



# CAN WE BUY A UK UNIVERSITY?



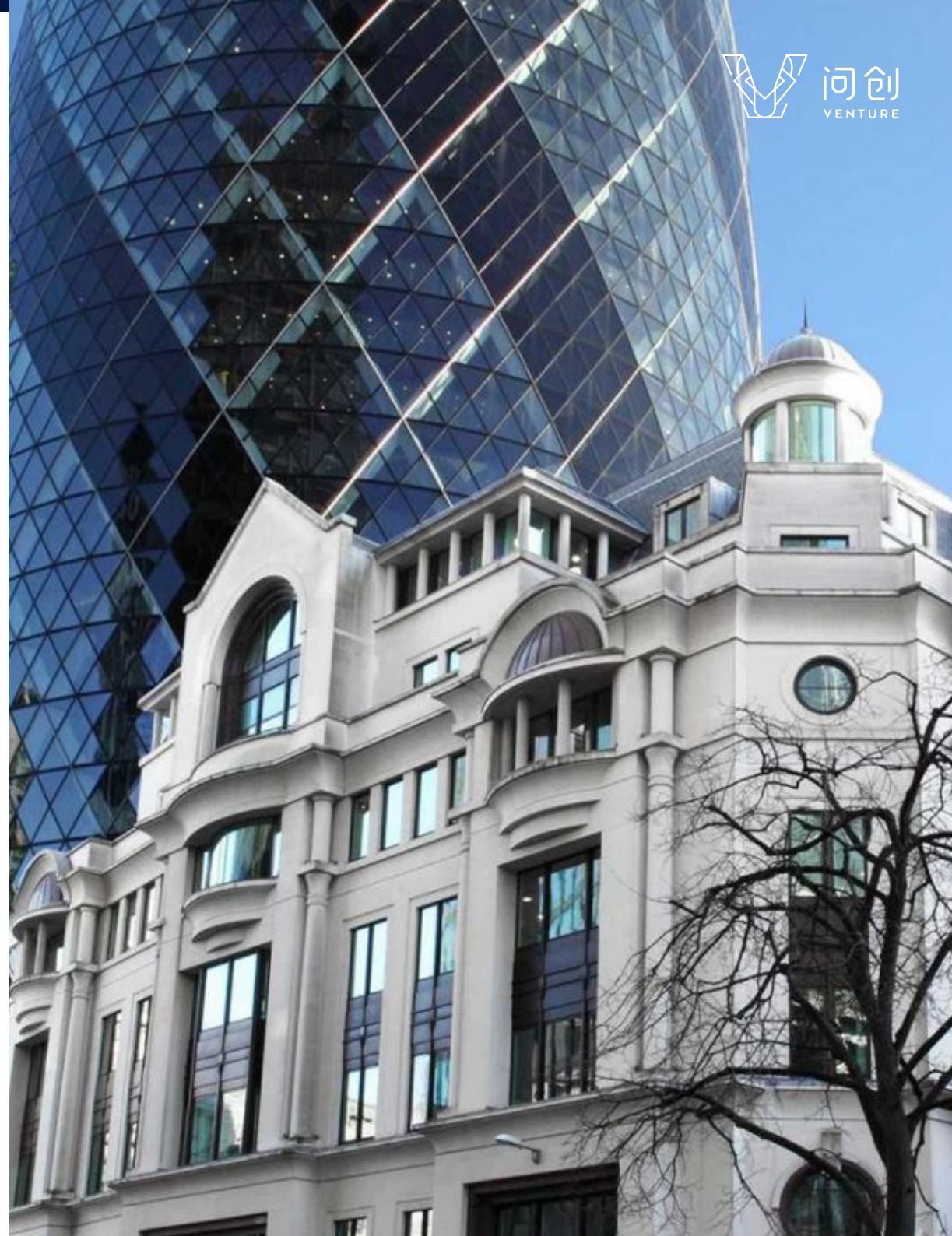
# Can we buy a UK university?

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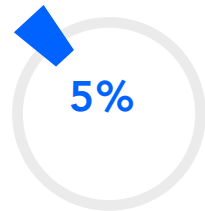
We get asked a lot of questions. And sometimes questions pique our interest, especially when they are asked more than once.

So when we were asked for the second time in six months, “[can we buy a UK university?](#)”, we thought it might be time to take a look....

The following report, also available in Chinese, is the outcome of a little digging and a lot of interesting conversations with organisations across the UK and beyond. It is intended to provide a short overview of the sector, and we hope it will clear up some misconceptions about UK universities and provide answers to some commonly asked questions.



# What does the UK higher education sector look like?



UK education sector accounts for 5% of UK industry



UK universities account for 1.2% of UK GDP

To start with, it is relatively small in terms of numbers of institutions! The UK has only 394 recognised higher education providers, 142 of which are universities. For comparison, the US has over 5,000 higher education institutions. Although relatively small, the UK system is very well respected, home to over 10% of the world's top 100 universities! In fact, it has 3 universities in the world top 10 according to THE (Oxford - 1st, Cambridge - 3rd, and Imperial - 10th).

At the UK's 394 institutions, there are 2.38 million students (75% undergraduates) and almost 440,000 members of staff. The UK higher education sector also has a considerable economic impact, and in 2014-2015, UK universities generated £95 billion in gross output for the economy, contributing £21.5 billion to GDP, accounting for 1.2% of UK GDP. The broader UK education sector accounts for 5% of UK industry and 2% of UK employment.

# 10%

of the world's top 100 universities are in the UK

The sector can largely be divided into three main categories – vocational training colleges (TVET), university colleges and universities. Although this document will focus on universities, it is important to understand TVET and university colleges.

**Vocational training colleges** are primarily government-funded institutions, that provide students with practical skills that are job-focused. Students are awarded certificates and diplomas.

**University colleges** provide a university-level education, but they do not have “university status”. In most cases, university colleges award degrees validated by partner universities.





# What is a university?

A university is different from a vocational college, and indeed a university college, in many ways. For a higher education provider in the UK to be considered a “university”, it must be granted “university status” through a Royal Charter or an Act of Parliament, which means its degrees are recognised as nationally and internationally valid.

All UK universities are independent not government owned. However, the majority of universities in the UK are public institutions; they receive some funding from the UK government.

In addition, with the exception of just three institutions, all UK universities are registered charities, which means that they are not allowed to operate for a profit. Most are tax-exempt.

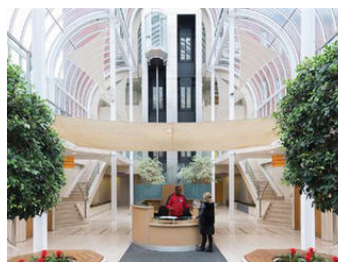
So if we were to ask, “can I buy a public UK university”, the answer would be “no.” However, there is a small section of UK higher education that is private and operates for profit, which can be bought.

In fact, there are 6 private universities operating in the UK. These are:

**01**

**Arden University**

Est. 1990



**02**

**BPP University**

Est. 1992



**03**

**Regent’s University London**

Est. 1984



**04**

**Richmond,  
The American International  
University in London**

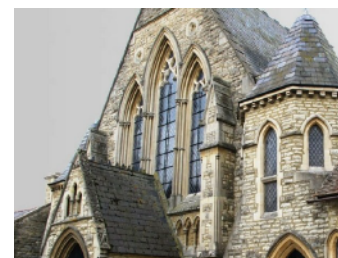
Est. 1972



**05**

**University of Buckingham**

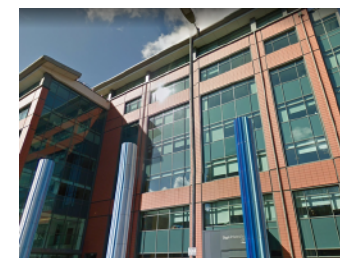
Est. 1973



**06**

**University of Law**

Est. 1962





# Which are the UK's private universities?



## Arden University

Arden University is a for-profit university based in Coventry, UK, with study centres in London, Manchester, Birmingham, and Berlin, Germany. It offers a combination of online distance-learning courses, as well as blended learning (both online & in-person teaching). It is currently owned by the Netherlands-based company, Global University Systems.



## Richmond, The American International University in London

Richmond University is a not-for-profit university, with two locations in central London and two in Italy, that is unique in its ability to award both US and UK-accredited degrees. Richmond combines the US Liberal Arts system with UK higher education standards.



## BPP University

BPP University is a for-profit university consisting of four different schools – Business and Technology, Law, Health, and Nursing – and 13 study centres across the UK. BPP works across UK industries and sectors, working with 7,000 businesses to provide a combination of degrees, professional qualifications and apprenticeships. It is currently owned by the US company, Apollo Education Group.



## University of Buckingham

The University of Buckingham was the UK's first private, not-for-profit university that offers a two-year undergraduate degree, compared to the standard 3 or 4 year UK undergraduate. It is the most well regarded private university for its academic excellence, ranked 5th in the UK for Accountancy & Finance and 6th for Business, Management & Marketing.



## Regent's University London

Regent's University London is a not-for-profit university located in Regent's Park in Central London, and is the most expensive university in the UK. The university charges the same tuition fees to all students, regardless of nationality, and 50% of its student body are international (i.e. from countries outside the UK & EU).

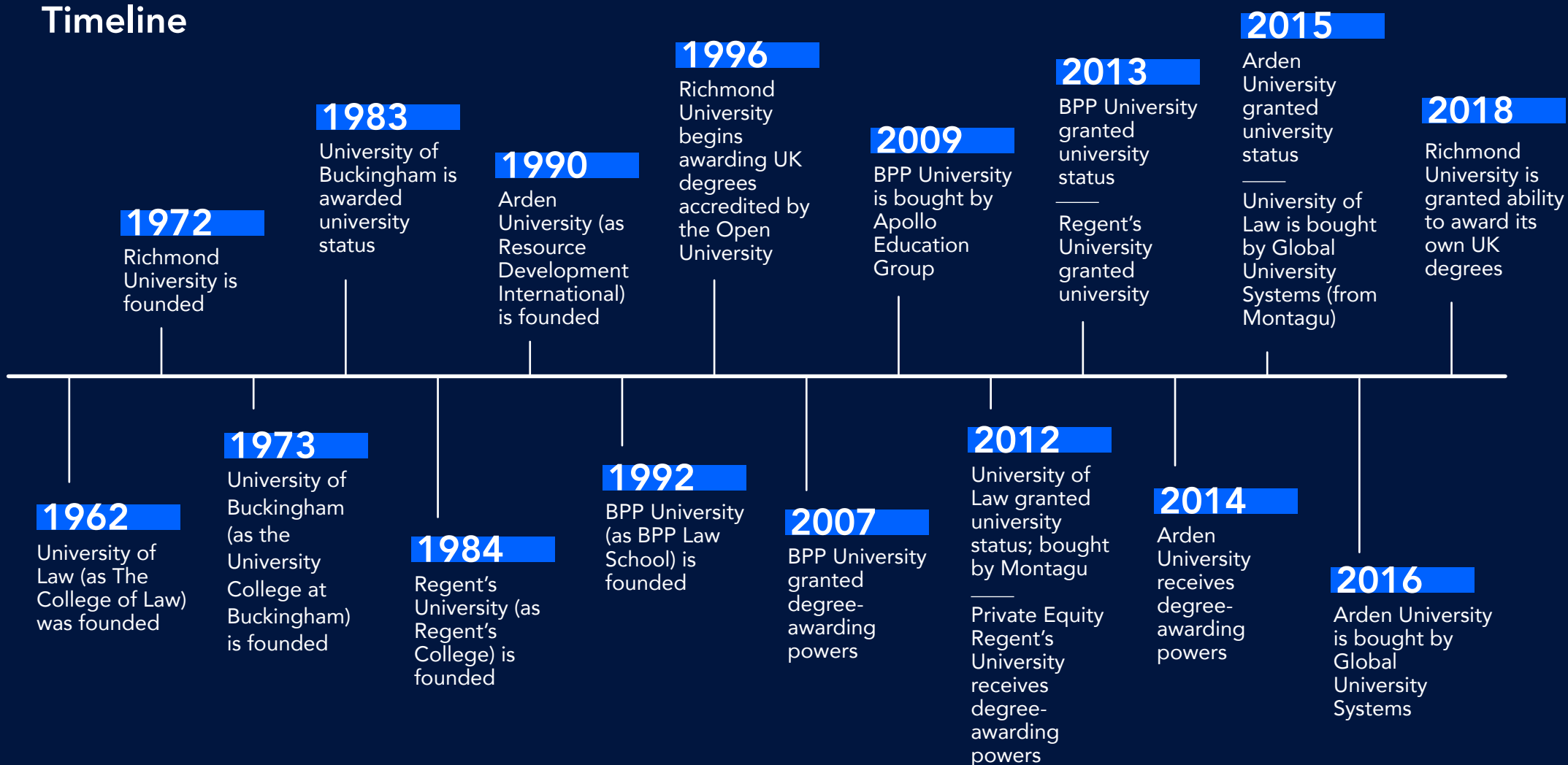
## Law

## University of Law

The University of Law is a for-profit university with 9 campuses in the UK, as well as an international campus in Hong Kong. Like BPP, the university benefits from corporate partnerships, providing legal training to 90/100 of the top UK law firms.


# A comparison

## Timeline





## Approximate Student Numbers

BPP University  
**16000** 

University of Law  
**8000** 

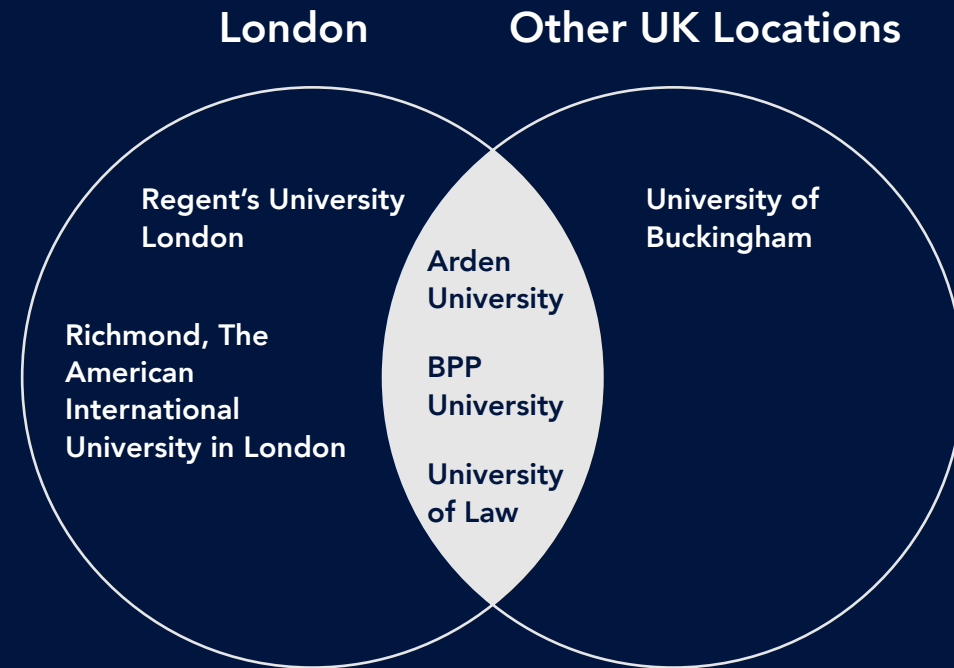
Arden University  
**5700** 

Regent's University London  
**3770** 

University of Buckingham  
**3070** 

Richmond,  
 The American International  
 University in London  
**1600** 

## Location



of private universities are FOR-PROFIT - Arden University, BPP University, University of Law

All 3 are owned by non-UK companies - Apollo Education Group & Global University Systems



So...  
**can we buy a university?**

In short,  
**yes**

However,  
 it is not a  
 simple  
 process.

**Firstly**, there are only three universities that would potentially be “available”, which are the three for-profit institutions. However, they are all currently owned by large, international education groups, the most notable being Global University Systems (GUS). GUS owns 20 educational institutions worldwide. However, there are a large number of alternative private higher education providers (i.e. vocational colleges and university colleges) that might be available.

**Secondly**, the UK higher education sector is well respected because of its emphasis on maintaining good quality standards. In the event of a foreign sale, this would trigger an investigation from the Office of Students (OfS) into the stability and quality of the provider and any potential economic risk. This would be an extremely thorough and time-consuming process.

**Thirdly**, the UK government would only support the privatisation and sale of a UK university if it is in the UK’s best interest, and they take this kind of sale very seriously.

Therefore, although it is certainly possible to buy a UK university, it requires a great deal of expertise, passion and patience. The new buyer must be a reputable organisation, dedicated to the provision of high-quality education, in line with UK standards.



# What trends might there be in the future?

## Privatisation of UK Industry

Since the 1970s, the UK has been gradually privatising more and more of its national industry, and this is a trend that has remained steady over the last decade. Notably in 2014, the Royal Mail was privatised in a move that is considered the “most ambitious privatisation since that of the railways in 1994,” with both having been firmly supported by the UK Conservative Party. Due to the fact that the UK’s governing party generally supports privatisation for which there already exists a precedent, combined with the fact that private universities are an accepted part of the higher education industry, there is indeed a possibility for more of the UK’s university sector to become privatised.

Furthermore, when compared to the universities of other countries that are also known for their high quality of education, the UK has a comparatively low number of private universities as a proportion of its

total number of universities.

There is certainly room for growth and international investment into UK higher education, which can be seen in the recent acquisitions of the New College of the Humanities and Richmond University over the last year.

## Brexit and Falling Student Numbers

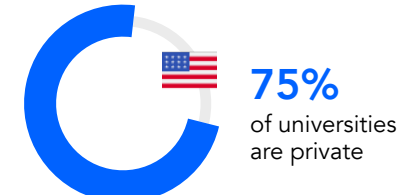
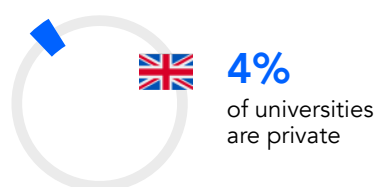
There is a great deal of uncertainty surrounding the effects of Brexit on UK universities, with a 2% fall in the number of university applications from the EU for the most recent 2020/21 cycle. This has also coincided with a general trend of falling applications from UK students (4% drop in home student applications 2010-2019), with the University of Buckingham referring to falling student numbers as a primary

reason for their 2018 operating loss.

## The Impact of Covid-19

Covid-19 has also caused a great deal of financial strain on the UK higher education sector. Universities UK, the representative body for the UK’s university sector, recently requested a government bailout of £2 billion, however the Treasury has refused. This has resulted in heightened uncertainty and anxiety among MPs and education professionals, with some universities likely to be on the brink of bankruptcy. However, the Department of Education has just released a new support package for students and universities, including advancing £100 million of public funding to this year as well as £2.6 billion in tuition fee payments.

UK universities are currently experiencing a period of unprecedented economic uncertainty, which may cause more universities to look for alternative funding sources to ensure the survival of their institutions.





This report was researched and written by Venture Education.

Venture Education is a Beijing-based consultancy that empowers UK education in China. We do this through research, consultancy, and partnerships.

Our team is a mixture of former teachers, university lecturers, education professionals, research analysts and project leaders from the UK and China. If you are seriously interested in investing in UK or Chinese education, please get in contact and we'd love to talk.

Please follow us on LinkedIn, or visit our website, to get our latest reports, learn more about UK-China education or find out some more details about the work we do

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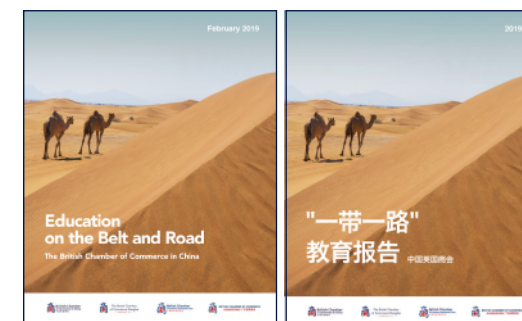
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