



# All-Party Parliamentary University Group

## Weekly update

**22 – 26 June 2026**

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

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# Parliamentary business

## Education - Oral questions

On Monday 22 June, the Secretary of State for Education, Bridget Phillipson MP (Labour), and ministerial colleagues answered oral questions in the House of Commons.

Bob Blackman MP (Conservative) raised antisemitism on university campuses, arguing that vice-chancellors and principals must ensure Jewish students feel safe. Phillipson said antisemitism has no place on university campuses or in society, and said universities must take strong action, including through disciplinary measures and improved transparency. She also said the Government is investing £7 million across schools, colleges and universities to combat antisemitism, and thanked the Union of Jewish Students for its *Time for Change* report.

Jack Rankin MP (Conservative) then criticised the Government's decision not to include students in the Office for Students free speech complaints scheme, asking whether there would be meaningful sanctions for universities that repeatedly fail to protect Jewish students. Phillipson said students have clear routes of redress and complaint, and said there can be no place for antisemitic hate speech on university campuses. She added that freedom of speech matters in institutions, but antisemitic hate speech is not freedom of speech.

Ian Sollom MP (Liberal Democrat) raised the High Court finding in relation to the Office for Students' decision against the University of Sussex, asking what steps the Secretary of State was taking to restore confidence in the regulator. Phillipson said the Government had reformed the OfS to give it a sharper focus on financial sustainability, and said the new chair was taking that work forward. She said the Government wanted strong regulation of universities that is effective in ensuring institutions uphold their responsibilities while remaining financially viable.

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

## Treasury - Oral questions

On Tuesday 23 June, the Chancellor of the Exchequer, Rachel Reeves MP (Labour), and ministerial colleagues answered oral questions in the House of Commons.

Relevant exchanges covered youth unemployment, graduate employment, student loans, start-up and scale-up investment, and Treasury investment appraisal.

On youth unemployment, Bradley Thomas MP (Conservative) asked what assessment the Treasury had made of the impact of its policies on youth unemployment. Torsten Bell MP (Labour), Parliamentary Secretary to the Treasury, said employment levels were strong by historic and international standards, but acknowledged a structural challenge around young people being out of work and education. He said the Government had committed £2.5 billion over three years to the Youth Guarantee, intended to deliver up to 500,000 opportunities to earn and learn.

Thomas said 42% of employers had cut back on graduate recruitment and that youth unemployment had increased by 25% in Bromsgrove and the Villages over the past two years. Bell said employment had increased by 920,000 since the election, but acknowledged structural challenges around youth unemployment. He said the previous Government had overseen a 250,000 increase in the number of young people not in education, employment or training over its final three years, and a 40% fall in youth apprenticeships. He also said the Government would introduce a £3,000 hiring bonus for firms taking on someone aged 18 to 24 who had been looking for work for six months.

Catherine West MP (Labour) asked about graduate unemployment and called on the Treasury to consider evidence taken by the Treasury Committee from graduates as part of its inquiry into student loans and the taxation of graduates. She asked whether the Government would consider a fairer system which equalises loan plans, so that repayment terms do not depend on the year in which a graduate enrolled at university. Bell said the Government had inherited the current student loan system and had already acted to cap the interest rate on student loans. He said the Treasury looked forward to reading the Committee's report.

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

## **Draft Lifelong Learning (Fee Limits) Regulations 2026**

On Wednesday 24 June, the Seventh Delegated Legislation Committee considered the draft Lifelong Learning (Fee Limits) Regulations 2026.

Introducing the regulations, Josh MacAlister MP, Parliamentary Under-Secretary of State for Education, said the instrument is the first of three pieces of secondary legislation needed to implement the Lifelong Learning Entitlement. The LLE will create a single flexible funding system for levels 4 to 6 across further and higher

education, supporting people to learn, upskill and retrain throughout their working lives.

The regulations establish a new credit-based system for tuition fee limits for higher education courses and modules beginning on or after 1 January 2027. MacAlister said the current annual fee limit system works for traditional full-time degrees, but not for shorter courses or modular study. Under the new approach, tuition fee limits will be apportioned according to the credit size of a course or module. He said this would not change overall fee caps for most students, but would apply fee limits more fairly across full courses and shorter study.

Jack Rankin MP (Conservative), responding for the Opposition, said the Conservatives would support the regulations and backed the principle of flexible lifelong learning. However, he raised concerns about face-to-face teaching time, arguing that new modular courses must provide high-quality teaching, supervision and interaction. He asked how the Department would monitor the impact of the credit-based system on providers and learners, and what support would be available to minimise familiarisation and administrative costs for providers at a time of wider financial pressure in higher education.

Ian Sollom MP (Liberal Democrat) said the Liberal Democrats support the principle of a flexible credit-based system, but could not endorse the instrument. He argued that the LLE relies too heavily on a loan-based model for adults who may already have mortgages, dependants and shorter working lives over which to repay. He cited the Department for Education and Office for Students' short course trial, which planned for more than 100 courses and 2,000 students but saw only 17 courses launch, 125 students enrol and 41 take out a loan. He asked what assessment had been made of the risk that the LLE could repeat this low take-up at scale, and whether grant-based support had been considered.

Sollom also raised procedural concerns that the two remaining instruments on student support and repayments will be subject to the negative procedure, despite covering key issues such as maintenance support, repayment terms and loan aversion. He also asked about the frozen lower fee cap for some foundation years, administrative burdens on smaller and FE-based higher education providers, whether access and participation plans are fit for a modular lifelong learning context, and whether any current students could fall between the existing student support regime and the new LLE designation system.

Damian Hinds MP (Conservative) supported the principle of the LLE, saying it addresses the rigidity of a system that can make higher education feel like a "do it now or do it never" choice. However, he also raised concerns about debt aversion among older learners, the lessons from the short course pilots, potential reluctance

to use part of a fixed lifetime entitlement, and the risk of gaming in a credit-based funding system. He asked how the Government would ensure value for money, comparability and recognition of modules across institutions.

Responding, MacAlister said the credit-based system gives providers flexibility, but recognised the importance of face-to-face teaching and linked this to the Government's intention to connect Teaching Excellence Framework outcomes to future fee increases. He said impact assessments had been published and would be shared with members of the Committee. He acknowledged that the LLE represents a cultural change in how adult learners access shorter or compressed courses, and said a five-year review period was reasonable given that the reforms would take time to bed in. He also said he would write to Sollom on foundation year fees and the rounding convention for per-credit fee calculations.

The Committee approved the regulations without division.

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

# Forthcoming business

## **Reforming university student finance – HoL Oral Question**

On Tuesday 30 June, Lord Hain (Labour) will ask a House of Lords oral question on reforming university student finance.

## **Antisemitism on university campuses – Westminster Hall debate**

On Tuesday 30 June, at 2.30pm, Mark Sewards MP (Labour) will lead a Westminster Hall debate on antisemitism on university campuses.

## **Science, Innovation and Technology – Oral questions**

On Wednesday 1 July, at 11.30am, ministers from the Department for Science, Innovation and Technology will answer oral questions in the House of Commons.

## **The future affordability and quality of higher education – HoL debate**

On Thursday 2 July, Baroness Deech (Crossbench) will lead a House of Lords debate on the future affordability and quality of higher education.

# Written questions and statements

## Department for Education: Students: Loans

**Freddie van Mierlo MP (Henley and Thame) (Lib Dem):** To ask the Secretary of State for Education, what assessment she has made of the potential impact the student loan repayment threshold freeze has had on students and graduates. (7285) (Department for Education)

**Josh MacAlister MP (Whitehaven and Workington) (Lab):** The student loans system inherited by the department, including Plan 2 loans, was devised by the previous government. Students in England starting degrees under this government have different arrangements. As Plan 2 loans are not available for prospective students in England, there is no impact on participation.

The department has regular engagement with HM Treasury on a range of issues including on student loan repayments.

This government increased the Plan 2 repayment threshold in 2025 and increased it again to £29,385 on 6 April, and will remain at this level until April 2030, at which point it will increase annually by inflation. The threshold freezes have been introduced to protect taxpayers and students now, alongside future generations of learners and workers.

The department produced the attached analysis regarding the impact of freezing the repayment and interest thresholds.

Grouped Questions: 7284

[Source](#)

## Department for Education: Jean Monnet Action

**Mike Wood MP (Kingswinford and South Staffordshire) (Con):** To ask the Secretary of State for Education, whether her Department holds information on UK organisations which have applied to participate in the Jean Monnet Actions programme under the new Erasmus+ scheme. (9018) (Department for Education)

**Josh MacAlister MP (Whitehaven and Workington) (Lab):** Jean Monnet Actions are managed directly by the European Education and Culture Executive Agency, Information on actions is published at: <https://erasmus-plus.ec.europa.eu/resources->

[and-tools/statistics-and-factsheets/statistics/for-researchers](#)

The 2027 funding call is expected to open in November 2026.

[Source](#)

## Department for Education: Universities: Strikes

**Lewis Cocking MP (Broxbourne) (Con):** To ask the Secretary of State for Education, what assessment she has made of the impact of marking boycotts on university students. (9178) (Department for Education)

**Josh MacAlister MP (Whitehaven and Workington) (Lab):** Higher education (HE) providers are independent, and as such the government is not involved in negotiations regarding workforce issues. Nevertheless, we recognise the detrimental impact that marking and assessment boycotts can have on students and therefore urge all parties to work together towards a fair, reasonable, and sustainable resolution that minimises disruption.

The government continues to engage regularly with the sector, unions and employer bodies to better understand the issues affecting HE providers.

Grouped Questions: 9177

[Source](#)

## EDM: Safety of university students (423)

That this House expresses concern at the risks to safety facing university students in towns and cities across the United Kingdom; recognises that recent research has suggested that one in three students will be the victim of a crime while at university and that, according to the Office for Students, one in four students experience sexual harassment during their time in further education; further recognises the findings from Universities UK's 'changing the culture report' which calls for university leaders to dedicate appropriate resources to tackling violence against women, harassment and hate crime by implementing an institution-wide approach and by adopting an evidence-based bystander intervention programme.

Sponsors: **Peter Lamb (Primary Sponsor)**

[Source](#)

## Department for Education: Lifelong Education: Disadvantaged

**Mr Gregory Campbell MP (East Londonderry) (DUP):** To ask the Secretary of State for Education, what steps her Department is taking to assist in expanding Life Long Learning, particularly among those post school leavers who are from more disadvantaged backgrounds. (10565) (Department for Education)

**Josh MacAlister MP (Whitehaven and Workington) (Lab):** The department is committed to support the aspiration of every person who meets the requirements to attend university, regardless of their background or where they live.

We are introducing targeted, means-tested maintenance grants of up to £1,000 per year from the 2028/29 academic year, providing vital extra support for students from low-income households and are future proofing maintenance loans by committing to increase them in line with forecast inflation every year.

We are transforming the student finance system by introducing the Lifelong Learning Entitlement for courses that start from January 2027. The LLE will broaden access to high-quality, flexible education and training by providing funding for individual modules as well as full courses at levels 4 to 6. All LLE-funded courses and modules with in-person attendance will be eligible for maintenance loan support.

[Source](#)

## Home Office: Counter-terrorism: Universities

**James Naish MP (Rushcliffe) (Lab):** To ask the Secretary of State for the Home Department, whether the Government plans to publish a national counter-extremism strategy that includes a dedicated focus on radicalisation in higher education settings. (11010) (Home Office)

**Dame Angela Eagle MP (Wallasey) (Lab):** As announced in the *Protecting What Matters* publication on 9 March 2026, the government will publish an annual 'State of Extremism' report which will arm frontline, public sector workers, including those in the education sector, with the information they need to identify and confront extremism in the UK. This will include information on what extremism looks like today in the UK – groups, narratives and ideologies, including Islamist and Extreme Right – as well as the action this government is taking to disrupt these extremist threats. The first iteration of this will be published by the end of 2026.

[Source](#)

## **Government support for Gaza departures – Written Statement**

Statement made by, Yvette Cooper, Secretary of State for Foreign, Commonwealth and Development Affairs.

### **Statement**

Today with the agreement of the Education Secretary, Health Secretary, Home Secretary and Housing Secretary, I am making the following statement:

The humanitarian situation in Gaza remains deeply concerning. The Government is committed to providing practical support to those most affected by the conflict and to contributing to the longer term recovery of Palestinian society.

### **Student departures**

The UK Government has confirmed renewed support for high achieving students from Gaza to take up fully funded scholarships at UK universities for the 2026/27 academic year.

This will build on support already provided by the government in the current academic year, through which we have enabled over 100 students from Gaza to travel to the UK to pursue their studies. The Government will continue to prioritise students who hold fully funded and verifiable scholarships, and who meet the requirements of the Immigration Rules.

This targeted approach ensures that students supported will have the financial means to study and live in the UK. Eligible dependants will be supported in line with the Immigration Rules.

This also includes eligible Chevening scholars, who will be supported to take up their places at UK universities where possible, recognising their leadership potential and the important role they can play in the future of Palestinian society.

The Government will work closely with Devolved Governments, universities, international partners and relevant authorities to facilitate departures and onward travel. However, departures from Gaza remain highly complex and dependent on factors outside the UK Government's control. As such, travel and timelines cannot be guaranteed.

All individuals travelling to the UK under this route will be subject to robust security and immigration checks, including the provision of biometric data prior to travel.

This programme reflects the UK's enduring commitment to education as a driver of opportunity, stability and future leadership, and forms part of broader efforts to support the development of a future Palestinian state.

#### Medical evacuations (MedEvac)

The Government has also confirmed the resumption of UK supported medical evacuations of critically ill and injured children and their immediate families from Gaza, following a pause due to the regional conflict.

In 2025, a cross-Government effort supported the evacuation of 50 children, alongside their immediate family members, to receive specialist treatment in NHS hospitals across the United Kingdom. Building on this, the Government will now facilitate further evacuations for those identified as in need of urgent medical care.

Patients will be identified through established processes, including collaboration with the World Health Organization to match children with specialist care teams within the NHS.

Recognising the severe degradation of healthcare provision in Gaza, this programme enables access to specialist treatment that is not currently available locally. It also reflects the compassion and expertise of the NHS in supporting some of the most vulnerable children affected by the conflict.

Individuals arriving under this scheme will be granted temporary permission to stay in the UK, including access to appropriate healthcare and support. All arrivals will be subject to stringent security screening, including biometric checks, in line with standard requirements to protect the public.

#### Conclusion

Together, these measures demonstrate the Government's continued commitment to providing immediate humanitarian assistance, while supporting the longer-term resilience and recovery of Palestinian society through education and healthcare.

A policy statement setting out more details will shortly be published on Gov.uk. The Government will keep these arrangements under close review in light of ongoing developments.

## Student outcomes in higher education – Written Statement

Statement made by, Josh MacAlister, Parliamentary Under-Secretary of State (Minister for Children and Families).

### Statement

Our higher education sector has a world-leading reputation. The evidence shows that most graduates are significantly better off as a result of undertaking higher education, but we are determined to ensure that everyone can be confident of a good experience and strong outcomes for their investment in higher education.

We came into government with a manifesto commitment to raise teaching standards in higher education. The Post-16 Education and Skills White paper last autumn placed quality at the heart of our vision for the sector.

We acted quickly to support financial sustainability for providers through the tuition fee increase. We are improving support for access and participation, re-introducing maintenance grants and supporting better pathways through the system.

However, there is more work to be done to ensure consistent high quality across the sector. Too many courses are not delivering the outcomes students deserve.

New analysis published today by the Institute for Fiscal Studies (IFS) shows that 25% of students do not see a positive return from their studies, with negative returns concentrated in certain subjects.

I have today written to all higher education providers to outline further reforms to tackle the issues exposed by today's IFS analysis and elsewhere so we can help all students benefit from everything our higher education system has to offer.

We will legislate to limit the growth of some courses that lead to poor earnings returns at some providers, when parliamentary time allows. This will not be a blanket cap on student numbers, but a focused measure to support the sector to prioritise provision where it delivers good value for students and the taxpayer. We will engage a wide range of stakeholders to inform the development of these options.

We also expect providers to include clear information about destinations and outcomes on their own websites so that students can make choices that work for them. We are working with the Office for Students, UCAS and sector partners to make it easier for students to access the information available on Discover Uni, in time for the next cohort of students to consider their options in Spring 2027.

Alongside this, our Pathways to Priority Occupations report, also published today, will support students to make informed choices about their courses. We are exploring how AI can further strengthen the information available to them.

Finally, there must be robust standards to protect students and taxpayers from abuse. We intend to consult in the autumn on new minimum English language requirements for student finance, to provide greater confidence that recipients are able to benefit from their course. We will design this carefully, in collaboration with the higher education sector.

Together, these actions will help ensure that all students can benefit from the opportunities that higher education provides.

# Sector news

## Unite Students/HEPI: 2026 Applicant Index

Unite Students, in partnership with HEPI, has published its 2026 Applicant Index, based on a survey of 2,200 applicants planning to start a full-time degree or degree apprenticeship in 2026–27.

### Working during term time is now part of student life

The fifth annual *Applicant Index* shows 87% of applicants expect to work during term time, while a third (32%) expect to work more than 16 hours a week. For today's students, paid work is increasingly seen as a normal part of university life – alongside studying, building independence and preparing for future careers.

### Most still want the full university experience

The report points to a cohort that still values the full university experience. Most applicants continue to plan to live away from home rather than commute. Independence remains a strong driver too, with applicants continuing to place high value on living independently, building confidence and making decisions for themselves.

### Welcome remains high, but confidence has softened

The findings also show that students still approach university with optimism. Nearly three quarters (74%) expect to feel welcome and 65% expect to feel like they belong. But confidence has softened across several areas that affect whether students can thrive day to day, including wellbeing, learning, resilience and employment.

Despite this softer confidence, applicants remain focused on the wider university experience and what it offers beyond the lecture theatre.

Nearly half (49%) say opportunities to socialise and build connections would improve their experience, highlighting the importance of environments that help students build confidence, independence and a sense of belonging.

### Support matters

The report found that as well as opportunities to socialise, applicants believe access to services such as counselling and occupational therapy (48%) and 24/7 support (46%) improve the university experience.

The findings underline the importance of helping students feel supported from day one.

### **Targeted support for care-experienced and estranged students**

The report highlights that some groups are more likely to need additional support, including care-experienced and estranged applicants, who report higher financial stress, greater loneliness and lower confidence in being welcomed and treated fairly.

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

## **The Higher Education (Freedom of Speech) Act 2023 (Commencement No. 4) Regulations 2026**

The Government has made commencement regulations bringing further provisions of the Higher Education (Freedom of Speech) Act 2023 into force.

From 1 September 2026, the Office for Students' free speech complaints scheme will come into force for higher education staff, non-student members and visiting speakers. The scheme will not apply to complaints from students or complaints relating to students' unions under this commencement phase.

The regulations also bring into force, from 1 April 2027, provisions allowing the OfS to regulate registered higher education providers' freedom of speech duties through mandatory conditions of registration. This is expected to give the OfS powers to take enforcement action where providers fail to comply with their free speech duties.

The instrument follows the Government's April announcement that it would proceed with a more limited implementation of the 2023 Act, including a complaints route for staff, external speakers and non-student members, while excluding students and students' unions from this stage of commencement.

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

## **New deal for young people to end 'degree by default' culture and boost youth apprenticeships**

On 22 June, the Department for Education and Department for Work and Pensions announced a "new deal for young people", intended to shift the education and skills

system away from what ministers describe as a “degree by default” culture and towards stronger apprenticeship and technical routes.

The announcement says ministers will draw up options for legislation to limit the growth of courses with consistently poor returns for students at some providers, with a stronger focus on student outcomes and value for money. The Government also said it will work with the Office for Students, UCAS and sector partners to improve the information available to students on course outcomes and wage returns.

The announcement links this to concerns about poor-quality provision and student loan abuse, particularly in franchised provision. The Government confirmed that franchised providers with 300 or more students will be required to register with the Office for Students or risk losing access to student loan funding.

Alongside the higher education measures, ministers announced a further shift in skills funding towards apprenticeships for young people. The Government said it is making a £3.3 billion investment in apprenticeships this year and aims to deliver 50,000 more apprenticeship starts for young people by 2029, reversing part of the reported 40% decline in apprenticeship starts among 16 to 24-year-olds over the past decade.

The package also includes new foundation apprenticeships for young people in sectors including hospitality and retail, a review by Skills England of funding rates for apprenticeship standards mostly used by young people, and £2,000 payments for small and medium-sized businesses taking on apprentices under 25 from the autumn. The Government said the measures form part of its wider Youth Guarantee and its ambition for two-thirds of young people to participate in higher-level learning, whether through academic, technical or apprenticeship routes.

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

## **Treasury Committee correspondence with Student Loans Company on student loan terms**

The Treasury Committee has published correspondence from Dame Meg Hillier MP (Labour/Co-op), Chair of the Committee, to Chris Larmer, Chief Executive of the Student Loans Company, as part of its inquiry into student loans and the taxation of graduates.

The letter asks the SLC to clarify what information prospective borrowers are given before taking out a student loan. Hillier notes that the SLC’s evidence refers to online “speedbumps” designed to ensure students read information on repayment terms, interest and income-contingent repayments, but says the linked document appears

to be a guide to terms and conditions rather than the full terms and conditions of the loan.

The Committee asks whether applicants are actively provided with the full terms and conditions of their loan, as correct at the time, and where key information is explained. The letter highlights issues including what happens if a provider closes or stops delivering a course, if a loan is issued in error, if a student incorrectly takes out a loan for an ineligible course or institution, if a provider materially changes a course, how many loans an individual is entitled to, and how household income affects entitlement.

The Committee also asks why the statement that “the regulations may change from time to time, which means the terms of your loan may also change” is not presented as one of the application “speedbumps”, given that it could affect the repayment terms students are asked to acknowledge. Hillier also asks what consideration the SLC has given to Lord Denning’s “red hand rule”, the principle that more onerous or unusual terms require greater notice.

The correspondence is relevant to the Committee’s wider focus on whether borrowers properly understand the terms of student loans, the extent to which future governments can change repayment terms, and the transparency of the student finance system.

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

## **Jisc and EAUC launch guide on the environmental impact of AI**

Jisc and the Environmental Association for Universities and Colleges have published new guidance to help universities and colleges understand and respond to the environmental impact of artificial intelligence.

The guidance says AI is becoming increasingly embedded across teaching, research and estates operations, including AI-assisted marking, chatbots and energy management systems. However, it warns that sustainability considerations are often missing from institutional AI policies, and that universities and colleges frequently have limited visibility of the energy use, water consumption and carbon impact of AI tools supplied by global technology providers.

The guidance also highlights the environmental impact of hardware, including material extraction, manufacturing and electronic waste, and says institutions should

consider the full hardware lifecycle when developing AI policy, procurement processes and supplier governance.

It also identifies practical opportunities for AI to support sustainability, including optimising campus energy use, supporting climate research and environmental modelling, extending equipment lifespans through predictive maintenance, automating carbon accounting and using digital simulations to replace energy-intensive physical processes. However, the guidance urges institutions to test vendor claims carefully and focus on proven, targeted uses.

Recommended actions include auditing AI use across the institution, asking suppliers for information on energy use, carbon emissions and water consumption, integrating environmental considerations into AI literacy and training, and including AI's environmental impact in risk registers and operational strategies. Jisc and EAUC also call for sector-wide collaboration to improve transparency from AI providers, share emerging practice and engage with regulation and standards on digital sustainability.

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

## **New estimates of the impact of undergraduate degrees on lifetime earnings – IFS report**

The Institute for Fiscal Studies has published new Department for Education-commissioned research on the impact of undergraduate degrees on lifetime earnings.

The report finds that, on average, graduates can expect to be around £100,000 better off over their working lives as a result of going to university, after accounting for taxes and student loan repayments. It estimates that people who took their GCSEs in 2002 and went to university will earn around 40% more over their lifetimes, or £320,000 in today's prices, than similar non-graduates for whom university was a realistic option. After adjusting for differences in background characteristics and prior attainment, IFS estimates that the earnings gain attributable to attending university is around 20%, or £180,000.

The report also considers how the benefits of higher graduate earnings are split between individuals and the Exchequer. Under current tax and student loan policies, IFS estimates that 43% of the total return would accrue to the Exchequer, through higher tax revenues and student loan repayments, net of spending on teaching grants and loan write-offs. From the Exchequer's perspective, around six in ten degrees are expected to pay for themselves in the long run, while four in ten are expected to result in a loss to government.

However, the report highlights significant variation in estimated financial returns. IFS estimates that around a quarter of graduates can expect to be financially worse off over their lifetime as a result of attending university, rising to around four in ten among male graduates with lower prior attainment. One in ten graduate men could be more than £90,000 worse off than they would have been had they not gone to university.

Returns also vary substantially by subject. Medicine and economics are estimated to deliver the highest lifetime returns for both individuals and the Exchequer, with average graduates in these subjects expected to have lifetime take-home pay more than £400,000 higher than if they had not attended university. By contrast, some subjects, including creative arts and philosophy, are estimated to have low or negative average financial returns. Performing arts graduates are estimated to be around £60,000 worse off on average in lifetime financial terms.

For students with lower GCSE grades, estimated returns are lower but remain positive on average. IFS estimates that students who continued in education post-16 but had relatively low GCSE attainment can expect lifetime take-home pay around £53,000 higher than similar peers who did not attend university.

The report also finds that the overall boost to pre-tax earnings appears broadly stable across the 12 cohorts who took their GCSEs between 2002 and 2013, suggesting that evidence from earlier cohorts remains relevant to current debates about the financial value of higher education. However, the authors note that future returns are uncertain, particularly given potential changes to the graduate labour market from AI and other economic shifts.

### **Universities UK responds to new IFS report on graduate lifetime earnings**

Responding to the findings of new IFS research, commissioned by the Department for Education, Vivienne Stern MBE, Chief Executive of Universities UK said:

“The evidence is clear that a university degree still pays off in a big way for the large majority of people – and that the Treasury makes a strong return on investing in students. The graduate premium is holding up, despite growth in the minimum wage and the generally poor performance of the economy which has held back wage growth.

“While not all graduates benefit financially to the same extent, it is worth pointing out that some of those graduates who earn lower salaries contribute a lot to society, including those who become artists and performers, whose choice may not have been motivated by money. We should recognise that these subjects also feed the creative industries which are a huge economic driver for the UK. And as a humanities

graduate myself my bet is that, in an age of AI, we'll value the understanding of how human beings think and act more, not less, in the future.

“That said, clearly, it's vital that graduates are well equipped to get great jobs, and that's why this Spring we've been running a series of 'Future Jobs' roundtables, listening to employers the length and breadth of the country to understand how universities can go further to help graduates get onto the career ladder. We'll be bringing forward a bold set of proposals on the practical actions universities, employers and the government can take in the near future.”

[You can read the full report](#)

