

HEPI
Policy Note 11

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HEPI Press Release

HEPI / YOUTHSIGHT MONITOR WAVE 5
STUDENTS BACK BAILOUTS



Higher Education Policy Institute

YouthSight

UNIVERSITIES IN FINANCIAL DIFFICULTY – NEW POLL REVEALS STUDENTS NOT SUPPORTIVE OF THE STANCE TAKEN BY THE GOVERNMENT

The Higher Education Policy Institute has released the only dedicated study on what UK students think about the financial health of universities, *Students back bailouts: Students' views on the financial health of universities* (HEPI policy note 11). Rumours persist about institutions facing financial difficulty, but what awareness of this do students have and what do they think should be the outcome of a university on the brink of closure?

The survey of over 1,000 full-time undergraduate students shows:

- Despite recent speculation about the financial standing of some universities, most students (83%) are confident their own institution is in a strong financial position.
- Over three-quarters of students (77%) believe government should step in if their university were threatened with closure.
- Over half of students (51%) think fees should be refunded in the event of their university closing, while only one-third (32%) back merger with another institution.
- Almost all students (97%) want to know if their university is in financial difficulty, in contrast with current practice which hides current financial problems from students.
- Most students (84%) say they would have been less likely to have applied to their university if they had known it was in financial difficulty.
- The overwhelming majority of students (89%) do not know what Student Protection Plans are and even more have not seen their own university's Plan (93%).

Rachel Hewitt, Director of Policy and Advocacy at the Higher Education Policy Institute, said:

"This research shows a worrying mismatch between students' views of what should happen to a university in financial difficulty and the proposed action that will be taken by the Office for Students. Despite the refusal of Ministers to countenance the idea, 77% of students are supportive of government bailouts for failing institutions. The Office for Students are focusing on Student Protection Plans, but nearly all students don't know what these are or their role for failing institutions.

"While there are legitimate reasons not to make public the names of those universities that are facing financial difficulties, students are keen to have this information. However, should failing institutions be named, it would have a significant impact on the recruitment ability of these institutions, as 84% students say they could be less likely to apply to a university in financial difficulty.

"Government and the Office for Students must urgently engage more with the views of students on this critical issue of financial sustainability in the sector."

Notes for Editors:

1. Wave 5 of the HEPI/YouthSight Monitor was answered by 1,048 full-time undergraduate students and undertaken between the 4th and 8th January 2019. Weights have been used to ensure the sample is representative by age, gender and university type. The margin of error is +/-3.09%, based on a 95% confidence level
2. Respondents received a £1 Bonus Bond gift voucher for answering these questions and others on a different topic.
3. The full results, including for questions not covered in this press release, are available in a spreadsheet from HEPI.
4. The Higher Education Policy Institute was established in 2002 to shape the higher education policy debate through evidence. It is the United Kingdom's only independent think tank devoted to higher education. HEPI is a non-partisan charity funded in part by organisations and universities that wish to see a vibrant higher education debate.