

All-Party Parliamentary University Group



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Parliamentary business

Universities: Free Speech – House of Lords oral question

On Tuesday 1 April an oral question took place in the House of Lords focused on what advice the government was giving to universities following the fine imposed by the Office for Students (OfS) on Sussex University for breach of free speech obligations.

Baroness Ludford (Liberal Democrat) outlined the fine that Sussex University had received and noted that the university was 'indicating defiance of the OfS ruling'. She asked what measures DfE Ministers were taking to ensure that universities were persuaded 'not only of their intellectual duty to respect free speech but of their obligation not to waste taxpayers' money'.

The Minister for Skills, Baroness Smith of Malvern, highlighted that universities needed to be places where individuals were able to express lawful speech and research contested ideas. She also reminded the House that universities are autonomous institutions.

Lord Young of Acton (Conservative) said that in light of the OfS' finding, would the Minister advise all universities to review their equality, diversity and inclusion (EDI) policies to ensure that they did not 'chill lawful speech' and are not incompatible with their regulatory compliance requirements.

The Minister said she hoped that all universities would look carefully at this ruling, including the element around ensuring strong governance to consider issues such as this.

Lord Alton of Liverpool (Crossbench) raised the case of academics banned from teaching a certain course at University College London after complaints were received from Chinese students. He asked whether the sector had become too reliant on such funds and whether the Minister would read the warnings set out in the 2023 Intelligence and Security Committee report.

The Minister said that the measures implemented in the Higher Education (Freedom of Speech) Act would further strengthen protections from overseas interference and stressed that the government expected universities to be alert to a range of risks when collaborating with international partners.

Baroness Brinton (Liberal Democrat) suggested that the OfS had acted in a quasijudicial capacity while also being expected to work with universities to find evolving solutions to these cases. She asked the Minister how the OfS would balance its enforcement responsibilities with its advisory role to support the sector.

The Minister said that the relationship between the functions of the OfS was not necessarily unusual for regulatory bodies and said there had been a lot of thought on the role of the OfS with respect to freedom of speech.

The Earl of Effingham (Conservative) raised media reports of intimidations towards defence industries and the Armed Forces at higher education recruitment events. He asked the Minister what steps the government was taking to ensure that such events could take place without issue.

The Minister said it is 'wholly wrong' if these events are not able to take place on campuses and noted this was primarily the responsibility of the higher education institutions themselves.

Baroness Deech (Crossbench) warned that in many universities Jewish students had been 'howled down, barricaded, and assaulted.' She asked the Minister whether a clear line needed to be drawn between freedom of speech and hate speech to ensure that Jewish students were not being overlooked.

The Minister stressed the 'careful approach' that the government had taken to implementing freedom of speech provisions while protecting students from some of the issues that had been outlined.

You can read a transcript and watch the session.



Impact of university finances on jobs in higher education – Westminster Hall debate

On Wednesday 2 April, a Westminster Hall debate focused on the 'impact of university finances on jobs in higher education' took place. This debate was tabled by Mohammad Yasin MP (Labour).

Mohammad Yasin opened the debate by stating that the UK's higher education sector was facing a 'severe financial crisis with profound implications for staff and students.' He outlined that 5,000 job cuts had already been announced and modelling indicated that nearly three quarters of English higher education providers could be in deficit by 2025-26.

Wendy Chamberlain MP (Liberal Democrat) intervened to highlight the findings of a 2024 PwC report which noted that 10 of Scotland's 15 universities were at risk of falling into financial deficit by 2027.

Mohammad Yasin highlighted the consequences of the funding model in terms of job cuts and departmental closures particularly for the humanities. He raised the findings from a UUK survey which found 40% of universities had seen voluntary redundancies, almost 30% had reduced module choices for students, and almost a quarter had closed courses.

John McDonnell MP (Independent) intervened to highlight Brunel University, which he described as a 'successful university that is doing everything asking of it by government to provide skills training for the future.' He said that the government must work with university management and the unions to move forwards.

Mohammad Yasin urged the government to review university governance and said that we had to 'fix the broken funding model, safeguard staff, enhance the student experience, and ensure that our universities continue to be engines of economic growth and innovation.'

Chris Law MP (SNP) intervened to outline the critical challenges facing the University of Dundee with almost 700 jobs at risk. He probed as to whether the UK government needed to reverse the 'Tory hostile environmental policy for international students' as well as the national insurance contribution increase.

Mohammad Yasin concluded by urging the government to 'take immediate action to address the crisis, consider a sustainable funding model, look at capping the numbers for a fairer distribution of students, and look again at student visas, to save our universities.'

In his remarks, Jim Shannon MP (DUP) highlighted the positive work of Queen's University Belfast and Ulster University. He also warned of the sector's reliance on growth in international student recruitment, the 'extortionate' cost of tuition fees, the return on investment of an undergraduate degree, and the support that universities provide to businesses. He said that if we allow universities to suffer financially, they will face challenges such as reduced funding for academic programmes, limited grants and diminished support.

Pam Cox (Labour) opened her remarks by stating that despite the challenging times facing the sector, she was optimistic of the future of universities and the role they play in society. She outlined the current financial model for universities with respect to teaching income streams, international student recruitment, and research activities. Turning to the University of Essex, she highlighted the efficiency measures they were undertaking as well as their collaborations with local businesses.

Stephen Gethins MP (SNP) focused his remarks on international income in the context of the University of Dundee's cuts. He said that the UK's 'higher education sector thrives and is world leading in teaching and in research because it is international, and because it is competitive and brings in the best researchers and students from all over the world.' He described immigration as the issue that 'dwarfs all the others' and specifically raised the drop in dependant visas, and the knock-on consequences for university finances. He asked the Minister to look at the 'hostile environment'.

Danny Beales MP (Labour) centred his remarks on Brunel University. He praised the social and economic contribution of the university before noting the long-term funding challenges it was facing. He expressed concern over the projected deficit of £32.9 million as well as the scheme of redundancies. He called for a more sustainable, long-term funding solution to be adopted that would stabilise the university and the wider sector. More immediately, he suggested some transition funding could be made available to institutions to support them.

Ben Lake MP (Plaid Cymru) noted that the financial situation facing universities 'should worry us all' given their teaching and research activities and the important contribution they make to the UK economy and local communities. He highlighted that in Wales, higher education supports more than 60,000 jobs, contributes more than 4.2% of Welsh GDP and has an overall economic impact of nearly £11 billion. On skills, he shared a report by Universities UK that estimated more than 400,000 extra graduates would be needed in Wales by 2035 to respond to the skills gaps and workforce challenges of the future.

Alice Macdonald MP (Labour) centred on the University of East Anglia which she said, 'really matters for our city, our county, and the country.' She praised the impact of the university's research and teaching as well as its role as major employer. She

processed to outline the proposed job cuts at the university and the conversations she had had with the University College Union (UCU) branch. She acknowledged that while each institutions had its particular issues, there were systemic issues that the government needed to get to grips with. The importance of transparency and accountability for those who lead UK higher education institutions was also stressed.

Tom Hayes MP (Labour) warned that the three universities in his constituency were 'facing danger.' For Bournemouth University and Arts University Bournemouth he set out the positive impact that they both made to the constituency as well as their difficult financial position. He called on the government to provide all universities the longer-term financial settlement that will offer the security that universities need to plan and the certainty that teaching staff need to develop their courses, improving both the teaching experience and professional development.

Dr Scott Arthur MP (Labour) provided context on the Scottish higher education system and described universities as at 'breaking point.' He noted that funding per undergraduate student in Scotland was more than £2,000 less per student than in England and described the cap on places as 'brutal.' He proceeded to outline the financial deficits and redundancies schemes at several Scottish institutions. He concluded by stating that 'universities are at the heart of Scotland's economy, and have been for centuries, but they need to be cherished, and that is not happening right now...we need a Scottish Government who take the sector seriously.'

Rachael Maskell MP (Labour) described the 'real mismatch between the Chancellor's growth agenda and the policies impacting the higher education funding landscape that [the government] inherited.' She raised the strong impact of research on the UK economy and the need for a greater supply of graduate skills as part of the UK's industrial ambition. She raised concerns on dependants policy, NHS surcharges, EU mobility for academics and students, as well as the staff and student experience. In her concluding remarks she said that 'tweaking around the edges is not enough' the funding model needed to be revisited.

Peter Prinsley MP (Labour) centred his remarks on clinical academics describing them as 'essential to the success of life sciences and central to the training of the future NHS workforce.' He outlined how universities were not part of the negotiations for NHS consultant contracts and had not received any additional funding for the pay of clinical academics. The result is that 20 out of 26 medical schools may be preparing to offer redundancy to clinical academics because they could not afford them. He called for urgent action from government to solve the problem.

Jessica Toale MP (Labour) described universities as a 'cornerstone of our communities and play a hugely important role in our local economy' while echoing the remarks that higher education was in crisis. In the rest of her remarks, she focused on the challenges facing universities in Bournemouth including job cuts,

international student recruitment, and ensuring students could access good-quality affordable higher education.

James Naish MP (Labour) described universities in the East Midlands as 'vital to our local economy and play a major role in producing spin-out businesses, which in turn create high-quality jobs for local people.' He described the way in which university finances were being 'squeezed on multiple fronts' and that the consequences of the funding crisis extended beyond employment, noting that when institutions are forced to shrink their workforce, course offerings are reduced, class sizes rise and students—especially those from disadvantaged backgrounds—lose access to the quality education that they deserve.

Ian Sollom MP, Liberal Democrat spokesperson for higher education, said it was clear that many universities were facing huge financial pressure and that these challenges were 'not just numbers on a spreadsheet; they affect real people, their livelihoods and their communities, as well as the quality of education and research.' He detailed the financial pressures including rising energy costs, increases in national insurance contributions, and a decline in international recruitment. He highlighted the positive contributions that universities make to social and economic life, noting that 'thriving universities are essential to a thriving UK'. As part of this he shared statistics from the recent Universities UK 'Unis start up the UK' campaign.

In his concluding remarks, the Liberal Democrat spokesperson set out that there were ways to support universities that do not involve raising tuition fees further including recognising the benefits that international students bring and reversing the decline in quality-related funding for research.

Rebecca Paul MP (Conservative) described universities as among the most important institutions in UK national life. She outlined how decisions taken in recent years had increased the financial pressure on students and graduates, without necessarily addressing the deeper questions of value and sustainability. She said the UK needed to 'confront an uncomfortable truth' that there was mounting evidence that a 'sizeable share of higher education courses do not provide good value for money.' She called for systemic reform, examining course quality, graduate outcomes, student choice, and the role of further education and apprenticeships alongside traditional degrees. She asked the Minister when legislation would be brought forward in response to concerns of some franchise providers.

Responding on behalf of government, Janet Daby MP, addressed higher education employment; the financial position of higher education; the role of the Office for Students; the tuition fees increase; the risk of financial failure; the sector's independence; the higher education workforce; higher education reform; international students; research funding; and employer national insurance contributions. She said that the government was 'committed to working in

partnership with the sector to put providers on a firmer financial footing than that which we inherited.' The Minister also stressed that 'all providers, regardless of their current position, must continue to adapt to uncertainties and financial risk.' Regarding an institutional failure, she added that her Department would work with the Office for Students, the provider and other Departments to ensure that students' best interests are protected and to support the university itself as best as possible.

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

Ministerial statement: Foreign Influence Registration Scheme

On Tuesday 1 April, the Minister for Security, Dan Jarvis MP made a statement on the foreign influence registration scheme (FIRS). The Minister announced that the government has laid draft regulations placing Russia and Iran on the enhanced tier, announced that FIRS will come into operation from 1 July, and published sector-specific guidance for academia and research.

The subsequent debate covered the following:

- new exemptions introduced to allow the publication of information relating to Russia and Iran
- ensuring organisations fully understand their obligations under FIRS
- covert work of the Chinese Communist Party around the world
- ensuring the UK remains a hard target for covert foreign activities
- concerns over the proposed Chinese embassy in London
- attacks on Hong Kong dissidents and undeclared Chinese police stations in the UK
- calls for a human rights and democracy report, and an audit on China
- how the political influence tier will strengthen the resilience of democratic institutions

You can read the transcript here and watch the debate here.

Recess

The House of Lords will be in recess from 4 April until 22 April. The House of Commons will be in recess from 9 April until 22 April.

Forthcoming business

Science, Innovation and Technology Committee - oral evidence

At 9.30am on Tuesday 8 April, the Commons' Science, Innovation and Technology Committee will hold a pre-appointment hearing with the government's preferred candidate for executive chair of Innovate UK, Tom Adeyoola.

You can read more and watch the session.

Higher Education and Funding - oral evidence

At 9.30am on Tuesday 8 April, the Education Committee will hear oral evidence on higher education and funding.

The committee will hear evidence from

- Dame Jessica Corner, Executive Chair, Research England
- Sir Philip Augar, Chair of the 2019 Independent Panel at Post-18 Education and Funding Review
- Professor Malcolm Press CBE, Vice President (England and Northern Ireland) at Universities UK
- Mr Raj Jethwa, Chief Executive at UCEA
- Dr Hollie Chandler, Director of Policy at the Russell Group
- Rachel Hewitt, Chief Executive at MillionPlus
- Alex Stanley, Vice-President of Higher Education at NUS
- Jo Grady, General Secretary at UCU
- Andrew Bird, Chair at BUILA

Written questions and statements

Ministry of Defence: Research

Baroness Wolf of Dulwich (CB): To ask His Majesty's Government how much the Ministry of Defence spent on research contracts and grants in (1) 2022–23, and (2) 2023–24; and what proportion of that spending went to UK universities. UIN HL5980

Lord Coaker (Labour): The Ministry of Defence (MOD) works to support a secure and prosperous United Kingdom (UK) through allies, industry and academia to ensure the UK has the right capabilities for defence and security. MOD records all contracts on its Contracting, Purchasing and Finance system. However, it is unable to distinguish which contracts cover research due to a lack of relevant metadata within this system.

In the time available, the following organisations within MOD have confirmed their spend (Extra-Mural Research) on research contracts and grants for the years 2022-2024:

Financial Year (FY)2022-23 Research Contracts

Organisation	Total Spend	Proportion with Universities
Defence Science and Technology Laboratory (Dstl)	£387.6 million	4.7%
Navy Command*	£80.06 million	0.03%

FY2022-23 Research Grants

Organisation	Total Spend	Proportion with Universities
Dstl	£0.4 million	100%

FY2023-24 Research Contracts

Organisation	Total Spend	Proportion with Universities
Dstl	£461.1 million	4.8%
Navy Command	£130.85 million	1.3%

FY2023-24 Research Grants

Organisation	Total Spend	Proportion with Universities
Defence Science and Technology (DST)	£10 million	100%

FY2023-24 Research Grants

Organisation	Total Spend	Proportion with Universities
DNO (Rolls Royce)	£3.2 million	100%

^{*} The figures provided include Navy Command spend delivered by Defence Equipment and Support (DE&S), £32 million in FY2022-23 and £70.03 million in FY2023-24.

Sector news

Protecting the interests of students when universities and colleges close – Office for Students

On Thursday 3 April, the OfS published an insight brief outlining how the OfS would work with an institution and its students in the event of a closure. The brief suggests ways institutions can ensure that their contingency planning helps them be as well prepared as possible.

As well as the direct impact on students, the brief considers issues of communication and record management, and how universities and colleges may be affected by the closure of their subcontracted or validated delivery partners.

You can <u>read mor</u>e.

Towards a new mission for Widening Participation – UPP Foundation

On Thursday 3 April, the UPP Foundation announced that they are running a major inquiry into the future of widening participation in the Spring and Summer of 2025.

The UPP Foundation inquiry will focus on two key areas:

Regional "cold spots" – exploring why there has been persistent failure to raise HE participation in regions where significantly fewer young people attend university. In Barrow-in-Furness, just 13.1% of 18-year-olds entered higher education in 2023, compared to 69.5% in Wimbledon.

Student experience disparities – examining how university experiences differ based on students' living arrangements and economic backgrounds, with poorer students often receiving a secondary experience that contributes to lower continuation and completion rates.

You can read more.



Research and development allocations for 2025/2026 – Department for Science, Innovation & Technology

On Friday 4 April, DSIT announced how it will allocate its £13.9 billion research and development (R&D) budget for the financial year 2025/2026. The table below shows how funds will be allocated:

Organisation or programme	2025/2026 (£ million)
UK Research & Innovation (UKRI)	8,811
UK Contribution to EU Programmes [footnote 2]	2,736
UK Space Agency	668
Met Office	310
National Academies [footnote 3]	217
Advanced Research & Invention Agency (ARIA)	184
National Measurement System	130
Al Security Institute (AISI)	66
Government Office for Science (GOS) [footnote 4]	18
Other DSIT programmes [footnote 5]	750

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