

# Towards a sustainable funding base: shaping policy narratives

The UK perspective

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3rd Higher Education Conference

The Future of the University, USAf



# What we'll cover

- Background to UUK
- How the UK university sector is funded
- How we've demonstrated that university funding is an issue
- Where we go next?

# Universities UK

Universities UK is the voice of **141 universities** across all four UK nations – England, Scotland, Wales, and Northern Ireland.

Our mission is to help UK universities be the best in the world, through their research and teaching, and the positive impact they have locally, nationally and globally.

We aim to shape policy that allows universities to deliver the **greatest impact possible for students, staff, the economy, and the communities they serve.**



# How are UK universities funded?

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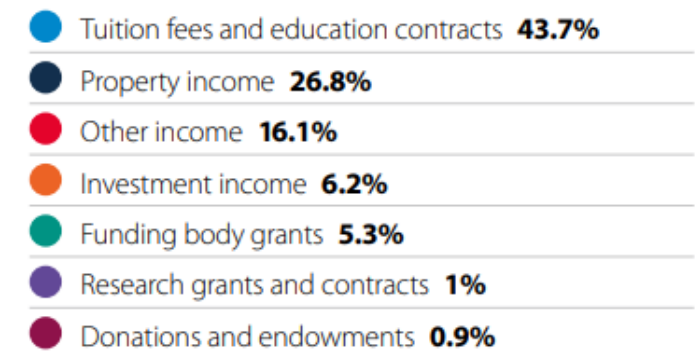
- Home student fees – £9,250 p/a.
- International student fees – uncapped but ranging from £11,400 - £38,000 p/a (sometimes higher).
- Teaching grant – previously made up a significant amount of HE funding but now reduced.
- Research funding – research grants & contracts
- Other – events, property, donations, endowment, etc



Student  
Loans Company



How the University  
earns its income



Source: University of London Financial Statements 2023



## Labour 1997-2010

- Increase in expansion to HE.
- Introduction of tuition fees.
- Teaching grant unchanged.



## Coalition 2010-2015

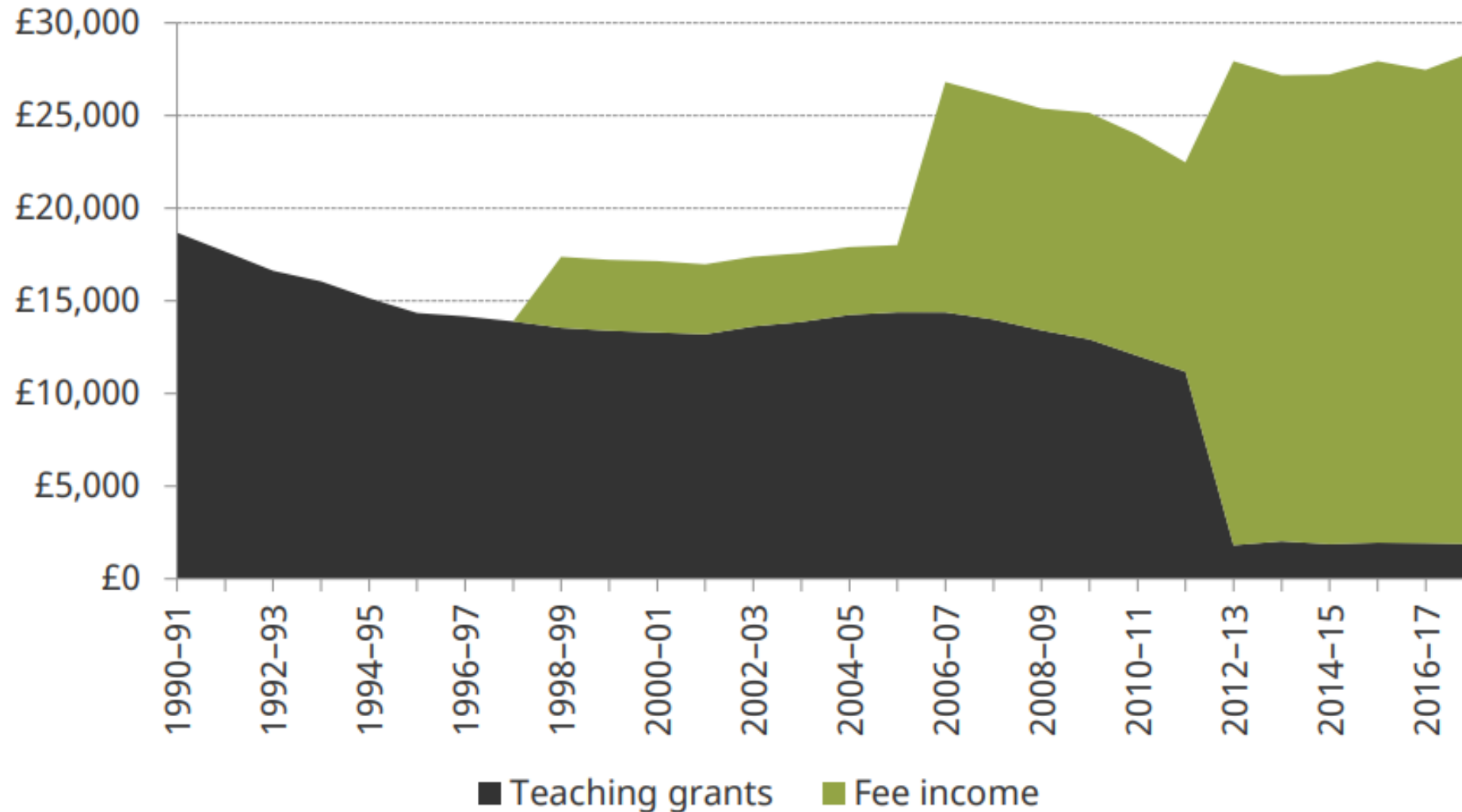
- Austerity.
- Cut to teaching grant and QR funding.
- Trebling of tuition fees.



## Conservative 2015-2024

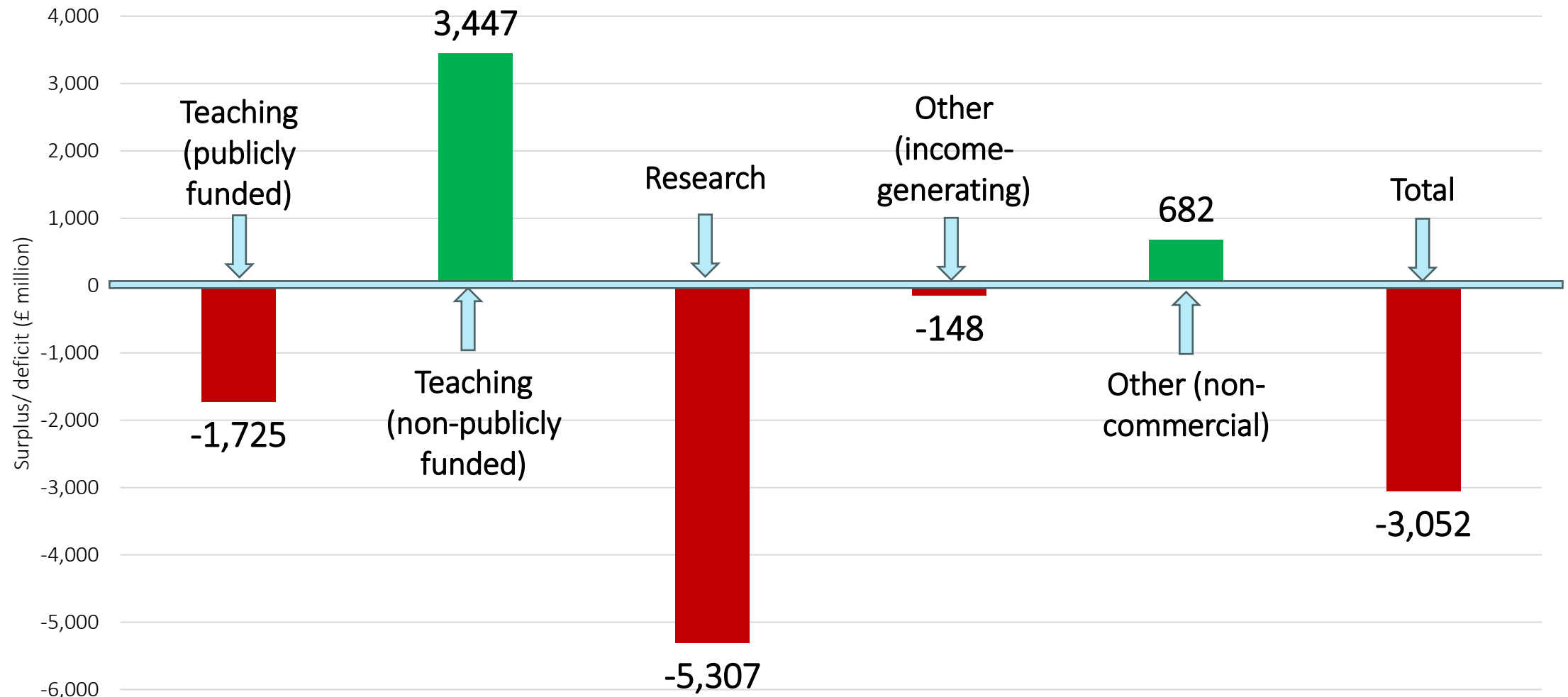
- Brexit, Covid, high inflation.
- Small increase in fees.
- Increased int student recruitment.

## University resources per student per degree (England only)



Source: [Institute for Fiscal Studies](#)

## TRAC full economic cost surplus/(deficit) by activity, UK higher education institutions (2022–23)



Source: [Office for Students, TRAC data](#)



**How did we show that  
university funding  
was an issue?**

# How have we showed that funding is an issue?

PUBLICATIONS

## Opening the national conversation on university funding

Last updated on V

### Tuition fee freeze in England tightens screw on universities

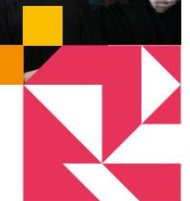
le of cuts will exacerbate strains on sector  
fOffice for  
Students

### Mandelson proposes rise in fees in line with inflation <sup>1</sup>

Industry in Focus

## UK Higher Education Financial Sustainability Report

January 2024

## English universities 'lose £3 billion real income' in three years

Fees worth £9,250 gave institutions £13,000 in today's money just seven years ago, finds dataHE analysis

September 25, 2024



SUSTAINABLE UNIVERSITY FUNDING

## What is the problem with university funding?

Funding per student, in tuition fees and teaching grants, has been falling over the last decade in England such that by 2025/26 funding per student will be the lowest in over 25 years and worth only £5,800 2011/12 prices.

PUBLICATION

**Sustainable university funding**

Download report in full

**Financial sustainability of higher education providers in England**  
2024

## UK universities hit by fall in overseas students taking up postgraduate places

Commercial data offers first broad snapshot of enrolment since government tightened migration policy

**100  
FACES**

# UNIVERSITY FIRST GENERATION STUDENTS SHARE THEIR STORIES

Discover the First in my Family campaign: sharing 100 stories of how going to university changed their lives.

CATEGORIES SUPPORTING FIRST GEN STUDENTS STATS BEHIND THE STORIES





# How have we showed that funding is an issue – R&I?

THE ROYAL SOCIETY

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## Brexit and UK science

Following Brexit, the Royal Society is seeking the best possible outcome for UK research and innovation. Discover more now.

The Royal Society is working to ensure the best outcome for research support continuing relationships and build new ones across Europe.

Being an open and collaborative science nation will enable the UK to address challenges such as climate change and biodiversity loss while attracting investment from the world.

In particular, we need to

- Keep highly-skilled scientists working in the UK and ensure they choose to come here and contribute to our globally competitive economy.
- Keep access to money and networks that support the UK to address global challenges, including making the most of the UK's association to Horizon Europe.

Universities UK

About us Topics What we do Latest

UUKI BLOG

## The UK has associated to Horizon Europe – what's next?

Last updated on Thursday 15 Feb 2024 at 12:03pm



Universities UK

UUKI PUBLICATION

## UK research funding in higher education: The impact of ODA funding

Putting science & technology at the heart of our international relationships

Last updated on Tuesday 1 Oct 2024 at 3:46pm

This report summarises findings from the UUKi/BEIS ODA survey 2021. The purpose of the survey was to gather information from UK HEIs about the benefit of ODA R&D funding to address global challenges, including the UN Sustainable Development Goals (SDGs), and to advance the UK's strategic priorities.

[rstudents.org.uk/data-and-analysis/trac-data/](https://www.rststudents.org.uk/data-and-analysis/trac-data/)

GOV.UK

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Department for Science, Innovation & Technology

Notice

## International Science Partnerships Fund (ISPF)

Updated 3 November 2023

TAGS

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- [Funding, finance and operations](#)
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- [Research and innovation](#)
- [International research collaboration](#)
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- [International research collaboration](#)

DOWNLOADS

# Where next? UUK's Blueprint for Change

# Where next? UUK's Blueprint for Change

- UK General Election result and change in government provides a key opportunity to reset relations.
- The Blueprint (published on Monday) brings together all UUK's previous evidence and analysis into one place and sets out how the sector can work in partnership with the government to help achieve their aims.
- The document was overseen by experts who were external to the university sector, and who could therefore play a 'critical friend' role.
- The focus is not explicitly on funding, but on how we can create a UK university sector that is better in ten years' time than it is today.
- Sets out short-term stabilisation measures, before setting out an agenda for transformation – led by universities themselves and supported by government.

**“ We face a choice. We can take the path which leads to better and stronger universities...or we can let them slide into decline.**

**We must choose the former path. This is not just government’s responsibility. It is a shared responsibility.**

Professor Dame Sally Mapstone

UUK President

Principal and Vice-Chancellor of the University of St Andrews



# Where next? UUK's Blueprint for Change

## Our recommendations

Each chapter offers recommendations for universities and for government. Through the actions set out here, we aim to achieve five big shifts:

1. **expand opportunity**
2. **improve collaboration**
3. **generate stronger local growth**
4. **secure our future research strength**
5. **establish a new global strategy for our universities.**

To enable these shifts, we need to:

- **put universities on a firm financial footing**
- **streamline regulation**
- **improve how the impact of the universities is assessed**



