The Coalition’s higher education reforms in England

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ABSTRACT
The Coalition Government of Conservatives and Liberal Democrats in office from 2010 until 2015 sharply increased the maximum tuition fees for UK and EU undergraduates at English universities to £9,000. Although this is often portrayed as a radical change, it is argued that the reform was an evolution rather than a revolution. Common pessimistic predictions, such as the claim there would be a big fall in the number of full-time students, were wrong. However, the policymaking behind the increase in the fee cap was rushed, and this contributed to shortcomings such as a decline in part-time students. The article considers a series of political mistakes made by the Liberal Democrats, including making the abolition of tuition fees a key part of their election strategy in 2010 when the party’s leaders lacked faith in the policy. The article also notes that critics of the Coalition’s higher education reforms were largely ineffectual because they lacked a strong intellectual case or a clear alternative and fixated on fees to the exclusion of other important issues. The piece ends by asserting that the Coalition’s plan to remove student number controls was a change of overlooked importance.

Introduction
Higher education in England has undergone dramatic change in recent years, particularly in relation to the funding of undergraduate study and, as with schooling, the diversity of provision. The Coalition Government’s (2010–2015) reforms reduced public spending on university teaching by around £3 billion a year and enabled tuition fee income to rise from £2.6 billion to £8.1 billion. Fees, which were backed by income-contingent loans, were capped at a maximum of £9,000—almost three times higher than before—for full-time students at higher education institutions with an Access Agreement acceptable to the Office for Fair Access (OFFA). The loan and fee caps for part-time students, who were newly entitled to tuition fee loans, were set at £6,750 at the same time.

These changes meant students of classroom-based disciplines who secured well-paid work would be expected to repay the entire cost of their tuition—or sometimes, given the 3% real rate of interest applied to the loans of students and the highest-earning graduates, a little more. As direct public funding to institutions was less important, so alternative providers not in receipt of grants from the Higher Education Funding Council for England (HEFCE) found more viable business models. While their students’ tuition fee loans were...
capped at a lower amount (£6,000), due to the absence of Access Agreements, this left a smaller shortfall between the size of the available loans and the cost of providing courses. Indeed, it was sometimes enough to run courses without incurring any loss.

These changes have typically been portrayed by both policymakers and academics as a complete reversal of approach. When the crucial votes on tuition fees happened in December 2010, Labour’s Shadow Minister for Universities and Science, John Denham, told the House of Commons it was: ‘the most profound change in university funding since the University Grants Committee was set up in the 1920s’ (HC Deb (2010–12) 520 col. 550). Paul Temple of the UCL Institute of Education claimed it was the biggest change ever: ‘Higher education in England has changed between 2010 and 2015 to a greater extent than in any other comparable time period’ (Temple, 2015).

In Whitehall, it often felt as if this were so. The civil servants who worked on the Coalition’s reforms felt like they were working from a blank slate. As a result of New Labour’s repeated redrawing of departmental boundaries, higher education had bounced around Whitehall before the Coalition came to office—from the Department for Education and Skills to the short-lived Department for Innovation, Universities and Skills in 2007 and then in 2009 to the Department for Business, Innovation and Skills (BiS). After the 2010 election, the boundaries remained fixed but the turnover of civil servants working on higher education was accelerated by austerity-related re-organisations and reductions in staff (Hillman, 2014d). In the crucial three months between August 2010 and October 2010—during which the independent review of Higher Education Funding and Student Finance (the Browne review) completed its work, submitted its report to Government and published its findings—BiS had three different people filling the Permanent Secretary role. In short, there was no institutional memory on which to rely.

Five surprises

This instability had a direct impact on the making of policy and the way it was presented. Vince Cable, the Liberal Democrat Secretary of State for Business, Innovation and Skills (2010–15), and David Willetts, the Conservative Minister of State for Universities and Science (2010–14), claimed that fees of £9,000 would be out of the ordinary: ‘In exceptional cases, universities will be able to charge higher contributions [than £6,000], up to a limit of £9,000, subject to meeting much tougher conditions on widening participation and fair access’ (Department for Business, Innovation and Skills, 2010a).

They should instead have been advised, on the basis of the ‘variable fees’ capped at £3,000 introduced in 2006, that the maximum would swiftly become the norm. It was not only a lack of contemporary history that infected Whitehall but also a poor understanding of OFFA’s legal powers, which were more limited in scope than had been realised (Attwood, 2011).

If these were the first two surprises, a third occurred over the likely write-off cost of the new higher loans, known as the resource accounting and budgeting (RAB) charge, which the Government put at around 32% before gradually increasing their estimate to around 45% (Willetts, 2015). In the pithy words of David Willetts in the House of Commons soon after standing down as the Universities and Science Minister: ‘There was an error’ (HC Deb (2014–15) 590 col. 431).
Fourthly, there was incomplete recognition that the extension of tuition fee loans to cover the increased fees of part-time students, which was portrayed as bold and progressive, was a modest policy in practice. Only one-third of part-time students were eligible, due to restrictions associated with earlier periods of study and course intensity, and an even smaller proportion would come to take the loans out (Hillman, 2015a).

Fifthly, it took the Department for Business, Innovation and Skills far longer than anyone outside realised to determine the precise parliamentary procedure for the new fees, which was neither—as many people before and since have erroneously assumed (see, for example, Dean, 2015)—via a new Bill nor through a single vote. Instead, two separate votes were needed in each of the House of Commons and the House of Lords, one to raise the maximum fee to £9,000 and one to raise the threshold for coming within the OFFA regime to £6,000.

**Parliamentary process**

The difficulty for the civil servants was that politics drove the timetable in key ways which hampered forensic and detailed policymaking. There was an appetite to keep tuition fees off the agenda of the political party conferences in autumn 2010 but, once the Browne report was published immediately afterwards on 12 October, all the pressures were for a speedy resolution. Quick parliamentary votes were necessary in order to limit the peeling away of Liberal Democrat Members of Parliament, who were under pressure from their constituents and other sources of public opinion not to support the proposals. Moreover, the Treasury was demanding the Business Department deliver up its portion of deficit-reduction savings in the quickest possible time, which meant real-world considerations came into play. Year 12 pupils typically read prospectuses and attend open days around 18 months before entering higher education, so they need to know then what fees they will face. In addition, the ageing computers at the Student Loans Company (SLC) were neither easy nor quick to change. So rapid parliamentary decisions were necessary if the new system was to be in place in time to operate smoothly.

Liberal Democrats fought successfully for some amendments to the package to shore up their MPs prior to the key votes. These included a £150 million National Scholarship Programme for less well-off students, annual uprating of the new £21,000 student loan repayment threshold in line with earnings to ease the financial burden on graduates and a consultation on fines for well-off graduates who wanted to pay their loans off early (Department for Business, Innovation and Skills, 2010b; HC Deb (2010–12) 520 cols 19WS–20WS).5

Despite the fraught political atmosphere, particularly within the Liberal Democrat half of the Coalition, the likely breakdown of votes in the House of Commons was more predictable and never as close as it had been for Tony Blair, whose £3,000 fees squeaked through with a majority of just five in the House of Commons in January 2004. Blair’s overall majority (161) was more than twice that of the Coalition (76). Yet the majority was over four times larger in 2010 than in 2004, for both votes on the Coalition’s new fees regime passed with a majority of 21 in the House of Commons. The breakdown in the House of Lords a week later was less predictable, partly because leading Conservative peers were concerned that exerting pressure to vote with the Government might look heavy-handed and turn out to be counterproductive. In the end, the Lords gave the reforms a bigger majority of around 70,
which was encouraged behind the scenes by higher education institutions making use of their many links to peers.

**Evolution not revolution**

Despite the unprecedented environment of a Conservative and Liberal Democrat Coalition, the rushed policymaking and the common perception that £9,000 fees represented a radical new approach, the argument that 2010 represented a break with the past is deeply ahistorical. The principle that people should contribute materially and directly to the cost of their own higher education is an old one in the United Kingdom. The brief period when all regular full-time undergraduates had both the cost of their tuition and some or all of their maintenance costs covered by public grants lasted a mere eight years: from 1977, when undergraduates from the richest households became entitled to free tuition and a small maintenance grant, until 1985, when maintenance grants ceased to be universal (Hillman, 2013).

In 1990, maintenance loans appeared. In 1998, tuition fees were reintroduced at £1,000. In 2006, they were increased to £3,000. So Conservative and Labour Governments had shifted to the principle that graduates should contribute long before the Coalition came to office. Indeed, that is precisely why new primary legislation was not needed to implement the £9,000 system. The Higher Education Act (2004) that Tony Blair left behind not only facilitated the fee increase in procedural terms; it also provided the very mechanism that made the intellectual case for higher fees. When the legislation went through Parliament, tuition fee opponents had forced the Government to commit to a future review of fees, which in time became the Browne review that proposed higher fees and the removal of a fixed fee cap (Independent Review of Higher Education Funding and Student Finance, 2010).

The shift in funding that took place under the Coalition was the next step in a gradual process of evolution. While the shift to £9,000 fees was a big jump, the public subsidies for higher education remained substantial even after the new system had taken root. In 2015/16, the maintenance grant bill was £1.6 billion. The write-off value of new student loans taken out—the RAB charge—was calculated at nearly half of the £12 billion paid out. In addition, £1.5 billion of public money was paid via institutional grants for the extra costs associated with students who had additional barriers to learning, were studying high-cost subjects or were attending institutions with specialised teaching methods. Indeed, the remaining subsidies remained so large that many observers claimed the changes would not save any money (Thompson & Bekhradnia, 2010).

There had been dire predictions of the impact higher fees would have on participation. A survey by the National Union of Students (NUS) and HSBC published in 2010 claimed, ‘If university fees were increased, students are significantly more likely to be deterred from going to university: if fees were raised to £5,000 per annum over half (53%) state it would have deterred them from going to university. This proportion rises to 70% at £7,000 per annum and 78% at £10,000 per annum’ (National Union of Students, 2010). Such warnings turned out to be wrong. In 2014, Mary Curnock Cook, Chief Executive of the University and College Admissions System (UCAS), reported on ‘a stunning account of social change, with the most disadvantaged young people over 10 per cent more likely to enter higher education than last year and a third more likely than just five years ago—40 per cent more likely for higher tariff institutions’ (UCAS, 2014). Even opponents of the fee regime had to eat their words: ‘demand for university places from school leavers has shown a reversion to historical
patterns with the application rate for English 18 year olds reaching a new high’ (Independent Commission on Fees, 2015).

At least, that was the position for school and college leavers. There was an adverse and often overlooked impact on part-time and mature student numbers. The fall began before the rise in fees and is thought to have had various causes linked to both supply and demand (Universities UK, 2013). But other parts of the UK, which retained lower or no fees, did not face such a dramatic decline in part-time numbers and so higher fees do seem to have been a major contributory factor (Hillman, 2015a).

Student funding changes were the most well known but far from the only important higher education reform undertaken by the Coalition. For example, the reduction in the number of students necessary to become a university from 4,000 to 1,000 led to around a dozen institutions acquiring university title for the first time. By the end of the Coalition’s time in office, Ministers had also promised to introduce postgraduate loans for both taught Masters students (announced in December 2014) and doctoral students (announced in March 2015). This neutralised potential attacks from the higher education sector as the 2015 election approached. So too did the commitment announced in June 2014 to protect research capital spending in real terms at £1.1 billion a year from 2015/16 until 2020/21, which came on top of the freeze in the £4.6 billion annual science and research budget between 2010 and 2015.

There were, however, reasons beyond the evolution of student support as to why higher education was not changed as profoundly by the Coalition as is often claimed. In particular, the refusal of Ministers to introduce new primary legislation to implement their own 2011 White Paper, Students at the Heart of the System, meant the make-do-and-mend nature of higher education regulation was maintained. This was sustainable in the short term but not in the longer term, as the legal framework governing higher education failed to reflect the new funding environment. In particular, with the majority of funding for teaching coming from student fees, there was rapid expansion of higher education providers where the students could claim financial support but which were not directly overseen by HEFCE.

These ‘alternative providers’ found a new business model as the maximum tuition fee loans their students were entitled to claim rose from £3,000 to £6,000 in autumn 2012, thereby making life outside the HEFCE-subsidised sector more sustainable. The education many of these providers delivered broadened access and provided a useful competitive challenge to the traditional higher education sector, but at others it was poor (National Audit Office, 2014). Without legislation, it was both too easy for lower-quality alternative providers to thrive and too challenging for higher-quality ones to grow. Innovative providers, such as the New College of the Humanities, found they had entered a lengthy obstacle course with ever-changing rules and no clear finish line. The gap between the Conservatives’ rhetoric on supply-side reform and reality was big. The challenges were compounded by the absence of a lobby group for alternative providers, which was a problem they failed to remedy properly before the 2015 election.

The Coalition also shied away from altering some other critical elements of the higher education landscape. For example, the dual support system for funding research, in which some research funds are distributed by the UK funding bodies (such as HEFCE) on the basis of the Research Excellence Framework and more comes as project-based finance via the seven discipline-based Research Councils, was left alone.
Disrupting such arrangements, which largely worked well, seemed pointless, especially when it could have risked a row about politicians meddling in institutional autonomy, disturbing the true priorities of researchers and even overturning the sacred Haldane Principle. UK academia is, in general, to the left of society as a whole and initiatives from centre-right governments are particularly prone to being misinterpreted. In the early months of the Coalition, a synthetic row stoked by *The Observer* over politicians supposedly telling the Arts and Humanities Research Council to look at ‘the Big Society’, a slogan of the Conservative Party’s 2010 election campaign, showed what was at stake (Boffey, 2011).

This absence of activity over research funding streams is worth noting in part because the Conservative-majority Government elected in May 2015 rapidly began to reassess the research funding environment. Indeed, there had been signs of shifting sands even before the end of the Coalition’s tenure, as Sir Paul Nurse, President of the Royal Society, was asked in late 2014 ‘to look at overall questions relating to UK research funding’ (Department for Business, Innovation and Skills, 2015c). His report was received, and almost immediately accepted by, the subsequent Government (Nurse, 2015).

The Cabinet Office’s desire to reduce the number of arms-length bodies had made little progress in higher education by the time of the 2015 election. Organisations such as HEFCE, the SLC, OFFA the Quality Assurance Agency (QAA) and the Research Councils continued with only limited changes. As the Browne review had recommended that HEFCE, the QAA, OFFA and the Office of the Independent Adjudicator should be replaced by a single Higher Education Council, this was one important area, along with the retention of a firm tuition fee cap, where the recommendations of the Browne review were ignored by Coalition Ministers (Independent Review of Higher Education Funding and Student Finance, 2010).

**The Liberal Democrats’ six mistakes**

Before the 2010 election, all 57 Liberal Democrat candidates who went on to win put their name to the Vote for Students’ promise of the NUS. This read: ‘I pledge to vote against any increase in fees in the next parliament and to pressure the government to introduce a fairer alternative.’ Associating themselves so closely with anti-fees campaigners won the Liberal Democrats a large proportion of the student vote (Fisher & Hillman, 2014). However, after the election, Clegg expressed regret at signing the pledge and it was a clear failure of leadership. Indeed, making opposition to fees a key plank of their 2010 election platform was the first of many mistakes the Liberal Democrats made in relation to the increase in tuition fees.

This is because the leaders of the party were known not to support their own policy. Less than two years before the election, in September 2008, *Times Higher Education* had reported:

> The leaders of the Liberal Democrats plan to abandon the party’s opposition to student tuition fees. Stephen Williams, Lib Dem Shadow Secretary of State for Innovation, Universities and Skills, said that the policy was not sustainable. In an interview with *Times Higher Education*, as his party gathered for its annual conference in Bournemouth this week, Mr Williams said that Nick Clegg, the leader of the party, had come to this conclusion after ‘long internal discussions.’ (Newman, 2008)

In the run-up to the election, the Liberal Democrats adopted a slower timetable for abolishing fees but the leadership failed in their attempt to unlatch the party from principled opposition to them. So, unwise, they made the abolition of fees a central part of their election strategy
instead. According to Michael White of the Guardian, ‘Given that Clegg had spent two years ineffectually manoeuvring to ditch his own policy in favour of something more realistic, the puzzle is why he let himself be cornered into endorsing the anti-fees pledge in the election, complete with “read my lips” photos’ (White, 2010).

The party’s leaders did not undergo a Damascene conversion and become true opponents of fees. The Liberal Democrat team responsible for negotiating with the other parties in the event of a hung parliament agreed before the election that abolishing fees was a disposable policy:

the group concluded that the party should not use valuable political capital pushing for the abolition of tuition fees. One of the Lib Dems’ flagship policies would be ruthlessly sacrificed in any coalition negotiations: ‘On tuition fees we should seek agreement on part time students and leave the rest. We will have clear yellow water with the other [parties] on raising the tuition fee cap, so let us not cause ourselves more headaches.’ (Wilson, 2010)

In the event, the policy of opposing fee increases was thrown out immediately after the election. The Coalition Programme said: ‘If the response of the Government to Lord Browne’s report is one that Liberal Democrats cannot accept, then arrangements will be made to enable Liberal Democrat MPs to abstain in any vote’ (Her Majesty’s Government, 2010). Agreeing to a possible abstention was the second big mistake because it left Liberal Democrats MPs in a Catch-22 position where no course of action could satisfy both the NUS pledge and the Coalition Programme. The former held them to vote against fees and the latter held them to abstaining or voting in favour. Any of the three options—voting for, voting against or abstaining—broke one or other of their pledges.

It would have been distinctly odd if Vince Cable had not backed the policy of his own Department in raising fees, but a third big mistake was nonetheless the Liberal Democrats’ decision not to deploy the right to abstain once they had secured it. This would have provided them with some respite even though it would not have satisfied all those who had supported them in the election.

In the run up to the crucial parliamentary votes, there were fraught conversations among the Liberal Democrat parliamentary party aimed at securing a coherent single position. But these failed and, instead, the party split three ways: around one-half of Liberal Democrat MPs supported the new fee levels but more than one-third voted against while the rest either abstained or were abroad on official business. This division was the fourth big mistake because the lack of a single position blocked them from being able to portray a clear stance in favour of or opposed to the new fee cap. The division was not merely among lesser-known or newly-elected Liberal Democrats, as a website for the party’s activists made clear at the time: ‘Leader Nick Clegg voted for; Deputy Leader Simon Hughes abstained while Party President-elect Tim Farron voted against’ (Duffett, 2010). The confusion this engendered probably helped ensure there was little difference in the performance of Liberal Democrats standing for re-election at the 2015 general election. They did poorly whether they had rebelled, abstained or supported the tuition fee changes (Hillman, 2015b).

The fifth mistake was to insist on initiatives like the National Scholarship Programme, which lacked an evidence base, turned out to be an inefficient use of taxpayers’ money and was swiftly wound up (Hillman, 2014c). After the scheme had ended, one academic assessment concluded: ‘So the “National Scholarship Programme” was, in fact, not national; neither did it offer scholarships, nor a coherent programme’ (Carasso & Gunn, 2015).
Many people, Liberal Democrats and independent observers alike, have claimed that various other elements of the final package—such as the fixed £9,000 tuition fees cap (rather than the abolition of a fee cap, as recommended by Browne) and the £21,000 repayment threshold—were secured by the Liberal Democrats. Such claims lack supporting evidence because they are incorrect: for example, the £9,000 cap was initially chosen by the Conservative Universities and Science Minister, David Willetts, and the Liberal Democrats’ tortuous internal debates over accepting higher fees meant they paid relatively little attention to the precise level at which it was set. Similarly, the £21,000 repayment threshold was recommended by Lord Browne. The Liberal Democrats did win a few minor changes other than the National Scholarship Programme, most notably a promise to increase the £21,000 threshold in line with earnings each year. But, as the Conservative-majority Government elected in May 2015 reversed this commitment before it took effect, it was of little value (Department for Business, Innovation and Skills, 2015a).

In terms of good public policy, the sixth mistake was to remain so obsessed with fees that it undermined other important higher education reforms. Senior Liberal Democrats were so eager to keep higher education off the political agenda that they blocked the 2011 White Paper, Students at the heart of the system, from becoming law, thereby stopping the best mechanism for enabling the Coalition to build a new narrative. Liberal Democrats clearly wanted higher tuition fees to disappear as a topical issue yet, like a bullied child returning to the scene of their torture, they continuously reminded people of them, as when Nick Clegg infamously won headlines in 2012 with an apology for pledging to oppose fees before the election. Meanwhile, they blocked the one route that might have helped them out of a quagmire of their own making.

Their one possible line of defence is that parliamentary debates over new higher education legislation could have reopened the tuition fee issue by enabling an amendment on reducing or abolishing them. But, as a consequence of the lack of new legislation, the regulation of higher education did not catch up with the change in financing, the issue of how to deal with ‘alternative providers’ was not dealt with properly and measures to raise the student interest, such as making HEFCE a ‘consumer champion,’ were not enacted.

By the time of the 2015 election, Liberal Democrats seem to have recognised this mistake because their manifesto, unlike those of the Conservative and Labour parties, promised new higher education legislation: ‘We will legislate to reform regulation of the higher education sector, improving student protection’ (Liberal Democrats, 2015). At the 2010 election, they had made a promise they went on to break. At the 2015 election, they made a promise they had already had every opportunity to keep but had failed to implement.

Whatever the wider success of the Liberal Democrats in taming and shaping the Coalition Government, they made numerous mistakes on higher education. Between 2008 and 2012, Nick Clegg went from opposing his party’s no-fee policy to making it the centrepiece of his election campaign to distancing his party from it in the Coalition Programme to voting against it in Parliament and then apologising for the mess. He was at the mercy of many forces but he did less than he might have done to resist being buffeted by them.

In one sense, this mattered less than is sometimes supposed. It is often said that the decision to sign the NUS pledge but then to reject it led to a collapse in Liberal Democrat support. In fact, their poll rating declined sharply soon after entering office with the Conservatives, when their left-leaning voters peeled away, and months before the Browne report was even published. The broken pledge did, however, make the road to recovery
more challenging. Research conducted in Nick Clegg’s constituency of Sheffield Hallam during the run up to the 2015 election found:

many could still not excuse the deal with the Conservatives, or the reversal on tuition fees: ‘He [Clegg] traded that for a ministerial car.’ The argument that a junior coalition party inevitably has to take what it can get (and had indeed scored a number of successes that they themselves recognised) was not enough for them because the promise to vote against the fee rise had been so public and unequivocal. What would he let them down on next time? (Ashcroft & Culwick, 2015)

**Opposition**

There were numerous critics of the Coalition’s higher education reforms among academics, commentators and students. In 2012, for example, some current and retired academics launched a Council for the Defence of British Universities (CDBU) to oppose policymakers whose reforms were supposedly changing higher education ‘fundamentally, permanently, and virtually overnight.’ They claimed the changes lacked a mandate: ‘Although opposed by student protests, devastated by scholarly criticism, and unsupported by even the most elementary analysis of the empirical evidence, these changes are being driven forward relentlessly without benefit of Parliamentary debate or public scrutiny.’ The verdict did not improve by the end of the Parliament, when one academic study claimed: ‘Coalition policy in higher education was a colossal failure in both its own terms and in the terms of its critics’ (Finn, 2015).

There was considerable opposition among commentators too, although it was not a simple split along left-wing and right-wing lines. The *Guardian* columnist and former Editor of the *New Statesman*, Peter Wilby, criticised the Opposition for kowtowing to the middle class: ‘Labour has been seduced into sentimental, sloppy thinking that defends the interests of the affluent, not the poor’ (Wilby, 2010). In contrast, the former Editor of the *Daily Telegraph*, Charles Moore, complained: ‘loans are being presented as a tax on the rich to pay for social mobility. Everyone, whatever their politics, can see that this is not a good way of achieving the desired effects. So absolutely everyone is cross’ (Moore, 2011).

The reforms encouraged the most fervent street protests of the Coalition’s period in office, which were organised by the NUS and the University and College Union. These came to be remembered mainly for an invasion of Conservative Campaign Headquarters, for a Cambridge student (and son of a pop star) swinging off a Union Flag at the Cenotaph and for Prince Charles’s car being attacked in the West End. Once Parliament agreed to higher fees, the protests lost their force. Low-level disruption continued on campus but it typically petered out around the end of each term as students drifted off home.

There is scant evidence to suggest any of this opposition had much effect and it is not hard to understand why.

First, the primary goal of the increase in tuition fees was to ensure the Business, Innovation and Skills Department, which had an unprotected budget, contributed sufficiently to the planned reduction in the deficit to which all the major political parties had committed prior to the 2010 election. Every penny of savings from reducing the HEFCE teaching grant helped reduce the nation’s deficit while not one penny of the higher student loans contributed to it, according to standard accounting conventions (McGettigan, 2015). For Conservative Ministers, the fact that higher fees could make higher education more like a regulated market, with students coming to resemble consumers, was a bonus but it was not the primary
purpose. The need to save money made the Coalition relatively impervious to criticism not least because a u-turn would have necessitated a search for alternative savings. These may have had to come from the same Department, which could have meant drastic cuts to other educational priorities, such as research or apprenticeships.

Secondly, the opponents lacked workable alternatives. Critiques by serving academics typically ended after the easy bit of saying what was wrong and before reaching the difficult part of saying what should be done instead. Perhaps the most trenchant criticism came in a report from the Higher Education Commission, which said:

the Government is investing, but not getting any credit for it, damaging the perception of the public value associated with higher education. Students feel like they are paying substantially more for their higher education, but are set to have a large proportion of their debt written off by the Government. Universities are perceived to be ‘rolling in money’ in the eyes of students, as their income from tuition fees has tripled, yet the cuts to the teaching grant are not well understood by students and a fixed fee cap means an annual erosion of real terms income. We have created a system where everybody feels like they are getting a bad deal. This is not sustainable. (Higher Education Commission, 2014)

It is telling that, despite joining the chorus of voices opposing the high fees and loans, nowhere in their 86-page report were the Commission able to agree on a better approach. Fierce critics of student loans were so short of alternative ideas that they typically proposed helping postgraduates by extending the very income-contingent loans they opposed for undergraduate students (Hillman, 2014b).

As the 2015 election approached, the Director of Education at the Organisation of Economic Co-operation and Development, Andreas Schleicher, gave the Government a useful third-party endorsement to use against those who said that the funding model was unsustainable due to the large debt write-off costs: ‘Keep in mind that the added tax income of those graduates who end up in employment, on average over £80,000 in the UK, is many times larger than any conceivable bad debt’ (Schleicher, 2015).

Thirdly, the Official Opposition were little better. In autumn 2010, the Labour Party voted against higher fees but their position seemed inauthentic because, in office, they had reintroduced tuition fees in 1998, tripled them in 2006 and promised a review of fees which eventually became the Browne review in 2009. The paperback edition of Lord Mandelson’s memoirs claimed in early 2011 that Labour would have doubled tuition fees had they stayed in office (Mandelson, 2011). During his successful campaign to become Labour Party Leader in the summer of 2010, Ed Miliband had set out a different course by promising, ‘I will in coming months produce a plan for replacing tuition fees with a new graduate tax’ (Miliband, 2010). However, that plan never appeared and, at the 2011 Labour Party Conference, he backed a tuition fee cap of £6,000 instead. A party spokesperson told the Observer they might go further by the time of the general election: ‘This is what we would do now. But in three and a half years’ time we might be able to do even more’ (Helm, Rawnsley & Boffey, 2010). After a great deal of uncertainty and mixed messaging, Miliband reannounced the £6,000 fee cap in February 2015 alongside a commitment to deliver a modest increase in maintenance grants (Wintour, 2015). This cleared the fog but could not satisfy principled opponents of fees. Overall, Labour’s policy on higher education funding between 2010 and 2015 had all the disadvantages of inconsistency while remaining remarkably consistent.

Fourthly, the academic community was not united: vice-chancellors and other leaders, who needed to know there would be sufficient income to continue running their institutions
successfully, tended to support the reforms (Smith et al., 2010). It was often lukewarm support based on the fact that other options were less palatable, such as a cut to the number of student places, or politically unfeasible, such as a big increase in direct support from taxpayers. But many sector leaders recalled that the amount of funding per student had halved during the period of Conservative rule between 1979 and 1997, with a dire impact on the quality of education, and they wanted above all to avoid a repeat (Greenaway & Haynes, 2003). Whatever the cause, over half of institutional leaders backed the changes, which proved the academy was far from the single entity that some university staff liked to imply.9

Fifthly, as Channel 4 neatly captured in a 2011 episode of the comedy Fresh Meat, the academic and student demonstrators often came across as middle-class protestors supporting a public subsidy for better-off people on their way to well-paid careers. This thought was captured by the Secretary of State for Education, Michael Gove, when he told the BBC, ‘Someone who is working as a postman should not subsidise those who go on to become millionaires’ (Shepherd & Stratton, 2010). Visits to higher education institutions by the Minister for Universities and Science, David Willetts, were more likely to be disrupted at relatively wealthy institutions with large numbers of middle-class students than at those with more diverse student bodies, and at institutions based in London somewhat more than those in the regions. So it was at the University of Cambridge where he was shouted down and unable to deliver a prepared speech and it was at Birkbeck, which specialises in evening courses for people already in work, where a prestigious lecture he had been asked to deliver was cancelled in advance due to evidence of organised troublemaking.10

Sixthly, the Coalition claimed their method of funding undergraduates enabled an improvement in social mobility by making it affordable to remove the restrictions on recruitment at individual higher education institutions and across the sector as a whole: ‘This expansion is affordable within a reducing level of public sector net borrowing as a result of the reforms to higher education finance the government has enacted’ (Her Majesty’s Treasury, 2013). There was too little due diligence undertaken on the removal of student number controls before it was announced but it gave the Conservative Party something forward-looking to talk about in the run up to the 2015 election (Hillman, 2014a). The Labour Party’s supply-side response of new earn-as-you-learn degrees appeared opaque and bureaucratic alongside the Coalition’s demand-driven approach (Byrne, 2014).

Those who opposed the Government’s higher education reforms were not only ineffectual; they were also counter-productive. The focus on the increase in the tuition fee cap came at the expense of other important issues. Ministers were not going to reverse the increase in fees given the political capital that had been spent on the policy and the contribution the cut in direct funding made to reducing the deficit, not to mention the absence of workable alternatives and the likelihood that student issues would not be decisive at the 2015 general election. Yet by focusing on fees to the exclusion of other issues, opponents were unable to pin problems such as the drastic reduction in part-time students on the Coalition.

Conclusion

If it lasts, the Coalition’s decision to remove the student numbers cap may turn out to be a more dramatic policy change than their decision on fees. The history of UK higher education
shows the best way to widen participation is to have more places: otherwise well-heeled people do all they can to ensure they obtain the rationed places. Yet the significance of removing student number controls was all but ignored, particularly by those who wished to paint the Coalition’s reforms in a negative light (see, for example, Temple, 2015). Only by ignoring the policy altogether was Konstanze Spohrer able to argue that ‘the measures in relation to widening participation adopted by the Coalition mean a move away from a general concern with opening up higher education to a wider share of the population towards “creaming off” academically high-performing individuals’ (Spohrer, 2015). As well as aiding social mobility, removing student number controls was likely to produce a sharper element of marketisation than loading the costs of higher education on to graduates in the form of income-contingent loans. It also seemed likely to encourage shifts in the shape of the higher education sector, with institutions facing more competition for students and more new entrants.

On the other hand, the Coalition’s refusal to implement a new legal framework ensured they ended their time in power having made some significant changes to higher education but without ever placing them within a new permanent backdrop. It was a sticking-plaster approach to higher education. The vacuum it created was partially filled by other regulatory forces, some of which lacked an intimate knowledge of higher education, such as the Home Office and the Competition and Markets Authority.

Moreover, despite improvements in the information available for potential students, there was no serious challenge to the hierarchical nature of British higher education, which was reinforced by the 2014 Research Excellence Framework and the continuing importance of university league tables. This mattered because employers and others continued to use problematic proxies for teaching quality, such as the age of institutions, which blunted the incentives for both younger and older institutions to improve.

The Coalition also left office without ever reconciling itself fully to the internationalisation of higher education. While BiS pressed for more educational exports, including more international students, the Home Office sought repeatedly to reduce the numbers coming to study in the UK as part of its wider policy to cut net inward migration (Department for Business, Innovation and Skills, 2013). Foreign students continued to arrive in large numbers, but the UK lost market share compared to other countries (British Council, 2015).

This inability to reflect wider trends within higher education had a parallel in the discussions on greater devolution of power from Westminster. It was feared some parts of the UK were acting increasingly like local providers of higher education just as it was becoming a truly global endeavour (Hunter Blackburn, 2015). One example of this was the decision by the ruling Scottish National Party to establish a formal but inward-looking review of university governance arrangements in Scotland.

So England continued to enjoy the benefits of a world-class higher education system without setting it into either a new legal framework or a world-class context, while also witnessing the watering down of the concept of a single university sector across the four corners of the UK. Once it was clear England’s high-fees regime could prove sustainable, the other parts of the UK began deeper debates about the consequences for their own jurisdictions. For example, a review of higher education funding and student finance was established in Wales in 2013 and a ‘Higher Education Big Conversation’ consultation process occurred in Northern Ireland in late 2015. But there was little reason to think such initiatives would lead to a strengthening of the concept of a single UK higher education system. The leaders of
Scottish higher education institutions proved very reluctant to defend the concept of a single system fully in public in the run-up to the 2014 referendum on Scottish independence.

As the Coalition left office, the issue of the UK’s place in the European Union rose up the political agenda, with the higher education sector’s leaders apparently united in fearing the consequences of disengagement. The argument that it could be regarded as inappropriate for sector leaders to play a role in such important questions on the UK’s future, which had been common during the Scottish referendum, was quickly forgotten. A few weeks after the 2015 general election, Universities UK launched Universities for Europe, which aimed to be a strong voice on the ‘stay’ side of the European question.

In its first few months, the Conservative Government which replaced the Coalition proposed a Teaching Excellence Framework, a new emphasis on widening participation, a clearer entry and exit regime for higher education providers, more efficient distribution of research spending, the abolition of student maintenance grants, a freeze to the £21,000 student loan repayment threshold, a review of the RAB charge calculation, a major revamp of higher education regulation and new primary legislation (Department for Business, Innovation and Skills, 2015b). So they clearly saw plenty of ‘unfinished business’, in the words of David Willetts (Gill, 2015).

Those who had criticised the Coalition’s approach to higher education found the need to reach for even more excessive hyperbole than they had used between 2010 and 2015, but it was further proof that the centre-right Coalition’s higher education policies were more evolutionary than revolutionary. Given that the administration fell between Labour’s period in office and the first majority Conservative Government for a generation, perhaps that should not seem so surprising.

Notes
1. Figures from the 2012 and the two 2015 grant letters sent by the Department for Business, Innovation and Skills to the Higher Education Funding Council for England.
2. http://www.publications.parliament.uk/pa/cm201011/cmhansrd/cm101209/debtext/101209-0002.htm#10120946000003
3. Simon Fraser, Philip Rutman and Martin Donnelly.
4. http://www.publications.parliament.uk/pa/cm201415/cmhansrd/cm150108/debtext/150108-0002.htm#15010857000902
5. http://www.publications.parliament.uk/pa/cm201011/cmhansrd/cm101208/wmstext/101208m0001.htm#10120858000009
6. In late 2015, the Government reduced the discount rate applied to student loans and froze the repayment threshold, which reduced the official calculation of the RAB charge to 30%.
7. The Haldane Principle states the precise use of research funds should be determined by the research community rather than politicians.
8. http://cdbu.org.uk/about/a-world-class-system/
9. As the special adviser to the Minister for Universities and Science, the author was tasked with compiling the list of vice-chancellors who supported the policy.
10. http://www.bbc.co.uk/news/uk-england-cambridgeshire-15855838; http://www.bbk.ac.uk/downloads/BernalLecture2012_DavidWilletts.pdf.

Disclosure statement
No potential conflict of interest was reported by the author.
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