



All-Party Parliamentary University Group

Weekly update

02 – 06 June 2025

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

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Click on the items in the table of contents to go straight to debates, answers, forthcoming business, etc.



Contents

Parliamentary business	4
Employment Rights Bill – HoL Committee Stage Day 6	4
UK Research and Innovation – HoC Public Accounts Committee oral evidence	5
Forthcoming business	7
Innovation showcase, Innovation, growth and the regions - Science and Technology Committee oral evidence session	7
Spending Review 2025	7
Written questions and statements	8
Apprenticeships and Skills Training – Statement	8
Student Numbers: Higher Education	12
Overseas Students: Visas	12
Antisemitism: Universities	12
Universities: EU Nationals	13
Universities: EU Nationals	13
Department for Education: Overseas Students	14
UK Research and Innovation: Expenditure	14
EDM: Impact of research and development tax credit policy on UK innovation and SMEs (1373)	15
Sector news	16
The financial impact of government policy decisions on universities – UUK Analysis	16
Bridging the Gap: Employee Experience in Higher Education – People Insight & UCEA Report	17
Bold reform needed to transform universities facing critical financial pressures – UUK report	17
Letter from Secretary of State on Higher Education to the joint chief executives of Skills England	21
Building opportunity for all – a Russell Group report	23
£6m Investment to Strengthen Academic Influence on UK Public Policy	24
Graduate labour market statistics	25

UKRI Launches First National Register of University Spin-Outs

26

Parliamentary business

Employment Rights Bill – HoL Committee Stage Day 6

On Tuesday 3 June, the Employment Rights Bill was debated at committee stage in the Lords. In response to concerns raised with us by universities, UUK worked with Baroness Warwick of Undercliffe to table Amendment 143B.

This amendment relates to the potential impact of Clause 30 in the Bill on higher education providers across the UK. She expressed universities' support for fair employment practices but highlighted concerns that Clause 30 could impose significant costs and operational challenges, particularly as universities may be considered "contracting authorities" under this clause. She also raised questions about how this applies to pensions and the implications for shared services across the UK's nations.

Lord Watson of Invergowrie supported Baroness Warwick, noting the growing concern among universities, including Universities UK, whose letters to the Government had gone unanswered. He stressed the need to clarify whether universities are considered contracting authorities and how different rules across the UK might create complexity for universities like the Open University that operate across multiple nations.

Lord Sharpe of Epsom acknowledged the unique position of universities, supporting the idea that higher education providers should be excluded from the scope of Clause 30 to avoid imposing unnecessary burdens and to respect universities' autonomy.

Baroness Jones of Whitchurch stressed that while there should be fairness for outsourced workers, it was essential to consult stakeholders and ensure any requirements did not impose disproportionate burdens on universities. She said it was premature to exclude universities entirely at this stage but assured that flexibility would be built into the code, and further consultation would take place to avoid undue burdens on the sector.

In conclusion, Baroness Warwick thanked her colleagues for their support and urged the Government to meet with the higher education sector to discuss these concerns further, especially around the impact on shared services and competitive advantage. She withdrew her amendment while noting that further engagement and written clarification would be vital. UUK will be looking out for the Minister's further response in order to understand where this leaves our members, before deciding on any further action.

UK Research and Innovation – HoC Public Accounts Committee oral evidence

On Thursday 5 June, the HoC Public Accounts Committee heard oral evidence as part of their inquiry into “UK Research and Innovation”.

Witnesses included:

- Sir David Grant CBE (Lead, Independent Review of UK Research and Innovation 2022)
- Professor Paul Boyle CBE (Universities UK Board Member and Vice Chancellor, Swansea University)
- Professor Dame Ottoline Leyser DBE FRS (Chief Executive, UK Research and Innovation (UKRI))
- Sarah Munby (Permanent Secretary)
- Alexandra Jones (Director General, Science, Innovation and Growth, Department of Science, Innovation and Technology)
- Siobhan Peters (Chief Finance Officer, UKRI)

Chair Sir Geoffrey Clifton-Brown MP asked about the importance of UKRI. Sir David Grant replied that UKRI was vital for underpinning science, society, and culture in the UK. He noted that the UK research base was one of the best globally, significantly benefiting industry and healthcare systems. Professor Boyle agreed, highlighting UKRI's role in supporting economic growth, providing strategic leadership, and driving commercialisation.

On universities' financial pressures, Professor Boyle revealed that Universities UK surveys indicated significant financial challenges, with 20% of universities already reducing R&D investment, 80% considering cuts within three years, and reductions in early-career research investments. This was partly due to decreased cross-subsidisation from international student fees, posing risks to UK research and development capacity.

Responding to questions about improving commercialisation, Professor Boyle noted that while the UK was effective at initiating spin-outs, scaling them was more challenging, with a need for better engagement from investors and venture capital. He cited initiatives like Northern Gritstone and Midland Mind Forge, which aimed to bring together clusters of universities to attract larger investments.

Sir David emphasised the UK's strengths in interdisciplinary research, peer review, and wide academic-industry engagement. He acknowledged, however, that other nations were more narrowly focused, which sometimes gave them a competitive advantage. Both he and Professor Boyle supported maintaining a balance between discovery-led and applied research, highlighting UKRI's role as an arms-length body.

Addressing bureaucracy, Sir David stated UKRI initially faced significant internal communication and IT integration challenges but improvements had recently been made. Professor Boyle acknowledged positive steps toward reducing bureaucracy but said more was needed.

On risk-taking, Professor Boyle recommended UKRI foster a culture accepting both high-risk, high-reward and low-risk, high-reward projects without excessive criticism for unsuccessful outcomes. He called for greater autonomy in funding decisions while retaining expert peer review.

Professor Leyser highlighted UKRI's role in connecting research with business and government priorities, notably through programmes like the Investor Partnership Programme. She noted the necessity of strategic investment and collaboration across regions and disciplines.

On the subject of scaling up businesses, Professor Leyser explained UKRI's improved early-stage support but emphasised more work was needed to attract scale-up funding, particularly from investors. She also noted that some university spin-outs emerged too early, highlighting UKRI's efforts like the proof-of-concept funding to improve investment readiness.

Finally, on the university funding gap, Sarah Munby from DSIT confirmed that the department was monitoring the issue closely and considering all options to address sustainability concerns in universities.

The session concluded with recognition of the challenges and opportunities in ensuring universities and UKRI continue to effectively support the UK's science, innovation, and economic growth.

You can [watch the session](#) here.

Forthcoming business

Innovation showcase, Innovation, growth and the regions - Science and Technology Committee oral evidence session

On Tuesday 10 June, the HoC Science and Technology Committee will hear oral evidence as part of their inquiry into “Innovation showcase, Innovation, growth and the regions”.

Witnesses include:

- Luke Savage (Chief Technology Officer and Co-founder at Tribol Braking
- Professor Dame Jessica Corner (Executive Chair, Research England at UK Research and Innovation (UKRI))
- Dean Cook (Executive Director, Place and Global, Innovate UK at UK Research and Innovation (UKRI))
- The Lord Vallance of Balham KCB (Minister for Science at Department for Science, Innovation and Technology)
- Holly Yates (Director for Science, Research and Innovation at Department for Science, Innovation and Technology)
- Oliver St John (Deputy Director of Innovation Ecosystem at Department for Science, Innovation and Technology)

You can [watch the session](#).

Spending Review 2025

Chancellor Rachel Reeves will announce the final budgets for departments in the Spending Review (CSR) 2025 at or after 12.30 pm; with the Industrial Strategy expected to follow on after the CSR.

Written questions and statements

Apprenticeships and Skills Training – Statement

The Rt Hon Bridget Phillipson, Secretary of State for Education and Minister for Women and Equalities (HCWS672):

We have announced radical reforms to the skills system to support 120,000 new training opportunities this Parliament. We are continuing to invest in programmes designed to boost the workforce in key growth sectors and making changes to support opportunity for young people. Skills are an engine of economic growth, improving productivity and giving people the opportunity to thrive in work and life. To deliver on our Plan for Change, we need a skills system that is geared to deliver the skills we need, focussed on economic priorities and supporting opportunity for learners.

Creating more opportunities for young people with the Growth and Skills Levy

Last year, the Prime Minister announced a new growth and skills levy, which is now backed by its largest ever budget of over £3 billion. This will provide greater flexibility to employers and learners and widen the apprenticeship offer, helping more people gain the skills they need, fuelling business innovation, and providing high quality pathways for young people.

The rate of young people's apprenticeship starts have fallen more dramatically than the overall decline over the last decade. We want to rebalance the programme back towards young people beginning their careers. As a first step, we are introducing new foundation apprenticeships, which are an employment-based training offer that give young people a route into careers in critical sectors, enabling them to earn a wage while developing vital skills.

The first foundation apprenticeships will be available from August 2025. They will be focussed on industrial strategy priority areas including Construction and the Built Environment, Engineering and Manufacturing, Health and Social Care, and Digital. They will be underpinned by an employer incentive payment to contribute to the extra costs of supporting someone at the beginning of their career, such as through coaching and mentoring. We will continue exploring how to make foundation apprenticeships work in other sectors like hospitality and retail too. We expect this to drive up to 30,000 apprenticeship starts across this Parliament.

This reform will be complemented by changes to the wider apprenticeships offer that we have already set out, such as shorter duration apprenticeships and more flexible English and maths requirements.

Creating more opportunities for young people at the start of their working lives means we need to prioritise public funding towards them, rather than those already in work with more prior learning and qualifications. That's why we announced our intention to move funding away from level 7 (masters-level) apprenticeships, to support a more flexible offer at lower levels.

I am now confirming that we will proceed with this reform. We will continue to fund level 7 for those aged 16-21 (when they start their apprenticeship) and support apprentices already on a level 7 apprenticeship through to completion. This change will apply from January 2026 across all sectors.

Skills England was asked to provide insight into the impact of defunding level 7 apprenticeships. They engaged with over 700 stakeholders from various sectors, employer representative bodies, and young people, which indicated that, in general, level 7 apprenticeships were high quality and were well supported by employers. Many learners who completed these apprenticeships saw higher wages one year after study, compared with the average UK salary. It was also clear that these apprenticeships are important for meeting the skills needs of the economy. However, alternative routes are well supplied and Skills England's evidence suggested there was unlikely to be a significant or unavoidable fall in the supply of these skills in the long term, post-defunding. Therefore, we will be encouraging employers to invest in upskilling their staff to this level, to enable levy funding to be re-balanced towards training at lower levels.

Skills England did not find a strong enough economic rationale to exempt a small group of level 7 apprenticeship standards from defunding. While level 7 apprenticeships can be a valuable route for some disadvantaged learners, a significant proportion are from non-deprived backgrounds and are significantly less likely to be deprived than apprentices at lower levels. Level 7 generally has a higher proportion of older learners than other apprenticeships, particularly the senior leader apprenticeship (where 99% are over 25) and standards with an embedded postgraduate qualification.

However, there are several exceptions which benefit young people at the start of their careers, like solicitors and accountancy or taxation professionals. This is why we have decided that younger learners, from all backgrounds, will continue to be funded under our reforms. Level 7 apprenticeships are a valuable entry point for young people into good careers, such as law, accountancy and town planning; we have seen thousands take advantage of these opportunities and this will continue under our new approach.

This decision was informed by a wide range of evidence, including Skills England's analysis of official apprenticeship statistics and engagement with a wide range of stakeholders. We also considered wider data and representations and weighed this up against the government's clear priorities.

This decision to prioritise young people is a crucial step in delivering the Government's Plan for Change and achieving its missions of driving growth and breaking down barriers to opportunity. We are prioritising funding towards young people and creating more opportunities for those entering the labour market, who need skills and training to get on in their careers, and powering growth across the country by providing the skills businesses need.

Expanding skills funding via the Immigration Skills Charge

We are also expanding funding in the wider skills system to support growth and opportunity. In the Immigration White Paper published on Monday 12 May, the Government confirmed a 32% increase in the rate of the Immigration Skills Charge, which will be used at the oncoming Spending Review to support skills funding for priority sectors to upskill the domestic workforce and reduce reliance on migration over the medium term. The increase in the Immigration Skills Charge could help deliver up to 45,000 training places across this Parliament.

Boosting investment in skills for growth

We are also increasing investment in construction skills, building on more than £600 million announced by the Chancellor in March. We are boosting job prospects for adults interested in jobs in the sector, expanding training in priority sectors via Skills Bootcamps and Free Courses for Jobs:

- The Department will devolve around £14 million of additional adult skills funding for the construction sector to local mayors for next academic year, giving them the freedom to make the right choices for their areas. We expect this to deliver up to 5,000 additional adult learners on training courses.
- For non-devolved areas, 13 new construction courses at Level 2 will be added to the Free Courses for Jobs offer available for adults so more people can upskill, improve their job prospects and earn a higher wage.
- The Government is confirming £136 million for providing Skills Bootcamps across a range of priority sectors in 2025-26 (<https://www.gov.uk/government/publications/skills-bootcamps-funding-allocations/skills-bootcamps-funding-allocations-2025-to-2026>(opens in a new tab)) providing training to over 40,000 learners. This is on top of £100 million over the next four years to expand Skills Bootcamps in Construction, as announced at Spring Statement.

The Government is also launching Technical Excellence Colleges (TECs) specialising in construction skills. Colleges will be able to apply to become Construction TECs and the application process will open this term for ten, to launch in September 2025. These colleges will be leaders in delivering specialist skills, directly training learners and supporting other providers of construction skills across their regions – ensuring local people can benefit from this investment. They will serve as leaders in world class skills training, combining excellent teaching standards with close working with industry experts.

Formal establishment of Skills England

These reforms will be driven forward by Skills England, which today becomes an Executive Agency of the Department for Education. Skills England will build our nation's world-class skills, enabling growth and opportunity by:

- Understanding the nation's future skills needs and improving our skills offer
- Simplifying access to skills to boost economic growth
- Mobilising employers and other partners, co-creating solutions to meet national, regional and local skills needs

To do this, Skills England will combine new functions with some of those previously undertaken by the Institute for Apprenticeships and Technical Education (IfATE). On 15 May 2025, the Institute for Apprenticeships and Technical Education (Transfer of Functions etc) Act received Royal Assent. This provided functions and assets to the Secretary of State that were previously held by IfATE, which has now been formally closed. These functions will broadly be exercised by Skills England and, combined with its broader work in the skills system, enable it to take its work forward as an Executive Agency of the Department for Education, with the approval of Cabinet Office and HM Treasury Ministers. Final accounts for IfATE will be presented to Parliament in due course.

The Government is also confirming Board appointments to Skills England, and the latest analysis from Skills England is being published to help develop the government's understanding of skills needs and how they can be met.

The reforms announced today mark an important step in Government's comprehensive strategy for post-16 education, delivering our youth guarantee, and our commitment to addressing skills shortages to drive growth while creating better opportunities for young people and adults across England.

Student Numbers: Higher Education

Preet Kaur Gill (Labour): To ask the Secretary of State for Education, if she will publish the number of students enrolled in higher education in the (a) 2022-23 and (b) 2023-24 academic years, broken down by religion. [UIN54334]

Janet Daby: Statistics on higher education (HE) student enrolments by personal characteristics, including the number of HE student enrolments in the 2023/24 and 2023/24 academic years broken down by religious beliefs, are published by the Higher Education Statistics Agency and can be found here: <https://www.hesa.ac.uk/data-and-analysis/sb271/figure-5>.

Overseas Students: Visas

Tom Hayes (Labour): To ask the Secretary of State for Business and Trade, whether he has had discussions with the Secretary of State for the Home Department on visa applications for students attending English as a Foreign Language (EFL) schools. [UIN54216]

Gareth Thomas: As the Minister for Exports, I regularly meet with ministerial counterparts to discuss DBT's interests with regards to International Education. I am due to have a meeting with the Minister for Migration shortly to discuss these interests, including that of English Language Teaching (ELT) schools.

Source

Antisemitism: Universities

The Lord Shinkwin (Conservative): To ask His Majesty's Government what recent assessment they have made of the scale of antisemitic activity and incidents on university campuses. [HL7538]

The Rt Hon. the Baroness Smith of Malvern: Since the terrorist attacks of 7 October 2023, there has been an unprecedented increase in antisemitic incidents on university campuses.

The Community Security Trust report 'Campus Antisemitism in Britain 2022-2024', published on 9 December 2024, states that in the two academic years 2022/2024, 325 university-related antisemitic incidents were recorded: 53 incidents in 2022/23 and 272 incidents in 2023/24. This is a 117% increase from the 150 incidents recorded between academic years 2020/2022.

Within the period covered by the report, there was an increase of 413% from academic year 2022/23 to academic year 2023/24, which clearly demonstrates the impact of the 7 October attacks.

Officials and Ministers continue to liaise closely with Universities UK and with key Jewish Community stakeholders, including the Community Security Trust and the Union of Jewish Students, to remain appraised of issues and how they are being handled by universities.

My right hon. Friend, the Secretary of State for Education will soon host a roundtable with Vice Chancellors to discuss what more can be done collectively, and at all levels, to make our universities a safe and inclusive environment for all.

Universities: EU Nationals

The Lord Weir of Ballyholme (Democratic Unionist Party): To ask His Majesty's Government what assessment they have made of the total number of EU students enrolled at UK universities (1) 2014–15 and (2) 2024–25. [HL7715]

The Rt Hon. the Baroness Smith of Malvern: In the 2014/15 academic year, across all levels and modes of study, 127,135 higher education (HE) student enrolments had an EU permanent address immediately prior to study in a UK HE provider.

The Higher Education Statistics Agency has not yet published data on the UK HE sector relating to the 2024/25 academic year, therefore information relating to enrolments in 2024/25 is not currently held by the department.

Universities: EU Nationals

The Lord Weir of Ballyholme (Democratic Unionist Party): To ask His Majesty's Government what estimate they have made of the average annual fees paid by EU students for university education in 2024–25.[HL7716]

The Rt Hon. the Baroness Smith of Malvern: The Higher Education Statistics Agency (HESA) is responsible for collecting and publishing data on the UK higher education (HE) sector. These data are shared with the department and include a wide range of information on students in UK HE providers.

HESA has not yet published data on the UK HE sector relating to the 2024/25 academic year, therefore information relating to tuition fees in 2024/25 is not currently held by the department.

Department for Education: Overseas Students

The Lord Rennard MBE (Liberal Democrats): To ask His Majesty's Government what assessment they have made of the consequences for (1) the economies of England and Wales and (2) local economies resulting from the 6-percent levy on foreign students' tuition fees, proposed in Restoring control over the immigration system, published on 12 May. [HL7777]

The Rt Hon. the Baroness Smith of Malvern: The immigration white paper sets out a series of measures that will achieve a reduction in net migration, while maintaining the UK's globally competitive offer to international students and making a significant contribution to growth by boosting our skills base.

This includes the commitment to explore the introduction of a levy on higher education (HE) provider income from international students, with proceeds to be reinvested in the domestic HE and skills system. The department will set out more details around the levy in the Autumn Budget.

Analysis of the potential impacts is based on the levy applying to English HE providers only. The department will fully consult all the devolved governments on the implementation of the international student levy.

Grouped Questions: HL7774, HL7775, HL7776

UK Research and Innovation: Expenditure

The Lord Nash (Conservative): To ask His Majesty's Government, with reference to page 20 of UK Research and Innovation (UKRI)'s Annual Report and Accounts 2023–24, whether the decision to increase expenditure by £181 million through reprofiling quality-related funding complied with the departmental expenditure limit control rules and ringfence restrictions in the Consolidated Budgeting Guidance 2023–24; and if not, whether Treasury consent was obtained in line with paragraph 2.52 of that guidance. [HL7681]

The Lord Vallance of Balham KCB: The reprofiling of quality-related funding payments to higher education institutions in 2023–24 complied fully with DSIT's departmental expenditure limit control rules and Consolidated Budgeting Guidance. No payments in advance of need were made and spending across the DSIT portfolio remained within departmental control totals despite the reprofile, which is designed to ensure effective utilisation of R&D budgets within and across financial years.

EDM: Impact of research and development tax credit policy on UK innovation and SMEs (1373)

That this House notes with concern the case of Horizon, a retail design and brand communications agency based in Ely, East Cambridgeshire, which has been adversely affected by recent changes to the research and development tax credit scheme; recognises Horizon's contribution to UK innovation and exports, having grown over 15 years into a medium-sized enterprise employing approximately 75 people and generating £9.5 million in turnover, half of which is from international trade; acknowledges that Horizon's growth was significantly supported by reinvestment in research and development and the responsible use of research and development tax credits, which enabled the development of award-winning retail display solutions; expresses concern that a recent investigation led to the rejection of their 2023-24 research and development claim, a retrospective repayment of over £120,000, and a prohibition on future claims; notes the company's subsequent decision to relocate design and development functions outside the UK, citing a lack of support for innovation; warns that such outcomes risk undermining UK competitiveness, innovation, and SME growth at a critical economic juncture; further acknowledges that while there may be cases of non-compliance, and condemns any deliberate misuse of the research and development scheme, the current approach must strike a fair balance, supporting genuine innovation while ensuring proportionate and timely enforcement; and urges the Government to review the implementation of research and development tax credit policy to ensure it supports genuine innovation, prevents abuse without penalising legitimate claims, and sustains the UK's position as a global leader in creative and technological enterprise.

Sponsors: Charlotte Cane

Sector news

The financial impact of government policy decisions on universities – UUK Analysis

On 3 June 2025, Universities UK released an analysis estimating that government policy decisions will result in a **£1.4 billion net funding reduction** for higher education providers in England for the 2025–26 academic year.

Key Findings:

- **Income Increase:** An uplift in the domestic undergraduate tuition fee cap to £9,535 is projected to generate an additional £371 million in income for institutions
- **Additional Costs:** Universities are expected to incur approximately £1.2 billion in new costs, including:
 - £125 million due to changes in the Teachers' Pension Scheme
 - £430 million from increased employer national insurance contributions
 - £600 million from a proposed 6% levy on international student tuition fee income
- **Funding Cuts:** Government policy changes are anticipated to reduce funding by £614 million, comprising:
 - £108 million cut from the Strategic Priorities Grant
 - £66 million reduction in capital funding for teaching
 - £332 million loss due to reduced fees for foundation year courses in classroom-based subjects
 - £108 million decrease from the removal of funding for Level 7 degree apprenticeships.

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

Bridging the Gap: Employee Experience in Higher Education – People Insight & UCEA Report

On 3 June 2025, People Insight, in collaboration with the Universities and Colleges Employers Association (UCEA), published a comprehensive report titled Bridging the Gap: Employee Experience in Higher Education. The report draws on feedback from over 240,000 employees across 75 higher education institutions (HEIs) to examine the evolving employee experience (EX) within the sector.

Key Findings:

- **Divergent Experiences:** The report highlights significant disparities between academic and professional services staff. Only 43% of academic staff feel they can manage their workload, compared to 63% of professional services staff. Similarly, 44% of academics feel supported in their wellbeing at work, versus 61% of their professional services counterparts.
- **Collaboration Challenges:** Perceptions of cross-departmental collaboration have declined to 34%, falling below the all-sector average of 45%.

Recommendations:

The report suggests practical actions for HEIs to enhance employee experience, including improving wellbeing initiatives, recognition programs, and fostering better collaboration across departments. Case studies from institutions like Manchester Metropolitan University illustrate successful strategies in these areas.

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

Bold reform needed to transform universities facing critical financial pressures – UUK report

University leaders need to embrace – and lead – change in the way they operate, according to a report from the taskforce set up to explore how universities can work together to unlock efficiencies and drive transformation.

The report, “Towards a New Era of Collaboration” is the result of work initiated by Universities UK and led by independent Chair Sir Nigel Carrington. It calls for a fundamental shift in thinking, with a much greater focus on how universities across the UK can work together, share services and assets, and collaborate in the national

interest. It identifies seven opportunities open to the university sector, and the action needed from central government to enable universities to drive such change.

A cocktail of financial challenges - years of frozen income on teaching and research, high inflation and a drop in international students following government policy changes - have left university finances in serious distress. Universities have had to evolve and adapt, and a [recent survey](#) of UUK members showed how universities have been responding individually with significant action to cut costs, through the removal of courses, modules, reduced investment and scaling back on some research activity.

While such measures have already delivered significant savings, the Taskforce warns that the continued delivery of efficiencies at an institutional level cannot alone solve the financial challenges facing institutions. Innovative partnership working will be needed across the sector, along with a sustainable funding settlement from government. The Taskforce outlines opportunities to begin a bold reform process based on the principles of collaboration.

Sir Nigel Carrington, Chair of the Taskforce, said:

“Universities are ambitious to drive transformative change, and I’ve been struck by their considerable appetite, in the face of unprecedented financial challenge, to think and work differently to protect the strengths of our world leading sector, to deliver even better value for public money, and to continue to improve the experience for students.

“The focus of the previous UK government for more than a decade, on competition between institutions – whilst supporting for student choice – has also created barriers to transformation through collaboration.

“We need to make sure the balance between competition and collaboration is right if we are to secure a sustainable future. Universities are clearly ready to think differently, and it is our job, and the job of government, to support them as they do so.”

The report identifies seven key opportunities for transformation, amongst which is the exploration of novel collaborative structures between institutions. At one end of the spectrum this could extend to mergers, but the report is also clear that this is unlikely to be a workable or desirable solution in most cases. Instead, the Taskforce outlines other options for strategic, proactive collaborations which continue to preserve competition. This could take the form of federations, group structures between aligned or geographically linked institutions, or partnerships on certain functions and disciplines.

The Taskforce also suggests universities consider shared provision of some teaching, particularly to preserve vulnerable disciplines and avoid ‘cold spots’ - geographical areas where some subjects cannot be accessed at all. As well as unlocking cost savings, this kind of structural integration which pools universities’ expertise can create opportunities to meet local skills needs, solve research challenges, keep lower demand but strategically important subjects going and align with the ambitions of business and government.

There are already great examples of such collaboration to meet local needs, including the partnership between [the Universities of Bath and Plymouth](#), with the former delivering its MPharm course both in Bath and at the University of Plymouth, in response to low numbers of Pharmacists in the South West. In Cornwall, which historically has low levels of higher education participation, the [Penryn Campus](#) is run as a joint venture by the University of Exeter and Falmouth University, complementing their separate existing campuses. Many facilities including halls of residence, leisure facilities, and some teaching and learning spaces are shared, enabling both universities to offer a diverse range of degree programmes while contributing to regional skills development and retention in Cornwall.

Beyond calling for more collaborative structures, the Taskforce has set out a series of other opportunities that would help universities drive even greater efficiencies:

- Sharing more services and infrastructure – a concept supporting by 91% of senior leaders surveyed by the Taskforce
- Using economies of scale and sector buying power
- Supporting digital transformation
- Adopting a common approach to assessing efficiency and benchmarking costs
- Evolving leadership and governance
- Creating the right policy and regulatory environment that helps universities go further, faster

The report emphasises that universities are ambitious to make this evolution and calls on government to remove the barriers that prevent a truly transformative shift. It identifies a landscape, created by prior UK governments, which has effectively disincentivised collaboration between universities – most particularly English institutions.

The Taskforce is already taking action to support universities to adopt further partnership working, including developing business cases for shared services and delivering guidance and specific resources from independent experts on

transformative change. However, it also identifies policy and regulatory blockers and costs which are constraining the sector's desire to transform, and where government could act. This includes addressing competition law and removing VAT on shared service provision, while introducing a Transformation Fund to support universities to finance large scale change. It also calls on government to alleviate regulatory cost pressures and address expectations on university to perform unfunded activities. Most of all, ahead of the Comprehensive Spending Review, universities are calling on government to stabilise university finances.

Sir Nigel continued:

"The sector isn't just talking about efficiency. It is already driving it, and the evidence shows this is well underway. But transformation will need us to take a lead in fundamentally rethinking how higher education operates at a national level, moving from a competitive to more collaborative mindset.

"This report, and the work which will follow it, represents a commitment to mutual accountability and to ambitious reform for a sustainable future which continues to deliver prosperity for communities across the UK.

"At the same time, we should also be clear that no degree of collaboration and partnership working will negate the sector's need for an improved funding settlement, and we call on government to recognise this in the forthcoming Comprehensive Spending Review."

The Taskforce is clear that success must be a shared endeavour across the sector and with government, and this report is the first of multiple outputs from the Taskforce which will support a long-term commitment to transformation.

A comprehensive Phase 2 Implementation Plan will ensure ongoing accountability and momentum through:

- A dedicated oversight group to monitor progress against agreed actions
- Continuing to catalyse immediate change through advice, guidance and sector resources
- Regular public reporting on sector progress and achievements
- Building consensus and momentum for transformation across the sector
- Working collaboratively with government to define a long-term vision for UK higher education

Science, Research and Innovation Minister, Lord Vallance, said:

“I welcome this report by Universities UK and look forward to seeing more detail on the proposals that will secure a sustainable future for UK universities, recognising the role they play in driving opportunity and economic growth in support of our Plan for Change.

“The Government also recognises the sector’s challenges and will work with it to seize the opportunities for transformation set out in this report, including removing the barriers to collaboration where we can.”

Skills Minister Jacqui Smith said:

“Universities are at the heart of our Plan for Change, driving economic growth and breaking down barriers for opportunity.

“I am pleased to see the sector gripping the need to transform and operate more efficiently, which we will also address in our forthcoming plans for higher education reform.

“These plans will lay out more detail on our expectations regarding collaboration and transformation and I look forward to working closely with the sector to deliver for students as well as supporting the growth and skills which the whole nation needs.”

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

Letter from Secretary of State on Higher Education to the joint chief executives of Skills England

The Secretary of State, Rt Hon Bridget Phillipson MP, has outlined the government’s priorities for Skills England in the 2025-26 business year in a letter to the joint chief executives of Skills England.

This follows Skills England’s formal establishment and aims to equip the national workforce with the skills needed to boost economic growth and improve job prospects for all.

The letter highlights the critical role of Skills England in supporting the Government’s Missions and Plan for Change, including the delivery of 1.5 million homes over five years. Building on its previous work, Skills England will identify skills gaps and bring together fragmented parts of the skills system to ensure accessible pathways for young people and adults looking to reskill.

Key priorities for Skills England include:

Understanding and Addressing Skills Needs:

- Provide authoritative data and insights on current and future skills needs.
- Publish an annual skills assessment to inform government decisions on labour market policy and sectoral priorities.
- Collaborate with employers and partners to co-create occupational standards and training products, including new foundation and short apprenticeships to meet employer needs.

Simplifying Access to Skills:

- Improve employer engagement and learners' understanding of education and training pathways.
- Ensure a high-quality employer experience and tackle bureaucracy and duplication in the system.

Mobilising and Co-creating with Partners:

- Advise the Government on skills gaps and the Growth and Skills Levy offer.
- Drive progress in the Labour Market Evidence Group, working with other bodies to reduce reliance on migration.
- Support the development of high-quality Local Skills Improvement Plans (LSIPs) and local training offers.
- Collaborate with Strategic Authorities and regional partners to respond to national and local labour market needs.
- Attract international investment by developing a service to help investors navigate the UK skills offer.

The Secretary of State emphasises the urgency of this agenda and the importance of Skills England's close collaboration with the Industrial Strategy Council, the Migration Advisory Committee, and other partners. The newly appointed Chair, Vice Chair, and Board of Skills England are expected to play a pivotal role in delivering these priorities.

The letter concludes by expressing confidence in Skills England's ability to deliver these priorities and anticipation for the 2025-26 business plan and its implementation.

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

Building opportunity for all – a Russell Group report

On 4 June 2025, the Russell Group released a report titled Building Opportunity for All, outlining its renewed commitments to tackling educational inequality and enhancing life chances for learners across the UK. The report emphasizes the role of higher education as a driver of social mobility and the importance of ensuring that opportunities are shaped by ambition and talent rather than background.

Key Highlights:

- **Increased Participation:** Since 2019, there has been a 56% increase in the number of young people from the most under-represented areas studying at Russell Group universities. Similarly, there has been a 62% increase in Black minority ethnic placed applicants during the same period.
- **Financial Investment:** Collectively, Russell Group universities are investing over £250 million annually on access and widening participation-related activities.

New Commitments:

- **Regional Collaborations:** Active participation in, and where appropriate, convening of regional collaborations and partnerships focused on improving opportunity.
- **Support for Care Leavers:** All Russell Group universities will offer a support package for care leavers and work towards extending this offer to care-experienced and estranged students. This package will include accommodation support, bursaries, and contextual admissions.
- **Contextual Admissions:** Partnership with others in the sector to establish a consistent language for contextual admissions policies, supporting transparent and fair admissions.
- **Evaluation Library Engagement:** Engagement with and support for the establishment of the TASO Higher Education Evaluation Library.

Financial Challenges and Recommendations:

The report acknowledges the ongoing financial challenges faced by the higher education sector, including rising living costs impacting students' studies, social connections, and mental health. To address these issues, the Russell Group

encourages the government to undertake a review of maintenance arrangements, including:

- Improving maximum maintenance support overall.
- Reintroducing maintenance grants for the most disadvantaged students.
- Reviewing the parental earnings threshold for maximum maintenance support eligibility, which has been frozen since 2008.

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

£6m Investment to Strengthen Academic Influence on UK Public Policy

On 4 June 2025, University College London (UCL) announced a £5.9 million investment to expand the Universities Policy Engagement Network (UPEN), a UK-wide consortium dedicated to enhancing the role of academic research in public policymaking. This funding, primarily from Research England, with additional support from the Economic and Social Research Council (ESRC) and UK Research and Innovation (UKRI), aims to transform UPEN from a voluntary network into a sustainable organization.

UPEN connects over 110 universities with policymakers, facilitating evidence-based decision-making. Over the next four years, the funding will support initiatives to:

- Enhance universities' capacity to engage with policymakers.
- Promote place-based policymaking through regional collaborations.
- Embed citizen engagement in policy development.
- Develop sustainable models for academic-policy engagement.

UCL will collaborate with nine partner institutions, including the Universities of Birmingham, Cambridge, Durham, Huddersfield, Leeds, Nottingham Trent, Southampton, Teesside, and the Wales Centre for Public Policy at Cardiff University. Additional partnerships include the Institute for Community Studies, the Institute for Government, and Yorkshire Universities.

This investment builds on the success of the 2020 Capabilities in Academic Policy Engagement (CAPE) project, which highlighted the value of university collaboration in informing policy across UK legislative bodies.

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

Graduate labour market statistics

On 5 June 2025, the Department for Education released the 2024 Graduate Labour Market Statistics, revealing key trends in employment, earnings, and workforce participation for postgraduates, graduates, and non-graduates in England.

Employment Rates:

- The employment rate for working-age postgraduates (16–64 years) reached a record high of 90.0%, increasing by 0.6 percentage points from 2023.
- Working-age graduates maintained an employment rate of 87.6%, unchanged from the previous year.
- In contrast, the employment rate for working-age non-graduates declined by 0.7 percentage points to 68.0%.
- Postgraduates had the highest proportion in high-skilled employment at 79.0%, followed by graduates at 67.9%, and non-graduates at 23.7%.

Unemployment and Inactivity Rates:

- The unemployment rate for working-age postgraduates decreased slightly to 2.0%, while it increased to 3.1% for graduates and 5.6% for non-graduates.
- Inactivity rates were lowest among postgraduates at 8.1%, compared to 9.6% for graduates and 27.9% for non-graduates.

Earnings:

- Median nominal salaries for working-age individuals were highest among postgraduates at £47,000, followed by graduates at £41,000, and non-graduates at £30,000.
- The gender pay gap persisted across all groups, with male postgraduates earning £50,500 compared to £45,000 for females; male graduates earned £48,500 versus £38,000 for females; and male non-graduates earned £33,500 compared to £27,500 for females.

Additional Insights:

- Employment rates and high-skilled employment were higher for males than females among working-age graduates.
- White graduates had the highest employment and high-skilled employment rates, while Black or African or Caribbean or Black British graduates had the lowest high-skilled employment rate at 58.7%.

- Disabled graduates were less likely to be employed and more likely to be inactive than their non-disabled peers, with an inactivity rate of 19.7% compared to 7.5% for non-disabled graduates.
- Graduates with first-class degrees had higher employment and high-skilled employment rates compared to those with lower degree classifications.

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

UKRI Launches First National Register of University Spin-Outs

On 5 June 2025, UK Research and Innovation (UKRI) announced the publication of the UK's first comprehensive register of university spin-out companies. Developed by the Higher Education Statistics Agency (HESA), part of Jisc, in collaboration with the Policy Evidence Unit for University Commercialisation and Innovation at the University of Cambridge, this register provides an official, detailed list of spin-out companies originating from UK universities.

Key Features of the Register:

- **Comprehensive Coverage:** Includes spin-outs founded since the 2012–13 academic year, as well as older companies still active today.
- **Detailed Information:** For each spin-out, the register provides the company name, registration number, country of registration, website, incorporation and foundation years, and whether it is a social enterprise.
- **Enhanced Data Quality:** Introduces updated definitions to improve consistency and robustness of data across institutions, supporting more consistent and comparable insights.
- **Baseline for Analysis:** Establishes a national baseline of activity at the company level, enabling new analyses of growth pathways across different sectors and regions.
- **Open Data Resource:** Available to policymakers, researchers, and stakeholders interested in innovation, facilitating evidence-based decision-making.

This register marks a significant advancement in the transparency and quality of data on university spin-outs in the UK. It supports the government's mission to drive economic growth through innovation by providing a robust evidence base to inform national discussions and shape effective policies. The register is expected to be a valuable resource for understanding the role of universities in generating innovation and will continue to grow in value with future updates.

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

How are universities delivering the future NHS workforce? - UUK Analysis

On 5 June 2025, Universities UK released analysis examining the role of universities in supporting the NHS Long-Term Workforce Plan (LTWP). The report underscores the critical contribution of higher education institutions in training healthcare professionals and highlights the challenges and necessary actions to ensure a sustainable NHS workforce.

In the 2022–23 academic year, UK universities enrolled 76,300 first-year students in health-related courses, accounting for one in nine of all first-year students. To meet the projected demand, the Health Foundation estimates that by 2031–32, the proportion of first-year students training to be NHS clinical professionals needs to increase by 50%, reaching approximately 125,700 students.

The report identifies several challenges:

- **Placement capacity:** Expanding clinical placement opportunities is essential to accommodate the increased number of students.
- **Student interest:** There has been a decline in applications for nursing and midwifery courses since the pandemic peak, indicating a need to boost interest in these careers.
- **Regulatory processes:** Streamlining burdensome regulatory requirements can facilitate the expansion and innovation in health education.

Innovative approaches are being adopted to address these challenges. For instance, the University of Portsmouth, in collaboration with King's College London, launched the UK's first branch medical school in September 2024, aiming to address regional shortages of general practitioners. Additionally, there has been a significant increase in Level 6 and 7 degree apprenticeships in health, public services, and care standards, offering alternative pathways into the health professions.

The report recommends strategic planning, enhanced collaboration between universities and healthcare providers, sustainable funding, and support for diverse entry routes into health careers to build a resilient and future-ready health workforce.

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