

Political Affairs Digest

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29 April – 3 May 2024

A regular digest of House of Commons, House of Lords, and higher education



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Parliamentary business

DfE oral questions

On Monday 29 April, the Secretary of State for Education, Rt Hon Gillian Keegan MP, and her ministerial team, answered oral questions in the House of Commons.

Chris Clarkson MP (Conservative) highlighted a recent meeting he held with representatives from the education and industry sector to discuss how they could leverage private sector resources to support the further education sector. The Minister for Skills, Apprenticeships, and Higher Education, Luke Hall MP, noted the 'exciting' discussions, including the lecturer reserve pilot which he hoped to visit when it was operating.

Yasmin Qureshi MP (Labour) raised the fall in nursing applications in 2024 and shared warnings from the Royal College of Nursing. She said the government's new tuition fee system meant public sector workers were being 'penalised.' In his reply, the Minister said the system was 'progressive' with earnings correlated to repayments. The new system was described as fairer for students and taxpayers.

The Shadow Minister for Higher Education, Matt Western MP, said the government were in real danger of 'disenfranchising' young people from fulfilling their job ambitions due to changes in the tuition fee system. He probed whether the new system was 'fair.' In his reply, the Minister said the 2023 cycle showed a 'rebalancing' of normal growth following the pandemic. He also highlighted that nursing degree apprenticeships were positively impacting the system. The Minister added that the new tuition fee system would result in 'more people being able to access a high-quality education.'

During topical questions, Dave Doogan MP (SNP) asked if the government would match the intervention in Scotland to support students with their maintenance at university in England. The Minister said the government were delivering a system that was fair to students and taxpayers. He referenced the freezing of tuition fees and the support available to students from low-income households.

Richard Foord MP (Liberal Democrat) raised the Times report that some Tory MPs wanted to scrap the Graduate Route. He asked the Minister to ask the Home Secretary to stop the 'damaging rumour' and cited Universities UK figures that the UK is boosted by £42 billion through international students.



In his reply, the Minister said the UK is home to top universities that benefit from strong international ties. He noted the significant cultural and economic contributions and said it was right that the integrity of higher education system was protected. He added that the right balance could be achieved between a fair and robust migration policy while protecting the UK's position as a top destination for higher education.

You can <u>read a transcript</u> and <u>watch the session</u>.

Protecting sensitive research at universities from national security threats HoL oral question

On Tuesday 30 April, Lord Young of Cookham (Conservative) asked the government what measures they were taking 'to protect sensitive research at universities from national security threats.'

In his opening remarks, Lord Young suggested that universities were becoming over reliant on China and warned of the risks of 'infiltration of academic research'. He asked what steps the government were taking to replace lost Chinese funding in universities. The Minister for Al and Intellectual Property, Viscount Camrose, noted the 'great many concerns' identified in the integrated review refresh but reassured the member that reassociation to Horizon Europe would 'go some way towards providing a new pool of collaboration partners in academic research.'

Lord Reid of Cardowan (Labour) raised the risk of dual-research research. He asked how the Department for Science Innovation and Technology (DSIT) distinguished between research used for 'benevolent' or 'malign' reasons. The Minister described the Research Collaboration Advice Team (RCAT) as 'the most powerful tool at our disposal' in determining the use of research and advising accordingly.

Baroness Smith of Newnham (Liberal Democrat) highlighted other state actors, such as Iran, who may be pose a risk due to researchers and students coming to the UK. She asked how universities could be expected to vet individuals. The Minister clarified that 'the non-legislative and legislative elements of the entire approach to this are about being actor agnostic, and simply looking at the cases as they arise.'

Viscount Stansgate (Labour) warned that for certain areas, such as biosecurity, voluntary schemes 'may not be enough'. He probed whether there was a case for mandatory surveillance over certain activity such as accessing material. The Minster said he recognised the limits of voluntary schemes and reassured the member that research contracted for purposes of defence would be subject to vetting.



Baroness Goldie (Conservative) probed whether there were plans for a UK security portal to ensure all universities had access to immediate advice and information on security. She noted that the Russell Group and Universities UK did not represent all universities. The Minister agreed that the government must consider the needs of all universities and confirmed there would be a consultation over the summer.

Lord Alton of Liverpool (Crossbench) raised overreliance on 'money flowing in from China'. He also asked the Minister to comment on the media reports that Professor



Lord Johnson of Marylebone (Conservative) asked what impact 'slashing' the Graduate Route would have on arts and humanities provision as well as the levelling-up agenda. He referenced Middlesborough and Darlington and said every intake of international students at Teesside University contributed £240 million to the local economy. The Minister said the government remained 'absolutely committed' to the International Education Strategy and said she recognised the contribution that international students brought.

Lord Storey (Liberal Democrat) raised the importance of the arts and humanities to the UK's cultural and creative industries as well as soft power. He noted that 15 universities were already making job cuts across these departments and 35 were considering it. He highlighted that there was a problem with university funding and in the pipeline of students from schools.

Lord Blunkett (Labour) suggested that it would be 'crazy' to restrict international student recruitment to particular universities or to certain courses as it would create a paradox whereby it would be accepted these courses were satisfactory for domestic students but not international students. The Minister said she was 'not aware that this was a plan that had currently been proposed'. She explained that the government's concerns over quality was targeted at courses rather than broad subject areas.

Baroness Wilcox of Newport, Shadow Spokesperson for Education, asked when the government's Cultural Education Plan would be published. The Minister said she was unable to confirm a precise timeline of the plan.

Lord Aberdare (Crossbench) highlighted the many doors that were opened through the study of Classics. He asked what steps the government were taking to promote the teaching of classical subjects at universities. The Minister clarified that it was not the role of government to instruct universities what subjects it should teach.

You can read a transcript and watch the session.



Forthcoming business

Economic Activity of Public Bodies (Overseas Matters) Bill Committee Stage Day 3

On the afternoon of



Written Questions

Terrorism: Higher Education

Derek Thomas MP (Conservative): To ask the Secretary of State for Education, what steps she is taking with the Secretary of State for the Home Department to help prevent people (a) promoting, (b) encouraging and (c) glorifying terrorism at universities. [UIN 23258]

Luke Hall MP (Conservative):





Andrew Stephenson MP (Conservative): We are on track to meeting the NHS Long Term Workforce Plan's aim to double the number of medical school places in England, from 7,500 to 15,000 places a year by 2031/32. We have accelerated this expansion by allocating 205 additional medical school places for the 2024/25 academic year, and have provisionally allocated a further 350 additional places for the 2025/26 academic year. Final allocations will be published shortly. This will build on the expansion of medical school places in England to 7,500 per year, a 25% increase, that the Government completed in 2020, and which delivered five new medical schools.

Overseas Students

Baroness Jones of Whitchurch (Labour): To ask His Majesty's Government what assessment they have made of the potential impact of the estimated 33 per cent fall in overseas students on the financial viability of UK universities. [UIN HL3891]

Baroness Barran (Conservative): The government seeks to ensure that there is a fair and robust migration policy, whilst maintaining the UK's place as a top destination for the best and brightest students from around the world. The department remains committed to the ambitions set out in the government's International Education Strategy to host 600,000 international students per year and to increase the value of its education exports to £35 billion per year, both by 2030.

The department expects the UK to remain a highly attractive study destination. The UK has four universities in the top ten, and 17 in the top 100. The UK has a highly sought after higher education (HE) experience, which is respected by students across the globe. The department is hugely proud to have met its international student recruitment ambition two years running.

However, the level of legal migration remains too high. As a result, on 4 December 2023, the government announced a new package of measures to reduce net migration and curb abuse and exploitation of the country's immigration system.

Our universities are autonomous institutions responsible for managing their own budgets. The department works closely with the Office for Students, the independent regulator of the HE sector in England, to understand the evolving landscape including on risks relating to international students.



financing, following research by the Institute for Fiscal Studies which showed that higher interest rates will add more than £10 billion per year to the cost of England's student loan system. [UIN HL4035; Grouped Question HL4036]

Baroness Barran (Conservative): Student loans are valued in the department's annual accounts in line with the International Financial Reporting Standard 9 and set out in The Government Financial Reporting Manual which is attached.

Under which where future cash flows are discounted to measure the fair value of a financial asset, this should be done using the higher of the rate intrinsic to the financial instrument or the HMT discount rate. HMT set the discount rate annually based on a 10 year rolling average of gilt yields. For student loans the intrinsic rate would be the discount rate that gave a Resource Accounting Budget (RAB) or stock charge of 0%, so the HMT discount rate is used provided the RAB charge is greater than 0%. Should the HMT discount rate result in a RAB charge calculation giving a negative value then the intrinsic rate is used instead, meaning that that RAB charge will take a value of 0%.

The most recent forecasts for the student finance system can be found here: https://explore-education-statistics.service.gov.uk/find-statistics/student-loan-forecasts-for-england/2022-23.

The net present value of future repayments was calculated by discounting all future repayments at a rate of RPI -1.3% per year until the end of financial year 2029/30, and -0.2% per year from financial year 2030/31, to the same point in time as the loan outlay or loan balance. This is the discount rate for financial instruments set by HMT in 2022 and is intended to reflect of the cost of government borrowing. The most recent student loan forecasts using the 2023 discount rate set by HMT will be published at the end of June 2024.

The department has carefully assessed the impact of changes and published a full and comprehensive analysis in the Higher Education Reform and Consultation Document Equality Impact Assessment, which is attached.

The student loan repayment system under Plan 5 is progressive, with repayments being positively correlated with lifetime earnings. The highest earners make the largest individual contributions to the system overall, and the lowest earners are required to contribute the least.

Lower earners, whether male or female, are protected. If a borrower's income is below the repayment threshold, they will not be required to make any repayments at all. At the end of the loan term, any outstanding loan debt, including interest accrued,



will be written off at no detriment to the borrower. No commercial loans offer this level of protection.

The department will continue to keep the student finance system, including repayment terms, under review to ensure that it remains sustainable and delivers value for money for students and the taxpayer.

Immigration: Overseas Students

Lord Johnson of Marylebone (Conservative):





taught courses that can be completed in less than 12 months, and whether that proportion has increased following the COVID-19 pandemic. [UIN HL3759; Grouped Question: HL3760]

Lord Sharpe of Epsom (Conservative):



on outcomes and support government decision-making to improve services and ensure equality of opportunity for all irrespective of background or circumstances.

While individual identifiers are retained by the department for matching purposes, at all times the department will minimise the processing of, and access to, instant or meaningful identifiers. Access to named data within the department is restricted to a



student premium and mental health funding available for the 2023/24 academic year to support successful outcomes for students including disadvantaged students.

The department has also made a further £10 million of one-off support available to support student mental health and hardship funding for 2023/24. This funding will complement the help universities are providing through their own bursary, scholarship and hardship support schemes. For this financial year, 2024/25, the department has increased the Student Premium (full-time, part-time, and disabled premium) by £5 million to reflect high demand for hardship support. Further details of this allocation for the academic year 2024/25 will be announced by the Office for Students (OfS) in the summer.

Overall, support to households to help with the high cost of living is worth £108 billion over 2022/23 to 2024/25, an average of £3,800 per UK household. The government believes this will have eased the pressure on family budgets and so will in turn enable many families to provide additional support to their children in HE to help them meet increased living costs.

English domiciled 18 year olds from the most disadvantaged areas are now 74% more likely to enter HE than they were in 2010, and the department is working to close the disadvantage gap with our access and participation reforms.

The department has tasked the OfS to include support for disadvantaged students before entry to HE in new access and participation plans. Providers should be working meaningfully with schools to ensure that pupils from disadvantaged backgrounds are encouraged and supported to achieve the highest possible grades and follow the path that is best for them, whether that be an apprenticeship or higher technical qualification, or a course at another university.

Business: Training

David Evennett MP (Conservative): To ask the Secretary of State for Education, what steps her Department are taking to encourage businesses to invest in skills training. [UIN 23142]

Luke Hall MP (Conservative): This government e.ablm2 Tr 0.34286 w0 g0 G[()] TJETQq0.000008871 0 59





to Skills Bootcamps, A levels to Multiply. The website provides an overview of each option along with information about writing job applications and CVs.

Across all areas of England, employer-led Local Skills Improvement Plans (LSIPs) have helped engage thousands of local businesses and have brought them together with



Luke





and other governmental departments to assess the impact of these changes on HE providers.

Universities are autonomous institutions responsible for managing their own budgets. The department also works closely with the OfS to understand the evolving landscape, including on risks relating to international students.

Students: Finance

Baroness Taylor of Bolton (Labour): To ask His Majesty's Government when they expect to publish an update to the calculation of the resource accounting and budgeting charge for student finance; and whether they propose to make any changes to the basis for calculation used at the time it was last updated. [UIN HL3915]

Baroness Barran (Conservative): In the 2022/23 financial year, the Resource Accounting and Budgeting (RAB) charge was £5.5 billion, or 27% of the £20.0 billion of loans issued that financial year. The RAB charge for 2023/24 will be published in the department's 2023/24 Annual Report and Accounts this summer.

Of student loans issued in the 2023/24 financial year, the government is expected to subsidise:

- 28% of full-time Plan 2 Loans.
- 23% of part-time Plan 2 Loans.
- 48% of Plan 2 Advanced Learner Loans.
- 27% of full-time Plan 5 Loans.
- 19% of part-time Plan 5 Loans.
- 37% of Plan 5 Advanced Learner Loans.
- 0% of Master's Loans.

These forecasts are subject to change. The final RAB forecasts for 2023/24 will be available as part of the annual student finance statistical publication, released in June 2024.



The RAB charge, the government subsidy anticipated on student loans issued in any particular financial year, is calculated as the present value of student loan outlay less expected future repayments, in accordance with relevant International Financial Reporting Standards and guidance from HMT's Government Financial Reporting Manual (FReM).

The FReM requires future repayments of student loans to be discounted at the higher of the intrinsic rate and HMT's discount rate, based on analysis of real yields on UK index linked Gilts and are specifically appropriate to central government.

The FReM is kept under constant review. It is updated to reflect developments in relevant standards and best practice.

Universities: Innovation and Research

Baroness Jones of Whitchurch (Labour): To ask His Majesty's Government what assessment they have made of the potential impact on university research and innovation of the reduction in applications from overseas postgraduate students. [UIN HL3892]

Viscount Camrose (Conservative): We are committed to ensuring the UK and our world-leading universities remain competitive and attractive to the brightest and the best and that UK students have chances to excel at postgraduate study.

Postgraduate courses in the UK attract healthy levels of interest from domestic and overseas graduates.

We will monitor this closely to ensure the UK continues to attract and retain the best research talent.



Sector News

Government to launch new consultation to protect UK universities from security threats Cabinet Office and DSIT press release

On Friday 26 April, the Cabinet Office and Department for Science, Innovation and Technology (DSIT) published a press release on the Deputy Prime Minister's, Rt Hon Oliver Dowden MP, intention to launch a consultation on measures to protect UK universities from national security threats posed by foreign states.

Deputy Prime Minister, Rt Hon Oliver Dowden MP, said:

For a millennium, our universities have thrived on being open. Open to ideas, open to innovation, open to being independent of Government. This is not about erecting fences, this is about balancing evolving threats and protecting the integrity and security of our great institutions.

Vivienne Stern, Chief Executive, Universities UK, said:

For several years, Universities UK has worked with Government to ensure that universities are supported and equipped to recognise and mitigate risks to national security. This is important and necessary, and we welcome the Government's approach to working hand in hand with us to get the mechanisms right. This consultation is an important next step, and we will gather views from all 142 universities in our membership to help Government develop the right approach, which allows us to balance the need to remain open to collaboration with the need to protect national and university interests.

You can read the full press release.

A Conservative economy: Building a fairer and more productive nation Onward report

On Monday 29 April, Onward published a report, co-authored by Gavin Rice and Nick Timothy, making the case for an active industrial strategy to rebuild Britain's manufacturing base, boost exports and make it less reliant on overseas ownership of its core strategic assets.



It recommends:

Offering tax breaks for parents raising children with a new tax allowance for families.

Replacing residential planning rules in inner London, Birmingham, Manchester,



The UK also has one of the least diverse higher education systems in terms of institutional type of any of the richer countries in the world.

The level of public investment in the higher education system in England (excluded publicly funded student loans) is also the lowest in the OECD.

England, Wales, and Northern Ireland continue to base admissions to higher education for most undergraduate students on qualifications obtained after application to universities and offers of places are made.

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

UK maintains position behind Australia and Canada for firstchoice study destination, while the US improves IDP Connect report

On Tuesday 30 April, IDP Connect published research revealing a sharp increase in the popularity of the US 2 12 Tf/g8o[(po1m6)-3(12 Tfclystems)-3e sf the 509o 1 3472(application n8-6(of)itie



TEF 2023 analysis QAA report

On Wednesday 1 May, the Quality Assurance Agency for Higher Education (QAA) published a report on the Teaching Excellence Framework (TEF) 2023. It presents a comprehensive qualitative analysis of provider submissions and panel statements, broken down by features of excellence.

The report is designed to demonstrate the extent of work happening within the sector, extracting key themes and areas of learning from what has been recognised as outstanding practice, to support the sector in preparing for the next iteration of the TEF and also the broader enhancement of their provision.

Helena Vine, Lead Policy Officer (England) at QAA, said: 'The TEF submissions provide endless examples of innovative and imaginative practice to dig into and, coupled with the TEF panel statements, enabled us to analyse trends in sector practice and the factors that secured ratings of outstanding quality in the exercise.'

You can read the full report.

Statement on support for mid-career researchers N8 Research Partnership

On Wednesday 1 May, the N8 Research Partnership, the collective body for the North's eight research intensive universities, published a statement setting out its collective commitment to advancing the culture and environment for established (mid-career) researchers.

The statement, the first of its type from a UK academic consortium, was developed as a response to findings from a workshop held in March 2023. The N8 had previously identified established researchers as the 'forgotten middle' and part of the research and innovation ecosystem where working together we could create more positive change than we could working independently. The statement acts as a collective commitment from the N8 to improve the ecosystem for established researchers.

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

England student maintenance and cost of living polling HEPI

On Thursday 2 May, the Higher Education Policy Institute (HEP) published polling revealing student attitudes to maintenance support and the cost-of-living crisis.



- 4. Support the full diversity of higher education providers to develop new educational pathways.
- 5. Recognise the successful work universities are already delivering in their