

University fees

Labour, Conservatives and Liberal Democrats have all in opposition opposed university tuition fees for some of the time. All in government have signed up for them and increased them.

There is growing unrest about these fees, as people feel £9000 is too much for some courses at some Universities. The answer then, is not to apply there. Governments had hoped there would be a market for university courses, with lower fees for the less well rated places and subjects. Instead universities decided to all price at £9000. Why signal your place or course is not as good as the best by offering a lower tariff?

In practice employers and the wider community do distinguish between courses and universities, prizing some more highly than others. The Universities might not like it, but they cannot prevent the publication of elaborate league tables showing Oxbridge and the Russell Group as more prestigious places to go than the names at the bottom of these publications. So why then do they not use price to attract students?

There are two main reasons. Setting a lower price for your course confirms what is otherwise a guess or opinion that that course is of lesser value. The more lowly rated universities can still fill enough places at £9000, so why not keep the prices up?

The truth is some courses cost a lot more than others. Offering a good science course in the centre of London with all the labs, property and equipment must be a lot dearer than offering a humanities course out of property 200 miles or more from the capital. Some of the cheapest courses to run are ones at the bottom of the unofficial lists of quality, giving to them the highest margin. I read that some in government now object to universities charging too much and making a surplus.

The danger of a blanket cut in the fees is that it damages the great institutions that are world class, who are spending large sums on facilities and teaching and often cross subsidising UK undergraduates. One of the UK's big advantages as we go through Brexit is we have a good concentration of high class universities capable of great research which can have spin off for economic development. This would be an odd time to anger them and to disrupt their development.

There is no easy answer to the imperfect functioning of the university market for UK undergraduates. What we need is more demanding applicants, prepared to ask for better value fees where the costs of provision are low and the ranking of the course below average.