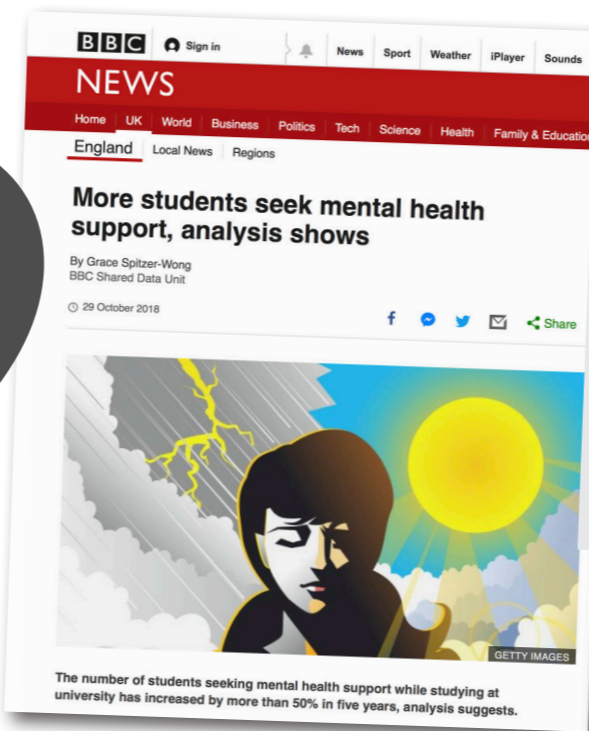


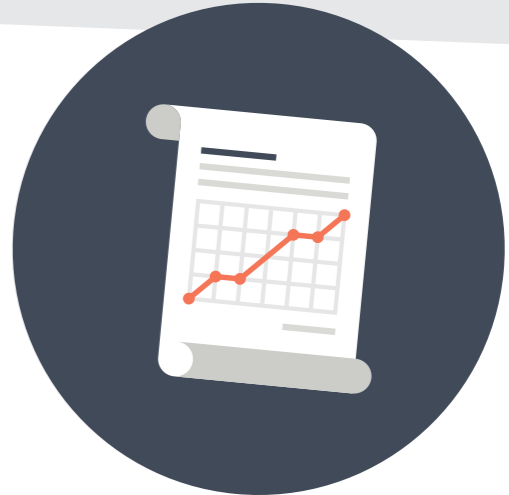
Impact of birth rate

- We will have one more sharp fall in the 18 year-old population of around 2% in 2020. Then the cohort grows again. This growth is strong, often 3% a year. And it is consistent, up year after year. This matters, as it makes the cumulative rises large and unrelenting.
- The five-year rate of population growth increases reaches 17% in the mid-2020s. Between 2020 and 2030 the population increases by 27%. This trajectory equates to almost a million extra 18 year-olds over the decade.

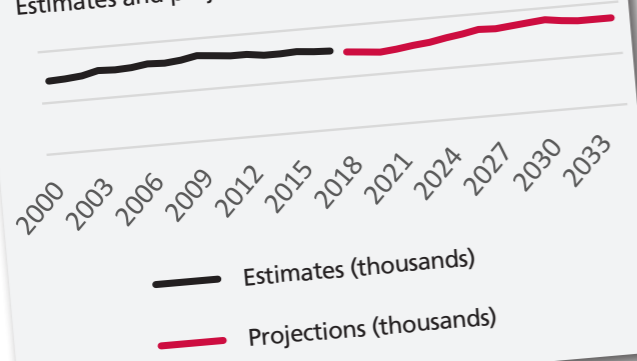


Vast increase in mental health and wellbeing support

- 94% of HEIs reported an increase in demand for their counselling services.
- Statistics highlight a 210% increase in university dropouts among students with mental health problems from 2009/10 to 2014/15
- Of even greater concern is that student suicides increased by 79% from 2007 (75) to 2015 (134)



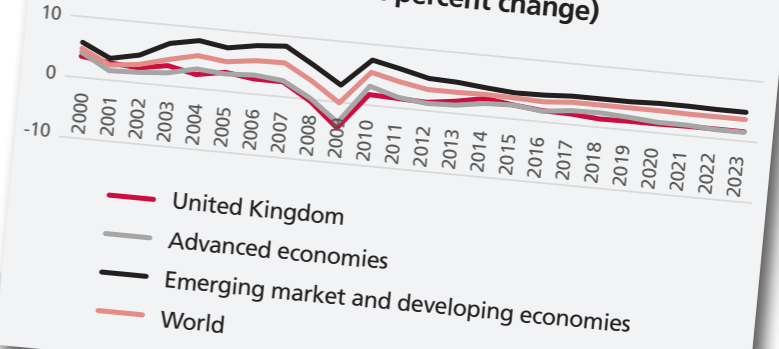
18-year-olds in the UK population
Estimates and projections - 2000 to 2034



DEMOGRAPHICS

Demographic factors have recently been the subject of an increased focus across the sector, both from a planning perspective with regards to population analytics and cultural trends, as well as once students arrive on campus, with universities attempting to determine the extent to which demographic factors will influence on their attainment.

Real GDP growth (Annual percent change)



Attempts to widen UK university student participation have stalled

- There is wide variation between universities across the UK
- In nine out of the Russell Group of 24 universities, the proportion of state school pupils fell over the past year.



Growth in global GDP

- UCAS analysis of applications for full-time undergraduate programmes revealed that UK university enrolments have soared by more than 2,500 from 2018 to 2019, the first growth in the three years since the Brexit vote.
- A total of 561,420 students have applied to start their course this year, with HEIs receiving a record number of applicants from outside the EU. A total 63,690 non-EU applicants have sought higher education in the UK, an increase of 9%.





Collaborative

Universities are often at the heart of their communities, working with colleagues not just across campus, but with local employers, businesses and charities.



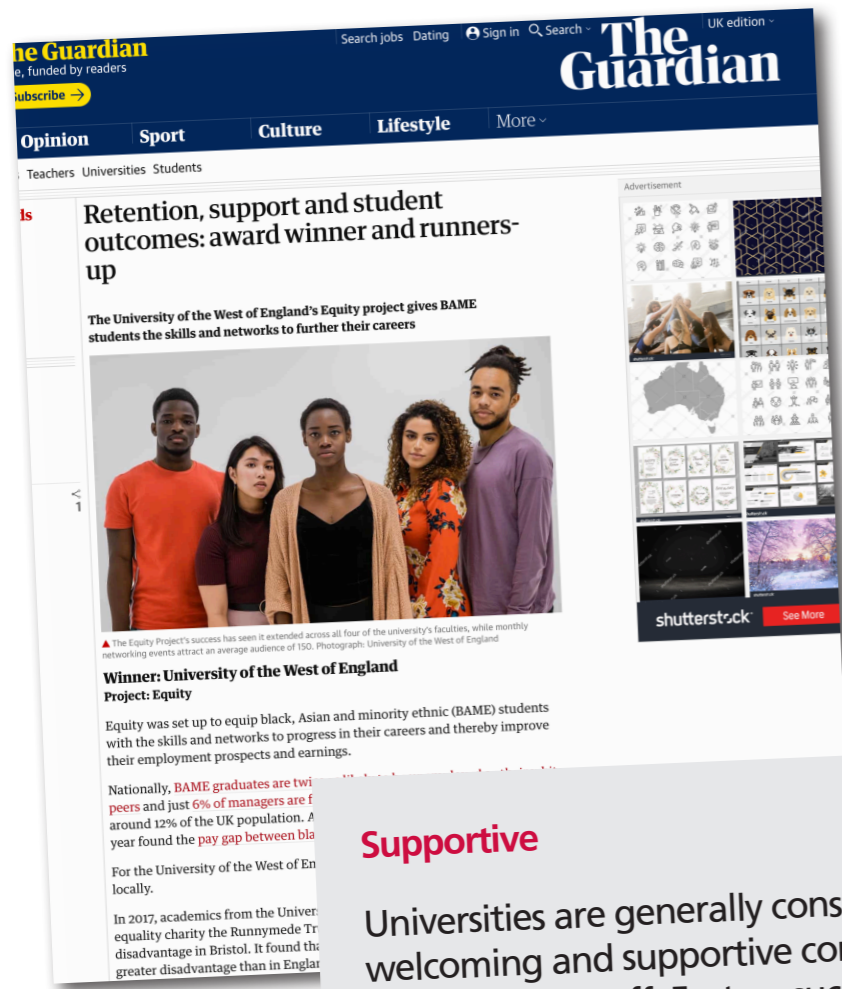
Inefficient

Effectiveness, efficiency and value for money are central concerns for the higher education sector. Although significant progress has already been made in this area, there is substantial scope to achieve further savings and embed a continuous commitment to efficiency.



CULTURE

Although every institution in the university sector has its own shared assumptions, values, and beliefs, there are commonalities across the UK that have a strong influence on the people that work in universities, dictating how they behave and perform their jobs.



Supportive

Universities are generally considered to be welcoming and supportive communities, for both students and staff. Factors such as the increasing focus on the student voice, as well as university rankings have led to universities putting far more focus on how they support students.

Reactive

The ever-changing nature of the sector in recent years has led a number of institutions to feel less prepared for what's ahead. The need to display proactivity sits across all levels, from dealing with a crisis, to communications, and course planning.

Uncertain

Due to a range of internal and external factors, universities cannot be sure what the sector will look like in 12 months' time. The only certainty is a need for universities to demonstrate requirements to adapt to the new conditions and demonstrate to the government and the public its value and role in nurturing talent for Britain's tomorrow.

Unconditional offers

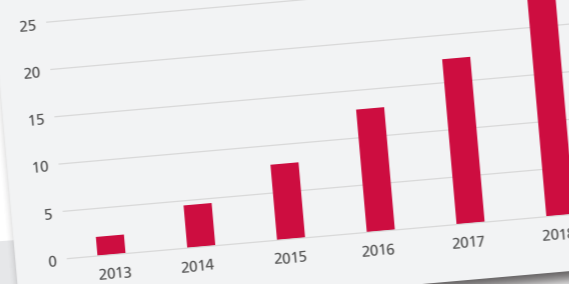
Following recent reports and press coverage, a potential move to move to restrict, or end the practice of 'conditional unconditional' offers

The public perception of universities

Including the concept of 'value-for-money', senior staff pay and grade inflation.



Percentage of 18 year-olds from England, Northern Ireland and Wales receiving and unconditional offer, by year



Frameworks galore!

- Teaching Excellence Framework (TEF)
- Research Excellence Framework (REF)
- Knowledge Excellence Framework (KEF)

Potential new entrants into the sector

- Within recent years a number of new organisations have entered the university arena, offering a wider choice to students. Close to the AUA conference is UA92 which sells itself as "a game-changing educational experience designed to unlock greatness", which is a collaboration between Manchester United's Class of 92 and Lancaster University.
- Further afield, James Dyson has set up the The Dyson Institute of Engineering and Technology, claiming that "education needs to change: our esteemed institutions are churning out many graduates with impractical degrees"

Student loan treatment

- The ONS decision to treat the issuance of the UK student loans as a combination of government expenditure and a financial transaction.
- Leading to a £12bn hole in the public finances

REGULATION / POLITICS

Over recent years, the government's influence on university sector has grown, with the introduction of the Higher Education and Research Bill and the subsequent arrival of the Office for Students. Hardly a week goes by without the sector making the front page of a national newspaper, and those who work within our universities have to constantly adapt and evolve to meet ever-changing requirements. Some of the current demands, as well as future ones include:



The move to a regulator (OfS), as opposed to a funding body (HEFCE)

Universities are generally considered to be welcoming and supportive communities, for both students and staff. Factors such as the increasing focus on the student voice, as well as university rankings have led to universities putting far more focus on how they support students.



Constant requirement to respond to new regulatory demands

In recent years a number of regulatory factors have required universities to consider their response. For example, in 2014 the Competition and markets Authority (CMA) wrote to all universities about their obligations under consumer protection law, in 2018 the sector was required to respond to the GDPR, and currently, institutions are preparing for HESA Data Futures.

The United Kingdom leaving the EU

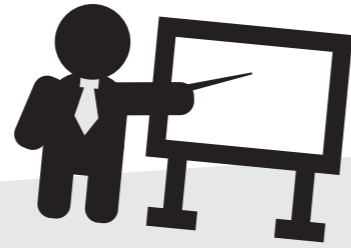
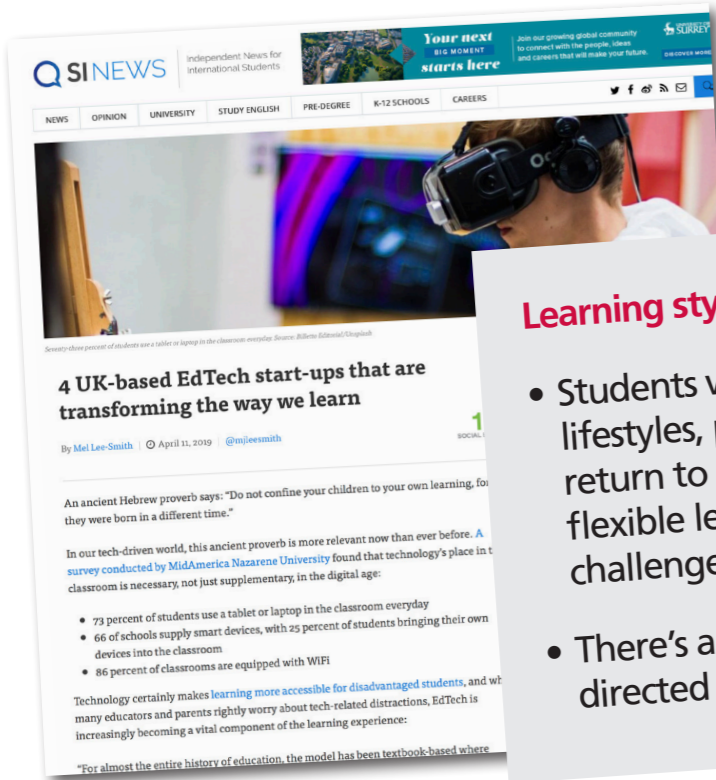
It's impact on Erasmus and the recruitment of EU staff, never mind everything else!



Approved plans to expand two-year, fast-track degree courses at universities in England.

Although a number of universities already offer accelerated degrees, the government want to increase the availability of them. There are many reasons to choose an accelerated degree and studying at an intensive pace brings many benefits, but also a number of challenges for universities.





Learning styles

- Students want their studies to work around their lifestyles, particularly those mature students who return to study later in life. There's a demand for flexible learning options which presents a challenge to universities.
- There's also an expectations of high levels of directed time, or face-to-face contact with tutors.



Technological demands and expectations

Today's students want and expect everything must be digital first, to be available on multiple devices, at the click of a button and on the go



OfS are seeking to amplify the student voice

Both the OfS and universities often discuss how they want to ensure that student views are represented in decision-making forums

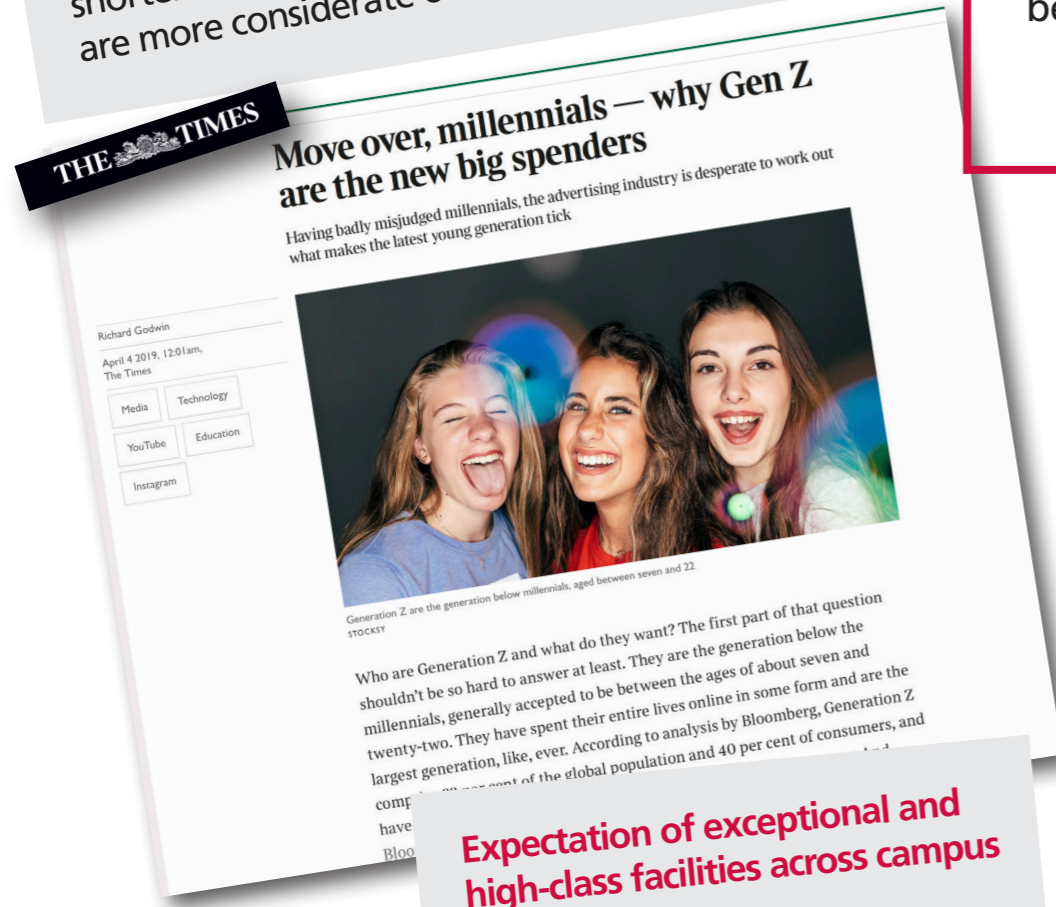


EXPECTATIONS

The demands and expectations of today's staff and students mean that universities can no longer simply continue with business-as-usual. These expectations are greatly affected by the Generation Z, born between the mid-1990s to the early 2000s, who are just starting out on university life, with unique attributes and requirements.

Generational differences

Generation Z want a tailored experience, have a shorter attention span, value transparency, and are more considerate of their money.



Expectation of exceptional and high-class facilities across campus

Cohesive student support

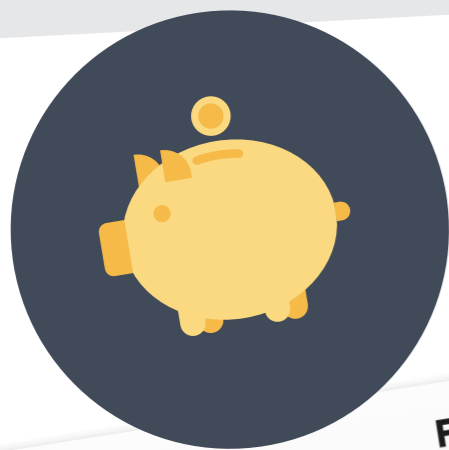
- Students rightfully expect that they will receive seamless support across the areas of academic, financial, wellbeing and employability, for example.
- They do not believe that they require an understanding of the university's complex structures and silos, and that the university itself should work around these to provide them with effective support.

University is now less about the night-time economy, and students expect more varied social options

- Although there is still a strong association of university life being associated with excessive alcohol consumption, young people today are the most likely demographic to not drink at all, as 27% of 16-24-year olds claim they do not drink in contrast to 21% of the wider adult population.
- Some reports say that students who pay high tuition fees are having to ditch the drink to save money. It is interesting to note that in the last year the percentage of young people not drinking at all has increased by 8%, while this figure only fell by 5% for 65+ age group.

Post 18 review of fees and funding

Although the detailed outcomes from the Augar review aren't yet known, the sector knows that things will change. Leaks from the review have raised the possibility of students achieving less than the equivalent of 3 Ds no longer being able to access student loans, any a reduced 'sticker price' for some courses of potentially £6,400.



Research funding and Brexit uncertainty

- Horizon 2020 research programme has channelled more than €11bn to the UK since 2014.
- Figures from the Department for Business, Energy and Industrial Strategy analysing support from the EU's Horizon 2020 research programme show that the proportion of funds allocated to universities in the UK had dropped to 24% by the end of May 2018, down from a high of 25.47% in February 2017. The UK has received €11.4bn since the funding scheme began in 2014



Impact of high living costs on students

- Students are increasingly turning to gambling as the student support provided by the government has failed to keep up with the rising costs of living, according to an NUS survey.
- Around three in five (59%) students have gambled in some way over the past year and nearly half (48%) did so to supplement their income

FUNDING

The complex and ever-changing financial environment that sits around the sector, including the various sources of income for universities, as well as student loans, bursaries, and grants.



Efficiency and value for money

Universities across the UK are committed to delivering value for money for students, for government and for the wider public. This is often achieved by:

- a. Driving efficiency - ensuring that a focus on efficiency and value for money is at the heart of development strategies, at all levels of university operation
- b. Embracing innovation - looking for and taking advantage of cultural and technological advances, which offer new opportunities to deliver greater value and improve effectiveness
- c. Working smarter - seeking opportunities to collaborate and partner with other universities and public, charity and private sector organisations to maximise value from shared equipment, estates and services



Degree apprenticeships must be funded through the levy

ADRIAN ANDERSON
University Vocational Awards Council



Not funding level 6 and 7 through the levy would hurt productivity and social mobility, says Adr
As ministers have repeatedly said, it

Impact of Degree Apprenticeships

Degree apprenticeships are still quite new, so there are a limited number of vacancies. It's anticipated that the number of vacancies will grow over the next year or two.