

# Private Provision in UK Higher Education Conference

- > Thursday 2nd December 2010
- > Private Providers: in Competition or Collaboration?
- > Paul M. Marshall
- > Executive Director

# Higher Education Futures 2010

- > *'The Coalition government will:*
- > *Push forward with a system of credit accumulation and transfer, and break down barriers between full-time and part-time study;*
- > *Raise the status of further education;*
- > *Encourage private providers to enter the market place; and*
- > *genuinely provide access to a form of higher education for all, literally at the end of every street.'*

*Paul Marshall, HE Futures, 23 June 2010*

## BBC News Online, 23 June 2010

- > *Private universities 'to expand' to fill places gap*
- > *A university leader is forecasting an expansion in private universities, as students face a shortage of places.*

## Understanding the role of private providers

- *I believe that the term ‘private provision’ should be regarded as an umbrella term under which a whole host of activity operates.*
- *Private providers can be both partners and competitors to leading universities.*

## Private Providers as Competitors

- *Where private providers are delivering excellent student support and student satisfaction this poses a challenge to the traditional universities to continue to enhance their student experience.*
- *This challenge is good for students and a good way to enhance quality and standards.*

## US Congressional Hearings into for-profit providers

- > Accused of a "race to the bottom" in academic standards and salaries.
- > It is said that they recruit students on a false prospectus.
- > These institutions get 90 per cent of their income from publicly funded loans to students; and the default rate is enormous.
- > Alan Ryan, Visiting Professor of Politics, '*Just a few rotten apples?*', *THE*, 2 September 2010

# Coalition Government Support for Private Providers

- > “It is healthy to have a vibrant private sector working alongside our more traditional universities. International experience shows a diverse range of higher education providers helps widen access, focuses attention on teaching quality and promotes innovative learning methods, such as web-based distance learning.”
- > David Willetts, Minister for Universities and Science, *THE*, 26 July 2010

# Adverse Market Conditions for Private Providers?

- > **Huge BPP write-off announced as Apollo prophesies bleak short-term future for private demand**
- > More than a quarter of the purchase value of for-profit provider BPP has been written off by its US parent company because of uncertainty surrounding the UK higher education market's future.
- > End-of-year results filed last month by Apollo Group with the US Securities and Exchange Commission (SEC) record \$170.4 million (£106 million) in "impairment charges" as a result of a reassessment of BPP's financial outlook.
- > *THE*, 18 November, 2010.

# Private Providers working in Partnership

- > **INTO University Partnerships**
- > 10 joint venture partnerships for international students including Exeter and UEA
- > Branch campus development including UEA London
- > **Study Group**
- > A network of 12 International Study Centres including Lancaster, Leicester, Surrey and Sussex
- > **UPP**
- > Partnerships with 11 Universities including Exeter, Lancaster, Loughborough, Reading and York to supply and operate high-quality academic and residential facilities.

## Radical forms of partnership

- > **Struggling colleges reach for BPP life raft in a bid to stay afloat**
- > Chief executive 'interested' in running excellent departments closed by cuts.
- > Struggling universities and colleges are seeking partnerships with Britain's only for-profit university college in a bid to survive the harsh economic climate, according to its chief executive.
- > *THE*, 19 August, 2010

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