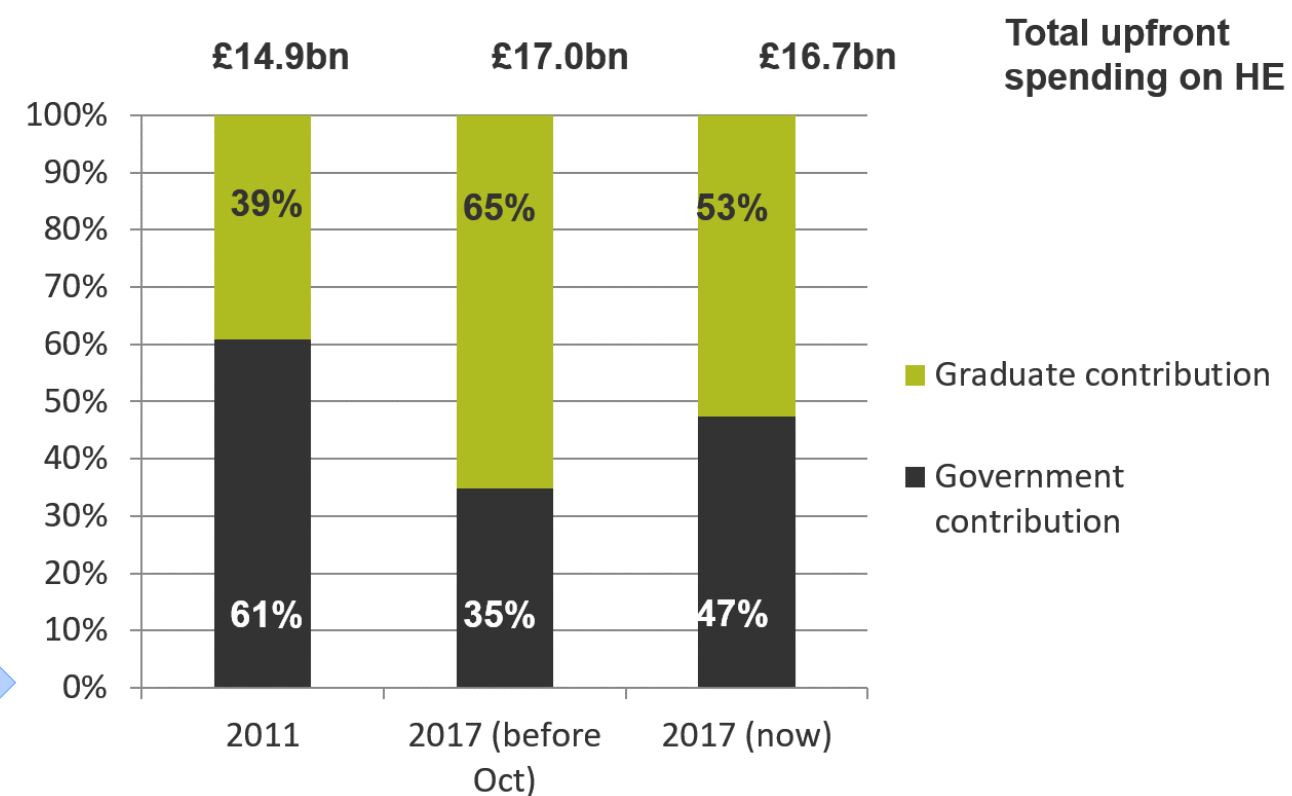
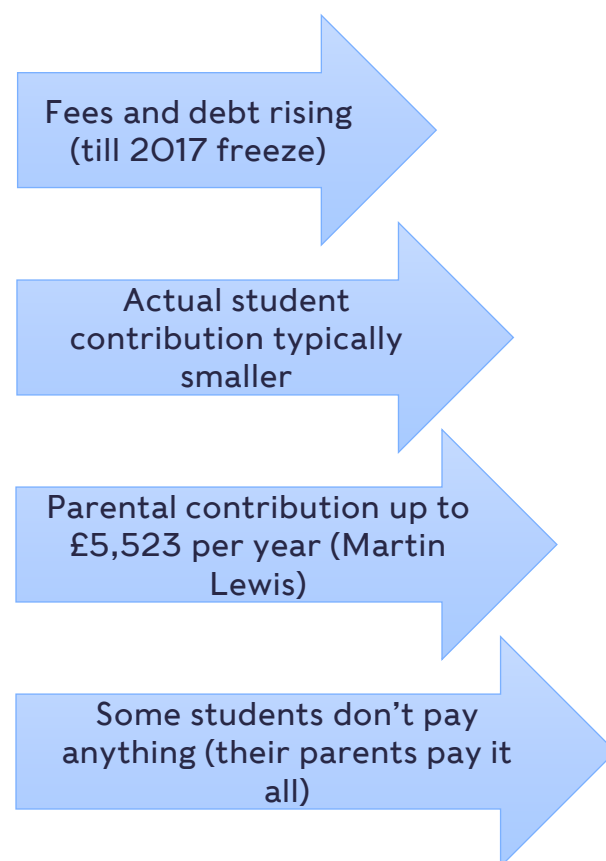
And the debts accrued – for the entitlement would be repayable – would be more affordable.



Large differences exist in annual expenditure per FT university student (US \$s at PPP): 2013 Source: OECD



Value for (state/student) money



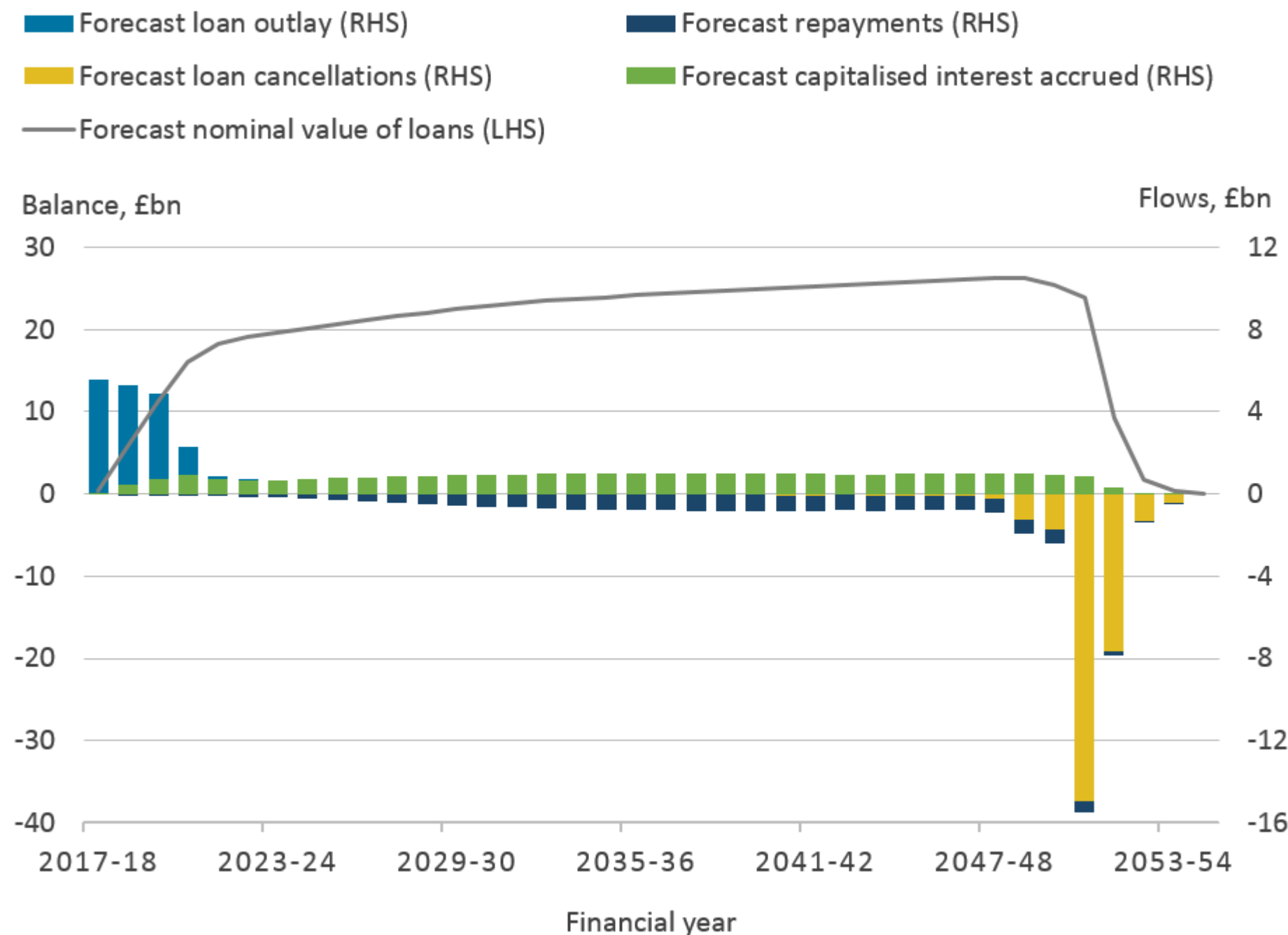
ONS

National Finances

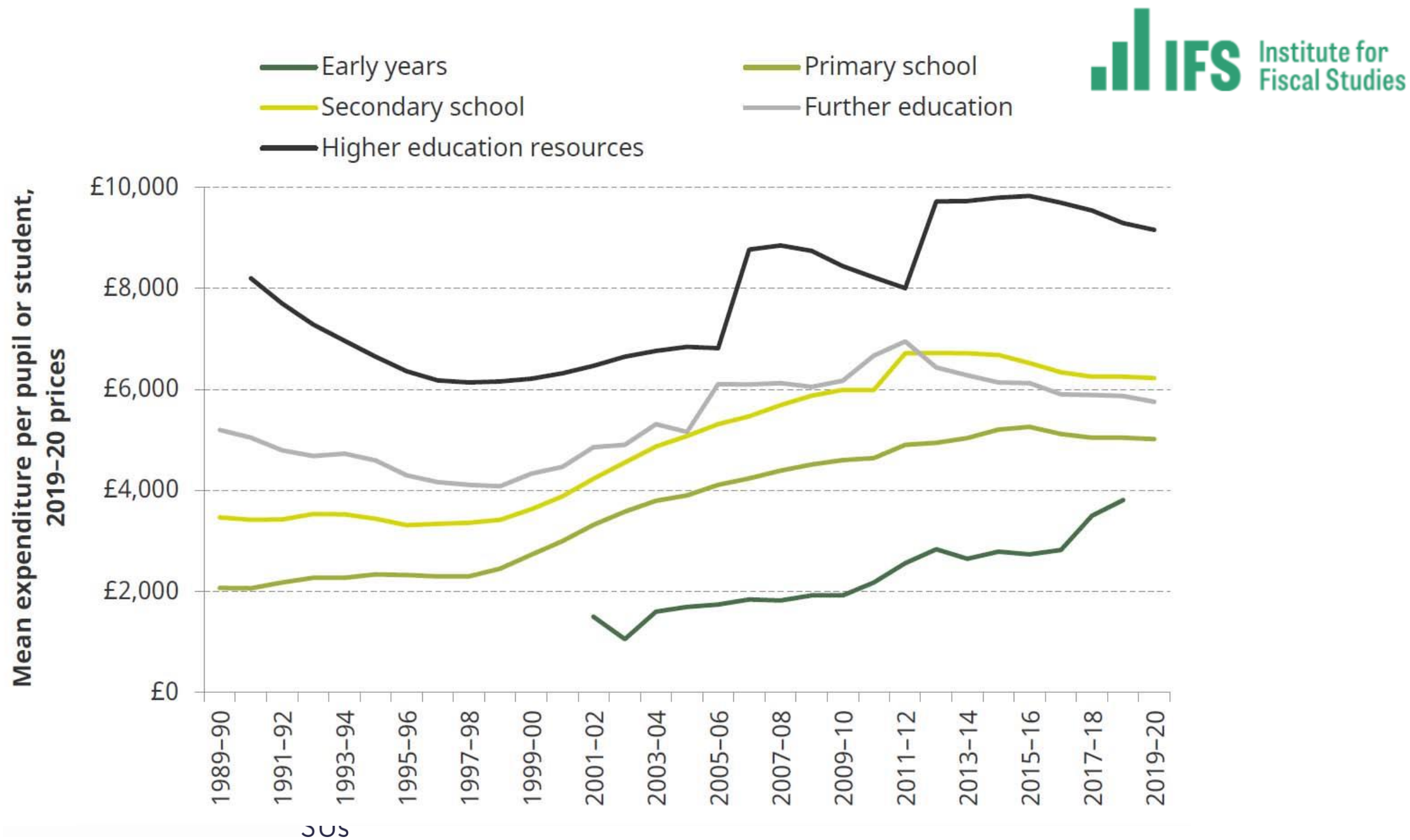
- Repayments counted as income
- Costs (subsidy) only recognised at write off

Students

- I'll only believe the subsidy near death and if I fail

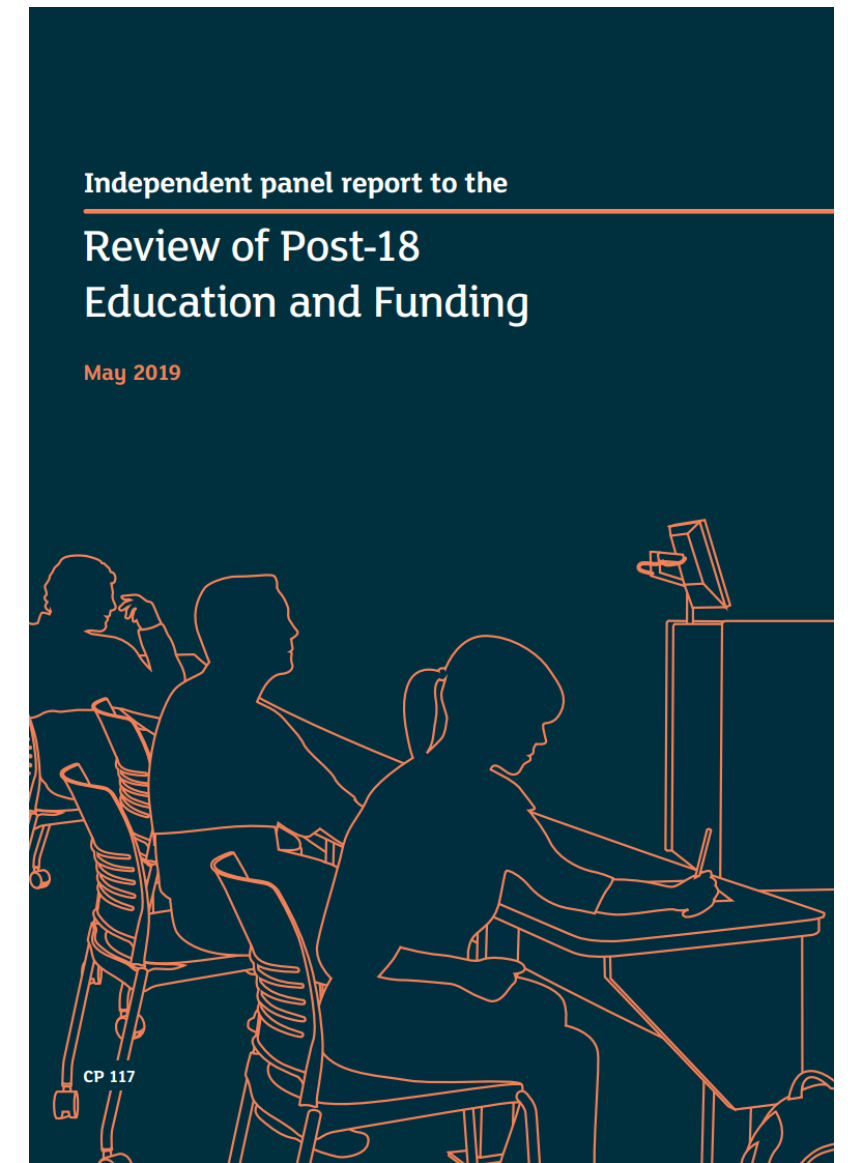


The IFS “education spending squid”



Augar

- £7,500 fees
- Return of grants





“

So as we look ahead to the spending review and beyond, I believe the Government will need to take very seriously the report's proposals to boost Further Education spending and put right the errors of the past...

...To restore higher education maintenance grants, so students from the poorest backgrounds no longer leave university with a higher level of headline debt than the richest...

...And to cut tuition fees, so students pay a fairer price for their education.

THERESA MAY, LAUNCH OF AUGAR, MAY 2019

2021 Political context

- Red wall, “Place”
- Somewhere rather than anywhere
- Austerity
- Levelling up by levelling down
- Universities, students, voting intentions, culture wars
- Significant pressure on the system is coming



2021 Economic context

- Treasury keen on saving money post-pandemic
- Universities inside DfE these days – schools the priority
- Commitment to spend £££ on the “other” 50%
- Participation demand growing
- Inflation rising



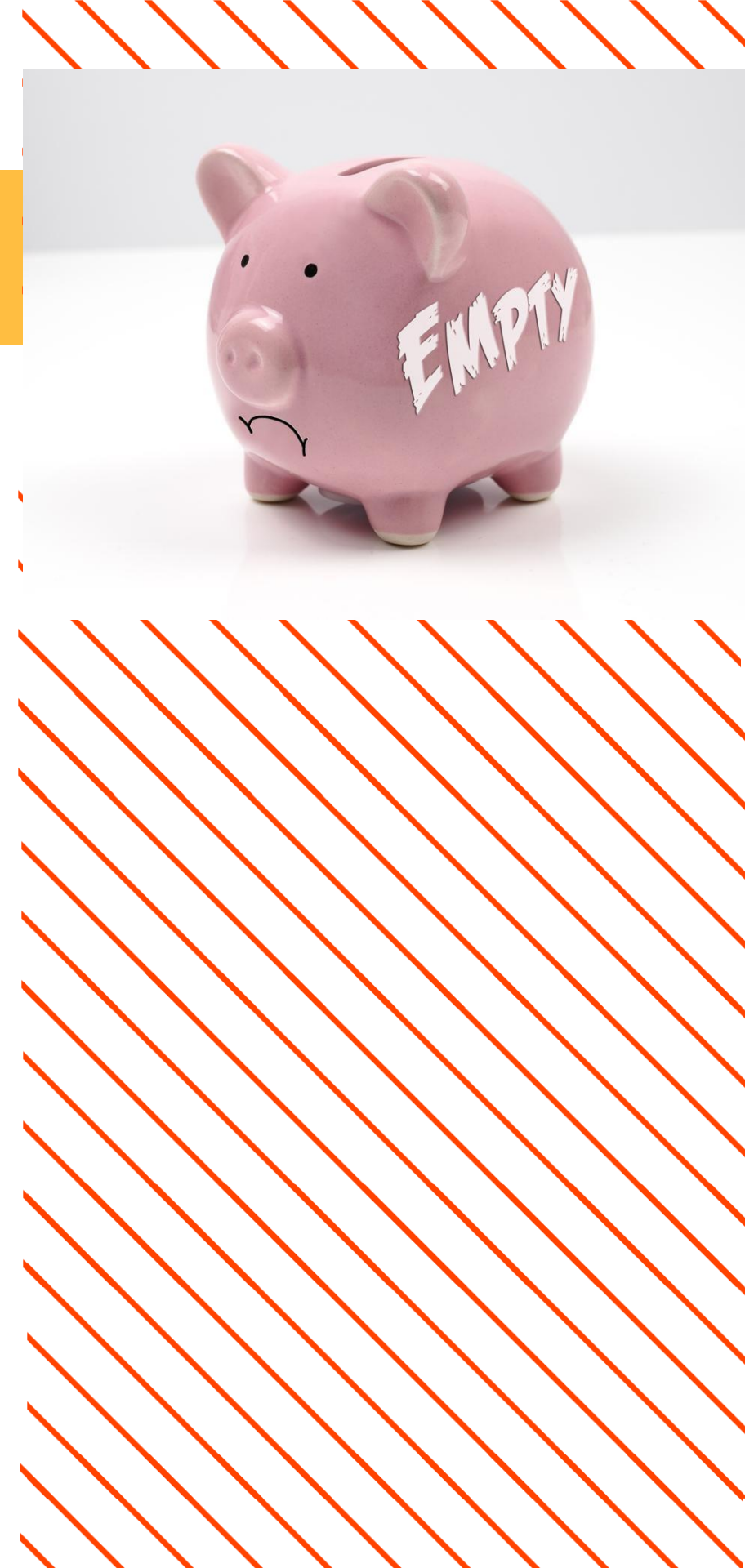
2022 Economic context

- All of that plus Ukraine and energy prices catastrophe
- Major cost of living crisis

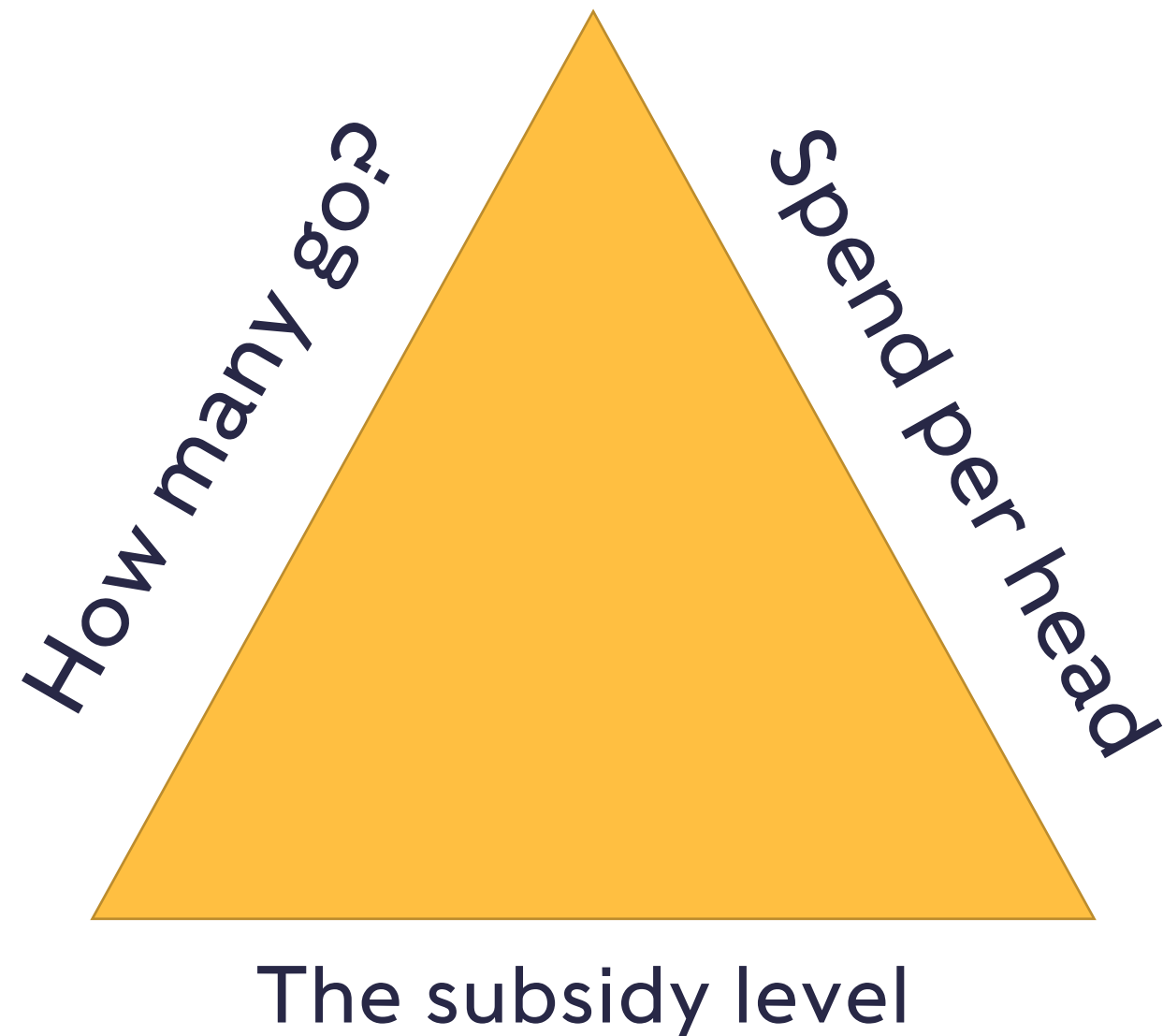


9k fees

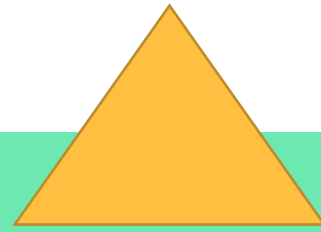
- When £9k fees came in, the loss on loans was projected to be in the region of 30p in the £. That is, 70p would be repaid.
- The average fee levied was projected to be £7.5k
- (Almost) everyone charges £9k
- Last year estimated non-repayment on new loans thought to be in the region of 55%. That is, for every £ loaned, the treasury expects the equivalent of c. 45p in return



The Bermuda Triangle



How many go?



- See FE 2000s framing about “best courses for them” (and the economy)
- Surely some provision is a problem?

Two big options:

- Restrict by entry criteria (Level 3 or even 2)- DfE
- Restrict by exit outcome – OfS (B3)
- Is everyone recruited benefitting?
- Are some students being mis-sold?

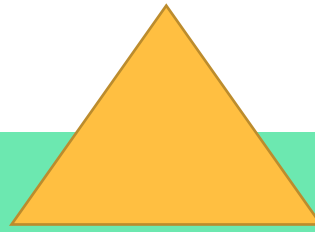


Continuation

This is what students are doing 1 year after starting the course.



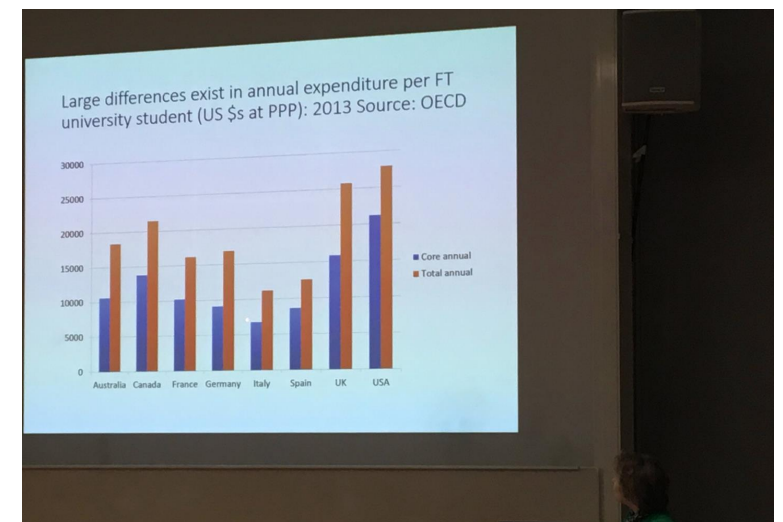
Spend per head



- We are more expensive
- What have the incentives done to supply?

Two (four) big options (not mutually exclusive):

- Across the board restrictions (freezes)
- Pricing and subsidy (although beware counterintuitive incentives)
 - You could charge more “realistic” fees
 - Or you could change value of voucher to uni
 - Or cut fees and squirt your subsidy where you want it to go

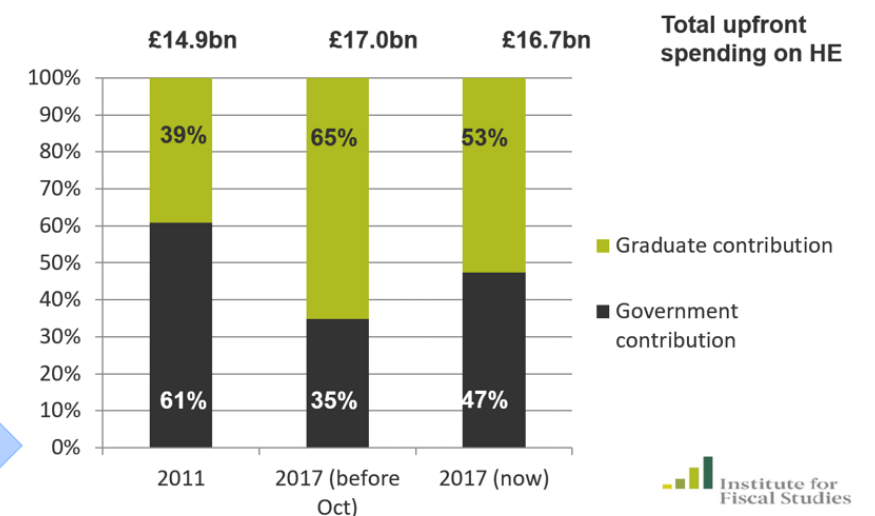
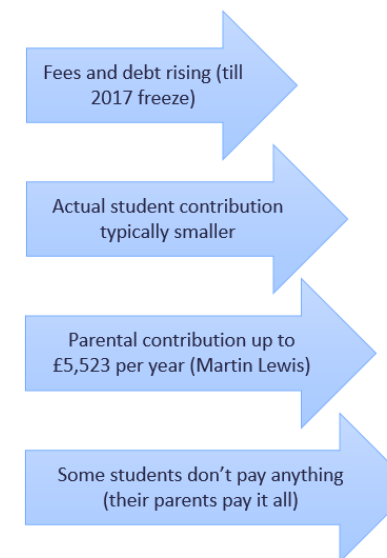


Grads pay more ▲

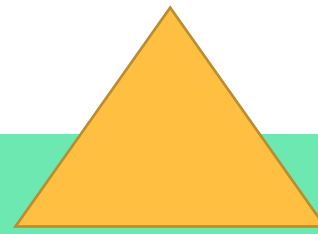
- The scheme was supposed costs 33p in the pound but costs around 54p in the pound

Two big options (not mutually exclusive):

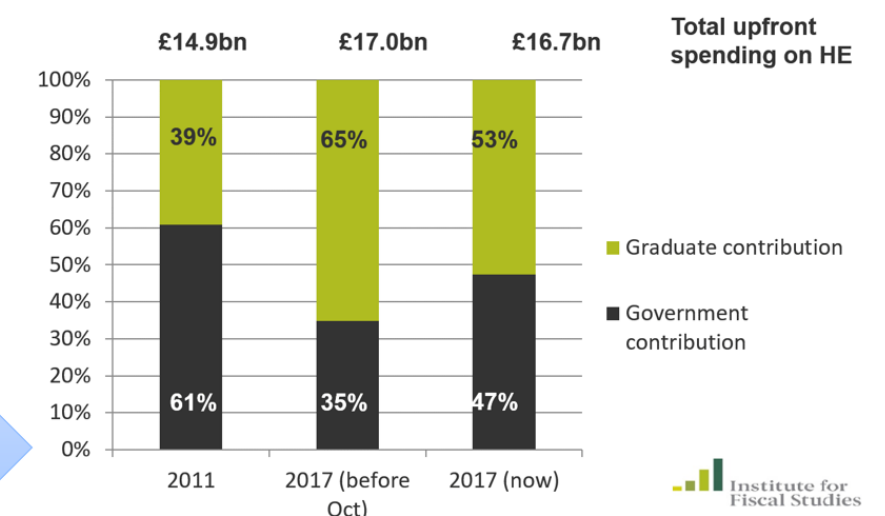
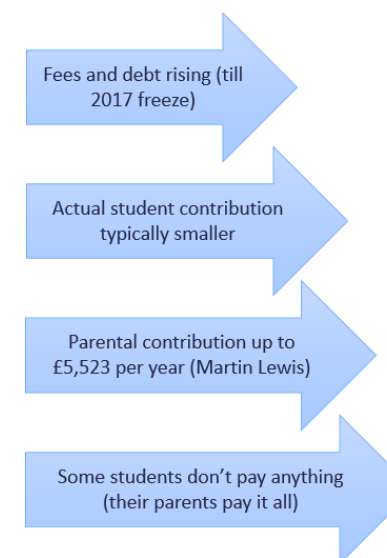
- Graduates pay more in their 50s (repayment term)
- Graduates pay more in their 20s (repayment threshold)
- Both regressive.



Grads pay more



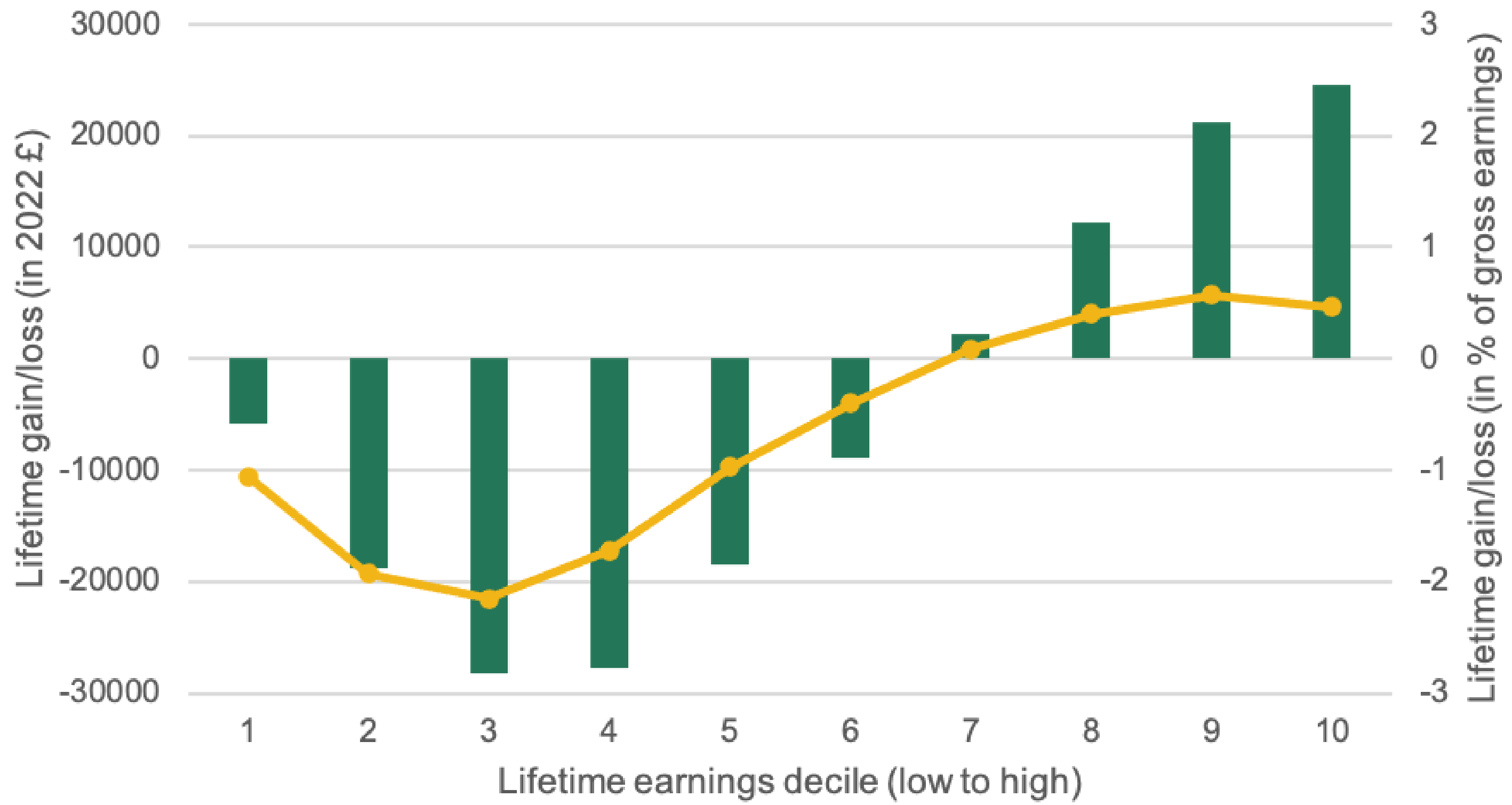
- Freeze repayment threshold
- New borrowers – extend the term from 30 years to 40 years



In other words...

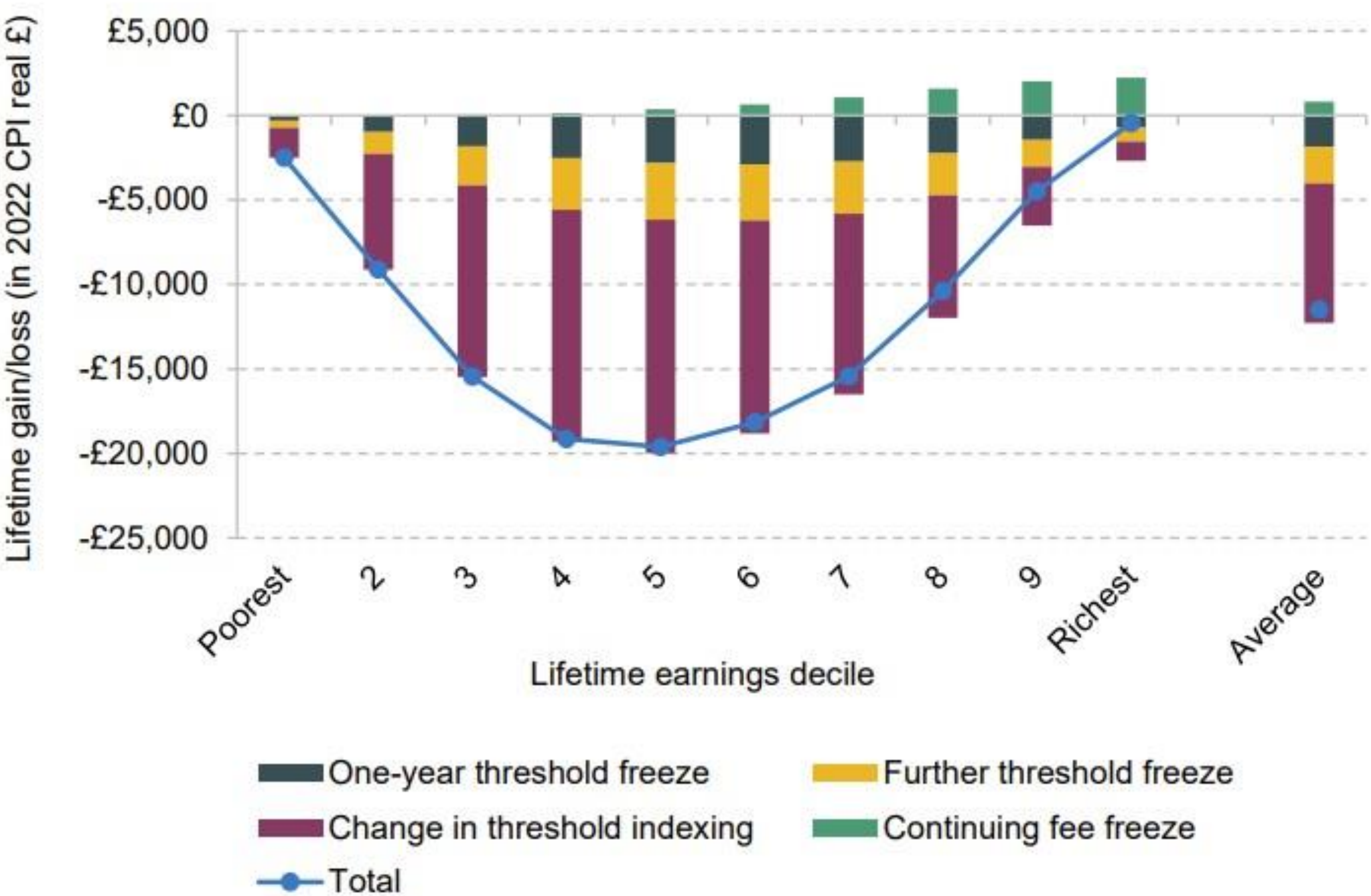
- Current student loans mainly paid between late 20s and late 50s
- Proposal would “stretch” that so that more repaid in 20s and more repaid in 50s
- But graduate jobs and housing crises...
- Plus pensions and social care crises...
- And – the £10k whammy!
- “The more it becomes like a loan the less progressive it is. And what about those rich enough to escape it?”





in 2022 £s (left axis) in % of gross earnings (right axis)

Figure 3.1. Impact of reforms on the 2022 entry cohort



The frame game

- The system as a loan – people hate debt, look at the big figure, people want out of / to “escape” debt, people want to repay their debt. More of the debt should be repaid when people earn more than non grads.
- The system as a tax – we are a low tax party, look at the state of the tax system, marginal tax rates are high, tax burden on the young high



Frames fun

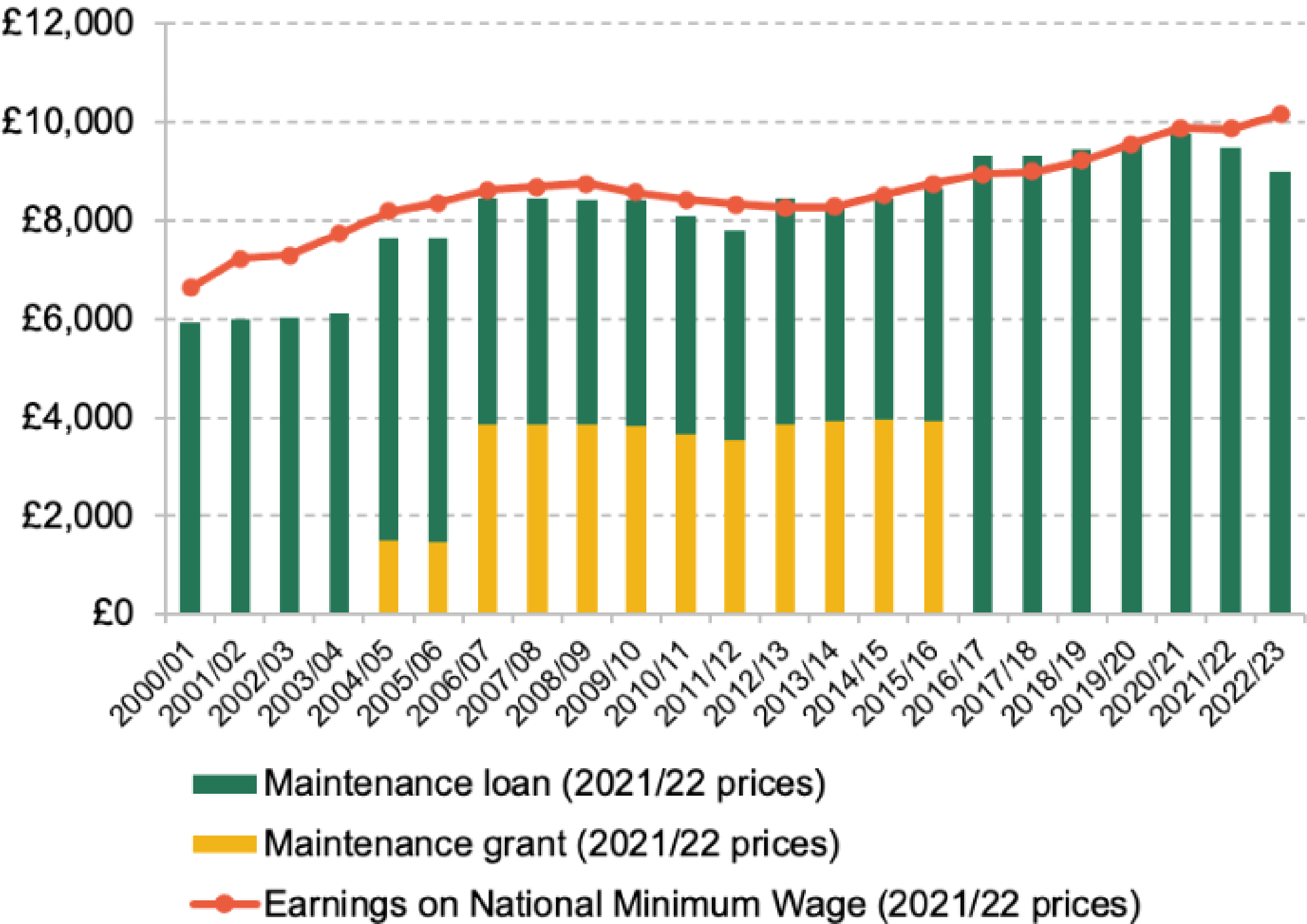
Intergenerational fairness?

- Lack of F2F and “sacrifice”, no refunds
- Cost of renting and housing ladder
- NI levy/hike
- More strikes!
- £xOO a year in your twenties
- Newly graduated student nurses

But which frames matter to Con MPs and voters?

A generation that sacrificed the most – who lost a year of face to face teaching, practical experiences, extra curricular activity and suffered mental health declines as a result – are now rewarded for it not with a tuition fee cut as they’d asked for in that petition they’d signed, but a marginal tax rate in their twenties of 42.25% for those with an undergraduate degree, and 48.25% for those with a PG loan too.

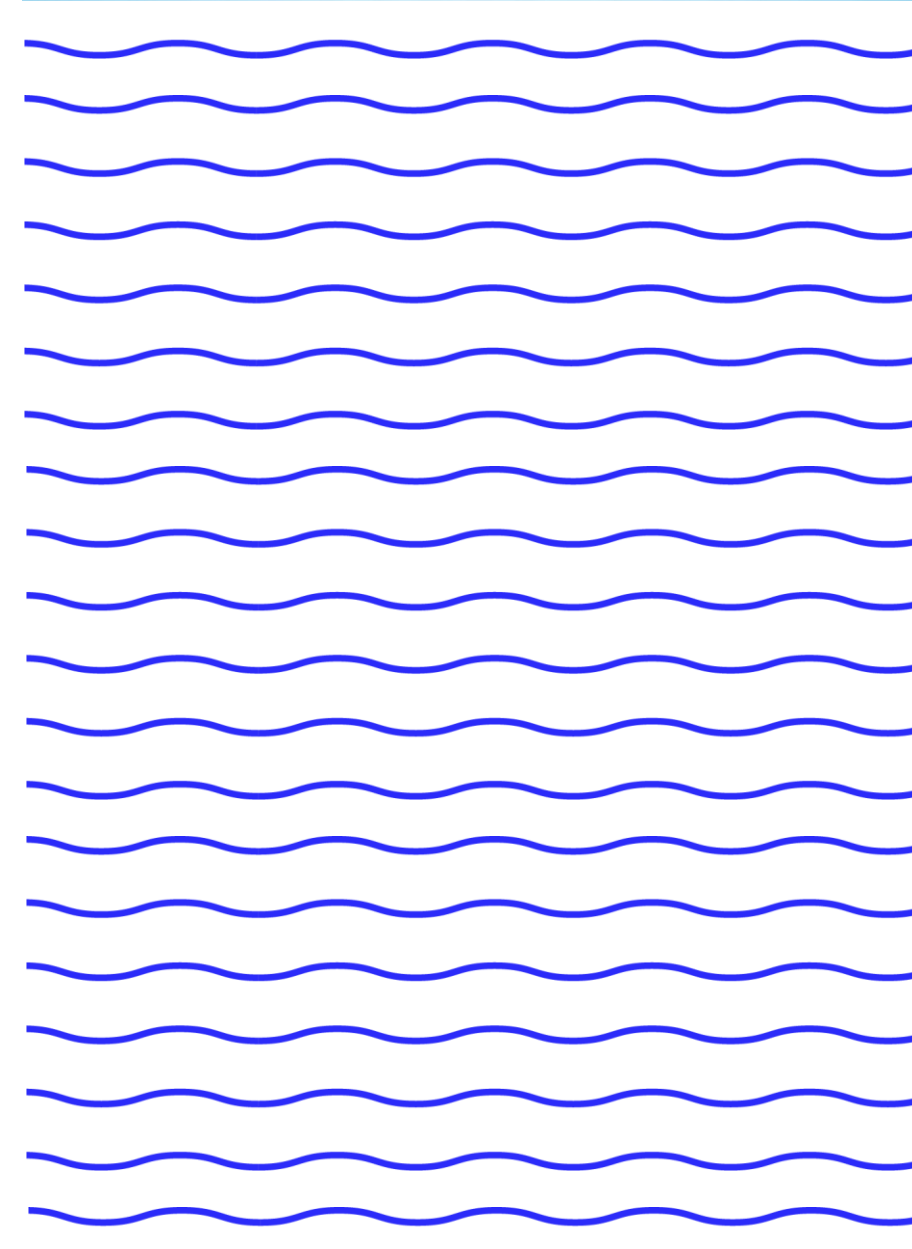
Figure 1. Maximum maintenance support (loans and grants) compared with earnings on the minimum wage (2021/22 prices)



International students

In theory the immigration rules mean that no student should ever face hardship as they need “enough” money to pay fees and live on when they enter the country

- “No recourse to public funds”
- The published affordability level and IAC? (This September less than 1%)
- International agents
- Currency fluctuation
- Unexpected circumstances



International students

- Used to just subsidise research
- Now subsidizes teaching
- Plugs major holes in university budgets – low recruitment
- Bridging social capital dream – dead
- Social class of recruitment changing
- NSS the secret split



Maintenance

England

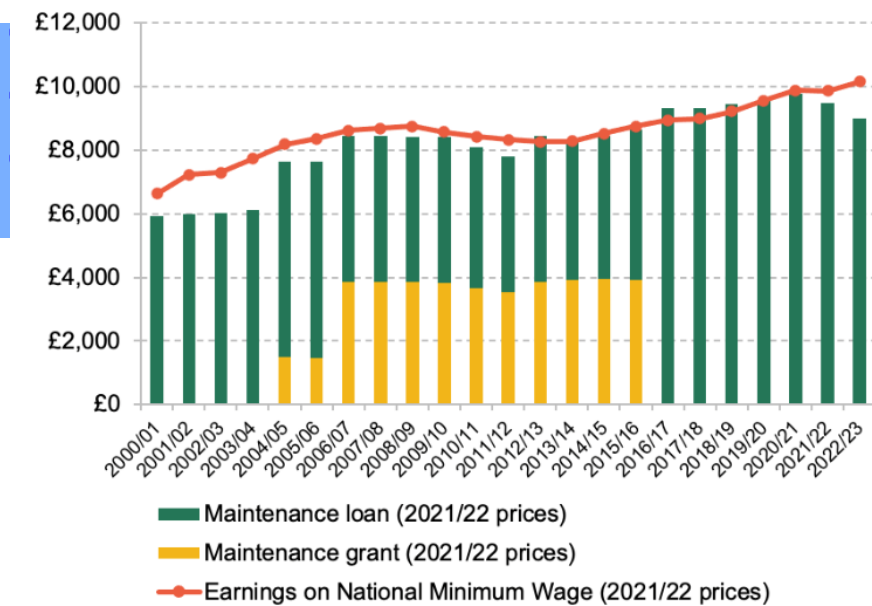
- Basic loan of £9,706 (+ London, -home)
- Family income threshold £25k
- Parental contribution
- Bursaries and scholarships from universities
- Part time work
- Relationship with costs – esp rent and housing



What's going on?

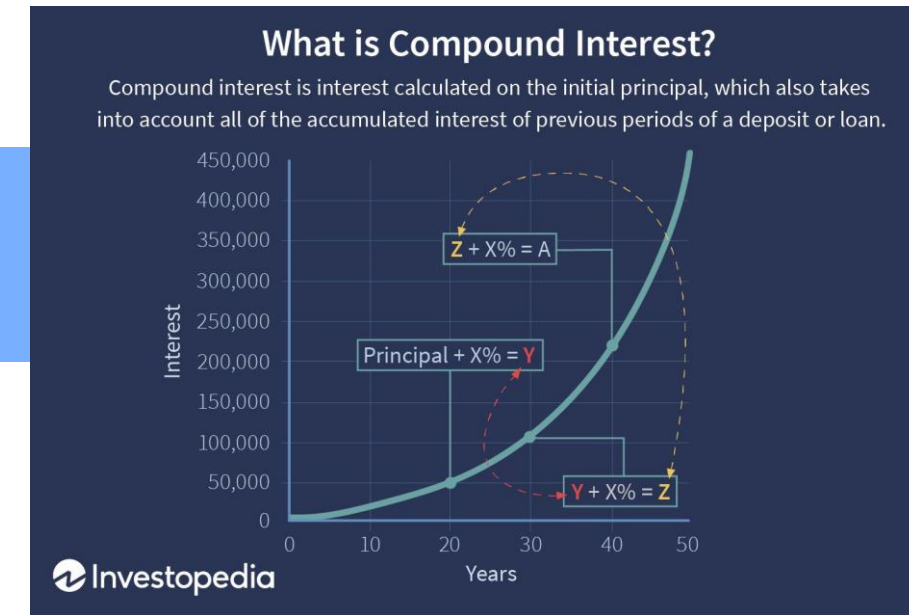
- Freeze in the income threshold a problem
- Above average increases in rent – inflation type (SIES)
- Value ongoing up by predicted RPI (with an old prediction) (see also PG loans and Disabled Students)
- (Almost) none of the Rishi Sunak schemes include students as most linked to UC or Council Tax liability

Figure 1. Maximum maintenance support (loans and grants) compared with earnings on the minimum wage (2021/22 prices)



Maintenance loan uplifts

- The thresholds don't change
- The value goes up by predicted inflation – normally a year old, a year before it happens
- When the system undershoots, it is never corrected
- It's like compound interest only in reverse
- Hence the £2,000 figure





ENGLAND 2022 STARTER

REPAY

9% OVER

£27,295

NEW: frozen until 2025

on £30,000 income
you repay £243/yr

MAXIMUM TERM

**30
YEARS**

(from April
after leaving)

INTEREST ADDED

Up to
**RPI
+3%**

IMPACT

STATE PAYS

44p

PER £1

Only 23% likely
to clear in full

ENGLAND 2023 STARTER

9% OVER

£25,000

frozen until 2026/7

on £30,000 income
you repay £450/yr

**40
YEARS**

(from April
after leaving)

RPI

(so no 'real'
cost)



STATE PAYS

19p

PER £1

52% likely to
clear in full



Fee levels fixed...

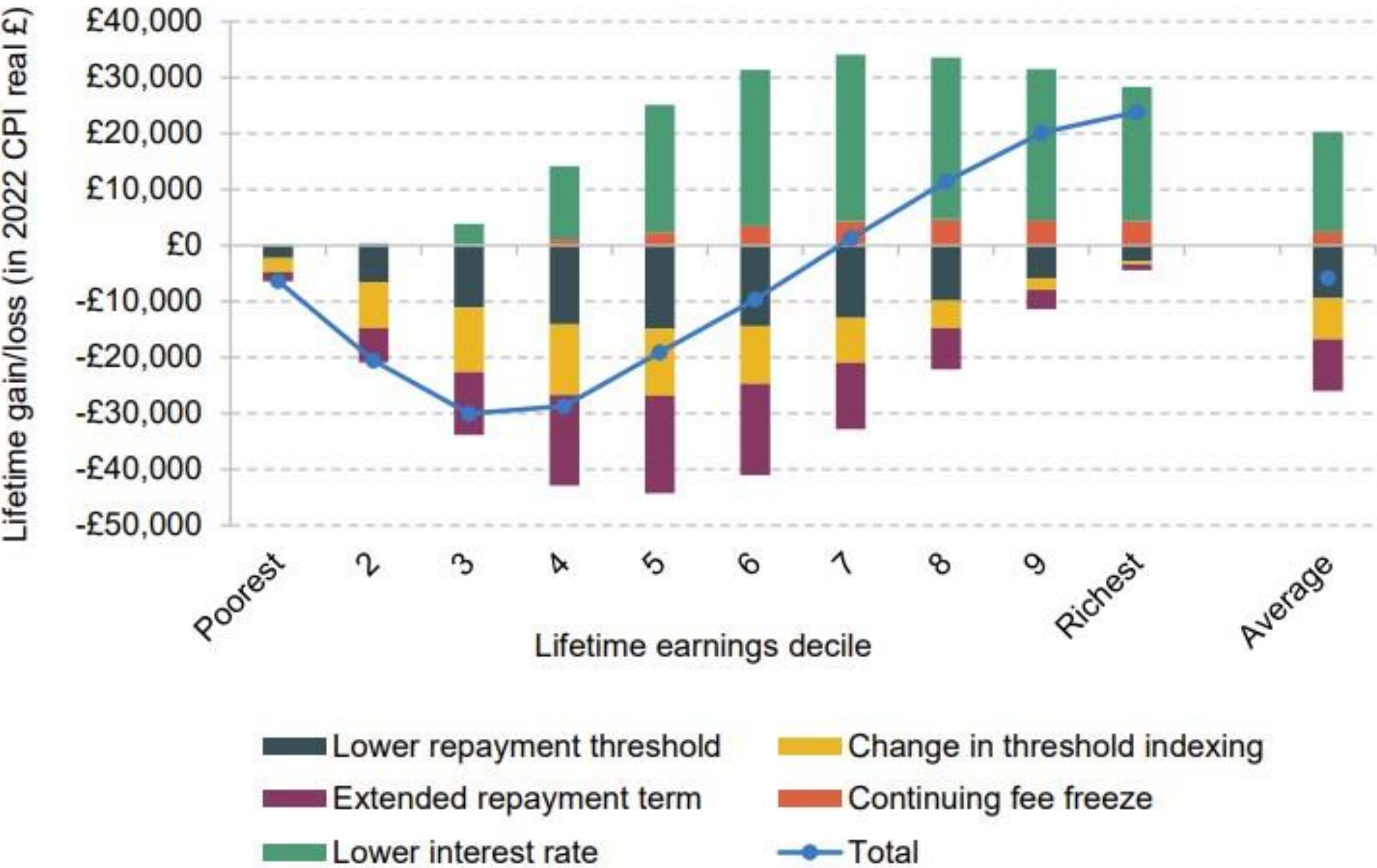
- Raising fees in the post 2012 system barely impacts any graduate save for rich, white males.
- Major efficiencies now achieved by stealth.
- What kind of government would dare to raise to fees without fixing maintenance first?
- Even if £500 to maintenance and £500 to fees, costs billions and £3,000 more debt per undergraduate?

REPAY	MAXIMUM TERM	INTEREST ADDED	IMPACT
 ENGLAND 2022 STARTER 9% OVER £27,295 <small>NEW: frozen until 2025 on £30,000 income you repay £243/yr</small>	30 YEARS <small>(from April after leaving)</small>	Up to RPI +3%	STATE PAYS 44p <small>PER £1 Only 23% likely to clear in full</small>
 ENGLAND 2023 STARTER 9% OVER £25,000 <small>frozen until 2026/7 on £30,000 income you repay £450/yr</small>	40 YEARS <small>(from April after leaving)</small>	RPI <small>(so no 'real' cost)</small>	STATE PAYS 19p <small>PER £1 52% likely to clear in full</small>

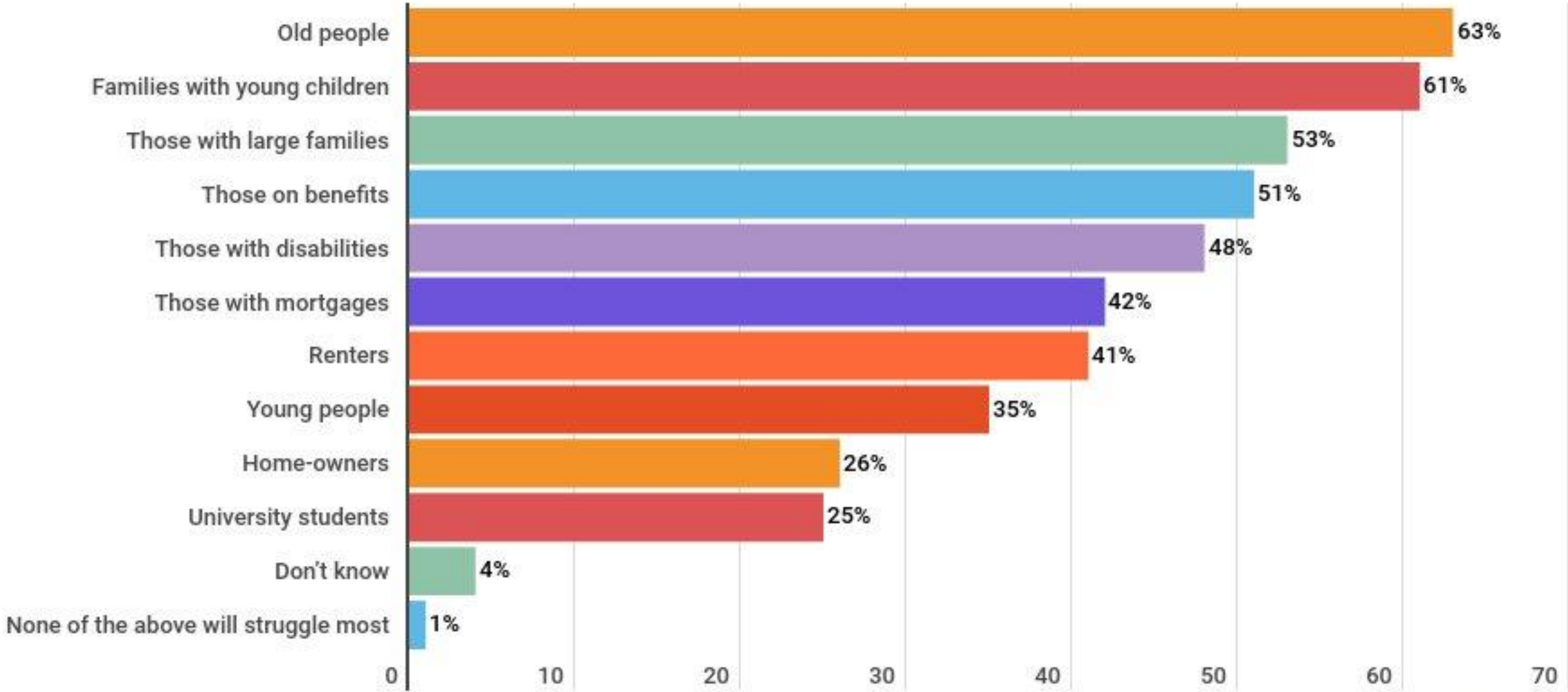


Overall impact for 23 entry

Figure 3.2. Impact of reforms on 2023 entry cohort



As the cost of living rises, which of the following groups do you think are going to struggle most? Select all that apply



Fieldwork: 1st Aug - 3rd Aug 2022 | Interview method: Online Survey | Population represented: GB Adults | Sample size: 2011

PUBLICFIRST



Excessive student income

Ideal student income

Minimum viable income

High inflation...

The UGC's problem is fairly simple: serious failure to keep up with inflation. If the government chooses to do so it may scale up grants for inflation using the university costs index; but the index is retrospective—inflation for last year decides this year's scaling up. The index rose 10.7% in 1973 and 29.4% in 1974 and the UGC was faced with two dilemmas: first, that the acceleration in inflation could not be reflected in disbursements during 1974–75 and second, that the government was not even disposed to allow the 10.7% to go through (academic salaries, comprising half of UGC grants, were properly supplemented). The

High inflation...

- Dealing with high inflation is not a new problem for universities
- Dealing with freezes (real terms reductions) in unit of resource is not a new problem for universities
- Dealing with attempts to radically change the economic model is not a new problem for universities
- Dealing with all three at once is

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21/22 tuition fee income, £ million lost to inflation since August 21/22
Nominal minus RPI adjusted from August 2021, UK domiciled FT UK students 21/22

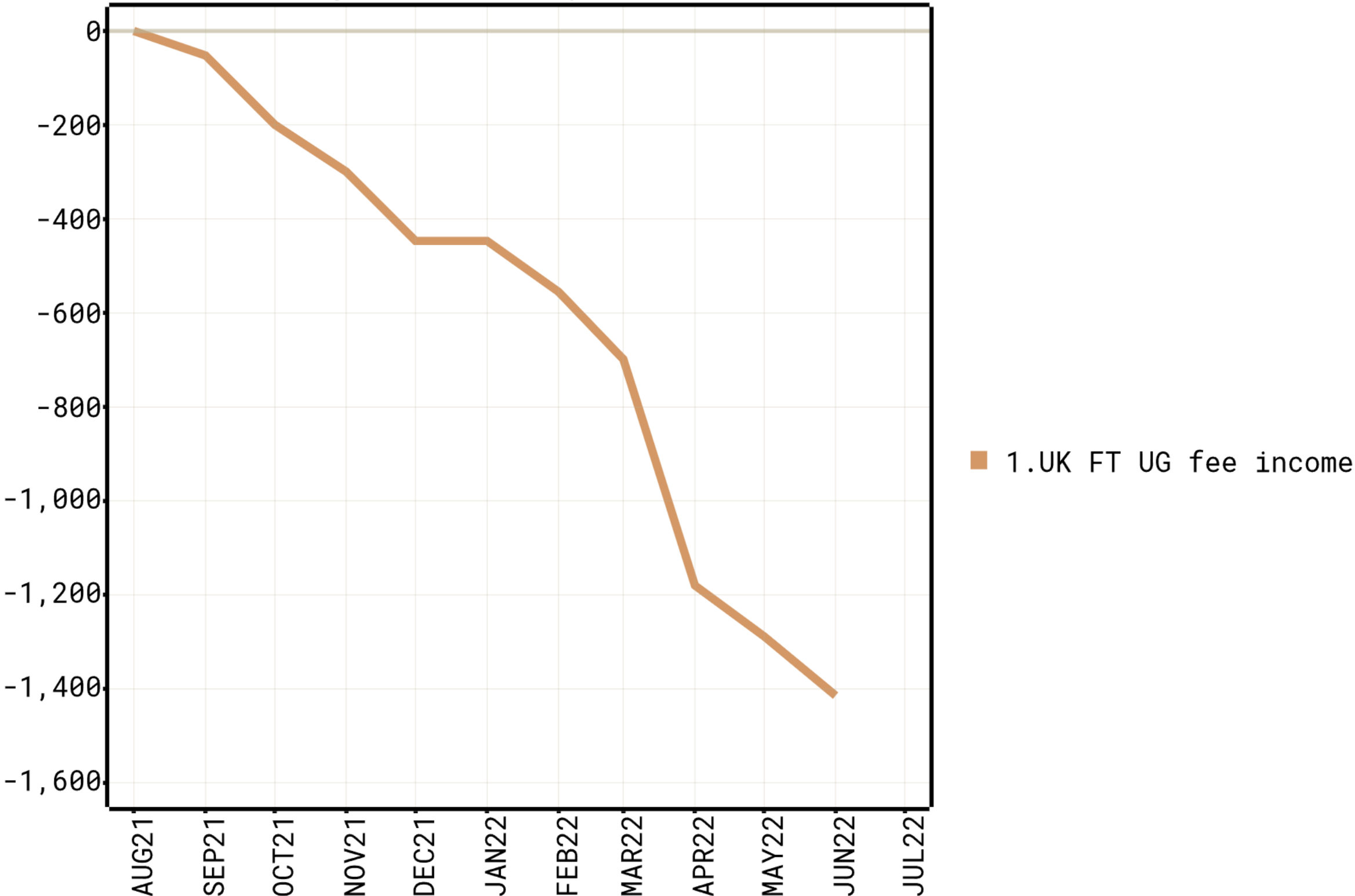
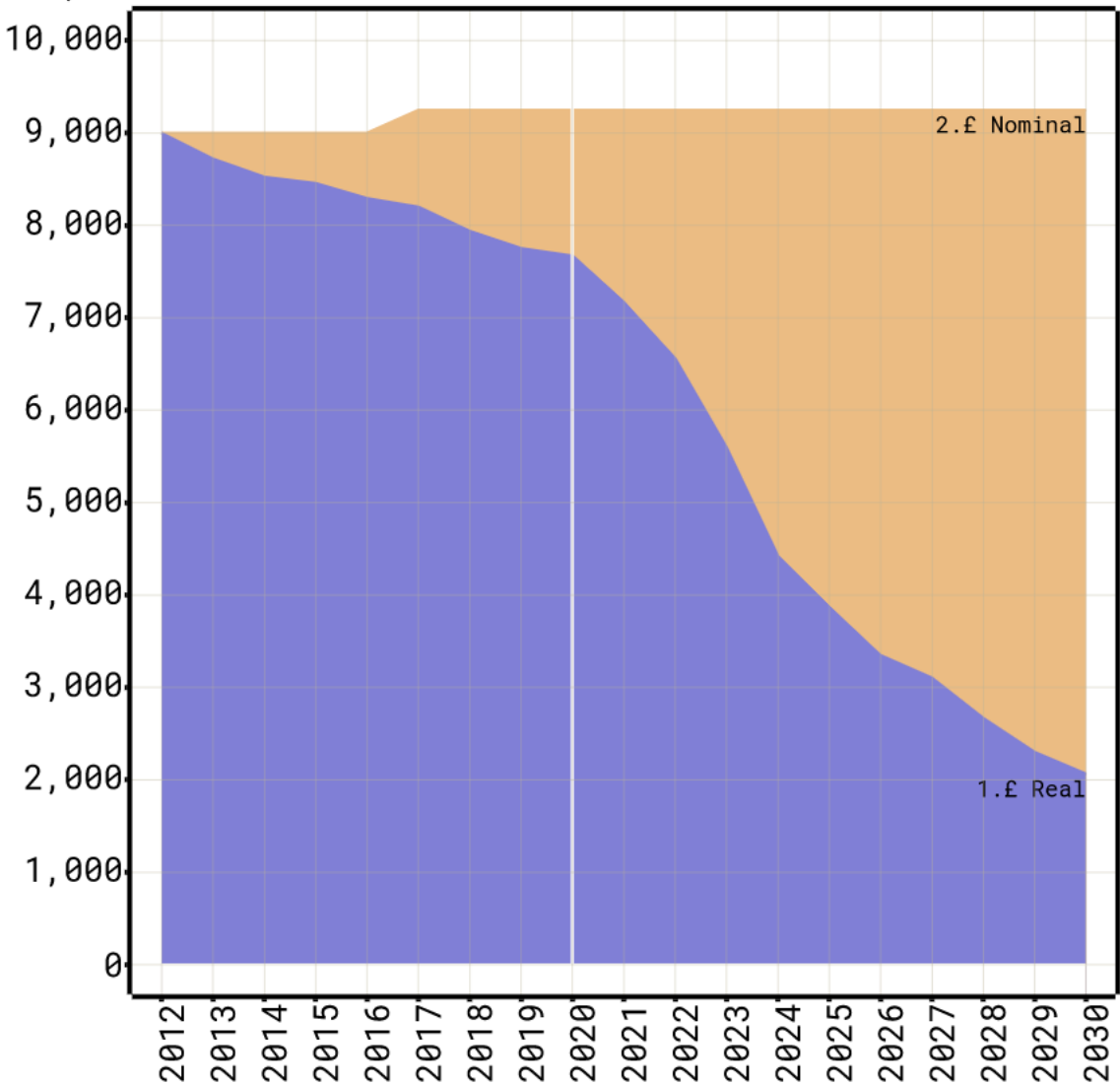


FIGURE 2 THE ENGLISH FT UG FEE CAP, NOMINAL AND REAL

English FT UG tuition fee cap, nominal and in £ 2012 RPI, with 2021 onwards like 1972 onwards

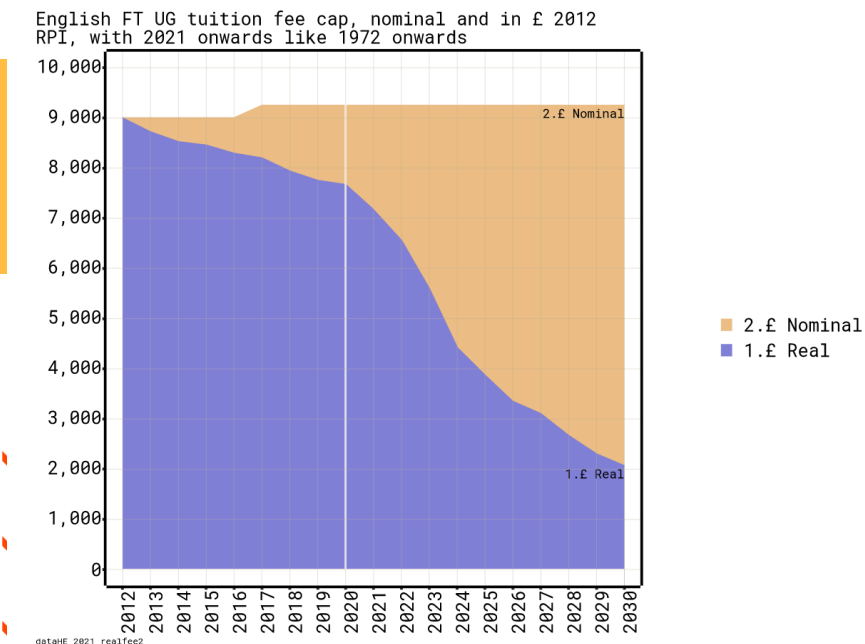


dataHE 2021 realfee2

Inflation, 70s style

- By 2022 real funding has fallen to £5,600, a 38 per cent cut from 2012.
- Two years later in 2024 the real value has slumped to £4,400, a 51 per cent cut.
- By this point universities are needing to teach two students with the resources they had for one in 2012.
- If universities made it through to 2030 in this scenario, they would find their real funding per student had dropped to around £2,000, less than a quarter of the 2012 resource.

FIGURE 2 THE ENGLISH FT UG FEE CAP, NOMINAL AND REAL



The SU lobbying model



- Wait for the size of the cake to grow
- Argue that your cause/issue/service/block grant should get a chunk of the increase
- Rinse and repeat
- A move to defence

Coping with a declining unit of resource

- Engage in value provision
 - Principally via validation or franchise partnerships, or remote campuses
- Increase no of international PGT students
 - Student experience, entry standards, support, agents?
- Sweat current capacity
 - Swell numbers in cheap to teach, demand smooth modules, increase class sizes
- Identify modules, pathways or programmes that are expensive to teach and/or recruiting low numbers (portfolio review)
 - Closure or collapse into bigger pools to manage demand fluctuation/pressures
- Are students protected? When and where do you draw the line?



GLOBAL BANKING SCHOOL LIMITED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 28 FEBRUARY 2021

		2021 £	2020 £
Turnover	3	30,377,883	10,204,610
Cost of sales		(15,105,900)	(5,103,660)
Gross profit		15,271,983	5,100,950
Administrative expenses		(9,861,602)	(3,222,228)
Operating profit	4	5,410,381	1,878,722
Tax on profit	8	(899,789)	(370,673)
Profit for the financial year		4,510,592	1,508,049

There are no items of other comprehensive income for either the year or the prior year other than the profit for the year. Accordingly, no statement of other comprehensive income has been presented.



Coping with a declining unit of resource

Dissertation Supervisors, Seminar Leaders and Markers in Organisation, Work and Employment

University of Birmingham - Department of Management, College of Social Sciences, Birmingham Business School

Location:	Birmingham	Placed On:	5th August 2022
Salary:	£500 per postgraduate dissertation supervised and assessed	Closes:	1st September 2022
Hours:	Part Time		
Contract Type:	Fixed-Term/Contract		

Apply

Casual contracts up to 13 weeks

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B Conditions

Where the condition contains requirements that relate to learning resources, a provider is expected to fund the provision of these resources, without additional charge beyond the course fee, where this is a reasonable step to take to ensure that the cohort of students registered on a course receive sufficient resources for the purpose of ensuring a high quality academic experience and success in and beyond higher education. A provider may determine the approach it takes to making such resources available to students, for example, by loaning resources to students for the duration of the course.

In relation to “physical and digital learning resources” the following is an illustrative non-exhaustive list of matters relating to ‘physical learning resources’ that would fall within the definition:

- a. Appropriate laboratory and technical resources for STEM subjects.
- b. Appropriate studio, performance, and technical resources for creative subjects.

B Conditions

In relation to “physical and digital learning resources” the following is an illustrative non-exhaustive list of matters relating to ‘digital learning resources’ that would fall within the definition:

- a. Appropriate hardware. Students have, or have reliable and consistent access to, the hardware that allows them to effectively access all course content. Hardware is of the specification required to ensure that the student is not disadvantaged in relation to their peers.
- b. Appropriate software. Students have, or have reliable and consistent access to, the software they need to effectively access all aspects of course content.

B Conditions

Robust technical infrastructure. Technical infrastructure and systems work seamlessly and are repaired promptly when needed.

Reliable access to the internet. Students have reliable and consistent access to an internet connection. Reliability and bandwidth of the internet connection are at a sufficient level to ensure that a student is not disadvantaged in relation to their peers.

A trained teacher or instructor. Students have a trained teacher or instructor who is equipped to deliver high quality digital teaching and learning.

An appropriate study place. Students have consistent access to a quiet space that is appropriate for studying.

B Conditions

- a. Academic support includes support to help students with course content or on placements, to identify and address knowledge or skills gaps, and make decisions about future study choices. It includes, for example, mentor support that disabled students may need to support their learning.
- b. Support needed to underpin successful physical and digital learning and teaching includes support to help students make best use of digital learning.
- c. Support relating to avoiding academic misconduct includes support for essay planning and accurate referencing, and advice about the consequences of academic misconduct.
- d. Careers support includes the information, advice and guidance students need to identify their capabilities and the way in which these may be suited to particular careers, and to articulate these in a way likely to result in successful job applications.

101 ways to get the cost of living down for students

If you're choosing between heating and eating when studying you're certainly not volunteering or socialising. Jim Dickinson sources 100 ideas to help get the cost of being a student under control in the year ahead

COMMENT | 25/07/22



Image: Shutterstock



Jim Dickinson
Jim is an Associate Editor at Wonkhe

Tags
COST OF LIVING STUDENTS

One of the things I'm often struck by is the extent to which quite senior people in higher education seem to rely almost exclusively on adopting and copying from other universities when addressing identified problems.

I can understand the risk aversion, and wanting not to waste money or time – but it's a mode of leadership that just won't do when the issues or crises are new and rapid. Perhaps even worse is the tendency to rely almost exclusively on adopting and copying from other universities *that are like their university*.

If nothing else it betrays the imagined self-image of universities as things that can learn, hypothesise, think, develop, pilot, test and invent. It's senior management by flicking through the Ikea catalogue, and it's not really good enough.

The sad part is that for many, their career skills and passion for academic research ought to provide a framework through which to convene the necessary R&D. But once in the big chairs, those skills appear to be wasted.

The (social) anxiety and engagement problems facing students en masse this year, for example, have had so many evidence points this past year as to be undeniable. But where were the creative solutions? How can a sector talk itself into pride over the "online pivot" if it can convene no answers for a problem like this?

I feel the same way over cost of living – an issue on the minds of every SU I've interacted with this summer season. If you're a senior bod and the SU asks what your plan is, and your answer is either "what are other universities doing" or "we

Latest articles

-  **Is it time to take the politics out of R&D policy?**
-  **A closer look at university finances**
-  **Is the international expansion miracle about to push up against capacity constraints?**
-  **Higher Education Postcard – Fitzwilliam College, Cambridge**
-  **How can smaller providers progress their university ambitions?**
-  **A level results day 2022**
-  **Here is how universities can support the forgotten covid cohort**

Are you free this coming freshers' week?

SU BLOGS | 7/08/22



Image: Shutterstock



Jim Dickinson
Jim is an Associate Editor at Wonkhe

Tags
SU BLOGS SU FEATURED

The Edinburgh Festival kicked off this weekend, and it reminded me how expensive the whole thing can be.

As well as the travel and accommodation – the costs of which get ramped up out of scarcity – once you take in a few shows, drinks and meals, you're burning a serious hole in your wallet.

It's ironic, because the fringe festival was never supposed to be such a glitzy and costly affair. It dates back to 1947, when a bunch of amateur theatre groups turned up uninvited to perform at the more formal Edinburgh International Festival, which had been created to celebrate and enrich European cultural life in the wake of the Second World War.

Not being part of the formal festival programme didn't stop them – they just staged their little amateur shows on the fringe of the event anyway, attracting all sorts of interest and support from those that preferred something more informal and social. Now it's hugely popular, highly commercial and often the opposite of intimate and friendly.

The good news, however, is that if you are able to make it to the city over the next few weeks, the **Free Festival is back** – with a whole bunch of comedy, cabaret, theatre, kids shows and music performances operating as Free & Unticketed or Pay What You Want – making at least part of the fringe accessible for those keeping an eye on their budget.

Freshers foam-o

I raise this because one thing that I didn't put in the **101 ways to get the cost of living down for students** article back in January was the cost of Welcome/Freshers

Latest SUs blogs

-  **Students need to know what SUs think about things**
-  **How to resolve conflict on campus**
-  **What can happen in an academic misconduct case?**
-  **Frown and gown: Why does graduation cost so much?**
-  **Aren't we all influencers now?**
-  **Lessons from advice: building a picture of the student experience**
-  **Will rental reform help students in halls?**
-  **If I could turn back time – reflections from former SU officers**

Things to find out

1. Developing an (deeper) understanding of the financial model
2. Developing a clear(er) understanding of any regulatory pressures (direct and indirect)
3. Understanding pressures on outcomes at granular level
4. Getting to know what senior people are thinking about, worried about and proud of
5. Pooling and synthesizing information so you know how to act

Questions for today

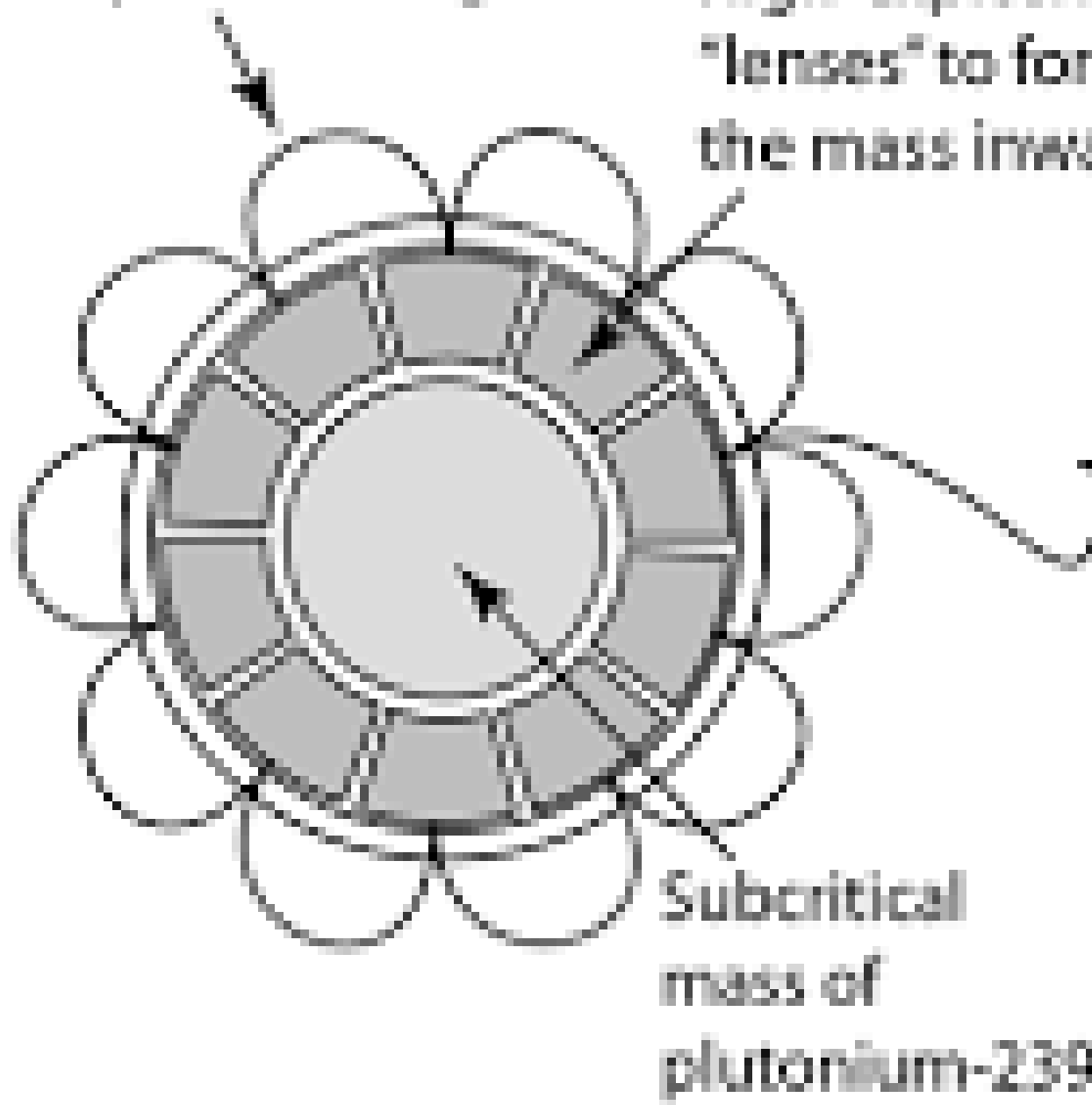
1. What do you know about students and their family income(s)?
2. What can you do to ensure that students are properly warned?
3. What signals are you sending about CoL to students?
4. What is the university's plan/strategy for the cost of living crisis – esp re APP – and can you cause/influence it?
 1. Reducing costs
 2. Increasing income/addressing hardship (inc international)
5. How can the SU voice function pick up the “unwinding implications” early?
6. What can you do re MPs and the public?

Mysteries

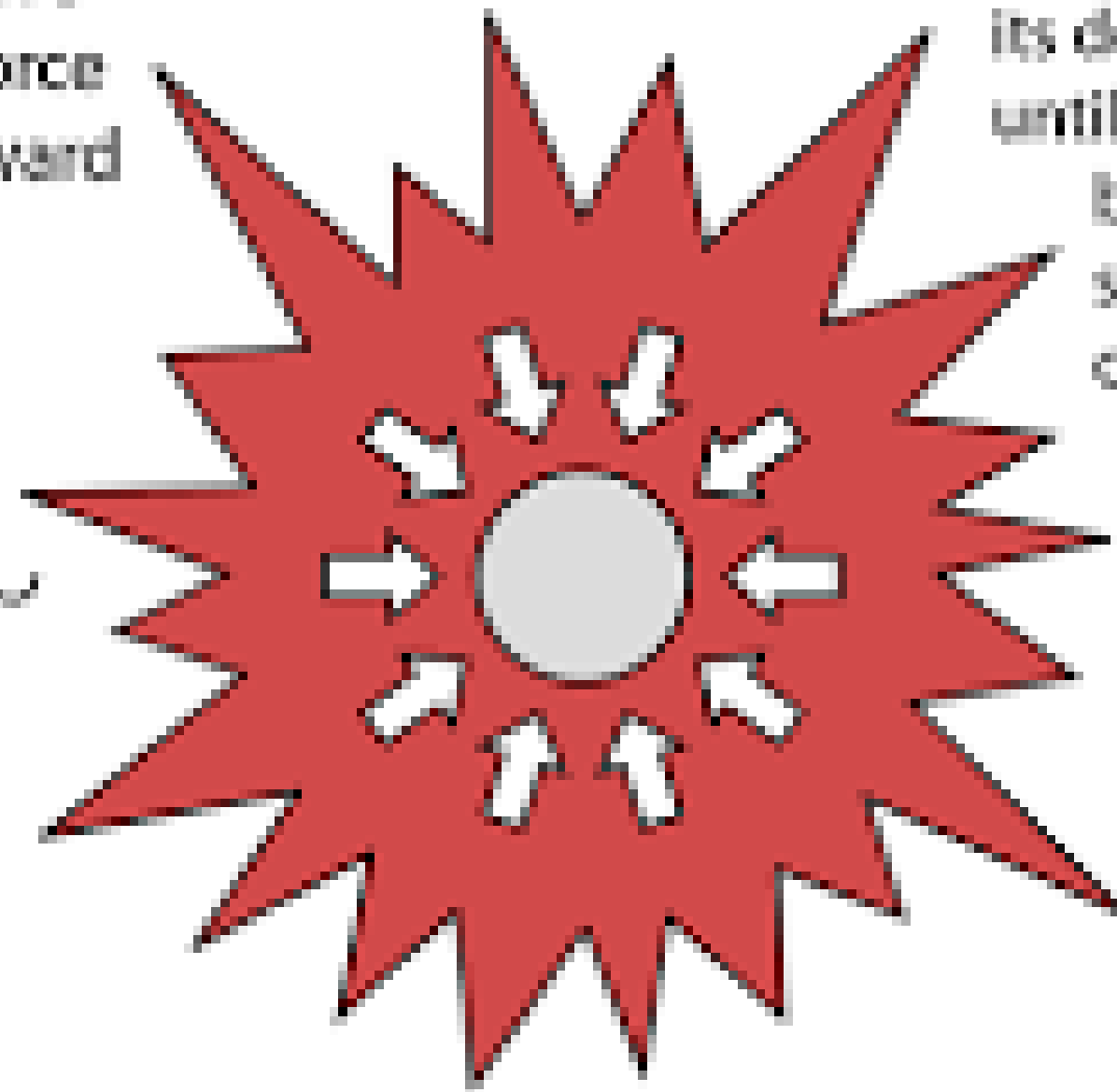
- What do SUs think about things?
- What do SUs think needs to be protected?
- What are SUs worried about?
- What is the current state of the student condition?
- What are SUs calling for re cost of living?
- What are the investments that need to be prioritised?

Wires for simultaneous detonation
of high-explosive charges.

High-explosive
"lenses" to force
the mass inward

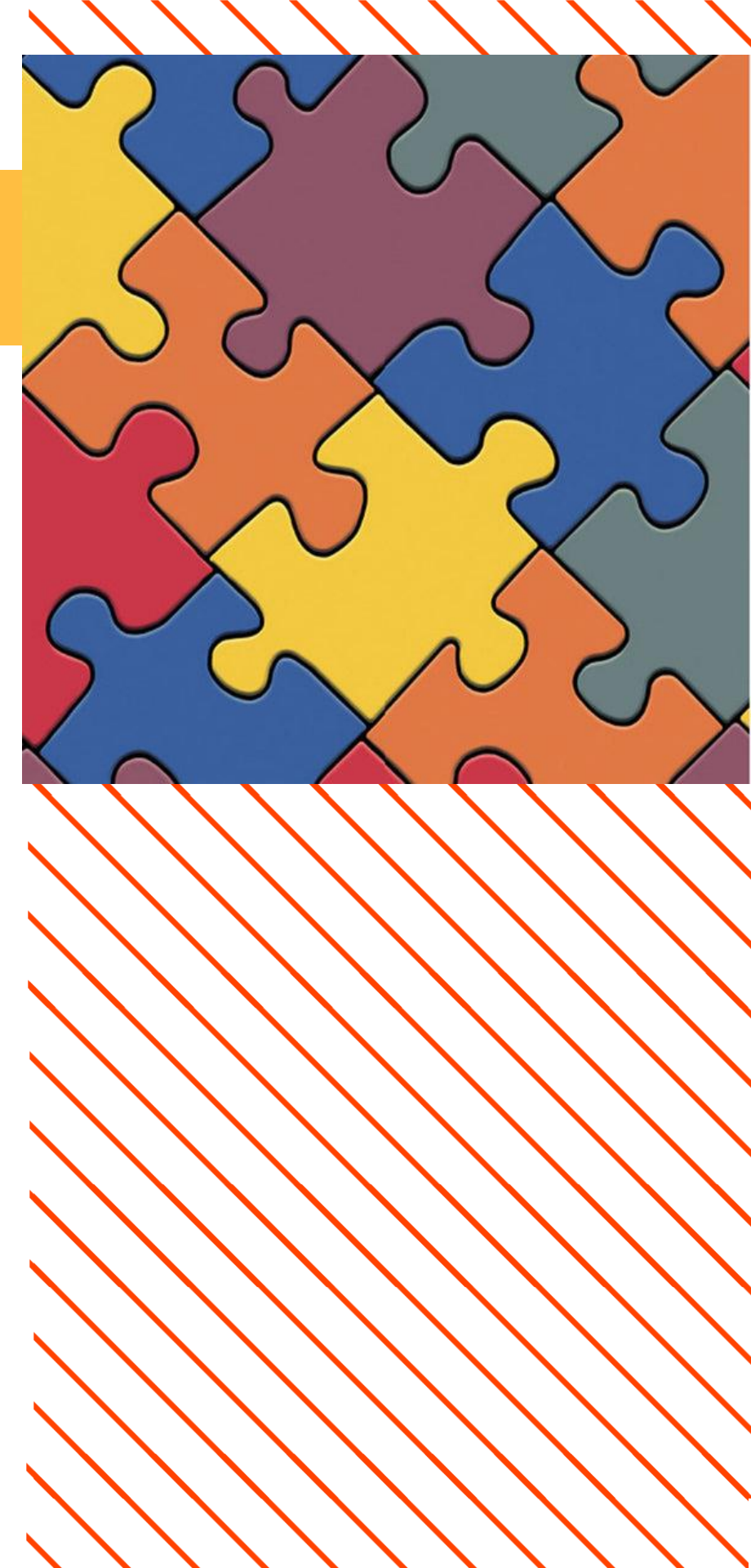


Explosion drives
fission material
inward, increasing
its density until it
becomes
super-
critical



In 5 years' time...

- SU strategy or beneficiary strategy.
- It's very hard indeed to reduce service provision, staff or quality by year group.
- If a student came to an open day today, they're unlikely to be getting the promised or implied student experience by the time they graduate.
- If that is allowed to happen – ask yourself why and if there's anything you can do to stop it.



Covid, the cost of living crisis and what next for SUs

What will happen and how should we respond?

JIM DICKINSON | ASSOCIATE EDITOR SUs | WONKHE
@JIM_DICKINSON | JIM@WONKHE.COM



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SUs

Questions for today

1. What do you know about students and their family income(s)?
2. What can you do to ensure that students are properly warned?
3. What signals are you sending about CoL to students?
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