

Weekly update

14 - 18 October 2024

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

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Parliamentary business

Terrorism (Protection of Premises) Bill – HoC second reading

On Monday 14 October, the Terrorism (Protection of Premises) Bill had its second reading in the House of Commons.

You can read a transcript and watch the session.

Engineering biology – HoL Science and Technology Committee oral evidence

On Tuesday 15 October, the House of Lords Science and Technology Committee held a session on Engineering Biology. The session also covered priorities for the Department for Science Innovation and Technology (DSIT), which the summary covers.

The Committee heard evidence from:

- Lord Patrick Vallance, Minister of State, DSIT
- Dr Isabel Webb, Deputy Director for Technology Strategy and Security
- Alexandra Jones, Director General for Science, Innovation and Growth

In his opening remarks, the Minister said science, technology, and innovation touched all parts of government as well as being important for the economy. He noted that his priorities were:

- The protection and growth of 'basic curiosity driven science' in the UK as this would create longer term societal and economic benefits. He reiterated the Haldane principle and that the funding should be protected.
- The ability to develop ideas. He said there was a legitimate role for government in setting this out.
- Enabling further growth in start-ups and scaling up.

The Minister emphasised that these priorities needed to be for the benefit of wider society as well as it being essential for UK security and resilience.

On recent achievements within DSIT, the Minister highlighted funding for the UK Biobank, Quantum Hubs, and the announcement of the Regulatory Innovation Office. He noted that the UK Research and Innovation (UKRI) CEO and the Innovate UK CEO roles has been readvertised as he wanted to revise the job description to include government ambitions for the roles.

The Chair, Baroness Brown of Cambridge (Crossbench), probed on how the Minister was persuading other non-DSIT Ministers on the value of funding curiosity driven research. The Minister said this was 'very clearly' something for the Spending Review in 2025 and the importance of explicitly making this case. He mentioned the findings in the Nurse Review that highlighted the UK had a strength in this area but noted that the UK should not become complacent.

Baroness Northover (Liberal Democrat) welcomed the Industrial Strategy Green Paper and asked to what extent DSIT and the Science and Technology Framework would feed into it. The Minister said the Department for Business and Trade and DSIT were 'joined at the hip' on the 'vertical and horizontal' components of the strategy, adding that DSIT would be involved in digital and technologies as well as life sciences fields. He said the Industrial Strategy sat primarily within the growth mission.

Baroness Neville-Jones (Conservative) probed on longer-term funding settlements, asking how and when this policy could be operational. Lord Vallance suggested 10-year funding was not an 'easy solution'. He said it needed to be targeted, and that long-term funding should be seen as a floor rather than ceiling to take into account inflation and other cost changes. He said DSIT was currently defining principles to make the funding settlements operational and agreed that it would be 'selective.' Alex Jones said this work was phase 2 of the Spending Review. There were different options for making long term funding available such as the five-year funding settlements currently granted to catapult schemes which could be refreshed rather than reapplied for. Asked explicitly whether the Treasury had 'bought into the approach', the Minister reiterated this was a question for the 2025 Spending Review.

Baroness Willis of Summertown (Crossbench) shared concern over protecting fundamental research funding. The Minister reiterated previous remarks about the importance of being explicit in how much funding should be ringfenced to fundamental research in the 2025 Spending Review. On potential cuts to UKRI funding in the Spending Review, the Minister said his intention was to make sure DSIT secured the best outcome for science and technology as they could. On the balance

of funding between universities and research institutions for fundamental research, the Minister said the UK had a strong university research base. He added that it was beneficial for undergraduates to be taught be people who were research active.

On research quality, the Minister said it was up to UKRI to ensure the quality of research, and funding did not become limited by consensus science.

Probed on visa costs, Lord Vallance highlighted that the costs of visas could be met on Horizon and UKRI grants which included the health surcharge. Global Talent Visas had been increasing and this was important to get right. The Minister added that the Migration Advisory Committee (MAC) was looking at the skills need across different sectors.

You can watch the session and read a transcript.

DSIT oral questions

On Wednesday 16 October, the Secretary of State for Science, Innovation and Technology, Rt Hon Peter Kyle MP, and his ministerial colleagues answered oral questions in the House of Commons.

The Chair of the Science Innovation and Technology Committee, Chi Onwurah MP, asked if the Secretary of State would maintain the target to increase R&D spending outside of the greater south-east by 40% by 2030, and/or what steps would be taken to ensure funding was available to drive regional innovation and growth.

The Secretary of State said that the government was committed to working with local and regional mayors to ensure that local growth plans and the partnerships with UKRI would benefit all regions.

The Shadow Minister for Science Innovation and Technology, Saqib Bhatti MP, noted that the government had cut £1.3 billion of funding which would have facilitated cutting edge R&D in the UK. He asked the Secretary of State if he was setting a target for R&D expenditure and asked him to promise there would be no cuts.

The Secretary of State highlighted the £20 billion black hole that the government had inherited. He said that the previous government's funding commitment to the exascale project was a 'fraud committed on the scientific community.'

You can read a transcript and watch the session.

Prime Minister's questions

On Wednesday 16 October, the Prime Minister, Rt Hon Keir Starmer MP, answered questions in the House of Commons.

The leader of the opposition, Rt Hon Rishi Sunak MP, raised the warning from Parliament's Intelligence and Security Committee that British universities were increasingly a 'rich feeding ground for China to exert political influence' over the UK. He noted that the government had halted the implementation of the Higher Education (Freedom of Speech) Act 2023. He asked the Prime Minister how the government would prevent Chinese influence over universities without this tool.

In his reply, the Prime Minister said he did not agree with 'party political points on security and intelligence.'

The leader of the opposition responded by stating that 'the Foreign Influence Registration scheme and the Higher Education (Freedom of Speech) Act were new tools that the previous Government passed in order to give our universities and security services the powers that they need to tackle a growing threat.'

You can read a transcript and watch the session.

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Forthcoming business

Institute for Apprenticeships and Technical Education (Transfer of Functions etc) Bill – HoL second reading

On Tuesday 22 October, the Institute for Apprenticeships and Technical Education (Transfer of Functions etc) Bill will have its second reading in the House of Lords.

You can view the speaker list and watch the session.

Written questions and statements

Students: finance

Kim Johnson MP (Labour): To ask the Secretary of State for Education, whether she plans to introduce an alternative student finance product for Muslim students. [UIN 6600]

Minister for Children and Families, Janet Daby MP: The department is committed to introducing an Alternative Student Finance (ASF) product, compatible with Islamic finance principles, as quickly as it can. To support this, in November we are reconvening the ASF working group, made up of representatives from the Islamic community and finance sector. We have also appointed a secretariat to take forward the Sharia-certification of the ASF product. The department is currently considering how it can best drive forward further progress on ASF and will provide an update on plans in due course.

Students: loans

Anna Dixon MP (Labour): To ask the Secretary of State for Education, what steps her Department is taking to increase public awareness of the required parental contributions when accessing student loans. [UIN 7218]

Minister for Children and Families, Janet Daby MP: <u>Guidance on understanding</u> <u>student living costs from the Student Loans Company</u> is available on GOV.UK and reviewed on a regular basis. This guidance makes it clear that students are expected to make up the difference between the maintenance loan amount available to them and their total living costs.

Students supplement their living costs support through a variety of means, including parental support, part-time employment, or savings. Students' living costs vary widely, according to their individual circumstances and where they study and reside, so it is not possible to provide a single figure for any parental contribution.

Students can also find more information about some of the alternative sources of funding, and guidance on how to budget for university, at <u>Student Space.</u>

Universities: freedom of expression

Bradley Thomas MP (Conservative): To ask the Secretary for Education, what steps she is taking to help protect free speech on university campuses. [UIN 7046]

Minister for Children and Families, Janet Daby MP: This government fully supports freedom of speech and academic freedom. Higher education (HE) must be a space for robust discussion and intellectual rigour. This is enshrined within the existing legislation, whereby universities have a legal obligation to protect lawful freedom of speech, and protections for free speech are also set out in the requirements in the Office for Students' Regulatory Framework.

In addition, the government took the decision to pause implementation of further parts of the Higher Education (Freedom of Speech) Act because it wants to consider the impact of the Act and make sure that it effectively protects freedom of speech.

The department is continuing to meet with a full range of stakeholders, including academics with concerns about constraints on freedom of speech. This will feed into decision making on the future of the Act and this government's longer-term policy on protecting freedom of speech across the HE sector.

Higher education: research

Adam Thompson MP (Labour): To ask the Secretary of State for Science, Innovation and Technology, if his Department will make an assessment of the potential implications for its policies of the report entitled Replacing the Research Excellence Framework published by UK Day One on 8 October 2024. [UIN 7917]

Minister for Creative Industries, Arts and Tourism, Chris Bryant MP: The next Research Excellence Framework (REF) is currently being developed by Research England and the three Devolved higher education funding bodies, in collaboration with the higher education sector.

As development of REF 2029 proceeds, the funding bodies will continue to engage with the sector and assess the feedback and evidence received from stakeholders until final guidance for the next exercise is set in 2026.

Lord Wharton of Yarm

Munira Wilson MP (Liberal Democrats): To ask the Secretary of State for Education, what were the terms of departure of Lord Wharton from his role as Chairman of Office for Students. [UIN 7556]

Minister for Children and Families, Janet Daby MP: Lord Wharton resigned as chair of the Office for Students (OfS) on 9 July 2024.

Lord Wharton's resignation was accepted by my right hon. Friend, the Secretary of State for Education, who swiftly appointed Sir David Behan as temporary chair of the OfS while the process to appoint a permanent chair is undertaken.

The department thanked Lord Wharton for his service as chair of the OfS through a period of change and challenge.

Sector news

Invest 2035: the UK's modern industrial strategy – green paper

On Monday 14 October, the Department for Business and Trade (DBT) published a green paper setting out a vision for a modern Industrial Strategy.

The primary objective of the Industrial Strategy is to drive growth by taking advance of the UK's 'unique strengths and untapped potential.'

The paper outlines the eight growth-driving sectors:

- Advanced Manufacturing
- Clean Energy Industries
- Creative Industries
- Defence
- Digital and Technologies
- Financial Services
- Life Sciences
- Professional and Business Services

The industrial strategy also seeks to support Net Zero, regional growth, and economic security and resilience.

The government are asking for 'views on our approach, including evidence, analysis, and policy ideas', and welcome input from a 'range of partners, including businesses, experts, unions, local and regional actors, and other interested parties.' The deadline for submission is 24 November. The final industrial strategy will be published in spring 2025, alongside the multi-year Spending Review.

You can read the full green paper.

Welsh universities boost growth and productivity across the UK – Universities Wales report

On Monday 14 October, Universities Wales published a report from London Economics analysing the impact of Welsh universities' teaching, research, and innovation activities on the UK economy, focusing on the 2021–22 academic year.

Key findings include:

- Every £1 of public money put into universities across Wales generates over £13 of economic impact.
- The economic impact on the UK economy associated with the Welsh higher education sector's teaching, research and innovation activities combined was estimated at approximately £10.97 billion.
- Educational exports provided by Welsh universities through their international activity contributed £1.26 billion of economic impact.
- The total economic impact of Welsh universities' research and knowledge exchange activities is £1.98 billion.

You can <u>read the full report</u>.

Russell Group submission to the Autumn Budget 2024 – Russell Group letter

On Tuesday 15 October, the Russell Group published a letter to the Chancellor ahead of the Budget.

Dr Tim Bradshaw, CEO of the Russell Group said:

"We all know this month's Budget is taking place in a challenging fiscal environment, but protecting research and innovation investments and maximising their efficacy would be a powerful step in supporting economic growth and long-term prosperity.

"Universities have proven time and again how research delivers some of the highest rates of economic and social returns, creating high value jobs right across the country. Advances in science, social science, medicine and technology are helping to

improve public services and attract research-intensive businesses to invest in our cities and regions. Spinout companies from our universities are championing UK innovation, and the people we educate will be tomorrow's entrepreneurs, doctors and human capital needed to get the most out of opportunities such as AI and the green-tech future.

"At a time when the government will be looking to secure maximum value for every pound of public investment, it is vital to consider long-term impact to provide stability, attract investment, and future-proof our research capabilities and innovation pipeline".

You can <u>read the full letter</u>.

Universities UK submission to the Autumn Budget 2024

On Thursday 17 October, Universities UK published a press release on its submission to the Autumn Budget.

The submission highlights how universities power economic growth, with every £1 of public investment into higher education generating over £14 in economic output. In 2021–22, the higher education sector contributed an enormous £265 billion to the UK economy. On top of their vast economic benefits, universities produce world-leading research, equip learners with skills for the future, act as pillars of their communities and create new opportunities for millions.

However, to ensure they can meet the needs of the country, government intervention is also needed to get universities back on stable financial footing.

Vivienne Stern MBE, Chief Executive of Universities UK said:

"The higher education sector is one of the UK's greatest strengths and a national success story that the government cannot afford to let slide into decline.

"Universities are pillars of local communities, creating opportunities people may not otherwise have and injecting billions into local economies. We should feel incredibly proud as a country that we have built thriving hubs of research that drive_innovation with industry in every part of the UK. We're now at a pivotal moment where if we invest in university teaching and research, we will see the benefit across the economy, communities and to people's lives. But if universities are neglected in the

Autumn budget, we risk sliding into decline with the UK falling behind in an area where today, it has a considerable advantage over its global competitors."

Select Committee members announced

On Thursday 17 October, the Labour and Conservative members of select committees in the House of Commons were announced. There are additional members still to be announced.

Education Committee

- Jess Asato MP (Labour)
- Mrs Sureena Brackenridge MP (Labour)
- Dr Caroline Johnson MP (Conservative)
- Amanda Martin MP (Labour)
- Darren Paffey MP (Labour)
- Mark Sewards MP (Labour)
- Patrick Spencer MP (Conservative)
- Dr Marie Tidball MP (Labour)

Science, Innovation and Technology Committee

- Emily Darlington MP (Labour)
- George Freeman MP (Conservative)
- Dr Allison Gardner MP (Labour)
- Kit Malthouse MP (Conservative)
- Steve Race MP (Labour)
- Josh Simons MP (Labour)

- Dr Lauren Sullivan MP (Labour)
- Adam Thompson MP (Labour)

Home Affairs Committee

- Shaun Davies MP (Labour)
- Robbie Moore MP (Conservative)
- Chris Murray MP (Labour)
- Mr Connor Rand MP (Labour)
- Jake Richards MP (Labour)
- Margaret Mullane MP (Labour)
- Joani Reid MP (Labour)
- Bell Ribeiro-Addy MP (Labour)

Joint letter to Chancellor on R&D ahead of Budget

On Friday 18 October, the Campaign for Science and Engineering (CaSE) and other leading organisations in the R&D sector, including Universities UK, wrote to the Chancellor urging the Government to back R&D if it wants to achieve its ambitions for economic and social growth.

As the Budget approaches, the organisations have urged the Chancellor to consider the vital role R&D will play in the Government's long-term plans to grow the economy, increasing jobs and productivity. Recognising that public spending is under pressure, there is a risk that short-term thinking now could damage the UK's capacity for long-term growth and ambitions around its Industrial Strategy.

Vivienne Stern MBE, Chief Executive of Universities UK, commented:

"The R&D activity at our universities is critical to supporting future economic growth, boosting productivity, and providing a foundation for key sectors such as Net Zero, AI, and the life sciences.

The government has rightly put growth at the top of its agenda, demonstrated in the recent Industrial Strategy Green Paper. To continuing delivering on this, universities require a stable and sustainable approach to R&D which we hope the Budget provides."

You can <u>read the joint letter</u>.