



# All-Party Parliamentary University Group

## Weekly update

**16 – 20 March 2026**

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

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# Parliamentary Business

## Antisemitism on University Campuses – House of Lords (HoL) Debate

On Monday 16 March, the HoL considered a Private Notice Question on antisemitism on university campuses, tabled by Lord Cryer (Labour).

Asking the question, Lord Cryer cited the Union of Jewish Students' (UJS) new report, *Time for Change*, and said it painted a deeply troubling picture of antisemitism being normalised on campuses, including through the conduct of some academics. He asked what further action the Government would take to ensure universities confront antisemitism and protect Jewish students.

Responding for the Government, Lord Collins of Highbury said there is “no place for antisemitism on university campuses” and stressed that Jewish students must feel safe. He said the Government had strengthened the Office for Students' monitoring and universities' Prevent duties, updated guidance on external speakers and events, and was working with students on a new campus cohesion charter. He also pointed to £7 million of support to tackle antisemitism in education, plans to simplify the higher education complaints system, stronger whistleblowing routes, increased oversight of Prevent compliance from 2027, further guidance on external speakers due in spring, and a ministerial round table on 24 March.

A number of peers pressed the Government on whether this response was adequate given the scale of the problem described in the UJS report. Lord Pickles (Conservative) said the report echoed what students had been telling Parliament directly and highlighted concerns that both university authorities and the police had sometimes been slow or reluctant to act. Baroness Berger (Labour), in which she declared her role within the Union of Jewish Students, drew attention to the report's polling and case studies, including evidence that one in five students would be reluctant or unwilling to houseshare with a Jewish student, and said the situation was getting worse rather than better. Lord Polak (Conservative) similarly cited the report's findings and focused in particular on the phrase “globalise the intifada”, arguing that Jewish students and the wider Jewish community hear it as a call for violence.

Several peers argued that antisemitism on campus should not be treated simply as a spillover from wider events in the Middle East. Baroness Deech (Crossbench) said antisemitism had long been embedded in parts of university culture and warned against presenting it primarily as a response to Gaza or Israel. Lord Palmer of Childs

Hill (Liberal Democrat) made a similar point, arguing that antisemitism and debates about the Middle East are separate issues and urging the Government not to conflate them. In reply, Lord Collins said he accepted that antisemitism long predates current events, but maintained that some people are using developments in the Middle East as a pretext for antisemitic abuse. He repeatedly stressed that criticism of the Israeli Government or debate about Zionism is lawful, but abuse of Jewish individuals and incitement to violence are not.

Other contributions widened the discussion to institutional culture, scrutiny and campus cohesion. Lord Addington (Liberal Democrat) asked what processes the Government would introduce to ensure all students can feel safe while being educated. Baroness Deech (Crossbench) also argued that the Lords lacks sufficient education scrutiny and suggested a dedicated select committee could help hold vice-chancellors to account. The Lord Bishop of Manchester asked about the role of external actors, including potentially foreign governments, in fuelling antisemitism on campus, and whether university chaplaincy teams could help address it. Lord Collins replied that universities can be targets for hostile foreign interference and said the Government is investing £3 million in support on national security risk management, including a new academic interference reporting route and guidance.

The minister also highlighted an existing regulatory mechanism, noting that Office for Students condition of registration E6, introduced on 1 August last year, requires English universities to publish and implement comprehensive policies to prevent, investigate and tackle student harassment.

You [can watch the debate](#) and [read the full transcript](#).

## **Department for Science, Innovation and Technology - Oral Questions**

On Wednesday 17 March, the Secretary of State for Science, Innovation and Technology, Rt Hon Liz Kendal, and her ministerial colleagues answered oral questions in the House of Commons.

Adam Thompson MP (Labour) asked what steps the Government is taking to increase funding for UK Research and Innovation (UKRI). Responding, the Secretary of State, Liz Kendall, said the Government had provided a record £38 billion for UKRI, including £14 billion for curiosity-led research, which she described as the largest research and development settlement provided by any government. She also pointed to the recently announced £2 billion quantum package as evidence of the Government's wider commitment to science, innovation and commercialisation.

Adam Thompson MP used his supplementary question to raise concerns about the financial position of the Science and Technology Facilities Council, particularly the impact on particle physics, astronomy and nuclear physics. Referring to evidence given recently to the Science, Innovation and Technology Committee (STFC), he warned that the consequences of earlier financial decisions within STFC were now being felt by the scientific community and asked what the Government was doing to prevent damage to UK science.

In response, Liz Kendall acknowledged that significant concerns had been raised by the physics community. She said that while STFC's budget is flat across the spending review period, historic overspends over the past five years have had to be covered from elsewhere within UKRI's budget, displacing funding that might otherwise have gone to other priorities. She said STFC and UKRI are now working to rebalance spending across projects and that ministers would engage closely with the physics community in the coming months.

This issue was reinforced by Gagan Mohindra MP (Conservative), who said a constituent working for STFC had warned that UKRI was developing a model that could reduce spending across areas including quantum science, particle astrophysics and theoretical physics. He also highlighted concerns about potential job losses and the effect on national labs and facilities. Liz Kendall again stressed that the STFC budget is not being cut in cash terms and is in fact rising slightly, though she accepted that inflation means it is effectively flat. She argued that the key issue is bringing budgets under control while protecting the most important areas of research and reiterated the Government's support for curiosity-led research, especially physics.

The exchange then widened into a broader political argument about the strategic role of research and innovation. Science, Innovation and Technology Shadow Minister Ben Spencer argued that research and development is increasingly central to defence and asked which technologies the government sees as priorities. Liz Kendall responded that investment in Research and Development (R&D) is critical to national security and said the Government is backing this through its UKRI settlement and through defence procurement that supports UK firms. She contrasted this with what she described as Conservative plans to cut UKRI funding.

Science, Innovation & Technology Liberal Democrat Spokesperson, Victoria Collins MP, raised concerns that UKRI funding could be undermined if wider government procurement continues to favour overseas firms rather than British technology companies. She called for a stronger digital sovereign strategy. In response, Liz Kendall highlighted the Government's support for sovereign AI capability, including £500 million for a sovereign AI unit and £1 billion of compute capacity for UK researchers and scientists, alongside procurement reform intended to better support innovative UK tech businesses.

Steve Yemm MP (Labour) asked what assessment the Government had made of the potential impact of AI growth zones on regeneration in Mansfield. Responding, the Liz Kendall, said the Government had already launched five AI growth zones, which she said would create 15,000 jobs and unlock £40 billions of investment across industrial areas of the country. She added that a bid for an East Midlands AI Growth Zone was currently under active consideration and said it could bring thousands of jobs and significant inward investment to the region, including Nottinghamshire, working in partnership with local businesses and universities.

In his supplementary question, Steve Yemm MP argued that communities such as Mansfield had been left behind economically and said AI now offered an opportunity to reverse that trend. He asked how the Government would ensure that the roll-out of AI Growth Zones would lead to local jobs and skills development in areas that had lost out in the past.

Liz Kendall responded by framing AI Growth Zones as part of the Government's wider regional growth and levelling up agenda. She said the Zones are being developed in places that had previously been at the centre of the industrial revolution and could now play a leading role in a new technological transformation. Alongside the Zones themselves, she highlighted a broader package of skills measures, including a commitment to upskill 10 million workers with free AI training, the introduction of a national apprenticeship in practical AI and automation, and a £27 million TechLocal Programme intended to help people from a wide range of backgrounds move into AI-related work.

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

## **The draft Higher Education (Fee Limits and Fee Limit Condition) (England) (Amendment) Regulations 2026 - Division**

On Wednesday 18 March, the House of Commons [voted 277 to 99](#) to approve the Higher Education (Fee Limits and Fee Limit Condition) (England) (Amendment) Regulations 2026, which will raise the maximum tuition fee limits for undergraduate and accelerated courses in England in the 2026/27 and 2027/28 academic years, including the main full-time cap.

The regulations would preserve the fee limits that currently apply to academic years beginning on or after 1 August 2019 and before 1 August 2026, as well as the separate fee limits for lower-fee foundation years beginning on or after 1 August 2025.

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

## Student Loans System – Opposition Day Debate

On Wednesday 18 March, the House of Commons debated the student loans system on an Opposition motion tabled by Laura Trott MP (Conservative).

The motion called on the Government to cap Plan 2 interest rates at RPI, end the freeze on repayment thresholds, and fund the changes in part by “controlling the number of places on university courses where the benefits are significantly outweighed by the cost to graduates and taxpayers”. The debate was not only a discussion about graduate debt, but also a wider argument about the value of higher education, the future size and shape of the university sector, and whether some degree courses should lose public backing.

Opening for the Opposition, Shadow Secretary of State for Education Laura Trott argued that the current system is unfair to graduates, particularly those on Plan 2 loans, because high interest rates and frozen repayment thresholds leave many repaying for longer without ever clearing their debt. She said the system is also failing because too many students are being funnelled into courses with poor returns, citing Institute for Fiscal Studies analysis that around 30% of degrees have negative returns and arguing that some courses leave students with debt but little or no earnings benefit. Trott maintained that creative subjects can be economically valuable but argued that too many individual courses do not lead to jobs in the sectors they claim to serve, describing this as a form of “mis-selling”.

A number of Conservative MPs reinforced that argument from slightly different angles. Joe Robertson MP said too many young people leave university with excessive debt and unclear borrowing terms, and defended the principle that while higher education benefits society, some courses do not offer enough value to justify public subsidy. He argued it was legitimate to ask whether some institutions or courses should continue when they leave students with large debts and poor job prospects.

Neil O’Brien MP developed the Opposition’s case in greater detail, arguing that the Government’s own longitudinal education outcomes data show that some courses produce weak returns for both students and taxpayers. He said the Conservatives would restore number controls and use the savings both to remove real interest rates on Plan 2 loans and to expand apprenticeships, presenting this as a rebalancing of post-18 choices rather than an attack on education itself.

Dr Andrew Murrison MP similarly asked how the offer to young people could be rebalanced, suggesting that support for further education may need to come “at the expense of some of our lesser universities”.

Dr Ben Spencer MP pressed the Minister directly on whether there are some university degrees in which it is simply not fair to invest taxpayers’ money.

**In response, Labour backbenchers challenged both the substance and framing of that case, particularly the proposal to reduce university places.**

Danny Beales MP said the student finance system does need review but argued that the Opposition’s proposals were a “gimmick” that would “close doors of opportunity” rather than solve the underlying problem. Drawing on his own experience and that of constituents including students at Brunel University, he argued that widening participation in higher education had been a social good and that cutting places would fall hardest on those from less advantaged backgrounds. He also made the point that when Conservatives talk about fewer people going to university, they tend to mean “other people”, not their own children or the institutions in their own constituencies.

Alex McIntyre MP (Labour), intervening on Beales, argued that cutting support for some courses would not remove them so much as make them accessible mainly to wealthier students who could afford to self-fund, thereby reducing working-class access, especially in arts subjects.

Adam Thompson MP, who declared his role as Chair of the APPUG, strongly criticised the Conservatives for creating and then worsening the current student loans system through fee rises, frozen thresholds and the abolition of maintenance grants. He argued that these changes had damaged both students and the wider university sector. **Thompson explicitly cited Universities UK** in defence of the income-contingent repayment model, saying it had supported major gains in university access over the past two decades, including for disadvantaged students and free school meal recipients. He also backed the restoration of maintenance grants and the Government’s wider participation ambitions for both universities and apprenticeships.

Peter Prinsley MP focused on inequality within the student finance system itself. He argued that students from less well-off backgrounds must take on larger maintenance loans simply to cover living costs, meaning that higher education, rather than acting as a ladder of opportunity, can entrench disadvantage by leaving those who start with less owing more. He also criticised the Opposition’s rhetoric about arts and cultural degrees, saying it reflected an unduly narrow understanding of value and ignored the wider economic and cultural contribution of the creative industries.

There were also interventions defending the non-financial value of higher education. Graham Stringer MP challenged Laura Trott's emphasis on labour market returns, saying that when he was at university there was a belief that the least important outcomes were degrees and job prospects, and that education had intrinsic value in itself.

Rosie Wrighting MP said her own creative arts degree had enabled her to access the fashion industry as someone growing up outside London, and warned that removing such degrees would risk making the creative industries more London-centric.

Housing, Communities & Local Government Liberal Democrat spokesperson, Vikki Slade MP pushed back on blanket scepticism towards arts courses by using the example of her son studying musical theatre, arguing that degrees can develop transferable skills and support a range of careers, even where earnings patterns are less predictable.

**Responding for the Government, Schools Minister Georgia Gould** rejected the Opposition's premise that reform should be funded by reducing university participation. She said the Government wants to improve quality and outcomes in higher education, but to do so by strengthening provision rather than "scrapping the opportunity" for students to go on those courses. She linked this to the Prime Minister's ambition for two thirds of young people to participate in higher-level learning by age 25, and presented the Lifelong Learning Entitlement, due to launch in January 2027, as a way of making higher education more modular, flexible and responsive across both colleges and universities.

Gould made the strongest pro-university case in the debate. She said that student loans provide £10.7 billion of tuition fee funding to the higher education sector in 2024-25 and described universities as one of the UK's "greatest exports" and a "global beacon of intellectual excellence". She argued that universities are central not only to individual opportunity but also to national prosperity, citing their role in quantum computing, agritech, advanced manufacturing and genomics. She also emphasised the broader social and developmental value of higher education, arguing that universities help students build networks, resilience and life skills as well as formal qualifications.

The Minister also acknowledged the financial pressures facing providers, which was one of the most significant university-specific points in the debate. She said that seven years of frozen tuition fees had contributed to growing strain across the sector and cited Office for Students (OfS) analysis suggesting that, without mitigating action, 124 higher education providers, or 45% of those covered by the OfS financial sustainability report, could face a deficit in 2025-26. She said the Government had therefore taken the "difficult decision" to increase tuition fees in line with forecast

inflation in order to provide stability, while making clear that future fee increases would be linked to university quality. This was one of the clearest moments in the debate where the Government explicitly connected student finance policy to institutional sustainability in higher education.

**A number of Labour MPs supported that broader defence of universities while also calling for improvements to student finance.**

Andrew Pakes MP argued that debate in Westminster too often assumes university is the only route to success and said more attention should also be paid to apprenticeships, though he did not frame this as a zero-sum choice.

Kevin Bonavia MP criticised the Opposition's proposal to control university places, arguing that it was unclear how they would decide which courses to cut and warning that such an approach would reduce young people's freedom to choose their futures. Tim Roca MP, in an intervention on the Minister, underlined the wider importance of arts provision within universities and the creative economy. Ruth Cadbury MP raised the "maternity penalty" in the loans system, noting that interest can continue to accrue while a borrower's income falls during maternity leave, which she argued creates a gendered inequity within graduate repayments.

**Responding for the Liberal Democrats, Universities and Skills Spokesperson Ian Sollom MP, said** parts of the motion were "not wrong" and agreed that the Plan 2 threshold should be unfrozen, interest structures reformed, and more apprenticeships for young people would be welcome in principle. However, he rejected the motion as a whole because its mechanism for paying for reform was to cut university places. He was explicit that "controlling the number of places" meant cutting courses, especially in arts, humanities and creative subjects.

Sollom's contribution was one of the fullest critiques of the "low value degree" framing. He argued that graduate salaries are a poor measure of what society gains from a degree, and pointed out that nursing, teaching, social work and creative arts can all underperform on salary data while providing substantial public value. He also argued that cutting arts places could damage STEM provision because arts courses are relatively inexpensive to run and help cross-subsidise more costly laboratory subjects. Later in his speech, and in response to interventions, he added that the decline in the UK graduate earnings premium reflects too few skilled jobs rather than too many graduates, describing that as a demand-side failure in the economy. He defended the creative industries as a sector worth more than £100 billion a year and said that the value of education cannot be read entirely from salary data, since critical thinking, empathy and cultural participation are public goods that do not appear in write-off statistics.

Sollom also made a distributional point that is highly relevant to the sector. In response to an intervention that cutting public funding for arts and creative courses would not stop wealthier students taking them, he agreed that the history of university access shows that the effect would instead be to make such subjects less accessible to students from more deprived backgrounds. His broader position was therefore: yes to threshold reform, yes to changes in interest, yes to more apprenticeships, but no to financing those changes by narrowing access to higher education or by treating graduate earnings as the only meaningful measure of value.

He also argued that capping Plan 2 interest at RPI would disproportionately benefit the highest earners, since interest rates matter financially mainly for those who repay in full, and he therefore criticised the Conservative proposal as regressive even while agreeing that the threshold freeze should end.

**The debate also covered a set of specific student support measures. Gould confirmed that the Plan 2 repayment threshold will rise again next month to £29,385.** She said targeted, means-tested maintenance grants of up to £1,000 a year will be reintroduced from 2028-29, and that from 2026-27 care leavers will automatically receive the maximum maintenance loan. Rebecca Smith MP (Conservative) welcomed support for vulnerable students but argued that increasing access to maximum support can still leave those students with the greatest debt burdens at the end of university. This exchange reflected a broader tension in the debate: whether the student loans system should be understood mainly as a progressive income-contingent mechanism, as ministers argued, or as an increasingly unsustainable debt burden, as many Opposition MPs argued.

The Opposition motion was defeated by 88 votes to 266. The House then agreed a Government amendment which instead stated that ministers had inherited the broken Plan 2 system, welcomed the Government's commitment to make it fairer and more sustainable, backed the Youth Guarantee, supported the target for two thirds of young people to achieve higher-level skills by 25, and welcomed the reintroduction of maintenance grants.

You [can watch the debate and read the full transcript.](#)

# Written Questions and Statements

## Department for Work and Pensions: Apprentices: Erasmus+ Programme

**Ben Coleman (Labour) (Chelsea and Fulham):** (117198) To ask the Secretary of State for Work and Pensions, if his Department will coordinate with the incoming Erasmus+ National Agency to ensure apprenticeship funding rules support overseas placements in EU companies.

**Andrew Western (Labour) (Stretford and Urmston):** Funding for Erasmus+ placements is provided through the Erasmus+ programme. The apprenticeship funding rules for 2026/27 academic year will set out details on apprenticeships and the Erasmus+ programme.

Grouped Questions: 117197

[Source](#)

## Home Office: Students: Iran

**Chris Philp (Conservative) (Croydon South):** (119376) To ask the Secretary of State for the Home Department, whether she has had discussions with the Secretary of State for Education on student society statements praising Ayatollah Ali Khamenei.

**Dan Jarvis (Labour) (Barnsley North):** As the Education Secretary made clear in her statement to Parliament on 2 March, universities should be places of open discussion and dialogue, where views should be challenged and questioned. But there is no place for hate speech or intimidation on campus.

That is why on 8 March, the Government announced stronger protections for university students and staff against extremism, harassment and intimidation on campus.

[Source](#)

## Department for Science, Innovation and Technology: Physics: Research

**Edward Morello (Liberal Democrats) (West Dorset):** (118636) To ask the Secretary of State for Science, Innovation and Technology, what steps her Department is taking to ensure funding for physics research.

**Kanishka Narayan (Labour) (Vale of Glamorgan):** The Department for Science, Innovation and Technology (DSIT) has committed to a record £58.5 billion investment in R&D over the next 4 years. Of this, UKRI will deliver £38.6 billion towards research and innovation with £14.5 billion allocated towards curiosity-driven research, in recognition of its fundamental importance for our future. DSIT and UKRI are also significantly increasing investment in areas underpinned by physics such as AI, quantum, semiconductors, cybersecurity and advanced connectivity technologies. The Engineering and Physical Sciences Research Council (EPSRC) also provides funding for physics research, and has a £1.2 billion allocation for applicant led research over the SR.

The Science and Technology Facilities Council (STFC) within UKRI is currently working with the sector to model different spending scenarios for its portfolio in particle physics, astronomy and nuclear physics (PPAN). The impacts of different modelled scenarios will be considered alongside feedback from the sector when taking final decisions. No final spending decisions have been made.

The UK also remains committed to international physics collaboration, including at CERN, where we are the second-largest contributor.

More generally, DSIT has asked UKRI to ensure that its allocation decisions, including those on individual physics programmes, are informed by meaningful consultation with the scientific research community and a robust assessment of potential consequences for the UK's scientific capability and international standing.

[Source](#)

## Department for Work and Pensions - Youth Employment

**Statement made by Pat McFadden, Secretary of State for Work and Pensions:**

At the Budget, the Chancellor committed more than £1.5 billion to back young people through the Youth Guarantee and changes to the Growth and Skills Levy.

Today, we are going even further. We are announcing almost £1 billion more to help young people into work and training, unlocking up to 200,000 jobs and apprenticeship opportunities by investing in:

- **Youth Jobs Grant:** An employer hiring incentive worth £3,000 per young person aged 18-24 who has been on Universal Credit and looking for work for six months.
- **A New Apprenticeship incentive:** £2,000 for non-levy paying small and medium-sized enterprises (SMEs) in England when they take on new employees aged under 25.
- **Expanding the Jobs Guarantee:** to 22–24-year-olds, meaning all eligible 18–24-year-olds across Great Britain will benefit from a fully funded six month guaranteed paid employment opportunity.

Our ambition is for every 16-24-year old across Great Britain to access opportunity. These changes take the total investment into the Youth Guarantee and the additional investment in the Growth and Skills Levy to £2.5 billion over the next three years, supporting almost one million young people, and creating up to 500,000 opportunities to earn and learn.

This will begin in April, when the first phase of the Jobs Guarantee will go live for 18-21-year-olds in Birmingham and Solihull, East Midlands, Greater Manchester, Hertfordshire and Essex, Central and East Scotland, and Southwest and Southeast Wales. This will be followed by national rollout in the Autumn of this year for 18-24 year-olds.

### **Further reform to the Growth and Skills Levy**

There has been a 40% drop in young people starting apprenticeships over the past decade. This is why the government is setting out the next stages of the Growth and Skills Levy reforms to reverse this sharp decline in apprenticeship starts for 16-24 year olds and address the rising number of those not in education, employment or training.

To support this, we are announcing the expansion of Foundation Apprenticeships into hospitality and retail. These are sectors which traditionally employ large numbers of young people and provide strong entry points into sustained employment, while also supporting retention and progression.

We are also introducing new Apprenticeship Units aligned to Industrial Strategy priorities, to give employers greater flexibility in how they upskill their employees. This will make it easier and faster for businesses, to address their critical skills needs

in areas including AI, construction and engineering, and we will develop further Units informed by ongoing input from Industrial Strategy growth-driving sectors.

We will prioritise youth apprenticeship starts within the Growth and Skills Levy, stopping the 40% decline in apprenticeship starts that has occurred over the last decade.

This will mean Government no longer funding three leadership and management apprenticeship standards that are largely used by employers for older, established staff as continuing professional development and instead, using the funding for new apprenticeship starts for young people. A further 13 standards which do not sufficiently support young people or our industrial strategy ambitions will also be defunded.

Streamlining the existing offer ensures that our increased investment delivers maximum value for money, supports clearer routes into skilled jobs, and creates headroom for investment into new opportunities for young people and employers alike.

Source: [Link to source](#)

## **Department for Science, Innovation and Technology: Postgraduate Education: Overseas Students**

**Bob Blackman (Conservative) (Harrow East):** (119240) To ask the Secretary of State for Science, Innovation and Technology what assessment she has made of the contribution of international postgraduate researchers to the UK's scientific output.

**Kanishka Narayan (Labour) (Vale of Glamorgan):** The UK is committed to attracting international postgraduate research (PGR) students as part of our ambition to attract the best research talent across the research pipeline. International PGRs make significant contributions to the UK's research strength and scientific output. In 2024/25, 42% of the UK's 120,000 postgraduate research students were nonUK; 58% in Engineering and Technology; and 79% in research intensive universities, where scientific output is highest ([HESA](#)). International PGRs contribute to the over two hundred thousand research articles from the UK each year, placing the UK globally in first position on Field Weighted Citation Impact among comparator countries since 2007 ([GOV.UK](#)).

Source

## **EDM: Student Finance System Reform (2995)**

That this House regrets that the previous Government broke the student finance system by freezing repayment thresholds for three years, abolishing maintenance grants, lowering repayment thresholds and extending payment lengths for Plan 5 loans; notes that the frozen Plan 2 student loan repayment thresholds are on track to reach parity with the minimum wage by 2031; further notes that this Government's increase to National Insurance and international student levy will cost the sector nearly £700m annually; calls for urgent reform of student finance, including reintroducing maintenance grants, unfreezing parental income and plan 2 graduate repayment thresholds frozen by both the current and previous Governments, increasing repayment thresholds in line with average income, and writing off a portion of student debt for those working in NHS, education, armed forces, emergency services and social care roles; also notes that a lack of high-quality vocational and apprenticeship pathways have left many young people without the skills, experience or qualifications that employers require; believes that the number of degree apprenticeships in key skill shortage areas should be doubled, with at least 50 per cent reserved for students from low-income households; and further calls on the Government to adopt a joined-up strategy to invest in young people's skills and create quality jobs and to implement a Royal Commission to build a cross-party consensus on a fairer, more stable student finance system, including looking at fairer interest rates, a progressive repayment system, and how to stop constant political interference.

**Sponsors:** Munira Wilson

Source

## Sector News

### **Liberal Democrats Approve Plan to Fix the Broken Student Loan System**

On 14 March, the Liberal Democrats published a new higher education policy paper and conference motion, “From Local Roots to Global Reach: A Liberal Vision for Universities”, setting out their proposed approach to student finance, university sustainability, skills, research and international competitiveness. The package was presented by Ian Sollom MP, the party’s spokesperson for Universities and Skills, and was passed by party members at the Liberal Democrats’ spring conference.

The policy frames universities as major regional economic actors, research hubs and export strengths, but argues that the sector is now under significant financial strain. It says student maintenance support has been eroded, highlights concerns about frozen repayment thresholds, and argues that the Government’s National Insurance changes and international student levy would place substantial additional costs on universities.

On student finance, the Liberal Democrats call for the reintroduction of maintenance grants on top of existing loans, with an ambition to support 35% of undergraduates initially, rising to 50% when public finances allow. They also propose unfreezing and uprating parental income thresholds for student finance, unfreezing graduate repayment thresholds, and exploring more flexible maintenance support linked to regional living costs. The package also includes partial student debt write-offs for those working in key public service roles, including the NHS, education and social services, after 10 years of service.

On sector sustainability, the motion calls for reversing the National Insurance rise and international student levy, alongside exploring cost-saving measures such as shared services reform, student loan payment reprofiling and interest-free loans for internal restructuring. It also proposes renegotiating the cost of academic journals, addressing pension inequality between pre- and post-1992 institutions, and protecting regional subject diversity so students who cannot relocate can still access a broad local offer.

The Liberal Democrats also place significant emphasis on tertiary integration and skills. Their proposals include a more unified approach across further and higher education, greater flexibility for colleges and universities to share facilities and co-deliver courses, expansion of modular and lifelong learning, and new credit transfer arrangements. They also call for degree apprenticeships in shortage areas to be

doubled, with at least 50% of places reserved for students from low-income households.

On research and innovation, the paper argues for inflation-linked and multi-year research settlements, quintupling proof-of-concept funding to £200 million over five years, creating regional innovation centres across the UK, and working towards restoring 80% full economic cost recovery. It also includes proposals to support commercialisation, including seed funding loans for university spinouts, visa changes to allow PhD and MRes students to found start-ups during their studies, and reforms to intellectual property arrangements.

The motion also includes a wider international and regulatory dimension. It calls for improved recognition of UK qualifications in the EU, a single government contact point for universities facing foreign interference concerns, and guidance to help institutions respond to foreign interference on campus. The paper presents this overall package as a pragmatic alternative focused on easing pressure on students and graduates while supporting the long-term sustainability and contribution of universities.

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

## **A Generation at Risk’ as more NEET Young People Report Health Barriers to Work - Health Foundation**

A sharp rise in the number of young people reporting that their health limits their ability to work, who are also not in education, employment and training (NEET) is affecting the lives and potential of hundreds of thousands of young people, according to new analysis from the Health Foundation.

Between 2015 and 2025, the share of NEET young people reporting a work-limiting health condition rose from 26% to 44% – a 70% increase in just a decade. In 2025, mental health conditions and autism accounted for more than two-thirds of NEET young people who said poor health is a barrier to them working.

The rise in reported ill-health among young people, coupled with a weaker labour market, sits behind a sharp increase in the numbers who are out of work and education. Past increases in the share of young people reporting work-limiting health conditions had partially been offset by an accompanying improvement in employment rates.

In 2025, around one in three 16–24-year-olds with a work-limiting health condition were not earning or learning. This group now represents a greater share of all NEET young people. In contrast, around one in ten 16-24-year-olds without these conditions were not earning or learning.

The trend of rising ill-health is not limited to NEET young people. It reflects a broader shift among young adults generally, including those in work and education. Over the past decade, the share of all 16-24-year-olds reporting a work-limiting health condition rose from 9% to 16%, a 78% increase.

The growth in young people reporting health conditions likely reflects greater awareness and improved diagnosis rates, particularly for mental health and neurodevelopmental conditions. It may also reflect more young people seeking financial and practical support, such as through schools or the welfare system, which prompts them to seek a diagnosis and report that their health is limiting their ability to work or study.

Recent Office for National Statistics figures showed that by the end of 2025, there were nearly 240,000 additional NEET young people compared with the same period in 2021, a 33% rise.

Spending long periods out of work and education can have lasting consequences for a young person's health, job prospects and earnings. With more NEET young people reporting health conditions that limit their ability to work than in previous years, there is a risk that these individuals face longer spells out of work, leading to even greater consequences for their future health and earnings. High numbers of young people out of work and education also places further pressure on public finances and could undermine long term economic growth.

The Health Foundation urges the forthcoming independent review of young people and work, led by Alan Milburn, to make overcoming these health barriers central to its policy agenda.

This means combining early intervention with health and practical support to prevent young people from falling out of education or employment in the first place, alongside the creation of supported, suitable pathways back into learning and employment for those already out of work or education.

Expanding the Government's Youth Guarantee scheme to fund more paid work and training placements across the public and private sectors would be an ambitious approach to help more young people gain a foothold in the workforce. Evidence from previous schemes suggests this can deliver long-term benefits for both individuals and the taxpayer.

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

## Correspondence - Scientific Research Funding

Correspondence from Dame Chi Onwurah MP, Chair of the Science, Innovation and Technology Committee to Minister for Science, Innovation, Research and Nuclear and CEO of UK Research and Innovation about Scientific research funding.

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

## New National Polling Reveals Scale of Antisemitism Crisis on UK Campuses

The JS is calling for urgent cross-party action to combat antisemitism on campus following the publication of its [Time for Change](#) report.

The findings show:

- Antisemitism is normalised on campus - 1 in 5 students (20%) would not be open to house sharing with a Jewish student.
- Glorification of terror is prevalent and unpunished - Half of students (49%) have seen Hamas and Hezbollah glorified on campus, and 47% have seen the October 7th attacks justified.
- Students are tired of disruptive protest - students broadly disapprove (69%) of protests that disrupt their learning.

Alongside the polling commissioned by JL partners, the report contains testimonies from students who report strained friendships, social ostracisation, harassment, intimidation and even physical assault. The report is co-supported by Baroness Luciana Berger, and Lord Daniel Finkelstein.

UJS is calling for immediate, coordinated action from Government, regulators, police and university leaders to restore Jewish students' confidence and ensure they can participate fully in education, living outward, proud Jewish lives on campus.

The Time for Change report sets out six recommendations, including accountability for universities' handling of hate crimes, better governance of students' unions, investigation into extremist student groups, and a step up in coordination between government, universities and police.

The proposals are designed not to restrict lawful protest, but to ensure that harassment, intimidation and glorification of terrorism are met with firm consequences.

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

## **UK's "Quantum leap" to Help Beat Disease, Deliver High-Paid Jobs, and Strengthen National Security, as First Country in the World to Roll out Quantum Computers at Scale**

On 17 March, the Government announced a new quantum package worth up to £2 billion, presenting it as a major step in the UK's ambition to become the first country to build and deploy quantum computers at scale by the early 2030s. The announcement came jointly from the Department for Science, Innovation and Technology and HM Treasury, and links quantum directly to the Government's industrial strategy, economic growth agenda and national security priorities.

The core of the package is a new advanced procurement programme, "ProQure: Scaling UK Quantum Computing", backed by £1 billion to support the development of large-scale quantum computers in the UK. The Government says companies will first be invited to submit prototype proposals, with the most promising then supported to deliver larger-scale machines for use by researchers, the public sector and businesses as part of national computing infrastructure.

Alongside procurement, the wider investment package includes over £1 billion over the next four years for quantum research, commercialisation, skills and infrastructure. This includes more than £500 million for quantum computing, over £400 million for sensing and navigation, £125 million for networking, £205 million for sensing and navigation applications, £13.8 million for the five National Quantum Research Hubs, £90 million for infrastructure, and £20 million for skills and commercialisation programmes.

The Government frames the technology as having potential applications across healthcare, energy, finance and defence. Examples highlighted in the announcement include possible advances in medical diagnostics and treatment, greenhouse gas monitoring, ultra-secure communications, and wearable brain scanners for epilepsy research being explored at UCL. The press release also argues that quantum could

make a substantial long-term economic contribution, citing estimates of more than 100,000 jobs and around £212 billion in economic impact by 2045.

There is also a clear higher education and research dimension. The announcement points to universities and research institutions as central delivery partners, including through the National Quantum Research Hubs, the Quantum Software Lab in Edinburgh, UCL's health-related work, and a new strategic partnership between IonQ and the University of Cambridge, which will host a Quantum Innovation Centre and IonQ's 256-qubit system.

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

## **Report publication: Earned Settlement: Examining the Government's Proposed Reforms**

Eligibility for home fee status should be reviewed following the Government's forthcoming changes to routes to settlement in the UK, the House of Commons Home Affairs Committee has recommended. The Committee's report on the proposed tightening of pathways to indefinite leave to remain says that changes are "likely to lead to some young people delaying or missing out on going to university" as they will become ineligible for home fee status. The Committee suggests that home fee status could be linked to a five-year period of UK residence in childhood.

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

## **Major Employment Drive to Help Unlock 200,000 New Jobs and Apprenticeships for Next Generation**

On 16 March, the Government announced a major youth employment package worth an additional £1 billion, aimed at creating 200,000 new jobs and apprenticeships for young people and delivering what it described as the biggest transformation of apprenticeships in a decade. The package, led by the Department for Work and Pensions, is framed as part of a wider effort to tackle the rise in young people not in education, employment or training, with ministers pointing to a 37% increase between 2021 and 2024 and almost one million young people now not earning or learning.

The announcement includes a new Youth Jobs Grant, under which employers will receive £3,000 for each 18 to 24-year-old they hire who has been on Universal Credit and looking for work for six months. The government says this is expected to support 60,000 young people over three years. It also expands the Jobs Guarantee from 18 to 21-year-olds to all eligible 18 to 24-year-olds, with ministers saying this will create more than 35,000 extra subsidised jobs and bring the total supported through the scheme to over 90,000 in the next three years. From autumn 2026, eligible participants will be offered 25 hours a week of fully subsidised paid work for six months, alongside wraparound support.

A central part of the package is a stronger focus on apprenticeships. The Government is introducing a £2,000 apprenticeship incentive for SMEs hiring new employees aged 16 to 24, as part of a broader ambition to create 50,000 more apprenticeships. It is also expanding foundation apprenticeships into hospitality and retail from April 2026, building on earlier launches in engineering, manufacturing and digital, with these routes aimed at supporting 16 to 21-year-olds into employment.

The announcement also sets out wider reforms to the Growth and Skills Levy. Ministers say funding will be reprioritised towards younger learners and towards sectors aligned with the Industrial Strategy, while some apprenticeship standards judged not to reflect national skills priorities or value for money will be streamlined or defunded. Alongside this, the Government is introducing seven new short apprenticeship units in areas including AI, engineering, electric vehicle charging, solar installation and modular construction, giving employers more flexibility to meet evolving skills needs.

There is a clear post-16 and higher education angle to the announcement. The package is presented as expanding technical and vocational alternatives for young people, with several supporters explicitly contrasting this with more traditional university pathways. Mayor of Greater Manchester, Andy Burnham, for example, said the reforms would help offer young people “an equal alternative to the traditional university route”. More broadly, the announcement suggests government policy is continuing to prioritise routes into employment, apprenticeships and technical training as key mechanisms for addressing youth inactivity and skills shortages.

**Responding to the announcement that the Government will no longer fund three leadership and management apprenticeships, Vivienne Stern, Chief Executive of Universities UK said:**

“Universities know how difficult it is for young people entering the world of work at the moment and share the government’s commitment to tackling youth unemployment. That’s why, through our Future Jobs programme, universities across

the UK are listening to business leaders to ensure their courses deliver real opportunity and prepare young people for the workplace.

However, defunding the apprenticeships that businesses say are vital to productivity and people's career advancement is not a compromise that is in the interests of the economy or individuals. These courses are crucial to driving the government's growth mission. In just one year, management apprenticeships contributed £119.5 million to GDP, and the skills that they instil in learners are central to the UK's ambition for a more productive, high-skilled economy.

We will continue to work with the government to support learners at all stages of their careers, and to develop courses and qualifications that match the needs of the economy."

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

## **Oxford-Cambridge Corridor to be UK's "Silicon Valley"**

On 17 March, the HM Treasury announced further investment in the Oxford-Cambridge Growth Corridor, presenting it as a central part of the Government's wider growth strategy and its ambition to create the UK's "Silicon Valley". The announcement links the corridor directly to advanced manufacturing, AI and life sciences, and frames Oxford and Cambridge as nationally significant innovation clusters whose expansion could drive jobs, housing and productivity growth.

The headline measure is a plan to double funding for the corridor, with up to £800 million available for land acquisition and infrastructure to unlock new development around Oxford and Cambridge. The Government says this funding will support the delivery of new homes, laboratory space and wider commercial workspaces, alongside transport and enabling infrastructure intended to accelerate growth across the corridor.

The announcement also signals a more interventionist delivery model. The Chancellor is expected to bring forward plans for a new Greater Oxford Development Corporation, intended to speed up development, reduce planning and coordination barriers, and reinvest growth locally. This follows an earlier consultation on a Greater Cambridge Development Corporation and suggests the Government wants both cities to have stronger delivery vehicles for major regeneration and expansion.

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

## Chancellor's Growth Plan Sets Key Principles for UK-EU Alignment

On 17 March, the Chancellor used the Mais lecture to set out the next phase of the Government's growth plan, centred on three priorities: a closer and more stable economic relationship with the EU, a step change in AI and frontier technologies, and stronger regional growth across the UK. The announcement frames this agenda as part of the government's wider "securonomics" approach, linking economic growth more explicitly to resilience, investment and strategic state intervention.

On UK-EU relations, the Chancellor said the Government will adopt new "National Interest Principles" to guide decisions on alignment with EU rules. The stated test is whether alignment would support long-term growth, reduce business costs and border friction, improve certainty for firms, strengthen resilience and deliver benefits for consumers and jobs. The announcement is clear that this would not involve a return to free movement but signals a more pragmatic and selective approach to regulatory cooperation with the UK's largest trading partner.

The Government also says it will increase engagement with businesses on EU regulatory issues, including forthcoming EU regulation, and explore ways to work with the EU on reducing administrative burdens. This is presented as part of a broader effort to create a more stable economic partnership and support firms trading into European markets.

Alongside this, the Chancellor announced a substantial place-based growth package. Measures include £2.3 billion for new City Investment Funds in major city regions, a roadmap for greater fiscal devolution to be developed ahead of the Autumn Budget, support for five northern cluster partnerships, and additional backing for the Oxford-Cambridge Growth Corridor, where funding has been doubled to £800 million. The government also signalled a willingness to use stronger compulsory purchase powers to unlock stalled development sites.

On AI and innovation, the announcement includes new Growth Labs with regulatory sandboxing powers, a £500 million Sovereign AI Unit to help UK AI firms scale and remain in the UK, a first AI Adoption Summit in June, and a new AI Economics Institute focused on the impact of AI on jobs and productivity. It also reiterates the recently announced quantum package, including up to £2 billion over the next decade to support the transition from UK quantum science to deployable technology.

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

## Prepare for Populism – HEPI report

In *Preparing for Populism*, Professor Diana Beech and Edward Venning show that public patience with universities is thin as populist sentiment rises. The report argues the higher education sector's biggest problem is not money but trust. Universities have fallen into a complex, dull and defensive public debate, focused on economic contributions and graduate earnings. The risk is that this looks selfish, tone-deaf and insular at a moment of peril.

The authors encourage universities to engage across the political spectrum in an unashamed way. That includes with political parties sceptical of higher education, most notably Reform UK. They argue this is different to endorsement: it is, rather, democratic realism and pluralism at work.

The report offers a three-part framework for reconnecting universities with political sentiment:

1. **Instrumental legitimacy:** doing the core roles of teaching and research well and explaining them clearly.
2. **Relational legitimacy:** connecting to the need for national renewal, grounded in an appeal to common sense.
3. **Moral legitimacy:** playing by the rules while helping shape better ones.

**Professor Diana Beech, Director of the Finsbury Institute at City St George's, University of London, and co-author of the new Depate Paper, said:**

'This report is a call to act early and act together. Most politicians agree universities, like other public institutions, are not keeping their side of the social contract. Populism is a symptom not a cause of this.'

'Above all, universities need a new political posture. Universities cannot engage only with traditional parties. They need to be credible with the full range of democratic opinion, including so-called populists. That is how autonomy is earned and protected.'

**Edward Venning, Partner at Six Ravens Consulting and co-author of the new Depate Paper, said:**

'Public support is a moving target. Society changes its norms from time to time. Then a legitimacy gap opens up and social confidence frays.'

'Universities are using arguments that do not fit the popular mood in a low-growth economy. Legitimacy is built through behaviour, relationships and governance that the public can respect and understand.

'If universities change tack, they can lead a broader renewal of trust in public institutions. This will get them the funding they deserve. If not, the sector's structural problems could easily become much worse.'

### Key Proposals

The new Debate Paper argues legitimacy is not a given. Institutions earn it through what they do, how they act and how they connect with others. In social science, this is called 'legitimacy management', but the idea is simple. Universities must work for public support in a structured way to uphold their side of the social contract with the British people.

The report recommends a reset that is collective, not piecemeal. It proposes:

- A core offer with universal reach by reframing advanced learning as a necessity to participate fully in advanced society.
- A new intellectual project to provide the knowledge base and capabilities the UK needs to be independent and strong.
- A coalition for legitimacy, so universities and sector bodies act together. This includes political advisory panels for regulators to strengthen credibility across party lines.
- More alignment between university and national attitudes. This includes a legitimacy observatory to track public trust and gaps between university culture and wider public attitudes.
- New benchmarks for quality and public value, developed with the public in mind.

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

## Innovate UK: Turning Breakthrough Ideas into Industry Giants

On 19 March, Innovate UK published a new strategy paper, *Turning breakthrough ideas into industry giants*, setting out a revised model focused on helping more UK innovation-intensive firms start, scale and remain in the UK. The paper argues that

while the UK has a world-leading research base and strong performance in discovery, IP generation and spinouts, too many innovative firms fail to scale domestically or move overseas before reaching maturity.

The strategy presents Innovate UK's role as bridging the gap between breakthrough research and large-scale commercial success. It says the organisation will become more deliberate about the businesses it supports, focusing on "deep and hard tech" firms built on significant scientific or engineering advances, particularly where long development timelines, high capital requirements and market risk make private investment alone insufficient.

A notable theme is the central role of universities and research institutions in the innovation pipeline. The paper states that, as part of UKRI, Innovate UK has visibility of breakthroughs emerging from universities, institutions and labs before they are fully market-ready, and argues this gives it a distinctive ability to identify promising firms early and act as a "tech due diligence engine" for the wider ecosystem. The intention is that Innovate UK backing should provide a stronger validation signal to investors by combining technical assessment, market analysis and judgement on leadership capability.

In terms of sector priorities, Innovate UK says it will concentrate on six of the government's eight Industrial Strategy priority sectors: advanced manufacturing, clean energy industries, creative industries, defence, life sciences, and digital and technologies. Within digital and technologies, it highlights six frontier technologies: artificial intelligence, advanced connectivity, cyber security, engineering biology, semiconductors and quantum.

The paper also sets out a more integrated support model. This includes grants and loans calibrated to stage and risk, sector-specific programmes, expert growth support, links to investors and regulators, and stronger use of the Catapult Network as national infrastructure for testing, demonstrating and scaling new technologies. Innovate UK argues that this more end-to-end approach is intended to help businesses move from early innovation to commercial growth more effectively.

Two structural changes are particularly significant. First, new Growth Sector teams will actively manage portfolios of innovative firms within priority sectors, tracking promising companies and stepping in where support can add value. Second, a new "Velocity" account management service will provide ongoing support to high-potential businesses through their innovation journey, rather than through a fixed-term programme model.

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

## **Jisc Warns Technical Legacy is Compromising UK University Resilience and Stalling Innovation**

On 19 March, Jisc, a not-for-profit membership organisation for UK tertiary education, research and innovation, published a new sector briefing warning that “technical legacy” across higher education is now a major strategic risk for UK universities. The paper defines this as the build-up of outdated, disconnected and heavily customised digital systems, and argues that these systems are constraining innovation, resilience, security and long-term sustainability across the sector.

Jisc says the issue affects all areas of university activity. According to the briefing, legacy systems slow research productivity, weaken the student experience, increase cyber and operational risk, and make it harder for institutions to implement change quickly. It also argues that fragmented systems and workarounds are consuming substantial staff time across professional services, student support and research management.

The paper includes an indicative estimate that technical legacy may be costing universities between £2 billion and £4.7 billion a year, through duplicated systems, maintaining old technologies and lost staff productivity. However, Jisc emphasises that the financial cost is only part of the issue, and that the bigger concern is the sector’s reduced ability to innovate, collaborate and remain internationally competitive.

The briefing also places the issue in the context of wider government policy. It argues that recent priorities such as investment in digital research infrastructure, the Science and Technology Framework, the UK Compute Roadmap and the AI Opportunities Action Plan all require universities to have more stable, modern and interoperable systems. Without action, Jisc warns that institutions may struggle to deliver personalised student support, high-quality digital research environments and secure, agile services.

In response, the paper calls for coordinated action across three groups. For universities, it recommends treating technical legacy as an executive-level strategic priority, developing long-term digital and data strategies, monitoring legacy as an organisational risk and improving central oversight of digital research infrastructure. For sector bodies, it points to opportunities around shared assessment models, costing methodologies, skills frameworks and coordinated vendor management. For policymakers, funders and regulators, it calls for support for scalable shared services, less regulatory complexity and stronger backing for collaborative digital research infrastructure.

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

## **2026 UK Innovation Report Finds UK excels in Early-Stage Innovation but Underperforms on Innovation Outcomes**

Published by Cambridge Industrial Innovation Policy, based at the Institute for Manufacturing (IfM), the UK Innovation Report offers a detailed analysis of the UK's innovation landscape, assessing the performance of key industrial sectors compared to global competitors.

The UK is one of the world's leading innovation economies. It ranks fourth globally for scientific publications (behind only China, the USA, and India) and sits among the top countries for high-impact research and patents in critical technologies. It has also built one of the strongest startup ecosystems outside the United States.

The latest UK Innovation Report finds that while the UK excels in research and early-stage innovation, it underperforms on innovation outcomes such as high-technology exports, technology scale-up, and global industrial market share.

As the UK Government implements its national Industrial Strategy, the report provides new evidence on the UK's innovation and industrial performance. The report highlights that competitiveness – measured at sector level through value-added, export performance, employment and global position – should become the central benchmark for success.

A central feature of this year's report is a deep-dive sectoral analysis of the Electronics and Electrical Equipment sectors. Recognised as Advanced Manufacturing sectors under the UK's Modern Industrial Strategy, these sectors sit at the heart of electrification and the net-zero transition.

On 19 March, policymakers, industry leaders, and experts gathered at the Institute for Government for the official launch of the Innovation Report 2026.

As the demand for stronger evidence in industrial and innovation policymaking increases, the UK Innovation Report 2026 makes a timely contribution by offering new data, analyses, and perspectives to support evidence-based policy development.

Read the report [here](#).

