

DINNER/DISCUSSION SUMMARY

The future of higher education in England

Held at The Royal Society on 17th June, 2009

The Foundation is grateful for the support for this meeting from Heidrick & Struggles, Imperial College London, Lloyd's Register Educational Trust and the University of Kent.

Chair: **The Earl of Selborne KBE FRs**
Chairman, The Foundation for Science and Technology

Speakers: **Sir Alan Langlands FRSE**
Chief Executive, Higher Education Funding Council for England
Professor Michael Arthur DM FRCP FMedSci FRSA
Vice-Chancellor, University of Leeds
Sir John Chisholm FREng
Chairman, QinetiQ and Chairman, Medical Research Council

SIR ALAN LANGLANDS began by welcoming the recent reorganisation of Government departmental responsibility for Higher Education (HE) and noting that the First Secretary of State had publicly acknowledged the important contribution HE made to the cultural and competitive foundations of the nation. Sir Alan singled out three features of present policy which contributed to the success of the HE sector: the dual support system for basic research which encouraged innovative risk-taking by individual institutions in response to a changing environment, the autonomy of universities and variable fees which had been valuable not only as a way of widening participation in HE but had helped the international competitiveness of the nation's universities. Looking ahead he identified three main risks to the ability of the universities to maintain their present high international reputation. First, they faced growing competition from the USA, China, India and some European countries as well as from successful city states in the Far and Middle East. Secondly, the current need for stringent steps to restrain public expenditure meant that the "golden age" of increased public funds for universities was now at an end. Thirdly, there would be increased pressure on universities to contain their costs as the effects of the recession fed through into those areas of the economy to which in recent year's universities had been able to look for endowment funds. Although many universities were entering these difficult times in reasonably good financial health, reserves could all too quickly be eroded and reductions in costs and jobs could prove essential for survival. Individual institutions would face the need for difficult choices about doing fewer things and doing them better. There was certain to be a rigorous review of public expenditure priorities after the next General Election so it was important for Government and the general public to realise that a successful higher education system was part of the solution to the UK's present problems rather than a part of those problems. The universities had good reason to be proud of their achievements and international standing. It was a major achievement to have raised the participation rate to forty three per cent and at the same time to be ranked in second place after the USA in the world's research league tables. But there was a continued need to improve still further the quality of teaching and research. The achievements in recent years had been more the result of high levels of funding than of internal steps to improve efficiency and quality. In the years ahead there would be a need to strike a new balance between student funding and public funding and between volume and

quality. There would be an even greater need for universities to be responsive to the needs of students. Even greater collaboration between universities in this and other countries would be essential.

PROFESSOR ARTHUR endorsed the point that hard choices lay ahead for the sector. In facing those choices the sector should bear in mind the present high international reputation of the universities which rested on three elements: proven excellence of research, the scope for institutional creativity and the creativity of the graduates who had been through the system. Thus it would be damaging to that reputation were there to be any continuation of current worrying trends to dilute the concentration of research funding which had in the past been so successfully promoted by the Research Assessment Exercise. He lamented the fact that seventy five million pounds of research funding had been diverted away from Russell Group universities. Thus, the dual support system should be maintained because of the powerful boost which that gave to the ability of individual universities to engage in novel areas of research deemed to be of potential importance to society as a whole. Maintaining an output of graduates with high creativity depended on the closest possible links between teaching and research; students needed to be involved in research from the earliest possible moment so that they would leave universities with a solid and direct understanding of the whole process of creating knowledge. Universities needed to produce students who could be of value not only to business but to society as a whole. He concluded by warning that it could well be impossible for this country to recover its present high level reputation if it allowed itself to slip from its present rank of second after the USA.

SIR JOHN CHISHOLM began by contrasting the spirit of the 1960's when optimism reigned about the ability of wise Government to ensure the achievement of great things with the spirit of the 1980's when that faith in the role of Government had been lost and replaced by a release of individual energy and initiative by deregulation which had resulted in unprecedented increases in wealth and prosperity. He saw a danger that current problems would lead to a revival of misplaced faith in the ability of Government to achieve what only individual enterprise had shown to be capable of delivering. Drawing on an analysis of what happens to graduates six months after leaving university, he noted a mismatch between the things which new graduates chose to do and the things upon which

university teaching appeared to focus. He noted that there was a need for graduates to be equipped with the qualities and capabilities attainable through a university education in areas of study different from those which had been the traditional focus of graduate teaching. He believed that much greater diversity in the higher education sector was essential. It was right for universities to pursue excellence and many of the current incentives in the sector were good at fostering such excellence. But that pursuit of excellence needed to be in more diverse fields, away from those upon which universities had traditionally focused. In the same way as successful commercial enterprises operated, each university should seek to identify those fields which interested users and where it had a competitive advantage and then ensure that they provided those users with teaching and research of the highest quality in those fields. He saw two possible ways of moving towards a more diverse and user-oriented higher education sector. It could be done through central planning executed by the Higher Education Funding Council for England. Or it could be done through a more market-oriented system involving greater concentration of funding on truly excellent research, by derestricted fees coupled with industrial scholarships so that students had more influence on what universities offered, and by fiscal incentives to stimulate a culture of endowment funding. He favoured this latter approach and he believed that this was what companies would prefer.

In the subsequent discussion differing views were expressed about the tension between diversity and concentration and whether the right balance was being struck between access and excellence. There was concern that if research excellence was focussed on too small a number of universities, the scope for desirable research-led education for undergraduates would suffer. There was also concern that a policy of widening participation in higher education had led to a decline in quality and an undesirable attempt to have degree level studies in fields which were not appropriate. It was pointed out that vocational education was cheaper than university education and politicians might want to move away from the fifty per cent target. It was wrong, too, to expect universities to produce graduates tailored to the needs of particular jobs – employers had to take responsibility for job-specific training. Some speakers from the floor were worried that concentration might result in rigidity and an undue preference for the Russell Group universities. There was a need to recognise that excellence could appear and flourish in small institutions as well as big ones and that creativity and rigidity did not go hand in hand. However, it was also pointed out that good quality PhD education was more likely to be found in places where the research groups were larger and that the need to have high quality of PhD education should not be forgotten.

There was some discussion about the means for ensuring that the quality of teaching remained high. It was thought that on the whole the present mechanisms were working reasonably well but that there could be advantage in making more use of professional bodies whose influence on university education could be very beneficial. Nevertheless the meeting received a warning against complacency; some isolated areas existed where there were problems. There was a risk that a well-publicised failure could attract disproportionate and highly damaging consequences. Experience in recent years in other fields had shown how quickly loss of autonomy or respect for self-regulation could evaporate in the wake of failure. The risk of such political and public reaction was all the higher at a time of financial stringency.

There were plenty of voices deploring what appeared to be inadequate support for maths and science and engineering. And concern too was expressed about declining interest in foreign languages. It was argued that one reason for this disquieting trend might be an excessive focus on assessment and grades. The incentives in the education system needed to be reviewed to ensure that they supported the real needs of a modern competitive economy. Another reason for this was thought to be the loss of the influence of universities on the curricula and qualifications of secondary level education.

Some speakers felt that the increasing attraction of English universities to foreign students was detrimental to our national interests and that steps were needed to control the demand from overseas. But many others pointed out that the benefits from attracting students from overseas study in this country far outweighed any disadvantages, quite apart from being a valuable indicator of the high international standing of English universities.

The fundamental messages to emerge from the evening were, first, that the nation's HE had enjoyed a decade of good funding which had enabled it to rank second in the world after the USA in quality as well as achieving record levels of participation and, secondly, that the future contained significant threats to HE's ability to maintain such a high reputation unless it concentrated on the pursuit of excellence in both teaching and research, even at the price of individual institutions making hard choices about the breadth of their activities as they sought to match their strengths to the needs of those who wished to use the products of their research and teaching.

Sir John Caines KCB

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www.foundation.org.uk

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www.heidrick.com

Higher Education Funding Council for England
www.hefce.ac.uk

Imperial College, London
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