

The Strange Death of Number Controls in England: choice and competition in a marketised system

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Abstract

In 2011 the UK Government introduced a reform to the system of student number controls (SNCs) designed to create a market distribution in full-time undergraduate places at English higher education institutions (HEIs) from academic year 2012/13. Around a third of places were removed from core allocations (the SNC) and institutions could recruit as many 'higher achieving' students as they wished. The changes were introduced by the Department of Business, Innovation and Skills (BIS) as an attempt to further increase choice for students and competition amongst higher education providers. This market intervention failed to lead to large scale redistribution and the policy was abandoned in December 2013, to be replaced by an uncapped system from 2015/16. This paper, based on survey and interviews evidence with key HEI policymakers, explores reasons for the demise of SNC through an examination of institutions' strategic responses to SNC and their changing marketing practices.

Summary

In 2011 the UK Government introduced a reform to the system of student number controls (SNCs) designed to create a market distribution in full-time undergraduate places at English higher education institutions (HEIs) from academic year 2012/13 (BIS 2011). The changes were introduced by the Department of Business, Innovation and Skills (BIS) as an attempt to further increase choice for students and competition amongst higher education providers:

The changes we are making to higher education funding will ... drive a more responsive system. To be successful, institutions will have to appeal to prospective students and be respected by employers. Putting financial power into the hands of learners makes student choice meaningful.

We will move away from the tight number controls that constrain individual higher education institutions, so that there is a more dynamic sector in which popular institutions can grow and where all universities must offer a good student experience to remain competitive (BIS 2011:5).

The SNC policy consisted of two elements: the creation of a High Grades margin (A-Level grades AAB and non-A level equivalent or above) of numbers removed from core allocations; and a Quality and Value margin of places removed from allocations to be bid for by institutions with an average full-time fee of £7,500 or less. Taken together these two policies reduced the size of core allocated numbers (SNC) by

around a third. However, the anticipated redistribution of places between institutions failed to materialise within the first two years of operation, thus negating the market effect that may have reduced the average cost of tuition fees, and the SNC policy was effectively abandoned in December 2013 with the Treasury announcement that the cap on places was to be lifted from 2015/16 (HM Treasury 2013).

This paper focuses on the impact of the High Grades margin (AAB/ABB+) on HEIs and is based on empirical data from a Higher Education Academy grant-funded project carried out in 2013: *Evaluating the impact of number controls, choice and competition: an analysis of the student profile and the student learning environment in the new higher education landscape* (Taylor and McCaig 2014). The mixed methods research involved a national survey of Pro-VCs and their equivalent in the FE sector (using the HEA's PVC network database) and a series of face-to-face follow-up interviews. The survey response rate was 21% overall and our qualitative analysis was based on interview data from 17 individuals representing 13 institutions.

The abandonment - the 'strange death' - of this policy begs some very interesting questions from the point of view of this research. Why did it fail? Or rather, why did government lose patience with its experiment? The answer, in part, may be that demand for higher education places still exceeded supply; any downward market effect on prices was unlikely in these conditions. The two years of SNC produced little redistribution of student numbers from one part of the sector to another, with AAB and ABB redistribution reportedly taking place mainly between pre-1992 institutions (the historical destination of the majority of such applicants, HEFCE 2011).

This most recent Student Number Controls policy may, therefore, be seen historically as a policy intervention which focused on just a few variables – the number of AABs/ABBs attending institutions; the tuition fee charged by institutions – to stimulate marketisation and consumer choice in the system as measured by the National Student Survey (NSS), the Destination of Leavers in Higher Education (DLHE) and league tables. This paper uses analysis of data on strategic uses of numbers and changes in marketing and outreach/recruitment practices.

The strategic use of number controls by institutions

Pre-92 institutions – those with the largest proportion of AAB/ABBs - reported increasing complexity around the allocation of a core of around 20% of places. This led to more centralised admissions decision-making processes and less. Formerly departmental admissions staff exercised discretion for those that unexpectedly fell below the published grade; with smaller core SNC numbers were clawed back by the centre to use either for subjects likely to attract a WP intake or for subjects that the institution wishes to offer despite low numbers of highly qualified applicants. Subjects that do attract high numbers of ABB+ applicants are increasingly grouped among those studying Physical Sciences, Medicine, subjects allied to medicine and STEM

subjects. Pre-1992 institutions reported fewer applicants with an ABB+ profile in Modern Foreign Languages, Archaeology, Music, Social Work and Education.

While overall numbers have remained buoyant for post-1992s and interviewees reported few actual instances of applicants 'trading up' to higher status institutions, the fear that this would happen in the future was pervasive. Therefore there was fear about the potential impact on the student learning experience, widening participation and their ability to maintain subject breadth. This led internally to increased scrutiny of recruitment and retention, and in some case the closure of specific courses including those for part-time students and in sub-degree qualifications (although neither were part of SNC).

Changing marketing and outreach practices

Marketing and enhanced outreach within a fixed overall numbers cap and pressurised by SNC was essentially a zero-sum game at sector level: each winner was matched by a loser. Post-92s feared the results of aggressive marketing on their institutions' image (Gibbs and Knapp 2002; Shattock 2008), often regretting that the knock-on effect was to lose sight of the specific missions that such institutions valued, for example as accessible and diverse institutions (McCaig 2011; 2014;). Both pre- and post-92 institutions reported broadening the scope of their outreach work, both geographically and with more focus on younger age groups. Pre-1992s reported greater competition in the search for potential ABB+ applicants, and in one case this was allied with an approach to marketing that shifted from the 'warmth' and 'friendliness' of the university to one far more focussed on academic rigour and its international reputation.

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