

University APPG weekly update

15 – 19 May 2023

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

If you would like more information on parliamentary business, or advice on engaging with Parliament or a parliamentarian, please contact:

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Parliamentary business

Lords Industry and Regulators Committee 'the work of the OfS'

On Tuesday 16 May, the Lords Industry and Regulators Committee continued their inquiry into 'the work of the OfS'. The Committee heard evidence from Rt Hon Robert Halfon MP (Minister for Skills, Apprenticeships, and Higher Education), and Anne Spinali (Director of Higher Education Reform and Funding at Department for Education).

The acting Chair, Rt Hon Baroness Taylor of Bolton, began by asking for an overview of the health of the higher education sector. Before responding to the question, the Minister made some introductory remarks. He described the OfS as essential to upholding the quality of the system and strongly supported the OfS' approach on quality and standards including its focus on outcomes. He said more needed to be done to tackle 'pockets' of poor quality and outcomes, particularly for disadvantaged students. Turning to the health of the sector, Robert Halfon acknowledged the financial challenges for universities but suggested that there needed to be greater consideration of why some universities were in good health (approximately 75%) and others were struggling. He alluded to the fact this could be leadership/management issues. He added that higher education was considerably better funded than further education.

The acting Chair asked whether the OfS' approach to monitoring financial sustainability was appropriate. The Minister said the risk-based approach was correct, particularly given the autonomy of institutions. He also noted the higher education restructuring regime (HERR) during COVID which suggested the government could step in to support universities at risk. Anne Spinali added the active risk monitoring that the Department for Education (DfE) were undertaking.

Baroness Bowles of Berkhamsted (Liberal Democrat) raised the financial risks of over reliance on international students. In his reply, the Minister said he was supportive of international students, citing the economic, social, and cultural contribution. He disputed the claim there was a dependency on international students, highlighting that 76% of students were domestic.

Viscount Chandos (Labour) raised the long-term implications of the financial concerns. In his reply, the Minister said that comparatively the higher education

sector was in a good position. He emphasized that greater resources would be contingent on institution's ability to promote skills.

Lord Clement-Jones (Liberal Democrat) asked whether the Minister accepted that cross-subsidies were a central component of the financial viability of institutions. In his reply, the Minister said it was important that the system was fair for taxpayers and students, suggesting it was not appropriate to raise tuition fees given the cost-of-living crisis.

Lord Cromwell (Crossbench) further probed on international students. He asked whether there was concern of overreliance on single countries as well as the potential 'squeezing out' of domestic students. Robert Halfon said it was dangerous to rely on a small number of countries and disputed the suggestion that domestic students were being 'squeezed out.'

Lord Leong (Labour) asked what the Minister thought of allowing failing institutions to fail, and channel resources towards the more successful institutions. Robert Halfon questioned how one evaluated a 'failing institution'. He highlighted the poor progression rates in Russell Group universities for those from disadvantaged backgrounds, probing whether this constituted as failure.

The acting Chair turned directly to the operation of OfS, asking whether its regulatory approach was proportionate and respected the autonomy of institutions. The Minister said the regulatory approach had not changed significantly and the OfS had taken steps to reduce regulatory burden. He said there was insufficient informal engagement between the OfS and institutions. Anne Spinali added that the OfS and DfE considered the autonomy of institutions as 'paramount'.

Lord Clement-Jones probed on the relationship between the government and the OfS, asking whether political priorities drove OfS activity. The Minister clarified that the Higher Education and Research Act (HERA) was 'followed to the letter' and outlined the government's involvement on key appointments and funding. Given the funding that the higher education sector receives from government, it was appropriate for the government to issue strategic guidance. He clarified that he saw the OfS as an intermediate risk-based institution between the state and universities. Particularly on the party affiliation of the OfS Chair, he noted the independent recruitment panel and the fact that the Education Committee consented to the appointment. On being able to provide strategic direction, the Minister noted that the DfE provided ring-fenced funding for key areas (such as mental heath) to steer.

Lord Burns (Crossbench) probed on the regulatory burden faced by universities. In his reply, Robert Halfon cited the work the OfS had done to reduce regulatory burden and were consulting on reducing burden further. He said that work was being done to streamline the other regulators e.g., for degree apprenticeships and had asked institutions to send examples of excessive regulation.

Viscount Chandos asked whether the approach that the OfS took to value for money was too narrow and short term. The Minister disagreed, outlining the legislative requirements for the OfS to regulate value for money. He said that value for money could be measured by skills and strong outcomes. On the information available to students, Robert Halfon said it was mixed and suggested students should be better informed on the amount of contact hours/in-person teaching.

Lord Agnew (Conservative) raised the relationship between the OfS and students. In his reply, Robert Halfon outlined the OfS student engagement strategy, the national student survey, and the student panel. He considered that 'on the whole' things were in the right direction on student engagement.

Lord Leong asked about the OfS registration fees and what steps the DfE took to ensure the regulation provided value for money. Robert Halfon referenced the consultation on registration fees and recognised the increased costs associated with fulfilling the designated quality body (DQB) function. Anne Spinali added that the DfE had quarterly discussions on how the OfS discharged its duties efficiently.

Lord Cromwell raised the DQB function and whether the Minister had a preference on its future. Robert Halfon said he was 'completely open minded' whether it was fulfilled by an independent body or the OfS. He said the OfS could do this 'perfectly well.' Probed on the divergence from international regulatory standards, Robert Halfon highlighted the difference between the cyclical and risk-based regulators in Europe and England. He clarified the importance of maintaining the UK's international reputation.

Baroness Bowles of Berkhamsted probed on failing institutions and whether it would give way to a new system that facilitated degree apprenticeships. The Minister described degree apprenticeships as his two favourite words and said he would personally favour 50% of students undertaking them. He clarified this was not a government target. Anne Spinali clarified the risk plans and dialogue that the OfS had with institutions.

Lord Agnew asked on the viability of university for some students, criticising the model that all young people should attend universities. Robert Halfon said he 'fundamentally disagreed' with Tony Blair's outlook on universities which prioritised 'quantity over quality'. He clarified that the mantra should be 'skills, skills, skills' and highlighted the importance of a diverse offering. He said some foundation years work for some students. In his answer he also described his 'dream university' as the Dyson University, celebrating the strong links with industry. He concluded his remarks by noting the revolutionary impact of the Lifelong Loan Entitlement (LLE) that would improve the skills system.

You can watch the session here.

Statutory duty of care for higher education students – oral evidence

On Tuesday 16 May, the Petitions Committee took oral evidence relating to an e-petition calling on the government to "<u>create statutory legal duty of care for students in Higher Education</u>". This e-petition has received over 128,000 signatures and will be debated on Monday 5 June.

The first session heard from Lee Fryatt, the petition creator, and Ben West, Hilary Grime, and Mark Shanahan, who supported the petition. This session examined the current duties owed to students by universities and the proposed statutory duty of care.

The second panel heard from Ged Flynn (Chief Executive at PAPYRUS), Dominic Smithies (Influencing and Advocacy Lead at Student Minds), and Chloe Fields (Vice President for Higher Education at NUS UK.) This session explored the complexities of student suicide, the approach from universities, and the proposed statutory duty of care.

The third session heard from Jill Stevenson (Chair at AMOSSHE) and Professor Steve West CBE (President at Universities UK).

Nick Fletcher MP (Conservative) asked the witnesses to explain the current responsibility of universities and the actions they were taking on mental health and wellbeing. Jill Stevenson explained that many universities were implementing guidance on sharing information, preventing suicide, and postvention frameworks. AMOSSHE had asked members about uptake and most said they were implementing these pieces of guidance. Many universities had mental health strategies in place and

adopted a whole-institution approach. Universities also had to comply with the Equality Act 2010, which required universities to put reasonable adjustments in place for students with disabilities, including mental health.

Steve West thanked the bereaved parents for sharing their stories and speaking out. He highlighted that universities were increasingly placing more emphasis and making improvements across the spectrum of mental health and wellbeing. He acknowledged that universities needed to do more and engage with best practice and learn together. There were recommendations put forward by the LEARN Network that the sector would support and wanted to engage with. He said the role of universities was to create safe, inclusive, and healthy settings for students and staff. The sector needed to progress the frameworks collectively and ensure mistakes were learned from, with compassion and transparency. However, a statutory duty of care would not necessarily help them to do that, but improved uptake of guidance needed to happen.

Robin Walker MP (Conservative), Chair of the Education Committee, probed why a duty of care for employees would not be workable for students. Steve West explained how a duty of care for employees was enshrined within employment law and there was a clear contract between employer and employee and a level of control that an employer has within that environment. He noted that universities did not have the same level of control over students. He also described the increasing numbers of young people of school age taking their lives within settings where a statutory duty of care existed.

Robin Walker asked if universities not acting on reported issues had failed the test of a general duty of care. Steve West noted that the 'support excellence framework' proposed by Ged Flynn was a creative way of ensuring that there were guidelines which were adopted and measured against.

Robin Walker asked if there could be negative consequences on student services as a result of a statutory duty of care. Jill Stevenson outlined three consequences: (1) it could create a fear of a risk of doing things wrong rather than create a continuous culture of change, (2) it would divert resources away from core services, and (3) providers could avoid taking on risk for students. She clarified that there was a protective element in attending university as the suicide rate among students was lower than the wider population. Furthermore, a risk management approach could see providers moving students into 'fitness to study' processes earlier than needed which could lead to those students' leaving university or to some students being afraid to ask for support for fear of being placed into this process.

Tonia Antoniazzi MP (Labour) asked how universities could create parity across all providers to ensure all students had the support they needed. She probed which body should be doing the research on understanding how universities could do better. Steve West noted that the frameworks developed by Universities UK (UUK), in partnership with families and the NHS, were being adopted across all nations. A snap UUK poll found 83 out of 115 universities had adopted the suicide safer framework. 89% had adopted the placement guidance; 93% had adopted the trusted contact guidance and 100% were adopting or had adopted the postvention guidance. However, there was further work needed in terms of systematically investigating tragic events. There needed to be an independent mechanism whereby all documentation was sent to a single source so universities could share learnings across the sector. He also noted that the process of signing up to the <u>Student Mental Health Charter</u> should not be a tick box exercise and should be about learning and creating accountability.

Nick Fletcher asked why attendance at lectures was low and whether universities should be doing more to encourage students to attend. Jill Stevenson noted that some provides had hybrid learning models in place and students engaged in different ways. It was therefore difficult to track where students were all the time, which makes the statutory duty of care difficult to implement. Steve West echoed these points and said data analytics were being used to understand how students were engaging with study, e.g., use of the library and online learning environments, whether they were on campus and whether there was change in a student's behaviour. There are mechanisms to enquire how a student was coping and to encourage them to engage with trusted contacts. He said he would not hesitate to contact a student's trusted contact, where there was a risk to life and noted that a trusted contact does not always have to be a parent. He explained that suicide is hugely complex; every story is slightly different and there is currently insufficient knowledge about how effective interventions are.

Robin Walker asked if every university should sign up to guidance on information sharing and why this was this not universal. Steve West noted every vice-chancellor had received a letter from the government outlining that information should be shared where there is a risk to life. University leaders had the ability to share information with trusted contacts and there was no excuse for providers where that was not happening.

You can watch the session here and read the UUK parliamentary briefing here.



Renters (Reform) Bill - first reading

On Wednesday 17 May, the Renters (Reform) Bill was presented to the House of Commons for its first reading.

The Bill makes 'provision changing the law about rented homes, including provision abolishing fixed term assured tenancies and assured shorthold tenancies; imposing obligations on landlords and others in relation to rented homes and temporary and supported accommodation; and for connected purposes.'

The date for the second reading of the Bill is to be confirmed.

You can <u>read the full Bill</u> here.

Forthcoming business

Recess

On Thursday 25 May, the House of Commons and House of Lords will rise for Whitsun Recess. Both Houses will return on Monday 5 June.



Written Questions

Overseas Students: Visas

Alyn Smith: To ask the Secretary of State for Foreign, Commonwealth and Development Affairs, whether he has had discussions with the Secretary of State for (a) Education and (b) the Home Department on reducing (i) barriers and (ii) costs of obtaining visas for EU students studying at UK universities. [UIN 184846]

Leo Docherty: International students make a significant economic and cultural contribution to the UK's higher education sector. They enrich the university experience for all students, including those from the UK themselves. They bring greater diversity to university and college campuses adding an international dimension. For both international and domestic students, this cultural exchange helps build life-long friendships, future networks, and important business, political and diplomatic bridges.

We fully anticipate the UK continuing to be an attractive destination for EU students and for students from across the globe.

The Foreign Secretary speaks to his counterparts on a range of collective issues.

Overseas Students: India

Navendu Mishra: To ask the Secretary of State for Education, if she will make an estimate of the contribution to GDP of international students from India. [UIN 184224]

Robert Halfon: India is one of the five priority countries in the government's International Education Strategy. We are proud to have hosted 126,535 Indian students in the UK in the 2020/21 academic year.

This reflects the commitment we made in the International Education Strategy to host at least 600,000 international students per year. We want to continue to attract the brightest students from all over the world, which delivers growth at home and is good for our universities.

The department does not break down the value of education exports by country, although it is clear that international students make a significant economic and cultural contribution to the UK's higher education (HE) sector.

Statistics published by the department show that, in 2020, total revenue from education-related exports and transnational education activity was £25.6 billion. Total revenue from HE was £19.5 billion. This data can be accessed at: https://explore-education-statistics.service.gov.uk/find-statistics/uk-revenue-from-education-related-exports-and-transnational-education-activity/2020

Students: Health Services and Safety

Fleur Anderson: To ask the Secretary of State for Education, what recent steps the Government has taken to improve and increase support for student's (a) mental health, (b) safety and (c) well-being. [UIN 183584]

Robert Halfon: The mental health and wellbeing of young people is a high priority for the government. It is crucial that students get the effective mental health and wellbeing support they need to allow them to flourish at university.

The department is working closely with mental health charities and the higher education (HE) sector to promote and fund effective practice to support student wellbeing and mental health.

To ensure that the sector goes further to support students, the department has made clear the ambition for all HE providers to sign up to Student Minds' University Mental Health Charter by 2026 and adopt a whole-university approach to mental health and wellbeing. The charter can be found here:

https://www.studentminds.org.uk/charter.html

Students need timely and effective health support and a smooth transition into university life. The Office for Students (OfS) has allocated £15 million of funding in 2022/23 to establish better partnerships between universities and local NHS services and to support transitions from school and college to university.

The department also wants students across the country to have easy access to the best mental health support tools and for interventions to be based on evidence base practice. The OfS have funded the online platform, Student Space, and are leading work to establish and share 'what works' across the sector. Student Space can be accessed at: https://studentspace.org.uk/(opens in a new tab).

Through the NHS Long Term Plan, the government is investing an additional £2.3 billion a year at least into mental health services by 2023/24. Part of this increased investment will enable an additional 345,000 children and young people aged 0-25 to get the mental health support they need.

The number of children and young people aged under 18 supported through NHS-funded mental health assistance, with at least one contact with services was 689,621 in the year up to July 2022, compared to 618,537 in the year up to July 2021.

Spend for children and young people's mental health services has increased from £841 million in 2019/20 to £995 million in 2021/22. Total spend for 2022/23 has yet to be confirmed, but we expect it to have risen to around £1.1 billion.

Medicine: Higher Education

Lord Jackson of Peterborough: To ask His Majesty's Government what steps they are taking to support the provision of private sector funding to enable the expansion of (1) undergraduate, and (2) graduate, places in (a) medicine, (b) biomedical and related sciences, and (c) dentistry. [UIN HL7514]

Lord Markham: Higher education providers have autonomy to seek and accept finance from the private and charitable sectors to support and extend their academic offer and support students. For courses where placements are not capped, including biomedical and related sciences, any private financing may be used to expand courses.

For capped undergraduate and graduate entry courses, including medicine and dentistry, the Government has expanded the number of places. We have funded an additional 1,500 undergraduate medical school places each year for domestic students in England, a 25% increase, taking the total number of medical school training places in England to 7,500 each year. The Government also lifted the dental cap for students who completed A-Levels in 2020 and in 2021 and who had an offer from a university in England to study dentistry, subject to their grades.

Medicine: Overseas Students

Alex Sobel: To ask the Secretary of State for Health and Social Care, how many international medical students are studying at UK universities. [UIN 184716]

Will Quince: Office for Students publishes statistics on number of entrants into medical courses. Latest figures show there were 875 entrants to medical schools in the United Kingdom that were ineligible to pay home fees, this is around 9% of the total number of entrants (9,820).

The Department does not hold information on breakdown of nationalities or where international medical students go after training.

Students: Loans

Tulip Siddiq: To ask the Secretary of State for Education, if she will make an assessment of the potential merits of removing interest on student loans. [UIN 184247]

Robert Halfon: I refer the hon. Member for Hampstead and Kilburn to the answer given on 4 May 2023 to Question 182652 (see below).

The student finance and funding system must provide value for money for all at a time of rising costs. It is important that a sustainable student finance system is in place, that is both fair to students and fair to taxpayers. Interest is an important part of this. If interest payments were removed, it would increase the burden to the taxpayer. In 2022/23 student loan interest reduced public sector net debt by around £4.8 billion according to published data from Spring 23 OBR Economic Outlook. The government has no plans to remove interest rates on student loans.

New students who start courses on or after 1 August 2023, will receive their loans on new Plan 5 terms. Students with Plan 5 loans will benefit from a reduction in the interest rate to RPI only. This change ensures that borrowers on the new Plan 5 terms will not repay more than they originally borrowed over the lifetime of their loans, when adjusted for inflation.

Repayments are calculated as a fixed percentage of earnings above the relevant repayment threshold and do not change as a result of the interest rate charged or the amount borrowed.

The student finance system continues to protect lower earners and borrowers who experience a reduction in their income. If a borrower's income drops, so does the amount they repay. If income is below the relevant repayment threshold, or a borrower is not earning, then they do not have to make repayments at all. Any outstanding debt, including interest accrued, is written off after the loan term ends, or in case of death or disability, at no detriment to the borrower.

The department is freezing maximum tuition fees for the 2023/24 and 2024/25 academic years. This benefits student borrowers directly. By 2024/25, maximum fees will have been frozen for seven years. We believe that a continued fee freeze achieves the best balance between ensuring that the system remains financially sustainable, offering good value for the taxpayer and reducing debt levels for students in real terms.

Sector News

The costs and benefits of international higher education students to the UK

On Tuesday 16 May, a new report on international higher education students was published jointly by Universities UK International (UUKi), the Higher Education Policy Institute (HEPI) and Kaplan International Pathways in collaboration with London Economics.

The report, which was commissioned to explore the impact of international students to the UK economy, reveals the total economic benefits have risen from £31.3 billion to £41.9 billion between 2018/19 and 2021/22, an increase of 34%. The data also confirm that — even when accounting for the impact on public services (estimated at £4.4 billion) — the economic benefits of hosting international students significantly outweigh the costs, with a total net benefit of £37.4bn to the UK economy.

Jamie Arrowsmith, Director of UUKI, commented: "We should be proud that our universities continue to attract students from all over the world. It is vital that the UK remains an open and welcoming destination for international students, and that their contribution is recognised and valued."

You can <u>read the full report</u> here and <u>download campaign materials</u> here.

Future of Confucius Institutes

On Wednesday 17 May, the BBC reported that the Prime Minister, Rt Hon Rishi Sunak MP, had backtracked on a pledge to close 30 Confucius Institutes (CIs) across the UK.

A Downing Street spokesperson said:

"We recognise concerns about overseas interference in our higher education sector, including through Confucius Institutes, and regularly assess the risks facing academia.

We are taking action to remove any government funding from Confucius Institutes in the UK, but currently judge that it would be disproportionate to ban them. Like any international body operating in the UK, Confucius Institutes need to operate transparently and within the law, and with a full commitment to our values of openness and freedom of expression."

Conservative MPs including Sir Iain Duncan Smith MP and Alicia Kearns MP made comments criticising the decision.

You can read the full article here.

Tackling the Climate Crisis – GuildHE Report

On Thursday 18 May, GuildHE published a report providing an in-depth insight into how smaller and specialist universities and colleges within the UK were engaging with the climate crisis at an institutional level.

The report considers five critical elements of university activity: Leadership and Governance, Teaching, Research and Knowledge Exchange, Community Engagement, and Campus Management. It is based on a survey of members in Spring 2023 to identify progress since the previous survey 18 months ago and to map engagement.

You can read the full report here.

Financial sustainability of higher education providers in England – OfS report

On Thursday 18 May, the Office for Students (OfS) published an updated report on the financial sustainability of the sector.

The report finds, in aggregate for the sector as a whole:

- The sector is expecting to report growth in income across the next three years, rising from £40.8 billion reported in 2021-22 to a forecast £50.1 billion in 2025-26.
- The sector's cash flow and surplus for 2021-22 have improved compared to 2020-21. However, the sector is forecasting a decline in financial performance and strength in 2022-23, with costs increasing at a faster rate than income and a significant dip in the income and expenditure surplus.

- Total Non-EU (overseas) tuition fee income was reported at £7.8 billion in 2021-22, an increase of 25 per cent compared with 2020-21 (£6.3 billion). This is consistent with strong growth in overseas fees in recent years.

The OfS also wrote to 23 higher education providers with high levels of recruitment of students from China, to ensure they have contingency plans in case recruitment patterns change and there is a sudden drop in income from overseas students.

Susan Lapworth, OfS chief executive, commented: "Universities and colleges have weathered storms over recent years, and most remain in good financial health. This new analysis shows that they are confident that income and student numbers will continue to grow... But we continue to have concerns that some universities have become too reliant on fee income from international students, with students from one country sometimes a significant part of the financial model."

You can read the report here.

Post-pandemic student experience and engagement – QAA report

On Thursday 18 May, the Quality Assurance Agency for Higher Education (QAA) published a report on student experience and engagement across post-pandemic UK higher education. This was made available through a QAA-funded Collaborative Enhancement Project.

Led by Coventry University, the project involved 10 higher education business schools that wanted to learn from the institutional challenges they had experienced and mitigation strategies they had developed to maintain positive student experiences amidst the COVID-19 pandemic.

The project collected data through focus groups and a student survey from each of the 10 providers, with significant quantitative data gathered on students' perspectives about engagement.

Several interesting findings emerged from the data, primarily around timetabling and commuting students, the need for physical and virtual communities, the importance of recordings for flexible learning, digital literacy and inequalities, and the need to do more to mobilise student voices.

The report also shares good practice examples of how the participating institutions identified key challenges of the pandemic and introduced interventions to address decreasing student engagement.



You can read more here.

The benefits of and barriers to collaborative access activity by higher education providers – OfS commissioned report

On Thursday 18 May, the Office for Students (OfS) published research it commissioned to develop a fuller understanding about the benefits of collaboration for higher education providers, their partners and students, as well as current and potential barriers or tensions that can inhibit partnership working to inform a future strategy.

The findings in the report draw on insights from existing research and interviews with 23 stakeholders. In addition to the benefits and barriers, the report identifies the characteristics of effective approaches to collaborative access activity and the opportunities to develop a sustainable approach, drawing on current good practice.

You can read the full report here.