INTRODUCTION

The questions to be addressed in this session are whether UK higher education can usefully considered as a system, and if so, whether the system that is perceived is failing or likely to fail, whether weakness can be identified in current arrangements and what areas for further change can be identified.

BACKGROUND

In spring 1991 the UK Government issued a White Paper entitled "Higher Education: a new framework" which proposed changes to the administration of higher education throughout the United Kingdom. The prevailing structures had been established as a result of an earlier White Paper (1987) and legislation in 1988. In the autumn the Government introduced a Bill for England and Wales and a separate Bill for Scotland, which legislated for the changes. In the last few days of that Parliament modified versions of these Bills were passed. Subsequently many of the changes have been implemented.

In the context of this paper, the most relevant aspects of these changes were the Government's declared intention in the second White Paper to expand (with efficiency) the numbers of students in higher education, and to abolish the "binary" line between the old universities and all the other colleges, polytechnics and Scottish central institutions which provided higher education. The non-universities group had until the 1987 White Paper been known as the "public sector", a term which the Government found "unhelpful and inconsistent with its desire to see all higher education institutions do more to attract private funding". The 1992 legislation allowed, for the first time, the polytechnics, the Scottish central institutions and colleges which fulfilled certain criteria, to use the title University and for them and some other colleges to award their own degrees.

Prior to the legislation the funding of higher education had been complex. In England, polytechnics and colleges had their own funding council (PCFC), and most Universities were funded by a Universities Funding Council (UFC). The exceptions were, the Open University, Royal College of Art and Cranfield Institute of Technology, which were all DES funded, and
the privately funded University College Buckingham. In Scotland and Wales the universities were funded by the same UFC, but the funding of public sector colleges in Wales was determined by the Welsh Office on the advice of the Welsh Advisory Body for Local Authority Higher Education (WAB) and in Scotland directly by the Scottish Office Education Department (SOED). For the future there was to be a funding council covering the whole of higher education in each of Scotland (SHEFC), England (HEFCE) and Wales (HEFCW). Northern Ireland was not affected by the legislation.

The legislation restricted the Government’s ability to intervene in the running of individual Higher Education Institutions [HEIs], and the funding councils act as a buffer between the two. However as can be seen from Figure 1 these HE Funding Councils have a very close relationship with their relevant government departments. The Secretary of State selects their members, he can send a representative to any meetings, his department issues guidance and requirements, and with the exception of the chief executives who were all academics, many of the funding councils’ senior staff were civil servants on secondment.

An initial comparison of the system perceived from a Government stand-point in Figure 1 with the Formal System model in Figure 2 indicates that they have fulfilled all the requirements of the wider system including specifying in more detail than expansion targets the performance information they require. Similarly the funding councils have, through funding agreements, both provided resources and made known their expectations in relation to student numbers. They have, also through their requirements for student data, and their individual quality assessment units, set in motion the process of monitoring performance.

The Government’s insistence on efficient expansion has also been achieved by a simply mechanism. A formula in England and Wales gives funding for additional student places preferentially to HEIs with below average HEFC funding per student, thereby enabling less than the average to be paid for extra places, and simultaneously reducing the average for the future.

In would appear that in broad terms, if the wider system is perceived to be only the Government, the requirements of the Formal System model have been satisfied and there may

Figure 1. A systems map of UK higher education.