

University funding plan collapses in chaos

■ Expansion plans in question

■ UFC to think again

THE UK Universities Funding Council (UFC) has rejected its plans to increase access to university education while decreasing the cost of teaching each student after the controversial system which had required universities to bid against one another for funded student places had to be abandoned last week. Sir Edward Parkes, chairman of the Committee of Vice-Chancellors and Principals (CVCP) said that the UFC's decision leaves the universities living "from hand to mouth", unable to plan beyond the next academic year.

Under the new bidding system, universities told UFC how many students they wished to teach in each subject from 1991-92 to 1994-95, and the price at which each student could be taught. The UFC was to have assessed these bids and distributed student places for the four-year planning period (see *Nature* 342, 843; 1989).

But a letter from the UFC to all vice-chancellors, dated 23 October, says that decisions on funding after the 1991-92 academic year have been postponed, because the UFC is "disappointed by the scale of economy offered by the universities' bids". The competitive nature of the system was supposed to encourage universities to realize 'economies of scale' and bid for more students at a reduced cost per student, in line with government policy. The letter explains that universities will be informed of their teaching grants for 1991-92 in February, but decisions on funding for the rest of the planning period will have to wait until the bidding system has been reconsidered.

Most university vice-chancellors argued that decreasing teaching costs per student would threaten the quality of university education. In total, universities bid for a 19 per cent increase in students by 1994-95, with 93 per cent of these places priced at the UFC's suggested maximum 'guide prices' (based on the current average cost of teaching students in each subject area).

Even before the bids had been submitted, it was obvious that the government would not pay for university expansion at the prices being suggested by the universities (see *Nature* 345, 468; 7 June 1990). At a press conference called to respond to the UFC letter, Parkes said that the UFC seemed to have only now recognized the problem, which "the most junior lecturer" could have identified months ago. But he denied that the universities had operated a

cartel to subvert the bidding system. Although the universities rejected the UFC's views on the potential for economy, he said, they had welcomed the move away from the annual allocation of teaching grants towards a system based on four-year planning periods.

A UFC spokesman says there is "no intention to return to a year-by-year funding system", and that funding for the remainder of the four-year planning period will be addressed in "the coming

Romanian drug trial halted

London

FOLLOWING advice from the World Health Organisation (WHO), the Romanian Health Ministry has halted trials of the controversial 'AIDS drug' FLV 23/A in children and adults in Bucharest infected with human immunodeficiency virus (see *Nature* 347, 606; 18 October 1990).

A WHO team visiting Romania last week concluded that the drug has "no likely therapeutic value", said David Heymann, an AIDS specialist at WHO.

The organizers of the trials had provided no detailed information on the drug's chemical structure and method of manufacture, Heymann says. Also, there appeared to have been no pharmacological studies in humans or animals, and no scientific evidence for antiviral action. WHO is now conducting its own laboratory tests to check for antiviral activity.

Peter Aldhous

EC ministers agree compromise target

London

EUROPEAN Community (EC) environment and energy ministers, meeting in Luxembourg on 29 October, agreed to stabilize EC emissions of carbon dioxide at current levels by 2000. The agreement allows EC ministers to present a superficially unified front at the World Climate Conference ministerial meeting in Geneva next week, but will be attacked by nations opposed to emissions controls as a vague statement, allowing some member states including Britain to stabilize emissions at a later date.

European Commission officials had hoped that stabilization by 2000 could be agreed, with only the 'less developed' member states of Spain, Portugal, Greece and Ireland allowed a more extended schedule.

Peter Aldhous

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Sir Edward Parkes — universities are left "living from hand to mouth".

He says the bidding system will be reviewed, but it is not yet clear what the UFC's approach will be. Just how the UFC will allocate funds and student places for 1991-92 is also uncertain — the government's public expenditure statement later this month is unlikely to release sufficient funds to allow even a modest expansion at the present cost per student.

Parkes suggested last week that the UFC may be divided over the current crisis. Unusually for an important document, the circular letter was signed by the UFC's recently appointed secretary, Finlay Scott, rather than the chief executive, Sir Peter Swinnerton-Dyer. The UFC spokesman says Swinnerton-Dyer was attending a meeting in Scotland when the letter was sent out, and the priority was to inform vice-chancellors of the situation as quickly as possible. But the decision to suspend the bidding system had been taken at a UFC meeting nearly two weeks before.

In the long term, universities fear they may be forced to charge students fees for teaching in order to maintain quality in the face of expansion. A working group of the

CVCP and the Committee of Directors of Polytechnics has considered future mechanisms of financing higher education (see *Nature* 347, 4; 6 September 1990), concluding that teaching costs may increasingly have to be borne by students. Professor John Ashworth, director of the London School of Economics and chairman of the working group, believes that such changes in the financing of higher education should be introduced centrally, by government, rather than be forced upon universities and polytechnics by financial attrition. But the Department of Education and Science says that decisions on fees are a matter for individual institutions.

Peter Aldhous