

Annex A: The new government

Issue

1. This paper provides an overview of the new government and key issues likely to emerge in the coming months, including those identified by the Secretary of State in supplementary guidance issued in September 2019.

Recommendations

2. The board is invited to note the paper and discuss its implications.

Further information

3. Available from Conor Ryan, Director of External Relations (conor.ryan@officeforstudents.org.uk) or [exempt from publication].

The new team at the Department for Education

4. When Boris Johnson became Prime Minister, he appointed three new faces to the five strong ministerial team at the Department for Education. Nick Gibb remains as school standards minister, and Lord Agnew is his deputy with responsibility for the school system. Jo Johnson MP returned as Minister of State for Universities, Science, Research and Innovation, a role he held from July 2016 to January 2018, with a seat at Cabinet. However, he resigned in early September and Chris Skidmore, who had held the post from December 2018-July 2019 returned to the role.
5. The new Secretary of State is Gavin Williamson, MP for South Staffordshire since 2010. He is a former Chief Whip and Defence Secretary. He holds a BSc in Social Sciences from the University of Bradford. Prior to his education role, he had spoken supportively of apprenticeships expansion and had taken a keen interest in skills issues. The new Secretary of State will lead on the overall coherence of the department's responsibilities across all phases, but will have a particular focus on skills, apprenticeships and further education. He also has a keen interest in education technology. For the first time in recent years, there is no separate minister with responsibility for skills issues.
6. Chris Skidmore, MP for Kingswood since 2010, returned as universities minister after a brief period as a health minister. A history graduate from Christ Church College, Oxford, he is a published historian specialising in the Tudors. As well as being responsible for higher education at DfE he is also responsible at the Department for Business, Energy and Industrial Strategy for: science and research; innovation; intellectual property; space; agri-tech; and technology.
7. Kemi Badenoch MP is the new children's minister. Her responsibilities include children's social care, special educational needs, school sport and early years policy. She has particular responsibility for social mobility and disadvantaged pupils, the race disparity audit as it affects education. The former London Assembly member has been MP for Saffron Walden since 2017. She is a graduate in computer systems engineering from the University of Sussex and has a law degree from Birkbeck, where she studied part-time. She has worked in IT and banking before becoming an MP. [Exempt from publication].
8. Richard Holden is the new special adviser to the Secretary of State. He worked for the Conservative Party for eight years after studying government and history at the London School of Economics. In the past, he was special adviser to Chris Grayling, as transport secretary, Sir Michael Fallon when he was defence secretary and to Baroness Evans, Leader of the House of Lords. Diana Beech remains as a policy adviser on higher education. Iain Mansfield, who had been Jo Johnson's special adviser has moved to the business department working with Kwasi Kwarteng, the energy minister.

Ministerial priorities

9. With Brexit – along with crime and the NHS – the top priorities for the new government, there are unlikely to be significant policy changes in education. On 1 August, when the full HERA powers came into effect, Jo Johnson urged the OfS to use our ‘full range of powers’. He [said](#)

Today marks an important milestone for future students and our world-class higher education – one which I am pleased to see, having worked hard to drive through these reforms two years ago. Our vision for the OfS was for it to be a regulator with teeth and it has already made a significant impact on the sector. Now I expect it to use its full range of powers to ensure students up and down the country are at the heart of the system and receive value for money from our universities.

For the thousands of young people collecting their A Level results this month and starting university in September, they can be confident that the OfS will be a champion for students which is able to take strong action. Our universities are world-leading and this reputation must be protected. I look forward to getting back to work to drive a focus on ensuring all students have a high-quality higher education which leads to a successful, fulfilling career.

Strategic guidance

10. The Secretary of State provided supplementary guidance to the OfS in a letter on 16 September. The guidance is additional to that issued in February and June 2019. In his letter, available in full [here](#), he praised the “excellent progress...made since the establishment of the Office for Students (OfS) last year.” He welcomed our “robust approach being taken to access and participation, and ... the analysis that the OfS are developing to consider the outcomes of access and participation interventions.”
11. To support value for money, he backed the OfS in “rigorous decision-making” during registration and “taking action where monitoring of providers’ compliance with ongoing conditions of registration suggests that there are courses and providers that are not delivering value for students.” He particularly highlighted unacceptable levels of drop-out rates or failures to equip students with qualifications that are recognised and valued by employers. Over time, he indicated that he expected to see baseline registration requirements raised to ensure that providers deliver successful outcomes for all students.
12. On the Teaching Excellence and Student Outcomes Framework (TEF), he asked that subject level TEF be published in 2021 alongside the implementation of a new TEF model to be developed following the publication of the government response to Pearce Review. He also asked the OfS to consider running a further provider-level TEF assessment exercise with results published in 2020.
13. He welcomed our planned Admissions Review and supported it being used to consider the pros and cons of potential models of Post Qualification Application (PQA). He hoped the review will be an opportunity to identify improvements, based on evidence, which will help to further improve and develop the admissions system so that it remains fair and transparent for students both now and in the future, particularly for students from disadvantaged backgrounds. He reiterated his concern with conditional unconditional offers. He also criticised the use of inducements that could have an adverse impact on the access and success of students in

higher education. He welcomed our working with the CMA to identify and address breaches of consumer law by providers.

14. On Student Contracts and Consumer Rights, he said he would like the OfS to prioritise work supporting students as empowered consumers. Working with partners such as the Office of the Independent Adjudicator for Higher Education and the Competition and Markets Authority, as well as with other experts in the field, he asked the OfS to review the effectiveness of current practice ensuring students' consumer rights are supported, and in particular to consider options for standard contractual templates setting out these rights by February 2020.
15. On Innovative and Flexible Provision he asked the OfS to continue to focus on part-time and flexible learning to deliver real choice and flexibility throughout working lives, and in response to the needs of business. He emphasised the importance of Access and Participation Plans in the process, and also highlighted the importance of reviewing the regulatory and funding arrangements surrounding flexible provision; a Challenge Competition to support flexible learning; considering how to raise awareness of accelerated degrees; and a plan for the use of your regulatory powers relating to student transfer. He asked for a plan to be agreed by the end of November 2019 and an interim report by the end of March 2020. He also asked the OfS to consider how to raise awareness of accelerated degrees.
16. On International Higher Education & Brexit, he asked the OfS to support the government's International Education Strategy by considering what steps it can take to ensure international students feel integrated on campus; are supported in terms of their mental health and wellbeing; and international students receive the employability skills they need and are supported into employment, whether in their home country or the UK.

The wider political context

17. Exempt from publication.

18. The focus on Brexit preparation, as well as some issues perceived as core by Downing Street, including crime, health and school budgets, means there is unlikely to be an early focus on higher education by the new prime minister or No 10. However, Boris Johnson served as shadow higher education minister in 2005-6 where with David Cameron, he supported the variable fees introduced by the then Labour government, shifting Conservative policy. His senior adviser Dominic Cummings was a special adviser to Michael Gove as education secretary, where he criticised what he saw as the education establishment blocking reform.

19. Exempt from publication.

The Budget and Spending Review

20. A fast-tracked one year spending review for 2020-21 took place in early September, with a 3.3 per cent real terms increase for the Department for Education from 2019-20 to 2020-21. The full details of the funding, particularly for higher education, has yet to be announced, but the departmental expenditure limit (DEL) has increased from £64 billion in 2019-20 to £67.8 billion in 2020-21. The majority of this money will go to schools, where the DEL rises from £44.4bn to £47.6bn including additional pensions funding, as part of a £7.1 billion cash uplift by 2022-23. The government also announced an additional £400 million for further education in 2020-21, to

improve sixth form funding and to support new developments including T-levels. [Exempt from publication].

Impact of no-deal Brexit

21. The government has been substantially increasing its preparations for a no-deal Brexit, and has recently updated its advice for higher and further education providers in England on how to prepare for Brexit. The OfS is engaging with both DfE and BEIS on Brexit related issues and the Chief Executive continues to attend a High-Level Stakeholder Working Group on EU Exit chaired by the Minister for Universities, Science, Research and Innovation.
22. Exempt from publication.
23. If Britain leaves without a deal, there are likely to be implications for: EU students studying in the UK; EU staff working in UK providers; UK students studying in the EU; short-term EU study opportunities for UK students, particularly the Erasmus programme; and UK-EU research partnerships. According to the latest HESA figures (2017-18) there are 108,000 EU students studying at English universities, representing 5.7 per cent of the total higher education student population and 29 per cent of non-UK students. Of these, 72,500 are on undergraduate courses, 24,000 are on taught postgraduate courses and 11,500 are postgraduate research students.
24. The government has said that EU students applying for a place at a university or further education institution in the UK in the 2020-21 academic year will remain eligible for undergraduate and postgraduate financial support and continue to have 'home fee status', which means they will be charged the same tuition fees as UK students for the duration of their studies. Students who have already started their course are guaranteed their existing status for the duration of their studies. These arrangements will be in place whether or not the UK leaves the EU with a deal. Arrangements for incoming EU students for the 2021-22 academic year and beyond have not yet been announced by government but the minister has confirmed that it will provide sufficient notice for prospective EU students.
25. According to the latest HESA staff record, there are 42,000 EU staff working in English higher education, representing 12 per cent of the total workforce. Of this figure, 30,500 are in academic roles (17.4 per cent of the academic workforce) and 11,500 are in administration (6.5 per cent of this population). In the event of no-deal, students and staff who are EU citizens living in the UK on exit day can apply to the EU Settlement Scheme to continue living in the UK after 2020. Students within the EU Settlement Scheme will stay eligible for student financial support.
26. The EU Settlement Scheme will not apply to individuals arriving after exit day in a no-deal scenario. Instead, EU students and staff will need to apply for European Temporary Leave to Remain, enabling them to work, study and live in the UK for up to three years. Once this expires they will have to apply under the future immigration system for the relevant visa. [Exempt from publication].
27. There are no official data on the number of UK students studying in other EU countries. However, 2017 data from UNESCO suggests that of the 34,000 UK students who studied abroad, 11,000 studied in other EU countries (the actual figure will be higher as data is missing for several EU nations). The majority of EU member states have provided the Foreign and

Commonwealth Office with assurances in relation to tuition fees, at least for continuing students. For UK students studying in the EU, where they are unable to continue their studies following a no-deal exit, it may be possible for them to transfer to a provider in the UK. The OfS has an advice page and a dedicated phone line to assist. We have so far had very few calls to that line but we recognise that this may change in the run-up to Brexit.

28. In a no-deal scenario, students who are abroad through an Erasmus+ activity on exit day will continue to be funded for the duration of the activity. This applies to both UK students on programmes in the EU and EU students on programmes in the UK. [Exempt from publication]. Through the Erasmus+ programme, just over 16,000 UK students a year study, train or work in Europe, while nearly 32,000 European students come to the UK. DfE are looking at the options for administering some form of study abroad scheme in the event of a no-deal Brexit and one of those options might involve working closely with the OfS. We are engaging proactively with DfE to explore the possibilities.
29. If there is no deal, UK organisations would no longer receive EU programme funding. However, the government has guaranteed that UK organisations, including universities, will continue to receive funding over a project's lifetime if they successfully bid into EU-funded programmes before the end of 2020. For higher education providers the guarantee will cover funding awarded for Erasmus+ and European Solidarity Corps (ESC) projects. However, the most significant element of EU funding for higher education providers is for research activity. While this activity is generally outside the remit of the OfS it does overlap with our interest in postgraduate students and the financial sustainability of providers. In the event of no-deal, the guarantee will fund all successful competitive UK bids to Horizon 2020 that are submitted before we leave the EU. UKRI will manage the independent assessment of UK applications to other EU research funding schemes and successful projects will be funded.
30. Exempt from publication.
31. Universities UK is researching this issue. It has indicated that providers who may be affected are generally relying on their EU delivery partners to mitigate the risks involved. Data from HESA for 2017-18 indicates that there are around 63,000 undergraduate and postgraduate students located in the EU who are studying for an English higher education qualification. This covers students registered at an English provider – but who study at an overseas campus, or another location or via distance learning – and those registered at an overseas partner organisation – but who study for an award from an English provider.
32. OfS regulation extends to the students being taught under these arrangements. We are currently establishing our approach to regulating transnational education and will consider how we will respond to this issue.