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Private Higher Education Providers in the UK: Mapping the Terrain

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Why study private providers of HE?

- 2016 White Paper, *Success as a Knowledge Economy*, sets out government's intention to **foster the growth of private providers of higher education**

- Underlying (and highly questionable) assumption is that:

  "**Competition** between providers in any market **incentivises** them to raise their game, offering consumers a **greater choice of more innovative and better quality products and services at lower cost**. Higher education is no exception." (DBIS 2016: 8)

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CGHE Project 3.1

No official record is kept concerning private HE
(level 4+, No HEFCE, or equivalent body, funding)

A comprehensive web-based survey - census - of private providers of higher education in the UK.

- Data from each provider's web-site, & relevant details from

- Companies House and/or the

- Charity Register.

- HEFCE register

- Also gathered were the results of any QAA review.

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Table 1 : Sources for final list of private providers 2017

1	2014 list of private providers (Shury, Adams, Barnes, Huntley Hewitt, & Oozeerally, 2016)
2	HEFCE UG & PG approved providers alternative (Hefce, 2017)
3	PFE Education Oversight (PFE, 2107)
4	Accreditation Service for International Schools, Colleges & Universities: (ASIC, 2017)
5	Home Office Tier 4 approved providers from 2017 pdf list:(GOV.UK, 2017b)
6	QAA Educational oversight - Programme of reviews (QAA, 2017):
7	Listed Bodies (GOV.UK, 2017a)
8	BAC UK list of providers (Gould, 2017)
9	ABCC – correspondence colleges(ABCC, 2017)
10	Attendance list of Independent Higher Education conference 2016
11	List of professional associations in the UK, each entry checked for any associated accredited providers (31 August, 2017): https://en.wikipedia.org/wiki/List_of_professional_associations_in_the_United_Kingdom
12	Lists for UK approved apprenticeship providers. England: Education Skills Funding Agency (ESFA, 2017)
13	Lists for UK approved apprenticeship providers. Scotland: Skills and Development, Scotland, (SDS, 2017)
14	Lists for UK approved apprenticeship providers. Northern Ireland: Department for Education (DfE NI, 2017).
15	Lists for UK approved apprenticeship providers. Wales: Welsh Government (GOV.WALES, 2017).
16	A Saatchi Gallery maintained list of active Art and Design Schools (Saatchi Gallery, 2017).
17	All institutions that had Tier 4 sponsorship entitlement removed between 2010 - 2014: The great majority of the institutions on the list had ceased to exist.

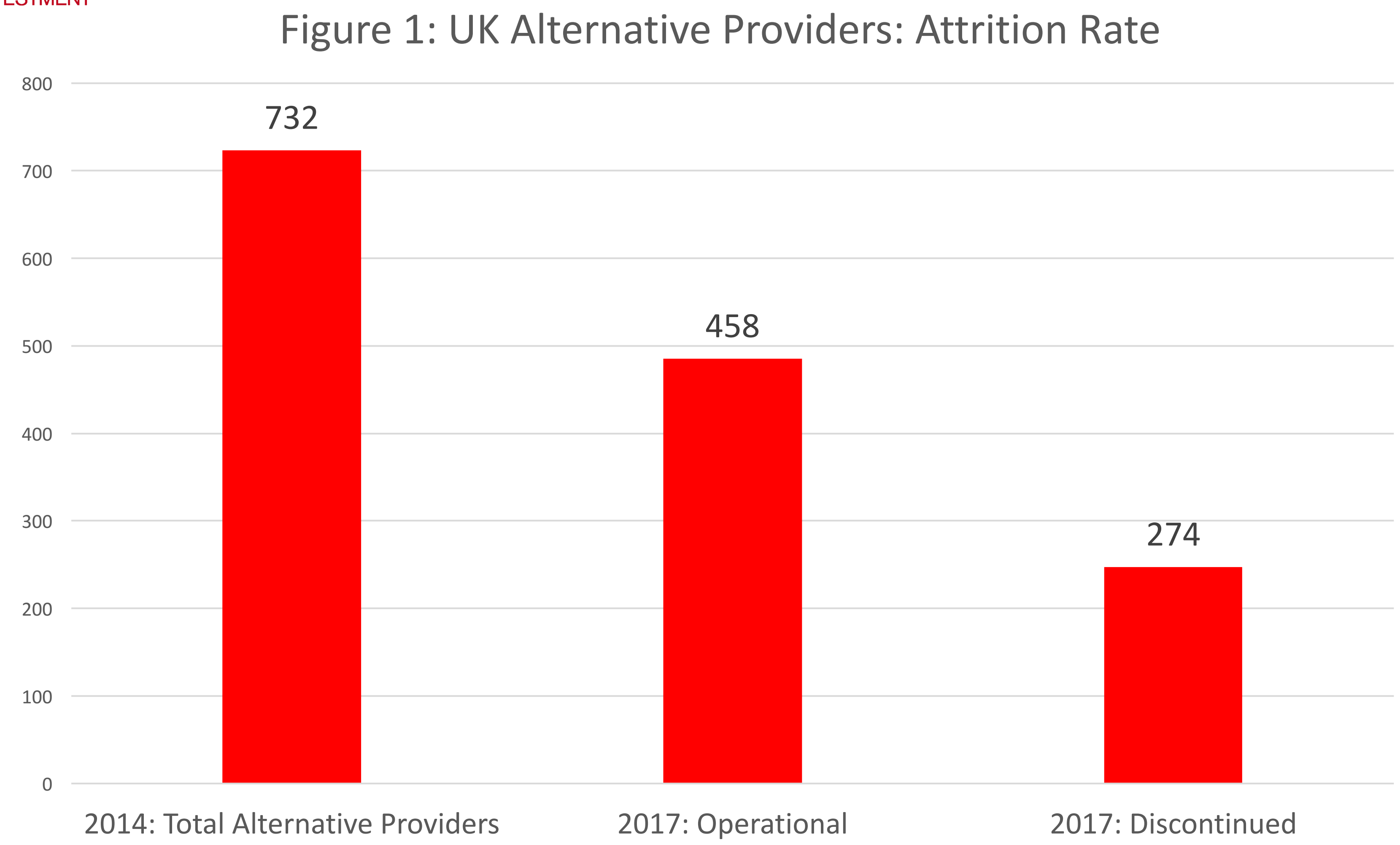
Questions included

- foundation date
- location
- subjects & level offered
- details of the highest level course offered (cost, delivery, part / full-time…);
- external validating/ accrediting relations;
- external inspection e.g. QAA
- Tier 4 sponsorship

- missing - data on student numbers and faculty.

The results of the survey – or census – indicated that there are an estimated 970 private HE providers operating in the UK in 2017

This figure is likely to be revised down after a series of data quality checks are completed.



Of those providers identified in 2014 which were no longer in operation in 2017, 164 were listed as dissolved at Companies House; and 66 had simply vanished, leaving no trace. Additionally, 44 were still in operation but not providing courses at HE level.

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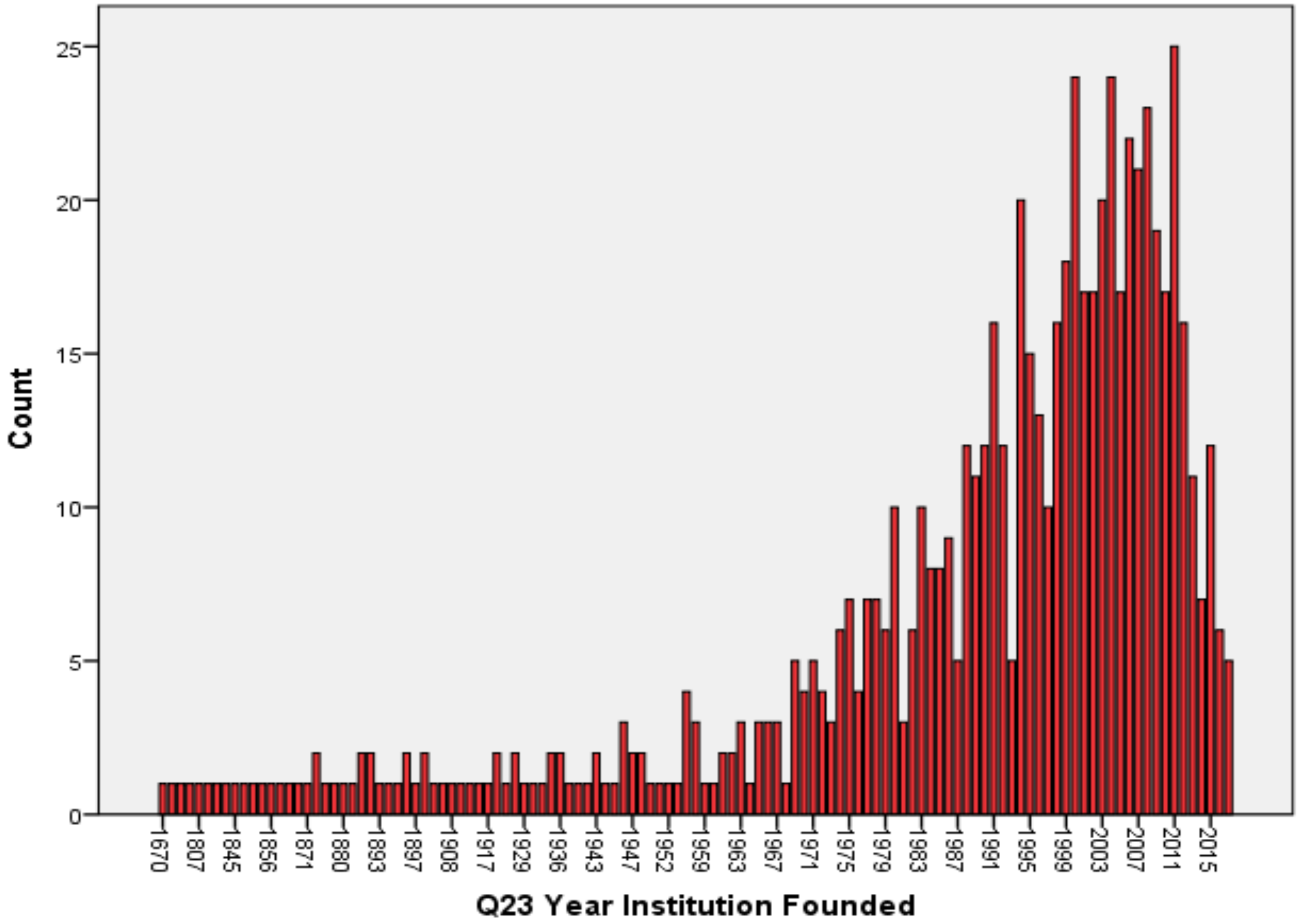
Figure 2: Year Institution Founded N = 679



Approximately 50 per cent of the institutions are 20 years old, or less.

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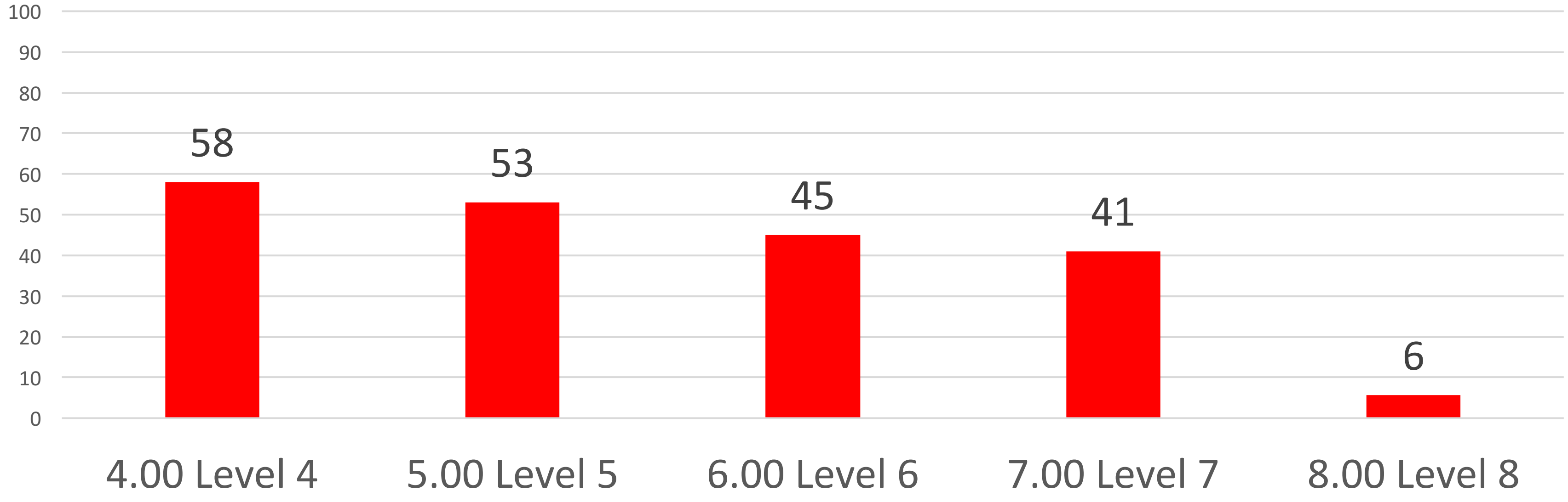
Figure 3: Percentage of providers offering each qualification level: N = 920



- About 45 per cent of all providers offered level six qualifications, only around 20 per cent of all providers offered Bachelor degrees at level six.
- Although 41 percent of all providers offered level seven qualifications, only 57 per cent (230) also offered qualifications at level six.

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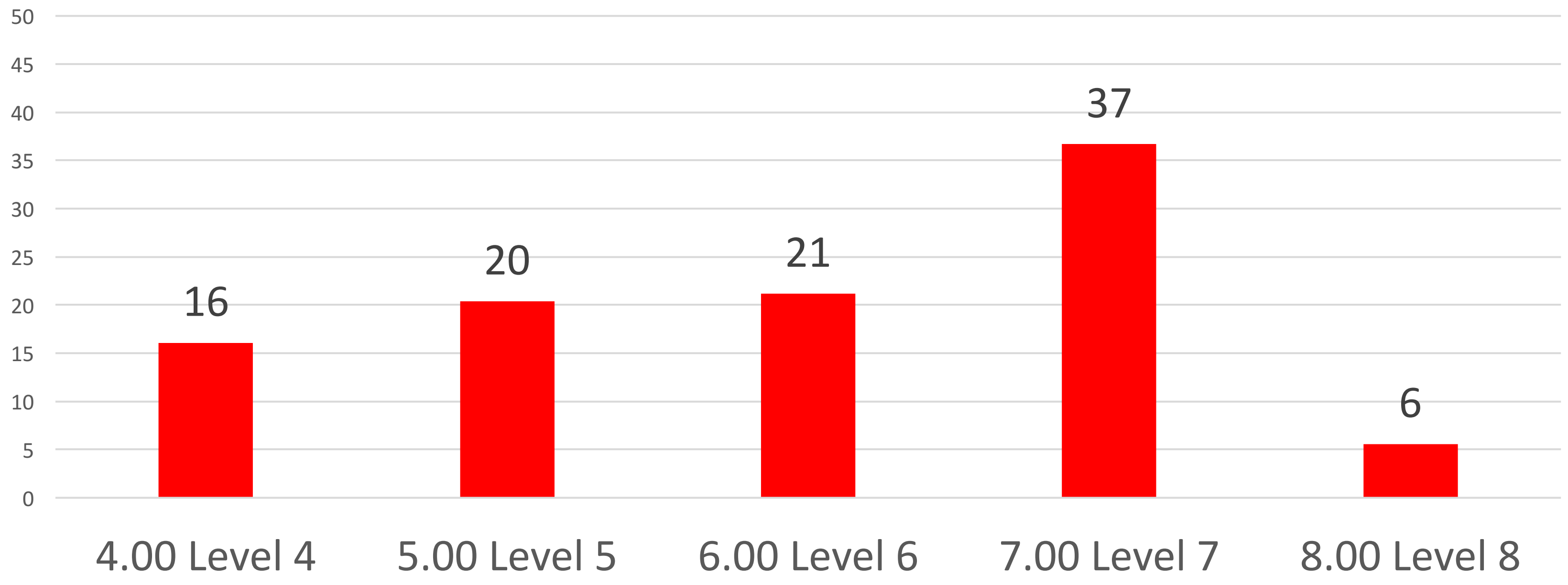
Figure 4: Highest level of qualification offered



There is a clear concentration on post-graduate provision (level 7), rather than undergraduate: in the case of 122 providers offering level seven, level six is skipped altogether.

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Subjects

Over fifty per cent of the providers offer courses in Business/Management, the subject with by far the greatest prevalence through-out the private provider sector.

The Shape of the Private HE Sector

Most providers are small scale, and operate for profit: 70 per cent (612) were private limited companies (i.e. for profit), 20 per cent charities

The attrition rate suggests an inherent element of instability in the sector

Subject & Qualification levels offered seem to reflect the traditional of concern of private providers, which is concentrating on vocational qualifications, often offered to those seeking professional development.

Only marginally concerned with standard undergraduate higher education

The Future of the Private HE Sector

The changes to the intended by the recent legislation should be immanent, if they are to have any effect at all & will need to effectively transform the sector if it is to deliver on the governments vision.

The challenges faced by the private sector in delivering large scale undergraduate education

- quality of provision
- rates of completion
- misuse of public funds
- sudden provider exit,

….are yet to be met.

Table 2: Private Universities/ Colleges in the UK 2018

Institution	Founded	Title granted
University of Buckingham	1973	1983
BPP University	1976	2010
University of Law	1962	2010
Arden University (formerly RDI)	1990	2015
Regents University	1984	2013
University College of Football Business (UCFB)	2011	
University College of Estate Management	1919	2015
The Ashridge		-
London Institute of Banking and Finance	1879	2013*
University College of Osteopathy	1917	2017

Private HE Regulations

The private higher education sector in the UK is subject to few regulations, and little government oversight.

Degree awarding powers and the titles “University” and “University College” are legally protected.

There are five private universities in the UK. There are four University Colleges; and a further institution with degree awarding powers.

Restrictions also apply to the 115 alternative - mainly private - institutions eligible to enrol students with publically funded loans i.e. that have course designation.

Other than this no official record is kept concerning private HE.

Purported benefits of private HE providers

Growth of private providers anticipated by UK government (DBIS 2016: 9) to :

- drive up **teaching standards** overall (assumes more providers → fiercer competition on quality)
- enhance the **life chances** of students (assumes obtaining HE credentials → higher wage)
- help drive **economic growth** (assumes more graduates → greater national productivity)
- be a catalyst for **social mobility** (assumes more HE places → wider access)

Alternative providers themselves thought to be:

- more **agile and responsive to economic demands**
- more able to offer **flexible provision to different types of students**
- key to meeting continued **demand for more highly skilled employees**
- key to continuing to meet the needs of **international students**

The possible ‘cons’ of private HE provision

Some evidence that some private provision entails:

- Lower **quality** of provision
- Lower rates of **student completion**
- Poorer graduate **labour market outcomes**
- Sharp **practices** e.g in relation to student recruitment
- Misuse of **public funds**
- Sudden provider **exit**, leaving students stranded

(Hunt, Callender and Parry 2016; NAO 2017; PAC 2018)

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Pedagogic Standards

Although less than 40 per cent of providers have had any kind of external inspection

70 per cent of providers claim their institution has some validating arrangement with external institutions, 44 per cent of which are with universities.

In the absence of state oversight of private providers, publicly funded degree awarding institutions and professional bodies may have served to maintain pedagogic standards, if not the financial stability of the private HE sector.

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Level of qualification offered by private providers in the 2017

- Providers were more like to offer lower level qualifications (levels 4 and 5) than higher level ones (levels 6 and above)

- About 45 per cent of all providers offered level six qualifications, only around 20 per cent of all providers offered Bachelor degrees at level six.

- Although 41 percent of all providers offered level 7 qualifications, only 57 per cent (230) also offered qualifications at level 6.

Private Providers in Operation in 2017

Most providers are small scale, and operate for profit: 70 per cent (612) were private limited companies (i.e. for profit),

Twenty seven per cent were private companies were limited by guarantee/ private limited company by guarantee: a structure used by not-for profit institutions.

There were also 207 (20 per cent) listed as charities, of which 184 had a registration at Companies House as well.

Thirty seven per cent of the sector offer level five or below, and sixty three percent of providers offer level six or above.

The highest qualification level offered that has the greatest prevalence is level seven: not all providers that offer level seven offer level six: in the case of 122 providers, level six is skipped altogether.

Only about 45 per cent offer level six qualifications. Furthermore, only 20 per cent offer traditional Bachelor degrees.