

It's the finance, stupid!

**The decline of part-time higher education
and what to do about it**



Edited by Nick Hillman



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and what to do about it**

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Foreword

Nick Hillman, Director of HEPI

The collapse in part-time study is arguably the single biggest problem facing higher education at the moment. There are other challenges too, such as the future of the research environment, how to assess the quality of teaching and dealing with the effects of marketisation. But it is the fall in part-time learning that is probably the biggest black spot. Even though it began years ago, there has been a shortage of sensible policy proposals to tackle it.

The higher education programmes of the current Conservative Government and its predecessor, the Conservative and Liberal Democrat Coalition, have been controversial. But, whatever people's views about them, they have been targeted at the big challenges. From 2010, research spending was protected. From 2012, income for teaching full-time students was protected, or even enhanced, by the shift to £9,000 tuition fees and loans. From 2014, student number controls were relaxed. More recently, a new postgraduate loan scheme has been promised, as has a Teaching Excellence Framework. Yet next-to-nothing has happened to reverse the big drop in part-time student numbers.

It would be unfair to claim the Coalition intentionally harmed part-time study. For example, in 2012, tuition fee loans were extended to part-time students on the same basis as full-time ones for the first time ever. Whitehall briefly thought there could be such an increase in students that their numbers

would need to be capped. Vince Cable, to his credit, successfully flexed his muscles to reject the idea.

But there were lots of exemptions to the new loans, which severely reduced eligibility. People who already held a higher education qualification, people studying for a module or two rather than a full qualification and those studying at low intensity – less than a quarter of full-time study – were not entitled to them. As the many facts and figures in the following pages reveal, only one-third of part-time students in England were entitled to the new fee loans and even fewer took them out.

The sharp decline in part-time numbers has had people scratching their heads more than suggesting solutions. When I stopped being the Special Adviser to the Universities and Science Minister and became the Director of HEPI, the one and only request senior civil servants made to me was that HEPI should look at the part-time question.

The fall in part-time student numbers is clearly partly – possibly mainly – associated with the changes to student finance, hence the title of this collection. Part-time numbers have fallen more in England than other parts of the UK with lower (or no) fees, but it is not the sole cause. The decline began before the £9,000 fees were introduced. Any solution is likely to rest upon innovative delivery methods and other ways of improving access as much as relying on tweaks to the entitlement for financial support.

The chapters that follow analyse the problem and make some constructive suggestions. They are wide-ranging in approach,

focusing not only on part-time undergraduate courses but also part-time non-credit, sub-degree and postgraduate courses.

The authors have a huge breadth of experience between them and they provide some useful and diverse case studies – for example, from Cambridge and Northampton – while also projecting the voice of part-time students and potential part-time students. The solutions put forward are not vague calls for something to be done, neither are they just demands for more public money (even though that would help). Collectively, they make up a substantial programme that could reverse the decline in part-time learners to the benefit of the whole of society.

Peter Horrocks, the new Vice-Chancellor of The Open University, which educates more part-time students than any other institution, has a wealth of experience outside higher education. In his opening chapter setting the scene, he uses his broad knowledge and experience to suggest ways out of the quagmire.

Claire Callender, who works at another major provider of part-time courses, Birkbeck, as well as at the UCL Institute of Education, has been the most persistent critic of the recent approach towards part-time students and her chapter uses recent evidence to explain the problem. She proposes some significant changes that equal the scale of the challenge, as does the complementary chapter by Ruth Spellman of the Workers' Education Association, which has been promoting wider access to part-time education for over a century.

There was a broad consensus that the Coalition Government's original predictions for the amount of student debt that would be repaid were overly optimistic. In contrast, the chapter by Gavan Conlon and Maike Halterbeck of London Economics takes the Government to task for being overly pessimistic on the non-repayment rate of loans by part-time students. If they are right, then the long-term cost to taxpayers of providing extra support to part-time students is much lower. This matters because, as Sorana Vieru of the National Union of Students reminds us, any solution to the part-time challenge needs to make it easier for part-time learners to balance their income and outgoings.

John Butcher has kept a close ear on the views of part-time learners, especially in his research for the Higher Education Academy. So the new policies he proposes emerge directly from the concerns of learners, for whom he is a persuasive advocate.

David Hughes of NIACE argues forcefully that part-time courses cannot just be longer versions of their full-time cousins: 'Modular, flexible and part-time modes need to be more than simply smaller or slower versions of a full course.' John Widdowson, the Chair of the Mixed Economy Group, agrees and highlights the potential for employer-sponsored provision to attract part-time students. Geoff Layer, Vice-Chancellor of the University of Wolverhampton, usefully reminds us of the valuable role Local Economic Partnerships can play too, in joining up those who care about and need higher-skill levels.

Evidence that new approaches can work is provided by Rebecca Lingwood, who recounts how the University of Cambridge's Institute of Continuing Education responded positively to the reduced funding for part-time learners. She ends on a positive note, claiming that the current 'environment is not nearly as bad as might have been predicted a few years ago.' Nick Petford and Nick Allen's chapter tells a similarly optimistic tale about the delivery of part-time Master's courses at the University of Northampton and concludes with the maxim that 'universities need to do more to help themselves.' It seems that however the part-time crisis is resolved, it is unlikely to be through government action alone.

Just before moving on, my predecessor as Director of HEPI, Bahram Bekhradnia, said:

I have always called for equal treatment for full-and part-time students, but that is now insufficient ... We need to treat them differently and probably better than full-time students.

Perhaps Lionel Robbins, author of the Robbins Report of 1963, can light the way on this as on so much else. He recognised the case for public subsidies where there are clear market failures and wrote:

I am willing to foster [higher education] by grants, even at the cost of some infringement of the abstract principles of ideal public finance.

If we succeed in reversing the decline in part-time study, the benefits to employers in terms of improved productivity and

to the economy in terms of faster growth will be substantial. But the benefits to individuals and their families will be even more transformative.

Lifelong learning is a concept that no one opposes, but it does not happen on its own and it needs to be supported.

Setting the scene

Peter Horrocks, Vice-Chancellor of The Open University

Working in a newsroom, you get used to seeing some of the same stories coming around each year. There are perennial favourites which are guaranteed to sneak into the running order. High up the list is the autumnal ritual of teenagers setting off for their first term at university – making new friends and embarking on an academic career which could shape the rest of their lives. In fact, when talking about higher education, the media are dominated by school leavers and tales from parents about their children flying the nest. Equally, the overwhelming focus of the Government's higher education narrative is on 18-year-olds studying full-time. Perhaps this should not come as a surprise. After all, it is the experience shared by the vast majority of both the politicians and the journalists who report on them. The well-trodden path from school via university to a job has served countless generations well and we should not forget that.

However, behind the rise in the number of young people setting off for three years on the traditional university route lies a series of fundamental challenges facing a vital part of our higher education sector. While the Government can point to statistics which suggest that changes in funding have not put people off studying full-time, the same cannot be said for part-time study, where the impact of the changes has been severe.

It is probably easy to underestimate the size of the part-time sector as it is huge. Or to be slightly more precise, part-time students represent about one-fifth of all university students in England. However, the number of people studying part-time has dropped by 41 per cent over the last five years, with 200,000 fewer part-time students than in 2009/10. It would be very easy to put this decline down to the recent recession, as many people do. But take a look at other parts of the UK and you will see that simply will not do. Wales, Scotland and Northern Ireland have all suffered the same economic downturn, but the decline in part-time students there is a fraction of that seen in England, where policy and funding changes over the last five years have had a major impact.

It is worth reminding ourselves of the unique benefits of part-time study, not just to the individual students, but to the UK economy and society as a whole.

At The Open University (OU), around 70 per cent of our students combine their study with some kind of employment. By studying part-time, students are able to apply what they have learned directly in their workplace, in addition to making an ongoing contribution to the economy through income tax and National Insurance contributions. Then there is the role of part-time study in supporting those for whom the traditional university route is either unaffordable or impractical. Take disabled students, for example. The OU has around 20,000 students who declare a disability – that is more disabled students than many other universities have students.

But for a Government committed to balancing the books, the real case for supporting part-time study is economic. The obscure Resource Accounting and Budgeting (RAB) charge – the percentage of total expenditure on student loans which the Government assumes will never be repaid – stands at 45 per cent for full-time students. The official estimate for part-time students has been 65 per cent, although this is now being revised following the submission of new data by the OU. It is possible that once the new figures have been passed through the Whitehall number-crunching machine, the official figure will fall below that for full-time students. That would send a clear message to policymakers that part-time students are, in many ways, a better bet economically than their full-time counterparts.

Arguably, one of the biggest barriers standing between those wishing to study part-time and their ability to do so was erected only in 2008/09. Among the sweeping reforms to higher education introduced by the Labour Government was the phasing out of funding for students in England who already held a qualification at the same or a higher level. By the time 2012 came around and new higher fees were introduced, this policy remained in place. People who wish to retrain to further their career, for example, may well be unable to do so.

For many, this is likely to be due to a decision they took decades ago. As teenagers up and down the country pore over university prospectuses and decide where they wish to

go, they can be forgiven for not mapping out their future in too much detail – after all, the quality of social opportunities can be just as much a factor in their decision making as the quality of the course, and understandably so.

Moreover, having moved into higher education after three decades at the BBC, I know as well as anyone that lives and careers can take you in unexpected directions. This makes the ability to retrain or upskill to remain competitive vital. The decision to implement – and retain – these Equivalent or Lower Qualification (ELQ) restrictions, means the decision that teenagers take when selecting a degree is sometimes a decision for life. Ministers have talked positively about the need to support hard-working, proactive and aspirational people. These are precisely the sort of people who have the drive and determination to succeed in part-time study, but whose access to funding for a degree which would help them in their career can be blocked by a decision they took when they were 17.

The situation has improved a little. In 2013, David Willetts announced a partial relaxation of the rules, exempting those studying towards an Engineering, Technology or Computer Science qualification from the ELQ restrictions. However, our evidence at the OU suggests there is more to be done. In 2011/12, new ELQ students in England made up about 16 per cent of our student base, a figure which had declined to just 6 per cent last year. In addition, anecdotal evidence suggests students can be confused by the complexity of the current

situation. For example, someone considering whether to study Computer Science or Mathematics, may find they can secure access to funding for the former but not the latter.

The Government talks passionately about the need to support hard-working and self-reliant people. By fully removing these restrictions, the Government could send a clear signal that it is serious about rewarding those who put in the hours and want to improve their prospects. With the majority of part-time students already in work, those income tax and National Insurance contributions will keep coming.

An effect of the funding changes introduced in 2012 was to reduce the attractiveness of studying on a module-by-module basis, requiring students instead to commit upfront to taking on a whole degree if they wish to be eligible for a loan. In the world of higher fees, access to studying individual modules has become unaffordable for many, with a decline of more than one-third in the number of part-time module-only students in England since 2009/10. We know that employers are on the look out for short, high-quality and targeted learning options for their employees. The Department for Business, Innovation and Skills themselves commissioned a survey on part-time higher education which recognises the demand among employers for dynamic, bite-size training. By making loans available for individual modules, rather than full qualifications, the Government could open up access to courses that provide specialist skills and enable hard-working people to benefit not

just themselves but their employers through increased productivity.

These are just two ideas among many which the Government needs to consider carefully as it develops its higher education policy. I could equally have suggested making maintenance loans available to part-time students to help them with their living costs, or considered the restrictions on the proposed new postgraduate loans, with distance-learning students set to be ineligible for loans along with those who study at a lower intensity (below 50 per cent).

Being Vice-Chancellor of The Open University is one of the most inspiring jobs in the world. Of course it brings its fair share of challenges, but it also gives a unique chance to shake hands with thousands of graduates as they collect their degrees. I have seen first-hand the drive, determination and commitment these remarkable individuals need to succeed. They offer huge economic and societal potential, and by putting an improved framework in place to support and attract people to part-time study, we can ensure more of this potential is realised for the national good.

1. Putting part-time students at the heart of the system?

Claire Callender, Professor of Higher Education at Birkbeck and UCL Institute of Education

Since 2010/11, the number of entrants to part-time undergraduate study in England has fallen by 55 per cent. This matters because part-time higher education transforms lives and drives our economy. It provides the high-level skills needed to enhance our competitiveness and economic strength. This matters for higher education too. Part-time study contributes to a more flexible and diverse system and helps widen participation and increase social mobility. All are at risk because of the 2012/13 reforms of part-time student funding.

The 2012/13 reforms in England introduced a cap of £6,750 a year on part-time undergraduate tuition fees, which students could pay via government-funded income-contingent loans. Under the repayment rules, currently being reviewed, part-time students start paying back their loans four years after starting their course so long as they are earning £21,000 a year. They then pay 9 per cent of their income above £21,000 until they have repaid all their loans, with any outstanding debt written-off after 30 years.

To be eligible for these loans, students have to be:

- aiming for a qualification that is not at an equivalent or lower level than the qualification (ELQ) they already hold – if they

already have a Bachelor's degree, for example, they cannot get a loan to pay for a second Bachelor's degree;

- studying at an intensity of greater than 25 per cent of a full-time equivalent course; and
- following a full course for a specified qualification aim – so students studying individual modules are ineligible for loans.

The 2011 White Paper *Students at the Heart of the System* claimed these reforms would open up access to part-time study, stemming its decline, by encouraging more people to study part-time and by making it more affordable. Contrary to the Coalition Government's intentions, the changes have had the opposite effect: enrolments have collapsed and, for many, part-time study is no longer affordable.

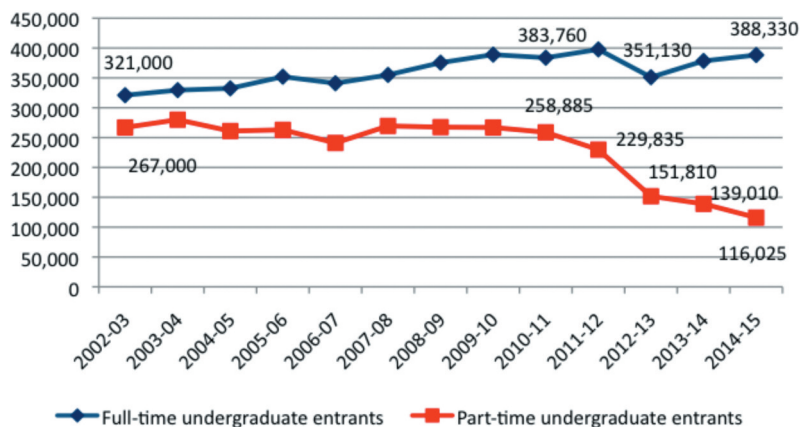
Following these reforms, predictably, undergraduate part-time tuition fees rose because higher education institutions no longer received direct public funding for most of their teaching. The lost income had to be replaced by higher tuition fees. The median tuition fee charged for a part-time Bachelor's degree was £5,000 in 2012/13. Although a comparable figure prior to 2012/13 is unavailable, tuition fees in 2012/13 were more than double, and in some cases triple, their pre-2012/13 level.

The chart shows the gradual decline in part-time enrolments in England over the past decade. But, recently, the falls have been very dramatic. Between 2010/11 and 2014/15, the number of UK and EU part-time undergraduate entrants at HEFCE-funded English higher education providers

plummeted by 143,000, a decrease of 55 per cent. Last year alone, the numbers dropped by 10 per cent. Consequently, by 2014/15 part-timers made up only 23 per cent of all undergraduate entrants compared to 40 per cent in 2010/11.

The falls have been greatest among older students, especially those aged 55 and over, those with low-level entry qualifications or none at all, and those studying less than 25 per cent of a full-time course who choose bite-size courses. These changes affecting the composition of the part-time student population, undermine part-time study's role in widening participation.

UK and EU undergraduate entrants to English Higher Education Institutions and Further Education Colleges, 2002/03 – 2014/15 by mode of study



Derived from: HEFCE, Higher education in England 2015: Key Facts (2015)

Undoubtedly, the 2012/13 student funding reforms have played a major role in the drop in demand for part-time study. The eligibility criteria for the new student loans for part-time students that cover the (increased) tuition fees are far too restrictive. An estimated two-thirds of would-be part-time students do not qualify for the new loans, mostly because they already have a higher education qualification. By 2012/13, just over half (53 per cent) of entrants had such a qualification. So these prospective students are faced with far higher tuition fees that they have to pay up front and out of their own pocket – excluding those with low-incomes.

This restrictive policy is based on two misplaced assumptions: that employers pay for their employees' tuition fees; and that, because most (around four-out-of-five) part-time students are employed, they can afford high fees. But since the 2012/13 reforms, the proportion of students receiving employer sponsorship has fallen by 35 per cent, suggesting that escalating fees are an obstacle for employers too. High fees make part-time study potentially unaffordable or too risky an investment, even for those in paid work.

Moreover, loans are not attractive among the minority of students who are eligible for them. Loan take-up has been far lower than the 33 per cent predicted by the Coalition Government. In 2012/13, 33,900 or 22 per cent of part-time entrants took out a loan, and by 2013/14, 54,700 or just 19 per cent of all students who started their course after September 2012 had taken one out. So loans seem to have become less

rather than more popular, while some who are eligible decide not to take advantage of them: they either pay up front or do not start their course. This suggests that income-contingent loans are not necessarily perceived by potential students as an adequate safeguard against the risks of part-time study.

The justification for student loans and cost-sharing policies is based on the assumed financial returns of higher education and other private benefits, and the ideology that those who benefit from higher education should contribute towards its cost. However, research shows that while the non-financial and public benefits of part-time undergraduate education are high, the financial returns tend to be lower than those experienced by younger graduates of full-time study in terms of earnings growth and employment opportunities. Prospective students' concerns about loans, therefore, may be well founded.

The unwillingness of would-be part-time students to pay high tuition fees or to take out a loan for an uncertain return is unsurprising. Compared to full-time students, part-timers are older and have numerous family and financial responsibilities, such as children and mortgages, which take priority over discretionary and non-essential spending, including spending on part-time study, especially in times of economic flux and uncertainty. For such people, high fees, or an additional 9 per cent marginal tax to repay their student loan, may be too much. Macroeconomic conditions have a greater impact on the demand for part-time study than for full-time study, and

part-time study is more price sensitive. Put simply, part-time study is just unaffordable for more people than before.

The 2008 recession, rising unemployment and falls in real disposable household incomes exacerbated the decline in part-time enrolments. But as England emerged from the recession, part-time numbers did not bounce back because of the 2012 tuition fee hikes. The recession in England was less severe than in the rest of the UK, and yet the decline in part-time entrants was far greater. The other UK countries did not withdraw government funding for teaching or increase tuition fees – exposing the key financial driver of the demise of England's part-time sector.

As demand for part-time study has dropped, so the supply of part-time provision has fallen. There are no longer any incentives for higher education institutions to offer more expensive and risky part-time courses, especially where there is an excess of demand for full-time courses – a situation exacerbated by the lifting of the cap on student numbers in 2015. Some universities are closing down part-time courses, particularly vocationally-orientated sub-degrees and shorter modules/courses leading to institutional credits, many of which are classified as continuing education courses. Since 2010/11, almost 90 per cent of the decline in part-time entrants has been in courses other than Bachelor degrees. In part, this is because of the student loan eligibility criteria. Only students registered for a qualification can get loans: those seeking institutional credits without pursuing a qualification cannot.

Such course closures, prompted by the 2012/13 funding reforms, restrict prospective part-time students' study opportunities and their choices of what and where to study rather than broadening them, contrary to the rhetoric of policy-makers about funding following students. These limitations are particularly significant for part-time students who are less mobile than full-time students because of work and family commitments and usually attend their local university (if not studying via distance learning). When local part-time courses close, the door to higher education closes too.

Part-time study in England is a victim of the 2012/13 reforms of student funding. It might recover, as full-time study has. However, reviving dismantled part-time provision and infrastructure will be challenging as higher education institutions seek alternative strategies to compensate for a shrinking part-time market and lost income.

If the Government is committed to reskilling and upskilling its workforce, averting the decline of the part-time undergraduate sector, encouraging more people to study part-time, opening access and making part-time study more affordable, it will need to take some radical action. To achieve these goals, policy instruments have to be tailored to the needs and realities of potential part-time students. A one-size-fits-all policy approach does not work. Currently, student loan policies are not devised for older, employed and experienced part-time students with ongoing financial commitments and limited disposable incomes. Indeed, the Conservatives'

proposed changes to loan repayment terms are likely to make loans less attractive and less affordable for the majority of part-timers who are already earning, and have to repay their loans while still studying. The loans are designed for the typical student and graduate, a young school-leaver who studies full-time and who, on graduation, enters the labour market for the first time. Instead, policies need to acknowledge the distinctive characteristics of the part-time student population. Importantly, these policies have to recognise that, while there are high social returns to part-time study, the financial returns are lower than those from full-time undergraduate study. This is a justification for larger government subsidies to encourage demand.

At a minimum, the Government needs to revisit the very restrictive student loan eligibility criteria so that more part-time students can qualify for loans. And we need a better understanding about the level of government subsidy on student loans for part-time students. (Some think it is higher than for full-time students while others believe there is no subsidy and the government makes a profit.) This will help inform potential future policies, such as lifting the ELQ requirement, and even reinstating some government funding to universities for their part-time teaching (as exists elsewhere in the UK), which would mean universities can reduce their tuition fees.

Above all, we need the political will, both within the higher education sector and the Government, to tackle the

challenges posed by part-time study. If there had been a drop of 55 per cent in full-time undergraduate entrants following the 2012/13 student funding reforms, it would have been headline news. Universities and other higher education stakeholders would have been outraged and demanded action. Ministers' heads would have rolled. But when this occurred among part-time entrants, there was silence.

2. The power of part-time

**Ruth Spellman, Chief Executive of the Workers'
Educational Association (WEA)**

Earlier this year, the Higher Education Statistics Agency (HESA) published figures showing the continued decline in the numbers of part-time students in higher education. In 2013/14, there were 603,325 part-time enrolments – a decrease of 8 per cent since 2012/13.

As alarming as these figures are, they were not by any means unexpected.

Since 2009, we have witnessed drastic year-on-year decreases. In England, part-time student numbers have dropped by 41 per cent since 2009/10. Part-time students, who made up a quarter of the student body as little as four years ago, now represent around one-sixth.

The reasons behind the decline in the part-time student population are varied, but financial constraints on various parties – individuals, employers and universities – alongside policy decisions by Government, are clearly making the prospect of part-time education a less viable option for many potential students.

Part-time students will be increasingly important to the UK's future productivity. Even in the short term, the evidence is compelling. For example, the economic contribution of part-time students is greater than that of graduates who have

studied full-time in the three-and-a-half years after graduation. Over a lifetime, individuals need to learn new skills, adjust to changes in technology and embrace new ways of working. Even as the UK heads towards economic recovery, many adults in or out of employment find themselves unable to access part-time courses which might help them secure employment or to increase their earnings capacity. This has consequences for them and for the economy as a whole.

Between 1997 and 2007, UK productivity was on a strong upward trend and, had it remained on trend, would have been higher than the G7 average. However, the recession and its aftermath have seen output per hour at 17 per cent below the average of the rest of the major G7 economies in 2013; the widest productivity gap since 1992.

It is clear that to address the productivity gap the UK will be increasingly reliant on opportunities for retraining and reskilling as technological change further disrupts old industries and economic models. In addition, many economists predict a further decline in jobs for low-skilled or unskilled people as robotics and automated processes continue displacing traditional assembly and service roles. Furthermore, research from Deloitte highlights that the 'UK's continued success will rest on the ability of businesses and organisations, educators and government to anticipate correctly future skill requirements and provide the right education and training.'

The 2011 Skills for Life review showed one-in-six adults in the country struggle with reading and writing, and one-in-four find maths difficult. The digital skills charity Go ON UK have stated that one-in-five of adults lack digital skills, which reduces their ability to participate in the economy. Low take-up of digital technologies is estimated by Booz and Company to have cost the country around £63 billion a year by 2011.

In addition, the UK is facing a demographic time-bomb. 13.5 million jobs are expected to be created over the next decade but only seven million young people will be entering the job force.

Nine out of ten part-time undergraduates are aged between 21 and 65. These older workers, particularly women returning to the labour market, will be central to the UK economy's ability to thrive in the future.

However, from the perspective of universities, part-time students are a less attractive prospect than full timers, given that they generate less revenue than full-time and international students. In 2013, a report by Universities UK (UUK) voiced concerns that the HE sector was centred and designed around the 'ideal' student – young, full-time undergraduates.

Employer investment in education and skills has also declined sharply. In its recent report *Climbing the ladder: skills for sustainable recovery*, the UK Commission for Employment and Skills say we need to address skills deficits, particularly technical and vocational skills but also among lower-skilled people. Four-out-of-five new jobs created by 2020 will be in high-skill sectors.

In addition, the joint *Confederation of British Industry (CBI) / Pearson Education and Skills Survey* shows that there is a high level of dissatisfaction with current skills of the workforce amongst employers: in 2014, it found 'Lifelong learning and continued professional development are vital to businesses too in the fast-changing global economy – as is the capacity of individuals to undertake part-time study.'

However, a consequence of recent policy decisions has been to direct resources, and incentivise education institutions, to focus on young people.

While the general picture is not encouraging there has been a growing body of political support advocating change.

The Open University's recent survey of parliamentarians revealed that 73 per cent, of the 103 that participated, believed that the drastic fall in part-time student numbers was a major cause for concern. Furthermore, 61 per cent of the MPs who participated in the study were in favour of repealing the controversial ELQ rule, which came into effect in 2008/09, and which abolished public funding for students taking a qualification that is equivalent or lower to one they already hold.

As we embark on a series of government consultations on productivity and spending cuts, it is time that we asked ourselves whether education and skills policies need a more radical review to reflect the needs of the modern, diverse population and economy.

It is not just the supply of graduate skills that is being affected. The Government's flagship apprentice programme has made the commitment to three million new apprenticeship starts in England between 2015 and 2020. However, qualified apprentices are in the minority. The national qualification statistics for 2014 show only 3.5 per cent of the population of the UK have achieved trade apprenticeship qualifications.

According to the National Institute of Adult Continuing Education (NIACE), less than 6 per cent of total government spending is committed to adult education and training and the further education budget has declined by one third over the last Parliament. As a result, the number of adults participating in learning has dropped by more than 10 per cent.

This decline is particularly significant because it reduces opportunities for disadvantaged groups in the UK. The Specialist Designated Institutes (SDIs) of which the WEA is one have demonstrated over many years that part-time study challenges social inequalities. According to UUK, 44 per cent of part-time learners are the first in their family to access higher education. There are benefits across the generations too. In 2013, Callender and Wilkinson found that nearly one-third of graduates of part-time courses reported that their children or family had become more interested in learning as a result of their course.

The majority of part-time learners are women. A record 68.5 per cent of women aged between 16 and 64 are in work, but they are often in low-paid sectors with poor career prospects.

Case studies

One of our students was 38 with two children and in a low-paid job, working 9 to 5. After finding and joining a Workers' Educational Association (WEA) Helping-in-Schools course at her children's school, she took a part-time foundation degree at the University of Leeds and is now on a degree course to become a teacher. Without part-time learning opportunities she would never have been able to combine her caring responsibilities with study.

Another WEA student tells a similar story. Lisa is in her mid-forties, was a stay-at-home mum from the age of 16, and suffers from fibromyalgia, a long-term condition that causes extreme tiredness. By taking an evening class with the WEA, Lisa completed a BA in Social and Political Studies and is now studying for an MA part-time at Ruskin College.

According to the Women's Business Council, over 2.4 million women who are not currently in employment want work.

Improving opportunities for women could bring a big economic reward. The Government's *Fixing the foundations* report (July 2015) said 'there is potentially a huge economic prize from enabling women to play a fuller role in the economy, where they want to'. The Organisation for Economic Co-operation and Development (OECD) estimates that equalising the role of men and women in the labour market could increase GDP by 10 per cent by 2030.

Women and mature students in particular have traditionally made up a significant proportion of the part-time student body. Flexible access and part-time study are critical factors for many mature female learners.

In addition there is the stigma associated with debt by older learners. A recent report by the charity Age UK revealed that older people have a more negative view towards debt than their younger counterparts. The lack of adequate and accessible information on financial support and assistance available for those studying part-time compounds the problem.

Part-time education offers enormous economic and social benefits. However the current policy frameworks fail to encourage participation. My recommendations to transform this position are:

1. Universities and colleges should be asked to make a commitment to developing their offer to part-time students, given current skill gaps and lack of provision. Government needs to consider how to incentivise this outcome through either regulation or incentivisation.
2. Our education and skills providers should be freed up to be more agile and flexible. For example, providers need to deliver an educational offer that meets the needs of the students, which may not neatly dovetail with qualifications or levels of achievement. It follows that the funding mechanism needs to incentivise a broader range of provision and outcomes.
3. Employers should enable and encourage part-time study as a way of improving workforce productivity, and addressing skill shortages. They should also flex their training and development agendas to meet the diverse

needs of the workforce, particularly women. These proposals could be shaped and promoted by lead bodies such as the UK Commission for Employment and Skills, the CBI and professional bodies working with the Department for Business, Innovation and Skills.

4. The ELQ rule should be abolished.
5. There should be clearer links between different educational institutions – including colleges, adult learning providers, such as the Specialist Designated Institutes, and universities – so that part-time pathways into further learning can be developed for adults, especially targeting adults with few or no qualifications.
6. The Department for Business, Innovation and Skills and the Treasury should conduct further research around the ways in which the tax and education funding systems could incentivise support for part-time study, or encourage providers or employers to take further action.
7. National policy decisions should not only address the current skills deficits in the UK economy, but anticipate future needs, based on demographic data and the future likely impact on the labour market.
8. We should protect the learning entitlement of all adults to basic standards of numeracy and literacy and introduce a new entitlement for digital skills.
9. We should introduce Education and Skills investment

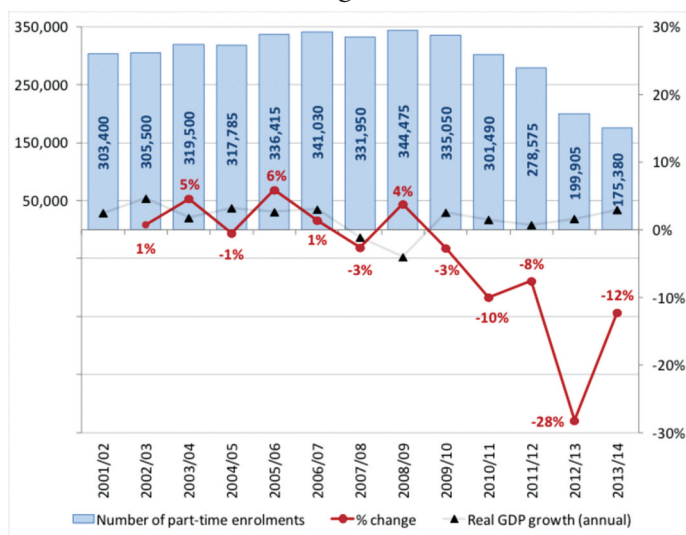
Accounts (ESAs) for all school leavers so that they can log their continuous learning activities, record learning outcomes and invest in their education and skills in the same way as they might save for a holiday, purchase an ISA or contribute to a pension scheme. Such savings could be attractive by being tax exempt. Employers and Government could be required to match the employee contribution. This would help to generate long-term funding for further and higher education and skills and create sustainable resources for long-term investment.

3. Understanding the part-time RAB charge

Gavan Conlon, Partner, London Economics and Maïke Halterbeck, Economic Consultant, London Economics

Since 2001/02, there has been a marked decline in part-time domestic student enrolments. Compared to a 23 per cent increase in the number of full-time undergraduates over the period, the number of part-time undergraduates has declined by 42 per cent. Information from HESA indicates that 303,400 learners commenced part-time courses in 2001/02 across the entire United Kingdom (including Open University learners), but fewer than 176,000 did so in 2013/14.

Part-time enrolments and GDP growth, 2001/02 to 2013/14



London Economics' analysis of information published by the Higher Education Statistics Agency (HESA)

The decline in part-time enrolments clearly cannot be attributed solely to the 2012 changes to student finance for part-time students. The different personal characteristics of part-time learners, alongside greater price sensitivity, compared to full-time students compound the relative importance of the wider macroeconomy on enrolment decisions. Specifically, there is a lower propensity amongst part-time students to take out student loans and, faced with the many other competing demands on their earnings, their behaviour may be less influenced by changes to student finance arrangements when set aside the wholesale retrenchment occurring in the UK economy since 2008.

The Resource Accounting and Budgeting Charge (the RAB charge) is the proportion of the nominal face value of the loans that are issued to students that are not expected to be repaid. Using the example of full-time students, if the RAB charge stands at 45 per cent, then this implies that for every £100 in student loans issued, approximately £45 in today's money terms will be written off by the Exchequer. In economic terms, the RAB charge represents the long-term cost to the Exchequer of the student loan system.

In a broader sense, for full-time students, the RAB charge underpinned the decision by the Coalition Government to replace the HEFCE Teaching Grant for most disciplines with bigger tuition fee loans. Given the 45 per cent RAB charge, the shift from Teaching Grant to loans resulted in a 55 per cent reduction in the long-term gross cost incurred by the Exchequer.

Ahead of the substantial savings to be made by unprotected central government departments as part of the 2015 Spending Review, the same rationale has been adopted by the new Conservative Government in relation to the replacement of maintenance grants with larger maintenance loans.

Having a higher RAB charge is not necessarily a negative outcome, as it reflects the level of overall public investment in the student body, and is targeted at individuals that are most likely to struggle to repay. It is a progressive system of student support, free at the point of access.

The RAB charge is important because it is one of the key pieces of information that is used by policymakers to assess the affordability of potential changes to higher education fees and funding. The higher the expected RAB charge, the more costly a policy, while the lower the expected RAB charge, the more affordable a particular policy. In a period of widespread fiscal constraint, the RAB charge is crucial.

The most recent published estimates of the RAB charge produced by the Department for Business, Innovation and Skills suggest that the part-time RAB charge is 65 per cent, compared to the 45 per cent estimate for full-time students. However, this compares to London Economics' estimates of a full-time RAB charge of 40 per cent and a part-time RAB charge of zero, which have been in the public domain since 2010 and 2011.

There are several factors affecting the RAB charge – for both part-time and full-time students. These include: the rate of

repayment; the threshold for repayment; the number of years before which the loan is written off; the interest rate charged; and the size of the loan amount initially drawn upon. Other factors being equal, based on these loan characteristics, the smaller loans taken up by part-time students would suggest that the associated RAB charge for part-time students should be less than for full-time students.

The discrepancy between the estimates is driven by graduate earnings assumptions. Given the income-contingent nature of student loans, the higher the level of a graduate's earnings, as well as the higher the growth rate of graduate earnings, the higher the level of repayment and the lower the RAB charge.

It might be expected that individuals undertaking a full-time undergraduate degree between the ages of 18 and 21 would experience relatively high earnings growth early in their careers. Although this is typically the case, the fact that graduate earnings are on average below the threshold for a number of years immediately after graduation means that for many graduates, no repayments are made to their outstanding loan balance during their early working lives. In contrast, many part-time students combine work with study, and are already earning in excess of the repayment threshold. As such, when the Statutory Repayment Due Date arrives, part-time students will start making repayments. The higher earnings levels achieved by part-time students and the earlier repayments (which are more valuable to the Exchequer than repayments later in the 30-year repayment period due to

discounting), combined with the lower initial balance, suggest that the part-time RAB charge should be lower than the full-time equivalent.

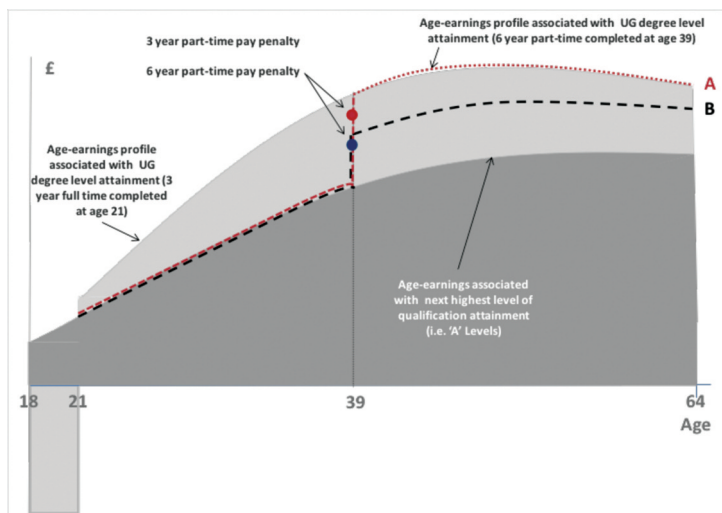
If this is true, then why is there such a discrepancy between the official estimates of the RAB charge and ours? The main issue is that, unlike estimates of the RAB charge for full-time students, there is no actual information from the Student Loans Company on part-time loan repayments yet, given the relatively recent extension of loans for part-time students. So it is necessary to estimate a future earnings path for part-time students using alternative secondary datasets. This is further complicated by the fact that none of the standard secondary datasets available contain reliable information on graduate earnings by mode of study. Therefore, further assumptions need to be made and we will not know the accuracy of the alternative assumptions for a number of years.

Until recently, for full-time students, the Department for Business, Innovation and Skills used information on actual graduate repayments to determine graduates' position in the earnings distribution, which was then combined with the British Household Panel Survey to calibrate and forecast earnings over graduates' working lives (adjusting for employment shocks and time taken out of the labour market). From these forecasts, and the characteristics of the student loan system, an estimate of the level of loan repayment was generated. For part-time students, we understand that a comparable approach was adopted but also incorporated

information from the *Destination of Leavers from Higher Education (DLHE)* Survey on immediate post-graduation outcomes. However, documentation on the methodological approach taken for part-time students is more limited.

For the 2012/13 cohort of full-time entrants, we used the Quarterly Labour Force Survey between 1996 and 2012, which includes around 11 million observations, to generate an age-earnings profile achieved by undergraduate degree holders. This age-earnings profile is adjusted for the expected level of non-employment (unemployment and economic inactivity) by gender and age band.

Age-earnings profile for full-time and part-time undergraduates



Earnings are augmented by the long-term expected real earnings growth rate (because a 21-year old will earn more in nine years' time than a 30-year-old today).

In the base case, we assume that a part-time student who achieves their undergraduate degree by the age of 39 (and takes six years to do so) has similar earnings to a 39-year-old individual who achieved their degree on a full-time basis (profile A).

Under this set of assumptions, the estimate of the part-time RAB charge stands at -7 per cent, implying that part-time loans actually generate revenue for the Exchequer. However, it is more likely that an individual undertaking a degree achieves an earnings profile comparable to profile B, where, rather than achieving the full graduate earnings premium, only a proportion is captured. To mimic this, it is possible to penalise part-time graduates in the labour market by imposing a wage penalty – for example, by assuming that a 39-year old part-time student achieves comparable earnings to a 36 or 33-year old full-time graduate, as shown by the coloured dots in the chart. Under these assumptions, the part-time RAB charge estimate stands at 2.5 per cent and 13.5 per cent respectively – still a small fraction of the full-time estimate.

Clearly, the socioeconomic characteristics of part-time students are different from traditional full-time students. The higher incidence of employment during the period of learning, combined with the lower loan balance and early repayment, all suggest a lower part-time RAB charge. This implies that the funding of part-time students is approximately cost neutral to the Exchequer over the long run, as with the forthcoming postgraduate loans. Furthermore,

because of the smaller loan balances, there is significantly less exposure (and risk) to the Exchequer in relation to the part-time student loan book than for the full-time one.

Given the big decline in part-time participation over the last decade, and the negative economic and social impact of the decline, our economic analysis suggests that more could be done to assist and support part-time undergraduate provision. Part-time graduates make a key contribution to economic growth. Rather than waiting for an economic recovery to justify improvements to the financial support on offer for part-time students, investment in human capital now could help secure the recovery.

Learners who study at a lower intensity than full-time students, for whatever reason, are part of the solution not part of the problem.

4. It's all about the money, money, money

Sorana Vieru, Vice-President for Higher Education at the National Union of Students (NUS)

The Coalition Government failed to understand the dynamics of part-time study. They misunderstood how prospective part-time students would behave under the new funding regime, and underestimated (or simply ignored) the effect of perverse incentives created by £9,000 fees on the supply-side.

There are two key problems to overcome: the financial barriers on the demand-side that have been erected by fee hikes and constraints on access to finance; and the lack of any incentive for institutions to shift their focus away from the higher margins of full-time undergraduate provision.

Lifelong learning is a concept that the UK must aspire to as a developed, democratic country. While the rest of Europe is on an upward trend in increasing the participation of adults in lifelong learning activities, the UK is rapidly moving in the opposite direction. The proportion of 25-to-64 year olds engaged in learning fell from 27 per cent in 2006 to just 16 per cent in 2013.

Part-time study is an essential characteristic of a strong and sustainable lifelong learning agenda. People cannot simply withdraw themselves from work and family and return to full-time education later in life as many 18-year olds have the luxury of doing. Flexibility in mode and delivery are the key

to improving adult participation in higher education, and policy change in other European countries has shown them to be effective.

When we dig deeper into the benefits of part-time study, we see it is of massive importance for access in higher education. As well as mainly being older, part-time students come disproportionately from widening participation backgrounds, and almost half are parents living with dependent children. People living with disabilities or learning difficulties are also much more likely to need a lower intensity of study and often have no option but to study part-time.

Failing to deliver accessible part-time higher education is therefore a major issue for equal opportunities, social mobility and intergenerational fairness.

We must also accept that part-time study remains one of the best options for ensuring that our workforce is equipped to overcome changes to the economy. Allowing people to up-skill and reskill later in life prevents wage stagnation and unemployment for those working in sectors of the economy that are in decline. As the economy becomes more digitised and automated, higher education remains the most obvious protection against the destructive effects of global capitalism.

With these benefits in mind, it is alarming how little government support there is for part-time study.

Yes, the Coalition Government introduced a part-time fee loan scheme. Unfortunately they also placed considerable

limitations on eligibility, and underestimated the aversion towards student loan debt for many potential part-time students. In short, the barrier is not just access to finance, it is the underlying cost of study and the attitudes towards larger levels of debt, particularly for those with families to support and who may already have existing debts and large household expenses.

On the supply-side, the Government has provided no financial support for institutions to cover the higher cost of provision for part-time, nor has it helped to facilitate innovation in part-time teaching and learning.

In fact, the reforms have created serious disincentives for institutions to invest in part-time. As direct public funding is slashed, and institutions are expected to compete for tuition fee revenue, the obvious choice is to focus on full-time undergraduate provision. It is one area where the fee level will likely be higher than the cost of provision for many home students, allowing institutions to generate a surplus to help cross-subsidise more expensive provision and to spend on capital infrastructure.

Institutions are therefore making what they believe to be a shrewd decision by focusing on full-time undergraduate courses at the expense of part-time and other undergraduate courses. It is one of many examples of why the ideology of new public management is hugely damaging and undermines the public value of education.

With these issues of high fees, marketisation and lack of public investment, what should the Government be doing to address the decline in part-time?

The answer has to be: provide a new funding settlement that will reduce the cost barriers to prospective students and remove the perverse incentives on institutions to focus their attention on full-time undergraduate provision.

While the removal of support for students undertaking ELQs and the opening up of eligibility on part-time loans could help more students to access finance, it would not solve the problem of so many individuals being put off by the rising cost of study. If Ministers are not willing to tackle the fees problem, then they must, at the very least, offer better financial support to mitigate the loss of household income due to taking on part-time study.

Our egalitarian neighbours in northern Europe have a long history of providing a strong environment for lifelong learning, and this includes free and flexible higher education with good financial support structures in place to supplement the loss of income and facilitate childcare.

In Sweden, for instance, part-time students are entitled to student aid if they study at 50 per cent intensity or above. Generous grants and loans are available, including a supplementary grant for dependent children if you are a parent or carer. All of this is offered on top of the fact that tuition is free in Sweden.

Unless there is a financial package which can compensate for a loss of household income, especially for families with dependent children, demand for part-time will continue to be suppressed. Part-time students need financial security.

On the supply-side, the Government must invest and it must also regulate. It should provide funding for institutions to help drive innovation in part-time teaching and learning. For institutions to invest in part-time courses, they need to be offered a funding supplement to get new courses up and running, and to maintain existing courses. A blanket part-time premium may not be the answer, however. Targeting funding at high-quality and well-designed part-time courses, and offering match-funding to start-up new courses and partnership ventures with business and industry, may be more effective.

But the carrot will not be enough for some institutions, especially those that see part-time study as attracting the 'wrong kind of student', those who are more difficult to support and are perhaps seen as a higher risk in terms of retention and success.

Part-time study should be seen as an essential characteristic of widening participation, so new policies on access should be designed to ensure that the provision of part-time options is a fundamental part of an institution's access agenda. Access agreements should also include more outreach work focused on part-time, with local partnerships with employers, charities, local government and community organisations

that promote lifelong learning. Institutional spend on student support for part-time and distance learners should also be given greater importance.

At postgraduate level, the Government could make a serious mistake if they keep the age cap on their new postgraduate loans system, due to come in for 2016/17. Part-time Master's study is in decline, particularly because of the collapse of employer funding. Offering student loans to over-30s will be very important if we want to maintain a commitment to part-time postgraduate study and indeed to lifelong learning. In fact, as the demand for high-level skills continues to increase, reskilling and upskilling workers from declining areas of the labour market up to postgraduate level will be essential.

All of these things will help address the decline of part-time study, and will greatly benefit part-time students. But, ultimately, policymakers will at some point have to accept that it is their policy on tuition fees that is killing part-time learning. If fees continue to rise, and direct public funding for teaching continues to fall, the appeal of part-time study to both learners and providers will continue to decline.

5. Listen to part-time learners and smart policy will follow

John Butcher, Senior Lecturer and Deputy Director for Access and Curriculum at The Open University

People are stuck in a situation where they feel they want to learn more, but financial constraints are the biggest barrier... my fees are paid through an employer, but other people might not have that opportunity...I'm very sensitive to how people who want to study are going to pay thousands in fees. It's a lot of money.

The dramatic decline in part-time numbers in the UK over the last five years (most marked in the 40 per cent drop in England) has been reported in trenchant terms, and suggested reasons behind it have been analysed extensively. Unlike full-timers, part-time students in England cannot access financial support towards maintenance costs and, as mainly mature learners, are risk-averse in relation to taking on loan debt to fund their studies. This is clearly a critical issue for policymakers, especially as funding policies affecting part-time higher education increasingly diverge across the four nations of the UK:

We're very fortunate in Scotland that we do get a lot of financial support, but as a country we need to look at making part-time HE more accessible financially.

'Crisis' is not too strong a word, since the decline encompasses threats to social mobility, a narrowing of access to higher

education and a diminution of opportunities for the most disadvantaged adults in society. The consequences are catastrophic for those individuals denied a chance to transform their lives and those of their families through part-time study. The UK Government have been unaccountably quiet around this, which is disappointing as: degree apprenticeships will inevitably be part-time; and the RAB charge of part-time study is a positive for the Treasury, given that that part-time students are likely to be working while learning, contributing taxes, and have higher earnings on graduation, thus repaying their loans more efficiently.

However, the bare numbers behind the decline do not reveal the experiences of current part-time learners, who represent 28 per cent of current undergraduate numbers. In a recent UK-wide study for the Higher Education Academy, survey responses were elicited from 1,567 part-time students in England, Scotland and Northern Ireland, complemented by interviews with 25 participants. Added to the 1,344 survey respondents and 25 interviews from Welsh part-time students in a 2013 pilot study, the fraught experiences of part-time learners (many the first in their families to enter higher education) comes through loud and clear. The findings reveal the challenges faced by part-time learners, and suggest what policymakers might do to address such issues.

'Choice' is an increasingly familiar motif in higher education policy, yet the notion that part-time students choose part-time is misplaced. Because of personal circumstances,

respondents reported having no choice other than studying part-time – despite almost all admitting they would rather study full-time if they could – but they could not afford to give up paid work:

If I could turn the clock back, I would go full-time... if I won the lottery tomorrow I would.

I am employed full-time, so can only study part-time, but would prefer full-time in order to shorten the degree and do more with my family... it takes a hell of a lot of commitment.

Part-time higher education was not perceived as offering value for money and was considered barely affordable:

As a part-timer I can't claim a maintenance loan... my income is very low and yet I cannot claim anything apart from the tuition loan... people on their own would find it impossible to cope and therefore would be denied the opportunity.

I am finding it a financial struggle and my Dad offered to lend me the money.

Over one-in-five (22 per cent) of the respondents described themselves as studying with a disability or long-term health impairment – coping with mental health problems, being on medication, managing hospital appointments, being housebound or facing deteriorating mobility issues and were therefore unable to study full-time (despite many reporting attempting full-time study earlier in their lives).

Respondents confirmed that employability was a key driver: whether to gain promotion, an increased salary, change career direction or have an improved standard of living. While such aspirations figured strongly, especially for women, this was framed more in a personal sense of individual agency and career planning than policy discourses about graduate careers aimed at 21-year-olds. While the majority of respondents worked full-time while studying, only half studied a discipline related to their employment. Those who did saw benefits in being able to apply knowledge immediately to their professional environment, although they could be demotivated if learning did not align with skills needed at work.

But employability was not the only motivation. Significant proportions of respondents cited 'love of subject', the opportunity to engage with interests in the context of personal fulfilment and getting a chance to do something for oneself: making up for lost time, having 'missed out'. There were also comments around seeking to provide a good role model for their children. Additionally (particularly for older, 50+ students) intellectual stimulation was seen as driving higher education learning.

There were gendered subject choices: men tended to be upskilling in Engineering, Technology and Maths, while women were 'in love with' their studies in Humanities, Health and Education. Intriguingly, it was only in the visual arts that mature part-timers described higher education as transfor-

mative in lifestyle terms – something they had been steered away from by parents or employment prospects when young, but which now was, for them, closely tied to their sense of who they were. This belies the notion that so-called Mickey Mouse courses are unsatisfying or unpopular among second-chance students.

Despite policy discourses advocating (and indeed claiming) flexibility in higher education, the experience of part-time learners is that too often, institutions are intrinsically inflexible and fail to meet the needs of time-poor students juggling work commitments and caring responsibilities in busy complex lives. Students with disabilities or chronic health problems or with work or caring commitments were most likely to have missed a formal element of their course due to insufficient time:

It is demanding on top of a full-time job, especially when work commitments clash with deadlines.

The result is a diminished student experience. Generally, part-time learners felt they were unacknowledged as a student group by institutions, regarded as ‘an inconvenience’, as ‘shoehorned’ and ‘side-lined’ into one-size-fits-all systems aimed at full-time students:

The institution is not as adaptable as it might be to students who work full-time.

Too often, the communication from institutions to part-time learners was insufficiently differentiated or tailored, leaving them unaware of timetabling changes or prey to changes to programme structures which increased the length of time for which they had to study. Part-time students found it difficult to get to see tutors on dispersed campuses in the limited time they had available – they felt on the fringes when campuses were like ‘ghost towns’ in the evenings or at weekends.

As a part-time student you don't feel as valued as the full-time students – the lecturer is assigned late, VLE [virtual learning environment] not working, late notice of rooms, term dates.

Respondents felt it was unreasonable that tutors expected studying to be the first and only priority of part-timers:

being a Dad, married ... your personal circumstances are unavoidable and impact on study.

The benefits of peer learning, social support networks and pro-active institutional systems for pastoral care are well established in the literature on successful full-time study. However, part-time students tended not to interact with other learners, and were isolated from the student cultures and communities taken for granted by full-timers.

I wish I'd done it when I was younger ... I miss out on any beneficial relationships with other students, I feel isolated.

Many part-time learners did not identify themselves as ‘students’, often taking an ‘instrumental’ view solely in relation

to the benefits of having a NUS card, considering themselves 'too old' to be a real student – one of these was only 21, but perceived students as younger and full-time.

Some learners in full-time employment hid their student status fearing they would be 'found out' in their jobs. Others viewed their personal or professional identity as dominant, and were indifferent to their student identity, while a few expressed conflict around a deeper sense of being a 'lifelong or mature learner' rather than a student.

The problem with being part-time is that people assume they can come and steal your time...it takes a lot of changing your lifestyle, to plan not to be at everyone's beck and call.

Very difficult to do work and study at the same time. It's like having two different personalities...it's very challenging.

A minority took a more integrated view, in which a sense of achievement, commitment and excitement reflected a 'secret' student identity. Part-time learners with a disability were more likely to identify themselves as students.

While interviewees felt online and distance learning had advantages in terms of flexibility, they regarded it as requiring self-organisation, and carrying the risk of learner isolation or disassociation:

You do feel like you're at the end of a very, very long piece of thread away from where it's all happening.

Websites and traditional media are awash with information, advice and guidance aimed at 18-to-21 year old full-time students at traditional universities. Unfortunately, the complex needs of adult part-time students are ill-served: a particularly damning indictment is that 80 per cent of potential part-time learners were not aware that student loans were available for part-time study.

There is less opportunity for people to go and do things part-time – what if they want to go...and there is only full-time?

Respondents in this research relied on personal savings, and personal debt as well as their paid work. Part-timers needed financial, health-related and personal advice, as well as academic advice around qualification pathways, delivery mode and workload, but it was not always readily accessible.

Policymakers deserve to be held to account for the fact that young full-time students are unable to solve the skills shortage on their own as well as for the productivity crisis. The argument in the Leitch report that the workforce of 2020 have already been through education is truer than ever. The country needs to upskill and retrain adults, who often have no choice but to study part-time. The lack of attention given to nurturing a vibrant, accessible, viable and student-centred part-time sector has resulted in critical decline.

If policymakers listen to those part-time students resilient enough to persist, answers are available:

- Incentivise all universities to develop an attractive and flexible part-time offer through a refocused Student Opportunity Allocation, which could drive genuinely flexible part-time provision rather than *ad hoc* infill.
- Clarify the information advice and guidance aimed at part-time mature students in one place, so no potential learner is unclear about the funding available to support their studies.
- Support the aspirations of part-time learners across the UK equitably by fee subsidies and part-time maintenance loans (on which the likelihood of quicker payback is greater than full-time) to remove their fear of debt.

Widening-access policies that include the neglected part-time adult learner will result in increased upskilling and role models that more adults can aspire to, enabling them to transform their lives. Social mobility can be galvanised by an energetic part-time higher education sector. Such proposals would enable current barriers to part-time learning to be removed. Let us not forget: the majority of part-time learners are in employment and already contributing to the Exchequer.

6. The key to unlocking potential

David Hughes, Chief Executive of NIACE

'I always knew I was bright but thought the chance to better myself had slipped away forever'. These are the words of Lee Hughes, an Adult Learners' Week winner this year, explaining the impact for him of accessing higher education in his late 20s.

There are thousands of people like Lee, with the potential to progress further in learning and to reap the benefits. There are many reasons why a child might fall off the narrow conveyor belt taking them through the often turbulent teenage years, through GCSEs, onto A-Levels and then into full-time undergraduate degree study. Family breakdown, mental health, addictions, substance abuse, caring responsibilities and so on can, sadly, get in the way of a secure education; and they can certainly prevent young people, even those with great academic potential, from achieving enough by 18 or 19 to enter higher education in the traditional way.

Part-time and flexible opportunities to learn in higher education are often a lifeline for people who did not succeed at school. Those opportunities offer people a second chance to realise their potential and represent a fair society doing its best to support social mobility.

The fairness argument for more part-time and flexible higher education is a strong one. Then there is the compelling economic argument. Put very simply, we need more people to

attain higher-level skills if we are to compete in the global knowledge economy. There is good progress on this for young people, with participation rates for 18- and 19-year-olds at a record high. At the same time though, with an ageing society, employers will struggle to fill all of their jobs with young people entering the labour market after school or higher education.

The recruitment gap will not be bridged solely with immigration and we cannot afford to write people off so we need to look to the existing working-age population. Here there is some good news, because we can take steps to increase the employment rate of people in their 50s, for example. This is at 40 per cent currently, compared with 80 per cent for 25- to 49-year-olds, so there is clearly potential.

The nub of the challenge is that many of the new jobs will require higher-level skills and skills gaps are already evident at a higher-level in several sectors. The *Forging Futures* report from Universities UK and the UK Commission for Employment and Skills suggests that, by 2022, two million more jobs will require higher-level skills, and more than one-in-five of all UK vacancies are 'skill shortage' vacancies. So our economy and employers need more people already of working age, both active and inactive, to learn to higher levels. For the majority, this will require learning whilst juggling other responsibilities, particularly work and caring.

The fair and economic cases for flexible higher education are solid; the opportunities are not. The figures over the past few years have been moving in the wrong direction, with

reductions in opportunities nationally of almost 50 per cent between 2010/11 and 2013/14. It is worth noting that the collapse in numbers is more of a problem in England. In Wales, for instance, where there has also been a decline in numbers, the reduction has been much smaller (approximately 10 per cent over the same period) due in large part to a different funding regime.

The picture in England is even more worrying when geography is taken into account; most adults wanting to study part-time need to do that close to home and yet the pattern of opportunities across the country is uneven. Whilst this is partially off-set by The Open University, it is still the case that many adults simply cannot access the learning they want and need locally.

Three other factors compound the geography problem: level of learning; flexibility of the offer; and support for living costs. There was an 18 per cent reduction in part-time Foundation Degrees between 2012/13 and 2013/14 compared to a 7 per cent decline for undergraduate degrees. The focus on full undergraduate degrees at the expense of other qualification levels risks heightening the nervousness of potential learners taking out a loan. The prospect of committing to a part-time degree course lasting five or six years must be more daunting than a three-year Foundation Degree.

Perhaps the most difficult barrier for many people is that of flexibility. Too many of the part-time courses are inflexible. Instead they offer the same rigid structure, but just less of it

per week. Flexibility might include blocks of days each month rather than lectures scattered about across the week. It might involve more online work. It might mean evening sessions. Much of the part-time offering has none of this, creating huge barriers for many potential learners. There are exceptions of course, with colleges and universities offering different levels, progression and flexibility. There is simply not enough.

The third potential barrier is cost. For many people, studying part-time means a drop of income simply because it will require a drop in hours available to work. There may be additional costs as well, such as childcare, travel and study materials. Adults with other outgoings such as mortgages are likely to be more price-sensitive. For full-time undergraduates, there is access to loan finance to bridge the gap but for part-time students, where the gap is smaller and cheaper to fill, there is no support.

So what then needs to be done about this? There are four areas of policy and practice which need addressing: stimulation of demand; creation of new pathways; a more flexible learning offer; and the opening up of maintenance loans to part-timers. None of these is easy and none offers a silver bullet.

Much of the focus in the last few years about the reduction in part-time higher education has been on the supply-side or the problem has been brushed away by casual suggestions that the demand from learners has been satisfied. A lot more needs to be done to offer more flexible learning opportunities. The key is to engage employers in fully understanding their

medium and long-term workforce skill needs and working with them to support their existing staff as well as new entrants. This will need more employers to recognise their part in tackling the skills shortages and related recruitment challenges.

A demand-side and employer-supported articulation of the skills they will need over the next decade would provide stimulus for people of working-age to consider their own opportunities. That would, in turn, be a great basis for colleges and universities to design learning that is flexible and leads to clear job opportunities.

This more sophisticated and forward-looking view of skill needs must incorporate multiple pathways for learners, including apprenticeships, Level 3 and 4 qualifications, as well as Higher National Certificates, Higher National Diplomas and Foundation Degrees. Each of these should be viewed both as a destination of worth in its own right as well as a potential pathway to higher levels of learning such as full undergraduate and postgraduate degrees. At the local level, we need to make the pathways between institutions and qualifications much clearer and link them more firmly to the local as well as national and international labour markets. Local Enterprise Partnerships might be well placed to fill this role.

The lack of articulation between apprenticeships and higher education learning is unacceptable and damages people's social mobility. There needs to be far more emphasis on how an apprentice at Level 3 or 4 can progress into a part-time,

employer-supported higher qualification. Even better would be more examples of higher-level apprenticeships which offer a truly flexible, work-based pathway to higher-level skills. We have some good examples of this, but they are the exception rather than the rule. We know it can be done because some are doing it, but there are not enough.

The pathways to higher learning are critical. For another Adult Learners' Week winner, Claire Arnold, who left school with no qualifications, the journey to starting work as a fully-qualified teacher was tough. She said: 'I grew up feeling I wasn't as clever as others. I would never have dreamed of coming back to college.' Her path was through part-time, flexible and online learning, allowing her to juggle home, childcare and life with learning from GCSEs through to a second degree.

The need for more flexible learning is important in all of this. Flexibility is in part about the timing of lectures and tutorials, more use of technology and so on. Modular, flexible and part-time modes need to be more than simply smaller or slower versions of a full course. Another aspect of flexibility which needs more exploration is offering modules without the need for the learner to commit initially to the whole course.

There has been some experimentation with this, and there are good examples in some places. The ability to bank the credit and top it up to a full qualification later might help fit with other responsibilities as well as reduce the risk of taking out the loan. This approach is one NIACE is hoping to test at Level 3 and 4 learning for which people over 24 are now loan-

financed. We hope to trial it in London in the retail and health and social care sectors over the next 24 months.

Finally, more research is needed on the cost of studying part-time and whether access to maintenance loans to support those costs might stimulate demand. If we get the link to real jobs right, the return on investment should be strong.

The fairness and economic cases for more people having the chance to learn to higher levels make this issue a vital one. It is often the key to inclusive economic growth and it is vital to offer people the chance to realise their potential. We need a concerted effort, new approaches, local labour market engagement and policymakers across the UK stepping in with leadership and meaningful policy responses.

7. Helping employers help themselves

John Widdowson, Principal and Chief Executive of New College Durham and Chair of the Mixed Economy Group

The introduction of higher fees accompanied by higher student loans was expected by many to have a significant and adverse impact on higher education enrolment. This was seen as most likely to affect individuals and communities already under-represented in higher education. In the event, the picture emerging from the latest available data shows that for full-time students at least, those pessimistic forecasts have not come about. As far as part-time students are concerned, there is much greater cause for concern.

Since 2010/11, enrolment on part-time higher education courses has declined significantly. Numbers have fallen from 259,000 in that year, to 120,000 in 2014. Even more concerning, the number of students with direct financial support from their employers fell from 40,000 in 2011/12 to 23,000 in 2012/13, a figure which looks even more alarming alongside the fact that only around one-third of part-time students are eligible for student loans.

Many reasons have been advanced for this decline. There is perhaps an unsurprising link between the recession and the take-up of places by those in employment, particularly in occupations more usually found in the public sector. Most institutions chose to price their part-time provision *pro rata* to full-time equivalents, resulting in fee increases of up to 300 per cent. Some of the decline might be attributed to this, with

part-time students and their employers proving to be more price-sensitive than their full-time contemporaries. Ironically, the very success of the policy of recent Governments to expand full-time higher education may have had an influence, attracting students who might otherwise have considered a part-time route with employment. This has been accompanied by a shift towards enrolment on honours degree courses with a move away from short-cycle courses such as Higher National awards. Higher National provision is now increasingly found only in colleges of Further Education.

Studies by the Organisation for Economic Co-operation and Development (OECD) show that the decline is not just an English phenomenon. However, other studies by the OECD and UK Commission for Employment and Skills (UKCES) have identified a growing need from business for employees qualified at Levels 4 and 5.

Taken as a whole, these factors explain much if not all of the recent decline in part-time student enrolments.

Despite this, part-time study has many attractions for both students and employers. The increasing costs of full-time study with the removal of maintenance grants for students from lower-income backgrounds may encourage more potential students to consider the benefits of combining study with their chosen career. Such students can gain qualifications with little or no debt and also emerge with the experience and high-level skills that can only be gained in the workplace. Part-time study opens up opportunities for mature students who

missed out on the opportunity to study earlier in their lives or who see higher qualifications as a pathway to a better career. This could also be a major driver in making higher education accessible to those with family commitments or who are unable to relocate to pursue their studies.

A further benefit for the long-term health of the higher education system as a whole is the challenge presented to the traditional view that it is a once-in-a-lifetime experience, engaged in shortly after leaving school, preferably away from home. By working in local companies and living in their home communities, part-time students prove the value of studying at a higher level in businesses and communities otherwise left untouched by higher education.

Bearing in mind the conclusions of both the OECD and the UKCES and the fact that around 70 per cent of those who will form the workforce in 2020 are already in employment, employers should recognise the benefits of investing in a higher-skilled workforce. Making the link between higher qualifications and business success will be a major factor in securing more investment in part-time higher education.

Part-time students and their employers are more sensitive to the price of higher education. They are also more likely to look at the added value a course of study will bring, either to individual career prospects or business success. Fees must therefore be realistic and affordable. Simply making fees *pro rata* to the nearest full-time equivalent is an insufficient answer. Providers must take a realistic view of their costs, making full

use of online learning and the learning which takes place in the workplace. This will reduce expensive formal face-to-face delivery. It may also have to be accepted that the financial contribution expected of such provision will be lower than that drawn from full-time students. To balance this, the benefits of greater contact between local businesses and communities, combined with the potential for widening participation, should be taken into account. Institutions can become genuine 'anchors' in their regions through this longer-term approach.

There are also issues of curriculum design. In many cases, part-time courses are seen as diluted forms of their full-time equivalents, studied over a longer period by students whose need to deal with family commitments or the demands of a job puts them under different and arguably greater pressure than their full-time peers. Linking what is taught and learned on the job can be difficult (and expensive) to achieve. In response, part-time courses must be structured and designed in their own right, taking into account the different circumstances and characteristics of their students. To be credible they must reflect the learning and personal development that takes place in the workplace, using the experiences of students to make the curriculum relevant and up-to-date – and delivering on the original promise offered with the introduction of Foundation degrees.

Employers should be given a stronger voice and a greater role to mould part-time provision into a shape they recognise and which delivers the knowledge, skills and attributes they value. Particular attention should be given to the last two: the *CBI* /

Pearson Education and Skills Survey indicates that over half the businesses responding saw improvement in the business relevance of undergraduate degrees as their top priority. In return for greater involvement, employers can be asked to give more in the form of fee support for students, time away from work for study and improved access to facilities in the workplace for real-life projects. (Under one-third do so at the moment.)

Patterns of delivery, which in most universities have remained wedded to traditional models of terms or semesters, must also be questioned. Life outside those institutions rarely follows those patterns. More flexibility is essential, such as combining day and evening study with weekends, block sessions (whether summer schools or otherwise) and ensuring that course design is sufficiently supple to cope with individual and business needs. It is likely that some new entrants to the higher education world (often referred to as 'alternative providers') could be well placed to attract both students and employers as they seek to respond to their needs, unencumbered by a less flexible business model.

Providers must also embrace new models and approaches to higher education. In particular, the opportunities presented by Higher Level Apprenticeships and the greater role intended for employers in their design via the 'Trailblazer' approach must be seized. The introduction of levies and grants to support the delivery of this provision may encourage more employers to become engaged as stakeholders and investors.

The belief that higher education must always lead to a Bachelor degree must be challenged. As the OECD report indicates, employers have identified skills shortages at Level 5. For some students and employers, shorter-cycle provision such as Higher Nationals and Foundation degrees can provide the answer and at significantly lower cost.

Echoing the views expressed in the CBI / Pearson Survey, policy-makers must renew their efforts to improve the availability and quality of robust careers education, information and guidance. Students in schools and colleges must have access to impartial information: not just about traditional full-time routes to higher education but also other options which combine work with part-time higher education. A number of official inquiries have reported that the system is currently failing students.

Finally, such an enhanced level of individual support must be underpinned with a national campaign which demonstrates the value of part-time higher education to individuals and businesses alike. The effectiveness of such campaigns is illustrated by the success of that which accompanied the introduction of loans for full-time study.

Part-time higher education has been a neglected part of the landscape for too long. Rejuvenating the offer presents an opportunity to address some of the deep-seated issues which have beset the world of higher education for many years. It will also give part-time flexible study combined with employment the prominent place it deserves as a valid and valued choice for students and employers alike.

8. Local solutions for local issues

**Geoff Layer, Vice-Chancellor of the University
of Wolverhampton**

Higher education has traditionally had two roles in providing access to older learners, one being on a full-time basis and one being the provision of part-time programmes for those who could not or did not want to study full-time. Since the introduction of the increased fee regime in 2012, the number of new part-time entrants in England has reduced by 40 per cent and adult full-time participation has decreased by almost 10 per cent. Although it is impossible to separate these two issues completely, this chapter focuses largely on part-time higher education with some broader references to adult learning.

The decline in part-time learning is significant but the reasons are complex and, whilst there is much concern about the issue within the sector, there appears to be a general unwillingness to address it. One reason for the absence of a national strategy is that part-time students are not a homogenous body and so, in comparison with full-time students, it is difficult to plan on a sector-wide basis. Another reason is that most of the reduction is in study outside of first degrees and is assumed not to be as significant as we may think. There is also the factor that many part-time students are employed in, and funded by, the public sector and there have been significant cutbacks there.

Part-time study is defined by what it is not: it is anything other than full-time. It is a default definition, rather than a pre-determined and celebrated route. Part-time study covers people on day release, distance learning, study in the workplace and evening-only classes. It also covers study at different levels of intensity: for degrees, diplomas, certificates, or simply short modules for credit. All of these ways of studying have existed for years, but the higher education sector seems to continue planning on the basis of young full-time undergraduates who leave home to study on a residential basis. The key issue in terms of seeking to change the take up of part-time higher education is this: do we wish it to be seen as a crucial route towards economic growth and social change? Or do we wish it to remain what it has been for decades – part of a broader system planned for others in which they are simply tolerated or accommodated?

Individuals generally study on a part-time basis for one of four reasons:

- they delight in learning simply for the sake of learning;
- they balance study around their other commitments;
- they are seeking to secure a threshold qualification for employment purposes; or
- they are seeking to develop their skills and knowledge as a means of career advancement.

We have failed to take these people and their desire to progress and acquire new skills and knowledge into account in our rush to increase the number of easier-to-teach, easier-to-manage, income-stable and more homogenous full-time students. In the immediate post-war era, individuals often moved into the professional classes through night school following a day's work, to become – say – an electrical engineer, an accountant, a civil engineer or a chemist. Today, those routes often do not exist, except amongst rapidly growing global economies where the individual desire to succeed is paramount. Part-time vocational higher education has served us well over the decades but we are now in danger of losing it.

The funding of part-time higher education is often seen as the key issue. Traditionally, it was funded by public grants based on the number of students studying proportionate to a full-time student. Although the current system can handle supporting full-time students with financial support relatively well, part-time students have more complicated lives, which makes them less predictable and the system struggles to support them. At the time of introducing the new higher-level fee of up to £27,000 for a three-year full-time degree, the Government did not really consult or think through the implications for part-time study. Consequently, when universities are faced with no public funding and only fee income for part-time students, they have little option but to raise the fee to cover the cost, and that is a big bullet to bite with an ineffective set of loan arrangements that have been cobbled together to fit within the full-time model.

Universities come from many different heritages but many can trace their roots back into the 19th century and investment from industry in order to develop and equip the workforce of the time – for example, the steel industry in Sheffield and textiles in West Yorkshire. Alongside that is a sense of civic pride and a clear role in the community.

In 2002, Ron Dearing claimed: 'Just as castles provided the source of strength for medieval towns and factories provided the prosperity in the industrial age universities are the source of strength in the knowledge based economy.'

However, when we look at the changes within universities, and life generally, we have narrowed and centralised the curriculum offer at a time when people have busier lives than ever before, and are not as prepared to trail into city centres after work to study. We have reduced the part-time offer, increased fees and required part-time students to fit into a timetable that is designed for full-time study, and we have assumed the curriculum interests are always the same as those of full-time students. Much of this is driven by a need to be efficient and to maximise a declining resource base as the central funding contribution was removed.

The evidence demonstrated by the decline in numbers shows that a national market-based system based on individuals paying all the costs simply does not work.

We are talking about a crisis, but one that is masked by the popularity of full-time study and its resilience to fee increases.

The real impact will gradually become overwhelmingly apparent as the global skills gap widens.

The Westminster Government and surrounding think tanks have never really understood part-time study. Even the emerging proposals for the Teaching Excellence Framework reflect the extent to which policymakers plan on a full-time only basis, as the various metrics under discussion take less account of part-time study and will have to be made up or be so loose that they are not robust.

The Government's answer is to invest in apprenticeships. This is welcome but it can only be part of the equation, not the only solution, as apprenticeships are geared towards one particular model of study. There is also a desire for employers to pay for the cost of their workforce development, which is a perfectly reasonable proposition but one that has been shown to reflect short-term needs and has never led to sustained success.

I work in a geographical area which currently has one of the highest proportions of adults without any formal qualifications in the UK, where the adult learning budget in colleges has been slashed – one local further education college's non-apprenticeship adult funding has fallen from £7.2 million in 2013/14 to £4.8 million this year – where unemployment is high and school attainment relatively low. But it is also a significant industrial conurbation, which accounts for 20 per cent of the UK's aerospace industry, 20 per cent of UK food and drink production, and a big new Jaguar Land Rover engine plant. However, many of the jobs go to commuters from outside of

the area due to the skills gap. This is sustainable only in the short-term, as we will not have healthy and economically active communities if we do not address this learning and skills deficit.

So the way forward in these days of austerity is to be creative, flexible and responsive. In England, let us look to the Local Economic Partnerships (LEPs) for the answer. Let LEPs determine the economic needs of the area they serve and devolve to them the adult learning budgets. This will mean delivering at the point of need, with partnerships and collaborative working. The University of Wolverhampton has teamed up with the Telford College of Arts and Technology and Telford and Wrekin Council to establish the University Centre Telford, a new town centre facility enabling access to classes and learning at a venue people can easily get to and where the curriculum is determined by need. The University Centre Telford also places a focus on non-degree work, where most of the decline nationally has been. If, at the same time, the LEP is able to take responsibility for the distribution of apprenticeships and to access the proposed training levy on employers as part of a funding package, then we will start to see a joined-up approach to planning and delivery with employers, colleges and universities working together.

Of course, many will say that this simply addresses the economic growth agenda and does not take into account the need to invest in learning more generally as a means of boosting communities and social change. That is true, but such centres need to be established first in order to broaden

out. When universities had extramural centres, they served a fantastic purpose but they were always at the margins of the institution, given the financial base of higher education. There is clearly a role for such an offer, but consideration is required on how the university seeks to engage with its communities, which will be different according to the university and the context in which it operates.

In order to ensure that we deliver the sort of societies that both Dearing and Robbins espoused, we also need to see investment in adult and lifelong learning. The ideological gap between the Department for Education and the Department for Business, Innovation and Skills does not help as both leave it to the other. It is well established that intergenerational and family learning raise aspirations and attainment for all. So we need partnerships between schools, colleges and universities to develop learning communities in local settings. This will require a move towards more joined-up thinking, which has long proved challenging in Whitehall – so it will be interesting to see if greater devolution brings more coherent policy.

In conclusion, the issue of part-time study is too complex for national planners without significant public investment. It is up to universities to take hold of the agenda and for the Government to encourage its various funding streams to respond positively to local issues with local solutions.

9. Recovering from ELQ: A Cambridge view

Rebecca Lingwood, Former Director of the University of Cambridge Institute of Continuing Education, Maddingley Hall

Having just completed six years as Director of the Institute of Continuing Education at the University of Cambridge, and now in my first weeks as Vice-Principal (Student Experience, Teaching and Learning) at Queen Mary University of London, I am able to reflect on a period of significant change for part-time adult education.

I took up the Directorship of the Institute of Continuing Education in October 2009, moving from Oxford University's Department for Continuing Education. In both places, the 2007 Labour Government's ELQ policy, which phased out funding for students studying for a qualification at the same or a lower level as a previously-held qualification, had a dramatic effect.

The ELQ policy had a stated intention to focus government funding on students who had not already had any experience of university education and claimed that this supported the recommendations of *The Leitch Review of Skills*. This focus was intended to improve the skills of the UK workforce and thereby better meet employers' requirements. The Government aimed to transfer £100 million of funding from institutional support for ELQ students and fund 20,000 extra first-time students. At the time, there was great concern about the perceived lack of consultation and there was doubt from

some in the sector that there was a demand of sufficient scale from suitably-qualified potential first-time entrants at Level 4. Furthermore, there was significant debate over whether the policy supported or contradicted Lord Leitch's conclusions regarding skills and lifelong learning and the need to nurture talent.

The ELQ policy was not specifically targeted at continuing education, lifelong-learning or part-time students. Nevertheless, the effect was most harshly felt by these constituencies because the greatest numbers of students already holding university qualifications were those studying later in life, often part-time while working, for career development or diversification. The Open University and Birkbeck College were hardest hit financially by the ELQ policy but the effects were felt much more widely in the sector, particularly those with high levels of activity in adult part-time education such as the Universities of Oxford and Cambridge. For example, Oxford came fourth on the list with a withdrawal of funding of £4.1 million per annum. Transitional funding was provided and some disciplines were excluded from the policy as so-called strategically important and vulnerable subjects (SIVS) but still a great amount of university continuing education activity shut down after the introduction of the ELQ policy in 2008/09.

I joined the Institute of Continuing Education, therefore, at a challenging and pivotal time. The withdrawal of funding necessitated a thorough analysis of the operations to evaluate the ongoing viability of the country's oldest university department

of continuing education (established in 1873). Government funding had only been available for credit-bearing courses and so the withdrawal of funding meant that there were opportunities to restructure some courses, where appropriate, as non-credit-bearing, which reduced the costs of delivery.

The actions we took included:

- raising student fees to cover costs fully;
- reducing delivery costs;
- consolidating the portfolio in some areas and extending it in others; and
- diversifying the activity.

Specifically, we closed our so-called regional programme of courses delivered in towns and villages in the region, which were costly to deliver and were not really sustainable for the Institute of Continuing Education at the pre-ELQ heavily-subsidised fee rates and were definitely not sustainable for students at the fee levels we would have had to charge to cover the costs. This was a difficult change to accept for some but was alleviated to an extent by the increasing provision in the region by others such as the University of the Third Age (U3A) and the Workers' Educational Association (WEA). This consolidation allowed us to focus attention on teaching and learning that was both informed by, and integrated with, research and teaching elsewhere in the University. We capitalised on the academic strengths and expertise that

characterise Cambridge. We also developed our online short courses and blended programmes to give us a greater geographical reach, and we introduced many more science courses to complement our traditional arts and humanities portfolio.

The Institute of Continuing Education has deliberately taken an alternative approach to Massive Open Online Courses (MOOCs) in the development of its online courses, with short online closed courses (SOCCs), giving students direct contact and interaction with academic tutors. This approach, via small group teaching mirrors the Cambridge supervision style and adds greatly to the learning experience. Student feedback and completion rates are high and these non-credit-bearing courses operate on a clear and viable financial model, which again differentiates them from many existing MOOC ventures.

A major strand of work that strengthened the role of the Institute of Continuing Education and the profile of part-time students in Cambridge was winning a strategic and leading role for the Institute of Continuing Education in all the University's Master of Studies (MSt) degree programmes. This role comprises advocacy for part-time students, offering many Master of Studies programmes directly and also acting as the University's administering body for those led by other departments of the University. The Master of Studies programmes (by definition, Cambridge's two-year part-time degrees) are designed for individuals who are typically studying in addition to working full-time, allowing students

to develop their professional and academic interests for career progression or diversification or personal development. The modular structure of consolidated teaching blocks enables students living farther away from Cambridge, including international students, to participate.

An important factor is that the Master of Studies programmes are not simply full-time programmes studied on a part-time basis; they are specifically designed as part-time programmes and to be flexible and accessible to accommodate the needs of working professionals, while maintaining the standards of Cambridge's full-time Master's degrees. Significantly, the Master of Studies concept is that they are research-informed. This means that their development may be pump-primed as part of a research grant as a means of disseminating the research outputs (such as a pathway to impact), strengthening a grant proposal but also financially enabling the course development and reducing the necessary recouping of development costs from student fees. Furthermore, the interactions between academics delivering the programmes and students and their employers can lead to research collaborations that might otherwise not have happened, and the resulting research outcomes can be fed into the Master of Studies programmes, creating a virtuous circle of research-informed teaching and professional practice. The modular structure of the Master of Studies, of course, gives further opportunities for sharing with other programmes and also offering standalone continuing and professional development courses. Many of the recent such developments

have resulted from closely integrated work with the School of Clinical Medicine and Cambridge University Health Partners to support the sub-specialty training of medical and allied health professionals.

While many of the introductions and changes in the last six years have necessarily had to have a firm financial underpinning, the Institute of Continuing Education's contributions to the University's public engagement activities (free to the recipients) have increased significantly, and the Madingley Lectures have attracted a total (physical) audience of over 2,000 people since their initiation in 2011 and over 100,000 downloads of the videoed lectures, some of which are being used as open educational resources by others internal and external to the University. We recognised the importance of these public engagement activities, even in times of financial constraints, for the value they add to the life of the Institute and wider University, and also for the measurable ways in which they have raised awareness of what the Institute of Continuing Education does, and they have led to attendees going on to study with us.

In the last six years, we have also been able to diversify operations at Madingley Hall, the Institute of Continuing Education's headquarters, and invest in the infrastructure to maximise use of the facilities for our own courses while also creating additional revenue streams from conferences and events, bed and breakfast guests and from other appropriate uses of the beautiful and conveniently located Cambridge

venue. What is pleasing to note, given the Institute of Continuing Education's mission, is that, as planned, our own courses are now taking a greater and greater proportion of the Hall's capacity.

Back in 2009/10, with these mitigating actions proposed and a robust five-year strategic and implementation plan, the University was reassured that its desire to adhere to one of its missions, namely to provide an education that enhances the ability of students to learn throughout their lives, was possible via the Institute of Continuing Education. Furthermore, it was convinced that the Institute of Continuing Education, in its new guise, offered opportunities to develop innovative courses and programmes of study fit for future demands, and that the Institute of Continuing Education would be increasingly able to support itself fully. This trust and support has been justified by the growth and successes over the intervening years.

Unlike the sector generally, there were year-on-year increases in total student enrolments, which are currently over 6,200 per annum, but, of course, this includes students studying non-credit-bearing short courses as well as those studying for the expanding range of undergraduate-level and postgraduate awards and on part-time Master's programmes. Importantly, numbers on award-bearing undergraduate and postgraduate programmes have increased significantly too. As these are standalone part-time programmes (not variants of, or co-taught with, full-time Cambridge degrees), we did

not peg the fees, for example, of our one-year undergraduate-level programmes to the *pro rata* full-time tuition fee of £9,000. Moreover, the introduction of part-time student loans and, importantly, the introduction of bursaries using funds held by the Institute of Continuing Education and from external sponsors and donors have allowed us to offer accessible alternatives to those not wanting to embark on the more traditional full-time routes.

Through a lot of hard work and willingness to engage with the changes required to move at a faster pace and in different modes, together we emerged out of the ELQ era far stronger and more resilient than we were. On reflection, therefore, I think that, at least in the case of the Institute of Continuing Education and Cambridge's approach to part-time study, the post-ELQ environment is not nearly as bad as might have been predicted a few years ago.

10. Bucking the trend: Part-time Master's students at the University of Northampton

Nick Petford, Vice Chancellor of the University of Northampton, and Nick Allen, Executive Officer

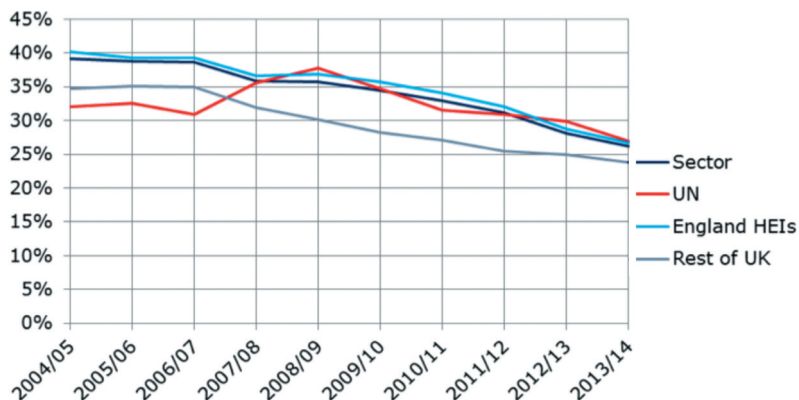
Much has been written on the significant changes introduced by the Coalition Government on higher education funding in England. Most of the focus has been on undergraduate funding and the long-run costs associated with the switch to student loans. However, concern has been growing over the impact, both in the near term and further out, on postgraduate study. These concerns are not just financial and include potential inequalities arising from the fees regime. This is because fees are unregulated and paid up front, considered by many to be a major deterrent, especially to part-time postgraduate students (generally on taught Master's courses). Attempts to address this barrier to study surfaced in the Autumn Statement of 2014, with a proposal that graduates on taught Master's, either full-time or part-time, and under the age of 30, could borrow up to £10,000 towards their education through an income-contingent loan comparable with the support available to undergraduates.

In this article we look at the changes in patterns of recruitment of part-time post experience and Master's students to the University of Northampton since 2004 and show how we have bucked (in part) the downwards trend by developing niche markets in specialist areas of provision. There is an alternative student funding stream through credit unions and crowdfunding.

The modern University of Northampton, which celebrates its 10th anniversary in 2015, is an amalgam of several specialist colleges. It is distinguished as possibly the only university ever to have lost its title by a King, when in 1265 Henry III abolished the ancient seat of learning, only to be subsequently re-established seven centuries later by a Queen through the Privy Council. Our roots in vocational subjects including teacher training, healthcare, crafts related to the Northamptonshire boot and shoe industry and specialist engineering are relevant in this context.

We have long sought to meet the needs of part-time students through modular programmes. However, this approach alone does not guarantee success in recruitment. Analysis of internal data showing the proportion of part-time enrolments from 2004/05 to 2013/14 is shown in the chart. Note the longer-term sector trend since 2005 is downwards and started before the new fees regime. The proportion of students studying part-time qualifications at Northampton was below the sector norm until 2006/7, when over a period of two years, our percentage of part-time students increased by around 7 per cent before tracking the sector's gradual decline, from around 35 per cent to 26 per cent over the next five years. The brief spurt in growth at the University can be linked to delivery of post-qualifying (post-experience) qualifications, particularly engineering and leather technology, both of which are niche areas with strong industry links.

Part-time, Full Person Equivalent enrolments as % of total FPEs at the University of Northampton (UN), 2004/5 to 2013/14



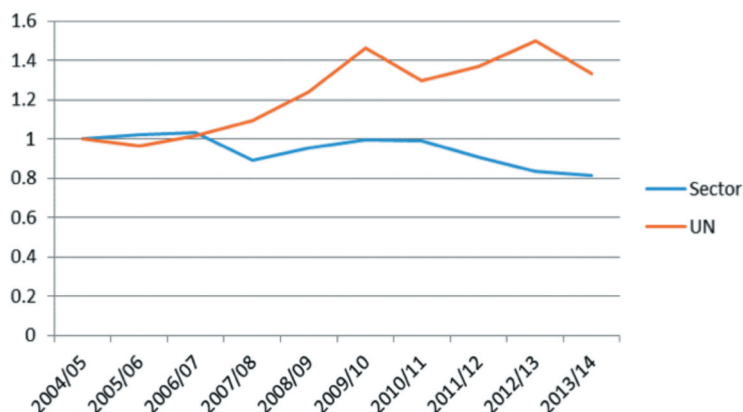
Other post-experience qualifications also contributed towards this increase, such as: the Master's in Business Administration and Association of Chartered Certified Accountants (ACCA) qualifications; the Early Years Professional Status qualification for those employed in nurseries and early years' settings; and teacher training for the post-compulsory education sector. Furthermore, the University was also awarded a contract to deliver postgraduate qualifications for those working as primary school teachers in English and Mathematics, which added to the part-time population within the University for a time.

Although there have been changes in government policy and funding constraints for those working in the public sector, these qualifications continue to be successful and we

are validating other postgraduate programmes for primary school teachers in Computing and Physical Education. Similar initiatives are underway in Healthcare. This upskilling of public sector employees is important regionally and one of the growth opportunities in part-time study for the University.

Part-time student enrolments at postgraduate taught level, have declined nationally by around 20 per cent since 2004/05, most notably from 2010/11 onwards. In contrast, enrolments at Northampton have increased, most significantly after the introduction of the new fees regime. Why? The University numbers are relatively small and start from a low base, so any normalised variance looks large in comparison to the sector as a whole, but the increase is real and relates in part to changes in delivery of some of our industry-backed courses – notably in leather technology where we split up a year-long MSc course into discrete chunks with the option of work-based study and distance learning. These and other innovations in delivery have proved attractive to employers who struggle to release staff over long periods of time. We see attractive opportunities to work closely with our industry partners to develop more bespoke further learning programmes, including higher-level apprenticeships, that meet workforce demands and open up new markets in part-time Master's study.

Normalised part-time postgraduate taught student enrolments in the UK and part-time postgraduate taught student enrolments at the University of Northampton (UN), 2004/5 to 2013/14



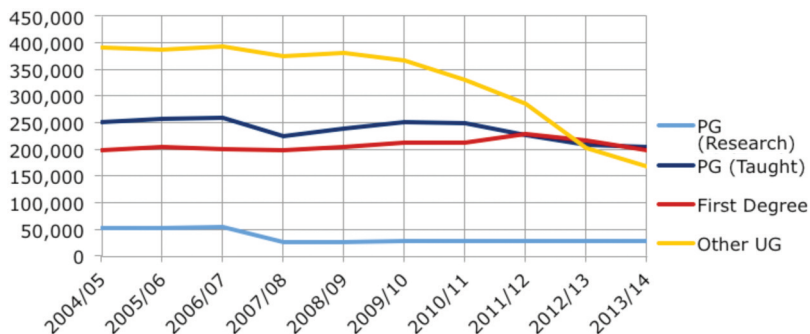
We are currently exploring ways to use our in-house Changemaker Credit Union, part of Northamptonshire Credit Union, to provide student loans. In a pilot study, donors, in this case the University, deposit funds into an account which is used to underwrite postgraduate loans to pay course fees. Students can access Credit Union loans without having to save first and the student spreads the cost over the period of study – or beyond if they commit to saving regularly with the Union. We offer the loan at an annual percentage rate (APR) lower than a high street commercial rate for students with little or no credit history of their own and we are currently working with other higher education institutions on a

national credit union initiative, given the potential for post-graduate support loans.

Crowdfunding offers another route to paying fees and has been used already, most notably in the United States. The crowdfunder.co.uk website highlights some innovative examples of crowdfunding within UK universities, which includes raising money for tuition fees and living expenses. Where it has worked it seems that substantial amounts can be raised quite quickly and anecdotal evidence suggests that recipients are inclined to study harder than they may otherwise do, so as not to let down their financial sponsors including family and friends. However, this route to finance requires a highly entrepreneurial mindset, not to mention willing donors who see an attractive proposition, and is unlikely to be widely used, at least in the immediate future.

Part-time study is clearly beneficial, both to individuals and their employers through skills development and increased productivity but also as a revenue stream to providers. Seen in context, the various modes of part-time study at UK higher education institutions, with the exception of other undergraduate qualifications at Levels 4 and 5 (such as Certificates and Diplomas in Higher Education or equivalent), do not appear particularly volatile over the medium term.

Full-Person Equivalent part-time student enrolments to UK higher education institutions by entry route, 2004/5 to 2013/14



However, the decline in postgraduate taught provision from 2010/11 has likely cost the sector something in the region of £450 million in lost income. This, at a time of other pressures on income streams and the potential of further deregulation and marketisation, means universities must adapt quickly to new modes of delivery and take advantage of new ways to finance part-time study, either those proposed by the Government or innovations closer to home such as the credit union model outlined above.

As postgraduate fees are unregulated, institutions are free to offer a range of financial discounts or other bundled services that might prove attractive. Indeed, high-brand institutions may decide a higher fee is appropriate where there is excess demand. As a recent study by the Institute for Fiscal Studies

points out, because the majority of postgraduate students are expected to repay their loans in full, the risks (in terms of cost to Government) of postgraduate funding are likely to be different to undergraduates, even though loans are likely to be repaid concurrently.

In summary, while we are concerned that Government policy is damaging the part-time market, universities need to do more to help themselves. Post-austerity relaxations in policy might result in more generous support. But for now, innovations in both delivery mode and options for finance are needed urgently to halt overall decline.

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Full-time student numbers were barely affected by the increase in undergraduate tuition fees in England from 2012. But part-time student numbers – which were already declining – tumbled fast. Ever since, fewer people have transformed their lives through part-time study and this is having a negative impact on the economy.

There has been a shortage of good ideas on how to tackle the problem. This collection of essays includes a wealth of information about what has happened and proposes numerous policy options for the future.

The decline is unlikely to be reversed without better financial support for part-time learners, but the chapters also highlight how better course design, more employer engagement and improved information could all be part of the solution too.

HEPI was established in 2002 to influence the higher education debate with evidence.

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