Britain: Most universities to charge maximum tuition fees

Zach Reed 25 April 2011

Following the parliamentary vote to triple the cap on student tuition fees from £3290 to £9000 a year, there has been a stampede of universities indicating that they will charge the maximum.

The rush makes a mockery of claims by the Conservative-Liberal Democrat government that universities would only charge over £6000 in "exceptional circumstances" and that if they exceeded this figure they would have to ensure financial support for their poorest students. When the cap was raised to £9000 (nearly US\$15,000), the public was assured that universities would be unlikely to charge the maximum.

Already over two-thirds of the 32 universities that have so far made their intentions public will charge the maximum fee and the rest will charge around £8000. Only a handful propose to charge around £6000.

The decision to charge the maximum spans the entire range of universities, also exposing the government's claims that their policies will result in a higher education market with variable fees. The least prestigious universities, including Liverpool John Moores — which ranked 109 out of 130 on the *Guardian's* university league table — and the former polytechnic University of Central Lancashire, will be charging the same as those universities in the elite Russell group such as Oxford and Cambridge. The University of Central Lancashire is the fifth largest in the UK with 35,000 students typically from less affluent backgrounds and the more impoverished areas of North West of England.

The trebling of fees will have a major impact upon working class students. Peter Lampl, chair of the Sutton Trust, which focuses on social mobility, said, "We're now seeing second and third-tier universities charging the maximum.... These fees are going to put a lot of children from low and middle-income homes off universities."

Universities are obligated to declare their intended fee rises to the Office of Fair Access (Offa), which is responsible for assessing the financial support universities provide to the poorest students. It is unlikely that Offa will reject the government proposals and even if it did, ministers have recently admitted Offa does not possess the power to stop universities charging the full fee. Its authority is limited to issuing guidelines on the amount universities should be spending to help their poorer students.

Figures released by the Higher Education Statistics Authority show privately-educated and richer students continue to dominate the most selective institutions. Many universities, most of which are planning to charge the full fee, have been failing to meet benchmarks set for the percentage of state-educated students they enrol. Oxford and Cambridge, both with benchmarks set around 70 percent only reach 54 percent and 59 percent respectively.

Reports also reveal that many of the measures supposedly aimed at achieving this benchmark are, in fact, of little help. Manchester has claimed that the majority of its students will qualify for £3000 bursaries and fee waivers but only for one of the three years of their studies. Oxford proposes students from households with incomes below £16000 paying £6000 in fees after their first year. Cambridge has announced bursaries of £1625 and reducing fees to £6000 for all students from families with incomes less than £25000 a year.

Notwithstanding the fact that $\pounds 6000$ still represents a doubling of fees at Cambridge, students there have complained that the proposed $\pounds 1625$ bursary is a cut from the current maintenance bursary of $\pounds 3400$. One student explained the maintenance bursary is much better for students as it helps their immediate financial situation, whereas the fee waiver is of more benefit to the Treasury's borrowing figures. However the changes are dressed up, they will serve to discourage poorer students.

Ministers have reacted with false surprise to the universities' announcements. In fact, to masses of working people, including the tens of thousands who have publicly protested the funding cuts and legislation tripling the tuition cap, it was obvious from the start that fees would be raised above £6000. Universities have no incentive to charge lower fees because the numbers of applicants outstrip the available places on offer. Last year saw 10 applicants competing for one place, and the situation worsened this year. Even if student numbers decrease by as much as 20 percent, a university charging £9000 will still enjoy more revenue than it does now.

Universities are complaining they have no other choice than to charge high fees because higher education faces cuts of nearly £1 billion to the teaching budget. The University of Central Lancashire claimed it is due to lose 90 percent of its grant by 2014-15. A spokesman for Liverpool University explained that charges of £6000 would lose it £26 million. It added that any universities that were to charge that amount could face bankruptcy.

The budget cuts also included a freeze in funding allocated to raising the proportion of poorest students at university, punishing those universities with larger proportions of poorer students. Furthermore, teaching cuts are hitting newer universities harder as they receive less research funding. The government's reactionary proposals to cap the number of international students (who are charged fees exceeding £9000) allowed into the UK will affect many universities who rely on them for a large proportion of their incomes.

The government is also considering proposals to reform the student loan scheme, with graduates starting to repay once they begin earning £21000. Other changes include charging a penalty for graduates who pay off their loans too early and proposals to charge interest above the RPI inflation index, which could be as high as 8.5 percent—similar to commercial rates of interest charged by banks.

Liberal Democrat Business Secretary Vince Cable suggested ministers could force specific universities to lower fees and impose cuts through reductions to teaching grants or student numbers. He said that "private companies in competitive markets can not operate in this way", and added the possibility of government rewarding other cheaper universities and private colleges that offered courses with lower fees, potentially forcing some universities "out of business".

In other words, universities will be moulded ever more closely to the interests of big business, while those subjects regarded as least important to the market will be cut or starved of funding. Private firms are lining up to take advantage of the gutting of university funding to shape degree courses to their interest.

This week, the London Metropolitan University announced it will slash the number of courses from 557 to about 160 to create a "much more competitive environment".

The university, which has a larger number of poorer students than most, has not yet published a list of the courses to be dropped, but large redundancies are expected. It also confirmed that it intends to charge tuition fees of between £4500 to £9000 next year.

The hike in tuition fees is just one aspect of a more widespread assault on every level of the public education system. Primary, secondary, and further education budgets have been slashed along with higher education. The Education Maintenance Allowance for college and sixth-form students has been withdrawn and the expansion of state-funded but privately managed Academy Schools is paving the way for the wholesale privatization of primary and secondary education. Facing a 27 percent cut in central funding over the next four years, many local councils have begun offloading nonstatutory education and youth services to private firms, while cutting others altogether.

The measures being enacted are consolidating the attacks made on the education system by the previous Labour government. A high quality and comprehensive education will increasingly become the preserve of the wealthy elite, as the soaring costs of further and higher education will fast become prohibitive for the vast majority of working families.



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