The student experience of higher education provider closure

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SUMS Consulting

in partnership with

office of the independent adjudicator

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Foreword

The financial challenges faced by the higher education sector have become one of the defining policy challenges. Course closures, restructures and financial distress are no longer isolated events, but increasingly form part of the operating environment for many higher education providers (HEPs). This is creating significant risks for applicants and students who may not even be aware of them. While HEPs are making difficult decisions to secure their future, the sector's priority must remain to ensure that students are protected whenever their experience is affected.

Last year, the Office of the Independent Adjudicator for Higher Education (OIA) and SUMS published '*Putting students first: Managing the impact of higher education provider closure'*, bringing together lessons from across the sector and setting out a toolkit for HEPs. That work drew on the experiences of HEPs, awarding institutions, and others directly involved in closures.

This report reflects the important perspective of the students themselves, which is often not captured in 'lessons learned' exercises. Whilst the students we spoke to were from closures that took place at England-based HEPs, the findings and lessons are relevant to the other nations and to other forms of institutional change. This includes merger or strategic partnerships, all of which can impact students' experiences.

Participants' experiences reveal that provider or course closure is not simply an operational event. For students, it is deeply personal; impacting their wellbeing, financial confidence and future aspirations, as well as their perception of higher education. Students reported lasting mental health impacts and reduced confidence as well as financial hardship.

The findings also show that impacts are not necessarily experienced equally. Students from underrepresented backgrounds, international students, and those with caring responsibilities can face additional barriers and greater consequences. Their experiences show that student protection needs to be about more than securing academic continuation but rather addressing the individual needs of students during a time of significant change. Without access to targeted support, closures risk widening existing inequalities in higher education.

The research highlights the importance of timely communication and effective partnership working. While closure will always be difficult, careful planning and a student-centred approach can mitigate some of the harm, and students should not bear responsibility for navigating the process alone. Support that is proactive, coordinated and easy to access should be a key driver of any government and regulatory response.

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One of the more striking findings is that students experience uncertainty long before closure, noting the cancellation of classes, reduced provision and declining quality. These findings reinforce that effective student protection extends beyond regulatory compliance. It requires HEPs to consider the whole student experience before, during and after closure.

The work reveals the longer-term human impact that is often invisible following closure. Whilst this study is inevitably limited by the constraints of contacting students, the passage of time and their limited desire to reflect on the consequences, insight into their experiences strengthens the evidence for continued collaboration across government, regulators and HEPs to ensure students remain at the heart of decision-making.

We are grateful to every student who shared their experiences for this study. Their willingness to reflect on what were difficult periods has created valuable evidence that we hope will improve sector practice and ultimately better protect students who may face similar circumstances.

Charlotte Corrish
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About the study

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Background to the study

Financial sustainability is a growing concern in higher education (HE), with increasing insolvency and market exit threatening students, staff and communities. While no major university has yet become insolvent, risks related to closure such as staff redundancy are becoming much more prominent. There is no dedicated insolvency regime for higher education providers (HEPs) and there are differing legal regimes depending on the type of HEP, making closures more uncertain for students.

The Education Select Committee concluded in 2026 that arrangements for provider insolvency remain insufficiently clear from a student perspective and recommended further work to strengthen protections. In its response, the Government accepted the importance of protection for students but did not agree that a dedicated administration regime was necessary. Against this backdrop, understanding the student experience of market exit becomes increasingly important in informing future policy and practice.

However, major evidence gaps remain, with limited national data on students' continuation, attainment, progression, and no evidence of long-term wellbeing post-closure. Further research is needed on different types of closures and the effectiveness of support given by the receiving HEP, to ensure protections truly meet students' needs.

Within this context, SUMS has conducted a qualitative study exploring the lived experiences of students and the longer-term impacts of closure on them. This study follows on from a Framework, published in 2025 outlining key actions to mitigate market exit risks and manage closures effectively, covering planning, governance, communication and safeguarding of students.

Methodology and participant profile

SUMS took a qualitative approach to the study, designed to explore participants' perspectives and experiences of provider or course closure in depth. Data collection was conducted in two stages:

1. **Scoping interviews:** three semi-structured interviews were undertaken with higher education sector stakeholders whose roles involved supporting students navigating provider closure, or courses that had lost accreditation and therefore required immediate cessation.
2. **Student focus groups and interviews:** two semi-structured focus groups and one semi-structured interview were conducted, combining a total of 12 participants spanning two HEPs.

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Interviews and focus groups took place online via Teams and were recorded with consent for accuracy.

All student participants experienced either course or provider closure. Post-closure, these participants experienced teaching-out or a teach-out arrangement. This is where students are supported to complete their course and receive the qualification they had originally expected, or alternatively to complete the current academic year or term and receive academic credit that can be used to transfer to another institution.[1]

Student participants were recruited via the OIA and were offered an incentive to participate. All qualitative data arising from the project was inductively thematically analysed, to understand key patterns within and across the two phases of research.

To protect participant confidentiality, all data were anonymised prior to analysis and reporting. Given the relatively small number of participants involved in this study, quotations are not attributed to individual participants to further protect anonymity. All references to provider names and other potentially identifying information have been removed to ensure that individual participants cannot be readily identified.

Limitations

A key limitation of the study related to student recruitment, particularly as the experiences explored in this study dated back several years. Not all students impacted by closures have contacted the OIA. Of those students who did contact the OIA regarding a course or provider closure, in many cases students have moved on or no longer use institutional email addresses, and others did not wish to reflect on their experiences. However, those who did participate spoke comprehensively about their experience and its impact, which is extremely valuable in this area where there is limited qualitative evidence.

[1] https://www.officeforstudents.org.uk/publications/protecting-the-interests-of-students-when-universities-and-colleges-close/

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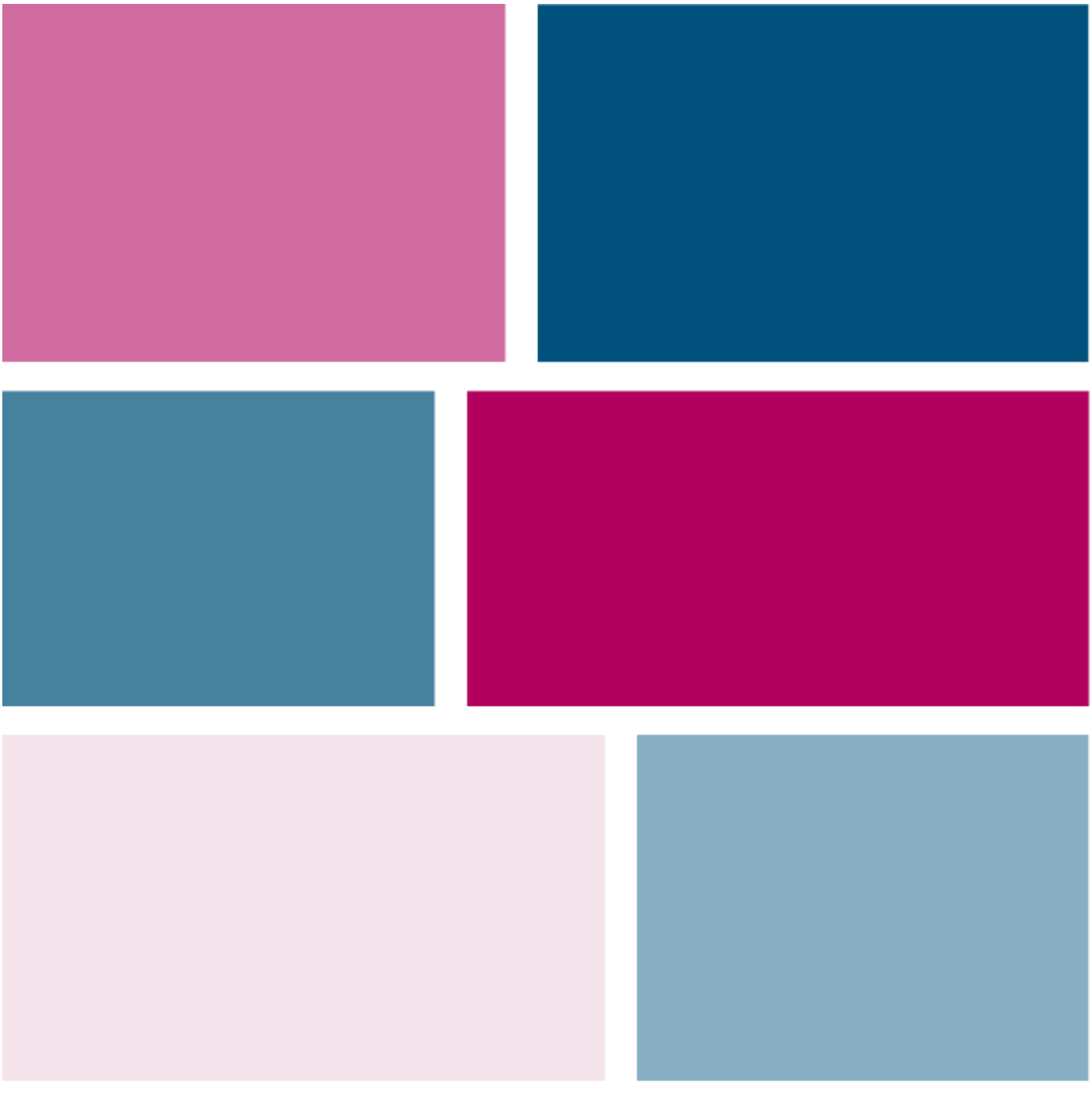
Summary of findings



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Summary of findings: sector stakeholders

Key takeaways

- Course or provider closure has a profound impact on students that moves beyond academic disruption. Aspects of their wellbeing, career progression and other major life decisions are all affected.
- Students from underrepresented groups are disproportionately impacted by closure, particularly for disabled students who chose a course or provider because of its specialised support, making transfer to another university more difficult.
- Closure can erode trust in higher education, leaving students feeling devalued. Students Unions and peer networks play a critical role in supporting students during a period of disruption.

Three sector stakeholders whose roles involved supporting students navigating provider closure, or courses that had lost accreditation and therefore required immediate cessation were interviewed to understand their perspective on student impact. All interviewees described course or provider closure as having far-reaching impacts beyond academic disruption. Overall, it was agreed that closure fundamentally alters students' HE experiences and is at odds with their initial hopes and expectations. As one interviewee reflected, this unique experience *'impacts thousands of young people who have been told this is their future'*.

All interviewees noted the disproportionate impact felt by students from underrepresented groups, including widening participation students and disabled students who have likely chosen a specific provider based on its known avenues of support or specialist provision. One interviewee described sectoral thinking that these groups of students could easily transfer to a new provider without issue as a *'naivety*'.

In addition, one interviewee was concerned about the ways closure impacts on the confidence of students who are first in their family to attend university, and on the financial hardship of mature students who were more likely to have family or caring responsibilities. This interviewee reported instances of mature students unable to pay their mortgage, experiencing relationship breakdowns, homelessness, as well as delayed entry into the job market affecting salary progression.

All interviewees considered the impact of media scrutiny around a provider's financial collapse, which left some students feeling deeply unsettled by their choice, in some cases feeling that either their course or provider had been publicly devalued. This was

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particularly significant for students who perceived their future professional success as being directly linked to the reputation of the course or provider to which they had been recruited.

The role of self-advocacy post-closure was viewed by all interviewees as particularly valuable, although there was recognition from interviewees that not all students have the means to self-advocate, or they may be concerned about doing so from a professional or personal perspective. Students' Unions were therefore described as playing a vital role by advocating collectively on students' behalf, particularly in cases of disorderly closure. It was recognised that students also relied on the support of peers during this time.

'All the students we worked with were deeply impressive and phenomenal in managing their own but also supporting their peers.'

In the longer-term, interviewees noted further instances of students delaying family plans or other significant life decisions until their university experience had been resolved or completed. It was concluded that, while students enter higher education with certain expectations, course or provider closure significantly alters the perception of what HE purports to be. Interviewees talked about an erosion of trust in the sector as well as a profound disruption to the pipeline of placement students or graduates contributing to the regional workforce.

Summary of findings: students

Initial reactions to course or provider closure

Key takeaways:

- Students were in shock and disbelief when they first found out about the closure, with many receiving no warning or clear information regarding next steps.
- Students were concerned about an array of practical issues following closure, including the visa status of international students.
- Vague communication compounded students' distress, with some students learning about closure first through media reports rather than directly from their HEP.

When students first found out about their course or provider closure, it felt as if the decision had come out of nowhere, igniting feelings of disbelief, despair, shock and overwhelming concern. For the students caught up in a disorderly closure, the

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immediate cessation of their provider's social media channels, website, email accounts and access to facilities was challenging to come to terms with.

Students at one provider understandably had many pressing questions about their future: *'Am I going to be able to finish my degree?' 'Do I have to start completely from scratch?', 'What will happen to my money?', 'How on earth is this going to work?'*. International students on visas were unsure if they were able to remain in the country against a backdrop of ongoing negotiations with the Home Office. For foundation year students, they were worried about being out-of-pocket as they did not qualify for standard government student loans and had paid for their qualification in full. In most cases, there were no clear avenues for obtaining answers to these questions, given that many staff members were also unaware of closure.

> ***'[X University] shutting severely impacted me. As an international student I relied on [X University] for my visa, and the way they shut and the way the government responded ultimately resulted in my graduate visa being taken away.'***

Adding to their fear and confusion was the fact that student-facing communications were vague or incomplete, with vital information about next steps unnecessarily hidden in email attachments, or no named contact provided for who they could reach out to.

> ***'The email should have said 'don't worry, [X university] are going to take over and your studies will continue. But instead, that vital piece was left as a small thing that nobody noticed. The whole panic could have been avoided.'***

Participants at this provider also expressed disappointment that such colossal news was delivered by email rather than in person. It was noted that other students in their cohort first found out about the closure via media coverage, prior to reading any email.

Lack of transparency for applicants and incoming cohorts

Key takeaways:

- Students felt misled by a lack of transparency about their provider's financial instability, believing that earlier, honest communication would have allowed them to make a more informed decision about their HE options.
- Limited communication fuelled speculation and increased feelings of anger and distrust among the student community.

Among all participants, there was broad consensus that students apply to a regulated provider on the assumption that it's '*full steam ahead*'; applicants rarely consider that a

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course or provider is at risk of closure. They felt that, had they had greater transparency from the outset, they could have made a more informed choice about accepting their place or considered options elsewhere.

Once students were enrolled, however, the limited communication from the affected HEP provided room for speculation about the provider's financial sustainability to grow. Some participants revealed that, through staff members, they understood that any financial difficulties at their provider had been known about for some time. Others recalled hearing claims from fellow students that their provider had *'bugged'* them to pay their next instalment of tuition fees. Participants also described a sense that knowledge of the provider's financial position had been confined to senior decision-makers or Trustees.

This secrecy about a provider's financial instability (only to reveal this when closure was unavoidable) created clear feelings of anger among some participants. Some felt let-down by the perception that their provider had been disingenuous about the risk of closure, even while continuing to recruit new cohorts of applicants.

> ***'It felt like they had already started planning the closure far before they told us about it, perhaps even as early as when we were accepting our places.'***
>
> ***'To not have that clarity is frustrating. I'm still angry about it.'***

Poor student experience: pre- and post-closure

Key takeaways:

- Many students felt that their HE experiences had deteriorated long before a closure was announced, experiencing issues that affected course quality, such as institutional restructures and staff redundancies.
- Students were sceptical that a teach-out arrangement would mark any improvement, with many reporting negative changes to course delivery.
- In particular, students on regional campuses felt left out of decision-making during this period.

Most participants acknowledged that their student experience had begun to deteriorate well before a closure announcement. One participant likened their provider to a '*sinking ship*'. At the other provider, the announcement followed years of instability as a result of the Covid-19 pandemic, institutional restructures and staff redundancies that diminished the provider's capacity to deliver.

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'Every year there was something happening. I think the year before was when they restructured the whole school.'

'Classes got cancelled often from staff absence, and teachers were always coming and going.'

It was therefore unsurprising that participants expressed scepticism that a teach-out would mean business as usual, despite repeated assurances. Although there were some positive experiences, most deteriorated further. Elements of a course that promised to remain unchanged were delivered in an entirely different way, reduced in scope, or delivered in a new setting requiring a lengthier commute. In addition, students on other regional campuses felt 'isolated' and left out of decision-making during this period.

'For me, it felt very different. New people coming in, it felt like it was very obvious they had a different budget and different financial constraints to actually deliver our course.'

'It wasn't so much one final project that was impacted. I feel like it was the whole course. I graduated feeling like I actually hadn't learned what I wanted to learn.'

As well as academic impacts, a variety of wider unintended consequences arose as a result of closure. For example, several participants had been employed by their provider on a freelance basis, and when their provider immediately closed, they were never paid for outstanding hours worked. At another provider, final year students could no longer access a mentoring buddy scheme given there were no more incoming students onto the course.

Provider identity and sense of belonging

Key takeaways:

- Students who transferred to a new HEP experienced a loss of identity, particularly where they had a strong connection with their original choice of provider.
- Many reported a limited sense of belonging to their new HEP and had little interaction with its community.

Participants transferring to a new provider described grappling with their identity as a student. This felt even more pertinent considering most joined their initial provider on account of its reputation and prestige.

'You no longer feel that you were in a place that had all of this history.'

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Participants who transferred to a new provider also reported a limited sense of belonging. Many had little to no interaction with its campus, staff or wider student community. For some, their only visit to the new provider was to attend their graduation ceremony.

'Even if the new institution has a good reputation, it can feel like it's 'in name only' that you attend that institution. It doesn't really feel like I went there, I went down for my graduation. That's the only time I've ever been. I don't know any teachers that work there.'

Students' mental health and wellbeing

Key takeaways:

- Students relied on peer and family networks as a source of support, especially as wider institutional support dissipated quickly after the initial closure announcement.
- Some participants experienced long-term impacts on their mental health.

On a positive note, participants talked about finding a sense of community during the closure period, relying on support from fellow students, family and friends, and through offers of external support.

'I ended up talking to so many people who I'd never talked to at all in the time of my course. And we'd meet up in person as well, to try and talk it over.'

However, the examples of support outlined above tended to dissipate quickly after the initial announcement. Contrasting with *'overwhelming'* levels of media coverage regarding closure, students were left feeling isolated with limited avenues for institutional support.

A handful of participants talked about the specific mental health and wellbeing impacts they experienced as a result of closure, which were far-reaching and profound. In one concerning case, a student reported experiencing post-traumatic stress disorder (PTSD) triggered by *'the sudden life altering nature'* of this event.

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'Somewhere deep down, the closure meant that I was less resilient to knockbacks. [It] played a huge role in changing my career and definitely did affect my mental health and my wellbeing moving forward.'

'We were all really stressed, really angry, especially in our third year. Everything was just really, really bad.'

'I kind of came to a tipping point by the end of my third year, took some time away after it. I would definitely say everything that was thrown our way during that time didn't help at all.'

Longer term impacts

Key takeaways:

- Students reported a range of long-term impacts as a result of closure, including deciding to change their career or study pathway.
- Students faced barriers while seeking employment, including finding it difficult to explain to prospective employers why their course or provider had closed, difficulties obtaining references, and feeling a sense of embarrassment around closure.
- Many left HE feeling more cynical about the sector as a whole and its ability to adequately protect students during closure.

While it is still relatively unknown what happens to students in the longer-term after experiencing a course or provider closure, participants in this study provided a worrying indication of the impacts. In more extreme cases, participants moved into an entirely new field of study or employment, although they acknowledged that it was difficult to attribute the change entirely to closure.

For graduates who applied for jobs in the field of their study, they found it difficult to explain to employers why their course or provider no longer exists. Participants felt a sense of embarrassment and feared that they wouldn't be taken as seriously in the job market. There were also practical implications, as some graduates noted they experienced difficulties obtaining references.

'Sense of embarrassment, did I sign up to a fake school and this was always supposed to go down?'

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A number of participants also left feeling more cynical about higher education and its value, as the closure made the sector '*feel like a business*' with students unprotected. Participants also talked about having to advocate for themselves throughout their entire journey, detracting from their academic experience.

'You're just taking so much time out to really try and get what you feel like you signed up for and what you're paying for, rather than really focusing on the training.'

The majority of the closures discussed in this study occurred during or around the Covid-19 pandemic, making it more difficult for participants to distinguish the impact of closure from the broader disruption to the student experience. Looking ahead, participants expressed the hope that, should a similar large-scale disruption arise in the future, it would not be used to obscure or justify any reduction in quality that may signal an impending closure.

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Conclusion and recommendations

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Conclusion and Recommendations

This review highlights the profound and far-reaching impact that course and provider closures can have on students. Students affected by closure reported facing serious emotional, academic and financial disruption, experiencing anxiety, confusion, interrupted learning, as well as longer-term effects on their mental health and ability to seek employment. These impacts are disproportionately felt by students from underrepresented groups including disabled students, as well as international students facing visa risks, and students whose transfer to receiving institutions offers poor academic fit or limited pastoral support.

The experiences shared in this report demonstrate that successful student protection is not achieved only because students complete a qualification. Students judge their experience through the quality of teaching, confidence they retain in their qualification, the financial and emotional costs they incurred and whether they felt supported during one of the most uncertain periods of their lives. Future approaches to market exit should therefore place equal emphasis on continuity of experience as on continuity of study.

The following recommendations are suitable for HEPs undergoing closure, HEPs receiving students via a teach-out arrangement and for government and regulators. It is recommended that these build upon the SUMS/OIA framework through case studies and evaluation of good practice.

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Recommendations relating to closing HEPs

- HEPs should communicate at the earliest possible opportunity about significant changes affecting potential delivery, and – wherever legally possible – be transparent about risks that may affect current or prospective students.
- Major announcements should be delivered personally where possible with repeated updates across multiple channels, for example email, SMS, VLE and in-person briefings to avoid students learning about closure through the media.
- Critical information should not only be in email attachments. Every communication should include a plain-English summary of what is happening, what students need to do next, and where to access support.
- Support arrangements should be coordinated with named contacts established immediately. This should remain in place for at least 12 months after closure to support reference and employment queries.

Recommendations relating to receiving HEPs

- Receiving HEPs should be appropriately funded or compensated and resourced to support transferring students academically, financially and socially. This should include specialist disability support and visa compliance recognising the additional burden placed on staff and existing students.
- Teach-out arrangements should prioritise students' wellbeing, ensuring regular check-ins and proactive engagement as well as clear signposting to support.
- For disabled students, reasonable adjustments should transfer automatically and without requiring students to re-evidence their condition.
- Communities of Practice should be established between receiving HEPs, students' unions that have supported closure, and those developing contingency plans, to share good practice. These should include published case studies to build sector learning.

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Recommendations for government and regulators

- Ensure that all HEPs are able to access existing administration regimes, rather than be forced into liquidation, to help prevent the possibility of abrupt cessation of teaching and allow the possibility of orderly teach-out arrangement for all students. This is different from a dedicated insolvency regime but will mitigate the current uncertainty and lack of clarity around different regimes which is still unresolved.
- Ensure students are not left bearing disproportionate financial losses arising from institutional closure, including consideration of sector-funded compensation arrangements or insurance models.
- Arrange for students to have access to a 'one stop shop' source of independent information during course or HEP closure. This could coordinate advice on areas such as academic continuation, consumer rights, students as employees, visas and wellbeing support. The responsibility for this function cannot rest solely with the closing HEP whose legal duties will primarily be to creditors. There should be an exploration of options for setting up a dedicated student transfer and support office during any closure.
- Course or HEP closure should be recognised as a significant wellbeing issue, with support extending beyond academic continuity, including and prioritising emotional, financial and practical impacts in planning and mitigation. This could include requiring HEPs to demonstrate wellbeing mitigation plans as part of closure planning.
- Attention should be given to arrangements and support for students from widening participation backgrounds as well as international students, disabled students and mature students.
- Longitudinal research should be commissioned into student continuation, completion and wellbeing following course or HEP closure, ensuring differential impacts across student groups are monitored.
- Following every significant or unplanned course or HEP closure, consideration should be given to an independent review or published case study that centres on the voices of students affected.

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