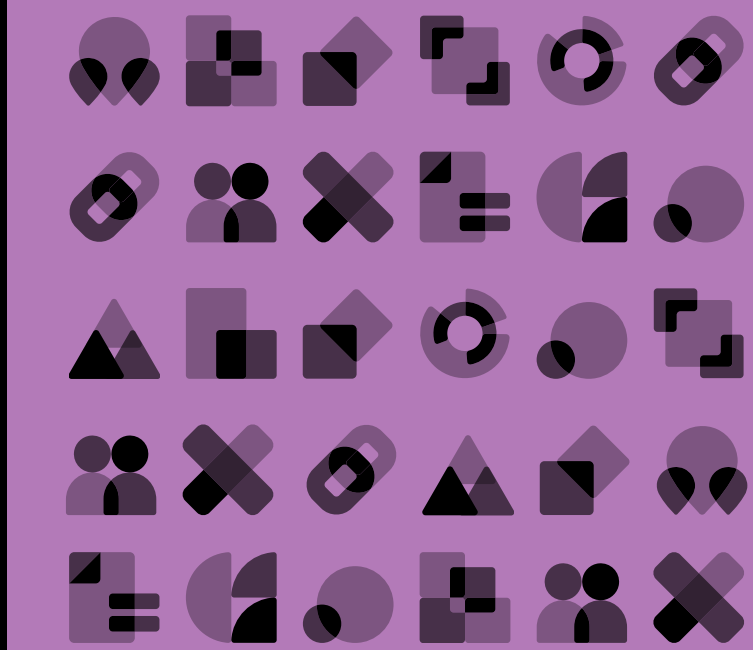
INDEPENDENT
HIGHER
EDUCATION

# State of the Sector

2026



# Contents


→ A note from the sponsor of State of the Sector 2026

→ Foreword

→ Independent higher education at a glance

1 Introduction

2 Student and provider profile

3 Survey demographic

4 Regulation and oversight

5 Courses and delivery models

6 Governance

7 Skills and partnerships with industry

8 Widening access and student success

9 Data and systems

10 International education

11 Strategic outlook and opportunities

12 Conclusion

→ Notes on methodology and data

# A note from the sponsor of State of the Sector 2026

technology1
Making life simple for our community

## Supporting a stronger future for independent higher education

Behind every independent higher education provider is a dedicated team of people working to help students take their next step. TechnologyOne is proud to sponsor Independent Higher Education's **State of the Sector 2026**. We supported this research because understanding the experiences and challenges of those who lead institutions, support students and deliver essential services is key to making a meaningful contribution to the sector.

The report shines a light on the technology, systems and people behind the student experience. With 84% of providers already using AI, there is clear appetite for innovation, particularly in business reporting and planning. Yet the findings also highlight the pressures facing the sector, with 75% reporting an increase in regulatory burden over the past three years. Together, these findings highlight the need for technology that makes everyday work easier and gives providers more time to focus on their students.

For us, sponsorship is an opportunity to listen and learn. What would help staff spend less time on administration? What information do leaders need to plan with confidence? How can providers better support students taking different routes through education? We want to turn these questions into practical conversations, shaped by the people who know their institutions best.

# Connected technology, centred on people

Technology should make everyday tasks simpler, help teams work more effectively and give staff more time to focus on students. TechnologyOne's OneEducation software-as-a-service platform brings together student management, finance, HR, payroll and analytics, helping teams work with connected information rather than spend time piecing it together.

For staff, this means reducing repetitive administration and making information easier to access and use. For leaders, it means a clearer view of their institution to support decisions about resources, priorities and the future. The goal is simple: less time managing disconnected processes and more time for the work that makes a difference to students and colleagues.

Every provider has its own character, and every institution understands its community differently. Whether supporting short courses, flexible study or alternative learning pathways, technology needs to reflect that context. Our role is to support the people behind the provision, respecting what makes each institution distinctive while helping it build the capacity to adapt and grow.

Our purpose, making life simple for our community, is about people. We believe technology should do more than simplify processes; it should help institutions better support their students and staff. Connected information, making services easier to navigate and giving teams more time to help people are practical ways to make that happen.

# Supporting opportunity and stronger communities

For TechnologyOne, social impact means keeping opportunity, wellbeing and connection at the heart of what we do. We want to support institutions as they help people access education, build confidence and take their next step. That starts with understanding different needs and working together towards an education experience where people feel informed, supported and connected to their communities.

We thank IHE and everyone who shared their experience through this research. We look forward to listening, learning and working together to help independent providers support their students, their people and the communities they serve.

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technology1
Making life simple for our community

# Foreword

Ten years ago, some of the UK's sharpest minds came together to relaunch Independent Higher Education: a powerful new identity for the voice of the independent sector at the start of a chapter filled with possibility. As its formal representative body, we had spent the last year working with Government to shape the policy programme, enshrined in the Higher Education and Research Act (HERA), that would transform the architecture of the English higher education sector, giving independent providers a permanent place in the system. As IHE, our mission became to give innovative and student-focused providers, new and old, the tools and the platform they need to reach their full potential.

This report, the first in our new State of the Sector series, shows how far they have come. With the Lifelong Learning Entitlement due to launch the English sector into its flexible modular future, and the sector regulator under new leadership that is committed to reform, it also arrives at a pivotal moment. It signposts the road ahead for IHE and our members, and provides policy makers with an evidence base that is impossible to find anywhere else.

Reading the report, what stands out to me is the ambition of the providers represented, and how often ambition is now being turned into action. Those who responded to our survey in both 2025 and 2026 have followed their plans through into new courses, new ways of learning, and new partnerships extending deeper into industry. They are growing, planning new campuses and more staff as well as more students. They are bringing higher education closer to communities, with almost half providing courses outside of London, and increasing focus on local and regional skills needs.

The potential of HERA is becoming reality, and IHE's members are driving the diversity of the sector it brought into the light. We are proud to represent it.

Our survey also confirmed what members tell us every day: regulatory burden keeps rising, with data the heaviest weight of all. This burden is articulated clearly in the report, with statutory data returns pinpointed as the single most time-consuming task. Most providers are small organisations; every hour spent on compliance is an hour not spent on students. Easing the load is a big part of what IHE does. We read the consultations, interpret the changes, speak to OfS, DfE and UKVI on members' behalf, and explain what it all means in practice. For many members, we act as an extra member of staff.

Our annual survey helps us stay responsive to members' needs. This year we asked providers how they are governed and how they manage their data and systems. We asked about their plans for the Lifelong Learning Entitlement and for international activity. The answers we received will shape what we argue for, what guidance we write, and where we focus our support.

The governance findings deserve particular attention. Of the providers that follow a formal code, 65% use the IHE Code of Governance, more than any other, with adoption highest among providers new to regulation. I am delighted the Code is proving useful to so many and hope that the refreshed version we released this year helps keep their governance practices up to date.

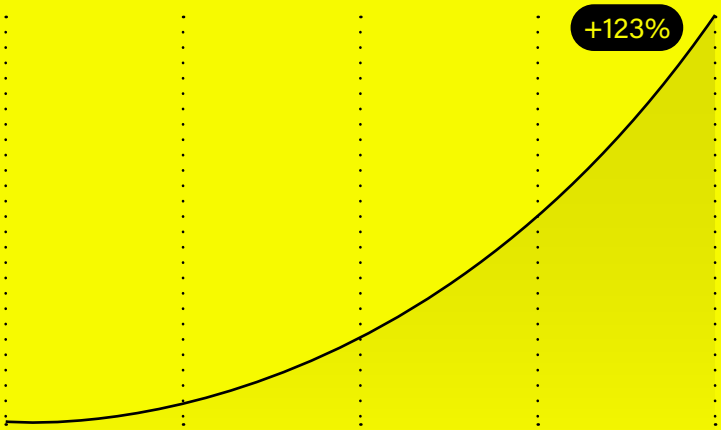
I hope you find this report both interesting and useful, whether you are a provider, a policy maker or a regulator, and I look forward to the conversations it will start.

**Alex Proudfoot**
Chief Executive

# Independent higher education at a glance

**169,805**
students

**+123%**
students since 2018/19




teaching
**1 in every 17**
UK HE Students

**128**

reported
to HESA by
**128 providers**

**91%**
are specialists



**50%+**
of students
taught in a
single subject

**69%**
have multiple campuses




**25%** teach in two
or more UK regions

**44%**
have 300 or
fewer students

**56%**
are based
in London

**25%**
plan a new
UK campus

**16%**
plan a campus
overseas

# Introduction

# 1

**Section 1**
Introduction



This report offers an analysis of the 2026 edition of the Independent Higher Education survey, and sits alongside official HESA data in a single report on the state of the sector. 81 providers responded to the 2026 survey, and 94% of them are IHE Members. They range from specialist providers with fewer than 100 students to organisations teaching more than 1,500. They include charities, not-for-profit companies, owner-led businesses and members of UK and international groups.

IHE's 2024 manifesto stated that independent higher education providers are ready to deliver choice and innovation, support every student to succeed, power the UK's leading industries, transform local opportunities and promote the UK as a global education hub. This year's survey findings provide compelling evidence of their contribution in each of these areas. They also show where independent providers are being held back from the full contribution they could make to the UK's economy and communities.

# 1.1 Where independent providers are succeeding

## Widening participation in practice

Independent providers open doors to learners who are often underrepresented elsewhere in higher education. Nearly two thirds of their undergraduates (64%) are mature, around double the share at traditional higher education providers (31%), and 31% come from the most deprived areas of England, compared with 21%. Most of their students (58%) live at home while they study, compared with 44% elsewhere, bringing higher education to people with jobs, families and roots in their local communities.

## Agility and innovation

Providers turn plans into provision at pace: eight in ten matched respondents (those that answered in both 2025 and 2026) now offer a qualification or way of studying they did not offer a year ago, and almost half of those that planned new courses or ways of studying in 2025 already deliver at least one of them. Eight in ten (81%) offer at least one flexible way to study, such as part-time, online, evening and weekend, or block teaching, and 84% already use AI in their work. Faced with financial pressure, most are diversifying rather than cutting back: 69% are taking growth-focused action, compared with 27% taking any cost-reducing action.

## Ready for lifelong learning

Much of the UK's growth in lifelong learning has happened at independent providers. Since 2018/19, they account for 96% of all growth in part-time students in UK higher education, and almost a quarter (24%) of all growth in mature students, despite accounting for only 4% of mature students at the start of the period. They also teach one in five (19%) of the UK's full-time undergraduates on courses of a year or less. This is the flexible, adult-focused provision the Lifelong Learning Entitlement (LLE) is designed to support, and providers are ready for it. Almost half (48%) want to deliver modules under the LLE, the share offering modular learning has risen from 14% to 25%, and far fewer are unsure of their plans than a year ago.

## Connected to employers

86% of providers partner with employers, up from 79% last year, and among those with partnerships a growing share deliver training and CPD for employers' own staff (43%, up from 33%). Many treat the route from recruitment to employment as one journey: almost two thirds (64%) undertake at least four of six activities that link the two, from recruiting underrepresented students and building their mission around an industry to drawing on alumni and planning in line with the Industrial Strategy.

### Global reach, overseas and at home

Seven in ten providers (72%) are active internationally, through online delivery to students around the world, short courses, partnerships and transnational education as well as international student recruitment. When asked to identify their strategic goals from a common list, new international partnerships came out on top. Their transnational education has nearly doubled since 2020/21 (+96%), and almost half (45%) of these students study in the EU. Independent providers have also helped keep the UK's ties with Europe strong. EU enrolments have fallen less sharply at independent providers than elsewhere: among providers that reported in both years, they fell by 36% since 2018/19, compared with 58% at traditional higher education providers. Europe is a priority for 42% of the providers that named priority countries, and almost a quarter of all respondents (23%) intend to take part in Erasmus+.

### Ambition, confidence and accountability

Independent providers lead with collaboration, and they are ambitious. The sector is growing fast: student numbers at independent providers have risen by 123% since 2018/19, soon after the Office for Students (OfS) opened in 2018, more than nine times faster than the rest of UK higher education. Over half (56%) hold degree awarding powers or are working towards them, and almost every provider planning to apply (96%) already teaches through a university partnership. A quarter (25%) plan to open a new campus in the UK, half of them within the next 12 months. For the first time, the survey also asked in depth about how providers are governed, finding that the IHE Code of Governance is the most widely used code among independent providers.

## 1.2 Where independent providers are being held back

### Regulatory and administrative burden

Three quarters of providers (75%) say their regulatory burden has increased over the past three years, and none say it has fallen, despite repeated commitments to reduce it. The rise affects providers of every size, and those without public funding (72%) almost as much as those with it (79%). Providers with a university partner feel it twice over (81%, compared with 53% without one), and for OfS-registered providers statutory data returns are the most time-consuming data task.

### Barriers to regional and local skills

More than half of providers (53%) want a bigger role in local and regional skills, and the share making regional skills partnerships a goal for the next 12 months has risen from 11% to 19%. Between all survey respondents there is a main campus or teaching site in 11 of the 12 UK nations and English regions, and a quarter teach in person in two or more UK regions. Yet providers say opportunities are hard to see and structures

are often designed around larger or local institutions. As skills and regional growth move to the centre of government policy, this leaves out providers that serve deprived communities and students who study close to home, and that could help fill higher education cold spots.

## Funding pressure

Changes to funding have made placements and apprenticeships harder to offer. Among providers with industry partnerships, placements fell from 73% to 63% and apprenticeship delivery from 22% to 14%. Stable, longer-term funding is the support providers most often say would help them deepen their partnerships with industry. And one in six providers (16%) want to deliver modules under the LLE but their courses are not eligible.

Even so, providers remain confident: 72% expect student numbers to grow next year, and they continue to invest in new provision, partnerships and campuses.

The report opens with a one-page view of the sector at a glance, followed by the Student and provider profile chapter, which sets out the picture of the sector according to HESA data, and the Survey demographic chapter. It then has chapters on regulation and oversight, courses and delivery models, governance, skills and partnerships with industry, widening access and student success, data and systems, international education, and providers' strategic outlook. The Notes on methodology and data chapter at the end of the report explains the data sources and how to read the figures.

# Student and provider profile

# 2

**Section 2**
Student and provider profile

## 2.1 The state of the sector: core data

Independent providers now teach almost one in every 17 higher education students in the UK, yet they are often hard to see in national statistics. To show who they teach, this chapter draws on two sources of HESA data. Public HESA data gives a headline picture of all 128 independent providers with students in 2024/25. Heidi Plus allows more detailed analysis for the 100 of these providers available on the platform. Throughout, we compare independent providers with traditional higher education providers. HESA only captures providers that report to it directly, so our survey remains the main way of reaching the wider sector, including providers that teach through university partnerships or are working towards registration. Sources and definitions are explained in the Notes on methodology and data chapter.

## 2.2 Student numbers and growth

In 2024/25, 169,805 students studied with 128 independent providers, 6% of all students in UK higher education, up from 3% in 2018/19. Enrolments at independent providers have more than doubled since 2018/19 (+123%), compared with growth of 13% at traditional higher education providers. Growth continued last year: enrolments at independent providers rose by 10% on 2023/24, while enrolments at traditional higher education providers fell by 2%.

**Figure 1** **Student numbers by year**

| Students (FPE) | 2018/19 | 2023/24 | 2024/25 | Change since 2018/19 | Change on 2023/24 |
|---|---|---|---|---|---|
| **All independent providers** | 76,275 | 155,045 | 169,805 | +123% | +10% |
| **Traditional higher education providers** | 2,380,975 | 2,745,195 | 2,693,375 | +13% | −2% |
| **Total UK higher education** | 2,457,250 | 2,900,240 | 2,863,180 | +17% | −1% |

Growth has come mainly from UK students. UK-domiciled students at independent providers rose by 13,850 (+13%) in the last year, more than the net increase across the whole of UK higher education (8,190), as UK-domiciled numbers at traditional higher education providers fell by 5,660. International numbers at independent providers held steady (+0.9%) while they fell by 7% at traditional higher education providers. UK-domiciled students at independent providers grew by 59,625 (+92%) since 2018/19. That's 28% of all growth in UK-domiciled students across higher education over the period.

Independent providers grew faster than the rest of the sector in both full-time and part-time study. Full-time enrolments more than doubled between 2018/19 and 2024/25 (+125%, to 135,120), compared with growth of 17% at traditional higher education providers. Part-time enrolments grew by 113%, to 34,685, while at traditional higher education providers they were flat (+0.1%). Independent providers account for almost all (96%) of the net growth in part-time students across UK higher education since 2018/19, and their share of part-time students has more than doubled, from 3% to 7%.

Over the last year, growth at independent providers came from full-time study, which rose by 12% while full-time numbers at traditional higher education providers fell by 1%. Part-time enrolments at independent providers held steady (+0.1%) as they fell by 6% at traditional higher education providers. Part-time students make up a similar share of enrolments at independent providers (20%) and at traditional higher education providers (19%).

**Figure 2** **Full-time and part-time student numbers by year**

| Students | 2018/19 | 2023/24 | 2024/25 | Change since 2018/19 | Change on 2023/24 |
|---|---|---|---|---|---|
| **Full-time, independent providers** | 59,955 | 120,385 | 135,120 | +125% | +12% |
| **Full-time, traditional higher education providers** | 1,881,005 | 2,214,260 | 2,192,730 | +17% | –1% |
| **Part-time, independent providers** | 16,315 | 34,665 | 34,685 | +113% | +0.1% |
| **Part-time, traditional higher education providers** | 499,980 | 530,930 | 500,645 | +0.1% | –6% |

# 2.3 Student profile

## **International students and transnational education** (128 providers)

In 2024/25, 44,820 international students studied with independent providers in the UK, 26% of their students, compared with 24% at traditional higher education providers. The large majority (91%) were from outside the EU. International recruitment at independent providers is highly concentrated: one provider accounts for nearly half (49%) of their international students, and its numbers shape the overall trend. The stability in international student enrolments noted in 2.2 above reflects a fall of 1,840 at this provider, offset by growth of 11% across all other independent providers. At traditional higher education providers, international enrolments fell by 7%.

EU enrolments have fallen across higher education since the UK left the EU, but independent providers have held up better than the rest of the sector. Among independent providers that reported in both 2018/19 and 2024/25, EU enrolments fell by 36%, compared with 58% at traditional higher education providers. New providers with strong European recruitment have offset much of this fall, so total EU enrolments at independent providers are similar to 2018/19. EU students are most concentrated at IHE Members, where they make up 5% of students, compared with 2% at other independent providers and at traditional higher education providers. The members with the largest EU enrolments offer specialist provision in music, fashion, design, business and architecture.

Independent providers also teach 20,890 students through transnational education (TNE), who study wholly outside the UK. TNE at independent providers has nearly doubled since 2020/21 (+96%), almost three times faster than at traditional higher education providers (+35%), and the number of independent providers with TNE students has risen from 20 to 31. Their TNE is more European and more postgraduate than the rest of the sector's. 45% of their TNE students study in EU countries, compared with 14% at traditional higher education providers, and independent providers now account for 9% of all UK TNE delivered in the EU. Postgraduate taught students make up 47% of their TNE enrolments, compared with 29% at traditional higher education providers. One provider, specialising in online delivery, accounts for 44% of independent providers' TNE students.

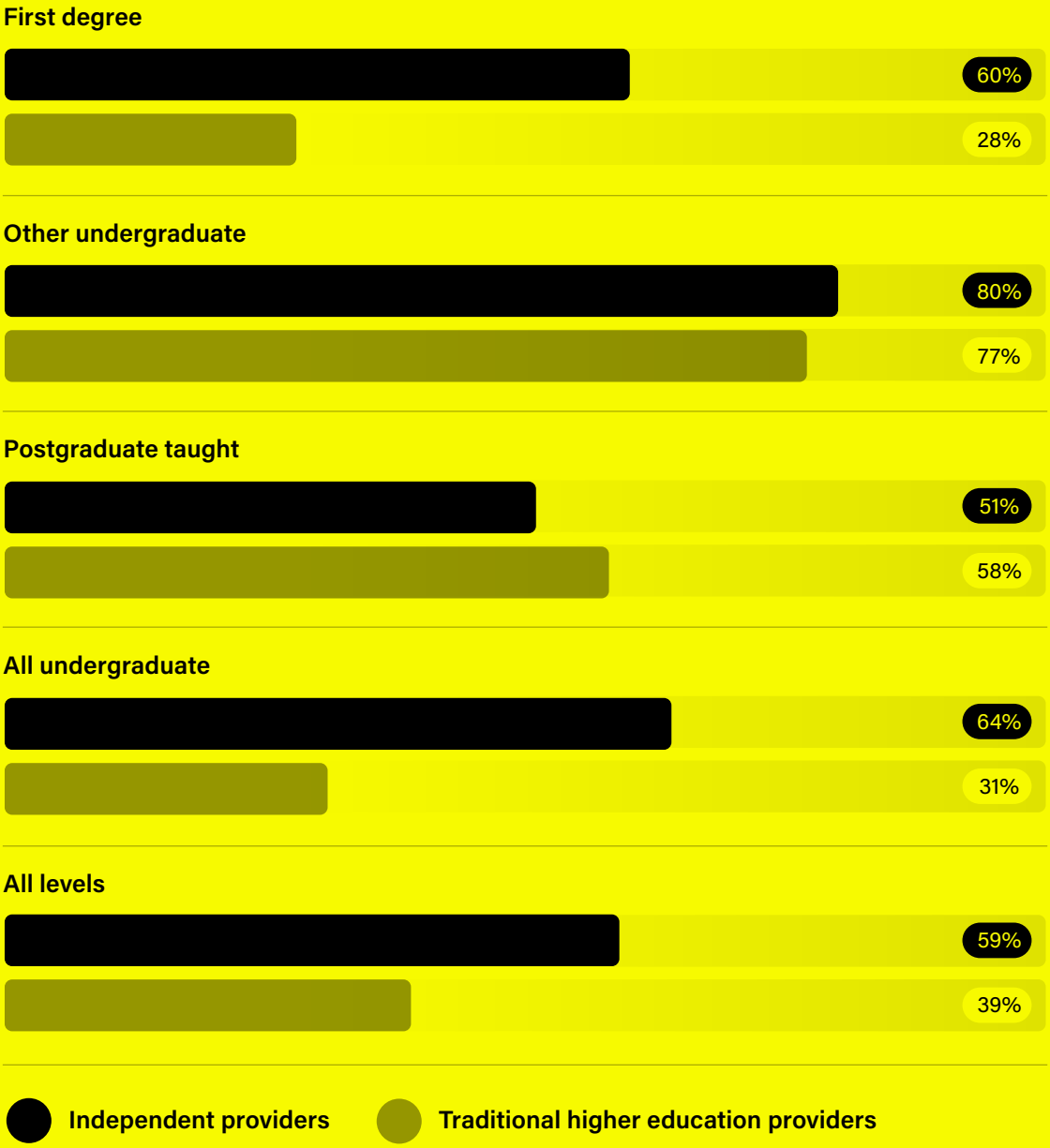
## **Age profile and mature learner focus** (100 providers)

Mature learners (aged 21 or over when their course starts) make up 59% of students at independent providers, compared with 39% at traditional higher education providers. The gap has widened: the mature share at independent providers has held steady at around 59%, while elsewhere it has fallen from a peak of 41% in 2022/23. Independent providers taught 8% of all mature students in the UK in 2024/25, double their 4% share in 2018/19. They added 54,280 mature students over that period, almost a quarter (24%) of all mature growth in UK higher education, reflecting demand for the flexible, career-focused education they offer.

At undergraduate level, 64% of students at independent providers were aged 21 or over at entry, compared with 31% at traditional higher education providers. The difference is greatest for first degrees (60%, compared with 28%), showing the role independent providers play for adults taking a first degree alongside work and family. Mature learners also make up 80% of students on other undergraduate courses such as HNDs, foundation degrees and Certificates of Higher Education. At postgraduate taught level the profile is slightly younger than elsewhere (51% mature, compared with 58%).

Figure 3 **Percentage of mature students, 2024/25**






## **Disability** (100 providers)

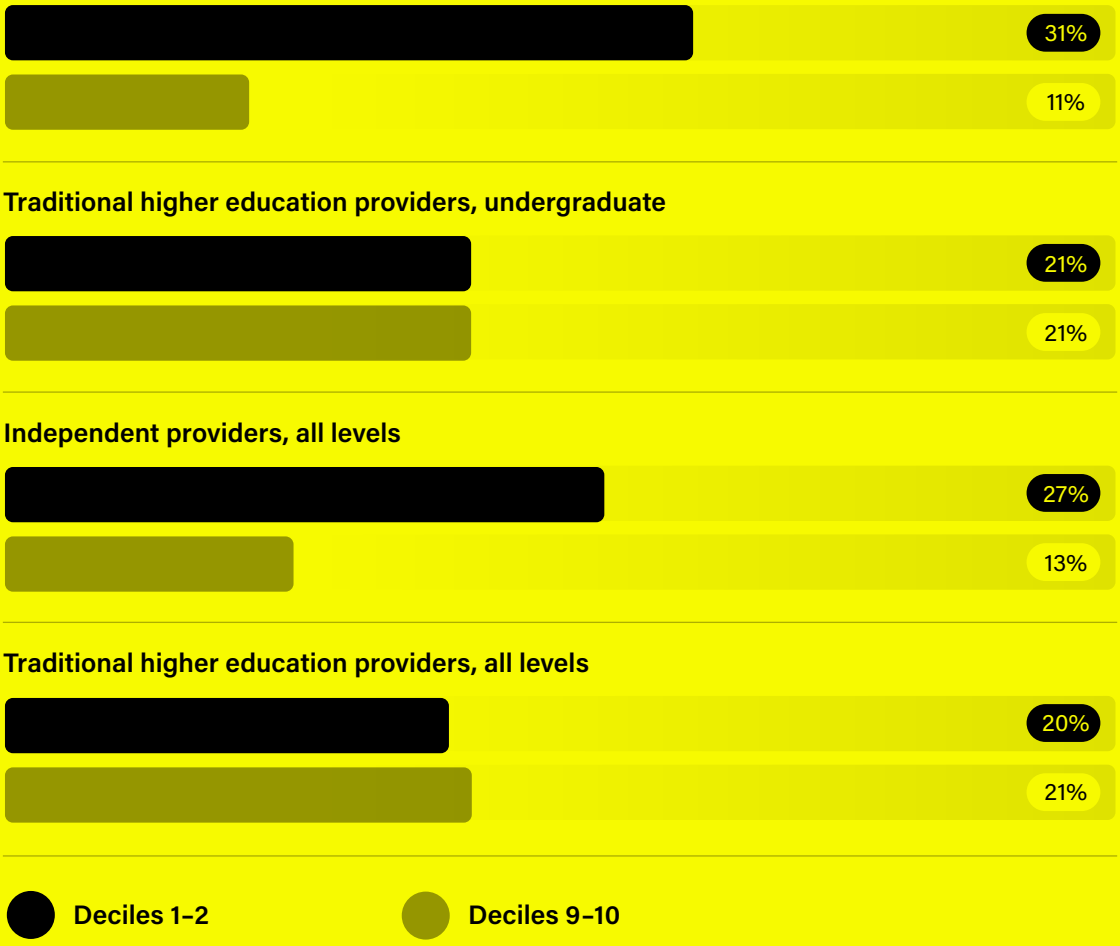
The number of students disclosing a disability with their provider is growing across higher education, and fastest at independent providers. There, the number of students with a known disability rose by 19% in a year, from 16,545 to 19,745, against overall student growth of 10%. At traditional higher education providers it rose by 6%. The proportion with a known disability rose from 12% to 13% at independent providers and from 18% to 19% elsewhere. These figures include only the information students choose to share, and students whose status is unknown are counted alongside those who have declared no disability.

## **Socio-economic background** (100 providers)

Independent providers make a substantial contribution to the access and success of students from lower socio-economic backgrounds. In 2024/25, 31% of undergraduates at independent providers came from areas in the most deprived fifth of England (Index of Multiple Deprivation (IMD) deciles 1 & 2), compared with 21% at traditional higher education providers. Only 11% came from the least deprived areas, about half the rate in the rest of the sector (21%).

**Figure 4** **Socio-economic backgrounds, 2024/25**





## **Qualifications on entry** (100 providers)

The qualifications students bring with them show how independent providers create pathways into higher education for people from a range of educational backgrounds.

In 2024/25, 57% of undergraduates registered directly with independent providers (excluding franchised students, who are counted by the lead university) entered with a Level 3 qualification such as A levels, BTECs or Highers, compared with 76% at traditional higher education providers. 26% entered without a Level 3 qualification, compared with 10% at traditional higher education providers.

This partly reflects the larger share of mature students at independent providers, who are less likely to hold Level 3 qualifications. Around eight in ten undergraduates who enter without a Level 3 qualification are mature, at both independent providers and traditional higher education providers. However, mature undergraduates at independent providers are also more likely to enter without a Level 3 qualification (33%, compared with 26% at traditional higher education providers). Many independent providers use a range of evidence alongside academic qualifications to assess whether applicants are ready for higher-level study (see the Widening access and student success chapter, Admissions practice section).

There is also a link with socio-economic background. 37% of undergraduates from the most deprived areas (IMD deciles 1 & 2) entered independent providers without a Level 3 qualification, twice the rate at traditional higher education providers (18%).

Independent providers also teach students who already hold a higher education qualification. 15% of undergraduates at independent providers entered with a degree, HND, foundation degree or similar qualification, compared with 13% at traditional higher education providers.

## **Where students live** (100 providers)

Students at independent providers are much more likely to live at home while they study. 58% live in their own home or with their parents, compared with 44% at traditional higher education providers, and only 5% live in purpose-built student accommodation, compared with 24% elsewhere.

This is not just a matter of age or mode of study. Full-time students at independent providers are more likely to live at home than full-time students elsewhere (56%, compared with 40%), and so are young students (43%, compared with 34%). Independent providers offer a model of higher education that does not depend on moving away to a residential campus, which opens study to people who are less geographically mobile across the regions of the UK.

# 2.4 Courses

## **Subject areas** (128 providers/FPE)

Most independent providers offer subject specific provision. In 2024/25, 117 of the 128 independent providers had at least half of their students in a single subject area, and 62 taught in only one. At traditional higher education providers, a provider's largest subject accounted for a median of 29% of its students.

The sector's overall subject mix is shaped by its four largest providers, which teach 92% of its law students and 62% of its business and management students. Across the other 124 providers, the profile is broader: business and management accounts for 36% of students, design and creative and performing arts for 18%, and computing for 12%.

Independent providers also play an outsized role in some specialist subjects. They teach 16% of all UK performing arts students, including nearly a quarter of dance students and around one in five music students, and more than a third (36%) of all theology and religious studies students, across 24 providers that are mostly theological colleges. As traditional higher education providers have reduced provision in design and creative and performing arts (down 7% since 2020/21), independent providers' share of UK students in these subjects has risen from 7% to 8%.

**Figure 5** **Subject areas, percentage of students, 2024/25**

| Subject area | Four largest independent providers | Other independent providers (124) | Traditional higher education providers |
|---|---|---|---|
| **Architecture, building and planning** | 0% | 5% | 2% |
| **Business and management** | 49% | 36% | 19% |
| **Computing** | 7% | 12% | 7% |
| **Design, and creative and performing arts** | 0% | 18% | 6% |
| **Education and teaching** | 0% | 4% | 4% |
| **Engineering and technology** | 0% | 4% | 6% |
| **Law** | 28% | 3% | 4% |

## **Levels of study** (100 providers)

Independent providers teach at every level, with a stronger focus than the rest of the sector on shorter undergraduate routes and taught postgraduate study. 12% of their students are on undergraduate courses other than first degrees, such as HNDs, foundation degrees and Certificates of Higher Education, three times the share at traditional higher education providers (4%). Taught postgraduates make up 40% of students, compared with 23% elsewhere.

## **Course duration** (100 providers)

Independent providers offer much more short-cycle undergraduate provision than the rest of the sector. 28% of full-time undergraduates at independent providers are on courses of two years or less, compared with 5% elsewhere. This includes accelerated degrees, foundation degrees, HNCs, HNDs and other Level 4 and 5 qualifications, although HESA data cannot be broken down by course type to examine this further.

Independent providers teach 4% of all full-time undergraduates in the UK, but 19% of those on courses of one year or less. One in ten of their full-time undergraduates (10%) is on a course of a year or less, compared with 2% at traditional higher education providers. These short courses are growing: numbers rose by 15% in a year, from 6,910 in 2023/24 to 7,955 in 2024/25.

# Survey demographic

3

Section 3
Survey demographic

## 3.1 Who responded

81 independent higher education providers responded to the 2026 survey. Nearly all (94%) were IHE Members.

## 3.2 Student population and provider size

Just under half of respondents (44%) have 300 or fewer HE (Level 4+) students, and a fifth (21%) have 100 or fewer. Two in five (40%) have more than 500.

**Figure 6** **Size of HE (Level 4+) student population, self-reported FTE**

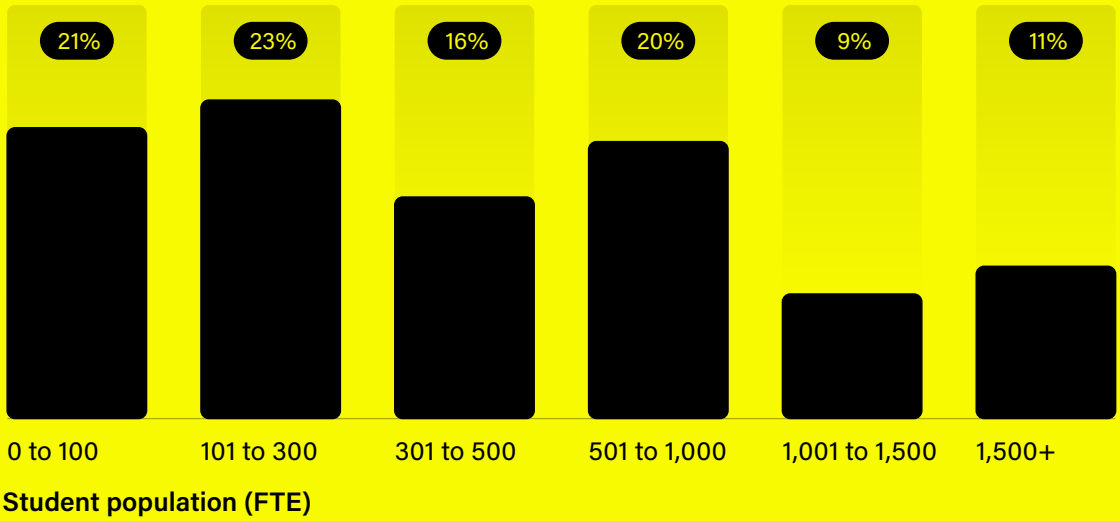
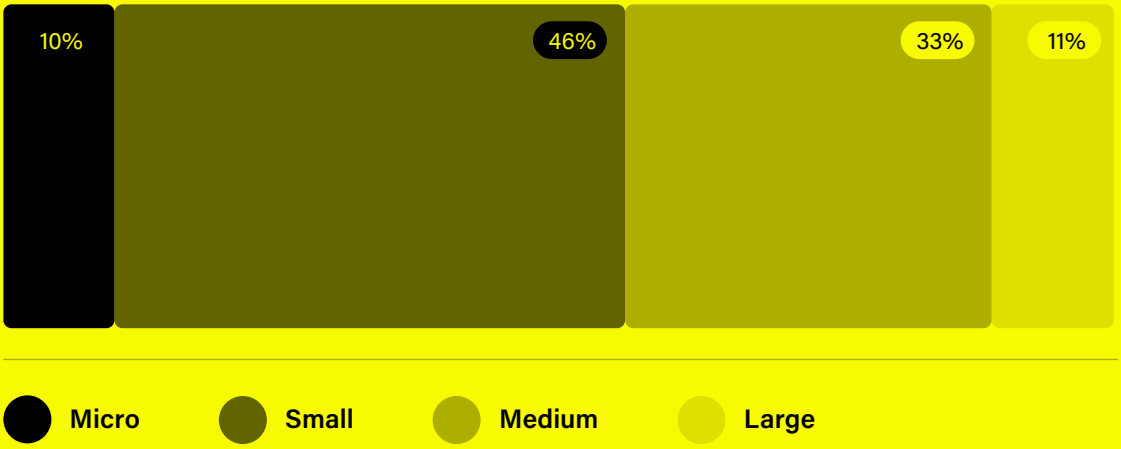


**Figure 7** **Organisation size**




**Note:** Micro: 9 or fewer employees or under £1m turnover. Small: 49 or fewer or under £15m. Medium: 249 or fewer or under £54m. Large: 250 or more or over £54m. Elsewhere in the report micro and small are combined (56%).

This year's respondents include a higher proportion of larger providers than last year's survey. In 2025, a third (33%) had fewer than 100 students, 58% fewer than 300 and just under a quarter (23%) more than 500. The survey is not weighted, so this reflects a different mix of respondents rather than growth in the sector.

Most respondents are small organisations: 56% have fewer than 50 employees and a turnover under £15m (46% small and 10% micro), 33% are medium-sized and 11% are large. In the rest of this report, comparisons by size use these groups, with micro and small providers combined. Organisation size and student numbers are closely linked: most large organisations have more than 1,000 students, while almost two thirds of small organisations (64%) have 300 or fewer.

## 3.3 Where providers are based

Over half of respondents (56%) have their main campus in London. A further 10% are based in the South East and 6% in the North West, with 17% spread across other regions of England and Scotland. One in nine (11%) teach mainly online. Seven in ten (69%) teach beyond their main campus: 44% have additional in-person campuses and 36% offer online provision alongside their campus. Every large provider has an additional campus, as do 63% of medium-sized and 22% of small providers. A quarter of all respondents (25%) teach in person in two or more UK regions, and between them respondents have a main campus or teaching site in 11 of the 12 UK nations and English regions.

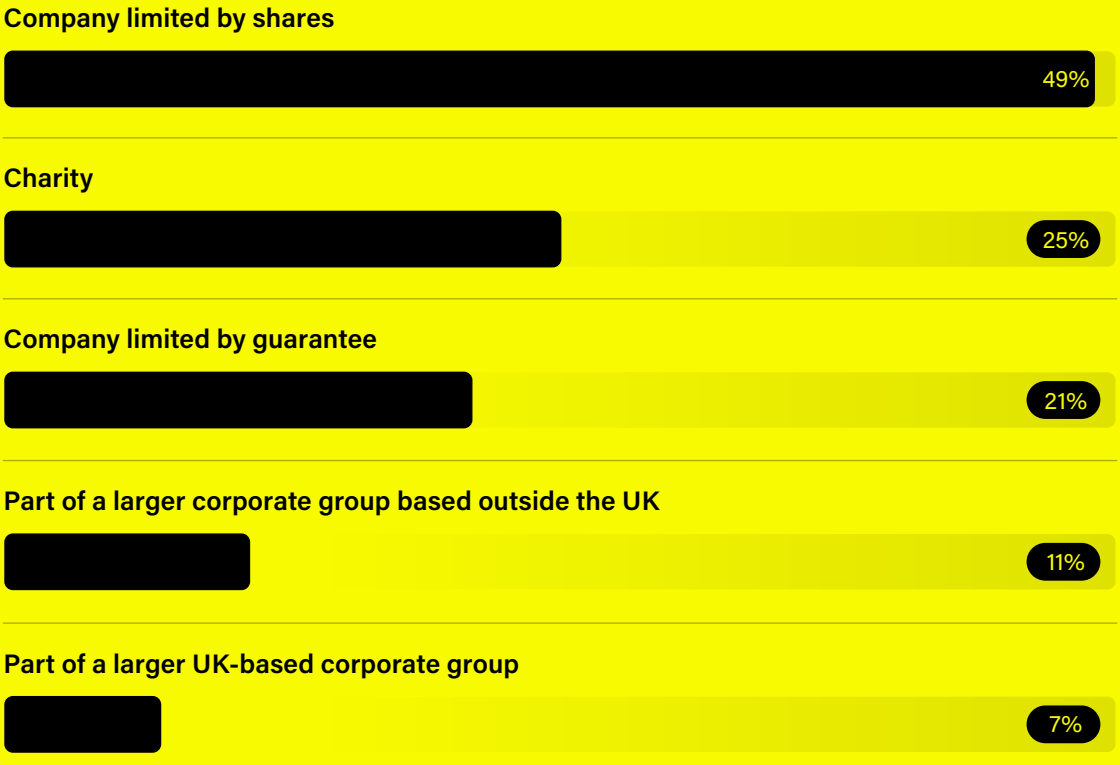
# 3.4 Corporate form

Almost half of respondents (49%) are companies limited by shares, and a quarter (25%) are charities. One in five (21%) are companies limited by guarantee, and almost all of these are also charities or not-for-profit companies. Taken together, over a third of respondents (35%) are charities or not-for-profit companies. One in five (19%) are part of a larger corporate group: 7% of respondents are part of a UK-based group and 11% of a group based outside the UK. Providers could choose up to two descriptions, so figures do not sum to 100%.

Charities are almost all small or medium-sized organisations: 29% of small and 26% of medium-sized providers are charities.

**Figure 8** **Corporate form of respondents**






**Note:** Providers could choose up to two descriptions, so figures do not sum to 100%.

# 3.5 Institutional mission

Providers were asked to describe their mission by choosing up to three options from a list, or by selecting "other" and writing in their own. The most common mission is widening participation, chosen by 38% of respondents. A specific industry or professional mission follows at 33%, and a third (32%) focus on the arts and creative industries. A quarter (26%) name international education. Arts and industry missions are most common among small providers (40% and 38%), while international education is the mission of two thirds of large providers (67%).

**Figure 9** Institutional missions






**Note:** Providers could choose up to three missions.

# Regulation and oversight

# 4

**Section 4**
Regulation and oversight

Independent providers answer to a wide range of regulators, partners and accrediting bodies, and most say the burden of doing so has grown.

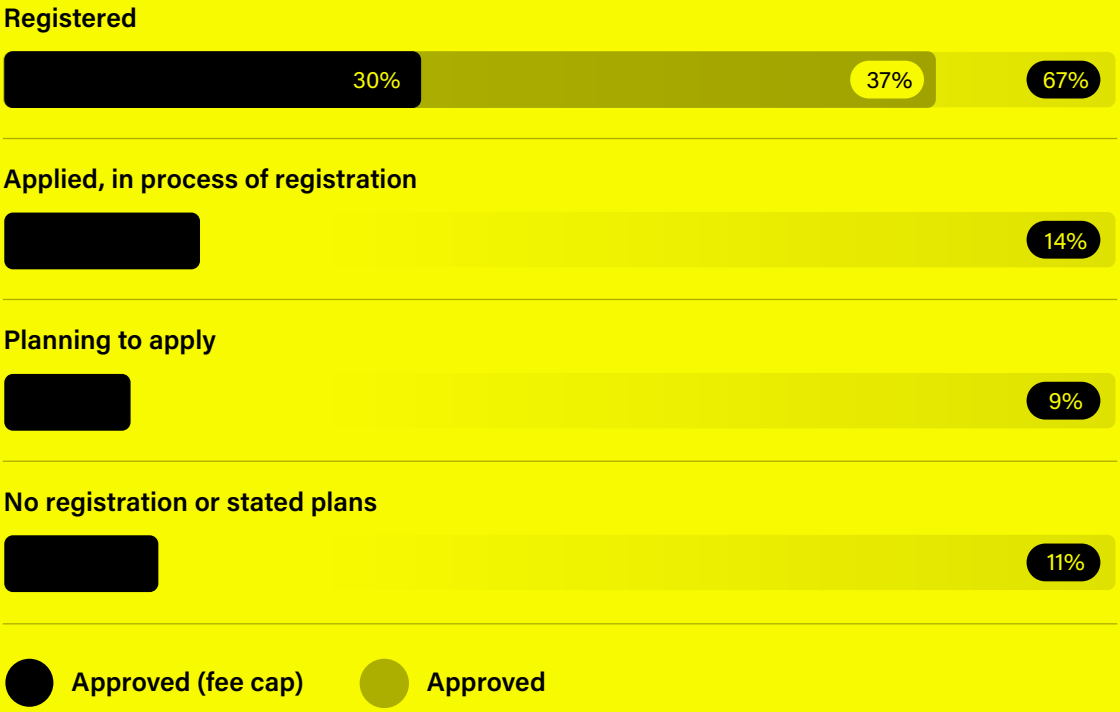
## 4.1 Registration and oversight

Two thirds of respondents (67%) are registered with the Office for Students (OfS). A further 14% have applied and are in the process of registration, and 9% plan to apply. Of the registered providers, 56% are in the Approved category and 44% in the Approved (fee cap) category. A small number of Approved providers have applied, or plan to apply, to move into the fee cap category.

Registration rises with organisation size: 62% of small providers are registered, 67% of medium-sized providers and 89% of large ones. All the providers with no registration or plans to apply are small organisations.

Figure 10 **OfS registration status**



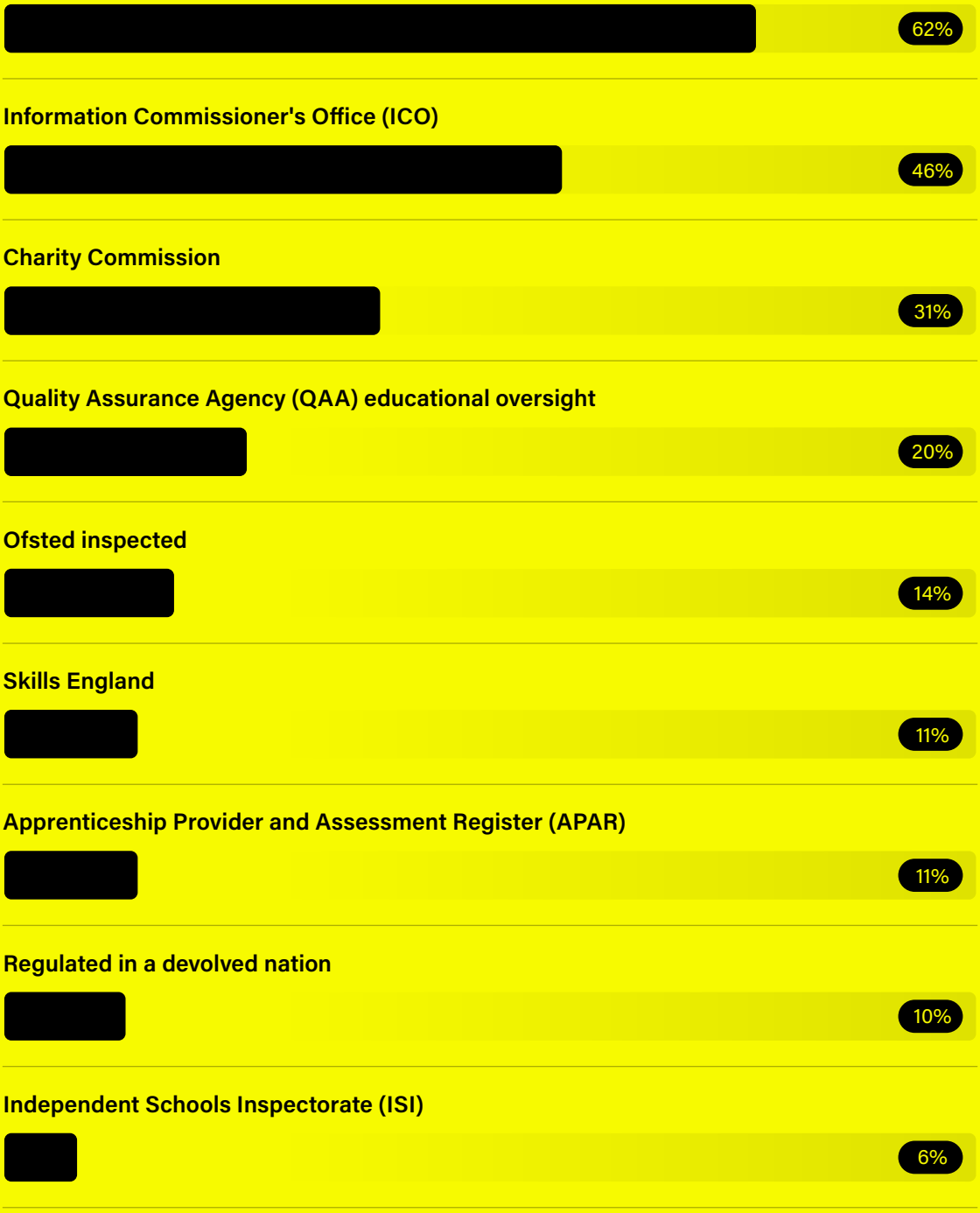



Just under a third (31%) are regulated by the Charity Commission, including every respondent that is a charity. One in five (20%) have Quality Assurance Agency (QAA) educational oversight, 14% are inspected by Ofsted, and 11% each are regulated by Skills England and listed on the Apprenticeship Provider and Assessment Register (APAR). Medium-sized providers carry the widest range of oversight: 78% are members of the Office of the Independent Adjudicator (OIA) scheme, and a quarter (26%) are inspected by Ofsted, reflecting their apprenticeship and further education provision. Independent providers' reach extends beyond England: one in ten (10%) are regulated in a devolved nation, by Medr or Welsh course designation, the Scottish Funding Council or the Northern Ireland Department for the Economy.

Just over half of respondents (51%) hold a UKVI student sponsor licence: 33% are licensed sponsors with a track record and 17% are newer sponsors. Holding a licence rises steeply with size, from 38% of small providers to 59% of medium-sized and 89% of large providers.

## Figure 11 Other regulators and bodies






**Note:** Currently regulated, accredited or a member.

## 4.2 Teaching Excellence Framework

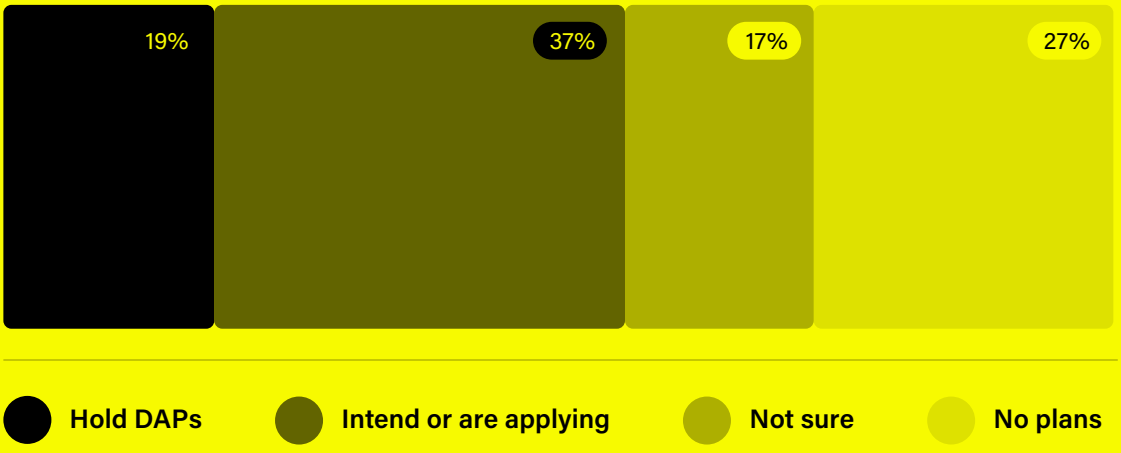
One in five respondents (20%) hold a TEF2023 rating. More than half of these providers were rated Gold or Silver. For many independent providers, the new TEF cycle from 2027/28 will be the first opportunity to have the quality of their teaching formally recognised. Seven in ten OfS-registered respondents (72%) did not take part in TEF2023, and almost half of these (46%) have 300 or fewer students.

## 4.3 Degree awarding powers and partnerships

Almost one in five respondents (19%) hold UK degree awarding powers. These include New, Taught and Research Degree Awarding Powers, and time-limited powers. A few providers hold other routes to awarding their own qualifications, such as Ofqual awarding powers, Scottish awarding body status, Royal Charter or overseas degree awarding powers.

Ambition to gain awarding powers is strong. Of the providers without them, 45% intend to apply in the next three years or have already begun an application, and taken together, over half of respondents (56%) either hold UK degree awarding powers or are working towards them. Just over half of current holders are applying for the next stage, for example from New to Taught Degree Awarding Powers. A few respondents intend to apply for Higher Technical Qualification awarding powers once these become available, echoing IHE's 2024 manifesto call for awarding powers designed for specialist technical institutes.

**Figure 12** **Degree awarding powers (DAPs): held, and intention to apply among providers without them**



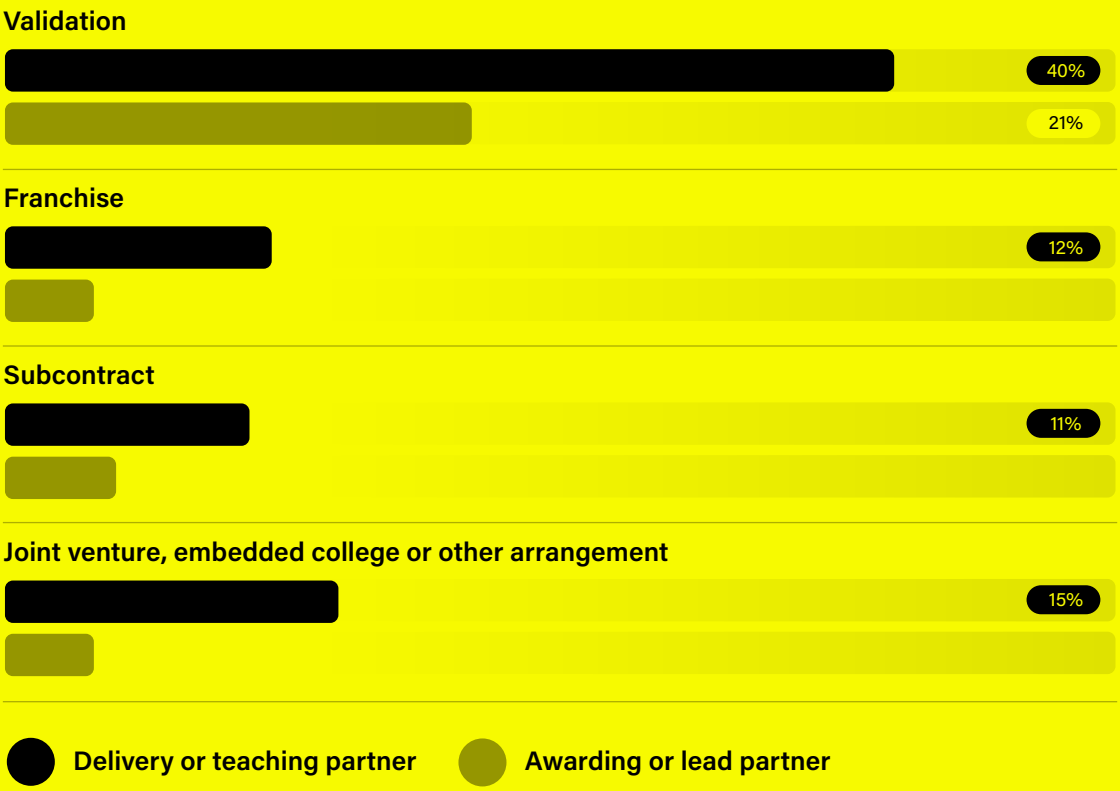
Ambition for awarding powers grows out of partnership. Almost every provider intending to apply (96%) already teaches through a UK academic partnership, and over half of the providers without powers that deliver validated courses for a university partner (53%) intend to apply. IHE's academic partnerships research (2024)[1] found that teaching partners value partnership as developmental, building the track record in teaching, quality assurance and academic governance on which an application for powers rests. These findings show that progression in action.

Four in five respondents (79%) have at least one academic partnership in the UK for all or part of a course. Most of these providers (70%) are the delivery or teaching partner, and a third (33%) are the awarding or lead partner. Validation is by far the most common arrangement: 59% of all respondents have a validation partnership, 40% as the delivery partner and 21% as the awarding or lead partner. Franchise arrangements are reported by 16% and subcontracts by 15%, mostly as the delivery partner, and a further 17% have a joint venture, an embedded college or another arrangement. One in four (25%) work under more than one type of partnership. Partnerships are still changing: over a third of providers (38%) aim to find a new university partner, and a quarter (26%) plan to do so in the next 12 months.

1 **Academic partnerships in the UK**
https://ihe.ac.uk/latest/publications/academic-partnerships-uk-final-report

**Figure 13** **Academic partnerships in the UK, by role**






**Note:** IHE's definitions of partnerships differentiate between franchise and subcontract. Providers can hold more than one type of partnership and both roles.

## 4.4 Awarding bodies and professional accreditation

Three in ten respondents (30%) hold accreditation from an Ofqual-registered awarding body, most often Pearson, followed by NCFE and City and Guilds. A third (32%) have courses accredited by at least one Professional, Statutory and Regulatory Body (PSRB), concentrated in engineering, psychology and psychotherapy, law, business and accounting, sport and the built environment. Several hold accreditation from four or more PSRBs. More than three quarters of providers with PSRB accreditation also have a UK university partner, and almost half of providers with degree awarding powers hold PSRB accreditation.

## 4.5 Regulatory burden

Three quarters of providers (75%) say the regulatory burden on their institution has increased over the past three years. One in five (22%) say it has stayed about the same, and no provider reported a reduction. The rise is felt at every size: 78% of small, 70% of medium-sized and 78% of large providers report an increase. Among OfS-registered providers, small organisations are the most likely to do so (89%, against 72% of medium-sized registered providers).

Providers most often point to the cumulative effect of new and changing OfS conditions of registration, more frequent and more detailed data returns, and the work of preparing for registration or degree awarding powers. Many stress that individual requirements often have legitimate aims, but that the combined volume is the problem. Data returns are a large part of the load: for OfS-registered providers, statutory returns are the single most time-consuming data activity (see the Data and systems chapter, Regulation drives the data workload section).

> **"The concern is therefore less about the principle of robust regulation and more about proportionality and cumulative impact. Increasing amounts of senior leadership and professional-services capacity are being directed towards demonstrating and documenting compliance rather than improving provision, innovating, engaging with industry and enhancing the student experience."**
>
> **A medium-sized specialist provider**

Providers with a university partner report a heavier rise. Of those with a UK academic partnership, 81% say the burden has increased, compared with 53% of those without one, and the gap holds among OfS-registered providers (86% compared with 64%). Providers describe regulation reaching them twice: directly from their own regulators, and indirectly through university partners that are themselves under closer OfS scrutiny of partnership provision.

> **"Directly as a result of OfS registration requirement. Indirectly because significantly higher regulatory burden has been passed to universities, which then applies to us as partners."**
>
> **A large provider teaching through university partnerships**

The burden is rising regardless of public funding. More than half of respondents (58%) have received no public funding since August 2023, such as teaching or capital grants from the OfS or funding from the Department for Education, yet 72% of them report an increase, close to the 79% of providers with funding. Around four in five providers in both the Approved and Approved (fee cap) categories say their burden has increased, although only just over a quarter of those in the Approved category received any public funding. HESA data adds to this picture: a quarter of independent providers have fewer than 10% of their students in receipt of student loans, yet the requirements that come with access to student finance apply across the whole provider.

# Courses and delivery models

5

**Section 5**
Courses and delivery models

Independent providers offer a wide and growing range of qualifications, and they deliver them in ways that fit around students' lives. Over half teach part-time (58%) and online (52%), and a quarter (25%) now offer modular, credit-based learning, up from 14% in 2025. Almost half (48%) want to deliver modules under the Lifelong Learning Entitlement (LLE).

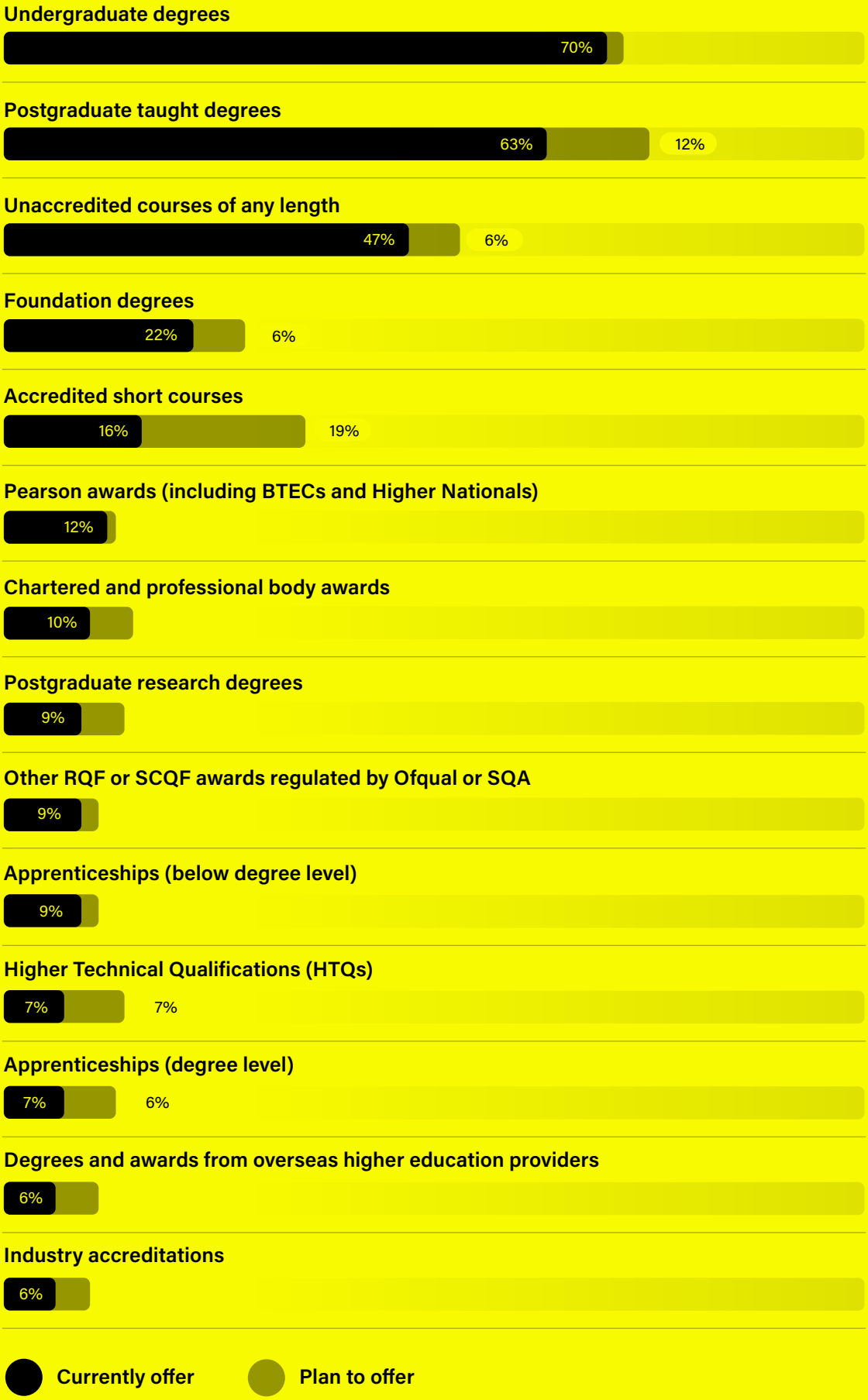
## 5.1 What providers teach

Degrees are at the heart of the sector: 70% of providers offer undergraduate degrees and 63% postgraduate taught degrees. For most providers, degrees sit within a wider range of qualifications. Four in five (81%) offer more than one type of qualification, and a third (33%) offer four or more. Over half (56%) offer short or non-degree courses, including unaccredited courses (47%) and accredited short courses (16%). Others offer Pearson awards including Higher Nationals (12%), chartered and professional body awards (10%) and other Ofqual or SQA regulated awards (9%). Accredited short courses are a clear area for growth, with a further 19% planning to offer them.

Technical and work-based routes are growing. Higher Technical Qualifications (HTQs), offered by very few respondents in 2025, are now offered by 7% of providers, and a further 7% plan to offer them. Including apprenticeships, 17% of providers already offer an HTQ or apprenticeship and a further 12% plan to.

## Figure 14 Qualifications currently offered and planned






**Note:** Some responses for "plan to offer" have been removed as they do not meet the publication threshold.

# 5.2 How providers teach

Flexibility is the norm. Eight in ten providers (81%) offer at least one flexible way to study, such as part-time, online, evening and weekend, modular, condensed or block teaching, and over half (57%) offer three or more.

Part-time learning is the most common model, offered by 58% of providers, up from 44% in 2025. Half (52%) offer online or distance learning and 40% blended learning. A third (33%) teach in the evenings or at weekends, and over a quarter offer condensed teaching days (28%, up from 22%) or block teaching (28%). Modular, credit-based learning has grown fastest: a quarter of providers (25%) now offer it, up from 14%, and a further 20% plan to.

Providers are also widening routes into degrees and into work. A fifth (21%) offer an integrated degree with a foundation year, up from 15%, 16% offer accelerated degrees and a quarter (25%) offer work-based learning. Teaching for employers has doubled: 15% of providers run closed courses for corporate or external partners, compared with 7% in 2025.

Flexibility is not a matter of size. Providers with 300 or fewer students are as likely as those with over 1,000 to offer part-time study (61% and 62%) and modular learning (25% and 31%).

Figure 15 Delivery models offered, 2025 and 2026



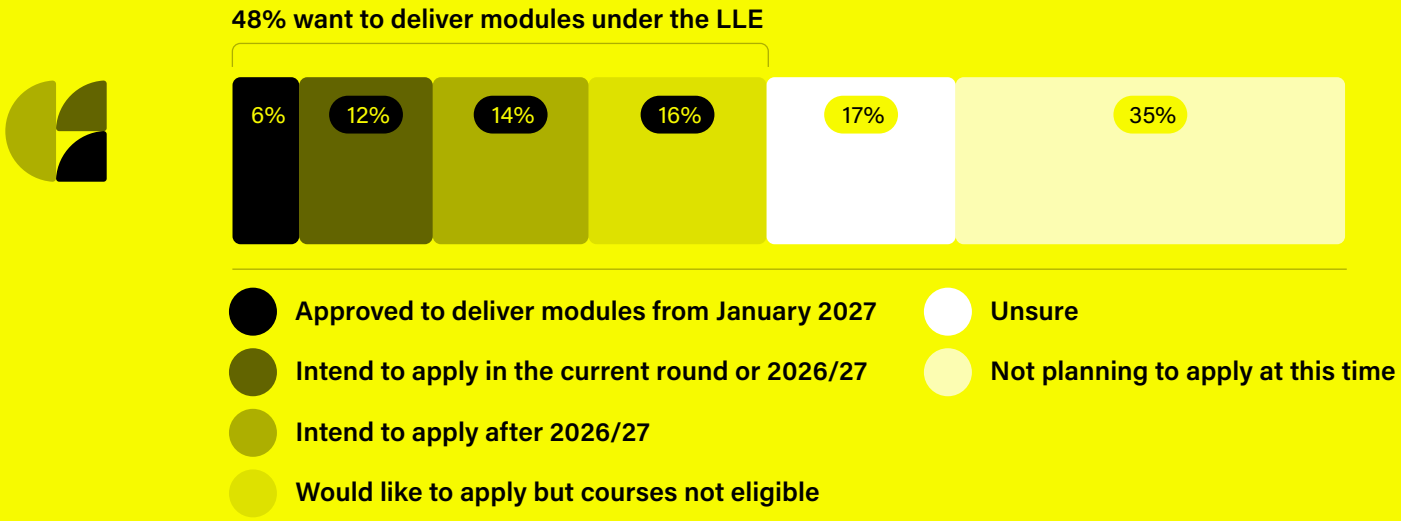


# 5.3 Modular delivery and the Lifelong Learning Entitlement

Almost half of providers (48%) want to deliver modules under the LLE. 6% have already been approved to deliver modules from January 2027, 12% intend to apply in the current round or in 2026/27, and 14% after 2026/27. Demand goes beyond what the LLE currently allows: the 48% includes 16% of providers that would like to apply but whose courses are not eligible.

Providers are clearer about the LLE than a year ago. 17% are unsure of their plans, compared with 35% in 2025, and 32% plan to express interest in LLE modular funding in the next 12 months, up from 26%. Interest is strongest among providers developing modular provision: three quarters (75%) of those planning to introduce modular learning want to deliver under the LLE, as do half (50%) of those already offering it. Providers that were preparing for the LLE last year have kept going: of matched respondents with active LLE plans in 2025, 82% still intend to take part or have already been approved.

**Figure 16** **Intentions for modular delivery under the Lifelong Learning Entitlement (LLE)**

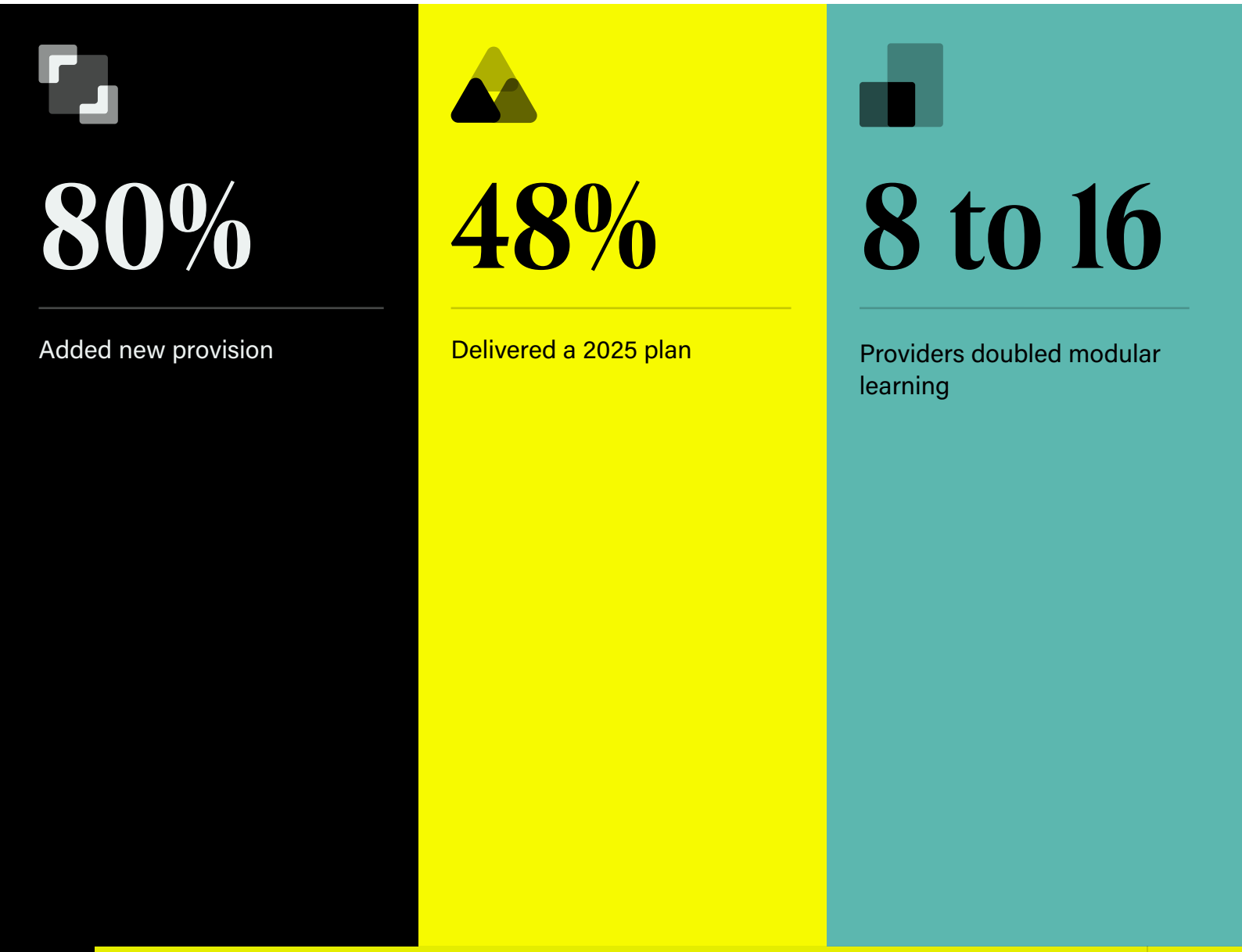


# 5.4 Plans to action: matched respondents 2025 to 2026

Providers are diversifying what they offer. In this year's survey, over half (56%) plan to introduce at least one qualification or delivery model they do not yet offer. Among the 62% of providers diversifying their income, 68% plan new provision.

Plans made last year are becoming provision this year. Of the 60 matched respondents, eight in ten (80%) now offer a qualification or delivery model they did not report in 2025, and of those that had plans in 2025, almost half (48%) now deliver at least one of them. Modular learning shows this most clearly: among matched respondents, the number offering it doubled, and 44% of those planning it in 2025 now deliver it. More matched respondents also offer part-time study and foundation degrees than last year.

**Figure 17** **Plans to action: matched respondents 2025 to 2026**



# Governance

# 6

**Section 6**
Governance

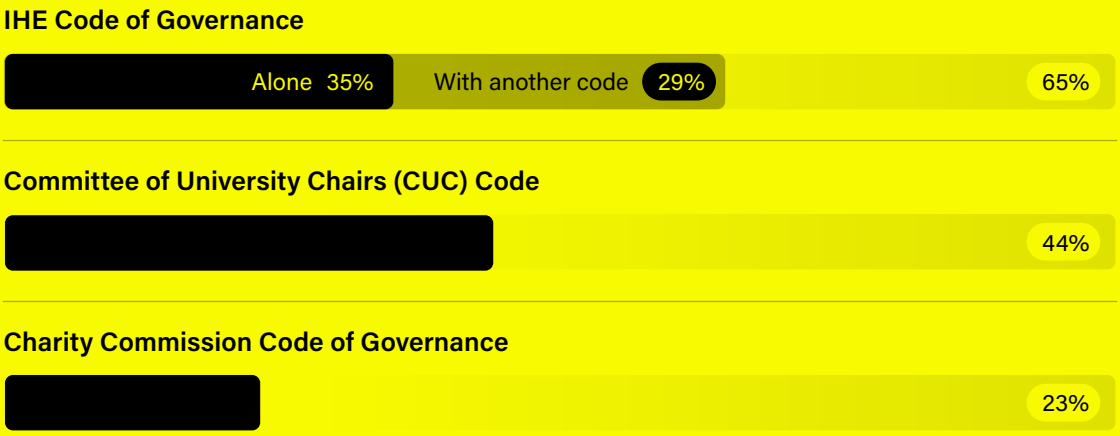
This is the first year the IHE survey has asked how independent higher education providers are governed. All 81 respondents answered the governance questions, which cover the codes providers use, the size and make-up of their governing bodies, the committees they delegate to, how they manage risk, and external review.

## 6.1 Governance codes

The IHE Code of Governance is the most widely used governance code among respondents. Of the providers that use or align with a formal code, 65% use the IHE Code, including most large providers and around six in ten small and medium-sized providers. Just over half of these use it on its own, and the rest alongside another code, most often the Committee of University Chairs (CUC) Code. Overall, the CUC Code is used by 44% of providers that follow a formal code, and the Charity Governance Code by 23%. Use of the IHE Code is highest among providers that are new to regulation, having applied or who are planning to apply for Office for Students (OfS) registration.

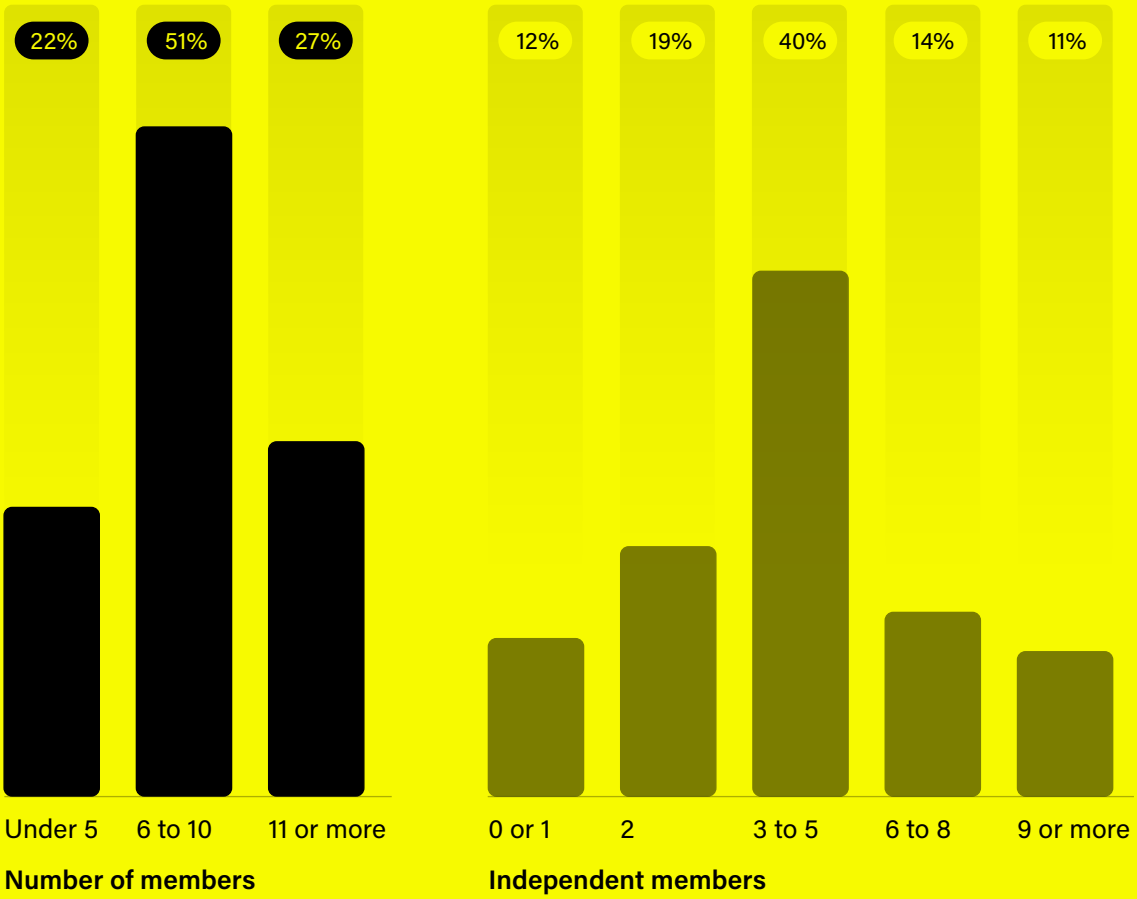
## Figure 18 Governance codes used






## Figure 19 Size and independence of governing bodies





## 6.2 Size and independence of governing bodies

Half of governing bodies have between 6 and 10 members (51%), just over a quarter (27%) have 11 or more, and 22% have fewer than 5. Size tracks student numbers: half of providers with over 1,000 students (50%) have 11 or more members, compared with 17% of providers with up to 300 students. Governing bodies are also larger among registered charities, half of which (50%) have 11 or more members, and no provider holding degree awarding powers has a governing body of fewer than 5.

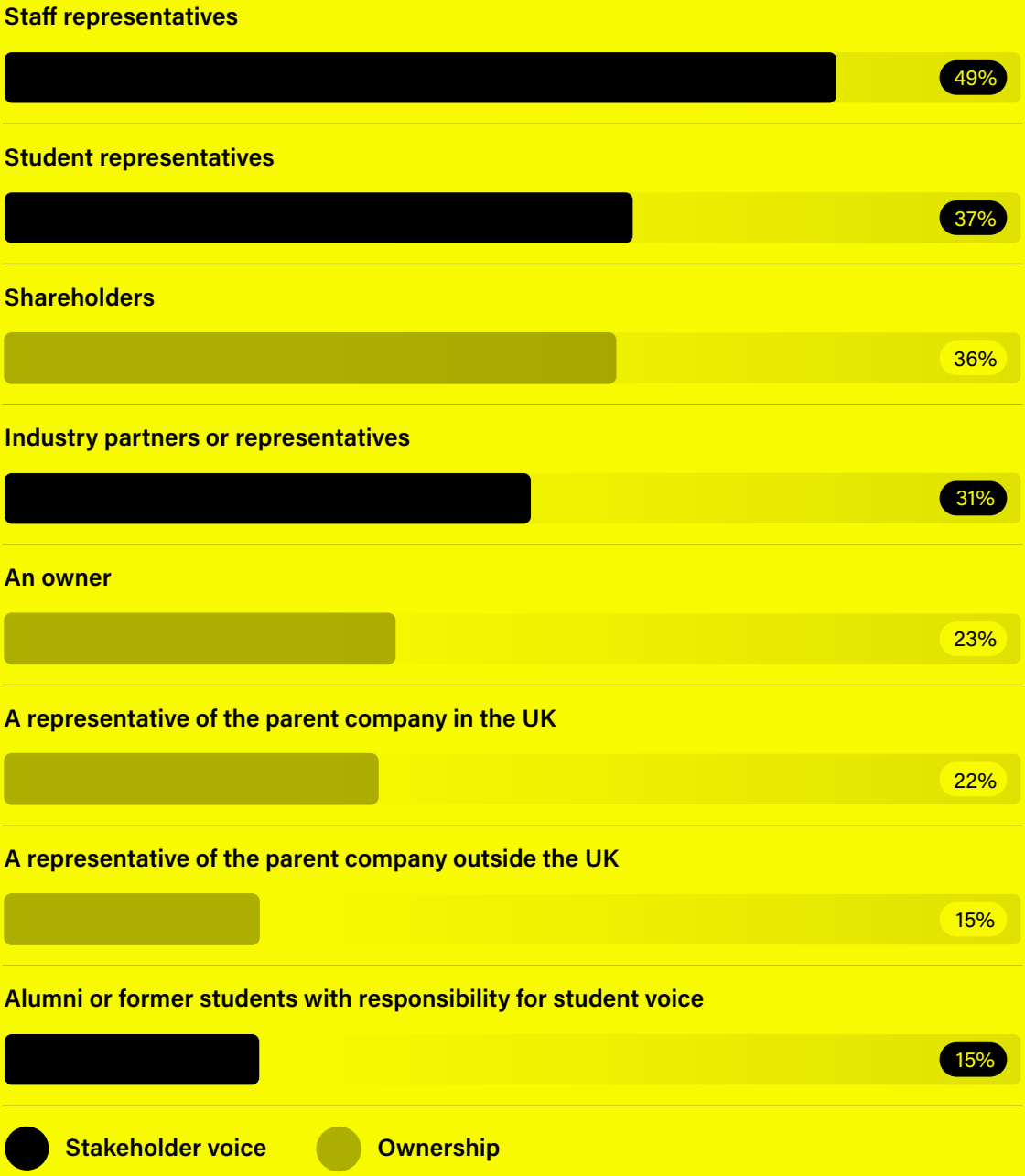
Almost two thirds of providers (64%) have three or more independent members on their governing body, most commonly three to five (40%). Medium-sized providers are the most likely to have three or more (78%). Three quarters of providers (74%) have a chair who is independent of the executive team and of any owners or shareholders, a pattern that is similar across sizes.

## 6.3 Who sits on the governing body

Staff representatives are the group most often found on governing bodies (49%), followed by student representatives (37%), and over a quarter of providers (28%) include both. Small providers most often bring staff into governance: 56% have staff representatives, compared with 37% of medium-sized providers. Shareholders (36%) and industry representatives (31%) are the next most common members. Industry is well represented where partnerships are strongest: 42% of providers whose industry partnerships are in their specialist area have an industry representative on their governing body.

Figure 20 Who sits on the governing body





## 6.4 Committees, delegation and risk

Eight in ten providers (80%) delegate authority to an academic board or committee. A combined audit and risk committee is the most common arrangement for audit and risk (53%), especially among large providers (78%). Where providers named other committees, finance committees were mentioned most often, followed by executive or senior management teams and quality or education committees. Nine in ten providers (89%) maintain their own risk register; the remainder manage risk through a parent organisation's register, use both their own and a parent register, or have no formal register.

## 6.5 External review

Over four in ten providers (43%) have had an external review of their governance in the last 12 months, and 58% in the last two years. Providers reviewed in the last year outnumber those never reviewed by three to one. Every provider holding degree awarding powers has had an external review.

# Skills and partnerships with industry

7

**Section 7**
Skills and partnerships with industry

## 7.1 Skills, industry and regions

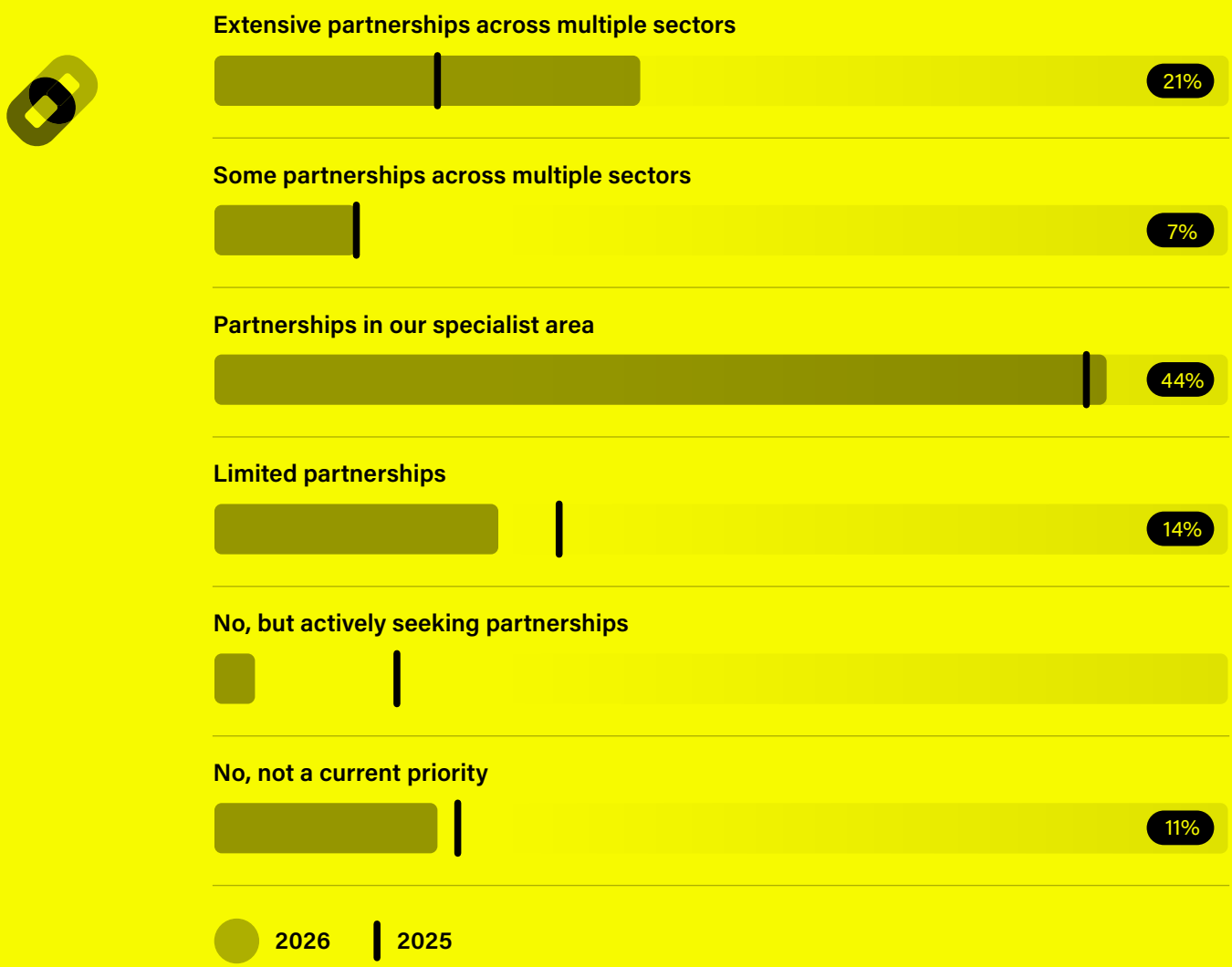
Independent providers work hand in hand with the industries they serve. Nearly nine in ten (86%) have partnerships with industry, and more providers than last year work across several sectors at once. This chapter sets out how providers partner with industry, how they expect the Industrial Strategy to shape their courses, how they want to take part in local and regional skills work, and how many bring all of this together into one journey from recruitment to employment. All figures are percentages of the 81 providers responding unless stated.

## 7.2 Industry partnerships

Industry partnership has grown in the past year. 86% of providers now have partnerships with employers, industry bodies or other sector representatives, up from 79% in 2025. Partnerships are also getting broader: the share with extensive partnerships across multiple sectors almost doubled, from 11% to 21%, and 28% now partner across several sectors, compared with 19% last year. The growth is real rather than a change in who responded. Among the 60 matched respondents, the share with industry partnerships rose from 87% to 92%, and more of them broadened or deepened their partnerships (27%) than narrowed them (20%).

Partnerships in a provider's own specialist area remain the most common arrangement (44%), reflecting a sector built around specialist provision. Small providers are as engaged with industry as larger ones: 84% have industry partnerships, compared with 93% of medium-sized and 78% of large providers. They are also the most likely to partner within their specialist area (56%), giving them deep relationships with a defined group of employers.

Figure 21 **Industry partnerships, 2025 and 2026**




# 7.3 How providers work with industry

Among providers with industry partnerships, the most common forms are professional networking or mentoring for students (70%), placements or work-based learning (63%) and curriculum design or delivery (59%). Over half of all providers (56%) partner with industry in three or more ways.

Providers are increasingly taking their expertise to employers as well as bringing employers to their students. 43% of providers with partnerships now deliver corporate training or CPD, up from 33% in 2025, including 37% training employees in the UK and 14% overseas, and almost a third (31%) deliver consultancy or project work for industry. Among matched respondents, the share delivering CPD rose from 28% to 42%, and the share involving industry in curriculum design or delivery from 50% to 57%.

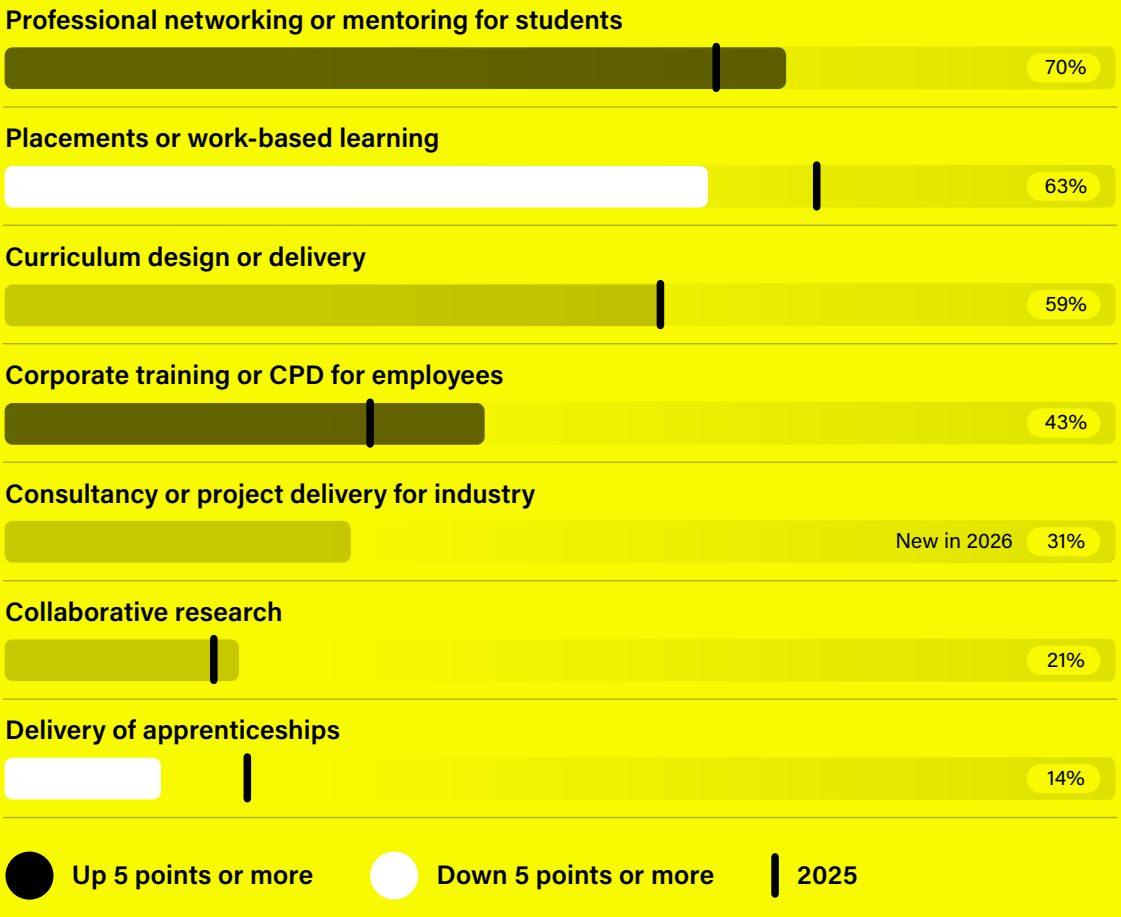
Two forms of partnership have fallen. Among providers with partnerships, placements or work-based learning dropped from 73% to 63%, and delivery of apprenticeships from 22% to 14%, and the same falls show among matched respondents. Providers' own answers point to policy and cost: the removal of Level 7 apprenticeship funding for learners aged over 22 and wider levy reform, the real cost of placements to providers and employers, and visa rules that limit work placements for international students.

Partnership is strongest where courses lead directly into work. Every provider offering apprenticeships or Higher Technical Qualifications has industry partnerships. Providers that reach young people not in education, employment or training (NEET) are among the most closely connected: all have industry partnerships, and 86% involve employers in designing or delivering the curriculum, compared with 51% of all providers. Most online providers involve industry in their curriculum, a higher share than campus-based providers, supporting the finding in IHE's report[2] that online delivery can widen the range of employers able to take part. Providers recruiting adult learners are also closely tied to industry: 90% of those recruiting working professionals have industry partnerships, as do 88% of those recruiting career changers.

2 **Building a skilled economy: How IHE Members partner with industry**
https://ihe.ac.uk/latest/publications/building-skilled-economy-how-ihe-members-partner-industry

**Figure 22** **How providers partner with industry, 2025 and 2026**





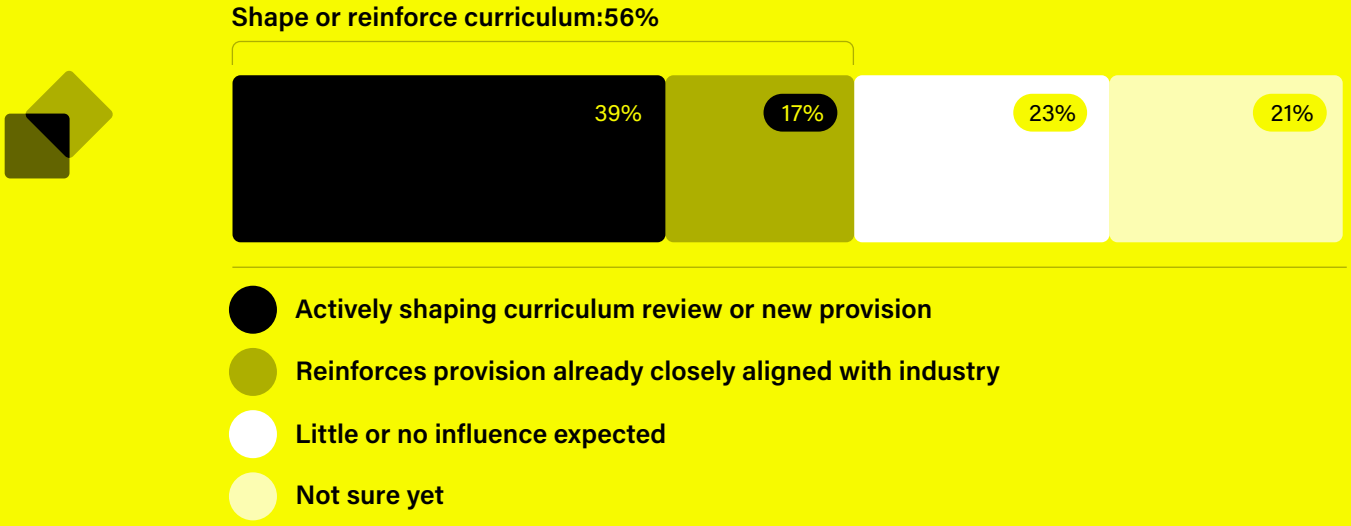
## 7.4 Shaping courses around the Industrial Strategy

Industry links are already shaping what providers plan to teach. Of the 70 providers that reported how the Industrial Strategy will influence their curriculum in the next one to three years, 56% expect it to shape or reinforce what they teach: for 39% it is actively shaping curriculum review or new provision, and for 17% it reinforces provision that is already closely aligned with industry. Providers most often named AI and digital skills (14%) and specific priority sectors (14%), including the creative industries, advanced manufacturing, life sciences and construction. Some serve sectors outside the eight priority sectors, such as sport, psychotherapy and early years education, and are working with regional and national bodies to support growth in their fields. Providers with an industry-facing mission are the most aligned: of those that answered, 61% expect the strategy to shape or reinforce their curriculum, compared with 36% of other providers.

# “Our curriculum maps directly to the industrial strategy.”

**A technical training provider teaching mainly online**

**Figure 23** How providers expect the Industrial Strategy to influence their curriculum



## 7.5 What would help partnerships grow

Asked what would most help them grow or deepen industry partnerships, 43 providers gave an answer. The most common themes were stable, longer-term funding (19%), support for the real costs of placements and employer engagement, especially for small employers (16%), apprenticeship and levy reform, including Level 7 funding (14%), and more proportionate regulation that frees staff time for industry work (14%).

> **"Industry partnership has a real cost for both providers and employers, despite delivering significant benefits for students and the wider economy."**
>
> **A specialist provider with an employer-led curriculum**

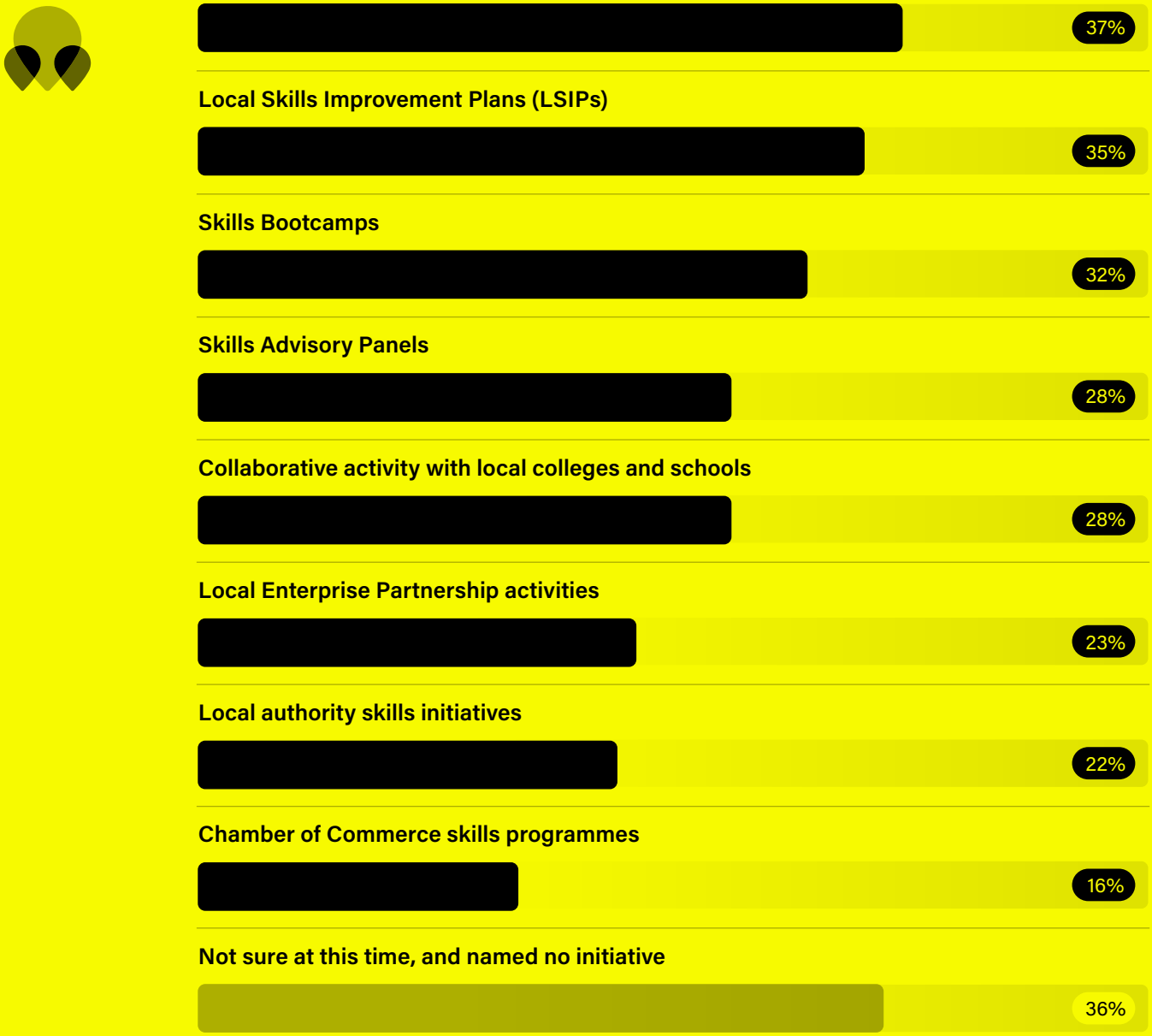
> **"The removal of funding for these students has been a significant impediment to building deeper relationships with our industry partners."**
>
> **An online provider delivering apprenticeships, on Level 7 funding for learners over 22**

Providers want to build on this together: 42% are willing to explore industry engagement initiatives with other IHE Members.

## 7.6 Regional and local skills

Providers are keen to play a bigger part in local and regional skills. Over half (53%) would like to engage with at least one local or regional skills initiative, and 42% with three or more. Mayoral regional skills programmes are the most popular (37%), followed by Local Skills Improvement Plans (35%) and Skills Bootcamps (32%), with over a quarter interested in Skills Advisory Panels (28%) and work with local colleges and schools (28%). This appetite runs well ahead of current involvement: in 2025, 31% of providers said they were already engaged in at least one initiative. Interest is highest among providers with more than 1,000 students (75%) and those already working with industry (59%).

**Figure 24** **Local and regional skills initiatives providers would like to engage with**




Independent providers are well placed for this role. Nearly half (48%) teach in person outside London, at their main campus or an additional site. Their students are also rooted in their communities: HESA data shows that students at independent providers are much more likely to live at home while they study (see the Student and provider profile chapter, Where students live section).

Regional skills already feature strongly in providers' plans. Two thirds of providers (68%) have at least one strategic goal that fits government's regional skills plans, from expanding short courses outside the Lifelong Learning Entitlement (LLE) (41%) and developing regional skills partnerships (33%) to new degree apprenticeships (15%) and apprenticeships below degree level (12%). The share making regional skills partnerships a goal for the next 12 months has risen from 11% in 2025 to 19%. These plans are most ambitious where industry links are strongest: among providers with partnerships across multiple sectors, 61% plan regional skills partnerships and 61% plan to expand short courses, and almost all providers whose curriculum is being shaped by the Industrial Strategy (96%) have a skills-focused goal.

Many providers are still deciding how to get more involved, and a lack of information rather than interest seems to be the main barrier. Just over a third (36%) were not sure and named no initiative. Of the 45 providers that described what would help, the most common theme was better visibility of opportunities and clear information (22%), followed by staff time and capacity (18%) and structures designed around local or larger providers rather than specialists working nationally (18%). Others asked for help to broker connections and joint working (16%) and for funding to take part (13%).

> **"The principal challenge is not a lack of willingness or capacity to engage, but visibility of opportunities and ensuring that specialist and independent providers are meaningfully included in regional skills structures."**
>
> **A specialist provider based in London**

> **"We also play an important role in addressing regional cold spots, which regional providers may not choose to fill."**
>
> **A national provider teaching mainly online**

This echoes IHE's 2024 manifesto, which called for higher education cold spots to be identified and for specialist providers to work with employers to deliver the skills those areas need.

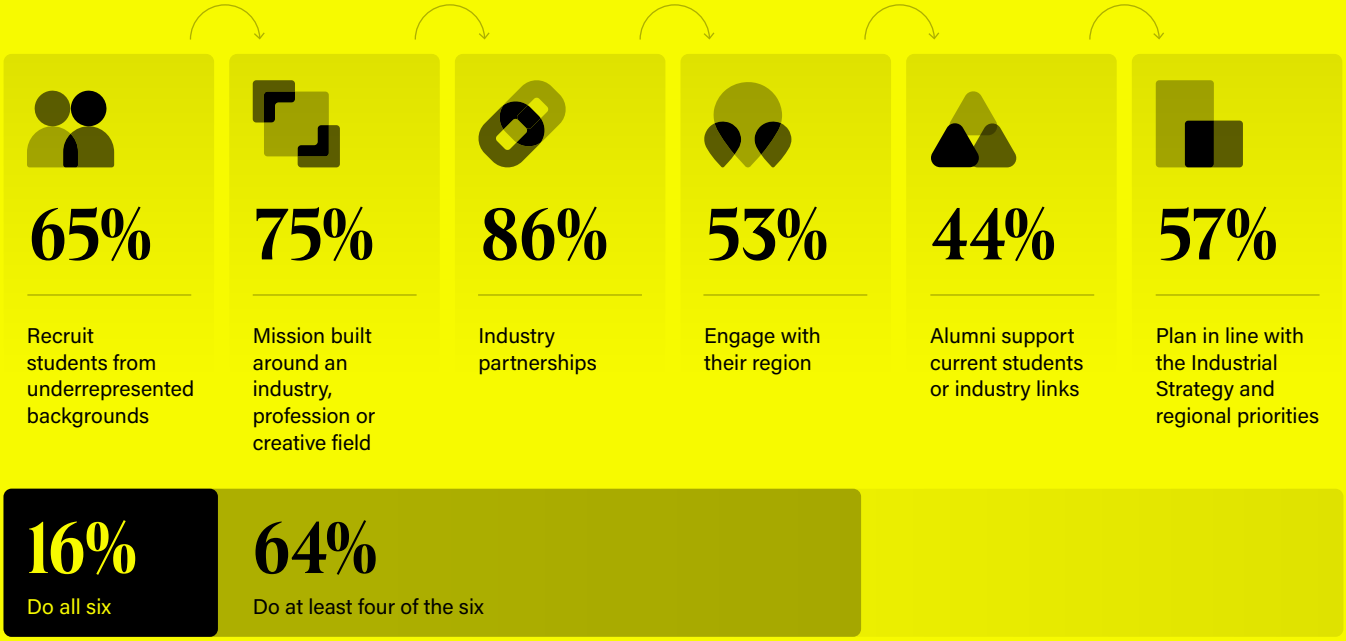
# 7.7 From applicant to alumni: a joined-up journey into work

Many independent providers treat the route from recruitment to employment as one connected journey. IHE's inclusive practice research described this as an "applicant to alumni" approach, with preparation for work built in from the first day[3]. They recruit students who are underrepresented in higher education, build their mission around an industry, profession or creative field, work closely with employers, engage with their region, draw on alumni to support current students, and plan ahead in line with the Industrial Strategy and regional priorities. Nearly two thirds of providers (64%) do at least four of these six things, and one in six (16%) do all six.

The steps reinforce each other. Of providers keen to engage with regional skills initiatives, 95% partner with industry and 81% recruit students from underrepresented backgrounds. Among providers with partnerships across multiple sectors, 74% want to engage with regional skills initiatives and 61% expect the Industrial Strategy to shape or reinforce their curriculum. Alumni are part of the link: among providers with industry partnerships, almost a third (31%) have alumni delivering masterclasses or workshops, and a quarter (26%) draw on alumni to open up new industry partnerships. Mission matters too: 94% of providers with a widening participation mission have industry partnerships, and every provider with a regional or civic mission partners with industry and wants to engage with regional skills initiatives.

3 **IHE Inclusive Practice Project report (December 2025)**
https://ihe.ac.uk/latest/publications/ihe-inclusive-practice-project-report

**Figure 25 The joined-up journey to employment: six building blocks**



# Widening access and student success

# 8

**Section 8**
Widening access
and student success

Independent providers recruit a wide mix of students, and most judge applicants on more than their prior grades. Two thirds (64%) use contextual admissions, and three in five (60%) recruit entirely outside UCAS. This chapter sets out who providers serve, how they support them and how they admit students.

## 8.1 Who providers serve

Asked which student groups are part of their recruitment strategy or prominent in their student body, 65% of providers named students from underrepresented backgrounds. Also prominent were career changers (62%), international students (59%) and working professionals (59%), then students with disabilities (47%) and school leavers (46%). Every large provider recruits international students, compared with just over half of small (53%) and medium-sized (56%) providers, while small providers more often teach part-time learners (49%, against 30% of medium-sized providers).

Figure 26 Student groups providers serve





The groups fall into three distinct populations. The first is adult and professional learners: 88% of providers recruiting working professionals also recruit career changers, and more than half (58%) also teach part-time learners. The second is widening participation, where the same providers tend to serve several groups: 95% of providers reporting students with disabilities also report students from underrepresented backgrounds, as does every provider working with young people not in education, employment or training. International students form the third, with little overlap with either.

## 8.2 A whole-provider commitment to widening participation

Around half of the providers responding (49%) recruit students from underrepresented backgrounds alongside students with disabilities or young people not in education, employment or training. These providers build that commitment into how they admit, teach and support students. They are more than twice as likely as other survey respondents to apply contextual admissions routinely (40%, compared with 17%), and far more likely to organise teaching around students' lives, with 45% offering condensed teaching days, compared with 12%. Their support extends beyond the academic: 70% offer financial advice and support, compared with 39% of other providers, and 68% have a student mental health strategy, compared with 46%.

## 8.3 Admissions practice

Most independent providers recruit directly. 60% admit students only through their own direct admissions, and 36% use UCAS, almost always alongside direct recruitment. Over half of providers recruiting school leavers use UCAS, compared with fewer than one in five of those that don't. Much of the sector's recruitment, particularly of adult and professional learners, therefore sits outside the UCAS system.

**Figure 27** **Use of contextual admissions**

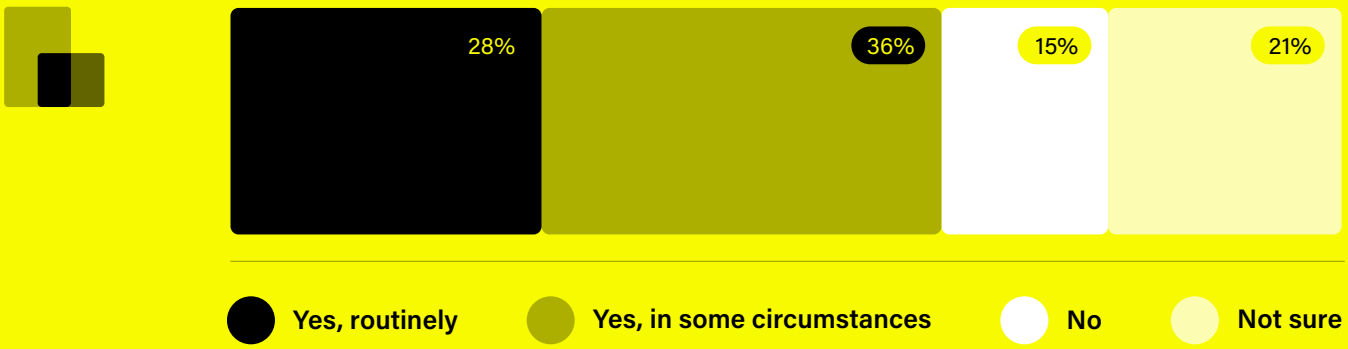
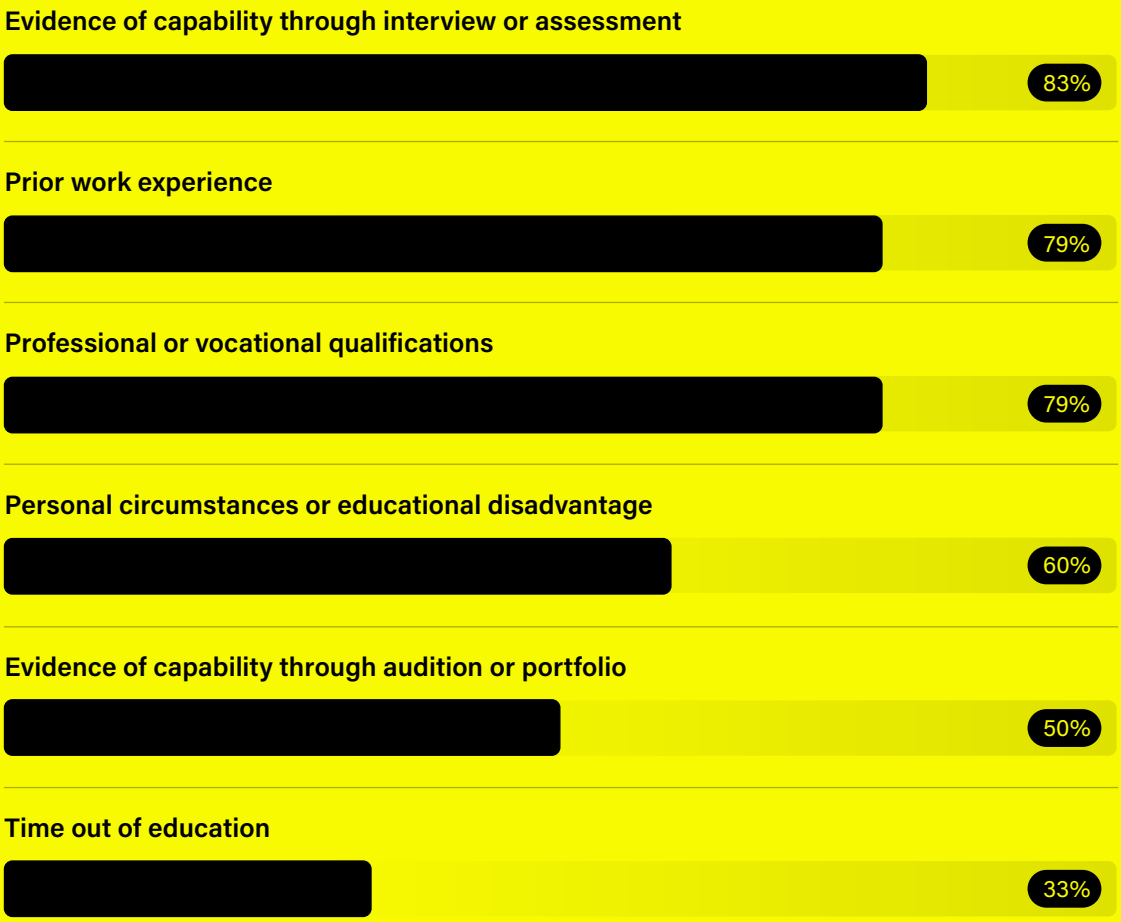


Figure 28 **Factors considered in contextual admissions**






Providers use different evidence of English depending on who they recruit. Nine in ten providers recruiting international students use a standardised test such as IELTS, while providers recruiting mainly UK students draw on a wider mix, including interview assessment (45%), GCSE and previous Level 3 study (42% each), and functional skills or initial assessments.

Two thirds of providers (64%) use contextual admissions when making offers: 28% routinely and 36% in some circumstances, with similar use across sizes. Providers using it look at what applicants can do and have done. Evidence of capability from an interview or assessment is considered by 83%, prior work experience and professional or vocational qualifications by 79% each, and personal circumstances or educational disadvantage by 60%. Half (50%) consider an audition or portfolio, and a third (33%) time out of education. These factors are usually weighed together: two thirds (65%) consider four or more.

Some providers may not describe their approach as contextual admissions, although interviews and assessment of prior experience are standard parts of how they admit students. These are inclusive routes into study, including portfolios, interviews, bridging study and recognition of prior learning, designed to recognise potential rather than only past attainment.

# Data and systems

# 9

**Section 9**
Data and systems

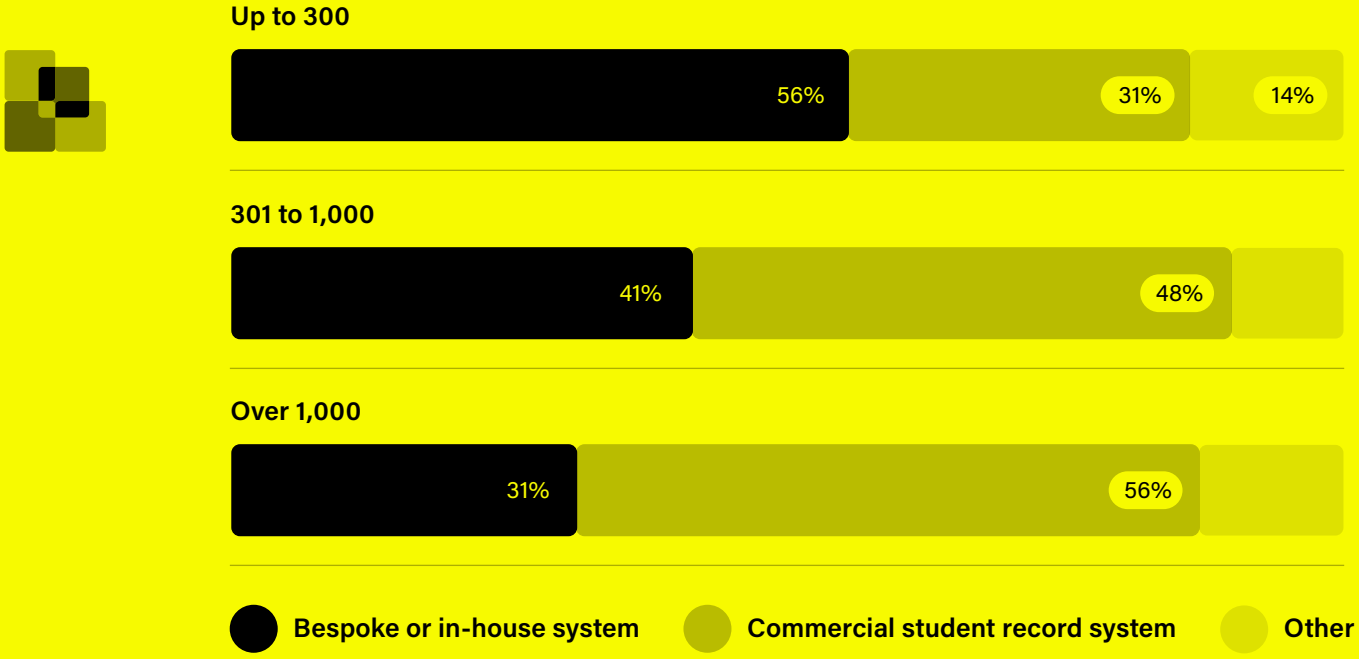
Data and systems is new to the survey in 2026, so these results set a first-year baseline. Providers run systems shaped around their own provision, have brought AI into everyday work quickly, and give much of their data effort to regulatory returns.

## 9.1 Built-for-purpose systems

The most common student record system is one the provider has built or adapted itself. Nearly half of providers (46%) use a bespoke or in-house system and 42% a commercial student record system, with most of the rest using a customer relationship management (CRM) or general business platform. Bespoke systems are most common among providers with 300 or fewer students (56%), while over half of those with more than 1,000 students (56%) use a commercial system. For reporting, nearly half (47%) use a business intelligence platform such as Power BI, Tableau or Looker Studio, including every large provider, while smaller providers make more use of spreadsheets.

Providers that run short courses (56% of respondents) are more likely to use a bespoke system or a CRM or business platform, and less likely to use a commercial student record system (33%, compared with 53% of other providers). Short courses have frequent start dates, individual and employer customers and fast enrolment, which systems built around annual degree cohorts do not always fit. As short courses and modular study under the Lifelong Learning Entitlement (LLE) grow, how student record systems support this flexible provision will matter more across the sector (see the Courses and delivery models chapter, Modular delivery and the Lifelong Learning Entitlement section).

**Figure 29** **Student record system type by HE student population**




**Note:** Other = CRM or general business platform, or a system held by a partner university.

## 9.2 AI is part of everyday work

AI is now part of everyday work in most independent providers. 84% use AI for at least one function, typically three, and use barely varies with size (80% of small and 89% of medium-sized and large providers). The most common use is business reporting and analysis (62%), followed by marketing and communications (54%), teaching and learning preparation (49%) and planning (47%). Use is more measured where academic integrity is at stake: 30% use AI in teaching and learning delivery and 19% in assessment and feedback. Fewer use it for recruitment (17%) or student wellbeing (10%).

Use of AI for business reporting and planning is well above the levels in the 2025 IHE and Jisc digital survey, while use in teaching is similar[4].

4 **IHE and Jisc survey reveals proactive stance on AI integration (2025)** https://ihe.ac.uk/latest/news/ihe-and-jisc-survey-reveals-proactive-stance-ai-integration (This survey had a different and smaller group of respondents, so should be read side by side rather than as a trend.)

## Figure 30 AI use by function






**Note:** 84% use AI for at least one function.

Providers are using AI for reporting whether or not they have dedicated reporting tools. Seven in ten providers with a business intelligence platform such as Power BI, Tableau or Looker Studio (71%) use AI for business reporting and analysis, and so do over half of those without one (53%). As a result, almost half of the providers using AI for reporting (46%) do so without a business intelligence platform, rising to 64% among medium-sized providers. This brings real opportunity, alongside the need to ensure data quality, data protection and consistent reporting.

## 9.3 Regulation drives the data workload

For providers registered with the Office for Students (OfS), statutory returns are the single most time-consuming data task. Asked which activities take the most time in their data and systems teams, 58% of registered providers ranked HESA and OfS statutory returns first, well ahead of tracking student outcomes for compliance, financial reporting and system integration. Across all providers answering, medium-sized providers are more likely than small ones to rank returns first (56%, compared with 39%).

Regulation also shapes system choice. OfS-registered providers are more likely to use a commercial student record system (48%, compared with 30% of unregistered providers) and less likely to use a bespoke one (43%, compared with 52%). They are also more likely to say that regulatory burden has increased over the past three years (81%, compared with 63%). Of the providers who described why burden had increased, 28% referred to data returns, HESA, Data Futures or reporting, and several mentioned new in-year returns and data definitions that do not match how they deliver courses (see the Regulation and oversight chapter, Regulatory burden section).

Providers outside OfS registration put their students at the centre of their data work. For them, tracking student outcomes is the activity most often ranked first, and almost nine in ten (88%) place it in their top three. Financial reporting ranks highly for registered and unregistered providers alike, reflecting the close attention independent providers pay to financial sustainability.

# International education

# 10

**Section 10**
International education

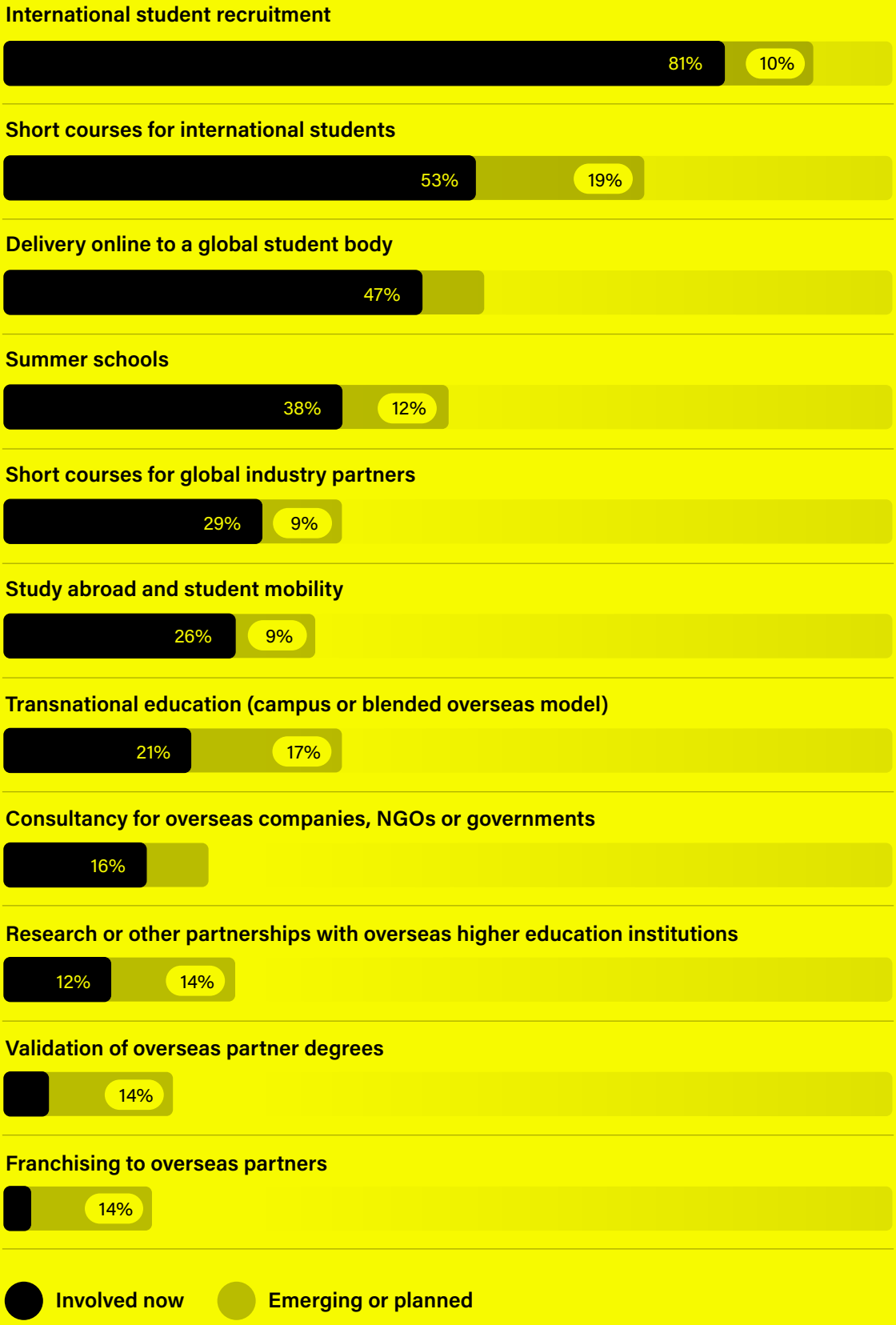
Independent providers are outward-looking and increasingly diverse in how they work internationally. Seven in ten respondents (72%) are active internationally, most of them across a diverse range of models. Nearly three in five (58%) are developing new international activity, from short courses for international students to transnational education and overseas partnerships.

## 10.1 Who is active and what they do

72% of respondents engage in international activity, including every large provider, 71% of small and 63% of medium-sized providers. International student recruitment is the most common activity: 81% of active providers recruit international students, and for 60% it is a core strategic activity. Providers offer far more than recruitment. Short courses for international students (53%) and online delivery to a global student body (47%) are next, followed by summer schools (38%), short courses for global industry partners (29%) and study abroad (26%). One in five (21%) deliver transnational education, rising to over half of large providers (56%), and 12% have research partnerships with overseas higher education institutions. Most active providers run a broad portfolio: 71% are involved in three or more activities.

Figure 31 International activities among providers active internationally





Online capability built for the UK provides a ready route into global markets. Of the providers delivering online to a global student body, 96% also have UK online provision, and two thirds of large providers (67%) deliver online internationally.

## 10.2 The student sponsor licence

Holding a student sponsor licence (51% of respondents; see the Regulation and oversight chapter, Registration and oversight section) goes with broader international work. Nine in ten licensed providers (90%) are internationally active outside of recruiting students to the UK, compared with half (53%) of those without a licence, though recruitment is a core activity for 66% of licensed providers. Licensed providers expect stronger international growth: two thirds (66%) expect their non-EU student numbers to grow in 2026/27, against a third (33%) of providers without a licence, and newer sponsors are the most optimistic (79%). They are also more likely to be building overseas partnerships (66%, against 45%). Sponsors with a track record lead on overseas models: 22% are developing franchising to overseas partners, 19% teach overseas validation and transnational education, and a quarter (26%) aim to open a campus outside the UK. Of providers without a licence, 38% aim to gain one.

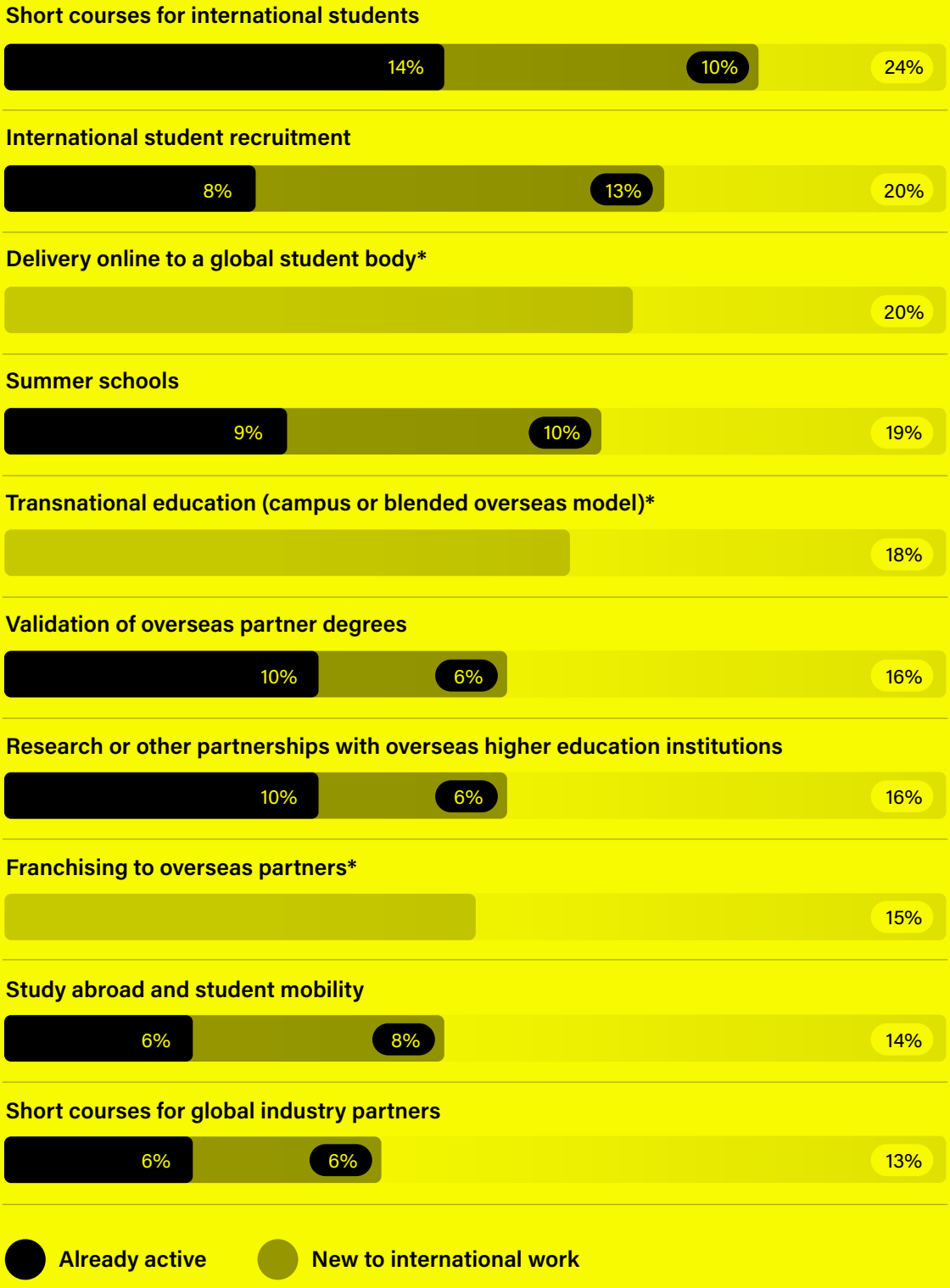
## 10.3 Where the sector is heading

International activity across the sector is set to grow. Of the 79 providers that answered the questions on future plans, 58% are developing something new, whether or not they are active internationally today. Short courses for international students are the most common area of development (24% of providers), followed by international student recruitment and online delivery to a global student body (20% each), summer schools (19%) and transnational education (18%).

Providers are also diversifying well beyond recruitment, into overseas validation and research partnerships (16% each) and franchising to overseas partners (15%). Alongside HESA's evidence of new providers entering TNE delivery, these plans point to further growth in independent providers' transnational education. As they take these steps, providers would welcome clearer guidance on overseas regulation, recognition of UK awards and in-country approval (23% of those that described the support they want).

Figure 32 Where the sector is heading: future international plans by activity






*Responses for both groups have been combined to meet the publication threshold.

New international activity is not confined to providers already set up for it. Medium-sized providers are the most likely to be developing new activity (65%), and providers without a student sponsor licence are at least as likely to be planning new international work as licensed providers (63%, compared with 54%). Among active providers, the most common developments are short courses for international students (19%) and transnational education (17%). Among providers new to international work, online delivery (55%) and recruitment (45%) lead.

Most providers not yet active internationally intend to be: 86% have plans for at least one new activity, and a third (32%) plan to start in the short term. Providers typically start by welcoming international students to the UK, through recruitment, short courses or summer schools, often with online delivery in view for the longer term. Three quarters (75%) of providers planning online delivery also plan to bring students to the UK. They then broaden into a wider mix of activity before moving into overseas partnerships, although ambition for those models starts early: 41% of providers not yet active internationally include transnational education, overseas validation or franchising in their plans, mostly for the longer term.

## 10.4 Degree awarding powers and international activity

Degree awarding powers and international activity go hand in hand. Every provider with degree awarding powers is active internationally, compared with 65% of other providers, and a third of them (33%) deliver transnational education, twice the rate of other active providers (16%). Providers without powers lead on short courses for international students (58%, compared with 40%). Providers working towards degree awarding powers (37% of respondents) are among the most internationally ambitious in the sector: 72% are developing new international activity, and a fifth (21%) have overseas validation in their plans, usually alongside short courses for international students.

## 10.5 Strategy, staffing and partners

Just over half of active providers (55%) have an established international strategy: 29% with at least one member of staff with dedicated responsibility for international work, and 26% delivered by staff who also have other roles. A further 29% have staff working on international activity without a formal strategy. Strategies are more common where international education is part of the mission (75% of active providers with this mission) and among large active providers (78%). Recruitment agents are the main external partner (48% of active providers), followed by overseas employers (19%), the British Council (17%) and pathway partners (17%).

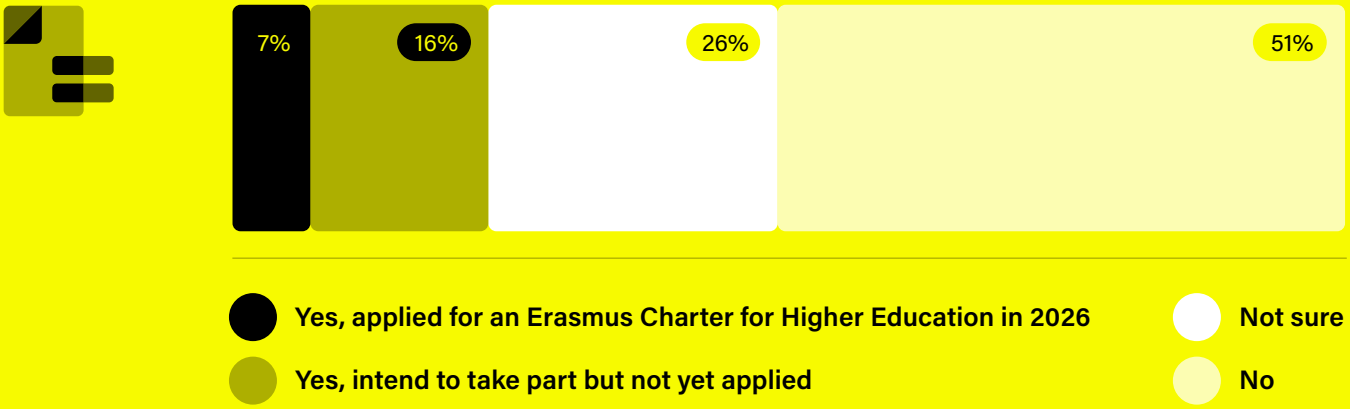
## 10.6 Priority countries and regions

China and India are the leading priority countries for international activity, each named by half (51%) of the providers that answered. The USA (40%) and the UAE (36%) follow, then Malaysia and Saudi Arabia (30% each). Europe was named as a priority by 42% of providers, and Germany and Italy were each named specifically by 22%. This European focus matches the HESA picture of EU enrolments holding up better at independent providers than elsewhere, and their strength in TNE delivered in the EU (see the Student and provider profile chapter, International students and transnational education section). Some providers would also value market intelligence to help them decide where to focus (10% of those that described the support they want).

## 10.7 Erasmus+

Almost a quarter of respondents (23%) intend to take part in Erasmus+: 7% applied for an Erasmus Charter for Higher Education in 2026, and 16% intend to take part but have not yet applied. A further quarter (26%) are not sure. Interest is held back mainly by limited information about how the scheme works: of the providers that described barriers or support needs, 61% want more information on the scheme and how to apply, and 31% point to the time, staff or funding needed to manage it.

**Figure 33** **Erasmus+ intentions**



# Strategic outlook and opportunities

# 11

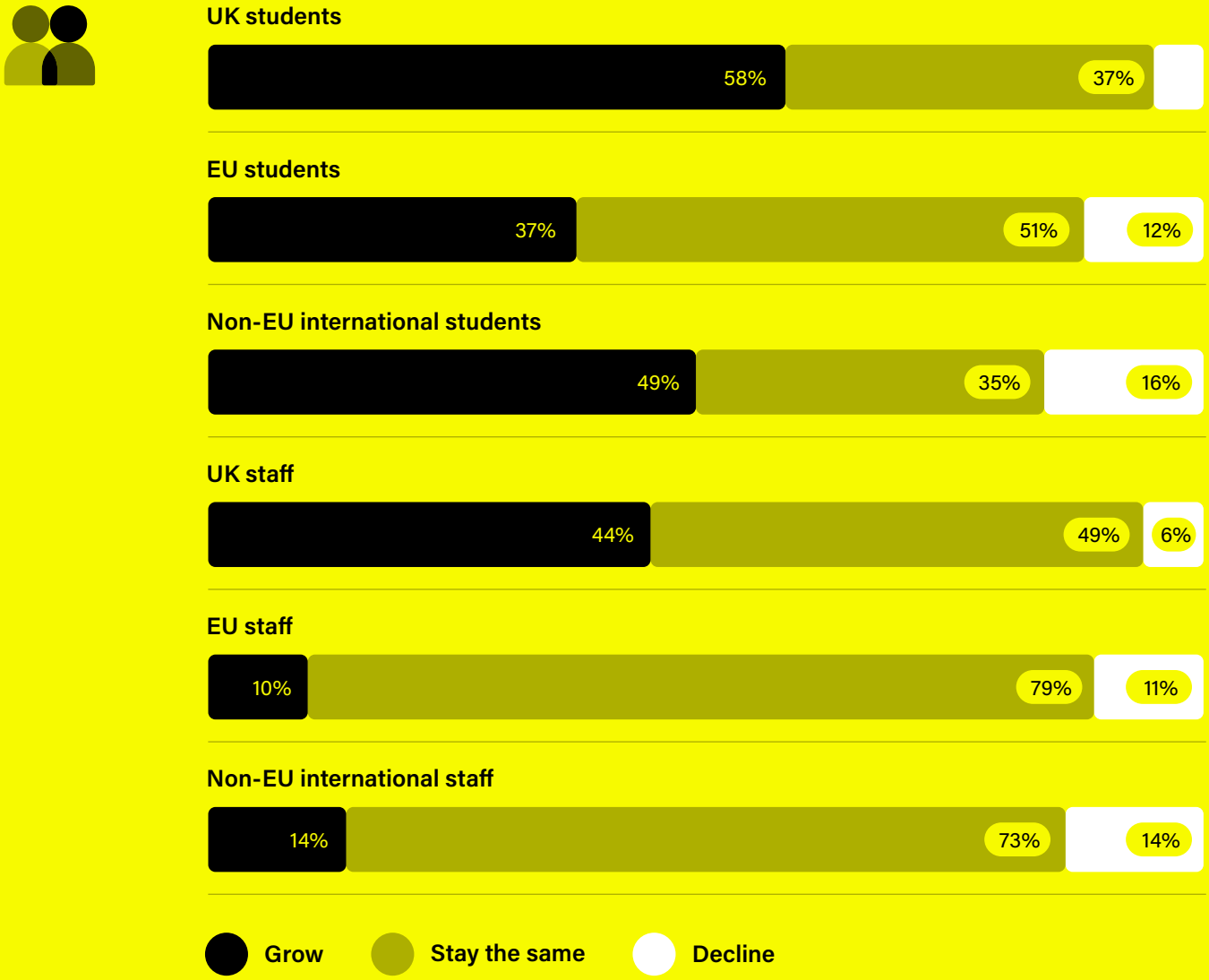
**Section 11**
Strategic outlook and opportunities

Independent providers are looking ahead with confidence. Seven in ten (72%) expect student numbers to grow in 2026/27, most are responding to financial pressure by diversifying rather than cutting back, and nine in ten have selected at least one strategic goal. All 81 respondents answered the questions in this chapter.

## 11.1 Growth expectations

Most providers expect to grow. 58% expect their number of UK students to rise in 2026/27 and 37% expect it to stay the same; very few expect a fall. Half (49%) expect international students from outside the EU to grow, and 37% expect growth in EU students, with most of the rest expecting EU numbers to hold steady (51%). Confidence about UK recruitment is shared across the sector: similar shares of providers with up to 300 students (58%), 301 to 1,000 students (55%) and more than 1,000 students (62%) expect UK growth.

Figure 34 **Expected change in student enrolments and staff numbers, 2026/27**




Providers expect to grow their teams too. 44% expect UK staff numbers to rise and half (49%) expect them to stay the same, with very few expecting a fall. Providers preparing for the LLE are building capacity: of those that have applied, or intend to apply, to deliver modules under the LLE, 69% expect to grow their UK staff, compared with 33% of other providers.

# 11.2 Financial position

Providers are managing their finances actively, and mostly by looking for new income rather than cutting back. Three quarters (75%) are taking strategic action to strengthen their financial position.

Diversifying income streams is by far the most common action (62%). A quarter (27%) are exploring additional investment and 9% a merger or acquisition. Fewer are reducing costs: 16% are making redundancies, 12% reducing non-core activities and 9% reducing their course offer. Overall, seven in ten providers (69%) are taking at least one growth-focused action, compared with 27% taking any cost-reducing action. Diversification is most common among OfS-registered providers (74%) and providers that teach part-time learners (82%).

More providers saw their reserves grow than fall: over the past year 31% increased their financial reserves and 28% kept them roughly the same, while 19% saw them decrease. Two thirds (64%) took on no new debt in the last financial year.

**Figure 35** Strategic action to improve financial position



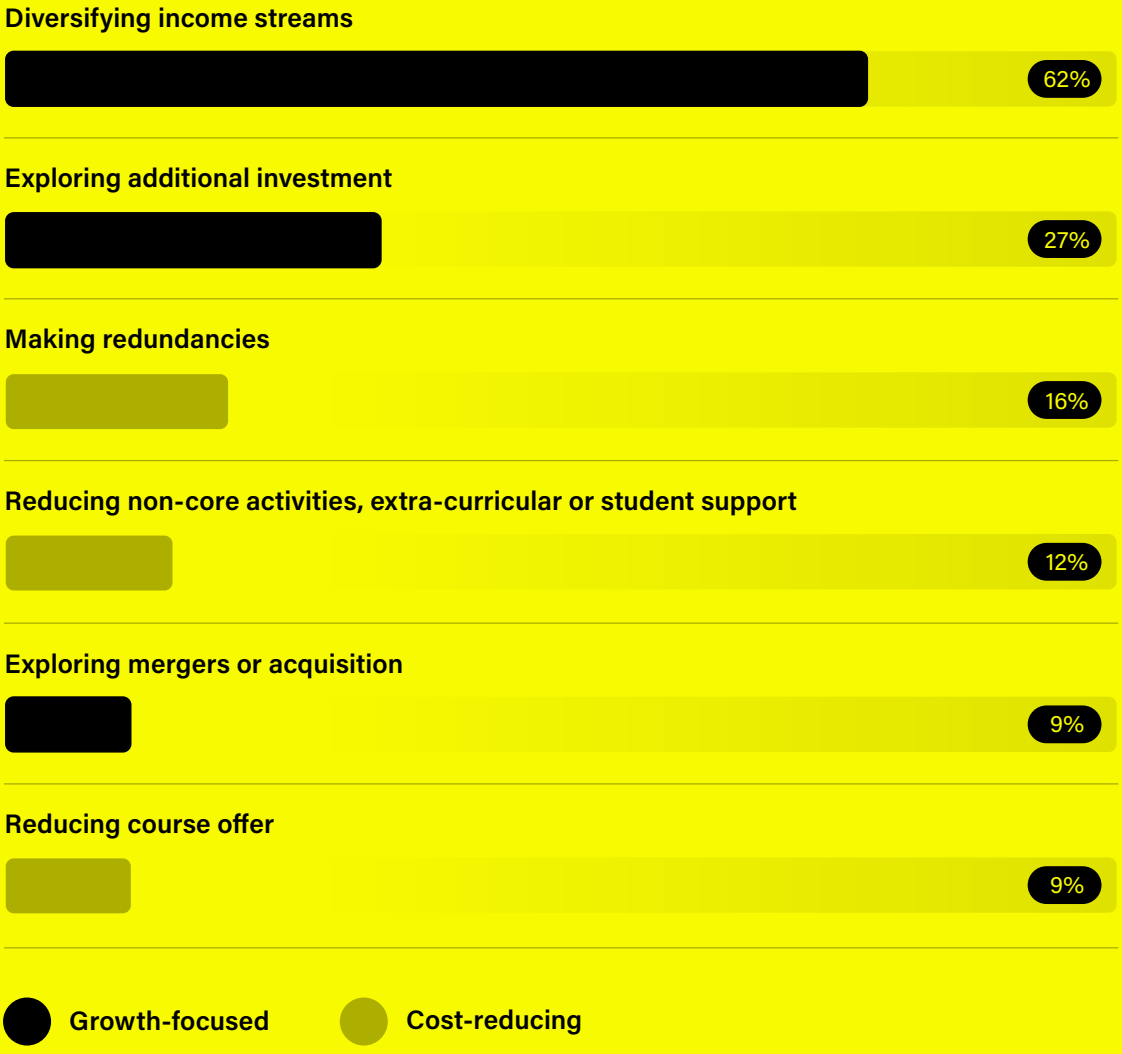
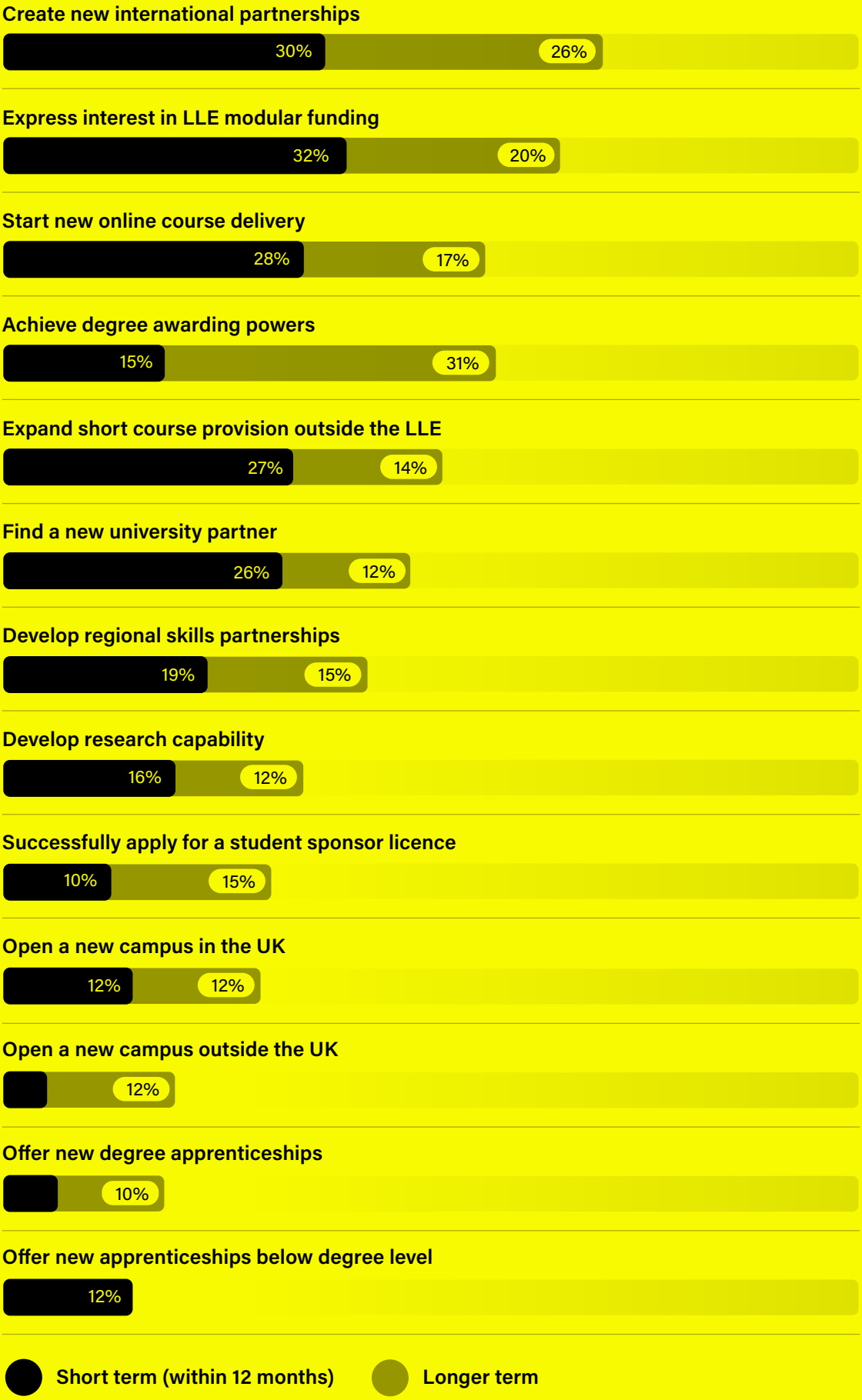


Figure 36 Strategic goals by timeframe





## 11.3 Strategic goals

Providers were asked which of 13 strategic goals, from new partnerships and campuses to degree awarding powers and apprenticeships, are part of their short or longer-term objectives. Nine in ten (93%) selected at least one, 72% selected three or more, and the typical provider selected four. New international partnerships are the most common goal (56%), followed by expressing interest in LLE modular funding (52%), degree awarding powers (46%) and new online course delivery (46%). Expanding short courses outside the LLE (41%) and finding a new university partner (38%) come next, and a third (33%) plan to develop regional skills partnerships and 28% to build research capability.

Much of this activity is imminent. Expressing interest in LLE modular funding is the most common goal for the next 12 months (32%), including among some providers whose courses are not yet eligible. It is followed by new international partnerships (30%), new online delivery (28%), expanding short courses (27%) and finding a new university partner (26%). More providers than last year plan to act within 12 months on several goals. The share planning to open a new UK campus in the next 12 months has doubled, from 6% to 12%, and regional skills partnerships have risen from 11% to 19%.

## 11.4 New campuses in the UK and beyond

Providers are planning to reach students in more places. A quarter (25%) plan to open a new campus in the UK, half of them within the next 12 months, and 16% plan a campus outside the UK. Plans to open UK campuses rise with size: over half of providers with more than 1,000 students (56%) plan one. Providers with a widening participation mission are the most likely to plan a new UK campus (48%, compared with 10% of other providers), and providers that already run more than one campus are expanding further, with 47% planning another UK site. Every provider planning a new UK campus has industry partnerships, and most want to engage with regional skills initiatives and recruit students from underrepresented backgrounds.

Different parts of the sector are leading in different areas. Every large provider plans new international partnerships, and two thirds plan a campus outside the UK. Providers receiving public funding lead on regional skills, with 56% planning regional skills partnerships (compared with 17% of other providers) and 62% planning to expand short courses (compared with 26%). Most providers already delivering apprenticeships (80%) plan to add apprenticeships below degree level within the next 12 months.

# Conclusion

# 12

**Section 12**
Conclusion

Independent providers are doing what the country asks of higher education. Mostly small organisations offering specialist provision, they widen participation in practice, adapt quickly, are ready for lifelong learning, work closely with employers and reach students around the world. They now teach more than one in twenty students in UK higher education, and their plans for growth, new campuses, partnerships and degree awarding powers show a sector that intends to do more.

The findings also show where independent providers are being held back from the contribution they could make. Regulatory and administrative burden continues to rise for providers of every size, whether or not they receive public funding, despite repeated commitments to reduce it, taking time away from teaching, industry work and innovation. As the Office for Students (OfS) reforms quality assessment and degree awarding powers, it will be vital that the new system gives the many independent providers that have not yet taken part in the TEF a fair and proportionate way to show the quality of their teaching.

Barriers to regional and local skills are a particular concern as skills and regional growth move to the centre of government policy. More than half of providers want a bigger role, but say opportunities are hard to see and often designed around larger or local institutions. Leaving them out means missing providers that serve deprived communities and students who study close to home, and that could help fill higher education cold spots. Funding pressure is also holding providers back. Changes to funding have made placements and apprenticeships harder to offer, and one

in six providers want to deliver modules under the Lifelong Learning Entitlement but their courses are not eligible.

IHE's 2024 manifesto set out how a modern tertiary system could make the most of these strengths: a Lifelong Learning Entitlement that works as the foundation for flexible learning, regulation refocused on growth and innovation and proportionate to the size of each provider, and support for specialist providers to meet skills needs wherever they arise. This year's findings strengthen that case.

Backed by these findings, IHE will continue to make the case to government, regulators and stakeholders for a system that recognises the distinctive contribution of independent providers and lets them do more of what they do well. We will continue to support members as they grow, diversify and contribute to the UK's skills needs.

We are grateful to every provider who took part, and to TechnologyOne for sponsoring this year's report.

# Notes on methodology and data

## HESA and Heidi Plus data

This report draws on two HESA sources. Headline student numbers and characteristics (domicile, mode of study, subject and entrant status) use HESA's public tables (Tables 1 and 49) and cover all 128 independent providers with students in 2024/25. Further analysis uses the Heidi Plus platform, which covers 100 of these providers, accounting for 88% of enrolments. Providers can opt out of having their data in Heidi Plus and many independent providers have.

HESA counts student enrolments (engagements) rather than individual people, so a student on more than one course is counted more than once. Where figures are broken down by subject, HESA uses full person equivalents (FPE), which apportion each enrolment across its subjects. The survey asks providers for full-time equivalent (FTE) student numbers, which measure study load rather than enrolments, so survey and HESA figures should not be compared directly.

TNE figures are from HESA's Aggregate Offshore Record, which counts students studying wholly outside the UK for a UK award, including through distance learning, overseas campuses and partner organisations. "EU countries" refers to where students study, not their nationality.

Not all data covers the full 100 providers, as data is suppressed or not submitted for some within the record. For example, the qualifications on entry data cover the 93 of these with undergraduate students.

Students taught by an independent provider under a franchise or subcontract arrangement are returned to HESA by the registering university, so they are not counted in the independent provider figures.

HESA counts are rounded to the nearest multiple of 5, and percentages are calculated from the rounded counts.

Independent providers are defined as providers that were not funded by HEFCE (as listed in its final funding allocations, October 2018) or by the funding bodies of the devolved nations. The list of independent providers has been expanded since IHE's

2025 report, which used Heidi Plus data only. Providers also enter and leave HESA data from year to year as they begin reporting, close or stop submitting data. Providers that have since closed are included for the years in which they reported. Comparisons over time therefore include the effect of these changes, and figures are not directly comparable with those in the 2025 report.

### Definitions:

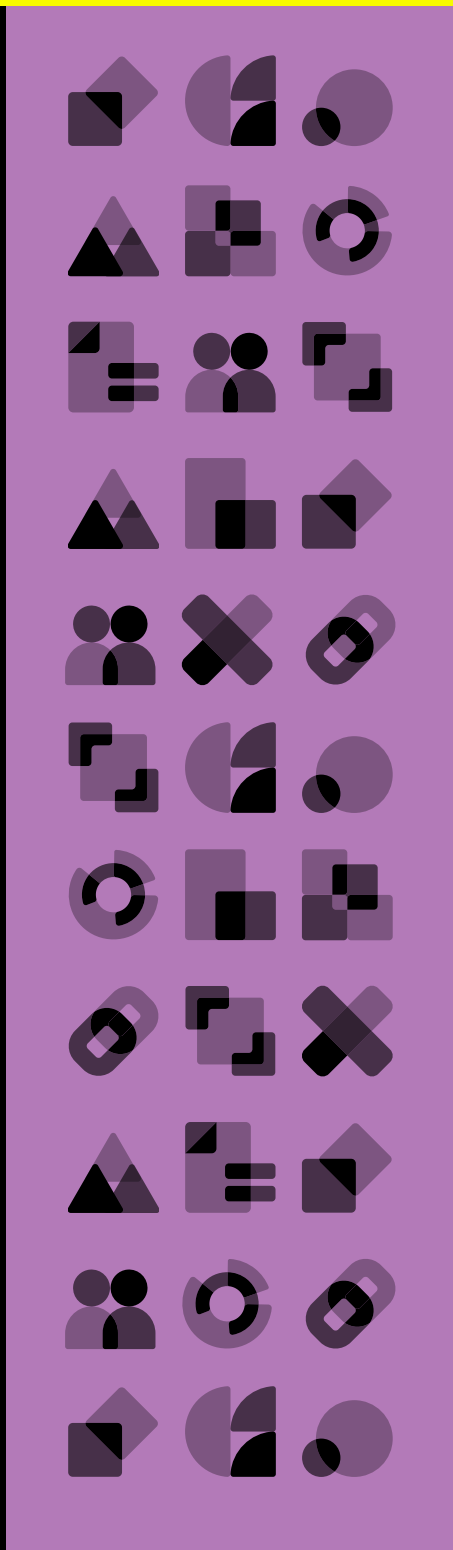
- "Mature" uses HESA's young/mature marker: aged 21 or over at the start of the course.
- Deprivation uses the English Index of Multiple Deprivation (IMD). Percentages exclude students without an IMD value, mainly those living outside England and international students.
- "Without a Level 3 qualification" groups HESA's categories: qualifications at Level 2 and below, no formal qualification, other qualification, and not applicable or not known. Undergraduates only.
- Term-time accommodation is recorded for 78% of students at independent providers and 88% elsewhere; percentages are of students with a known accommodation type.
- "Reported in both years" (EU enrolments) compares only independent providers with HESA data in both 2018/19 and 2024/25.

## Survey data

Survey results are not weighted and describe the providers that responded. Groups of four or fewer providers are not reported. Where 2025 and 2026 are compared, the 2025 figures are from the 2025 survey's equivalent questions. Matched respondents are the 60 providers that answered both the 2025 and 2026 surveys. Comparisons labelled this way use only these providers, so they are not affected by changes in who responded.

Percentages are rounded to whole numbers, so some figures may not sum to 100%. Changes of less than 1% are shown to one decimal place.

# INDEPENDENT HIGHER EDUCATION



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