



OUR PLAN FOR HIGHER EDUCATION

Diverse, Employment-Focused, Value for Money

“Up and down the country, young people are starting university with the inflated promises of politicians, society and university prospectuses ringing in their ears – that a degree is the passport to a good job, to career progression and to a high salary. Those days are gone.”

Lord Kenneth Baker former Education Secretary

“There are knowledge-driven sectors and occupations, but large swathes of low paid, relatively low-skilled work remain... Data from the Longitudinal Educational Outcomes (LEO) database, showing that 25% of graduates are not earning £20,000 per annum, ten years after graduating, is a sign of just how badly awry things have gone.”

Professor Ewart Keep, Oxford University

A landmark paper making the case for a diverse, employment-focused higher education sector offering value for money to students and businesses.

The Edge Foundation brings together compelling international, historical and economic evidence, as well as brand new survey data, to support the need for higher education to offer a range of focused and cost-effective routes for students to prepare for their careers.

Our Plan for Higher Education and many other Edge Foundation reports are available to download for free from www.edge.co.uk/research.



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We are facing an **unprecedented period of economic and social change** as demographics continue to widen the skills gap, the digital revolution makes widespread changes to the labour market and Brexit restricts the supply of skilled workers from abroad. We have a **strong higher education sector**, which should be a key asset in addressing these challenges.

The proportion of young people going to university has risen from **5% to almost 50%** over the last five decades. As leading expert Professor Ewart Keep argues, demand for graduates **has not kept up with supply**. Meanwhile, employers are clear that all graduates do **not have the skills they need to start work**.

As a result, the **graduate premium shows signs of waning** and has become very variable between courses and institutions. The UK leads the world in terms of graduate underemployment. **Student debt has risen above £50,000** and as a result many students are reporting that they feel **'mis-sold' their degrees**.

To address these issues, the higher education sector must become more:

- **DIVERSE** – Students need access to a wide range of course settings, including **higher education in further education colleges, new providers** and **accelerated courses**. We need a massive expansion in **higher and degree apprenticeships**, the re-emergence of quality provision at **Level 4 and 5** and **part-time** and **sandwich courses** that allow students to combine higher education and work.
- **EMPLOYMENT-FOCUSED** – Whether that employment is in research, academia or outside the higher education sector. We need high quality **careers services** at the heart of every institution and to make **employability everyone's business**. Employers need to be invited to provide **real world context, exchange staff, offer placements** and **collaborate on projects** to give students the best chance of moving on into skilled employment.
- **VALUE FOR MONEY** - Young people need to receive **high quality and realistic advice** while at school about the range of options and their likely returns to prevent them later feeling mis-sold. **Tuition fees need to be reduced** and much **more differentiated** between courses according to their outcomes, which should be **measured principally on long-term student destinations**.

Implementing these changes has the power to transform higher education over the next decade. **We look forward to working with you to do so.**

Our Plan for Higher Education is underpinned by new survey data commissioned from YouGov, which shows that:

- The proportion of graduates feeling that they received good value for money has fallen steadily from **93%** for those who graduated before 1980 to just **58%** amongst recent graduates.
- The majority of graduates from the last five decades (**52%**) would choose not to go to university in the current funding regime.
- Just **9%** of graduates said that the concessions recently proposed by the Prime Minister for 2018 would make a difference to value for money.



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