

Weekly update

16 – 20 December 2024

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

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Parliamentary business

Women and Equalities – HoC oral questions

On Wednesday 18 December, the Minister for Women and Equalities, Rt Hon Bridget Phillipson MP, and her ministerial colleagues answered oral questions in the House of Commons.

During topical questions, there was the following exchange about antisemitism in universities:

Gregory Stafford MP (Conservative): It is always nice to get a cheer, Mr Speaker. As a former treasurer of the Oxford Union, I was disgusted that three weeks ago a debate descended into a mess of antisemitism, when a majority of the students voted that they would not have reported Hamas's plans if they had known of them prior to the 7 October attacks. Will the Minister write to the Oxford Union and say that antisemitism has no place in our society, especially not in our universities?

Minister for Women and Equalities, Anneliese Dodds MP: The Government could not have been clearer about our position on antisemitism: there is no place for antisemitism in our society, nor for any form of racism. That applies whether it is in educational settings or in any other part of our society, and that has been made very clear indeed.

You can read a transcript and watch the session.

Christmas recess

On Thursday 19 December, the House of Commons and House of Lords both rose for Christmas recess. Both Houses will return on Monday 6 January.

You can read more about recess dates.

Forthcoming business

Terrorism (Protection of Premises) Bill – HoL second reading

On Tuesday 7 January, the Terrorism (Protection of Premises) Bill will have its second reading in the House of Lords.

You can <u>read more</u>.

Science, Innovation and Technology – oral questions

On Wednesday 8 January 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.

Relevant tabled questions include:

- What steps his Department is taking with universities to support research and innovation.
- What assessment he has made of the potential impact of increases in employer National Insurance contributions on the science and technology sectors.

You can view a full list of tabled questions.

Written questions and statements

Research: Tax Allowances

Liam Byrne MP (Labour): To ask the Chancellor of the Exchequer, what assessment she has made of the potential impact of R&D tax reliefs on (a) business investment and (b) economic growth. [UIN 18889]

Exchequer Secretary, James Murray MP: The Government recognises the important role that research and development (R&D) plays in driving innovation and economic growth as well as the benefits it can bring for society.

Overall, R&D reliefs will support an estimated £56 billion of business R&D expenditure in 2029-30, a nearly 20 per cent increase from £47 billion in 2022-23.

The latest evaluations ("<u>Evaluation of the research and development tax relief for</u> <u>small and medium-sized enterprises</u>" and "<u>Evaluation of the research and</u> <u>development expenditure credit</u>") were published in 2020 by HMRC and can be found on the gov.uk website. In the Corporate Tax Roadmap published at Autumn Budget, the government committed to periodically evaluating the R&D reliefs to ensure they are as effective as possible and underpinned by a credible, up to date evidence base.

Regional Planning and Development: Higher Education

Mike Reader MP (Labour): To ask the Secretary of State for Housing, Communities and Local Government, whether she has had made an assessment of the potential role of universities (a) within and (b) outside mayoral combined authorities in local growth programmes. [UIN 18827]

Minister for Local Government and English Devolution, Jim McMahon MP: Local leadership is at the heart of our mission to deliver growth. Universities have an important role in driving growth across the country, working in partnership with other local stakeholders to deliver improved outcomes for their communities. In mayoral combined authorities and elsewhere in the UK, Investment Zones are leveraging the important role that universities and research institutions play, ensuring they collaborate with industry to promote growth. Local Growth Plans will also play an important role in delivering growth – locally owned and long-term strategic plans that will engage a range of stakeholders, including universities, to build on each region's unique strengths and opportunities.

Rented Housing: Students

Uma Kumaran MP (Labour): To ask the Secretary of State for Housing, Communities and Local Government, what assessment she has made of the adequacy of (a) regulations and (b) enforcement mechanisms to hold landlords accountable for noncompliance with housing standards in the student sector. [UIN 19188]

Minister for Housing and Planning, Matthew Pennycook MP: The government is committed to improving housing quality for students and will apply a Decent Homes Standard (DHS) to the private rented sector (PRS) for the first time to ensure homes are safe, secure and hazard free. This will include homes let to students on assured tenancies. The Renters' Rights Bill is the means by which this will be done.

The Renters' Rights Bill will also provide local authorities with effective enforcement powers for the DHS. Where a local authority serves a notice and the landlord fails to make the necessary improvements to meet the DHS, the local authority will be able to prosecute the landlord or alternatively impose on them a financial penalty of up to £40,000 – the proceeds of which it must use for future PRS enforcement action. Tenants (and local authorities, where any rent has been paid via Universal Credit) will also be able to take direct action in such instances by pursuing a rent repayment order, meaning the responsible landlord will need to pay the tenant (or local authority) up to two years' rent.

The Bill will exempt Purpose Built Student Accommodation (PBSA) from the assured tenancy system if the landlord is signed up to a government approved code of management practice. Such accommodation will therefore not be subject to the DHS, but landlords will need to meet rigorous standards set by the codes which are tailored to the needs of PBSA. This includes maintaining the safety of the accommodation, ensuring the property is well-managed and making sure there is an effective working relationship between tenants and managers. Members of the codes must also have robust procedures in place for handling complaints and remedying issues raised by students. Failure to meet these standards will result in membership being terminated, meaning the property will then be subject to the DHS.

Global Challenges Research Fund and Newton Fund

Chi Onwurah MP (Labour): To ask the Secretary of State for Science, Innovation and Technology, how much Official Development Assistance (ODA) expenditure has been provided to the (a) Newton Fund and (b) Global Challenges Research Fund (i) in total and (ii) in each year since their launch; when each fund will close; and how ODA

funding previously allocated to each fund will be redirected once these funds close. [UIN 20011]

Minister for AI and Digital Government, Feryal Clark MP: Official Development Assistance (ODA) spend, by the Department for Science, Innovation and Technology (DSIT) on research and development (R&D) is as follows:

(£m)	2019	2020	2021	2022	2023	Total
GCRF	391	379	220	139	84	1,430
Newton Fund	119	99	72	24	15	450

Due to the Machinery of Government change, and reporting of previous years' spend alongside spend now reported under the Department for Energy Security and Net Zero, disaggregated data for solely DSIT's share pre-2019 is not currently available.

Both GCRF and the Newton Fund will come to a natural close by 31st March 2025. The Government will allocate future ODA to Departments as part of its standard Spending Review process.

Research: Small Businesses

Lord Mendelsohn (Labour): To ask His Majesty's Government what plans they have to support research and development by small and medium-sized companies. [UIN HL3193]

Minister for Science, Research and Innovation, Lord Vallance of Balham: Innovate UK supports research and development by SMEs through a diverse range of programmes including the Catapult Network, Launchpads, Investor Partnerships and Business Growth. Over the last 2 years, Innovate UK has awarded £5.2 billion funding to more than 7000 businesses, of which 86% were SMEs.

The Regulatory Innovation Office has been established to update regulation and speed up approvals, allowing SMEs to bring products and services to market faster.

The government also grants R&D tax reliefs rates. Companies doing qualifying R&D continue to receive a cash value of between £15 to £27 for every £100 spent on R&D.

Research: Expenditure

Lord Mendelsohn (Labour): To ask His Majesty's Government what is the total UK spend on research and development as a percentage of gross domestic product;

where the UK ranks against the other OECD nations in this regard; and what is their target for increasing the level by the end of this Parliament. [UIN HL3192]

Minister for Science, Research and Innovation, Lord Vallance of Balham: Office for National Statistics figures show that the UK spent 2.77% of its GDP on research and development in 2022, placing it 11th amongst OECD countries. The trajectory for public spending on R&D from 2026/27 onward will be set at the Spending Review next year. The Government is focused on ensuring that public investment in R&D drives effective growth outcomes, including growing private sector R&D investment.

Research: Finance

Liam Byrne MP (Labour): To ask the Chancellor of the Exchequer, what assessment she has made of the potential impact of the planned £20.4 billion of research and development spending on (a) economic growth, (b) the national investment rate and (c) crowding in of private investment. [UIN 20147]

Chief Secretary to the Treasury, Darren Jones MP: At Autumn Budget 2024, the government protected R&D by allocating £20.4bn to support its missions, including the growth mission. Recent Department for Science, Innovation and Technology published research has found an average rate of return to public R&D of 40% after 6 years from when the investment is made **[1]**. The government's investment will also boost business investment in R&D. Although estimates of the impact on private investment vary, on average £1 of public R&D investment leverages around £2 of private R&D investment in the long run **[2]**. The Office for Budget Responsibility is responsible for modelling the impact of government policy on the economy.

[1] Returns to Public Research and Development - GOV.UK

[2] <u>Research and development: relationship between public and private funding -</u> <u>GOV.UK</u>

Universities: China

Neil O'Brien MP (Conservative): To ask the Secretary of State for Education, if she will make an assessment of the potential impact of scholarships offered by the Chinese Government for universities in the UK on freedom of speech. [UIN 20252]

Minister for Children and Families, Janet Daby MP: The UK 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.

All registered English HE providers have a duty to protect freedom of speech under the Education (No.2) Act 1986. They are also subject to registration conditions from the Office for Students (OfS) which requires them to uphold public interest governance principles, including securing freedom of speech within the law, academic freedom and accountability, such as operating openly and with integrity. The OfS can take action if it identifies a breach of this provision.

The UK government is carrying out an audit to examine the UK's interests with respect to China to improve our ability to understand and respond to the challenges and opportunities China poses. The audit is being conducted as a cross-government exercise, led by the Foreign, Commonwealth and Development Office.

Postgraduate Education: Students

Rupert Lowe MP (Reform UK): To ask the Secretary of State for Education, is she will make an estimate of the number of postgraduate students currently studying in UK universities that are (a) UK citizens and (b) non-UK citizens. [UIN 19136]

Minister for Children and Families, Janet Daby MP: The department does not hold citizenship data for higher education (HE) students. However, data on the domicile (permanent address) of HE students, is available via the Higher Education Statistics Agency, which can be accessed here: <u>https://www.hesa.ac.uk/data-and-analysis/sb269/figure-9</u>. In the academic year 2022/23, there were 426,515 UK-domiciled postgraduate students and 455,780 non-UK-domiciled postgraduate students and research students.

Further Education and Universities: Finance

Neil Hudson MP (Conservative): To ask the Secretary of State for Education, what steps she is taking to ensure the financial resilience of the (a) university and (b) colleges sectors. [UIN 19813]

Minister for Children and Families, Janet Daby MP: The department recognises that the financial position of the higher education (HE) sector is under pressure and this government has acted quickly to address this.

The department accepted, in full, the recommendations of the independent review of the Office for Students (OfS) undertaken by Sir David Behan. Sir David has been appointed as interim OfS Chair to oversee the important work of refocusing their role to concentrate on key priorities, including the HE sector's financial stability. On 2 December, the OfS announced temporary changes to its operations to allow greater

focus on financial sustainability. The OfS will work more closely with providers under significant financial pressure in order to protect the interests of students. The department continues to work closely with the OfS to monitor any risks and ensure there are robust plans in place to mitigate them.

Moreover, the government has made the difficult decision to increase tuition fee limits in line with forecast inflation (3.1%). The department also recognises the impact that the cost-of-living crisis has had on students. Maximum loans for living costs for the 2025/26 academic year will also increase by 3.1%. Longer-term funding plans for the HE sector will be set out in due course.

As my right hon. Friend, the Secretary of State for Education set out in her oral statement on 4 November, this government will secure the future of HE so that students can benefit from a world-class education for generations to come.

The department also recognises the financial position of the further education (FE) sector is very important. As announced in the Autumn Budget 2024, the government is providing an additional £300 million for FE to ensure young people are developing the skills they need to succeed. We will set out in due course how that is distributed.

Students: Loans

Simon Opher MP (Labour): To ask the Secretary of State for Education, if she will make an assessment of the potential merits of reforming the student loan finance repayment system to reduce monthly repayments for students in England. [UIN 18684]

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

The department will set out this government's longer-term plan for HE reform by summer 2025.

Overseas Students: Ukraine

Mike Martin MP (Liberal Democrats): To ask the Secretary of State for the Home Department, pursuant to the Answer of 29 November 2024 to Question 16106 on Overseas Students: Ukraine, whether students who have extended visas under the Ukraine Permission Extension scheme and whose graduation date falls after the

expiration of that visa will (a) be allowed to remain to complete their studies and (b) retain home fee status for the duration of their course. [UIN 20501]

Minister for Migration and Citizenship, Seema Malhotra MP: Those granted permission under the Ukraine Permission Extension scheme will receive the same rights and entitlements to access work, benefits, healthcare and education as provided under the existing Ukraine Schemes.

Individuals with permission under one of the Ukraine schemes will have access to standard immigration routes to remain in the UK, in order to complete higher education courses they commence during their initial period of permission.

Where a person's Ukraine scheme permission expires during their course of study and they are granted further permission to remain under one of the standard immigration routes, they will continue to be eligible to access student support and home fee status while they complete their studies.

Higher Education: Standards

Lord Lucas (Conservative): To ask His Majesty's Government what plans, if any, they have to use the powers in clauses 2 and 4 of the Data (Use and Access) Bill to require the Student Loans Company to collect data on the courses its customer attended when incurring their student debt and their subsequent career progression in order (1) to assess the long-term value of those courses, (2) to propose course improvements, and (3) to enable universities to improve the quality of the data they provide to prospective students about likely career destinations and progression for students of each course. [UIN HL3188]

Minister for Skills, Baroness Smith of Malvern: The government has no plans to ask the Student Loans Company for data about its customers for these purposes.

The Office for Students (OfS) uses Graduate Outcomes survey data to monitor providers' compliance with registration condition B3, which stipulates that at least 60% of a providers' students must progress into professional employment or further study within 15 months of graduating. Students can see how providers are performing against this target on the OfS's website.

The OfS considers B3 and National Student Survey (NSS) data alongside submissions from providers and students to award ratings of Gold, Silver or Bronze to providers which take part in its Teaching Excellence Framework.

Students can also find information about different courses on the Discover Uni website, which is the official source of information about higher education across the

UK and uses the NSS, Graduate Outcomes survey and Longitudinal Education Outcomes data.

Erasmus+ Programme

Lord Wigley (Plaid Cymru): To ask His Majesty's Government what consideration they have given to reversing the UK's decision to end participation in the EU's Erasmus plus programme. [UIN HL3124]

Minister for Skills, Baroness Smith of Malvern: Following their meeting in Brussels on 2 October, the President of the European Commission and my right hon. Friend, the Prime Minister, have agreed to strengthen the relationship between the EU and UK, putting it on a more solid, stable footing.

My right hon. Friend, the Prime Minister and the President of the European Commission met again on 7 November at the European Political Community summit in Budapest, where they discussed the strength of the UK-EU partnership and the need to work together to tackle the challenges facing Europe.

The department is working with the higher education sector to ensure our world leading universities continue to attract the best and brightest and support our economy, however we have no plans for rejoining the Erasmus scheme.

Sector news

English Devolution White Paper – MHCLG policy paper

On Monday 16 December, the Ministry of Housing, Communities and Local Government published its English Devolution White Paper, laying out a new devolution framework.

Minister of State for Local Government and English Devolution Jim McMahon said:

"At its core, this White Paper sets out how the Government will strengthen and widen the mayoral model of devolution across England. It will shift power, decision making and money away from Westminster as part of a completely new way of governing, equipping more mayors working hand in glove with confident and stable local councils with a stronger set of levers to drive growth in their communities.

"It will empower them through integrated funding settlements, a direct role in the rail network, greater control over strategic planning and housing funding and skills training, so that they can deliver tangible change on a local and regional level.

"To do this we will rebuild and reform local government as the foundation for devolution, a reset in the relationship between central and local government, and give communities stronger tools to shape the future of their local areas."

"The White Paper will give Mayors power over:

- Planning and housing, putting our regions at the centre of the drive to build 1.5 million homes in this Parliament;
- Transport, to drive a locally integrated transport network that truly works for their communities and supports local economic growth, with improved train services and better travel to and from rail stations, by bus, tram and active travel
- Skills and employment support to so everyone has the opportunities they deserve and can access good jobs;
- Local Growth Plans to accelerate regional growth and productivity, setting a long-term vision for the next decade, and a roadmap for how this will be achieved – driving the government's central mission of economic growth and putting more money in people's pockets

 Too often, Mayors' hands are tied by Whitehall – even when it comes to allocating their own budgets. The government will create a clear and transparent route for all Mayoral Combined Authorities to receive an Integrated Settlement, so they can move resources between projects in line with local need."

You can read the full policy paper and press release.

Government launches Industrial Strategy Advisory Council to boost growth and living standards – DBT press release

On Tuesday 17 December, the government announced the members of the Industrial Strategy Advisory Council, as it looks to deliver long-term growth in key sectors.

Full list of Industrial Strategy Advisory Council members:

- Clare Barclay, President, Enterprise & Industry, EMEA, Microsoft (Chair)
- Professor Dame Nancy Rothwell DBE, former Vice Chancellor of the University of Manchester (Deputy Chair)
- Kate Bell, Assistant General Secretary of the Trades Union Congress
- Rt Hon Greg Clark, Executive Chair, University of Warwick Innovation District
- Professor Dame Diane Coyle, Bennett Professor of Public Policy, University of Cambridge
- Dame Anita Frew DBE, Chair, Rolls-Royce Holdings
- Chris Grigg, Chair of the National Wealth Fund (ex officio)
- Greg Jackson, CEO, Octopus Energy
- Sir John Kingman, Chair, Legal & General and Chair, Barclays UK
- Tunde Olanrewaju, Senior Partner, McKinsey
- Professor Henry Overman, Professor of Economic Geography, LSE
- Henrik L. Pedersen, CEO, Associated British Ports
- Richard Pennycook, interim Chair, Skills England (ex officio)
- Dr Aislinn Rice, Non-Executive Director, Software NI
- Roy Rickhuss, General Secretary, Community Trade Union

• Baroness Shriti Vadera, Chair, Prudential plc and Chair, The Royal Shakespeare Company

You can read the full press release.

Understanding the knowledge gap: public perceptions of UK universities – APPUG report

On Wednesday 17 December, the All-Party Parliamentary University Group (APPUG) published a report written by Public First on public perceptions of universities. The report found:

Parents want their children to go to university:

- **81% of parents with children under 18** said they wanted their children to go to university
- The main reason parents are enthusiastic about a university education is because they **think their children will get a better job (70%)**
- Of the 81% of parents who said they wanted their children to go to university, the top reason was the **likelihood this would lead to a better job and that the social aspect will help them grow personally**

The public see universities and graduates as having a vital role in responding to future challenges:

- **59%** of respondents think we'll need the same number or more graduates in the workforce in the future (compared to **24%** who think we will need fewer graduates).
- When asked how Britain should **develop and maintain expertise in AI and green energy**, **the top answer (42%)** was 'we should ensure universities have the skills and resources to conduct advanced research in this area'
- The public identify **breakthroughs** as tending to come from 'staff and students conducting advanced research in at universities'

Despite the overwhelmingly positive public attitude towards universities, there's a gap in the public's knowledge about what their local university does:

• **51% of people said they know 'not much' or 'very little'** about the roles their local university plays in their local area

• **Respondents aged over 65** were much more likely to say they didn't know much about their local university

You can read the full report.

New era of collaboration between universities to transform the sector and drive efficiency – UUK press release

On Thursday 19 December, Universities UK announced the appointment of Sir Nigel Carrington, former Vice Chancellor at University of the Arts London and international Mergers & Acquisitions lawyer, as the Chair of its Taskforce on Efficiency and Transformation in Higher Education.

The Taskforce will take an 'all options on the table' approach to how - after years of working to reduce costs individually – universities can partner, collaborate and deliver transformation and cost savings through new models and ways of working.

You can read the full press release.

The student experience of transnational education – HEPI report

On Thursday 19 December, the Higher Education Policy Institute (HEPI) published a report considering what we know about the student experience of transnational education and making the case for greater public availability of data.

The report recommends that:

- The Office for Students should consult on the best way to provide public information and reassurance about the quality of English transnational education. One possibility is an exercise like the Teaching Excellence Framework, but on a smaller scale and a different cycle.
- 2. There should be wider engagement with the Quality Enhancement of Transnational Education (QE-TNE) scheme. This scheme is run by the Quality Assurance Agency as a membership scheme, funded by providers that subscribe to it. As an ideal, the scheme should be expanded to include all UK transnational education providers, and its reports should be free to access. It will be useful to commission student and graduate surveys in each country reviewed.

3. Providers should consider making greater use of external student surveys for transnational education. This will improve the ability of survey providers to draw insights across countries and regions of the world.

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