



# All-Party Parliamentary University Group

## Weekly update

**11 – 15 November 2024**

A regular digest of House of Commons, House of Lords, and higher education sector business.

If you would like more information on parliamentary business, please contact:

Jasmin Glynne | [appug@universitiesuk.ac.uk](mailto:appug@universitiesuk.ac.uk)

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# Parliamentary business

## Budget – HoC SIT committee oral evidence

On Tuesday 12 November, the House of Commons Science Innovation and Technology held a non-inquiry session on the implications of the Autumn Budget on science, innovation, and technology. The following is a summary of the first panel.

The first panel consisted of:

- Professor Sir Adrian Smith, President, Royal Society
- Professor Karen Holford, Vice-Chancellor of Cranfield University and Universities UK Board Member
- Professor Richard Jones, Vice-President for Regional Innovation and Civic Engagement, University of Manchester

The Chair, Chi Onwurah MP (Labour), asked whether the UK's latest Budget demonstrated a commitment to advancing science and research in the UK. Professor Smith said that it signalled such a commitment. He highlighted that there was international competition, warning that the UK ranked 11<sup>th</sup> in the Organisation for Economic Co-operation and Development (OECD) for investment. He shared concern of financial sustainability in university research activity as well as the importance of making the UK open to international talent and the wider skills pipeline.

The Chair probed on university research activity and the impact of recent announcements on sustaining this, as well as their contribution to economic growth. Professor Holford welcomed the end to the freeze in tuition fees and the wider R&D elements of the Budget. However, she highlighted that the entire ecosystem of research and development had been finely balanced with cross-subsidises which needed to be fully supported. On missions, Professor Holford said that universities were 'poised and ready to go.'

Professor Jones said that the UK relied heavily on universities for its science and research activity and the Budget was a 'a very good stabiliser.' He said that the system should be measured against the results that were achieved such as contributions to growth, rather than necessarily the inputs.

Rt Hon Kit Malthouse MP (Conservative) probed whether the UK was delivering more impactful research than other OECD countries, including those which spent more on science research, and whether universities could lean too far into the five missions. Professor Smith said overall spend was not definitive, but it was important to look at

investments and long-term commitments in a comparative sense. Professor Holford said there was an important balance between directed and unhypothecated research. Universities had a core role across all five missions and there was welcome cross-departmental working.

Adam Thompson MP (Labour) probed further on the detail of the core research allocation in the Budget. Professor Smith said the 'whole point of discovery research is that it is undirected.' Professor Holford said her understanding was that core research was that directed through UKRI and excluded Innovate UK. Professor Jones said there was a question around how much funding should be allocated to undirected research.

Dr Lauren Sullivan MP (Labour) probed on long-term projects and the structure of 10-year R&D budgets. Professor Holford said long-term funding enabled stability and co-investment from industry which was welcome, but the structure of the funding needed to mitigate against unintended consequences. She highlighted that Universities UK was keen to work with government on getting this right. Professor Jones said there had been too many short-term, short-lived projects. As to place-based funding, there were significant discrepancies for how R&D funding was spent throughout the country and there was a need to increase capacity outside of the South East. Professor Smith explicitly mentioned the cost of equipment and the fact that running costs needed to be accounted for.

Emily Darlington MP (Labour) asked what the impact of leaving Horizon Europe had been for the UK, and how relations could be repaired as the UK looked at rejoining. Professor Holford said the exit from Horizon had been disastrous for relationships and collaborative projects. Applications had increased, which pointed to great enthusiasm and anything the UK could do to boost participation was welcomed. Professor Smith called for a broader international strategy for research, which included, but was not limited to Horizon.

Steve Race MP (Labour) asked what the impact was from the Budget, and how the UK's involvement in Horizon could be measured. Professor Smith said the UK would maximise participation by being successful in winning grants and attracting top talent. There was still more work to do to share the narrative that the UK is open to talent. Professor Holford said the exit from Horizon Europe had meant an exodus of many talented people and it would take time to rebuild trust and relationships.

Josh Simons MP (Labour) asked what the priorities in the Spending Review should be for DSIT as well as data coordination by government. Professor Smith said that for the UK to be at the cutting edge of science, world-class facilities were needed. Professor Holford said the Universities UK Blueprint gave many suggestions for the Spending Review, including Mission Innovation Funds and sustained increase to QR funding. Professor Jones said innovation-led growth required a joining of skilled people with

research facilities. A holistic view of regional industrial strategies, together with the national industrial strategy, could yield many benefits.

Emily Darlington MP asked how the framework of UK institutions could help alignment around the five missions. Professor Smith said R&D missions showed the importance of cross-departmental work in government. The mechanisms did not require going back to square one and the R&D landscape could map onto the five missions in various ways. Professor Holford highlighted the unsustainability in research funding and the risk of cross-subsidies. Professor Jones said the principle of excellence was the cornerstone of blue-sky research.

You can [read a transcript](#) and [watch the session](#).

## **Sharia-compliant student finance – HoL oral question**

On Wednesday 13 November, Lork Sharkey (Liberal Democrats) asked the oral question “To ask His Majesty’s Government what progress they have made towards the introduction of a Sharia-compliant student finance product” in the House of Lords.

Minister for Skills, Baroness Smith of Malvern, said the government is “committed to delivering an alternative student finance (ASF) product that is compatible with Islamic finance principles as quickly as we can”. She noted the Department is making good progress on this as it is reconvening the alternative student finance working group and has appointed the secretariat to take forward sharia certification.

Lord Sharkey highlighted that 6,000 Muslim students a year miss out on university due to the lack of sharia-compliant student finance and noted that progress on ASF is slow as it is being produced sequentially to the lifelong learning entitlement (LLE) which was delayed by a year in the Budget. He asked whether this can be uncoupled and progressed in parallel to the LLE and whether outside contractors could be used to speed progress.

Baroness Smith said the last government were right in pairing ASF with the LLE as LLE brings about a fundamental change in student support and ASF must be linked to the “overarching system” for student support, which will open for applications in September 2026 for modules starting January 2027.

Baroness Manzoor (Conservative) asked what the government are doing to raise awareness on this issue for students and provide training for the sector. Baroness Smith said the government was raising awareness of paths that do not require tuition and that student finance information is available on GOV.UK.

Lord Watson of Invergowrie (Labour) agreed with ASF being linked to the LLE as “[i]f it is not available to young Muslims, it cannot properly meet the reason that it is being established”. Baroness Smith agreed and said progress would be advanced in the working group.

Lord Ahmad of Wimbledon (Conservative) highlighted that the lack of ASF can be a particular barrier of entry to Muslim girls who are often high attaining. Baroness Smith reiterated that the government are working to make ASF in line with Islamic finance principles.

Lord Vaux of Harrowden (Crossbench) and Baroness Swinburne (Conservative) both raised wider issues with student loans, including high interest rates and students not understanding what they have entered into. Baroness Smith questioned whether they were calling for an overhaul of the student finance system and said the Student Loans Company works to make terms clear to students.

You can [read a transcript](#) and [watch the session](#).

## **Tackling barriers to educational opportunities – Westminster Hall debate**

On Wednesday 13 November, a Westminster Hall debate on tackling barriers to educational opportunities took place in the House of Commons. This debate was tabled by Tony Vaughan MP (Labour).

Tony Vaughan MP criticised the focus on universities for the minority of school-leavers, pointing out that 64% of young people do not go to university and emphasised the need for vocational education and training as an alternative to university. He asked the Minister for more details on the roll-out of Skills England and their post-16 strategy.

Jess Brown-Fuller MP (Labour) highlighted her pride as a graduate of the University of Chichester, using her example to demonstrate the value of creative qualifications. She discussed declining arts enrolments and underfunding, which could restrict access to university for students interested in creative industries.

Emily Darlington MP (Labour) celebrated the Open University in her constituency for its flexible, inclusive model that allows access to higher education without traditional qualifications and its role in promoting social mobility and supporting students with disabilities.

Chris Vince MP (Labour) shared a story of a young carer who had to leave university due to caregiving commitments, highlighting the lack of institutional support for such

students. He urged universities to recognise and accommodate the challenges faced by young carers.

Gregor Poyton MP (Labour) criticised the SNP's cuts to college and higher education funding in Scotland and mentioned the impact of inadequate apprenticeship support on progression into university or vocational careers.

Kenneth Stevenson MP (Labour) highlighted his personal experience as an Open University graduate, emphasising its transformative impact on social mobility. He criticised the SNP for treating further education as secondary to universities and not investing adequately in the sector.

Minister for Children and Families, Janet Daby MP, acknowledged universities as a valuable pathway for many, while emphasising the need to expand apprenticeships and vocational routes. She reiterated that universities are part of a broader landscape of educational opportunities.

You can [read a transcript](#) and [watch the session](#).

## **Findings and recommendations in the Universities UK report, 'Opportunity, growth and partnership: a blueprint for change' – HoL debate**

On Thursday 14 November, the House of Lords debated the findings and recommendations in the Universities UK report, 'Opportunity, growth and partnership: a blueprint for change'. This debate was tabled by Baroness Warwick of Undercliffe (Labour).

*A full summary of this debate will be circulated separately next week.*

You can [read a transcript](#) and [watch the session](#).

You can [read the House of Lords Library briefing](#).



# Forthcoming business

## DSIT – oral questions

On Wednesday 20 November from 11:30am, the Secretary of State for Science, Innovation and Technology, Rt Hon Peter Kyle MP, and his ministerial colleagues will answer oral questions in the House of Commons.

You can [view a full list of tabled questions](#) and [watch the session](#).

## Apprenticeships and T-Levels – Westminster Hall debate

On Wednesday 20 November from 2:30pm, there will be a Westminster Hall debate on apprenticeships and T-Levels. This debate was tabled by Rt Hon Damian Hinds MP (Conservative).

You can [read more](#) and [watch the session](#).

## IfATE (Transfer of Functions) Bill – HoL committee stage

On Thursday 21 November from 1:00pm, the Institute for Apprenticeships and Technical Education (Transfer of Functions etc) Bill committee stage day one will take place in the House of Lords.

You can [read more](#) and [watch the session](#).

# Written questions and statements

## Universities: Finance

**Abtisam Mohamed MP (Labour):** To ask the Secretary of State for Education, what funding is available to universities via the Strategic Priorities Grant. [UIN 12229]

**Minister for Children and Families, Janet Daby MP:** The government provides funding through the Strategic Priorities Grant (SPG) on an annual basis to support teaching and students in higher education (HE), including expensive to deliver subjects such as science and engineering, students at risk of discontinuing their studies and world leading specialist providers.

The total recurrent SPG funding to be distributed by the Office for Students (OfS) for the 2024/25 academic year is £1.426 million. This comprises £1.402 million in recurrent grant for providers and £24 million in funding for national facilities and regulatory initiatives.

The department made £281 million of funding available to providers for the 2024/25 academic year in the form of student premiums and mental health support to promote successful outcomes for students, including for disadvantaged students.

For the three-year period from 2022/23 to 2024/25, the SPG multi-year capital funding was set at £450 million to support investment in teaching and learning facilities. The outcomes for the distribution of capital grant funding by the OfS to eligible HE providers is available here:

<https://www.officeforstudents.org.uk/publications/capital-funding-for-financial-years-2022-23-to-2024-25/>.

On 29 July 2024, the OfS published the outcomes of their decision on how the 2024/25 academic year SPG recurrent funding would be allocated to eligible HE providers. The full summary of their decision-making can be accessed here:

<https://www.officeforstudents.org.uk/media/467e28b4-7bc4-4223-bfbc-33de5836c349/funding-for-2023-24-ofs-decisions.pdf>.

On 25 October 2024, the OfS also published the latest edition of the funding allocations for each provider for the 2024/25 academic year. The breakdown for each HE provider is available here:

<https://www.officeforstudents.org.uk/publications/recurrent-funding-for-2024-25/>.

## Higher Education: Finance

**Chi Onwurah MP (Labour):** To ask the Secretary of State for Education, what assessment she has made of the potential impact of the Autumn Budget 2024 on higher education institutions. [UIN 11884]

**Minister for Children and Families, Janet Daby MP:** Although my right hon. Friend, the Chancellor of the Exchequer, did not announce new funding for the higher education (HE) sector, we have since announced measures across fees, maintenance and wider HE reform to address financial pressures faced by the sector, increase support for students, strengthen efforts to improve access and outcomes for disadvantaged students and enable flexibility to be at the core of our HE system.

The department is aware that HE providers will have to pay increased national insurance contributions. As my right hon. Friend, the Chancellor of the Exchequer set out in the Budget, raising the revenue required to fund public services and restore economic stability requires difficult decisions which is why the government has asked employers to contribute more.

The tuition fee limit increase represents an increased investment from students for the sector and will support HE providers in managing the financial challenges they are facing.

The department will explore how best it can continue to improve access to HE, thus widening opportunity for our students and learners, while driving the HE system to play a bigger role in our ambitions for national growth.

## Students: Finance

**Paula Barker MP (Labour):** To ask the Secretary of State for Education, whether her Department plans to support students with (a) the cost of living and (b) accommodation costs. [UIN 12213]

**Minister for Children and Families, Janet Daby MP:** The government is determined that the higher education funding system should deliver for our economy, for universities and for students. This government is committed to supporting the aspiration of every person who meets the requirements and wants to go to university.

The government recognises the impact that the cost of living crisis has had on students. That is why we are increasing the maximum maintenance loans for living costs for the 2025/26 academic year by 3.1%, in line with the forecast rate of

inflation, to ensure that more support is targeted at students from the lowest income families.

Maximum maintenance loans will increase in line with forecast inflation, giving students up to an additional £414 a year of support in the 2025/26 academic year. This is the increase in the maximum loan for living costs for students living away from, and studying in, London from £13,348 to £13,762.

Therefore, a student living away from home and studying outside London on a household income of £25,000 or less will qualify for a maximum loan for living costs of £10,544 for the 2025/26 academic year, an increase of £317 compared to 2024/25. Students living away from home and studying in London will qualify for higher rates of loan, as will students eligible for benefits and some disabled students.

## Universities: Finance

**Abtisam Mohamed MP (Labour):** To ask the Secretary of State for Education, what steps she is taking to help ensure the financial sustainability of universities. [UIN 12228]

**Minister for Children and Families, Janet Daby MP:** The department understands that universities are under financial pressure, which is why we have taken the difficult decision to announce a tuition fee rise of 3.1% which will take effect at the start of the 2025/2026 academic year.

The tuition fee limit increase represents an increased investment from students for the sector and will support higher education (HE) providers in managing the financial challenges they are facing.

In return for higher investment, the government is calling for universities to strengthen efforts to improve access and outcomes for disadvantaged students.

The government will be boosting support for disadvantaged learners with an inflation linked increase to maintenance loans for those facing cost of living pressures.

My right hon. Friend, the Secretary of State for Education has already taken the important first step of appointing Sir David Behan as interim Chair of the Office for Students (OfS) to oversee the important work of refocusing the OfS role to concentrate on key priorities, including the HE sector's financial sustainability. The department continues to work closely with the OfS as the independent regulator of HE in England to understand the changing financial landscape.

The department will also explore how to best continue improving access to HE, widening opportunity for students and learners.

## **Students: Loans**

**Abtisam Mohamed MP (Labour):** To ask the Secretary of State for Education, what recent assessment she has made of the adequacy of maintenance loans for students. [UIN 12314; Grouped Question: 12227]

**Minister for Children and Families, Janet Daby MP:** The government recognises that UK higher education (HE) creates opportunity, is an engine for growth in our economy and supports local communities. We are determined that the HE funding system should deliver for our economy, for universities and for students. This government is committed to supporting the aspiration of every person who meets the requirements and wants to go to university. The student finance system removes upfront financial barriers so that everyone with the ability and desire to enter HE can do so. We recognise the impact that the cost of living crisis has had on students.

That is why the government is increasing the maximum maintenance loans for living costs for the 2025/26 academic year by 3.1%, in line with the forecast rate of inflation, to ensure that more support is targeted at students from the lowest income families.

Upfront tuition fee loans allow students, including disadvantaged students, to access HE who would otherwise not be able to. Students undertaking nursing, midwifery and allied health profession courses qualify for additional grant support through the NHS Learning Support Fund. Students undertaking tuition fee based Initial Teacher Training courses leading to Qualified Teacher Status may qualify for bursaries or scholarships depending on their subject and/or previous qualifications.

## **Universities: Employers' Contributions**

**Abtisam Mohamed MP (Labour):** To ask the Secretary of State for Education, what assessment she has made of the potential impact of the increase in National Insurance employer contributions on university finances. [UIN 12223]

**Minister for Children and Families, Janet Daby MP:** The department is aware that higher education (HE) providers will have to pay increased national insurance contributions. As my right hon. Friend, the Chancellor of the Exchequer set out in the Budget, raising the revenue required to fund public services and restore economic stability requires difficult decisions, which is why the government has asked employers to contribute more.

The department understands that universities are under financial pressure, which is why we have taken the difficult decision to announce a tuition fee rise of 3.1% which will take effect at the start of the 2025/26 academic year.

The tuition fee limit increase represents an increased investment from students for the sector and will support HE providers in managing the financial challenges they are facing.

In return for higher investment, the government is calling for universities to strengthen efforts to improve access and outcomes for disadvantaged students.

The government will be boosting support for disadvantaged learners with an inflation-linked increase to maintenance loans for those facing cost of living pressures.

The department will explore how best we can continue to improve access to HE, widening opportunity for our students and learners, while driving the HE system to play a bigger role in our ambitions for national growth.

## **Treasury: Lifelong Education**

**Damian Hinds MP (Conservative):** To ask the Chancellor of the Exchequer, with reference to paragraph 4.10 of the Autumn Budget 2024, published on 30 October 2024, HC 295, what the fiscal effect is of revised launch date of the Lifelong Learning Entitlement. [UIN 12065]

**Chief Secretary to the Treasury, Darren Jones MP:** The Government is committed to delivering the Lifelong Learning Entitlement, which will transform the post-18 student finance system to create a single funding system, to a revised launch date of September 2026 for courses starting in January 2027. The launch has been postponed by a year to ensure that policy and design fully align with this government's ambitious vision for the future of our skills landscape, as well as to give providers the necessary time to prepare.

The student finance impacts of the revised launch date were scored by the OBR at the Autumn Budget. The Public Sector Net Borrowing impacts of the delay can be found in the policy costings document on page 81:

[Policy Costing Document - Autumn Budget 2024.pdf](#)

The delay will have a negligible fiscal impact in 2025-26 and 2026-27 and will generate savings of around £10m a year, measured by Public Sector Net Borrowing, for the rest of the scorecard period. This includes the impact of the previous government's decision to postpone the launch from February to September 2025.

## New Businesses: Finance

**Chi Onwurah MP (Labour):** To ask the Secretary of State for Science, Innovation and Technology, with reference to paragraph 3.70 of the Autumn Budget 2024, HC 295, published on 30 October 2024, what funding his Department has allocated to extend the Innovation Accelerators programme. [UIN 11883]

**Minister for AI and Digital Government, Feryal Clark MP:** The Government will extend the Innovation Accelerators pilot for a year to continue to bolster high-potential innovation clusters in the Glasgow City Region, Greater Manchester and the West Midlands. We will announce further details on the allocation of the R&D budget in due course.

## Students: Loans

**Shivani Raja MP (Conservative):** To ask the Secretary of State for Education, if her Department will make an assessment of the potential merits of increasing student maintenance loans in line with Consumer Price Index inflation. [UIN 12774]

**Minister for Children and Families, Janet Daby MP:** The government recognises the impact that the cost of living crisis has had on students. That is why the government is increasing the maximum maintenance loans for living costs for the 2025/26 academic year by 3.1%, in line with the forecast rate of inflation, to ensure that more support is targeted at students from the lowest income families.

The 3.1% increase is based on the Retail Prices Index inflation forecast for the first quarter of 2026, as published by the Office for Budget Responsibility at Budget. Using the corresponding consumer price inflation forecast for the first quarter of 2026 would have resulted in maintenance loans being increased by only 2.5% for the 2025/26 academic year.

## Universities: China

**James McMurdock MP (Reform UK):** To ask the Secretary of State for Education, whether her Department has made an assessment of the potential implications for national security of the proportion of funding for universities from China. [UIN 12628]

**Minister for Children and Families, Janet Daby MP:** The United Kingdom welcomes international partnerships and students, including from China, who make a very positive impact on the UK's higher education (HE) sector, our economy and society as

a whole. However, we will always protect our national security interests, human rights and values.

As a matter of longstanding policy, the department does not comment on the detail of national security assessments. The department recognises the potential for overseas interference in our HE sector. We are committed to ensuring ways to increase transparency and improve HE providers' overall resilience and economic security, whilst respecting the autonomy of universities.

A key element of the government's International Education Strategy is diversification. Universities must ensure they have appropriate processes in place to manage risks associated with dependence on a single source of funding, whether that is from a single organisation or a single country. The Office for Students is responsible for monitoring and reporting on the financial sustainability of HE providers in England to ensure they have an up to date understanding of the sustainability of the sector.

The government is carrying out an audit of the UK's relationship with China as a bilateral and global actor, to improve our ability to understand and respond to the challenges and opportunities China poses.

## **Lifelong Education**

**Damian Hinds MP (Conservative):** To ask the Secretary of State for Education, with reference to paragraph 4.10 of the Autumn Budget 2024, for what reason the launch date of the Lifelong Learning Entitlement has been revised. [UIN 12064]

**Minister for Children and Families, Janet Daby MP:** The government is committed to delivering the Lifelong Learning Entitlement (LLE), expanding access to high quality, flexible education and training for adults throughout their working lives, helping businesses to fill skills gaps and kickstart economic growth.

The LLE will now launch in the 2026/27 academic year for learners studying courses starting on or after 1 January 2027, including full courses, modules and Higher Technical Qualifications.

This is in order to:

- Improve the impact and effectiveness of the LLE by ensuring that policy and design fully align with this government's ambitious vision for the future of our skills landscape.
- Refine the department's delivery and implementation plans through collaboration with Skills England to help support this government's industrial strategy.



- Give education providers the necessary time to prepare for the launch of this new and transformational student-finance system.

## Students: Loans

**Lord Forsyth of Drumlean (Conservative):** To ask His Majesty's Government what will be the nominal cumulative total of student loan debt in (1) five years, (2) 10 years, and (3) 25 years. [UIN HL2196]

**Minister for Skills, Baroness Smith of Malvern:** The department publishes forecasts annually for higher education and further education student loans in England. Student loan forecasts for England in the 2023/24 financial year can be accessed here: <https://explore-education-statistics.service.gov.uk/find-statistics/student-loan-forecasts-for-england>.

The requested figures can be found in supplementary Table 8 here: <https://explore-education-statistics.service.gov.uk/data-tables/permalink/5dd0bbff-ff5d-4387-a0a8-08dcfae39e23>.

In five years, in the 2029/30 financial year, the nominal cumulative total of student loan debt is forecast to be £383.7 billion. In 2034/35 it is forecast to be £539.9 billion. In 2049/50 it is forecast to be £869.4 billion.

These published forecasts use a range of assumptions, including annual inflationary increases in maintenance loans and fee caps by the Retail Prices Index excluding mortgage interest payments.

## UK Research and Innovation: Finance

**Helen Morgan MP (Liberal Democrats):** To ask the Secretary of State for Science, Innovation and Technology, what assessment he has made of the effectiveness of UKRI funding in helping innovative projects scale-up. [UIN 12797]

**Minister for AI and Digital Government, Feryal Clark MP:** Criteria assessing the impact and effectiveness of UKRI funding to support scale-up of innovative projects are consistently tracked through the UKRI Commercialisation Monitoring Framework, as well as Innovate UK's Impact Management Framework.

All evaluations are published on UKRI's website and are used to inform future approach and investments.

## Horizon Europe: Investment Returns

**Chi Onwurah MP (Labour):** To ask the Secretary of State for Science, Innovation and Technology, with reference to paragraph 4.94 of the Autumn Budget 2024, published on 30 August 2024, HC 295, whether he has made an estimate of the return on investment in Horizon (a) this year and (b) in the future. [UIN 13201]

**Minister for AI and Digital Government, Feryal Clark MP:** We expect to contribute over £8bn to Horizon Europe between 2024-2027, and are aiming for UK researchers to be awarded the maximum amount possible through successful funding bids. Our priority is to boost UK application and success rates to maximise this return. As we re-joined the programme in January of this year, and there is a lag between applications and awards, it is too early to properly assess UK success in the programme.

We have secured financial protections that ensure the UK can clawback funds if contributions to Horizon Europe exceed receipts that go to UK researchers and businesses and researchers by 16%.

## Research: Finance

**Chi Onwurah MP (Labour):** To ask the Secretary of State for Science, Innovation and Technology, with reference to paragraph 4.94 of the Autumn Budget 2024, published on 30 August 2024, HC 295, whether this applies to all UK universities; and what metric she will use to assess whether a university is world leading. [UIN 13200]

**Minister for AI and Digital Government, Feryal Clark MP:** The Autumn Budget 2024 announces at least £6.1 billion of funding for core research, growing this allocation at least in line with inflation. Core research funding directly and indirectly supports universities through a range of programmes, including competitive research grants through UKRI's research councils, investment in PhDs and fellowships, and Quality-Related research funding provided through Research England, informed by the outcomes of the Research Excellence Framework (REF). DSIT will work closely with the sector to effectively prioritise our R&D settlement, and will announce further details on funding allocations in due course.

## Research: South East

**Chi Onwurah MP (Labour):** To ask the Secretary of State for Science, Innovation and Technology, whether he plans to increase the amount spent on research outside the Greater South East by 40%. [UIN 13478]



**Minister for AI and Digital Government, Feryal Clark MP:** This public R&D regional investment target is set out in the statement of missions laid in relation to the Levelling-up and Regeneration Act 2023.

Increasing productivity right across the UK is fundamental to our mission to kickstart economic growth. Through our Industrial Strategy and the development of Local Growth Plans, we will build on local strengths to ensure that public and private R&D investment right across the UK helps local places to reach their potential.

## Sector news

### **Tuition fee rise: opportunities ahead for universities – UUK insights and analysis**

On Tuesday 12 November, Universities UK published an insights and analysis piece written by President Professor Sally Mapstone, discussing the government's 4 November 2024 announcement regarding the tuition fee rise and the implications for universities across the UK.

The article covers:

- World-leading research and innovation systems
- Putting universities on firm financial footing
- Tuition fee rise
- Opportunity, growth and partnership: a blueprint for change
- Transformation and efficiency taskforce

You can [read the full article](#).

### **Over 4,700 newly funded post-graduate places in UK universities to create new generation of engineers and scientists – DSIT press release**

On Tuesday 12 November, the Department for Science, Innovation and Technology (DSIT) announced thousands of post-graduate students will be backed by government to study biological, engineering and environmental sciences at 45 universities across the UK.

Science and Technology Secretary, Rt Hon Peter Kyle MP, said:

“Backing the next generation of great scientific minds to fulfil their potential is crucial to unlocking the discoveries which improve our lives and keep our economy growing over the long term through highly skilled jobs.

This £500 million investment will support our vitally important higher education sector while supporting more bright students to pursue their talents and in turn deliver the life-saving drugs and clean energy alternatives of the future, that benefit all of our lives.”

You can [read the full press release](#).

## A Class Act: Social mobility and the creative industries – Sutton Trust report

On Wednesday 13 November, the Sutton Trust published a report looking in detail at access to the creative industries.

For the higher education sector, the report recommends:

- Conservatoires and other creative arts institutions that receive state funding should be banned from charging for auditions.
- Government should redouble efforts on access across the higher education sector, with a focus on socio-economic disadvantage, and stronger regulatory expectations.
- The wider value of creative degrees should be taken into account when making funding and policy decisions for the higher education sector.
- Outreach activities from the arts higher education sector (including conservatoires and other specialist arts institutions, as well as universities offering creative arts subjects) should start early, with a focus on reaching young people from lower socio-economic backgrounds.
- The creative higher education sector should explore how contextual admissions can be used for their courses.
- Institutions should offer financial support to students from lower income homes that recognises the specific needs of each course.
- Higher education institutions should better integrate internships and work experience in their creative programmes.

You can [read the full report](#).

## Equality in higher education: staff statistical report 2024 – AdvanceHE report

On Thursday 14 November, Advance HE published a report presenting a snapshot of a variety of sociodemographic characteristics of the HE workforce for the academic year 2022-23, also accounting for intersectional considerations. The main aim of this report is to highlight opportunities and challenges regarding the promotion of equality, diversity and inclusion (EDI) for staff in UK HE.

Key findings include:

- **Age:** Across the UK, the majority of staff employed by providers are between the ages of 31 and 55 (64.9% of the total in 2022/23) with professional and support staff continuing to have a younger age profile than academic staff.
- **Disability:** The numbers of staff disclosing as disabled remains on an upward trajectory: from 3.2% of the total staff population in 2010-11 to 7.2% in 2022-23.

- **Ethnicity:** The number of Black, Asian and minority ethnic staff has nearly tripled within the last 20 years (increasing from 24,045 in 2003-04 to 76,095 in 2022-23) and their overall representation has risen from 8.6% of the total staff population in 2003-04 to 19.1% in 2022-23.
- **Sex:** Over the past decade, there has been a significant increase in the number of female academic staff in the UK. The proportion of female staff is now at its highest level for overall academic staff (48.6%), professorial roles (30.8%) and academic senior managers (39.2%).

You can [read the full report](#).

## **NUS research reveals extent of student housing crisis – NUS press release**

On Thursday 14 November, the National Union of Students (NUS) published the results of a survey into students and apprentices' experience of the housing system. Key findings include:

- 26% of students have experienced difficulties paying rent in full.
- 60% of students required to get a guarantor to rent - 40% found securing one difficult.
- 84% of students have experienced issues in their housing - including almost half with mould or mildew.

You can [read the press release](#) and [the full report](#).

## **Financial sustainability of higher education providers in England: November 2024 update – OfS report**

On Friday 15 November, the Office for Students (OfS) published an update on the financial sustainability of higher education institutions, six months on from the annual report published in May.

The report finds:

- Acceptances of UK undergraduate students through UCAS appear to have increased slightly, by 1.3 per cent in 2024 compared with the same point in 2023. However, this is significantly below the sector's forecast of a 5.8 per cent increase.
- Recruitment of UK undergraduate students has mainly increased in larger, higher-tariff providers. It appears to have decreased across medium, smaller and specialist

institutions, and has decreased by nearly a quarter in providers predominantly offering Level 4 and 5 qualifications.

- Indicators suggest that recruitment of international students has decreased significantly overall, with 16 per cent fewer applications for visas in 2024 than in 2023.
- The number of international students from certain countries that send significant numbers to study in the UK has decreased significantly. The number of students from some of these countries has decreased by more than 40 per cent.
- Modelling indicates that many more providers than forecast must overcome financial challenges in the coming years. By 2025-26, based on current trends and not taking into account significant mitigating action, the OfS estimates a net income reduction for the sector of £3,445 million, and, without significant mitigating actions, a sector-level deficit of -£1,636 million, with up to 72 per cent of providers being in deficit, and 40 per cent having low liquidity.
- While these results are spread across all types of providers, the forecasts of larger, especially teaching-intensive, providers appear to be particularly at odds with the optimism in their previous forecasts.

**Vivienne Stern MBE, Chief Executive of Universities UK, said:**

“This country needs its universities to be firing on all cylinders if we are going to get the economy growing and improve public services. But this new analysis from the OfS shows the scale of the challenge. It is a source of serious concern. Universities in all four nations of the UK are in an extremely difficult position.

A decade long near freeze in England saw inflation erode the real value of student fees by around a third. The recent government announcement to address this was an extremely welcome step towards fixing the underlying problem. However, we need to work on a longer-term solution. This will take action by universities themselves, and by governments in all nations of the UK.

Universities are financially responsible organisations, who work hard to carefully plan and manage their finances. Across the sector tough decisions have already been made to control costs, and universities will look to go further still to be as efficient and effective as possible. As set out in our recent Blueprint, Universities UK has committed to leading a taskforce to unlock the savings which could be delivered by collaborating at a national level.”

You can [read the full report](#).