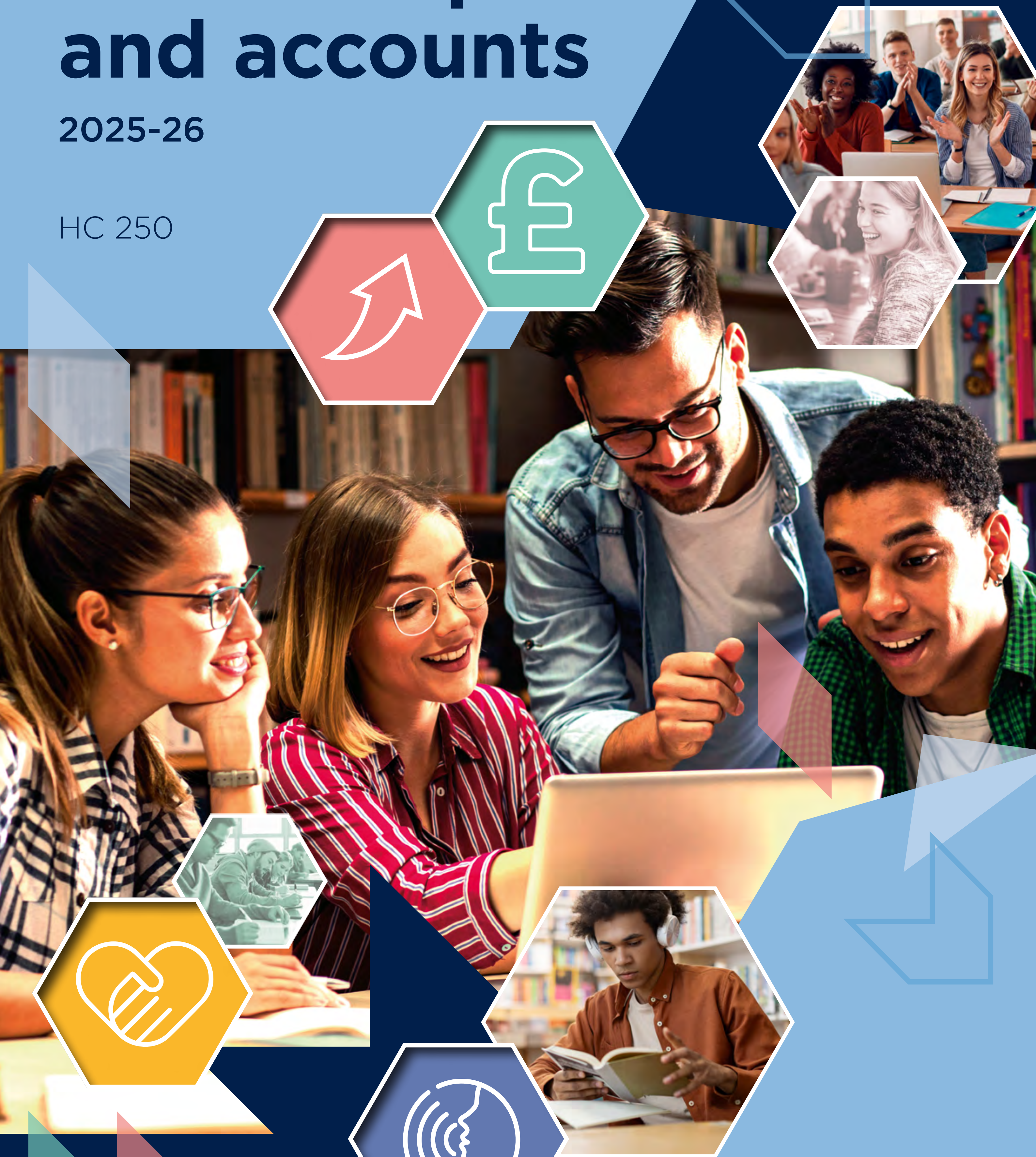
Annual report and accounts

2025-26

HC 250



Office for Students

The Office for Students

Annual report and accounts 2025-2026

For the period 1 April 2025 to 31 March 2026

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Performance report

Performance overview

This section is an overview of the work of the Office for Students (OfS). It sets out our purpose, our aims, our performance, and impact and management of key risks during the 2025-26 operating year.

Chair's statement

Edward Peck

OfS chair

I have had the privilege of working in the higher education sector for 30 years and I have seen countless times how higher education can transform individual lives for the better, stimulate improvements in public services and drive economic growth in businesses. Since joining the OfS as its chair in the summer of 2025, I have visited 15 higher education providers, including speaking with their students, and have engaged more generally in many conversations across the sector. I intend to continue with this level of engagement in 2026-27. These visits have reinforced my view of the importance of an effective regulatory framework that supports high quality education, and addresses the challenges and opportunities faced by the sector in a rapidly transforming world.

A major landmark this year was the publication of the OfS strategy for 2025 to 2030.[1] Student input and research on what is important to them informed this strategy. It sets out our vision for a higher education sector that is high quality, resilient in the face of challenges, and focused on delivering an excellent student experience.

Achieving our strategy in the interests of students is as much about how we regulate as what we regulate. Four attitudes are driving our stewardship of the sector in a period of change as we work to become an exemplary regulator.

Ambitious for all students from all backgrounds.

Every student - regardless of their background, circumstances or pathway - should have the opportunity to benefit from high quality education that meets their needs and equips them to succeed.

We will be relentlessly focused on securing positive higher education experiences for all students, informed by a sharper understanding of students' priorities and concerns.

We will help drive improvement across the sector, recognising that while much provision is already excellent, there is room to improve further. And we will hold institutions to account when they fall short.

Collaborative in pursuit of our priorities and in our stewardship of the sector.

We will deliver our work in collaboration with students and the institutions we regulate.

Accepting there will be issues on which we disagree, we will cultivate relationships based on mutual respect, confidence and trust.

We will work with student bodies, sector agencies and other partners that share responsibility for stewardship of this important sector to support a cohesive regulatory environment and foster a thriving ecosystem equipped to create opportunity and drive growth.

Vigilant about safeguarding public money and student fees.

We intervene where we have concerns that public money is not being used as intended, while also ensuring that in return for their investment of time, money and hard work, students benefit from high quality higher education experiences.

We will strengthen our focus on governance, recognising the critical role of effective leadership in securing positive outcomes for students and taxpayers. And we will mobilise the diversity, talents and commitment of OfS staff to deliver efficient, effective and impactful regulation, ensuring value for the taxpayers and institutions that fund our work.

Vocal that higher education is a force for good, for individuals, communities and the country.

We will champion the many benefits of higher education for society, culture and the economy and regulate in a way that enables universities and colleges to drive growth, create opportunity, champion free expression and support a flourishing society.

We will identify and celebrate achievements, helping institutions to learn from and build on the success of others, alongside highlighting concerns, empowering universities and colleges to drive positive change.

One focus since I became chair has been to change the way we engage with stakeholders. The creation of a new Provider Panel was an important development to ensure that the perspectives of divergent institutions are embedded in our governance. This complemented an earlier transition of the Student Panel to a new Student Interest Board in May 2025, which broadened student representation and strengthened how student perspectives are fed into the OfS board.

This year has also been marked by important transitions. Susan Lapworth stepped down as chief executive at the end of March 2026 after eight years of dedicated service to the OfS, first as Director of Regulation and subsequently as chief executive. I want to put on record my appreciation, and that of the board, for her committed and determined leadership of the organisation. Following Susan's departure, Josh Fleming served ably as interim chief executive until June 2026, when we were joined by Ruth Hannant and Polly Payne as joint chief executives. Ruth and Polly bring extensive experience and expertise and will play a central role in taking forward the next stage of our evolution as a regulator. We welcomed also new board members who bring a wide range of private and public sector perspectives, including from other regulators. The board is now at its full complement of members. I appreciate the important contributions made by all board and committee members, past and current, as do the executive team. Finally, everything we achieve is only possible because of the insightful and impactful input of OfS colleagues – I am hugely grateful for their hard work in the interests of students.

I look forward to continuing to collaborate with all our stakeholders, as we work towards the shared goal of a thriving, resilient higher education sector that delivers tangible positive results for individuals, the economy and society.

Chief executives' overview

Ruth Hannant and Polly Payne

OfS chief executives

We were delighted to take on the role of joint chief executives of the OfS in June 2026. The organisation has a crucial role in ensuring students, whatever their background, have access to a high quality higher education experience and the transformative opportunity this represents. It also works to ensure that the higher education sector remains thriving and resilient, delivering for students, the economy, and society. We are really excited to lead the OfS in the next phase of its development, working with OfS colleagues, our board and with stakeholders across the higher education sector and beyond to deliver our new strategy to become an exemplary regulator.

This Annual report summarises the OfS's impact in 2025-26, and the next steps that we will take in 2026-27 on the quality of higher education, the student experience and the resilience of higher education providers.

During 2025-26, we published our **strategy for 2025 to 2030**. This makes clear that how we regulate is as important as what we regulate, setting out four guiding attitudes: being ambitious for students from all backgrounds, collaborative in our work with students, providers and partners, vigilant in safeguarding public money and student fees, and vocal about the value of higher education as a force for good. These attitudes will be embedded in all we do. The strategy sets out six strategic goals across three themes of quality, student experience and support, and sector resilience. Within all these goals is our commitment to equality of opportunity for all students.

Quality

One of the most significant developments this year was our **consultation on fundamental reforms to the regulation of quality and standards**. Our intention in proposing these reforms is to create a more coherent and integrated approach to ensure all students receive high quality education, and to effectively support continuous improvement across the sector. This will benefit students and give them clearer information to inform their choices about where and how they study.[2] It will allow us to celebrate excellent provision, and to share this for the benefit of the wider sector.

Our proposals on regulating quality in higher education

We are ambitious for all students from all backgrounds across a diverse sector. With this in mind, we worked closely with universities, colleges, student representatives and sector bodies to design a simpler, more transparent and scalable approach to regulating quality in higher education. In 2025, our board agreed the overall aims and structure of this proposed approach to assessing quality. Our proposed approach is underpinned by a revised and expanded Teaching Excellence Framework (TEF), which applies to all registered higher education providers.

From September to December 2025, we consulted on the principles and structure of the system, meeting with sector bodies and student groups through online and in-person events. Feedback to the consultation was mixed. We heard strong support for a more integrated and streamlined approach and expanding the TEF to cover all providers and, in time, postgraduate courses. There were some concerns about how we create the right balance between regulating compliance with minimum standards, and encouraging improvement and excellence across providers. Our board considered feedback from the consultation in April 2026. It placed particular importance on the feedback, received from our Student Interest Board, that ratings must be presented clearly so that students understand what they show and mean.

A second consultation in autumn 2026 will focus on the detailed criteria, assessment methods and how the new system will work in practice. The proposals aim to ensure that students get better quality and clearer information; providers are supported and incentivised to improve; and the government and public have confidence in the quality of higher education.

Regulatory action after quality assessment

This year we acted following a detailed review of business and management courses taught by RTC Education Ltd (which trades as Regent College London). We found that Regent College London and its university partners, the University of Greater Manchester and Buckingham New University, had not met required standards for course quality and academic oversight.[3] As a result, Regent College London has been placed under advanced monitoring, and the University of Greater Manchester (a partner of this college) must strengthen how it oversees its partnership provision. We considered that Buckinghamshire New University responded to the concerns of the assessment team in a manner consistent with its responsibilities as the awarding partner and noted that it had decided to terminate its contract with RTC Education Ltd in May 2025.

We will carry out further quality assessments of these higher education providers, demonstrating our vigilance and our readiness to intervene where students are not receiving the quality of education they should expect.

Most higher education courses in England are high quality, and we know that universities and colleges undertake significant work to ensure that their students receive a good education. Our quality assessments focus on teaching provision where data or intelligence suggests that students may not be experiencing high quality course delivery.

A high quality higher education experience depends on exposure to a wide range of thought and argument, and on the opportunity to encounter and test ideas that may be challenging or controversial. Freedom of speech and academic freedom are therefore central to the mission of higher education and to the educational experience of students.

New legal duties in this area came into force on 1 August 2025.[4] Before and after commencement of these duties, we engaged extensively with the sector and stakeholders to support effective implementation and to ensure that universities and colleges clearly understood their new legal duties.

In June 2025, we published Regulatory Advice 24 (RA24), providing detailed guidance to support compliance.[5] Since publication, the guidance has been accessed from our website over 34,000 times, demonstrating strong sector engagement. We welcome the positive steps many providers have taken to strengthen their approaches to securing freedom of speech within the law, including academic freedom, and to embed these protections as a core part of a high quality educational offering for students.

In April 2026, the Secretary of State for Education announced that from 1 September 2026 the OfS will operate a new complaints scheme for higher education in England. The scheme will give staff, visiting speakers and non-student members a clear route to raise concerns if they believe that a university or college has unlawfully restricted their free speech or academic freedom.

While the recent judgment in the University of Sussex judicial review broadly endorsed the approach set out in our guidance, some aspects will need to be updated, to make sure there is clarity as preparations continue for the launch of the complaints scheme.[6] We will engage with the sector as this work is taken forward.

The Secretary of State also announced that a duty on the OfS, to put in place new conditions of registration connected to the new duties, will commence on 1 April 2027. These conditions will require that higher education providers' governance documents and arrangements ensure compliance with their new legal duties, and that higher education providers comply with those duties. We will consult on and prepare conditions and guidance in time for those provisions coming into force.[7]

Student experience and support

We continue to prioritise ensuring that students can play a meaningful role in our regulatory work. We are enhancing the way we gather and use students' insights, enabling us to build a more robust and nuanced understanding of their experiences in higher education. Further detail about our approach is in the 'About us' section of the report.

To be able to regulate in the interests of students, we must have a clear understanding of their concerns. Insight from students over 2025-26 has included the following work.

Understanding the extent to which higher education providers are meeting students' reasonable expectations

We completed a sixth 'wave' of our student pulse survey and evaluated the first year of this activity to identify how to refine our approach for future survey delivery.

Commissioning Public First to explore the topic of consumer rights with students

This independent research focused specifically on what students felt they had been promised by their higher education provider, and their perceptions of their experiences and student rights considering these promises. Polling found that a substantial minority of students do not have a confident grasp of their rights and entitlements.[8]

Although students may not always think of themselves as consumers, the protections they are entitled to as consumers are highly relevant to their experiences. We know that disruptions to students' courses are commonplace with 70 per cent of students in polling telling us they had faced at least one disruption, and 75 per cent said their institution fell short of delivering what they expected from their course.[9] In 2024, we commissioned a student survey about the impact of a marking and assessment boycott carried out by university and college teaching staff in 2023. The findings showed that, of those respondents whose course was affected by the boycott, 36 per cent were satisfied with how the boycott was handled by their institution and 54 per cent were dissatisfied.[10]

We made changes to the initial conditions of registration, introducing a new condition to strengthen consumer protection requirements.[11] We also prepared to consult on more robust protections for students already part of the regulated sector. We held a series of **discussions and stakeholder events** with a wide range of organisations, including the National Union of Students (NUS), the Competition and Markets Authority (CMA), the Office of the Independent Adjudicator for Higher Education (OIA), and National Trading Standards (NTS). Stakeholders welcomed the OfS's ambitious and collaborative approach to developing a proposed new condition focused on fair treatment of students, and their feedback, along with input from our Student Interest Board, directly informed the refinement of the proposals, which we published in April 2026.[12]

We also sought views from sector representative bodies on the development of a **student model contract**. We have begun engagement with them, with the intention of working in partnership with the sector to take this forward.

Students should receive clear, accurate and timely information about their courses, fees, and other services the institution has committed to provide, and clear and fair terms and conditions for these services. **We work with NTS by referring cases that raise concerns** about potentially unfair terms and conditions in institutions' student contracts. This year we renewed our contract with NTS and made 12 referrals because of potential consumer protection concerns. We also made referrals to NTS for consideration of whether terms we identified in student contracts that limited liability in relation to industrial action are unfair.

Our work also focuses on wider factors that negatively affect students' ability to study and successfully complete their courses. Students consistently highlight the prevention of harassment and sexual misconduct, and the challenges facing disabled students (including those facing mental health issues) as priorities for our attention.

A clear understanding of the scale and nature of harassment and sexual misconduct is integral to setting regulatory requirements, and to ensuring that providers protect students and meet those obligations. Our 2025 prevalence survey of **harassment and sexual misconduct** underlines the scale and seriousness of the issue. The 2025 survey was the largest prevalence survey of sexual misconduct in higher education in the UK. The initial set of results show that 24.5 per cent of final year undergraduates who responded to the survey have experienced sexual harassment since starting their studies. Around one in seven (14.1 per cent) have experienced sexual assault/violence.[13] These results provided a clearer picture of students' experiences of sexual misconduct and will help higher education institutions to understand where, how, and when they might target interventions.

In addition to working to understand the scale and scope of these issues in English higher education, we implemented condition E6 on harassment and sexual misconduct, which came fully into force on 1 August 2025.[14] This condition requires that universities and colleges have effective policies to prevent harassment and sexual misconduct, robust procedures to address it if it occurs, and support for students who experience it.

We actively supported that implementation by helping students understand what they should expect from their providers. This included publishing student-facing information on harassment and sexual misconduct, setting out students' rights and providers' responsibilities.[15] This also included wider communications activity to raise awareness of the new regulatory requirements. We also published the full text of the condition and technical guidance.[16]

This year we published an Insight brief on **improving equality of opportunity for disabled students**.[17] It shows that in the 2023-24 academic year, around one-fifth of full-time undergraduates, one-quarter of part-time undergraduates, and 17.5 per cent of undergraduate degree apprentices reported at least one disability. Mental health conditions were reported by 5.5 per cent of full-time and 7.2 per cent of part-time undergraduates. The brief highlights evidence that **disabled students report poorer experiences than their non-disabled peers**. We therefore encourage universities and colleges to foster environments that support students' mental health and wellbeing, including through use of the formula-based premium for student transitions and mental health. In the 2025-26 financial year, we distributed £13.9 million to universities and colleges to support effective mental health and suicide prevention activity, and to strengthen collaboration with local NHS mental health services.[18]

Equality of opportunity

This year, we worked to improve equality of opportunity for students with physical and mental health conditions by sharing information and opening constructive dialogue about a future OfS statement of expectations for providers on disability.

Our Insight brief, 'One size doesn't fit all: Equality of opportunity for disabled students', drew on multiple sources.[19] It showed the important work that universities and colleges can do to improve the experiences of disabled students and close persistent gaps in their experiences and outcomes. It summarised views gathered from universities and colleges about the issues they face seeking to resolve these gaps and included a checklist of points for them to consider.

We also commissioned polling (reported on in the Insight brief) to explore how disabled students experienced the process of applying for, accessing and benefitting from learning support plans and reasonable adjustments. 70 per cent found the process easy to navigate while 17 per cent experienced difficulties.

Members of our Disability Advisory Panel gave their views on improving disabled students' experiences in a blog, reinforcing the importance of including disabled students in shaping policies and practices.[20]

We have now launched **plans to develop a statement of expectations for providers on supporting disabled students**, which will include our expectations relating to mental health as a disability. The statement will clarify our expectations, reference responsibilities under the Equality Act 2010,[21] and support greater consistency and improvement across the sector. We will develop the statement collaboratively with key stakeholders.[22]

Sector resilience

A higher education sector that is resilient in a volatile environment is essential for protecting students' interests, sustaining high quality provision, and ensuring meaningful choice across a diverse range of institutions. **Financial sustainability therefore matters directly to students, and is the most pressing challenge facing universities and colleges.** To support this, we have continued to prioritise and further develop our work on financial sustainability. We regularly collect and analyse financial data from providers, refining and strengthening our risk assessment framework to support judgements about financial risks at individual institutions. Our analysis of sector-wide financial performance, including the November 2025 and May 2026 reports, shows that the sector continues to operate under significant financial pressure.[23]

Where we identify risks, our approach is designed to ensure that providers are addressing them at an early stage. We have engaged directly with individual institutions, where appropriate, to seek additional information and develop a clearer understanding of their circumstances. We have also increased transparency with providers about how we assess their financial risk. This engagement has grown both in scale, as more providers face financial challenge, and in depth, reflecting the seriousness and complexity of the issues involved.

Many institutions will need to make substantial changes to their operating models in the coming years to remain financially viable and reduce the risk of closure. Our ongoing work aims to support timely action by providers, helping to protect students and maintain high quality provision across the sector.

Financial monitoring

Throughout this period, we maintained a strong emphasis on timely financial monitoring, collecting finance data at several points during the year, and developed our ability to assess the resilience of the sector's finances. We continued to experience an increasing workload, driven by the need to conduct detailed assessments of financial forecasts and to undertake both informal and formal monitoring. The number of providers we placed under formal monitoring increased from 71 (as reported in our 2024-25 Annual report and accounts) to 108 at the close of the assessment and monitoring cycle of providers' annual financial returns (AFRs) for 2024-25 (AFR24). We began assessment of returns to AFR25 in January 2026.

A Student Protection Direction (SPD) is a formal regulatory tool. The OfS can use it to require a higher education provider to take specific actions to protect students where there is a heightened risk that they could be adversely affected. At the end of the 2025-26 financial year there were six finalised SPDs in force.

Where there have been institutional closures, such as that of Spurgeon's College and the College of Osteopaths, we acted with a clear focus on protecting students.

From insight to impact

Our financial health reports secure strong media coverage and are widely used by policymakers. For example, our November 2025 mid-year update was a key source of evidence for a Commons Education Committee inquiry, underlining the report's impact.[24] Through our communications strategy, we seek to extend our established authority on the sector's financial health across all our regulatory areas.

Institutions under continued financial pressure

The sector's financial health remains challenging. Analysis published in May 2026 shows that, in aggregate, the sector reported a small improvement in financial performance in 2024-25, driven by higher income from tuition fees and education contracts. This is despite UK and non-UK student recruitment remaining significantly below previous forecasts.[25] Adjusted surplus, operating cash flow and net liquidity all increased compared with 2023-24 levels. However, improvements at the aggregate level mask substantial variation in financial performance across the sector.

> More than **a third (35.8 per cent)** of institutions reported a deficit for 2024-25. While this is lower than expected, this figure is forecast to rise to **four in ten** institutions **(42.7 per cent)** in 2025-26.

Providers' forecasts predict a slight deterioration in financial performance in 2025-26, followed by an expected return to stronger surpluses from 2026-27 onwards. This anticipated recovery is heavily dependent on a significant increase in student recruitment and coincides with a reduction in restructuring activity. We have observed a similar pattern in forecast submissions for several years, of short-term caution followed by medium- to long-term optimism that assumes a level of future growth that has not, to date, materialised. We remain concerned that a reliance on optimistic assumptions may be limiting the pace and scale of actions needed to secure providers' long-term sustainability.

We are committed to supporting the sector through proactive collaboration with higher education providers and the effective sharing of information to navigate this challenging environment.

Supporting stronger institutional governance

The risks in the operating environment shaped our work to support stronger institutional governance capability. We strengthened our approach to assessing institutions seeking registration, ensuring they are well equipped to meet the conditions of registration. Alongside this, we were vocal about the importance of good governance across the sector.

Over the past year, we worked collaboratively with sector bodies to strengthen governance in higher education. Our focus was on sharing insights, contributing to sector-led initiatives, most notably the reform of the Committee of University Chairs' (CUC) Code of Governance, and preparing for potential future regulatory changes.

We deliberately timed our policy development so that any proposals for regulatory change built on, rather than duplicated, existing work. By first engaging with and supporting sector-led initiatives, and sharing our regulatory perspective on risk, we created a foundation for more focused discussions about possible regulatory changes. This work reflects our collaborative regulatory approach and will inform our consultation in the 2026–27 financial year on the ongoing E conditions of registration.

We made substantial **reforms to initial registration requirements, particularly in relation to governance standards**, introducing new conditions (E7, E8 and E9). These embed requirements for strong governance in the registration process for higher education providers, so that only providers capable of offering a high quality, fair and sustainable academic experience to students will be permitted to enter the regulated sector.[26] This was supported by a streamlined registration system that delivers decisions more efficiently.

In cases of significant concern about universities or colleges, we work closely with the Department for Education (DfE) and the Student Loans Company to **share intelligence, escalate concerns and agree responsibilities for audits and investigations**. A particular area of focus has been subcontractual arrangements. These are arrangements in which a lead partner registered with the OfS is responsible for the practices of any partners delivering teaching on its behalf. While recognising that subcontractual arrangements can bring benefits, we are concerned that poorly managed arrangements increase risks for students, taxpayers and the reputation of English higher education.

As described in the 2024-25 Annual report and accounts, we carried out two formal investigations into concerns about the delivery of the Diploma in Education and Training through subcontractual arrangements. One of these investigations concluded in November 2025 with publication of a regulatory case report on concerns at Brit College. The college had asked to be removed from the OfS Register in July 2025.[27]

Separately, an investigation found that Leeds Trinity University lacked effective arrangements to manage subcontractual provision. The university cooperated with the investigation, and a case report published in May 2025 outlines the concerns and the financial settlement reached.[28]

In response to concerns about the effective management of subcontractual arrangements, **we strengthened regulatory requirements for institutions engaged in significant partnership activity**. Following consultation, we announced new requirements for lead providers in March 2026, including a new ongoing condition of registration.[29] From 31 March 2026, this applies to lead providers with, or expecting to have, 100 or more students on relevant subcontractual courses in an academic year. The condition requires lead providers to identify and mitigate risks to students and taxpayers by developing and implementing control measures that ensure robust oversight of delivery partners.

Looking forward

As we look ahead to our first year as joint chief executives, the OfS has a significant agenda to deliver for students, the sector and broader society. Higher education plays a crucial role in supporting economic growth, shaping our regional economies and fitting students with the skills and experiences to enable them to thrive in life. As an exemplary regulator ensuring quality, opportunity and sustainability in higher education the OfS must be a key enabler.

But we will only be able to achieve this working in collaboration with partners across the skills and research systems as well as with universities, colleges and students. We are looking forward to working with partners to drive our ambitious agenda.

There will be a **second phase of consultation on our future approach to regulating quality**, building on the substantial engagement from our earlier consultation. This work is central to our wider ambition to embed continuous improvement and support high standards across all forms of higher education provision, for the benefit of all students from all backgrounds. We will continue to require universities and colleges to meet minimum requirements for quality and standards, and will monitor this, taking regulatory work where necessary.

On **free speech and academic freedom**, we will update existing guidance and consult on, and develop, regulatory conditions and supporting guidance in preparation for the implementation of new legal duties from April 2027.

We support the vision of the Post 16 Education and skills white paper and are engaged in preparations for the **introduction of the Lifelong Learning Entitlement**.[30] We will ensure that our approach supports a system capable of adapting to new modes of delivery, and more flexible learning pathways to support equality of opportunity and the changing needs of students and employers. This includes supporting higher education providers to meet the skills needs of the country and to play their part in driving economic growth.

We will **continue to support government priorities**. This includes running the £80 million Defence Industrial Strategy funding competition, which is expected to create around 2,400 additional student places over three years starting in the 2026–27 academic year.[31] These new places will focus on computing and engineering courses, and funding will also help universities develop cutting-edge teaching facilities. We will use additional government funding to expand dental education in the 2027–28 academic year, working with health partners to support a first cohort of 50 extra places across two new dental schools.[32]

Progressing work on consumer protection will be a priority. In April 2026, we launched a formal consultation on a proposed new ongoing condition of registration C6: Treating students fairly.[33] The consultation will close in July 2026, and we plan to publish final decisions in the autumn of 2026. This work is important to students because it aims to ensure they are treated fairly. This means, as a minimum, that they can rely on clear, accurate and comprehensive information when making choices, receive what they were promised by providers, issues are resolved when they arise, they are protected from harm and understand their consumer rights.

Following a call for evidence in 2025-26, we will continue to **develop plans for regional access partnerships** to succeed the current OfS-funded Uni Connect programme. These new partnerships will bring together higher education providers, schools, colleges, local authorities and other partners to identify and address regional risks to equality of opportunity in accessing higher education.

We expect financial pressures across the sector to continue, and there is a risk that these pressures may be heightened by inflationary effects linked to the conflict in the Middle East. **We will continue our monitoring, analysis and engagement with providers on their financial sustainability.** To help us deliver our ambitious goals for sector resilience in our 2025 to 2030 strategy, we recruited members to a new Financial Sustainability Advisory Panel (FSAP). The panel will strengthen our approach to financial sustainability and provider risk by offering expert insight from other regulated sectors.

Strengthening provider governance will remain central to our work. We will continue to work collaboratively with sector bodies on this agenda. We intend to launch a consultation on proposed revisions to our ongoing E conditions of registration (about management and governance in higher education providers). These proposals aim to ensure that our expectations on institutional governing bodies for robust management and governance are clear, evidence-based and proportionate.

We will continue to support the **protection of public funding** through strengthened expectations of governance and treating students fairly, and we are ready to act with our DfE and Student Loan Company partners where public funds are at risk of being misused.

We will also continue to reflect on and implement changes already begun following the judgment in the University of Sussex judicial review.[34]

Looking further ahead, we will continue to prepare to act as government's delivery partner on the arrangements for the introduction of the **international student levy** from the 2028-29 academic year.[35] The levy will be collected by the OfS. It will fund the reintroduction of targeted means tested maintenance grants for disadvantaged UK students studying courses aligned with government missions and priorities, including those central to the Industrial Strategy.

We are also exploring other changes arising from the government's Post-16 education and skills white paper, ensuring we are ready to respond at pace as policy develops.[36]

Across all this work, we will remain focused on our goals of supporting and celebrating high quality and standards, ensuring institutions provide a good student experience, and supporting the long-term resilience and success of the higher education sector.





About us

Established by the Higher Education and Research Act 2017, the OfS is the independent regulator of higher education in England.[37]

As a non-departmental public body, we report to Parliament through the DfE. We must have regard to guidance we receive from the DfE, but our operations are independent of government.

The interests of students, past, present and future, are at the heart of our approach, whether they are:

- undergraduates, postgraduates or studying at other levels of higher education
- UK-based or international
- studying full-time or part-time
- based on a campus, learning at a distance, in work-based settings, or anything in between.

We have four primary regulatory objectives, set out in our regulatory framework. The OfS aims to ensure that all students, from all backgrounds:

- can access, succeed in, and progress from higher education
- receive a high-quality academic experience and are protected while they study
- are able to progress into employment or further study, and hold qualifications that retain their value over time
- receive value for money.

Our goals

Quality

1. Students receive a high quality education that has a significant and enduring positive impact on their lives and careers, delivered by institutions that continue to improve the quality of their courses.
2. Prospective students have a range of high quality options and are well equipped to exercise informed choice about what, where, when and how they study.

Student experience and support

3. Students receive the higher education experiences they were promised.
4. Students benefit from rich and rewarding wider environments that help them to make the most of their time in higher education.

Sector resilience

5. A financially resilient sector delivers high quality higher education and student choice in the context of constrained finances.
6. Effectively governed institutions successfully navigate an environment of increased financial and strategic risk, enabling students to reap the benefits of higher education while giving taxpayers confidence that public funding is used appropriately.

Improving equality of opportunity will be central to all our work.

How we regulate

The OfS is a principles-based regulator, which means that we express our regulatory requirements in a way that is appropriate for a diverse and autonomous sector. We set our requirements to represent the performance to which students and taxpayers are entitled. All registered providers are required to satisfy these. We monitor compliance with our requirements, targeting in our work the universities and colleges most at risk of breaching conditions.

Over **400** institutions on the OfS Register, ranging from small, specialist institutions to large, multi-faculty universities

Collectively teach **2.3m** students

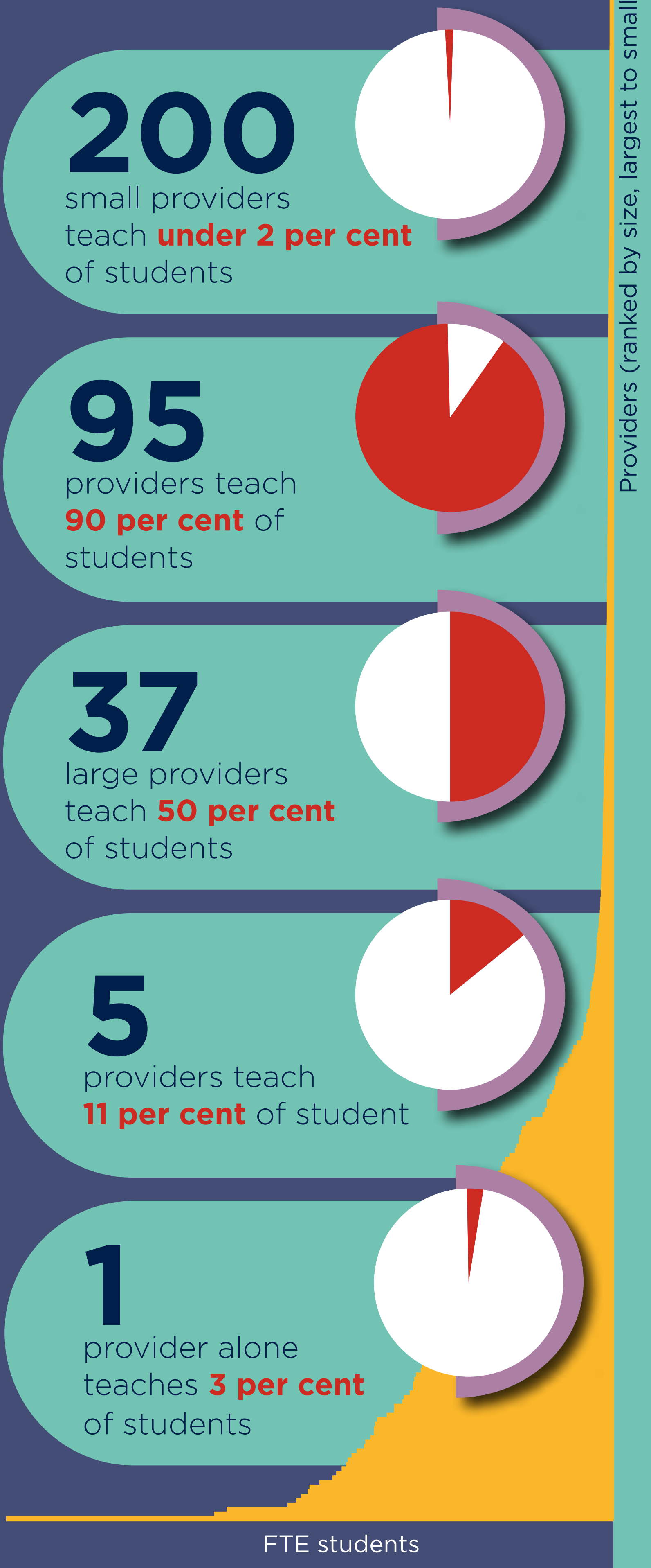
Including over **600,000** students internationally

Not all providers of higher education in England are registered with the OfS. A higher education provider must register with the OfS to be able to:

- Access public grant funding (such as funding to support teaching), or student support funding (such as enabling its students to access student finance), or both.
- Apply to the Home Office for a student sponsor licence to recruit international students, or to maintain an existing licence.
- Apply for degree awarding powers to award its own degrees, for university title, or for both.

The shape of the sector

Our regulation must accommodate a diverse higher education sector ranging from very large universities to many small providers.



Providers can apply to register in one of two categories – Approved (fee cap) and Approved – which provide access to different benefits. The level of fees charged is determined by the Secretary of State and set out in secondary legislation.

In return for compliance with the OfS regulatory framework and conditions of registration, universities and colleges receive significant income streams. In the 2024-25 academic year, registered providers in England received approximately:[38]

2024-25 academic year

- **£10.6 billion** in course fees from international students
- **£10.8 billion** through student loans for tuition fees
- **£10.2 billion** of registration-contingent research and other public funding

In 2025–26, at sector level, the registration fees paid by universities and colleges to the OfS amounted to around 0.1 per cent of the income they are able to access by being registered with the OfS.[39]

Our requirements set the level of performance that students and taxpayers are entitled to expect. All universities and colleges registered with the OfS must meet these requirements. We monitor compliance in a targeted and intelligence led way, directing our regulatory attention towards the providers most at risk of breaching their conditions of registration. In doing so, we safeguard students' interests and ensure public money is used responsibly.

Our approach to regulatory interventions

Receiving, assessing and responding to notifications

Notifications are an important component of our risk-based approach to regulation. Universities and colleges registered with us must meet ongoing conditions of registration. If students, staff or members of the public feel that a university or college is not meeting these requirements, they can submit a notification to us. In the 2025 calendar year, we resolved 610 notifications, considering in each case the appropriate regulatory response.[40] Where required, we can use our enforcement powers.

Reportable events

We require universities and colleges to let us know when they experience certain significant events. Examples of reportable events include material changes in a provider's financial position or forecasts, a provider losing its UK Visas and Immigration sponsor licence, or the opening or closing of a campus. We received 688 reportable events during the 2025-26 financial year.

Supervisory interventions

When we have concerns that a university or college might be breaching (or be at risk of breaching) a condition of registration, we can work with it informally to sort out concerns before they become serious. We would only use these supervisory interventions when the issues are not severe enough to require formal action.

Enforcement powers

We can take formal action by using our legal enforcement powers when we are concerned that a university or college might have (or have established that it has) breached a condition of registration. We use these powers where problems are serious, repeated or have not improved despite earlier interventions.

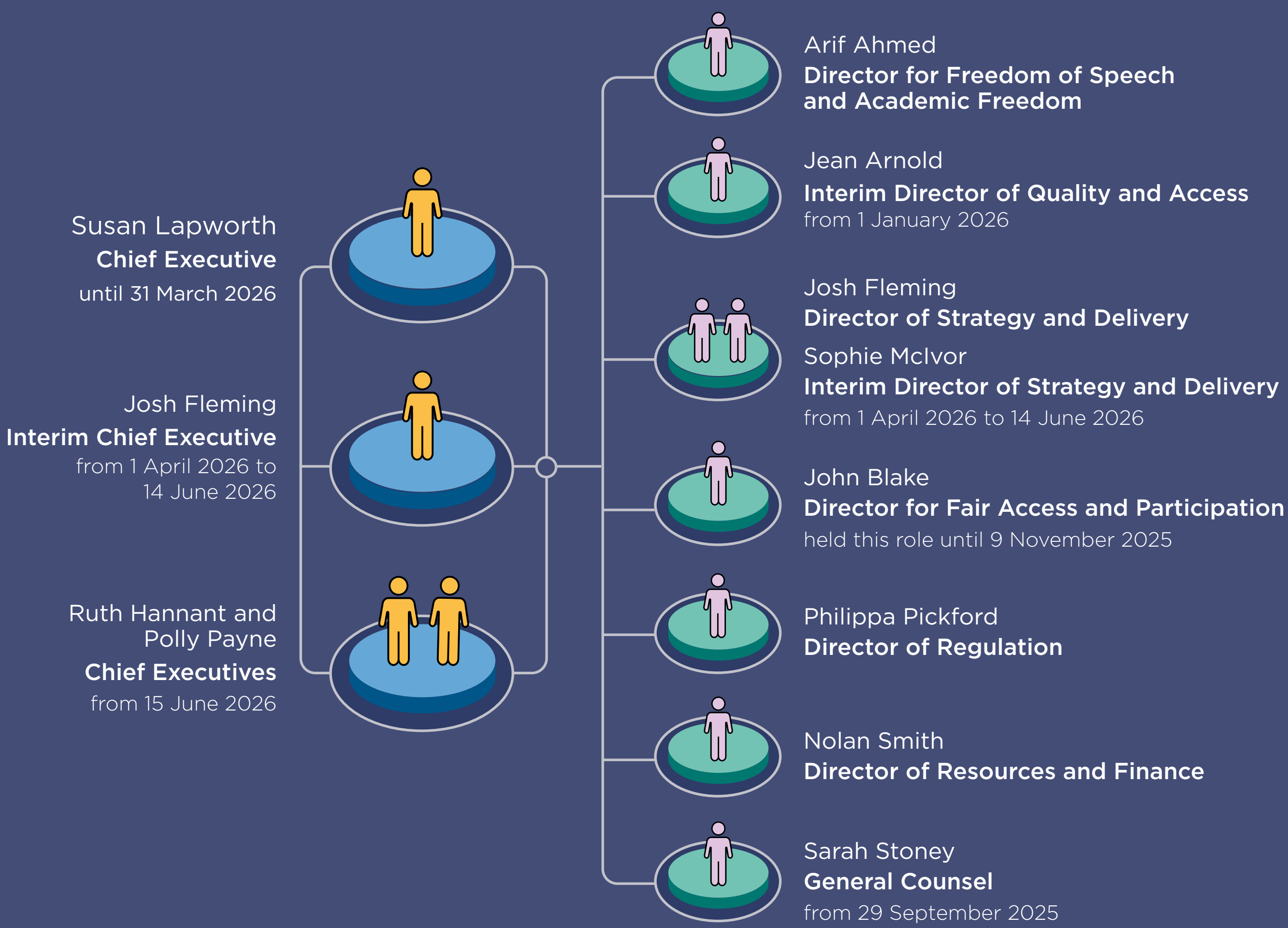
We have the power to:

- impose one or more specific ongoing condition of registration
- impose a monetary penalty
- refuse to renew a provider's access and participation plan
- suspend aspects of a provider's registration, to include suspending access to student support funding or OfS public grant funding
- vary or revoke a provider's authorisation for degree awarding powers, or revoke a provider's authorisation to use 'university' in its title
- deregister a provider.

Whenever we use our enforcement powers, we have regard to our general duties set out in section 2 of the Higher Education and Research Act 2017.[41] We also ensure that any actions we take are prioritised, proportionate, targeted and transparent in accordance with Regulatory Advice 15.[42]

This year we developed our internal processes to manage regulatory intervention more efficiently, supporting proportionate enforcement action and effective use of resource.

How we were organised during the year and our executive team



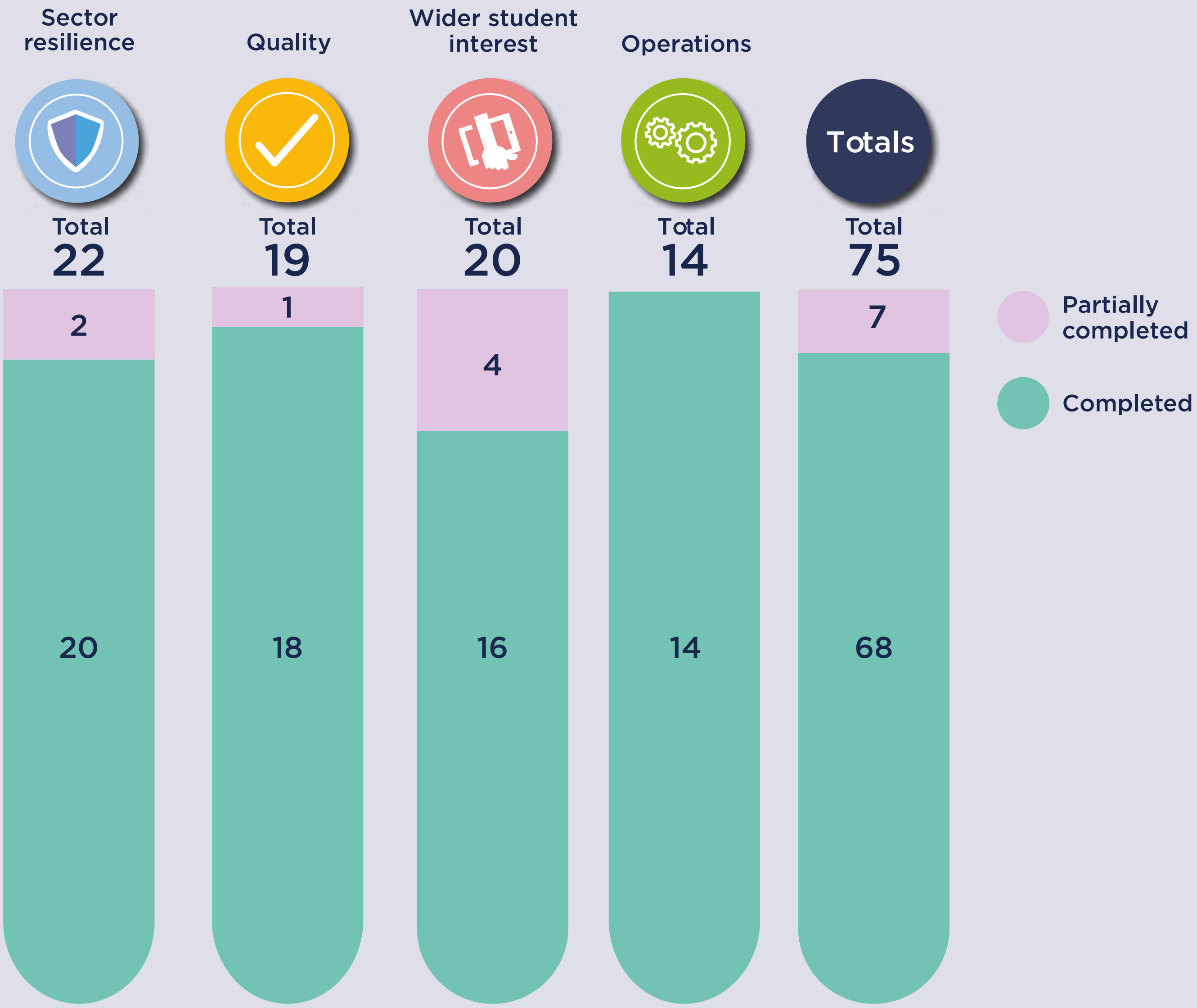
Chris Millward holds the role of Director for Fair Access and Participation (DFAP) on an interim basis from 10 November 2025 with an expected commitment of two days a week. Chris is a non-executive member of the OfS board and exercises the statutory functions of the DFAP under the Higher Education and Research Act 2017.[43]

The Interim Director of Quality and Access role is newly created this year and is supporting the organisation through a period of staff and workload transition. Jean Arnold is the executive director delivering the wider executive role held by the previous DFAP (John Blake), for work relating to skills, the lifelong learning entitlement and equality of opportunity, as well as quality and standards.

The role of General Counsel is a newly created role this year at director level.

Our executive team is supported by colleagues in three directorates: Regulation; Strategy, Delivery and Communications; and Resources and Finance. Further information about our leadership team and OfS board members is online and in the 'Corporate governance report'.[44]

Delivery of activities in 2025-26 by our main areas of focus



Engaging with students

We engage with students through our mechanisms for student input, insight and information:

Student input – opportunities for students and their representatives to share what they think the OfS needs to know and to hear our responses.

Student insight – what the OfS knows about students' experiences before, during and after their involvement with higher education to properly deliver our regulatory work.

Student information – what the OfS thinks students need to know, and that should be freely available to them, before, during and after their involvement with higher education.

We are ambitious and collaborative: we actively seek student input into our regulatory work from a wide range of students across English higher education. We do this in a variety of ways, including through:

The Student Interest Board

Since its establishment in April 2025, replacing the former Student Panel, the Student Interest Board has become an integral part of the OfS's governance and decision-making processes. It meets ahead of each OfS board meeting to consider key agenda items that will also be discussed by the board, enabling it to provide timely and informed input. The chair of the Student Interest Board feeds back student perspectives directly to the OfS board.

During its first year, this board considered a wide range of issues, including the OfS strategy, proposals for an integrated approach to quality, analysis arising from the strategy consultation, the development of the regulatory approach to provider governance, the OfS's key performance measures, and consumer protection. It also advised on broader organisational priorities, such as the OfS's communication and engagement strategy and the evaluation of student debrief events.

The Disability in Higher Education Advisory Panel

The panel places disabled students' experiences at the centre of its work, drawing on a wide range of evidence alongside members' insights to make recommendations on how the OfS can better support a fulfilling and inclusive student experience. The panel included student members who brought first hand perspectives, complemented by independent members with senior leadership experience in higher education or disability policy across the public, private and third sectors. It advised on how insights from institutions and from students themselves could be collected and analysed in ways that better reflect disabled students' lived experiences. It also considered how findings from student insight work carried out in 2024-25 could be communicated clearly and meaningfully to students and providers. In doing so, the panel provided direction and input into strategic communications, including:

- a blog looking at National Student Survey (NSS) results for disabled students and their non-disabled peers
- an Insight brief on the experiences of disabled students
- a blog with views from our Disability in Higher Education Advisory Panel members.

Members strongly advocated for strengthening our regulatory oversight in relation to supporting disabled students and advised on themes and priorities, informing the development of a statement of expectations. See more details in the 'Student experience and support' section of the report.

Find out more about...

Insight brief on One size doesn't fit all: Equality of opportunity for disabled students.

Student debriefs

Our quarterly online events allow students and their representatives to share insights and ask questions. This year, debriefs covered the topics of:

Artificial intelligence (AI): Students told us about how AI is changing their experience of higher education, and thoughts on how the OfS should approach the use of AI in higher education.

Freedom of speech: We outlined the OfS's expectations of universities and colleges under strengthened free speech laws, clarified legal rights, and raised the topic of self-censorship. It was both an information session and a platform for students to engage in the issues.

Consumer protection: The consumer protection team outlined students' rights as consumers and students shared their thoughts on consumer protection and what it means to be treated 'fairly'.

While all students are welcome, we have found that the briefings are building a sustained audience among students' union representatives, such as sabbatical officers and student-facing support staff.

Additionally, as part of our consultation on a **new integrated approach to quality assessment**, we invited students to hear and discuss our proposals.

Student insight

Student pulse

The student pulse survey provides frequent and timely insight into students' experiences of higher education in England, with a focus on areas of regulatory interest. We designed it to track student sentiment over time, complementing annual surveys such as the NSS by providing more rapid and responsive data. The polling organisation Savanta delivers the survey in six short online waves each academic year, with two waves per term, and it is completed by a nationally representative sample of undergraduate and postgraduate students.[45]

The findings support the OfS's understanding of sector-wide trends and emerging risks, including student wellbeing, learning experience and confidence in providers. Student pulse data does not inform regulatory decisions about individual institutions but we use it for strategic monitoring and performance assessment.

Overall, the percentage of students saying their experience in higher education matches their expectations is broadly stable when we compare the results from autumn term 2025 with those of autumn term 2024.[46]

> In autumn term 2025, **77 per cent** of undergraduates and **85 per cent** of postgraduates said their experience matched their expectations.[47]

Research on topics relevant to the student experience

The NSS remains the OfS's primary source of student experience data (see 'Informing student choice' within the section of the report on 'Quality'). Alongside this, we have strengthened our evidence base in targeted areas of student experience, including sexual misconduct and students' awareness of their consumer rights.

Sexual misconduct survey

25%

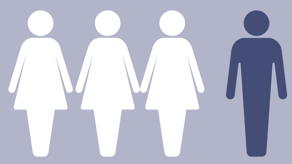
A survey of final-year undergraduate students found that **a quarter of respondents have experienced sexual harassment** since starting their studies.

Around one in seven, **(14 per cent) have experienced sexual assault/violence**.

14%

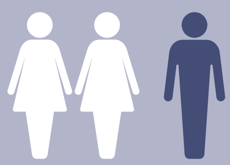
Women were nearly three times more likely to experience sexual harassment than men
33 per cent compared to 12 per cent.

3x



and more than twice as likely as men to experience sexual assault/violence
(19 per cent compared to 7 per cent).

2x



Lesbian, gay, or bisexual students were more likely to have experienced sexual harassment and sexual assault/violence compared to heterosexual students.

Outcome: In August 2025 our new condition of registration came into effect, requiring universities and colleges to take action to prevent and address harassment and sexual misconduct. We also plan to run the sexual misconduct survey again in 2027.

Consumer Rights

OfS commissioned research in May 2025 to examine students' perceptions of their rights as consumers and the promises made to them by higher education providers.

52%

52 per cent did not feel well informed regarding their right to receive compensation.

50%

50 per cent of respondents said that they understood and could describe their rights and entitlements as a student.

83%

However, a majority, (**83 per cent**), believed that the information they received before enrolment was upfront, clear, timely, accurate, accessible and comprehensive.

In February 2026 the student engagement team ran a student debrief on consumer rights. When asked...

What does being treated fairly mean to you as a consumer in higher education?

students highlighted receiving what has been promised as a main theme.

Outcome: Insights informed our consultation on consumer protection launched in April 2026.

Communications and engagement highlights

1 April 2025 to 31 March 2026

Email newsletters

156 OfS alerts intended to communicate regulatory information

11 OfS updates intended to keep providers and stakeholders informed

6 editions of Student news

21 OfS mailings to accountable officers

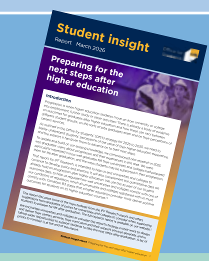
Media highlights

Significant media coverage from the national press, with particular interest in our work on financial sustainability, freedom of speech and the quality of courses.

In-depth interviews with OfS spokespeople including with the BBC's television and radio news broadcasts

51 press release and news stories published

Two Insight briefs and four pieces of student-related research published



Web engagements

536,702 sessions for publications

401,980 sessions for news and events

793,539 sessions to pages for providers

173,346 sessions to pages for students

895,175 sessions for data and analysis

Events

3267 attendees at events hosted by the OfS (KPM 6)

41 non-regulatory visits to universities and colleges (KPM 6)

Engagement with institutions: Stakeholder survey

Collaboration with higher education institutions is central to the OfS's 2025 to 2030 strategy. We encouraged institutional leaders to respond to a new stakeholder survey launched in January 2026.[48] Commissioned by the OfS and delivered by an independent research agency (Savanta), the survey invited senior leaders at all registered institutions to share feedback on their experience of being regulated. The survey builds on previous research. It aims to gather insights into sector perceptions of OfS engagement and communication and track changes over time by running the survey annually and publishing findings.

We plan to run the survey again in January 2027.

Findings from the stakeholder survey

There were mixed views of the OfS and the way we communicate and engage with the sector. Perceptions of the OfS vary significantly by provider type, with universities significantly more likely to report having a negative perception of the OfS (50 per cent), compared to 17 per cent of further education providers on our register and 29 per cent of specialist providers.

Where we are making progress

Accountable officers are almost unanimous in support for a regulator. 96 per cent responded that it is important to have a higher education regulator, over two-thirds (70 per cent) responded that it is very important.

Over half (51 per cent) said the OfS's communications and engagement with them had improved in the past year and just 4 per cent said it had worsened.

Nearly half of providers (42 per cent) said their overall relationship with the OfS had improved in the past year.

Where we could make changes to improve

Providers were divided on whether they trust the OfS to treat them fairly (43 per cent agreed whereas 35 per cent disagreed) and in their confidence in the OfS as a regulator (44 per cent agreed versus 36 per cent disagreed).

Regulatory guidance was seen as very relevant (84 per cent) but only half of respondents (51 per cent) think it is easy to understand (scoring lower than other OfS communications).

Providers would like us to be more collaborative – 46 per cent did not think that the OfS works collaboratively with the sector (versus 39 per cent who do).

43 per cent of respondents responded that they 'strongly agree' or 'somewhat agree' with the statement: 'The OfS's regulation of quality has prompted my institution to make changes that improve the quality of education for our students in the last 12 months'.

We are considering the findings and have committed to making improvements before the opening of the next annual survey in early 2027.

Improvements in data infrastructure and insights

Data is critical to our regulation. In financial year 2025-26, we transformed our data infrastructure, moving all of our work to a modern cloud platform, improving how our staff access and use data, how we present information through dashboards and giving us access to cutting-edge data technology advancements. The changes mean that more reliable and higher quality data will underpin insight to support effective regulation. We also introduced an easier to use online system for providers to submit information to us through a modern data collection portal.

We continue to contribute to and maintain oversight of work to deliver in-year student data collection, led by Jisc, through membership of the programme board, steering group, and sharing our requirements in relation to the data items to be collected and the data quality expectations we consider sufficient to inform our onward uses.

We are working with Jisc to implement the changes announced in early 2025 for the Aggregate Offshore Record, which will improve data on transnational education (higher education delivered overseas by English providers) from the 2026-27 academic year.

Our principal risks

Our main strategic risk areas during the 2025-26 financial year were assessed as follows:

Risk	We mitigate this risk by
Provider resilience: The risk of significant numbers of providers not being resilient to a range of factors such as rising costs or declining recruitment, which could result in financial challenges, the unplanned closure of higher education provision, and the inability of students to complete their courses.	• setting clear expectations for providers about assessing their own financial risks and reporting emerging risks to us • monitoring the financial viability and sustainability of providers and developing our ability to test the sector's finances against hypothetical scenarios • providing increased transparency with individual providers about where we identify risks • engaging closely with providers that may cease to provide higher education to protect students as far as possible • sharing information and engaging with the DfE • working collaboratively with the higher education sector to improve governance standards
Public funding: The risk that public funding is not used for proper purposes, which could result in negative outcomes for students, loss of taxpayers' money and reputational loss of the wider sector.	• ongoing monitoring and casework responding to notifications and reportable events • operation of a new initial condition which strengthens our requirements for governance and high quality provision for providers seeking registration • working closely with the DfE and the Student Loans Company to mitigate risks • introducing on a new ongoing condition for lead providers in subcontractual arrangements • operating a robust data audit programme
Course quality and qualifications standards: The risk that many providers fail to maintain or improve course quality and standards, leading to poorer student learning, lower skill levels in the economy, less confidence in degrees, and harm to the reputation of higher education.	• undertaking quality assessments for registration and degree awarding powers • undertaking quality investigations and taking enforcement actions • publishing reports on quality matters • engaging with partners on transnational education • developing a new approach to an integrated quality system

Risk	We mitigate this risk by
Student consumer protection: The risk of widespread infringement of students' consumer rights, which could result in students not being able to complete courses, poor academic experiences, students not receiving appropriate redress and a loss of reputation in the higher education system.	• introducing a new initial condition of registration for providers to treat students fairly, and consulting on a new ongoing condition of registration for those already registered with the OfS • setting clear expectations for providers on matters such as industrial action or course closures • renewing a contract with National Trading Standards to enable the continued referral of cases
Course supply and access: The risk that the higher education system as a whole may not offer courses that are accessible or aligned with students' needs and aspirations, which could create barriers to participation and reduce the skills available to employers.	• sharing insights to support evidence-based policy, working collaboratively with ministers, the DfE and Skills England • setting requirements for access and participation plans, which set out how higher education providers will improve equality of opportunity for students from disadvantaged backgrounds • funding Uni Connect, which brings together 29 partnerships of universities, colleges and other local partners to offer activities, advice and information to prospective students • allocation of Strategic Priorities Grant (SPG) funding for equality of opportunity
New technologies: The risk that higher education fails to harness the benefits and manage the risks of emerging technologies such as AI, leading to declining academic quality and credibility, reduced innovation, and students graduating without the skills to use AI effectively.	• strengthening engagement with students, providers and other stakeholders to keep pace with emerging practice • keeping track of emerging issues, including monitoring international developments and learning from other regulators, to support effective planning • encouraging safe exploration of uses of new technologies, and sharing effective practice
Data maturity: The risk that data is not of sufficient quality, or is not available as we require, which may hinder early identification of issues and impair our ability to regulate effectively.	• monitoring the work of the designated data body (Jisc) through revised governance arrangements and an updated statement of expectations • setting out for providers the phased journey towards in-year data collection and moving ahead on this with partners • significant modernisation of OfS data platforms • strengthening prioritisation mechanisms so that we focus our data resources where they will have the most beneficial impact on regulation

Risk	We mitigate this risk by
OfS delivery: The risk that changing expectations of the OfS, and changes in risks in higher education, together with cost pressures, could lead to insufficient funding, capacity and resources for the OfS to fully deliver its functions.	• robustly reviewing and prioritising activities in our business plan • assessing progress towards our strategic goals and deliverables at regular checkpoints • implementing our OfS People Strategy for 2024 to 2028 • delivering savings through a structured programme to achieve efficiencies
Regulatory effectiveness: The risk that our approach to regulation, its implementation, and the response of others in the system do not deliver the outcomes we wish to see.	• ensuring that the regulatory risk appetite is set by the board, and communicated throughout the organisation • promoting consistent regulatory practice through the communication of decisions and guidance • maintaining strong internal legal capability.
Confidence in OfS regulation: The risk that confidence in the OfS is undermined if our policies, decisions or regulatory requirements are not communicated clearly or applied consistently, resulting in less effective regulation.	• enhancing engagement with students, higher education providers and government, using structured insight activity (such as polling), regular dialogue and consistent external messaging to support understanding of our approach • publishing regulatory decisions, supported by clear reports and explanations • implementing our communications strategy • responding to our annual stakeholder survey
Cyber resilience: The risk that increasing cyber threat and dependency on external organisations for some services could lead to OfS services being disrupted or information being compromised.	• implementing the OfS Cyber strategy and annual improvement plan • continuing certification that the OfS meets the requirements of the Cyber Essentials Plus scheme. • having 24-hour security monitoring systems in place • providing mandatory training on cyber and information security to increase staff awareness of threats • auditing external supply chain management of cyber threats, and implementing a third party security policy • having in place a cyber incident response plan

Summary of our financial performance

Our funding

Our total income for the year was £1,440 million (2024-25: £1,621 million), which was made up of operating income and grant in aid funding.

Operating income

As an independent regulator, most of our operational income comes from an annual registration fee paid by all registered providers. In the 2025-26 financial year, the OfS received £32.5 million (2024-25: £31.6 million) in registration fees from universities and colleges. The level of registration fees charged is determined by the Secretary of State for Education and set out in secondary legislation. It is based on rates set to meet most of the OfS's operating costs.[49]

We agree our operational budget with our sponsor department, the DfE, each year. Our operating expenditure for the 2025-26 financial year was £51 million (2024-25: £41 million re-presented). The remainder of our operating expenditure not funded through registration fees is funded by the DfE through £16.7m of grant in aid funding.[50] For accounting purposes, this funding is not classified as operating income and the reported total operating income of £34.2 million is consistent with the presentation in the financial statements.

Grant in aid funding

In the 2025-26 financial year, the OfS received a total of £1,406 million (2024–25: £1,587 million) of grant in aid funding from the DfE. Most of this funding relates to the Strategic Priorities Grant (SPG), which we allocate to providers. The overall decrease of £181 million compared with the 2024-25 financial year primarily reflects a £108.6 million reduction in SPG funding, alongside lower capital funding following the conclusion of a three-year capital programme in financial year 2024-25 (which provided £160 million in its final year) and its replacement with a smaller, one-year competitive scheme of £91 million in 2025-26. The remaining funding consists of smaller, ring-fenced grants to support specific policy initiatives and £16.7 million of funding to support our operating costs. The section on grant expenditure below provides more information about how we use grant funding. We treat this grant in aid as financing in line with HM Treasury's Financial Reporting.[51]

Expenditure

Total expenditure in the year was £1,442 million (2024-25: £1,623 million).

Operating costs

Most of our operating costs relate to staff. Other significant areas of expenditure are premises and office costs, including IT. The OfS's total operating costs in 2025-26 were £51.0 million (2024-25: £41 million re-presented).[52] We provide further information in note (2) of the financial statements.

We have achieved our £1.2 million cost saving target for the year, established as part of the efficiency programme, mainly through IT driven efficiencies, reduced dependence on external firms to conduct detailed provider financial sustainability reviews, and organisational rationalisation. We have reinvested the savings in our core regulatory activities

Achieving efficiencies is part of a multi-year programme. We intend to achieve this through exploration of AI utilisation in our core processes and other targeted reviews of our processes. We intend to primarily reinvest this in core regulatory activities.

Sector expenditure

We distributed £1,387 million grant funding in the 2025-26 financial year (mainly in the form of recurrent teaching grants to providers) compared to £1,574 million in the previous financial year.[53] We aim to provide as much of our grant funding as possible through formula-based recurrent funding allocations based on the number and type of students at a provider, as this is the most efficient and transparent way to distribute funding. Most providers' income for teaching and related activities comes primarily from students' course fees. However, we also allocate funding to providers to support areas where teaching costs are particularly high, such as science, engineering and medicine. Additionally, we provide funding for specific policy areas and government priorities, including student premium funding to support disadvantaged students to have successful student outcomes; the nursing, midwifery and allied health supplement; and funding for specialist providers recognised for offering world leading teaching. We also provide specific funding for national initiatives, as well as capital funding.[54] This year we ran a competitive bid process with monies to be distributed and spent by March 2026. With approximately £92 million in capital funding overall, we funded 60 projects from 193 bids, and allocated formula funding to 266 providers.[55]

We allocated grant funding to 337 providers in the 2025-26 financial year

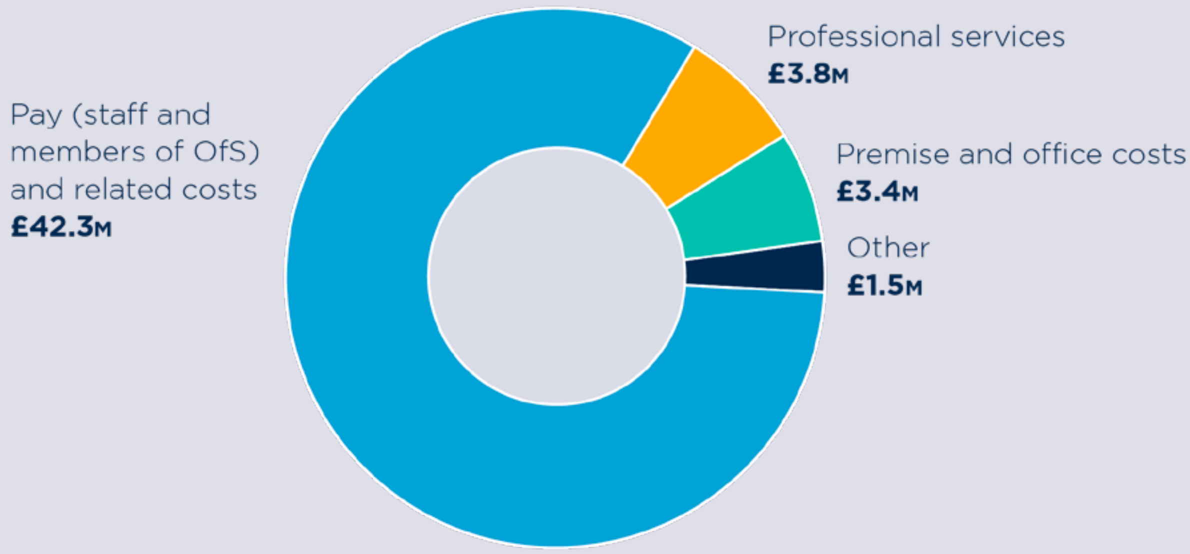
Not all universities and colleges registered with the OfS are eligible to receive funding from us. To receive funding, they must be registered in the Approved (fee cap) category.

We allocate grant funding on an academic year basis (1 August to 31 July). The 2025-26 academic year overlaps two financial years: the last eight months of 2025-26 and the first four months of 2026-27.

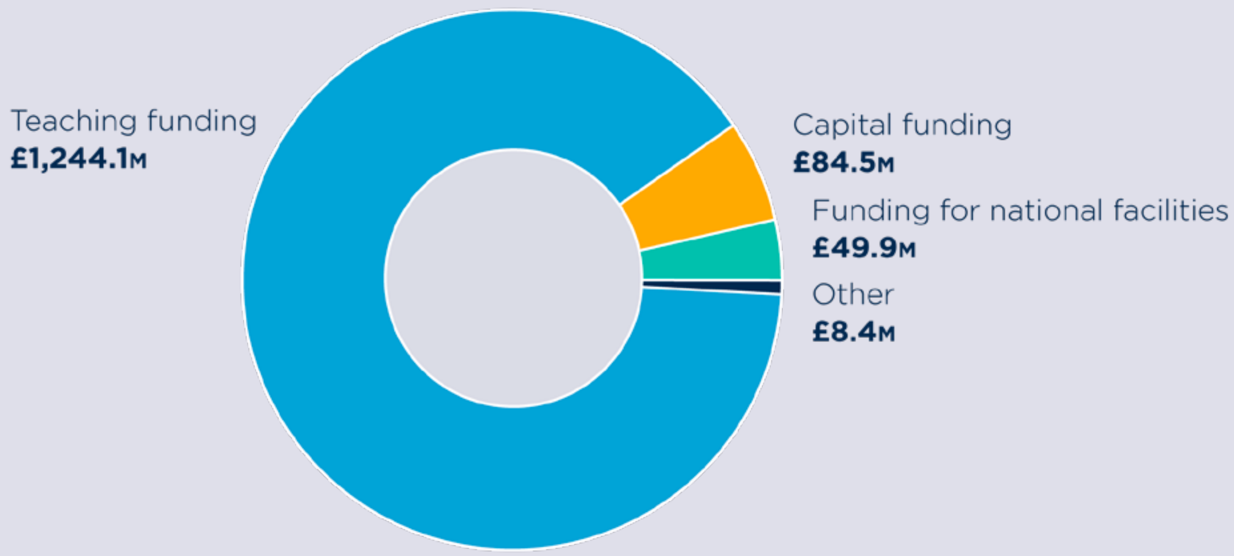
Find out more about...

funding in our Guide to funding 2025-26.

Our operating costs of £51 million in the 2025-26 financial year[56]



Our grant expenditure of £1,387 million in the 2025-26 financial year



OfS statement of financial position

At 31 March 2026, the statement of financial position shows net assets of £4.1 million.

While the OfS aims to distribute all funding received from the DfE in year, our framework agreement with the DfE recognises that it may not be possible to match receipts and payment exactly, so it allows for a cash carry forward at the year-end. At 31 March 2026, our cash balance was £15.6 million (2024-25: £14.8 million). This balance includes £7.8 million of registration fee income (2024-25: £8.1 million), which is deferred to 2026-27.[57]




Performance analysis

This section provides a detailed account of performance. It is structured around the areas of focus identified in our 2025 to 2030 strategy of ‘Quality’, ‘Student experience and support’ and ‘Sector resilience’.

Quality

Highlights of our work:

We engaged extensively with the sector and students before and throughout the first phase of a consultation on our approach to an integrated quality assessment system.

We published eight quality and standards assessment reports relating to providers seeking registration or change of registration category, or following up on risks identified at registration.

At the end of the 2025-26 financial year, there were 52 registration cases in progress (43 registration applications, seven change of registration category applications, and two change of entity applications).

We published 13 assessment reports assessing providers for full or new degree awarding powers, or variations to existing degree awarding powers, over the year. This resulted in degree awarding powers being authorised for 12 providers.

We published three case reports setting out our views on provider compliance with our quality conditions and the further action we have taken.

We completed 35 monitoring checks on the quality of end-point assessments for apprenticeships.

We completed three assessments of provider readiness to deliver an apprenticeship end-point assessment, and seven follow-up assessments after a previous ‘requires improvement’ outcome.

Why quality matters

This section explains how we act to ensure that higher education courses run by registered providers are high quality and rigorous. Students rightly expect a high quality educational experience and most provision across the English higher education sector is good or better. However, where quality falls short, the impact on students can be significant.

Student surveys consistently find that a significant minority of students are dissatisfied with core parts of their academic experiences. While student outcomes are strong in aggregate, examples of poor continuation and completion rates can be identified across different modes and levels of study, in different subject areas, and for student groups with different characteristics.

Universities and colleges are navigating a wide range of pressures, including financial challenges.[58] Alongside this, rapid advances in AI are changing teaching, learning and assessment. Students' circumstances are also shifting, with more students working during term-time. These changes are driving new forms of delivery and engagement across the sector.

Looking ahead, the rollout of the Lifelong Learning Entitlement (LLE) and the growth of technical skills pathways will further influence how many learners engage with higher education. Our regulatory approach needs to be fit for purpose in this changing landscape.[59]

Goal: Students receive a high quality education that has a significant and enduring positive impact on their lives and careers, delivered by institutions that continue to improve the quality of their courses.

Improving quality - our quality consultation and future direction

Our current quality system has two elements:

- targeted assessments when concerns arise about a provider's compliance with minimum requirements; and
- the TEF, which provides a cyclical assessment that recognises excellence beyond the minimum.[60]

The public bodies review of the OfS in 2024 concluded that quality should remain a core priority, and that the OfS should place stronger emphasis on driving quality above minimum requirements, promoting excellence and innovation across all universities and colleges for every student.[61] To support this, the review proposed that the OfS adopt a more integrated and improvement focused approach.

This year, we consulted on our future approach to quality assessment.[62] We developed and discussed our proposals with the sector through extensive engagement with representative bodies, students and providers. Since the consultation closed in December 2025, we have been analysing responses and we will publish outcomes in the summer.

We also published revised data dashboards in January 2026, alongside enhanced supporting materials, to improve usability and to help universities and colleges understand and engage with the data we use in assessments for the TEF. Early feedback on these new resources from dashboard users and attendees at TEF events has been positive.

Equality remains central to our approach to regulating quality, and any revised model will continue to hold institutions to account for the experiences and outcomes of students from disadvantaged backgrounds and groups underrepresented in higher education.

We will consult further during 2026-27 and carry out the first cohort of future TEF assessments in 2027-28.

Find out more about...

Consultation on the future approach to quality regulation.

We can act to assess the quality of courses where data or intelligence indicates that there may be issues.

Acting in students' interests: Regulatory action after quality review

We carried out a detailed review of business and management courses taught by RTC Education Ltd (which trades as Regent College London). These courses are offered through partnership arrangements, where Regent College teaches the courses, but the final qualifications are awarded by universities, in this case, the University of Greater Manchester (formerly the University of Bolton) and Buckinghamshire New University.[63]

In February 2026, we published a report setting out our assessment against three ongoing conditions of registration:

B1: Courses must be high quality and provide a good academic experience.

B2: Students must receive the resources and support they need to succeed.

B4: Academic standards must be reliable and meet national expectations.[64]

Our review found that:

RTC Education Ltd and the University of Greater Manchester did not comply with conditions B1, B2 and B4.

Buckinghamshire New University did not comply with conditions B2 and B4.

Because of these findings:

Regent College had responded to the concerns of the assessment team but has been placed under enhanced monitoring, meaning we will closely track its actions and improvements and require clear evidence of progress.

The University of Greater Manchester has been given a specific condition of registration, requiring it to strengthen how it oversees its partnership with Regent College, and we will also carry out a further quality assessment of Regent College and the University of Greater Manchester.

Buckinghamshire New University had responded to the concerns of the assessment team in a manner consistent with its responsibilities as the awarding partner and had decided to terminate its contract with RTC Education Ltd in May 2025. We also published separate findings in relation to both universities, which were not linked to this case.[65]

By publishing our quality and standards assessment reports, we seek to influence practice across the sector, drawing attention to areas that require improvement and prompting universities and colleges to evaluate and enhance their own approaches. In November 2025, we published an independent report into the impact of our

Assessment

TEF assessments every 3-5 years. Assessments look at two aspects – student experience and student outcomes.

Aspect

1 Student experience

TEF

2 Student outcomes

Generates quality ratings for each aspect*

Requires improvement	Bronze	Silver	Gold
Below the minimum quality requirements	Meets the minimum quality requirements	Consistently high quality	Consistently outstanding quality

Results in incentives and interventions to drive improvement

If the lowest rating is Requires Improvement or Bronze:

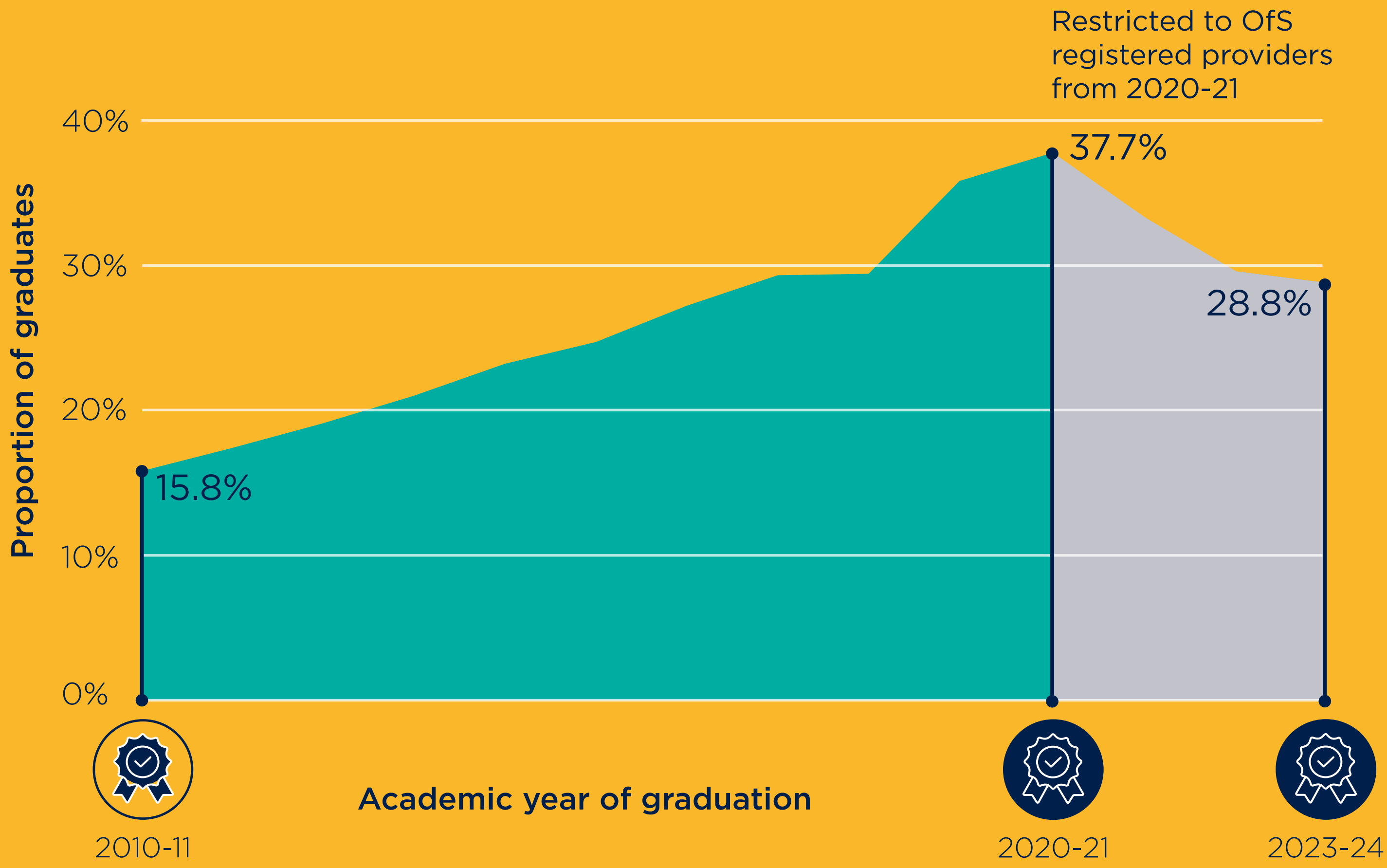
- Investigation or intervention if necessary
- More frequent TEF assessment
- Potential limitations to degree awarding powers or growth in future recruitment

If the ratings are Silver or Gold:

- Reputational benefits
- Less frequent TEF assessment
- Potential funding benefits

* Each provider will be assessed on aspects for which there is sufficient data. The majority of providers will be assessed for both aspects but some providers will only be assessed for one or the other aspect.

Proportion of full-time undergraduate students achieving first class degrees



published quality assessments on higher education providers that were not themselves directly assessed.[66] The report confirmed that our reports were being used as intended, to support institutions to reflect on their practice and drive improvement.

We intend to do more in future through our reformed approach to quality assessment to highlight good practice. This aligns with our vocal attitude to identify and celebrate achievements, help institutions to learn from and build on the success of others and to support universities and colleges to drive positive change.

Find out more about...

[The impact of the Office for Students' quality assessments on the wider higher education sector]().

Degree classifications

We have a regulatory role in ensuring that higher education qualifications in England remain meaningful, credible and retain their value over time. This is important because it means that students and other stakeholders can have confidence in the value of qualifications.

In November 2025, we published a report on degree classification algorithms.[67] The report sets out our concerns that some providers were including steps in their degree classification algorithms, particularly discounting the lowest credit marks or selecting the highest result from multiple classification methods, that are inherently inflationary. This would make it harder for them to demonstrate that the class of degree awarded appropriately reflects the knowledge and skills of the student. We are engaging with the sector about these matters and will be monitoring changes to degree algorithms. The report also set out factors that institutions should consider when making changes to the algorithms they use to determine bachelors' degree classifications. This includes testing the classes of award given to students against their actual attainment, and taking reasonable steps to ensure any award made accurately reflects their academic achievements, which is expected under our B4 condition of registration.

Early in January 2026, we published our review of degree classifications over time.[68] The analysis found that the number of graduates awarded first class degrees fell from 29.6 per cent in 2022-23 to 28.8 per cent in 2023-24. This shows that the long-term trend of increases in the award of top degrees is continuing to slow and reverse. However, based on our modelling, we would expect to see 17.7 per cent of graduates awarded first class degrees in 2023-24. This is 11.1 percentage points lower than the 28.8 per cent of graduates awarded first class degrees, meaning that nearly 40 per cent of firsts awarded could not be explained by the statistical model.

Apprenticeships

We have a specific role in assessing the quality of end-point assessments for 'integrated' higher and degree apprenticeships.[69] In 2025-26, we completed 35 monitoring checks, three assessments of provider readiness to deliver an end assessment, and seven follow-up assessments carried over from the previous year after a 'requires improvement' outcome.

We also published interim evaluation findings from the Degree Apprenticeships Funding Competition in November 2025, following final payments made in July 2025. We expect to publish the final evaluation of the outcomes of the funding in autumn 2026.

Freedom of speech

A high quality higher education experience depends on exposure to a wide range of academic thought and argument, including opportunities to encounter and test ideas that may be challenging or controversial. Freedom of speech and academic freedom are therefore central to the mission of higher education and to the educational experience of students.

New legal duties in this area came into force on 1 August 2025. Before and after commencement of these duties, we engaged extensively with the sector and stakeholders to support effective implementation and to ensure that universities and colleges clearly understood their new duties. In June 2025, we published Regulatory Advice 24, providing detailed guidance to support compliance.[70] Following the judgment in the University of Sussex judicial review, we will update some aspects of freedom of speech guidance. We will engage with the sector as we do so.[71]

In April 2026, the government confirmed its intention to lay regulations to implement the free speech and academic freedom complaints scheme provided for under the Higher Education (Freedom of Speech) Act 2023.[72] Under the regulations, we will have the power to consider complaints, investigate potential breaches and make recommendations, including that providers review or reconsider decisions, amend policies or procedures, or pay compensation where appropriate. The complaints scheme will be in place for the 2026-27 academic year.

The Secretary of State also announced that a duty on the OfS, to put in place new conditions of registration connected to the new duties, will commence on 1 April 2027. These conditions will require that higher education providers' governance documents and arrangements ensure compliance with their new legal duties, and that higher education providers comply with those duties. We will consult on and prepare conditions and guidance in time for those provisions coming into force.[73]

Our chair also wrote to chairs of governing bodies highlighting that international arrangements can, in some circumstances, pose risks to freedom of speech and academic freedom. This may include situations where foreign states are able to exert influence over higher education. This could be, for example, by restricting the curriculum, imposing ideological tests on students in receipt of scholarships, or placing constraints on academic staff teaching or conducting research in foreign state-funded institutions. Since then, we participated in a series of DfE workshops with sector representatives, experts on security and foreign interference and those with experience of foreign interference, to better understand the challenges facing providers. We have begun work to develop a statement of expectations to ensure that arrangements between higher education institutions and foreign states meet freedom of speech and academic freedom requirements. We expect to publish the statement in autumn 2026.

The student experience is central to our freedom of speech work. Alongside our work with providers, we held a student debrief in October 2025 to better understand student perspectives of freedom of speech and perceived barriers to expression on campus. The insights gained have informed our ongoing work and reinforced the need to place the student experience at the centre of regulatory oversight in this area. We commissioned YouGov to carry out qualitative research with 42 students, who were asked to contribute to an online discussion over four days in November 2025. It also carried out a quantitative survey during December 2025 of 1,039 students at English universities. We published a student insight report on the findings in May 2026.[74]

Goal: Prospective students have a range of high quality options and are well equipped to exercise informed choice about what, where, and how they study

Skills

English higher education plays a central role in developing the skilled workforce the UK needs and acts as a significant driver of economic growth.

Our SPG funding of over £1,348 million supports teaching and infrastructure across the sector, and includes funding of approximately £600 million for high-cost subjects such as nursing, midwifery, allied health, and very high-cost science, technology, engineering and mathematics (STEM) disciplines.[75] These are areas where teaching and facilities are expensive to deliver but are essential for developing the knowledge and skills of graduates in sectors that underpin the UK's health and economic growth.

We prepared to deliver an £80 million Defence Industrial Strategy funding competition with funding to be provided by the Ministry of Defence through a transfer to the DfE.[76] The funding competition, launched in February 2026, will lead to increases of approximately 2,400 student places over three years from the 2026-27 academic year supported by programme funding of £50 million.[77] These places will be on computing and engineering courses with £30 million capital funding also available through the competition to support universities to build and enhance facilities.

AI and data science

In previous years we funded universities to develop postgraduate conversion courses (PGCC) and deliver scholarships for these courses in AI and data science. The primary goal of the programme was to respond to the shortage of data science and AI

specialists, and a second purpose was to support students from diverse backgrounds gain skills to progress into careers. Phase 1 of the programme launched in September 2022. This year we published an independent evaluation of Phase 2 of the programme for the 2023-24 and 2024-25 academic years.[78] In the 2024-25 academic year we allocated £8.17 million to 25 lead providers.

Phase 2 provided funding for up to 1,635 scholarships, supporting particularly women, black students, disabled students, and those from lower socioeconomic backgrounds to access 70 AI and data science conversion courses. These courses represent about a third of all MSc provision in these disciplines in England.

Demand for courses remained strong, with 4,460 enrolments in 2024-25 and a cumulative 8,710 Phase 2 enrolments, contributing to 16,314 enrolments across both phases of the programme. Scholarship utilisation reached 99 per cent in 2024-25, with 810 awards made. The programme supported a more diverse pipeline into the AI and data science workforce. In 2023-24, 41 per cent of PGCC entrants were women (compared with 33 per cent outside the programme) and 10 per cent of students reported a disability (compared with 6 per cent). Scholarship holders showed even higher representation across priority groups. Graduate surveys indicated positive early outcomes: over half of UK national respondents reported securing a new job, job offer or doctoral place, with only one-third still seeking employment. Most of these new roles were in the UK AI and data science workforce.

The Lifelong Learning Entitlement (LLE)

We anticipate that the LLE will lead to an expansion of more short, flexible courses in modular form, and we have therefore considered how this is reflected in our regulation.

Our condition B3 currently uses indicators that cannot be applied to the study of modules. We are therefore developing new indicators, starting with a module completion measure. We are looking to retain and extend the information collected for those students on modular pathways, including information about module completion. We expect this data will be considered as part of the future quality assessment approach in future cycles of the TEF (subject to consultation).

We are also incorporating wider data about students on modules into our monitoring and intervention approach to ensure that we protect the interests of students and public funding when the first LLE funded courses start from January 2027.

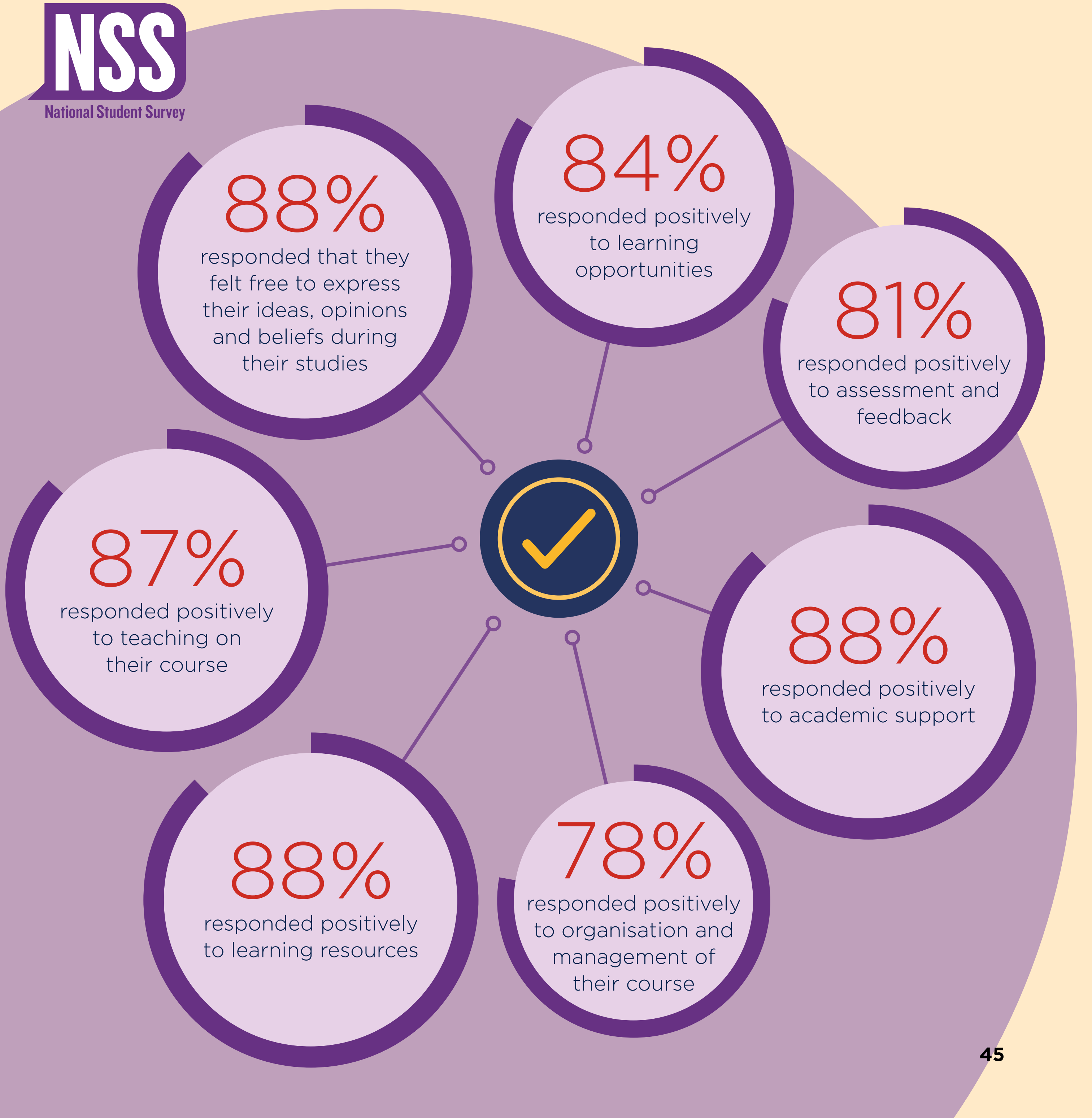
We aim to make the process for further education colleges applying to enter the regulated higher education sector in England as smooth as possible. The intention is to reduce unnecessary duplication and allow these colleges to focus on expanding delivery of Level 4 to 6 higher education for both new and returning learners. Levels 4 to 6 cover higher education in England, ranging from study equivalent to the first year of a degree through to a full bachelors' degree or bachelors' degree apprenticeship. They include both academic and work focused qualifications, such as Higher National Certificates (HNCs), foundation degrees and honours degrees.

We consulted on proposals to remove some registration conditions for further education colleges that do not have degree awarding powers, where those areas are already effectively overseen by the DfE, for example, for financial viability and sustainability and management and governance.[79]

More broadly, we are preparing for the implications of an increase in supply of and demand for modular provision. This includes our work on access and participation, fair choice and information for students, consumer protection, as well as how we allocate funding to providers.

The introduction of the LLE may lead to an increase in the number of students changing courses as part of their qualifications. Understanding the current extent of student transfer to a different provider is therefore helpful. The most recent data for the 2024-25 academic year suggests that for an overall student count of 1.06 million, 1.5 per cent of students transferred to a different provider within a year of starting their course.

Students' views on quality



Informing student choice

Choosing whether to go into higher education – and if so, selecting the right course – are two of the most significant decisions an individual will make, affecting not only their academic experience but their long-term personal, financial and career outcomes.

The NSS asks final year students across the UK to share their views on their academic support, teaching and assessments, and the wider student experience. 71.5 per cent of eligible students in the UK responded to the survey. The feedback provides information to help prospective students decide where and what to study. The results also produce rich insights to support universities and colleges to improve the higher education experiences of their students.

We published results of 2025 NSS with analysis and commentary.[80]

For students studying in England, 86.9 per cent responded positively in NSS 2025 to 'teaching on my course' (up from 85.3 per cent in NSS 2024).

While 78.5 per cent of students responded positively to organisation and management, the NSS highlights that some providers are performing below their benchmarked expectations in this area. The survey also shows that disabled students reported lower levels of satisfaction across all themes, with the largest gaps seen in organisation and management.

Discover Uni

Discover Uni is the official, authoritative source of information on higher education in the UK.[81] The website supports prospective students in deciding whether, where and what to study and allows users to compare information and data across undergraduate courses in the UK.[82] We operate the data collection which underpins Discover Uni in partnership with Jisc. This year we made improvements to Discover Uni, including a major upgrade to the Discover Uni widget in June 2025. This improved its design, functionality and accessibility, enhancing how course information is presented on university websites.[83]

Student experience and support

This section explains how we regulate to protect students' interests and take actions to strengthen their overall experience.

£13.9 million of grant funding in financial year 2025-26 supported efforts to address student mental health issues through the formula-based premium for student transitions and mental health.

We gained insights about the experiences of students through regular polling, the work of our Student Interest Board and discussion at student debriefs.

We strengthened our regulation in relation to harassment and sexual misconduct. We published the results from our Sexual Misconduct Survey and undertook further analysis of the data.

We published an authoritative Insight brief on equality of opportunity for disabled students.

Higher education should provide a rich and fulfilling experience. Feeling part of a community that supports their learning and their wellbeing, and values their voice, is part of what enables many students to thrive. It can be especially important for those from disadvantaged or underrepresented groups who often face additional barriers to accessing and succeeding in higher education.

Yet, while many students enjoy high quality experiences, not all benefit in the ways they expect. Rising living costs, more term-time working, alongside increasing reports of mental health difficulties, indicate that students are experiencing significant challenges, with these pressures falling disproportionately on those with fewer economic and social resources to draw upon.

Some students' experiences may also be affected by unclear or unfair contractual terms, extra charges, and misleading information, which can compromise students' experiences and limit their ability to engage fully in their studies.[84]

In a range of ways, we work collaboratively with higher education institutions to help them respond effectively to students' needs. This includes funding for universities and colleges to support activities that promote inclusion and remove barriers to participation and success for students, and support for the Uni Connect infrastructure for collaborative outreach work.[85]

Goal: Students receive the higher education experience that they were promised

Our ability to regulate effectively in the interests of students relies on maintaining an up-to-date and detailed understanding of what matters most to them. To do this, we use established mechanisms for gathering student input and generating student insight. Further detail about our approach can be found in the 'About Us' section of this report.

Protecting students' consumer rights

Our aim is to ensure students are treated fairly by their institutions throughout their higher education experience by:

- strengthening accountability across the sector for their obligations to students under consumer protection law
- empowering students to understand and more effectively exercise their rights as consumers.

For most students, choosing whether, what, and where to study higher education is a one-off decision and, once made, students make a significant investment of time, effort and money. Once enrolled, it can be difficult, disruptive and costly to change course or provider. It is therefore essential that students have the information they need to make informed decisions from the outset and that the commitments made to them are honoured. Where expectations are not met, students should have accessible and effective ways to raise concerns and seek redress and resolve issues when they arise. Unfortunately, our experience suggests that this is not happening consistently enough across the sector and some students do not have a confident grasp of their consumer rights and entitlements.[86]

Under our partnership agreement with NTS, we refer cases that raise concerns about potential breaches of consumer protection law that may have compromised students' consumer rights.[87]

Driving improvement in this area is a priority for us, which is reflected in our strategy for 2025 to 2030.[88] For this reason, we recently strengthened our regulatory framework by introducing a new initial condition (C5: Treating students fairly), which providers must satisfy before they can be registered with the OfS.[89] In April 2026, we consulted on a new ongoing condition (C6: Treating students fairly), which we are suggesting should build on the standards required at registration, and apply to all registered providers on an ongoing basis.[90] We propose that the new condition, C6, would replace existing conditions C1 and C3 to bring greater clarity and coherence to our expectations while raising the standard of consumer protection for students. This new condition is aimed at helping students make informed choices, recognise when their provider has not met its commitments and understand their rights as students if this happens.

This year around 22,000 students were affected by the weekend-courses student loans issue, having received maintenance loans for which were later found to be ineligible. We wrote to affected providers setting expectations that any change from weekend to weekday delivery of tuition requires students' express consent, in addition to writing to all providers to remind them of their obligations to students. Where students are adversely affected, we expect providers to offer appropriate refunds and compensation in line with consumer protection law, and to allow students to remain on their original course or withdraw if they do not agree to changes. We emphasised to providers their obligations to treat students fairly and communicate clearly with them, including about the availability of escalation routes through institutional complaints processes and, where unresolved, the OIA. While the OfS does not regulate student finance eligibility, we will continue to work alongside the DfE and the Student Loans Company on this issue.

Industrial action

We want students to be treated fairly in the event of strikes or other industrial action affecting their studies. In April 2025, we published research on how students were affected during the 2023 marking and assessment boycott.[91] Of survey respondents whose course was affected, about a third were satisfied with how it was handled by their institution while around half were dissatisfied.[92]

We wrote to all universities and colleges setting out our expectations on how students should be protected and treated fairly when disputes happen. We have referred several providers to NTS for its consideration where student contracts had limited liability clauses in relation to industrial action by its own staff.

In May 2026, we convened a roundtable with sector bodies to support providers to share best practice during periods of industrial action.[93]

We expect institutions to develop and execute evidence-led plans to support students from all backgrounds and to evaluate the impact of their interventions.

What we did…

We assessed, and the Director, for Fair Access and Participation approved 47 access and participation plans for 2026-27. Additionally, we approved 22 variation requests for existing access and participation plans.

We provided £795,742 in funding in the 2025-26 financial year to support 11 collaborative projects to address higher education sector-wide risks that may affect a student's opportunity to access, succeed in and progress from higher education.

TASO Transforming Access and Student Outcomes in Higher Education

The Centre for Transforming Access and Student Outcomes in higher education

We funded Transforming Access and Student Outcomes (TASO) to deliver its 'what works' function and to establish Higher Education Evaluation Library (HEEL). This is a new library of evaluations, which will be freely accessible.[94] The library will support providers to meet the OfS's expectations to publish evaluations of access and participation activity. The submission platform was launched for members of the Higher Education Access Tracker (HEAT) in January 2026 and will be available for the rest of sector later in 2026.

In March 2026, we concluded our joint funding with Research England of 13 projects addressing persistent inequalities in access to and participation in postgraduate research for black, Asian and minority ethnic students.[95] Together, the projects developed a wide range of targeted interventions, produced valuable resources and provided important insights into the barriers faced by students. An independent evaluation of the programme is underway, and we expect to publish its findings later in 2026.

Uni Connect

We provided £20 million for the Uni Connect programme in academic year 2025-26, maintaining 29 regional partnerships that collaborate to improve equality of opportunity in access to higher education in England. The programme targets learners who are more likely to face barriers in accessing higher education, including learners from areas of lower higher education participation, learners in the care system, disabled learners, and learners from minority ethnic backgrounds. The latest monitoring analysis available from the 2023-24 academic year demonstrated that Uni Connect engaged with 344,422 learners and 2,843 schools.[96] Analysis from the HEAT found that learners eligible for free school meals who had participated in Uni Connect activity saw the largest relative increase in higher education entry. Students experiencing an intensive package of Uni Connect activity were more than twice as likely to enter higher education than a closely matched comparison group.[97] To support effective practice, we commissioned an evidence review of attainment raising activity delivered by the programme and published a report and publicly accessible evidence bank.[98]

We expect institutions to leverage regional partnerships in the development and execution of evidence-led plans that support students with the ability and desire to access, succeed in, and progress from higher education.

In June 2025, we launched a call for evidence on regional access partnerships, followed by publication of our analysis of responses in April 2026. These findings will inform our ongoing planning for a future collaborative outreach programme to succeed the current OfS-funded Uni Connect programme.

The new partnerships will bring together higher education providers, schools, colleges, local authorities, and other stakeholders to identify and address regional challenges to equality of opportunity in access to higher education.

Goal: Students benefit from rich and rewarding wider environments that help them to make the most of their time in higher education

Disability and mental health

Our Insight brief on disabled students shows that, in the 2023-24 academic year, 19.9 per cent of full-time undergraduates, 24.6 per cent of part-time undergraduates, and 17.5 per cent of undergraduate degree apprentices reported at least one disability.

5.5 per cent of full-time undergraduates and 7.2 per cent of part-time undergraduates reported a mental health condition. These figures are based on a definition of mental health conditions that meet the threshold of a disability, rather than mental distress more broadly; surveys using wider definitions report higher prevalence.[99]

The Insight brief also explored data indicating that disabled students report poorer experiences than those without a reported disability. We therefore encourage universities and colleges to foster environments that support students' mental health and wellbeing, including through targeted use of formula-based premium funding for student transitions and mental health of £13.9 million in financial year 2025-26 (2024-25: £18.6 million).[100]

In February 2026, we announced our intention to develop a statement of expectations for providers on supporting disabled students, including mental health as a disability, providing clarity about our expectations and driving improvement and consistency across the sector – pointing to the protections under the Equality Act 2010 and existing responsibilities of universities.[101] We are developing the statement of expectations in collaboration with key stakeholders in the sector, including representatives from universities and colleges, disability practitioners, disabled students, and family members bereaved by suicide.

Harassment and sexual misconduct

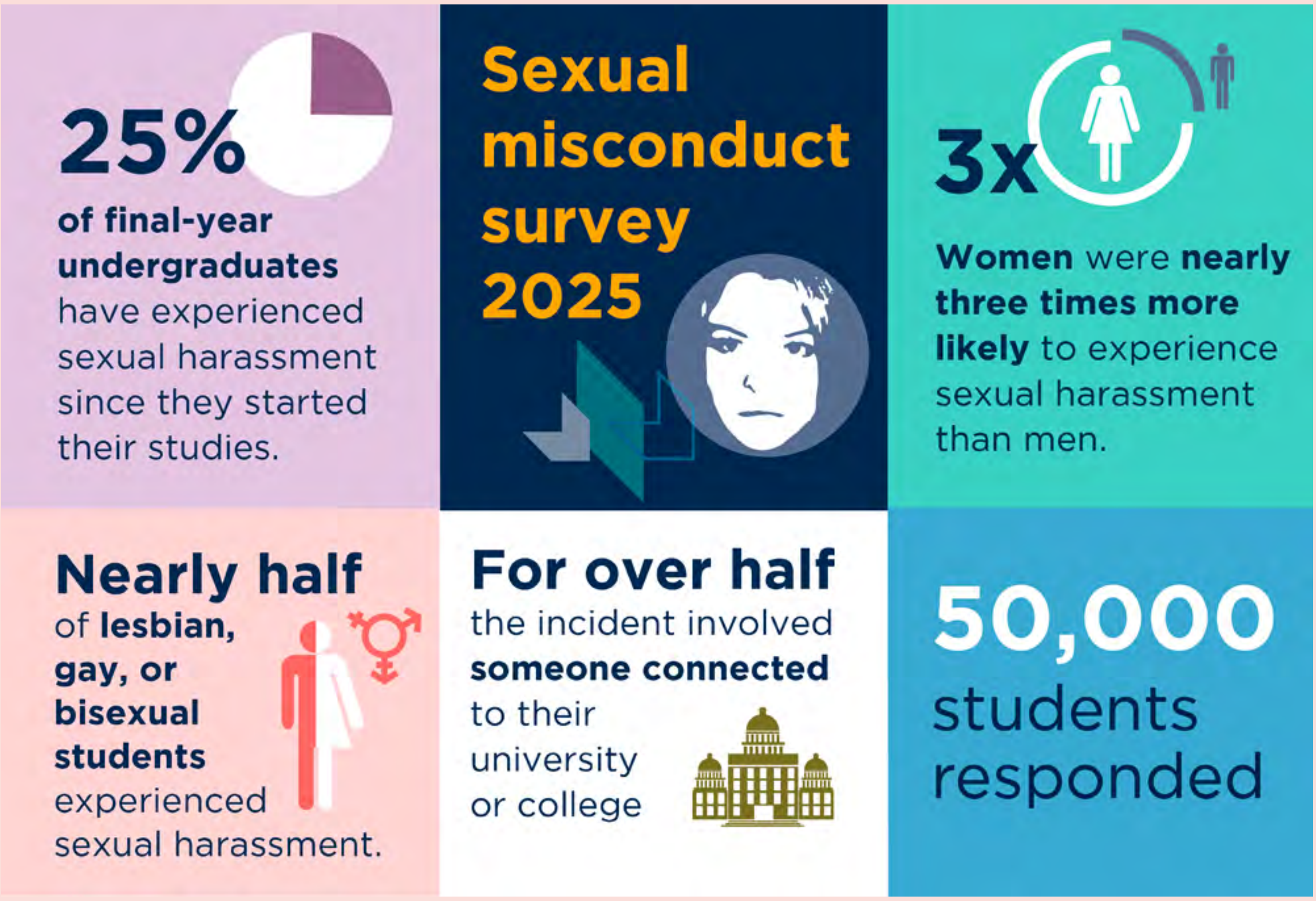
Harassment and sexual misconduct remain significant concerns in higher education. Understanding the scale and nature of these experiences is essential to ensuring that students are protected and that providers meet their regulatory obligations.

In January 2025, the OfS invited all final year undergraduate students in England to complete a survey about sexual misconduct in higher education after they had completed the 2025 NSS. It builds on the OfS's 2023 sexual misconduct pilot survey, which was sent to students from a small group of higher education institutions.[102]

The 2025 survey was the largest prevalence survey of sexual misconduct in higher education in the UK. The initial set of results, published in September 2025, show that 24.5 per cent of final year undergraduates who responded to the survey have experienced sexual harassment since starting their studies. Around one in seven (14.1 per cent) have experienced sexual assault/violence.[103] These results provided a clearer picture of students' experiences of sexual misconduct and will help institutions to understand where, how, and when to target interventions. In May 2026, we released supplementary analysis, focusing on how reported experiences of sexual harassment and sexual assault or violence vary by additional demographic characteristics and breakdowns by subject, level of study and institutional characteristics.[104]

In addition to working to understand the scale and scope of these issues in English higher education, we implemented condition E6 on harassment and sexual misconduct, which came fully into force on 1 August 2025. This condition requires that universities and colleges have effective policies to prevent harassment and sexual misconduct, robust procedures to address it if it occurs, and support for students who experience it.

We actively supported that implementation by helping students understand what they should expect from their providers. This included publishing student-facing information on harassment and sexual misconduct, setting out providers' responsibilities and students' rights.[105] This also included wider communications activity to raise awareness of the new regulatory requirements. We also published the full text of the condition and technical guidance.[106]



Around four per cent of the notifications we have received during the early implementation period have related to harassment and sexual misconduct.[107] Where notifications indicated potential compliance concerns, we have engaged with providers to understand how they were meeting the requirements of the condition. The themes of this engagement covered:

- the steps providers were taking to prevent harassment and sexual misconduct
- how providers informed students about how students can report incidents and access support, and whether information was clear and accessible
- whether relevant staff were appropriately trained
- whether providers had a single, comprehensive source of information meeting the requirements of the condition
- providers' approaches to intimate personal relationships between staff and students.

Our engagement included concerns relating to different forms of harassment, including racial harassment, antisemitism and Islamophobia. For instance, in November 2025, in light of serious concerns about the experiences of Jewish and Israeli students and staff in universities, we wrote to all providers reminding them about the steps they can take to protect these students and staff on campus, highlighting the need for institutions to respond decisively where necessary and appropriate.[108]

Sector resilience

This section explains how our monitoring of financial sustainability protects students' and taxpayers' interests in English higher education. It also outlines our work to safeguard public funding and promote stronger governance in the sector.

We completed the annual monitoring cycle for financial sustainability for 280 universities and colleges where the OfS is the primary regulator. We began assessment of the next cycle of financial returns in January 2026.

Through financial sustainability updates published in May 2025, November 2025 and May 2026, we shared sector-wide insights with stakeholders and engaged directly with higher risk providers and their governing bodies to set clear expectations on financial recovery and student protection.

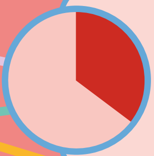
We increased our audit capacity this year, completing seven audits of 2023-24 student data, and four data reviews. At the end of the financial year five audits of 2024-25 data were underway.

From August 2025, we introduced stricter registration requirements, strengthening expectations for effective governance, financial sustainability and value for money. This is to ensure that institutions registering with the OfS have governance arrangements that can deliver a high quality academic experience for all students from all backgrounds.

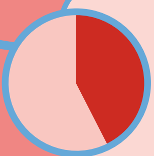
We supported sector-led governance reform by working closely with the CUC and other sector partners. We also strengthened direct engagement with provider chairs and governing boards. This included issuing a letter from our chair to all provider chairs outlining our assessment of sector-wide risks and reinforcing the importance of strong governance in response.

University finances

What does our latest modelling show?



More than a third of institutions (**35.8%**) reported a deficit in 2024–25



In 2025–26, **four in ten institutions** (**42.7%**) expect to report a deficit

UK student recruitment varies significantly across the sector by provider type

UK student recruitment increased by 3.5% compared with academic year 2023-24, **but remained 8.6% below forecast** (for providers having made submissions to both AFR24 and AFR25)

International student recruitment decreased by 7.7% compared with academic year 2023-24, which was **9.0% below forecast** (for providers having made submissions to both AFR24 and AFR25)

As autonomous institutions, universities and colleges are responsible for their own financial sustainability and for effective governance. Strongly governed, financially resilient institutions are imperative for ensuring that students receive the higher education experience they were promised. Financial difficulties within an institution can have far-reaching consequences for students, including course disruption, uncertainty for students about the completion and value of their qualifications, and reduced confidence in their provider. More broadly, financial instability can limit providers' ability to innovate and invest in student support, constrain access to higher education, and undermine confidence in the sustainability and reputation of the higher education sector. Therefore, our work to monitor and improve the financial viability and sustainability of registered providers remains a priority.

Goal: A financially resilient sector delivers high quality higher education and student choice in the context of constrained finances

We require each provider to report financial information through the AFR. This year we have introduced two further in-year reporting requirements to ensure that we have an updated picture of sector resilience at key points of the year. We also require providers to report any significant event or issue that negatively affects its financial position.

We have also been increasing our engagement activity with providers at risk and have evolved our monitoring framework and set of indicators that we use to assess risk. We have made formal decisions relating to the risk status of providers that are in the highest risk categories and shared this assessment with these providers.

May 2026 report highlights ongoing pressures on sector financial sustainability

Our annual analysis on the financial sustainability of the sector published in May 2026 shows that more than a third (35.8 per cent) of institutions reported a deficit for 2024-25. While this is lower than expected, this figure is forecast to rise to four in ten institutions (42.7 per cent) for 2025-26.[109]

The improvement in financial performance was not evenly shared among higher education providers, with performance varying significantly between different types of institution. The analysis shows how increased adjusted surplus levels from medium, smaller, and specialist institutions have offset an aggregate deterioration in performance for larger research- and teaching-intensive institutions, among others. Nearly a quarter of institutions reported that they incurred costs from restructuring activities, such as voluntary redundancy schemes, in 2024-25. Sector-wide, these costs rose sharply by 20.7 per cent to £218.2 million, with the most significant rise reported by larger research-intensive institutions.

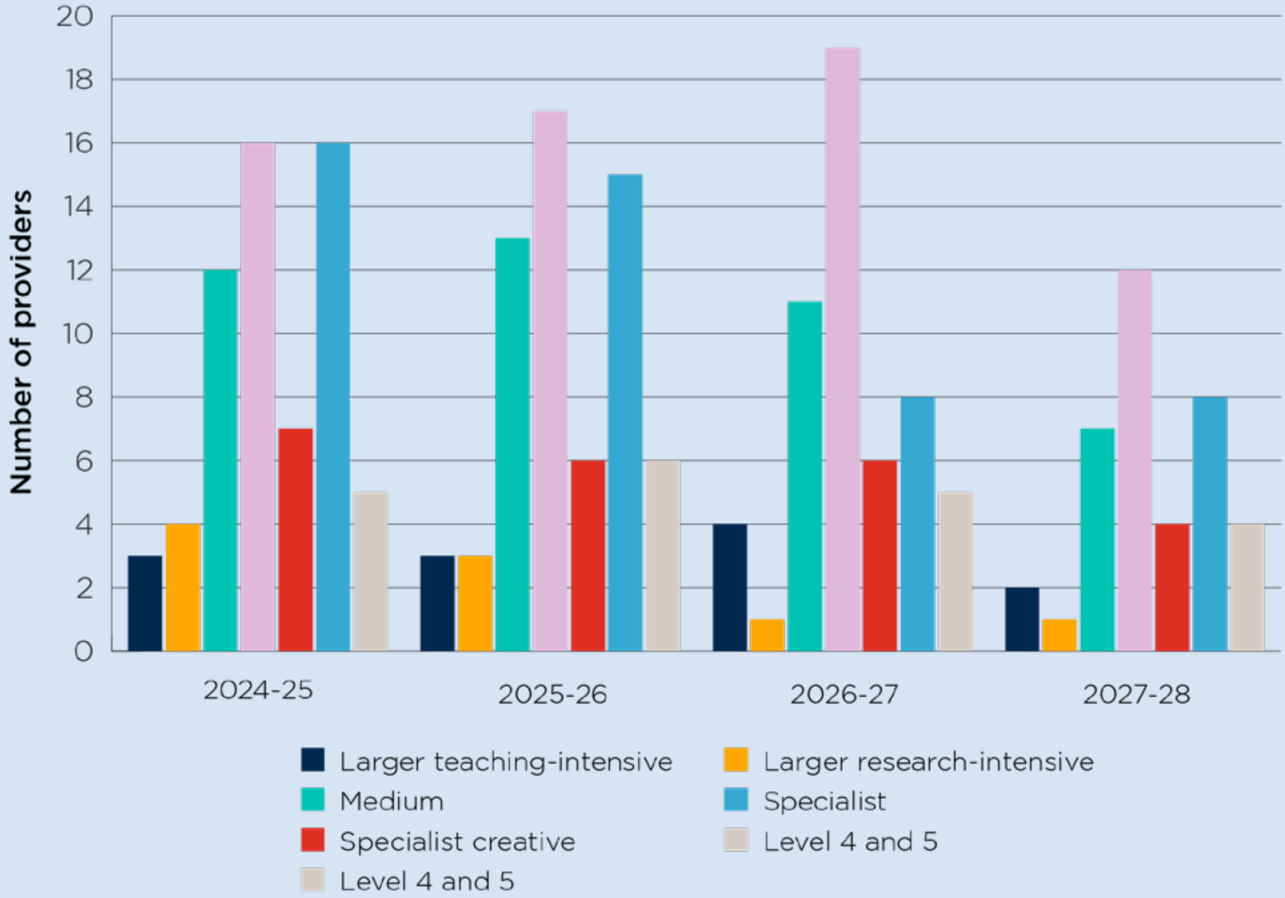
In the longer term, institutions have forecast a return to stronger performances from 2026-27 onwards. However, this anticipated recovery is again heavily dependent on the higher education sector's expectations of a significant increase in student recruitment, which remains unpredictable. We have carried out modelling which suggests that, if institutions do not meet these optimistic recruitment projections, a substantial number would face deficits, reduced operating cash flow, and declining liquidity. Without effective mitigating action, this would significantly increase financial risk across the sector and heighten the likelihood of disruption to students. As well as general recruitment challenges, the report identifies other risks that have persisted for a number of years, such as an overreliance on fee income from international students.

While we are pleased to see more institutions are responding to warning signs, much of this work appears to be targeted at addressing short-term issues. We have clearly stated our view that institutions should base their plans on more prudent forecasts to secure their long-term financial health and ensure they can continue to deliver a high quality education for students. We have also signalled to institutions that they remain vigilant to global factors that may exacerbate financial pressures, including geopolitical instability, and be alert to associated risks such as rising energy costs, reduced student recruitment, and increased demand from students for financial support.

There is significant diversity of provider types and business models within the English higher education sector. We look at trends across the sector and compare providers that have similar characteristics to each other. The chart that follows shows how many providers in each group expect to have three financial years in a row of deficits (pension adjustments not included).[110]

As well as reporting on the financial performance of the higher education sector as a whole, we reach a view on the risk level of all universities and colleges that are subject to our financial monitoring. Where we consider individual providers to be at higher risk, we engage with them to understand the risk profile in more detail. During the year, we refined our risk assessment methodology and increased transparency with providers about

Number of providers forecasting three-year consecutive deficits, 2025-26 to 2028-29



Data source: OfS AFR.

the financial resilience risks we identify. We have engaged with providers facing risk at an earlier stage and more open and constructive relationships have strengthened our oversight and intelligence, enabling more informed discussion and enhancing our ability to influence how providers recognise and respond to emerging financial challenges.

> We maintain an up-to-date financial assessment of risk at both institutional and sector level. This is informed by predictive and lead indicators based on our analysis of providers' AFRs. These returns supply audited historic data and forward-looking forecasts, and in aggregate, form the basis of our annual analysis of sector resilience.

> To strengthen the evidence base of our assessments, we required short, focused interim financial returns to be submitted in spring 2025 and again in autumn 2025, enabling us to track how in-year financial positions had shifted since the AFR.
>
> In response to rising financial stress in the sector, we continue to refine and enhance our approaches. For example, we developed a new risk framework for annual financial return reviews from January 2026. We learned from the 'Investigation into financial oversight and decision making at the University of Dundee' conducted by Professor Pamela Gillies[111], and updated some

questions in the AFR25 commentary template to ensure we are asking relevant questions of providers.

Engagement with individual providers remains central to our understanding of institutional risk. Through this ongoing dialogue, we build a detailed picture of providers' financial challenges, their plans to manage them, and their capacity to deliver effective change.

We also used additional resource made available by the government to carry out detailed financial reviews of 12 selected providers, focusing on their financial risks and transformation plans.

Through these combined activities we identified emerging financial risks early, intervened proportionately, and protected students' interests while supporting the long-term sustainability of the English higher education sector.

We work with institutions to improve planning for potential closures, normalising conversations about preparedness.

We require institutions facing a material risk of closure to have credible and deliverable plans to minimise disruption for students. We work with government to improve outcomes for students where an institution can no longer operate.

During this year two small providers closed: Spurgeon's College and the College of Osteopaths. We worked closely with partner organisations to ensure that students' interests were protected and that suitable transfer arrangements for students with other providers were secured.

Monitoring engagement

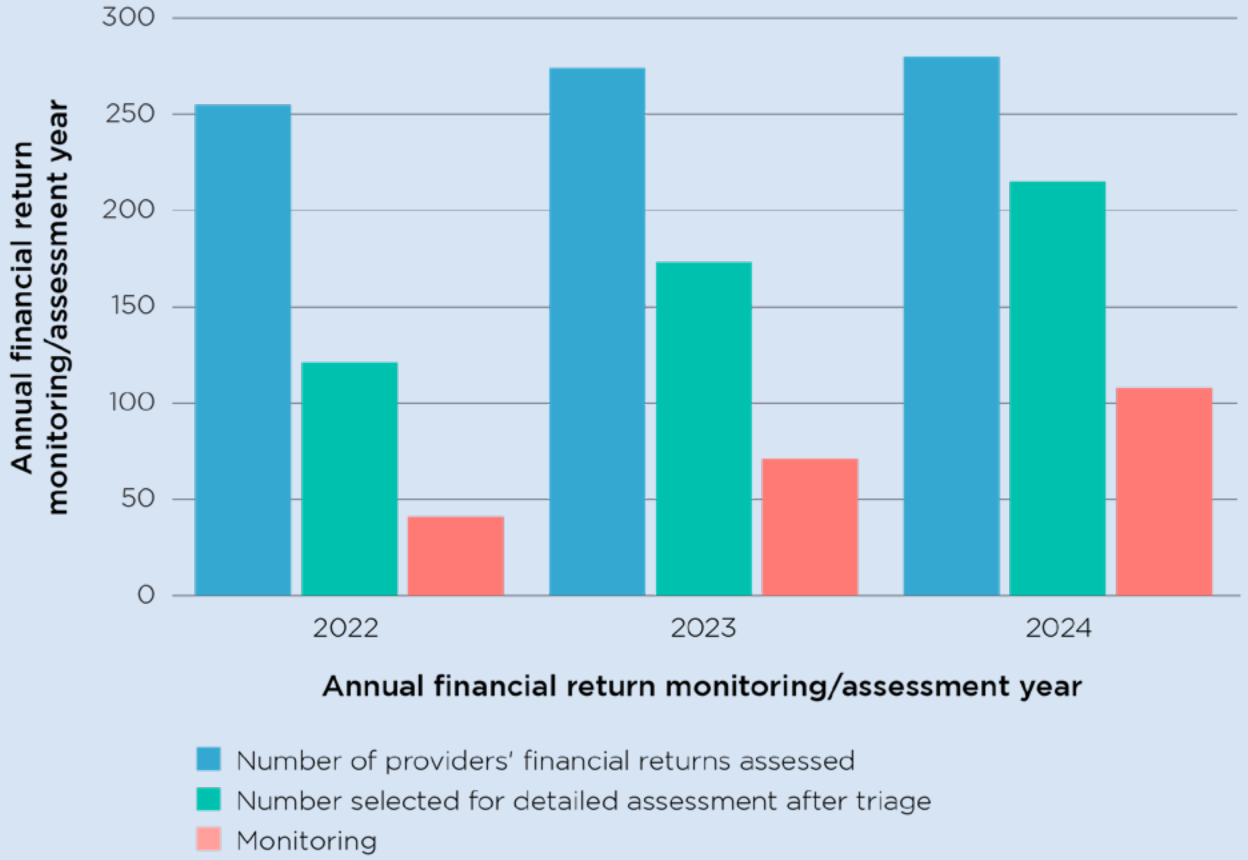
The following figure shows year-on-year growth in financial sustainability monitoring, with more providers requiring monitoring engagement. The number of providers we placed under formal monitoring has risen from 71 in the previous cycle to 108 following our assessment of the annual financial return for 2024.

We have consistently raised concerns about the realism of financial forecasts produced by some universities and colleges. In particular, overly optimistic assumptions about student recruitment and growth can mask underlying financial vulnerabilities, leaving providers exposed if expected income does not materialise.

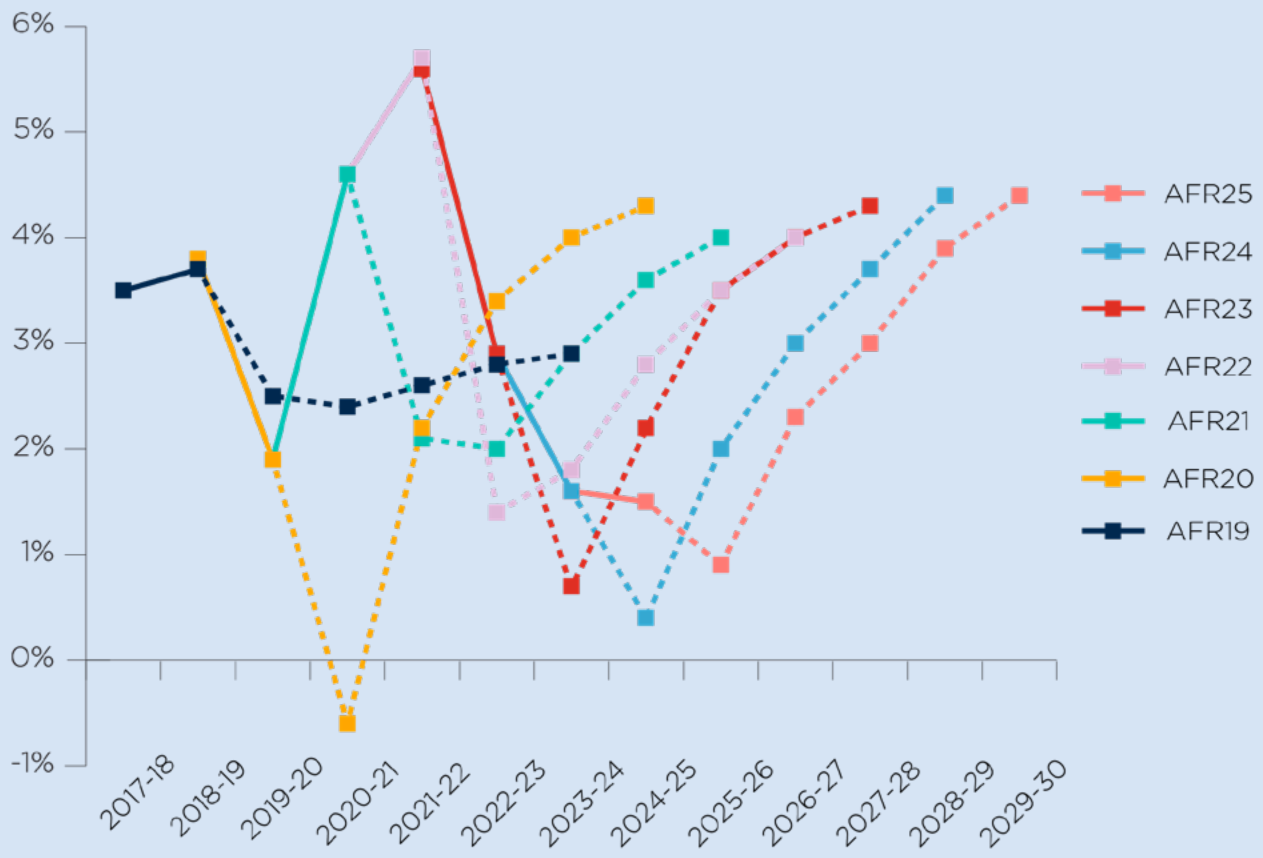
While we see many providers being more realistic about their finances in the near future, they are expecting significant improvements further ahead. The pattern in the chart at the bottom of the following page shows flat or weak performance in the short term, with a sharp rise later on. Recent forecasts show worse results in the years just before 2025 than earlier forecasts did. For example, the financial surplus for 2024-25 was only about one-third of what was originally forecast in AFR20. If the same pattern continues, then the sector's surplus predicted for 2029-30 might not increase as much as is hoped, and may be the same as in 2024-25 (around 1.5 per cent).

We have a new key performance measure (KPM 7) that shows in aggregate the extent to which institutions' financial forecasts differ from actual income from course fees.[112] The variance between forecast and actual income has grown in recent years due to an increasingly challenging recruitment environment. (For more information, see the section on KPMs).

The growing volume of financial monitoring work



Adjusted surplus/deficit as a percentage of total income (adjusted for pension provision movements) over previous AFRs



Data source: OfS AFRs 2019 to 2025.

Find out more about...

Insight brief Protecting the interests of students when universities and colleges close.

Goal: Effectively governed institutions successfully navigate an environment of increased financial and strategic risk, enabling students to reap the benefits of higher education while giving taxpayer confidence that public funding is used appropriately

Strong governance and management in universities and colleges are more important than ever, given the significant challenges facing the sector. Our regulatory experience aligns with wider sector concerns that many universities and colleges do not yet have governance and management arrangements and capabilities that are robust enough to meet the current financial challenges. These weaknesses in governance have contributed to the financial challenges the sector is facing. Ultimately, each university and college must take responsibility for strengthening its own governance.

In November 2025, the OfS chair wrote to the chairs of governing bodies to highlight the current risks we were observing within the sector and to urge them to be proactive. The letter stressed the importance of ensuring that institutions have the leadership, oversight and decision-making capabilities needed to operate effectively in an increasingly complex environment.[113]

We continue to engage with sector representative bodies, financial experts, lenders and audit firms to raise awareness of the risks facing the sector and the important role that effective governance and leadership play in addressing these challenges.

A collaborative approach to sector governance

We take a collaborative approach to sector governance and, over the past year, have worked closely with sector bodies to strengthen governance across higher education. This work focused on sharing insights, contributing to sector-led initiatives, and supporting preparation for future regulatory change.

We contributed to a range of sector activity to strengthen governance, including input to the CUC updated Governance Code, which is building a substantial evidence base for the sector. Alongside this, we delivered a programme of OfS-led policy development and engagement.

We held roundtables with governing body chairs from universities, colleges and specialist providers to discuss emerging risks and good practice. In addition, we engaged with sector groups including Russell Group registrars, GuildHE and Independent HE (IHE), ensuring our work on governance reflects the diversity of the sector.

Goal: We will strengthen our oversight of governance to ensure institutions are accountable and public funding is used appropriately

We took a number of steps this year to strengthen our oversight to ensure that only well governed and financially sustainable providers can enter the regulated sector. Our new initial conditions (C5, E7, E8, E9), effective from 28 August 2025, tightened screening for readiness of the governance, financial sustainability and capacity needed for high quality provision.[114]

Expanding our audit capacity

We expanded our audit capacity this year, prioritising a smaller number of more complex and detailed audits, including some that contributed to OfS investigations. We did this to target our resources where they add the most regulatory value. By the end of the financial year, we had completed seven audits of 2023-24 student data, and four data reviews. Five audits of 2024-25 data were underway.

We introduced new 'onboarding' and 'data review' activity, aimed at providers that are relatively new to the OfS Register and/or deliver small amounts of higher education provision. These light-touch exercises aimed to consider data quality and provide feedback on the systems and processes in place to manage student data. Feedback from providers involved in these sessions have welcomed the collaborative approach taken and valued the opportunity to discuss and improve data quality and systems. Data quality has improved with minimal burden on the providers involved and visits have provided valuable insight into providers' operations.

Protecting student and public funding

Subcontractual arrangements continue to be a focus of our work in relation to protection of student and taxpayer monies this year.

High quality subcontractual partnerships can deliver benefits for students and taxpayers, but we continue to have significant concerns about some arrangements. These arise where teaching is subcontracted without sufficient preparation, where providers are overly reliant on such arrangements for financial sustainability, and where governance and oversight are weak.

How does subcontracting work?

"Many universities and colleges registered with the OfS are involved in subcontractual arrangements. In a subcontractual arrangement, students are registered at and receive their qualification from the lead provider but are taught for some or all of their course at another institution – the delivery partner. **In the 2024-25 academic year, there were 104 registered lead providers with around 335 delivery partners.**"

Just under a third (106) of delivery partners were registered with the OfS. In subcontractual arrangements, students pay tuition fees to the lead provider, either directly or via the Student Loans Company. The lead provider retains a percentage, passing the majority of the tuition fee to the delivery partner. Some lead providers now teach more students through these arrangements than directly on their own campuses.

To remain registered with the OfS and draw on public funding via student loans, universities and colleges must comply with the OfS's conditions of registration which apply in relation to all higher education courses and all registered students. Our regulatory framework applies to subcontractual arrangements.

In March 2026, following consultation, we introduced new requirements for lead providers in subcontractual arrangements.[115] A new ongoing condition of registration applies, with limited exceptions, to providers with 100 or more students registered on relevant subcontractual courses in an academic year.

Lead providers must identify and manage risks to students and taxpayers and maintain a subcontractual information source explaining how partnerships are overseen. To improve transparency, eligible providers must also publish information on fee retention and their strategic rationale for subcontracted delivery. Providers that already manage subcontractual arrangements effectively should find these requirements straightforward to meet.

Our new requirements for lead providers complemented the DfE requirement for delivery partners with at least 300 students to register with the OfS if they want to continue to access public funding in future years.

Supervision and enforcement

We monitor risks to public funding, working closely with the DfE and the Student Loans Company to identify risk factors. This year, we met with the chairs and accountable officers of around 15 providers assessed as presenting the highest risk. In these meetings, we communicated and discussed our concerns, reflecting our commitment to early, informal engagement with universities and colleges to address emerging risks wherever appropriate.

As noted in our last Annual report, we carried out two formal investigations relating to concerns about the delivery of the Diploma in Education and Training course within subcontractual arrangements. The first found serious concerns with the Applied Business Academy's provision of the Diploma in Education and Training course.[116] The second, which was concluded this year, resulted in the publication of a regulatory case report setting out the concerns identified at Brit College.[117] [118]

An investigation, covering the period from October 2022 to February 2024, had found that Leeds Trinity University did not have effective arrangements in place to manage its subcontractual provision. The university worked co-operatively with us throughout the investigation, and the published case report in May 2025 explains the compliance concerns identified and the settlement reached.[119]

Sustainability report

At the OfS, we aim to work towards our goals in an environmentally and socially responsible way. We continue to seek value for money in managing our estate while assessing and minimising our negative environmental impact. We draw on best practice from across the public sector to help us shape targets for future carbon dioxide equivalent (CO_2e) emissions reductions and to identify and implement sustainability improvements. As part of this approach, we review our historical usage data and compare our performance with organisations of a similar size and function. We are improving how we assess climate change adaptation within our work. For example, we introduced an internal environmental sustainability statement in 2026 which sets a commitment to undertake our activities in ways that seek to reduce our resource consumption and associated carbon emissions. It also commits us to start work to understand more fully how we should consider climate change adaptation in the context of our work.

To reduce our environmental footprint and ensure value for money we have (over the past five years) consolidated our estate into one building in Bristol, Westward House, which we share with UK Research and Innovation (UKRI) Research England, and a small open plan office space in 10 South Colonnade in Canary Wharf, London.

Most of our staff continue to work in a hybrid way, combining office and remote working, so we are able to keep our estate small. These working patterns have contributed to reductions in our emissions. This is reflected in the 2025-26 data.

Although our estate includes little green space, during this year we continued to encourage the contractor responsible for our outdoor areas to work with biodiversity in mind - maintaining and, where possible, improving this area's ecological value.

Greening government commitment performance

As a non-departmental public body of the DfE, we report greening government commitment (GGC) figures quarterly to the department.[120] In line with the broader GGC goals, we aim to reduce our emissions, waste and water consumption. This is reflected in the targets we have set out below. The previous GGC targets use 2017-18 as a baseline to demonstrate progress. However, as the OfS was established during 2018-19, our reported progress is therefore relative to a 2018-19 baseline.

Our policy encourages business travel via public transport whenever feasible. We ask staff to consider whether they can hold meetings through video or telephone conferences to minimise travel. Nonetheless, engagement with staff at institutions and with students is essential to our work, making some in-person meetings indispensable.

We continue to work towards removing single-use items, including plastics, from our estate.

We note that government-level strategy and targets for the next GGC period, 2025 to 2030, have not yet been published. We have been in frequent contact with our sponsoring department, the DfE, regarding possible targets for the new GGC period. However, as the government has not yet announced the broader strategy, we have continued to report against our previous targets and our 2018-19 baseline. In line with the DfE, we have reported five years of data in addition to our 2018-19 baseline. We look forward to working with the DfE in the future to establish and meet new targets for the next GGC period.

Table: Performance against baseline and GGC targets

Category	2025-26	2018-19 baseline	Percentage change from baseline	Target*
Overall greenhouse gas emissions (t CO_2e)	112	317	-65%	Reduce overall greenhouse gas emissions by 56% from baseline
Direct greenhouse gas emissions (t CO_2e)	22	94	-77%	Reduce direct greenhouse gas emissions by 36% from baseline
Domestic business flight emissions (t CO_2e)	1.6	9.5	-83%	Reduce domestic business flight emissions by at least 30% from baseline
Overall waste generated (tonnes)	10.59	21.54	-51%	Reduce overall waste generated by 15% from baseline
Proportion of waste going to landfill	0%	10%	-10%	Reduce the amount of waste going to landfill to less than 5% of overall waste
Proportion of waste that is recycled	66%	90%	-24%	Increase the proportion of waste that is recycled to at least 70% of waste
Paper consumption (A4 equivalent reams)	1157	948	+22%	Reduce paper consumption by 50% from baseline
Water consumption	1.72	6.92	-75%	Reduce water consumption by at least 8% (m^3 per full-time equivalent OfS and Research England staff) from baseline

* These were adopted in the recently finished GGC period, 2021 to 2025. As the government has not yet published the strategy and targets for the next GGC period, 2025 to 2030, we have continued to report against our previous targets and our 2018-19 baseline.

Taskforce for climate-related financial disclosure, including governance disclosures

Compliance statement

Our reporting on climate-related financial disclosures is consistent with HM Treasury's disclosure application guidance. This is aligned with the Taskforce for climate-related financial disclosure (TCFD), which HM Treasury interprets and adapts for the UK public sector.[121]

We report the following TCFD recommendations and disclosures in compliance with phase one, two and three of the UK public sector implementation:

Governance – recommended disclosures

- **Board's oversight:** Our Risk and Audit Committee (RAC), a committee of the OfS board (see 'Governance arrangements' in the 'Governance statement' of this report), annually reviews our sustainability performance data and climate-related issues. The most recent review, informed by the sustainability data from 2025-26, took place in June 2026. The committee also discussed future targets alongside a draft sustainability statement in November 2025.

As a part of our sustainability risk management review, RAC also monitors climate-related risk to the OfS as a routine part of managing our corporate risks (see 'Risk management system and responsibilities' in the 'Governance statement' of this report).

- **Management's role:** Our Risk and Performance subcommittee of Executive Committee (ExCo) (see 'Internal controls' in the 'Governance statement' of this report) has responsibility for overseeing climate-related issues. The committee continues to monitor implementation and performance against targets, reviewing and managing our corporate risks, and other climate-related issues. Climate-related material comes before the committee for review and discussion at least twice a year.

Metrics and targets – recommended disclosures

- **Metrics:** We report our scope 1, scope 2 and scope 3 greenhouse gas emissions (see table below) in line with the scope of the GGC and the methodology described in the Sustainability Reporting Guidance.[122] We take into account transmission and distribution of electricity and overnight hotel stays, in addition to our official business travel, to calculate our scope 3 emissions. This reporting is in line with our reporting against our baseline year, 2018-19.
- **Emissions:** We report our scope 1, scope 2 and scope 3 greenhouse gas emissions (see table below) in line with the scope of the GGC and the methodology described in the Sustainability Reporting Guidance.
- **Targets:** As a member of the DfE group, we adopt sustainability targets set by the DfE.[123] For this operating year, those were targets set for the GGC 2021 to 2025 (see above for information about specific targets).

Risk management – recommended disclosures

- **Risk identification and assessment:** We identify climate-related risks in line with our broader risk identification and assessment policies. During this operating year, we undertook a review of our corporate risks and identified a climate-related risk that sits in the corporate risk register. The climate-related risk, along with the wider review of our corporate risk register, was overseen by the Risk and Performance subcommittee of ExCo and at a board-level by the RAC.
- **Risk management:** For more information about our corporate risk register, including how we identify, assess and manage those risks, see 'Risk management system and responsibilities' in the 'Governance statement' of this report.
- **Overall integration:** Our climate-related risk is on the corporate risk register. For more information about our corporate risk register, including how we identify, assess and manage those risks, see 'Risk management system and responsibilities' in the 'Governance statement' of this report.

OfS greenhouse gas emissions

In line with the reporting requirements, we detail here our direct emissions (scope 1), indirect energy emissions (scope 2), and other indirect emissions (scope 3). Our analysis of data follows HM Treasury Sustainability Reporting Guidance.[124] Additionally, in line with our previous reporting, we also provide more detailed breakdowns of emissions relating to our business travel and waste.

When compiling this report, complete data for the final quarter of financial year 2025-26 was not available. As we have done in previous years, we extrapolated data on quarter four of the previous operating year, to produce the annual figures below.

Following guidance published by the Department for Energy Security and Net Zero and the Department for Environment, Food and Rural Affairs, we calculate total greenhouse gas emissions using current conversion factors for the reporting year.[125]

Table: OfS greenhouse gas emissions (tonnes of CO_2e)

	2018-19	2021-22	2022-23	2023-24	2024-25	2025-26
Total gross emissions for scope 1* (direct emissions)+	94	106	108	64	31	22
Total gross emissions for scope 2* (energy indirect)+	125	70	69	47	36	39
Total gross emissions for scope 3 (other indirect)**	98	10	20	35	52	51
Total emissions	317	186	197	146	119	112
Carbon intensity (per £ million expenditure***)	11	6	7	5	3++	2

Note: CO_2e is a carbon dioxide equivalent and is the number of metric tonnes of CO_2 emissions with the same global warming potential as one metric tonne of another greenhouse gas. It allows bundles of greenhouse gases to be expressed as a single number.

* Scope 1 refers to direct greenhouse gas emissions (e.g. gas usage). Scope 2 refers to indirect greenhouse gas emissions (e.g. electricity usage). Our figure does not take into account net emissions for use of renewable tariffs and carbon offsets.

** Scope 3 refers to other indirect greenhouse gas emissions. We take into account transmission and distribution of electricity and overnight hotel stays in addition to our official business travel to calculate our scope 3 emissions.

*** We have not included our grant funding activity or the activity of our assessors.

+ We have, as in previous years, accounted for our estate in Bristol and London. We receive estimates of our gas, electricity, and water usage quarterly from the building managers of 10SC Canary Wharf and monitor that usage. As those figures are estimates, we do not have direct costs associated with our usage of gas, electricity, and water from our London offices.

++ We note that there has been a change in classification of grant expenditure and change due to operating segments. This means that our re-presented operating costs from 2024-25 have increased. We have, subsequently, restated this figure.

Green electricity tariff carbon offset

The OfS buys electricity for our Bristol site via a green energy tariff, a blended tariff consisting of 50 per cent zero carbon and 50 per cent renewables, from our energy provider, EDF. EDF reports annually on the CO_2 produced by energy purchased on these tariffs.[126] This year, EDF reported that there were no carbon emissions generated in the production of this electricity. Our London site in Canary Wharf is supplied via a green electricity tariff. The table below demonstrates what the impact of those emissions reductions would be on our overall emissions.

Table: Total net emissions resulting from zero carbon electricity offset

	Unit	2025-26
Total emissions offset from zero carbon electricity generation	Tonnes of CO_2e	39
Total net emissions	Tonnes of CO_2e	73

Note: CO_2e is a carbon dioxide equivalent, and is the number of metric tonnes of CO_2 emissions with the same global warming potential as one metric tonne of another greenhouse gas. It allows bundles of greenhouse gases to be expressed as a single number.

If we were to take into account these carbon emissions offsets, the OfS would have reduced its overall greenhouse gas emissions by 77 per cent from the 2018-19 baseline.

Business travel

Our business travel has increased substantially this year compared with last year. However, it remains well below our pre-pandemic levels. This increase in travel is due, in large part, to a planned programme of visits to higher education providers across England. During 2025-26 we visited over 40 universities and colleges to increase understanding of our work and listen to feedback from staff and students. We expect that engagement work to continue over the next year.

Table: Business travel emissions and costs

	Unit	2018-19	2021-22	2022-23	2023-24	2024-25	2025-26
Car	£000	15	1	7	11	9	12
Taxi	£000	17	0	1	2	3	3
Rail	£000	544	23	84	152	202	249
Air	£000	10	0	0	1	5	5
Total business travel	£000	586	24	92	166	219	269
	Tonnes of CO_2e	87.7	3.6	12	24.1	37.9	37.5
Travel carbon intensity per full-time equivalent	Tonnes of CO_2e	0.24	0.01	0.03	0.05	0.08	0.08

Breakdown of OfS greenhouse gas emissions from air travel

In line with increases in our business travel, we have seen an increase in air travel this year. OfS travel policy states that domestic (UK) flights are not permitted, unless there is a valid reason why travel on land-based public transport is not an option. The numbers in the table below indicate return journeys. Nine domestic flights were taken (one from London to Glasgow, five from London to Edinburgh, one from London to Belfast, one from Belfast to Edinburgh and one from Bristol to Newcastle). Five short-haul international flights were taken to Amsterdam in the Netherlands, Cairo in Egypt, Budapest in Hungary, and Paphos in Cyprus. One long-haul international flight was taken to Tokyo in Japan. This year, as in the past, the needs for flight arose primarily from goals relating to our regulation of quality and transnational education.

Table: Business flights and emissions

	Unit	2018-19	2021-22	2022-23	2023-24	2024-25	2025-26
Flights	Number of flights	79	2	2	5	14	15
Domestic flights	Tonnes of CO_2e	9.5	0	0.3	0.3	2.2	1.6
Short-haul international		1.3	0.4	0	0.3	1.7	2.7
Long-haul international		3.8	0	0	1.9	4.3	2.9
Total emissions	Tonnes of CO_2e	14.6	0.4	0.3	2.5	8.2	7.2

Waste minimisation and management

This year, we continued to reduce the amount of waste we produced, compared with the 2018-19 baseline as well as the previous year. There has been a slight increase in the amount of waste we produce. We attribute this to better availability of data in our small London offices. We have increased our proportion of recycled waste. We remain committed to recycling a larger proportion of our waste.

Additionally, we report an estimated 500 kg of information and communications technology (ICT) waste as a result of disposing of approximately 236 laptops, 13 servers, three monitors, six hard disc drives and a tablet. We disposed of these items, along with some keyboards, mice and electrical cabling, at a total cost of £3,448.88.

We do not produce any municipal waste, major mineral waste or other waste. Our waste contractor, Veolia, disposes of our waste through incineration with energy recovery.

Water, energy and paper consumption

The report on our direct consumption of water and energy (finite resources) utilises available data from our Bristol offices. The OfS shares its Bristol offices with UKRI Research England and we are unable to separate usage with submeters. Therefore, we have collected data for the whole building and reported on behalf of all occupiers in line with HM Treasury guidance. Our London office data is collected and reported by the GPA in line with HM Treasury guidance.

We report that we have consumed more paper during this year compared with both the previous year and the 2018-19 baseline. The figure in the table below is an estimate. In line with the availability of data in previous years, it is a figure based on the weight of our paper waste. This year, we procured 70 A4 reams. We plan to report only paper procurement for the next GGC period.

The energy and water resources consumed while staff are working from home are not measured here.

Table: Waste and recycling tonnage and cost

	Unit	2018-19	2021-22	2022-23	2023-24	2024-25	2025-26
Non-recycled waste	Tonnes	2.06	0.36	6.84	4.57	3.55	3.64*
	£000	4	0	4	**	**	**
Waste recycled at source	Tonnes	19.48	6.60	8.09	4.89	6.55	6.95***
	£000	3	2	4	**	**	**
Total waste	Tonnes	21.54	6.96	14.93	9.46	10.1	10.59
	£000	7	2	8	7	6	6
Total waste recycled at source	Percentage (%)	90	95	54	52	65	66
Waste intensity per full-time equivalent	Kg	60	18	35	21	21	21

* Our waste contractor, Veolia, attributes none of our waste to landfill. Waste is incinerated with energy recovery.

** Our waste contractor has not apportioned costs to recycled and non-recycled waste. Our waste costs on our Bristol site were £5,899.69 for this annual reporting period. For comparison, those costs were £6,282.67 during 2024-25. Cost figures on waste at our Canary Wharf, London offices were not available and will be reported via the Government Property Agency (GPA).

*** This figure includes 3.17 tonnes of recycling and 3.78 tonnes of anaerobic digestion.

Table: Paper, water, electricity and gas usage and cost

	Unit	2018-19	2021-22	2022-23	2023-24	2024-25	2025-26
Paper	A4 reams equivalent	948	20	780	1021	753	1157*
Water**	Cubic metres (m^3)	6.92	1.65	1.25	2.16	1.85	1.72
	£000	10	3	5	4	4	4***
Electricity	Megawatt-hours	443	328	358	227	158	226+
	£000	81	64	87	68	52	54
Gas	Megawatt-hours	508	580	603	327	146	108
	£000	15	21	32	20	10	9
Total utilities	£000	106	88	124	92	66	67

* This figure, in line with previous years, is estimated based on the weight of our paper waste. Our paper procurement figures indicate that we purchased 70 A4 equivalent reams during this period.

** Consumption per full-time equivalent OfS and UKRI Research England staff.

*** Does not include costs associated with estimated water usage at our office in Canary Wharf, London.

+ The small increase in electricity consumption during 2025-26 is likely a result of a temporary switch to electric heating while issues with our gas boiler system were rectified during the winter months.

Nature recovery and biodiversity

We aim to increase biodiversity and operate our estate in a way that encourages nature recovery on our sites. Our scope for action is small given the scale of our estate (a single building with modest outdoor space in Bristol and shared space in a London office building), but we nonetheless encourage our contractors and staff to maximise the biodiversity of our site where possible.

Sustainable procurement

The OfS embeds sustainable and socially responsible procurement practice into its operations, improving value for money by reducing waste, protecting biodiversity, and supporting sustainable economic growth. We follow the Chartered Institute of Procurement and Supply's Corporate Code of Ethics and hold its Corporate Ethics Mark, demonstrating ethical values in the way we source and manage suppliers.[127]

Key performance measures (KPM annex)

Our key performance measures (KPMs) track performance against our 2025 to 2030 strategy.[128] They track interim outcomes, serving as a checkpoint to assess whether our regulation is driving the impact we are aiming for.

KPM 1: The number and timeliness of Teaching Excellence Framework (TEF) assessments

This measure is not available because the OfS is in the process of consultation on a new approach to quality regulation, including how TEF-style assessments will operate.

KPM 2: The number and timeliness of investigations involving a quality assessment

KPM 2 measures the number of public investigations with a quality assessment that are completed each year, and whether they are completed within the planned timeframe. While the standard planned timeframe is 15 weeks, some complex cases may have a modified timeframe.

In 2025–26, two investigations were completed, one of which was completed within the planned timeframe.

This KPM is published annually in May.

Table: KPM 2 measures

Measure	% of respondents to stakeholder survey 2025-26
Number of public investigations with a quality assessment completed	2
Number completed within the planned time period	1

KPM 3: The proportion of accountable officers reporting that the OfS’s regulation has led to quality improvements

KPM 3 measures the proportion of accountable officers who indicate that the OfS’s regulation of quality has led to quality improvements over the past 12 months in the stakeholder survey. This is an online voluntary survey administered by an external supplier.

In 2026, 43 per cent of respondents responded that they ‘strongly agree’ or ‘somewhat agree’ with the following statement: ‘The OfS’s regulation of quality has prompted my institution to make changes that improve the quality of education for our students in the last 12 months’.

This KPM is published annually in May.

Table: KPM 3 measure

Measure	% of respondents to stakeholder survey 2025-26
Proportion of accountable officers	43%

KPM 4: The proportion of accountable officers reporting trust and confidence in OfS communications

KPM 4 measures the proportion of accountable officers reporting that they ‘strongly agree’ or ‘somewhat agree’ to statements on collaborative working and OfS communications in the stakeholder survey. It measures those who report that they ‘strongly agree’ or ‘somewhat agree’ with the below statements.

In 2026, respondents rated the clarity of OfS communications highest and the OfS’s collaborative working and consideration of sector feedback lowest.

This KPM is published annually in May.

Table: KPM 4 measures

Measure	% of respondents to stakeholder survey 2025-26
The OfS considers sector feedback.	42%
The OfS works collaboratively with the sector.	39%
I can engage constructively with the OfS.	53%
OfS communications are clear and easy to understand.	61%
The tone of OfS communications is appropriate.	47%

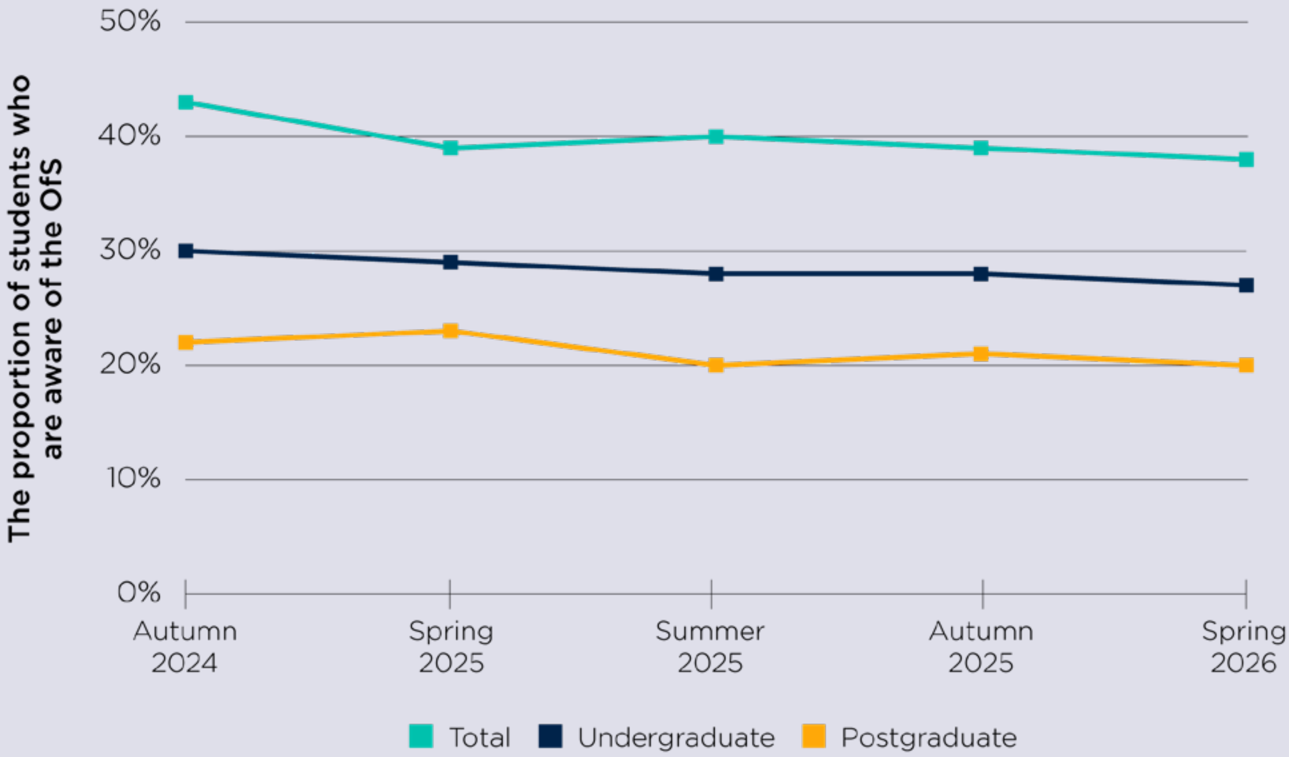
KPM 5: The proportion of students who are aware of the OfS (interim measure)

We measure the proportion of students who report having heard of the OfS in our pulse surveys.

In spring 2026, 27 per cent reported ‘yes’ to the following question ‘Before today, had you heard of the Office for Students?’ compared to 29 per cent in spring 2025, but the differences are not statistically significant. Postgraduates consistently report higher awareness than undergraduates.

This KPM is published three times a year in autumn, spring and summer.

Figure: KPM 5, proportion of students who are aware of the OfS (from Pulse survey responses)



KPM 6: Attendance at OfS events and number of non-regulatory visits

We measure engagement through attendance at OfS hosted events and the number of non-regulatory provider visits, using internal OfS data.

Attendance increased between October and December 2024, and between October and December 2025, but fell between January and March 2026 due to a reduction in the number of events held. Non-regulatory visits peaked in October to December 2024 and were lowest in January to March 2026, reflecting annual scheduling patterns.

This KPM is published four times a year in February, May, August and November.

Figure: KPM 6A, total number of attendees at events hosted by the OfS

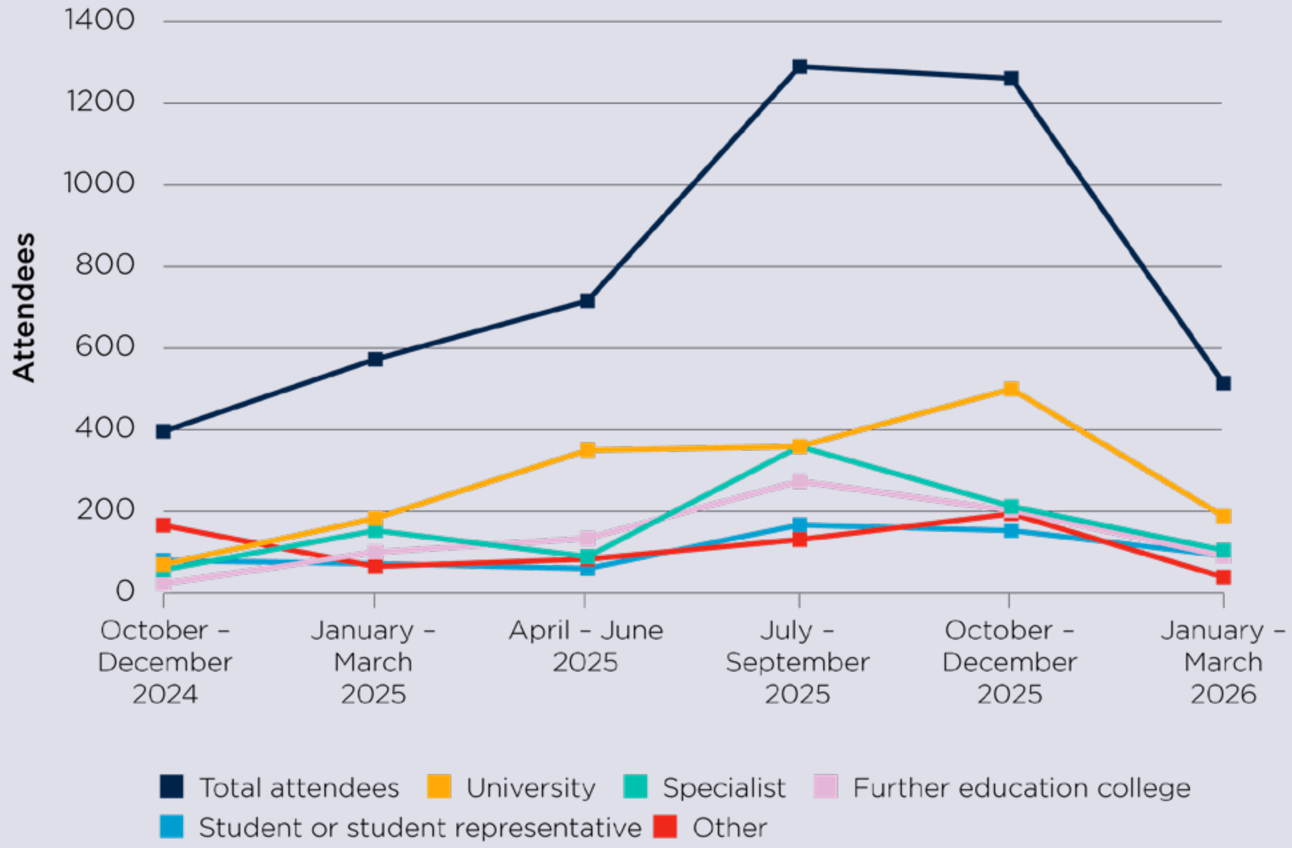
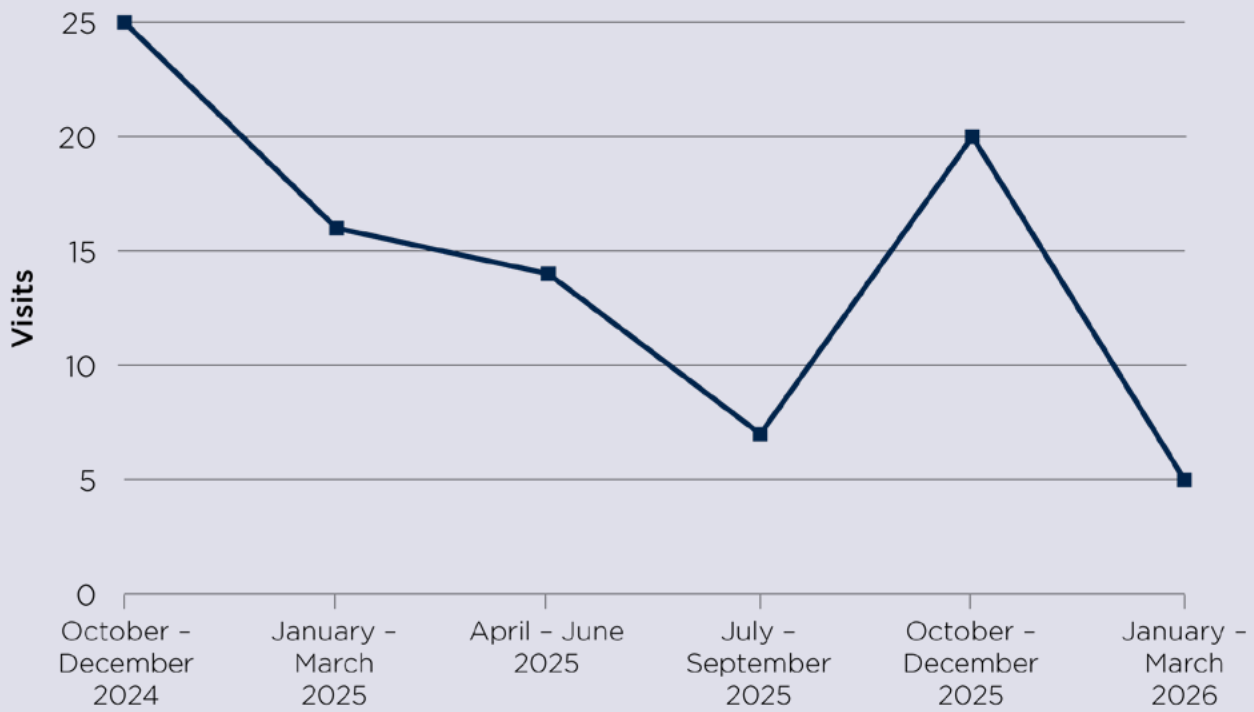
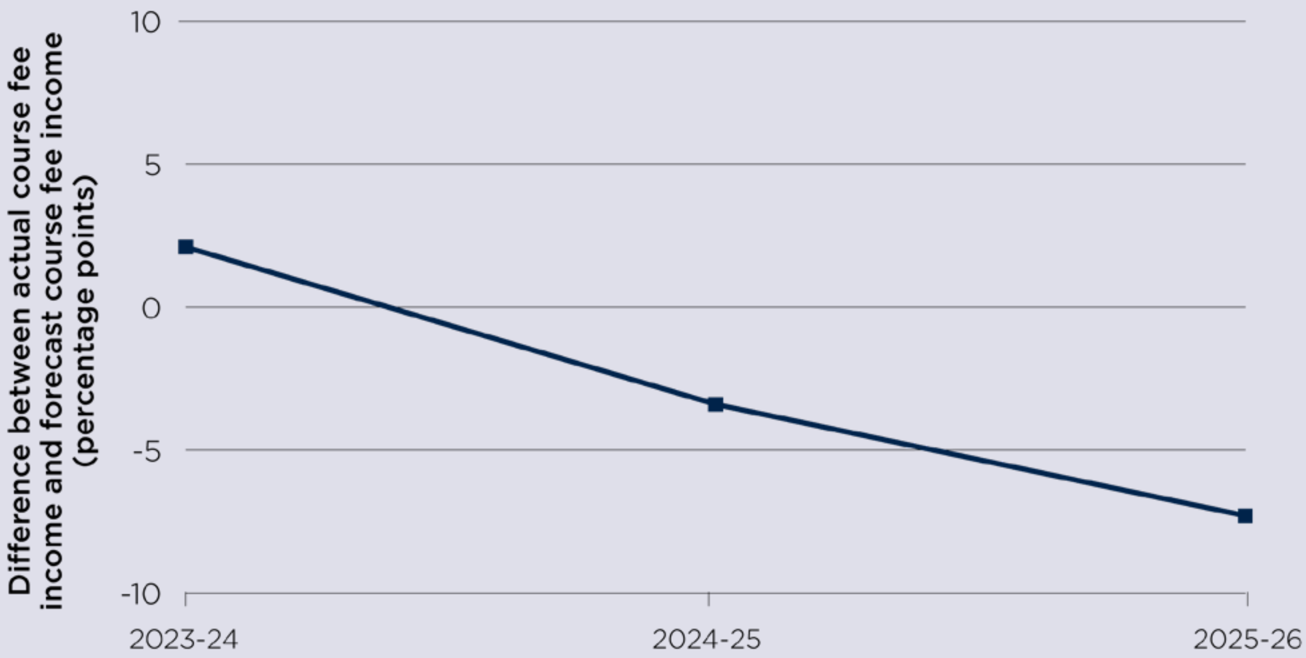


Figure: KPM 6B, total number of non-regulatory visits



KPM 7: The accuracy of institutions' forecasts



KPM 7 shows the extent to which institutions' forecasts differ from actual income from course fees.

A value of 0 per cent would indicate that on average, institutions' forecasts were accurate. Positive values indicate that income from course fees was higher than forecast (pessimistic forecasting), while negative values indicate that income from course fees was lower than forecast (optimistic forecasting).

The data shows that on average, forecasting has become less accurate over time. In the 2022-23 financial year, course fee income was 2.1 per cent higher than forecast, suggesting forecasts were pessimistic. Since then, forecasts have been optimistic, with course fee income 3.4 per cent lower than forecast in the 2023-24 financial year and 7.3 per cent lower than forecast in the 2024-25 financial year.

This KPM is published annually in May.

KPM 8: Timeliness of key processes

Table: KPM 8A, registration end-to-end times (days)

	Application received	
	1 April 2023 – 22 June 2023	**23 June 2023 – 16 November 2025**
Expected resolution limit (days)	1,387	550
Mean (days)	519	199

KPM 8A shows the time taken to resolve a registration assessment. This is an application by an institution to register with the OfS. The assessment process begins when we receive a registration request from an institution and ends when we send the assessment outcome to the institution.

The table shows that we currently expect to resolve a registration assessment in up to 550 days, with an average completion time of 199 days. This is a decrease compared to the previous period, when the expected resolution limit was 1,387 days and the average completion time was 519 days. This was higher as several assessments opened in this time period were of particularly long duration.

Table: KPM 8B, access and participation plan assessment end-to-end times (days)

	Date range of submissions				
	1 April 2023 – 30 January 2024	**31 January 2024 – 11 July 2024**	**12 July 2024 – 3 October 2024**	**4 October 2024 – 25 June 2025**	**26 June 2025 – 29 September 2025**
Expected resolution limit (days)	255	181	156	184	192
Mean (days)	126	99	109	81	144

KPM 8B shows the time taken to resolve an access and participation plan (APP) assessment since 1 April 2023. This involves a review of an APP against our published guidance and relevant legislation. The assessment process begins when we receive an APP from an institution and ends when we send the institution a final decision.

Some APP approvals may take longer if they are submitted as part of a registration or change of fee limit process, as the provider would not receive a decision until all aspects of the process are complete.

The table shows that we currently expect to resolve an APP assessment in up to 192 days, with an average of 144 days. Since 1 April 2023, the average time to resolve a case has increased but the expected time to resolve the longest cases has fallen. The data varies in a cyclical way as we assess APPs in waves.

Table: KPM 8C, Approving variations to access and participation plans (APPs), end-to-end times (days)

	Date range of submissions		
	1 April 2023 – 20 May 2025	**21 May 2025 – 2 June 2025**	**3 June 2025 – 2 October 2025**
Expected resolution limit (days)	238	65	55
Mean (days)	97	48	30

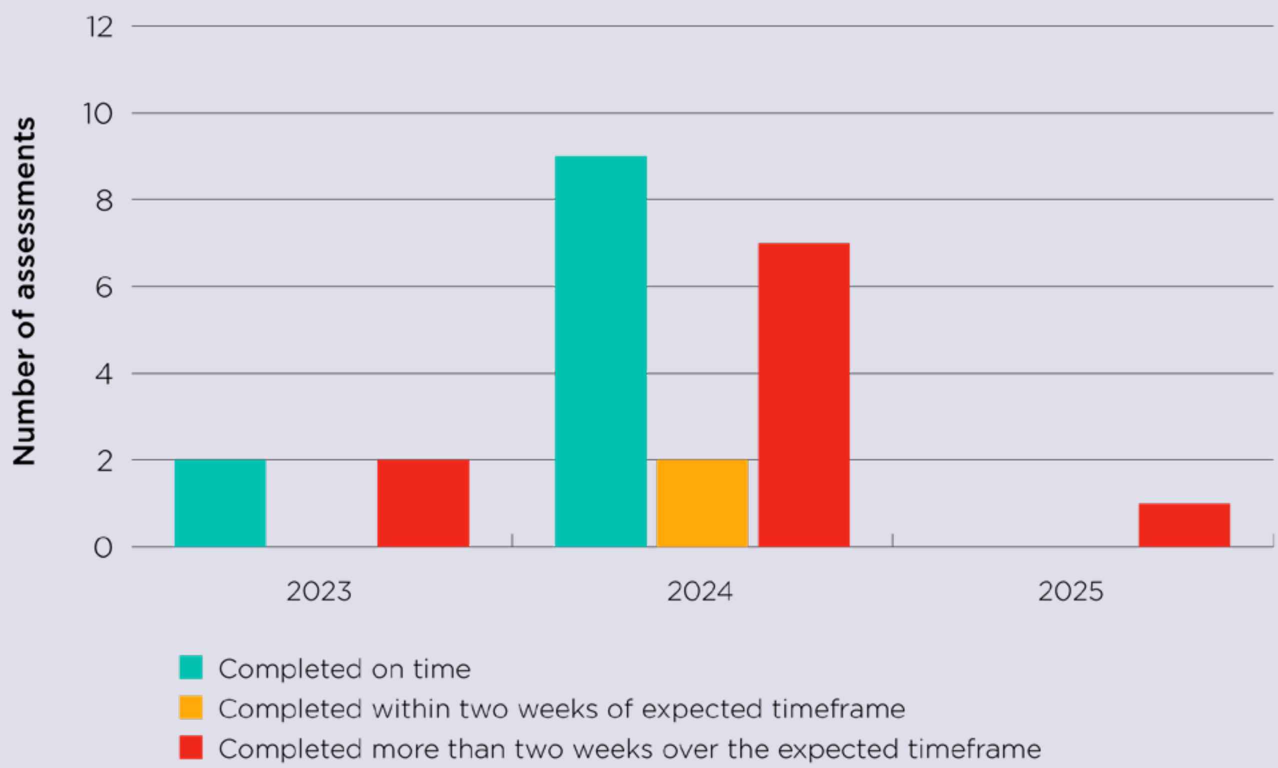
KPM 8C shows the time taken to resolve requests for variations to APPs, which includes any change to an institution's APP requested by the provider. APP variations are usually subject to the same assessment process as a new APP.

The assessment process begins when we receive a variation request from an institution and ends when we send the institution a final decision.

The table shows that the time to complete a variation has significantly reduced since April 2023. We currently expect to resolve an APP variation in up to 55 days, with an average of 30 days.

The decrease in end-to-end times partly reflects changes in the complexity of variation requests, with fewer of the variation requests completed since April 2023 being complex.

Figure: KPM 8D, number of degree awarding powers (DAPs) assessments completed with publicised indicative timescales



This data relates to the part of the DAPs process where we assess the applications against the criteria set out in the regulatory framework for New DAPs, Full DAPs and variations.

We have completed five assessments which were started between April (when reporting begins) and December 2023. Two of these were completed within the expected timeframe and three took more than two weeks longer to complete than the expected timeframe.

We have completed 20 assessments which were started in 2024. Nine of these were completed within the expected timeframe. Two were completed within two weeks of the expected timeframe and nine took more than two weeks longer to complete than the expected timeframe.

Fewer DAPs assessments were started overall in 2025 because we were not accepting new applications and paused work on recent applications between December 2024 and August 2025. So far, we have completed one assessment that was started in 2025, which took more than two weeks longer than the expected timeframe to complete. More information on timelines for DAPs applications is available on our degree awarding powers webpage.[129]

The overall timeframe of the DAPs application and assessment process varies by the type of assessment. Scrutiny for Full DAPs assessments is expected to take up to 18 months, 52 weeks for Variation, New DAPs assessment, and New DAPs End Assessment, and 32 weeks for New DAPs monitoring.

KPM 9: The ratio of spend on core versus enabling functions

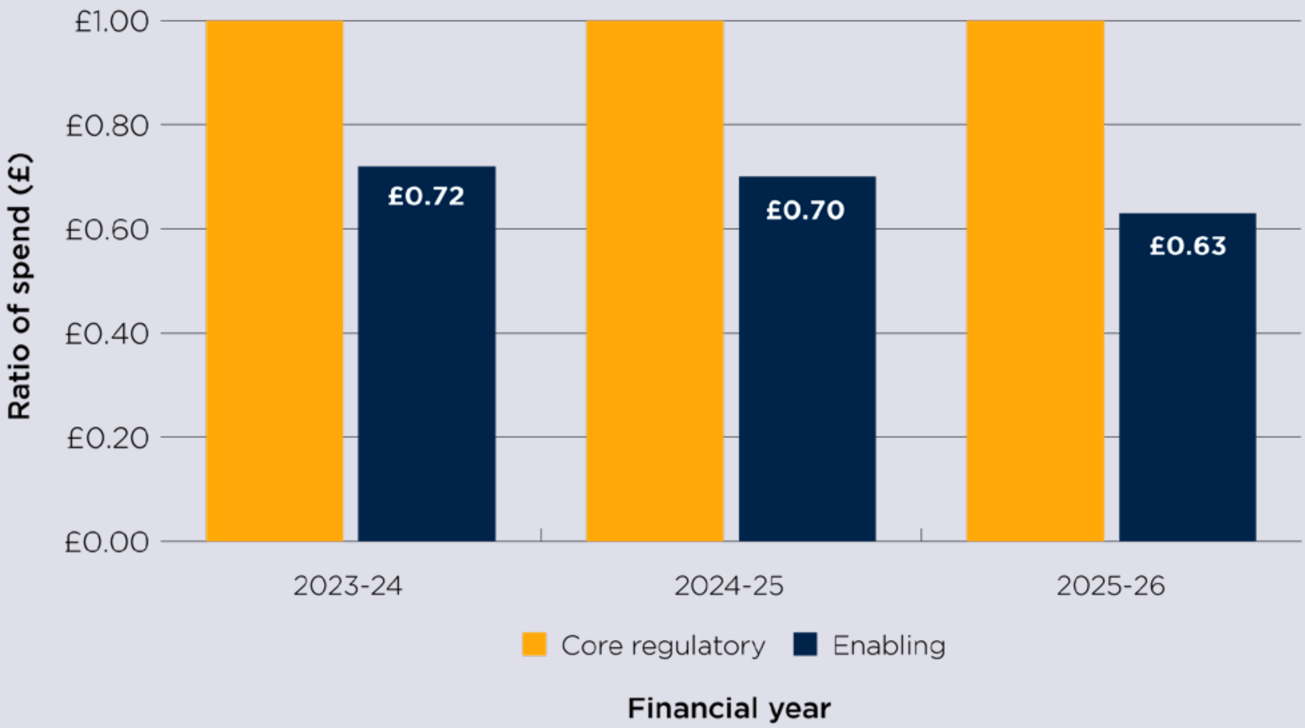
We measure variation in spending by comparing expenditure on core regulatory activities (such as the work of our Regulation Directorate and legal team) with expenditure on enabling functions (such as human resources and finance). This is measured by dividing spend on enabling functions by spend on core regulatory functions.

KPM 9 tracks the shape of the organisation by providing a high-level indication of how effectively resources are aligned to the organisation's primary regulatory functions.

There is a downward trend in enabling spend relative to core regulatory spend. Over the period shown, for every £1 spent on the front line, proportionately less is being spent on enabling functions, demonstrating a shift in the balance of expenditure towards priority work.

This KPM is published annually in May.

Figure: KPM 9, the ratio of spend on core versus enabling functions



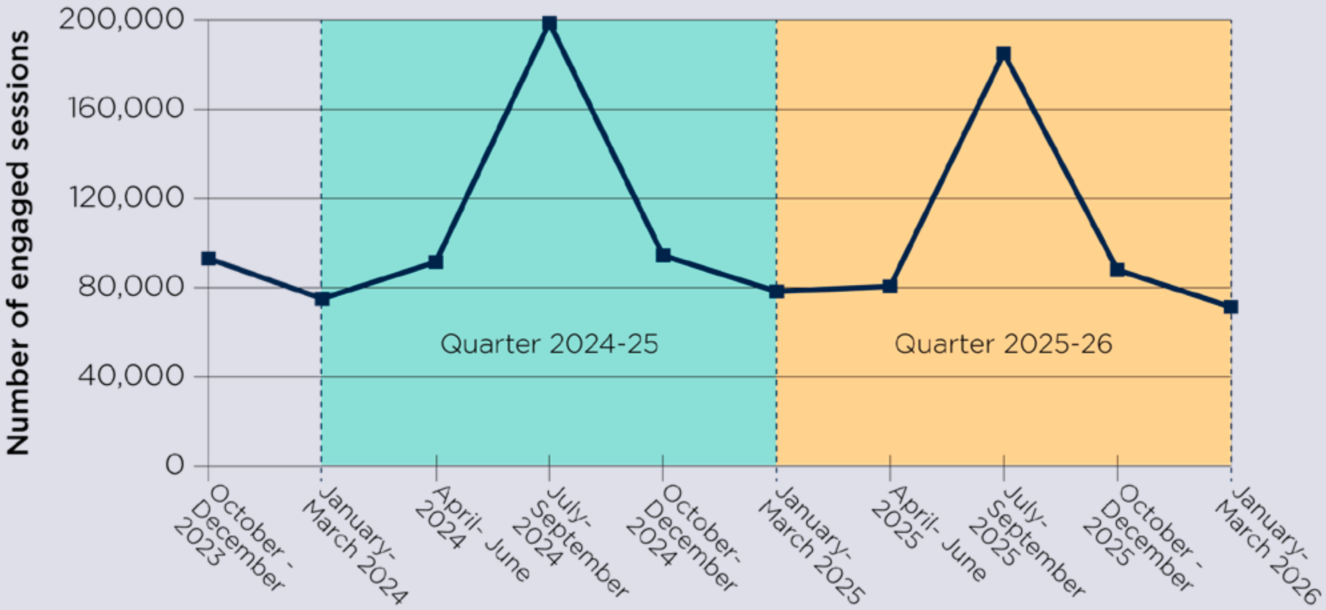
KPM 10: Engagement with non-regulatory OfS materials

We measure engagement with OfS non-regulatory online publications, which are intended to shape views on the higher education sector. These include Insight briefs, student insight reports, data analysis, blog posts, data dashboards, case studies and OfS commissioned independent research. These exclude content that is purely regulatory or informational.

From April to June 2025, the number of online engagements has decreased compared with the equivalent period in the previous year.

This KPM is measured four times a year.

Figure: KPM 10, engagement with non-regulatory OfS materials



KPM 11: Media citations of OfS analysis and insight

We measure the number of times OfS analysis and insight is cited by media organisations as an authoritative source.

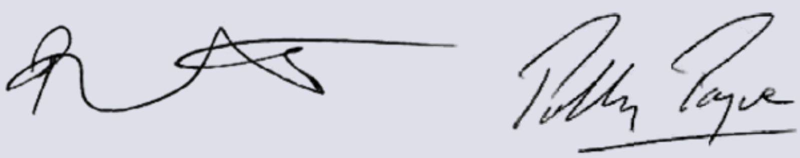
Between September 2025 and March 2026, there were 429 references to OfS published sources. The number of references peaked in September 2025, aligning with the publication of the sexual misconduct survey. In 2026, the number of monthly references has been between 20 and 60, with the most references in February and the fewest in March.

This KPM is measured monthly.

Table: KPM 11, media citations of OfS analysis and insight

Month	Number of articles
September 2025	127
October 2025	55
November 2025	87
December 2025	47
January 2026	32
February 2026	57
March 2026	24

Ruth Hannant and Polly Payne
Chief Executives and Accounting Officers



2 July 2026

Notes

1 See The OfS strategy 2025 to 2030 - Office for Students.

2 See Consultation on the future approach to quality regulation - Office for Students.

3 See RTC Education Ltd and University of Greater Manchester subject to additional regulatory requirements - Office for Students. The courses are provided by RTC Education Ltd (trading as Regent College London).

4 On 1 August 2025, provisions of the Higher Education (Freedom of Speech) Act 2023 came into force, strengthening the statutory framework for freedom of speech and academic freedom in higher education in England. These provisions place duties on universities and colleges to take reasonably practicable steps to secure freedom of speech within the law for students, staff and visiting speakers, to maintain effective codes of practice setting out how those duties are implemented, and to promote the importance of freedom of speech and academic freedom in the provision of higher education. They also establish an enhanced regulatory role for the OfS, including a duty to promote freedom of speech across the sector.

5 See Regulatory advice 24: Guidance related to freedom of speech - Office for Students.

6 See OfS responds to University of Sussex judgment - Office for Students.

7 See Written questions, answers and statements - Higher Education Freedom of Speech Statement - UK Parliament.

8 See OfS explorations: Consumer rights - Office for Students.

9 See OfS explorations: Consumer rights - Office for Students.

10 See Marking and assessment boycotts: Student insight report - Office for Students.

11 See OfS announces reforms to its registration tests to protect students and public money - Office for Students.

12 See OfS proposes stronger protections for students to ensure institutions are treating them fairly - Office for Students.

13 See Sexual misconduct survey 2025 - analysis of results - Office for Students.

14 See Condition E6: Harassment and sexual misconduct - Office for Students.

15 See Harassment and sexual misconduct - a guide for students - Office for Students.

16 See Condition E6: Harassment and sexual misconduct - Office for Students.

17 See One size doesn’t fit all: Equality of opportunity for disabled students - Office for Students.

18 Academic year allocations for the Student Premium can be found in Funding for 2025-26: Decisions and allocations – Office for Students. The £13.9 million figure in this report is for the financial year of 2025-26, rather than the academic year. Of the £14.8 million allocated to mental health in the academic year 2024-25, approximately 40 per cent (£6.1 million) was distributed within the 2025-26 financial year (April–July). Of the £13.4 million allocated to mental health in academic year 2025-26, approximately 58 per cent (£7.8 million) was paid within the 2025-26 financial year (August–March).

19 See One size doesn't fit all: Equality of opportunity for disabled students - Office for Students.

20 See Improving disabled students' experiences: Our advisory panel give their views - Office for Students.

21 See What does the law say? - Office for Students.

22 See Announcing the development of a statement of expectations in relation to disability - Office for Students.

23 See Financial sustainability of higher education providers in England: November 2025 update - Office for Students and Financial sustainability of higher education providers in England: 2026 - Office for Students.

24 See Financial sustainability of higher education providers in England: November 2025 update - Office for Students and Financial sustainability of the higher education sector in England - Committees - UK Parliament.

25 See Financial sustainability of higher education providers in England-2026 – Office for Students.

26 See Reforms to OfS registration requirements - Office for Students.

27 See Regulatory case report for Brit College - Office for Students. As of Friday 25 July 2025, Brit College was removed from the OfS Register. The college asked the OfS to remove it from the Register because it no longer intended to meet the conditions required to remain registered as a higher education provider in England. Another provider relating to these investigations, Applied Business College asked the OfS to remove it from the Register as of Friday 27 September 2024 because it was no longer able to provide higher education.

28 See Leeds Trinity University: settlement agreed after breaches of requirements relating to oversight of subcontractual partnerships - Office for Students.

29 See Consultation outcomes new requirements for the oversight of subcontractual arrangements in English higher education.

30 See Post-16 education and skills white paper - GOV.UK.

31 See £80 million funding competition launched to support defence-related skills courses - Office for Students.

32 See More dentists coming as government boosts number who can practise - GOV.UK.

33 See Reforms to student and consumer protection - Office for Students

34 See OfS responds to University of Sussex judgment - Office for Students.

35 See International Student Levy - Department for Education - Citizen Space.

36 See Post-16 education and skills white paper - GOV.UK.

37 See Higher Education and Research Act 2017.

38 £10.6 billion in course fees from international students. Figure derived from the OfS annual financial return, comprising non-EU and EU student fees. The figure excludes students at further education colleges, although the numbers are not material.

£10.8 billion through student loans for tuition fees. Available at Student support for higher education in England 2025 - GOV.UK.

£10.2 billion of registration-contingent research and other public funding. The 'registration-contingent research and other public funding' category includes funding the OfS allocates to higher education providers each year, but for consistency with other figures derived from the OfS annual financial return, the figure excludes OfS funding allocated to further education colleges.

39 This is total OfS registration fees for the 2025-26 financial year end (£32,462,796) divided by total registration-contingent income for the 2024-25 academic year (£31.6 billion). In the 2024-25 academic year, the registration-contingent income received by registered providers in England comprised approximately £10.8 billion through student loans for tuition fees, £10.6 billion in course fees from international students, and £10.2 billion of registration-contingent research and other public funding.

40 The figures for resolution of a notification are shown here by calendar year, rather than by financial year, because there is a necessary time delay before we can confirm whether a notification has been resolved.

41 See Higher Education and Research Act 2017 - Section 2.

42 See Regulatory advice 15: Monitoring and intervention - Office for Students.

43 See Higher Education and Research Act 2017 - Schedule 1.

44 See Who we are - Office for Students.

45 Each wave of the student pulse survey consists of a five-minute online survey of approximately 1250 students. Data is weighted to be representative of students in England by degree type (undergraduate and postgraduate), full-time versus part-time, location (distance learning versus in-person). Among undergraduates and postgraduates, the data is also weighted by sex, age and ethnicity.

46 See Student pulse survey Autumn term 2025 - Office for Students.

47 See Student pulse survey Autumn term 2025 - Office for Students.

48 See Sector perceptions of the OfS - Office for Students.

49 Since August 2019, the OfS has been primarily funded through provider registration fees, with DfE grants used to bridge the gap between fee income and total operating costs. The DfE / Secretary of State agrees the overall funding settlement and determine the level of fees. The level of registration fees is set out in secondary legislation. The DfE periodically consults on the fees charged by the OfS to higher education providers. See Office for Students' fee charging model - GOV.UK.

50 In accordance with IFRS 8: Operating Segments we considered the need to analyse our activities for reporting purposes. In our 2024-25 accounts, 'Administration' reflected our operating costs but under the new segmental reporting approach, operating costs are now reported within the 'Operations' segment. This broader category includes not only administration, but also eight additional activity streams that were previously classified under 'Programme' in last year's accounts. This change affects the comparability of reported operating costs with the prior year and has led to the re-presentation of the 2024–25 comparative figure. The £16.7 million relates to eight activity streams that are funded as grant in aid and were previously classified under 'Programme' in Note 2 of the 2024-25 accounts.

51 See Government Financial Reporting Manual: 2025-26 - GOV.UK.

52 In accordance with IFRS 8: Operating Segments we considered the need to analyse our activities for reporting purposes. In our 2024-25 accounts, 'Administration' reflected our operating costs but under the new segmental reporting approach, operating costs are now reported within the

'Operations' segment. This broader category includes not only administration, but also eight additional activity streams that were previously classified under 'Programme' in last year's accounts. This change affects the comparability of reported operating costs with the prior year and has led to the re-presentation of the 2024–25 comparative figure.

53 The total sector spending in 2025-26 was £1,390 million, with zero staff costs (costs of staff working exclusively on programme-related activities) due to the closure of programmes and or programmes being inactive during the year (TEF). The comparative figure for 2024-25 was £1,581 million, with this programme spending including £3.2 million of staff costs. To note, due to the change in presentation of operational segments in 2025-26, the prior year has been re-presented using the current operating segment model to be comparable.

54 See Funding for 2025-26: Decisions and allocations - Office for Students.

55 See Capital funding for financial year 2025 to 2026 - Office for Students.

56 We note that there has been a change in classification of grant expenditure and revision of the presentation of operating segments. Further information is provided in note 2 of the financial statements. £16.7m of our operating expenditure is funded by grant in aid. For more information, please see the Grant in aid funding section.

57 See Note 1 'Accounting policies', subsection 8, 'Operating income' later in this report.

58 To better understand the OfS position on AI, see: Embracing innovation in higher education: our approach to artificial intelligence - Office for Students.

59 See How OfS regulation will change when the LLE is introduced - Office for Students.

60 See Quality and standards - Office for Students.

61 See Fit for the Future: Independent Review of the Office for Students - GOV.UK.

62 See Reforms to quality regulation - Office for Students

63 For more information on subcontracting, see Franchise providers - Office for Students.

64 Available at Regulatory case report for RTC Education Ltd - Office for Students.

65 See Regulatory case report for Bradford College and University of Greater Manchester - conditions B1 and B4 - Office for Students; and Regulatory case report for Buckinghamshire New University – finding of a breach of condition B2 - Office for Students.

66 See The impact of the Office for Students' quality assessments on the wider higher education sector - Office for Students.

67 See Bachelors' degree classification algorithms - Office for Students.

68 See Analysis of degree classifications over time: Changes in graduate attainment from 2010-11 to 2023-24 - Office for Students.

69 See External quality assurance of apprenticeship end-point assessment for integrated higher and degree apprenticeships - Office for Students.

70 See Regulatory advice 24: Guidance related to freedom of speech - Office for Students.

71 See OfS responds to University of Sussex judgment - Office for Students.

72 See Written questions, answers and statements - Higher Education (Freedom of Speech) Act 2023 - UK Parliament.

73 See Written questions, answers and statements - Higher Education Freedom of Speech Statement - UK Parliament.

74 See Students' perceptions of freedom of speech: Student insight report - Office for Students.

75 See OfS receives funding guidance for 2025-26 - Office for Students.

76 See Student skills investment to boost UK defence industry - GOV.UK.

77 See £80 million funding competition launched to support defence-related skills courses - Office for Students.

78 See AI and data science postgraduate conversion course scholarship programme: Evaluation and analysis - Office for Students.

79 See Consultation on proposals to change how the Office for Students regulates further education colleges in England - Office for Students.

80 See National Student Survey data - Office for Students.

81 See Discover Uni Home | Discover Uni.

82 See Discover Uni and the Discover Uni dataset - Office for Students.

83 See Guidance on using the Discover Uni widget - Office for Students.

84 To better understand consumer protection for students, see Consumer protection for students - Office for Students.

85 See Home - Uni Connect.

86 See the 'Proposal 1' section of this consultation at Proposals for a new approach to consumer and student protection - Office for Students.

87 See New OfS-National Trading Standards partnership to protect students' rights as consumers - Office Students.

88 See The OfS strategy 2025 to 2030 - Office for Students.

89 See 'Initial condition of registration C5: treating students fairly' available at Regulatory framework for higher education in England - Office for Students.

90 See OfS proposes stronger protections for students to ensure institutions are treating them fairly - Office for Students.

91 See Student guide to industrial action - Office for Students.

92 See Marking and assessment boycotts: Student insight report - Office for Students.

93 The roundtable took place on 18 May 2026 and involved participants from sector representative bodies.

94 See Centre for Transforming Access and Student Outcomes in Higher Education - Office for Students. Of the £2 million grant funding received by TASO for 2025-26, £500,000 was allocated to support time-limited transitional work linked to the development of the HEEL.

95 Grant expenditure in the financial year amounted to £292,458, against a scheduled total of £1,169,831. The balance was paid by Research England, which was responsible for administering the grant. A final reconciliation of the programme's funding will take place in summer 2026.

96 See 'Uni Connect monitoring data 2023-24' available at Uni Connect: data snapshots - Office for Students.

97 See Contextualised HE Entry Track Impact Report – HEAT.

98 See Independent review of Uni Connect attainment-raising activity - Office for Students.

99 The OfS uses the definition of a disability that is a condition that has a substantial negative impact on a person's ability to carry out day-to-day activities and has lasted, or is expected to last, at least 12 months.

100 Of the £14.8 million allocated to mental health in the academic year 2024-25, approximately 40 per cent (£6.1 million) was distributed within the 2025-26 financial year (April–July). Of the £13.4 million allocated to mental health in the academic year 2025-26, approximately 58 per cent (£7.8 million) was to be paid within the 2025-26 financial year (August–March). Therefore, total funding allocated within the 2025-26 financial year was £13.9 million.

101 See Announcing the development of a statement of expectations in relation to disability - Office for Students.

102 See Survey pilot 2023 - Office for Students.

103 See Sexual misconduct survey 2025 - analysis of results - Office for Students.

104 See Expanded analysis of research into students experiences of sexual misconduct in English higher education – Office for Students.

105 See Harassment and sexual misconduct - a guide for students - Office for Students.

106 See Condition E6: Harassment and sexual misconduct - Office for Students.

107 Notifications are an important part of our risk-based regulation, enabling students, staff, or the public to raise concerns about providers' compliance with registration conditions with us.

108 See Harassment and intimidation of Jewish students and staff - Office for Students.

109 See Financial sustainability of higher education providers in England: 2026 - Office for Students.

110 An 'AFR year' refers to the OfS data collection cycle. Providers' financial years vary across the sector (with multiple different year ends), and each submits its AFR based on its own accounting period. For example, a provider with a 31 July 2025 financial year end will submit AFR 2025 covering the year to that date, while a provider with a 31 December 2025 year end will report on that period within the same AFR collection cycle (depending on submission timing).

111 Report available at University of Dundee - Scottish Funding Council.

112 See KPM 7: The accuracy of institutions' forecasts - Office for Students.

113 See Emerging governance risks - Office for Students.

114 See Reforms to OfS registration requirements - Office for Students.

115 See Consultation outcomes: New requirements for the oversight of subcontractual arrangements in English higher education - Office for Students and Subcontracting information source minimum content requirements - Office for Students.

116 See Applied Business Academy's provision of the Diploma in Education and Training course.

117 See Regulatory case report for Brit College - Office for Students.

118 As of Friday 25 July 2025, Brit College was removed from the OfS Register. Brit College asked the OfS to remove it from the Register because it no longer intends to meet the conditions required to remain registered as a higher education provider in England. Applied Business College asked the OfS to remove it from the Register as of Friday 27 September 2024 because it was no longer able to provide higher education.

119 See Regulatory case report for Leeds Trinity University: Settlement relating to breaches of OfS requirements relating to oversight of partnership arrangements - Office for Students.

120 See Greening Government Commitments - GOV.UK.

121 See TCFD-aligned disclosure application guidance - GOV.UK.

122 Available at Sustainability Reporting Guidance 2025-26 - GOV.UK.

123 Available at Department for Education consolidated annual report and accounts 2024 to 2025 - GOV.UK, pages 24-27.

124 Available at Sustainability Reporting Guidance 2025-26 - GOV.UK.

125 Available at Greenhouse gas reporting: conversion factors 2025 - GOV.UK.

126 See Our Fuel Mix | EDF.

127 See Corporate Code of Ethics | CIPS.

128 See Key performance measures - Office for Students.

129 See Degree awarding powers - Office for Students.

Accountability report

Corporate governance report

This report covers the operating period from 1 April 2025 to 31 March 2026, to the point of the signing of the Annual report and accounts by the Accounting Officers. It describes the composition and organisation of our governance structures and the arrangements we put in place for good corporate governance to support the delivery of our objectives.

Directors' report

During the 2025-26 financial year there was a change in the chair of the OfS. Sir David Behan was interim chair from 26 July 2024 to 8 July 2025. Professor Edward Peck was appointed as chair on 9 July 2025.

The Higher Education and Research Act 2017 sets out that the board shall consist of: a chair, the Chief Executive Officer, the Director for Fair Access and Participation, the Director for Freedom of Speech and Academic Freedom, and at least seven and not more than 12 other members ('the ordinary members').

Executive members who served during the year were:

Susan Lapworth, Chief Executive (until 31 March 2026)

Arif Ahmed, Director for Freedom of Speech and Academic Freedom

John Blake, Director for Fair Access and Participation (until 9 November 2025)

Non-executive board members who served during the year were:

Michael Spence (until 31 May 2025)

Martin Coleman (deputy chair of the board and chair of the Provider Risk Committee, until 30 September 2025)

Elizabeth Fagan (until 30 September 2025)

Katja Hall (chair of the Risk and Audit Committee, until 31 December 2025)

Verity Hancock (chair of the Provider Panel from 1 January 2026)

Simon Levine (chair of the Quality Assessment Committee, and deputy chair of the board from 1 October 2025)

Jane McCall (from 1 September 2025, chair of the People Committee from 11 November 2026)

Chris Millward, Director for Fair Access and Participation (from 10 November 2025)

Caleb Stevens (chair of the Student Interest Board)

Neil Swift (from 1 May 2025, and chair of the Risk and Audit Committee from 1 January 2026)

Simon Wilde (from 1 September 2025, and chair of the Financial Sustainability Advisory Panel from 11 November 2025)

Andrew Wilson (from 1 September 2025)

Biographies of current board members are available on our website.[1]

Conflicts of interest

We follow our policy on managing conflicts of interest.[2] Registers of interests are published on our website.[3]

Guidance is provided in relation to procuring goods and services and the acceptance of gifts and hospitality.

Personal data incidents

No data breaches were reported to the Information Commissioner's Office during the operating year.

Other disclosures

Some disclosures required within the 'Directors' report' are included elsewhere, such as in the 'Remuneration and staff report'.

Statement of Accounting Officers' responsibilities

Susan Lapworth served as Accounting Officer until 31 March 2026, followed by Josh Fleming, Interim Chief Executive, who held the role until 14 June 2026. From 15 June 2026, Ruth Hannant and Polly Payne assumed Accounting Officer responsibility.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and safeguarding the OfS's assets, are set out in 'Managing Public Money' published by HM Treasury.[4]

Under the Higher Education and Research Act 2017, Schedule 1, paragraph 12(2), the Secretary of State for Education's Accounts Direction has directed the Office for Students to prepare for each financial year accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the OfS during the year, meeting the relevant accounting disclosure requirements and applying suitable accounting policies on a consistent basis.[5] The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Office for Students and of its income and expenditure, Statement of Financial Position and cash flows for the financial year. As the Office for Students' Accounting Officers, in preparing the accounts, we are required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the Secretary of State for Education
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on a going concern basis

- confirm that the Annual report and accounts as a whole are fair, balanced and understandable and take personal responsibility for the Annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

The Permanent Secretary of the Department for Education has jointly appointed us, Polly Payne and Ruth Hannant, as Accounting Officers of the Office for Students.

As the Accounting Officers, we have taken all the steps that we ought to have taken to make ourselves aware of any relevant audit information and to establish that the Office for Students' auditors are aware of that information. So far as we are aware, there is no relevant audit information of which the auditors are unaware.

We confirm that the Annual report and accounts as a whole are fair, balanced and understandable, and that we jointly take personal responsibility for the Annual report and accounts and the judgements required for determining that they are fair, balanced and understandable.

Governance statement

This section describes the governance and risk and control arrangements in place during the financial year 2025-26, and to the date of the approval of the Annual report and accounts.

The OfS was established by the Higher Education and Research Act 2017 and most of our activities relate to the functions set out in that legislation.[6] The OfS is a non-departmental public body, sponsored by the DfE. The DfE and the OfS have agreed a framework document, which sets out the broad governance framework within which the OfS and the department operate.[7] The document does not impose any legal powers or duties on the OfS.

Our governance structure is designed to deliver effective decision making in relation to the regulation of higher education in England, and for the effective management and oversight of the OfS. The framework for corporate governance and control supports robust oversight and allows for adaptation in response to changes in the external and internal environment.

Governance arrangements

The OfS board

The Higher Education and Research Act 2017 requires that the board include at least one member who has experience of representing or promoting the interests of higher education students – this board member chairs the Student Interest Board.[8]

Standards and arrangements through which the board conducts its business are set out in our 'Board proceedings and code of conduct'.[9] In establishing our governance arrangements, we applied the principles of the Corporate Governance Code for central government departments, and we comply with the code to the extent that it is relevant to the OfS as a non-departmental public body.[10]

During the 2025-26 financial year, the board welcomed six new members (including the OfS chair and interim DFAP), and six board members ended their terms. The board also welcomed five further new members in May 2026, and joint chief executives in June 2026. Given the substantial changes to the composition of the board during 2025-26, we put in place a structured development and effectiveness programme, led by PA Consulting. The board received feedback on its effectiveness and had several opportunities to reflect on its own performance. Members demonstrated a shared understanding of the role of the board and its objectives and confirmed that they considered that they are provided with the information necessary to carry out their responsibilities effectively, including making complex judgements on organisational strategy and performance. We intend to undertake an independent board effectiveness review in 2026-27.

There are three standing committees of the board, which are either legally required, or support the board in its oversight of OfS activity. They are not decision-making committees but provide assurance and advice to the board and executive across a range of matters. There are also five advisory groups of the board, which provide expert advice to the board and executive. Committee members' biographies are available on our website.[11]

Two recently established advisory committees provide regular access to specialist advice and input. The Financial Sustainability Advisory Panel (FSAP) provides expertise on providers' sustainability issues. A Public Affairs Committee provides advice to the board on the wider public affairs environment in which higher education and our regulation operate.

Our standing committees and advisory groups as of 31 March 2026 are shown on the following page.

At its October 2025 meeting, the OfS board reviewed how decisions are made by the OfS, alongside changes to our board committee arrangements. The purpose was to reflect our development as a regulator and to ensure that governance arrangements remain fit for purpose for our 2025 to 2030 strategy.

The Remuneration and Nominations Committee was reformed as the People Committee, with a broader remit covering people, culture and reward matters.

A Provider Panel was established to allow us to obtain regular input and insight from those we regulate. The Provider Risk Committee, which took some decisions under the previous scheme of delegation, was dissolved. These regulatory decisions are now made by the executive in line with agreed board policy and the revised scheme of delegation. This change enables quicker decision making, benefitting providers through faster outcomes, with regular reporting to the board of any decisions that the chief executive considers particularly contentious.

The scheme of delegation allows for the establishment of other, time-limited committees of the board to perform functions of the OfS. This means that if an issue is considered to be particularly complex, the chief executive or chair may set up a committee of the board to respond to it.[12]

Governance framework and roles

General duties and requirements

The Higher Education and Research Act 2017 sets out the OfS's general duties and obligation to have regard to certain matters in the performance of its functions.

We must have regard to the OfS's regulatory framework. This is composed of five parts:

- Part I: The OfS's risk-based approach
- Part II: Sector level regulation
- Part III: Regulation of individual providers
- Part IV: Validation, degree awarding powers and university title
- Part V: Guidance on the general ongoing conditions of registration.[13]

In performing our functions, we are required to have regard to the general duties set out in section 2 of the Higher Education and Research Act 2017, and to any guidance issued by the Secretary of State on the basis of section 2(3) of the Act.[14]

OfS Board

Provides strategic direction to committees and panels

Chair: Edward Peck

Standing committees

Support the board in its oversight of OfS activity and provide assurance and advice to the board and the executive on core areas.

Risk and Audit Committee

Provides oversight and independent challenge on corporate governance and risk management.

Chair: Neil Swift

Quality Assessment Committee

Provides advice to the OfS on its quality and standards assessment function (section 23) and in relation to degree awarding powers (section 46).

Chair: Simon Levine

People Committee

Provides advice on people, culture and reward matters.

Chair: Jane McCall

Advisory groups

Give expert advice and insight on thematic areas and provide stakeholder input to the board and the executive.

Student Interest Board

Provides insight directly to the board and the OfS about the issues that matter most to students.

Chair: Caleb Stevens

Provider Panel

Provides advice and constructive challenge on key areas of current and future OfS policy.

Chair: Verity Hancock

Financial Sustainability Advisory Panel

Provides expert advice and assurance to the OfS in relation to our regulation of the financial viability and sustainability of higher education providers in England.

Chair: Simon Wilde

Disability in Higher Education Advisory Panel

Provides expert advice on enhancing disabled students' experiences in higher education by considering and reviewing how universities and colleges currently support disabled students, as well as drawing on evidence, research and analysis from the sector to make recommendations on how to support their educational experience.

Chair: Jean Arnold

The Regulators' Code, the Growth duty and Better Regulation Framework

Having regard to the Regulators' Code is a statutory obligation for national regulators in the Legislative and Regulatory Reform Act 2006.[15]

Our regulatory approach is designed to be predominantly principles-based, taking account of the complexity and diversity of the higher education sector. Our approach is also risk-based: we regulate universities and colleges on the basis of the regulatory risks they pose, not on the basis of size, type of organisation or the length of time they have been providing higher education (although we consider those factors where they are relevant to an assessment of risk). In this context, 'regulatory risk' means the risk of the university or college breaching one or more of its conditions of registration. We assess both the likelihood of something happening and the severity of the impact (on students in particular) if it does happen.

The OfS falls within the scope of the Growth duty.[16] This is a statutory requirement for organisations exercising non-economic regulatory functions to have regard to the desirability of growth as part of regulatory decision making and purpose. The OfS's regulatory focus on high quality education supports the acquisition of economically and socially valuable skills. Our regulation ensures that institutions meet a set of minimum requirements while also incentivising excellence beyond this, driving up teaching quality and supporting a better educated workforce. We allocate funding to high-cost courses, supporting the STEM disciplines, as well as new vocational pathways such as degree apprenticeships. We also fund programmes to close skills gaps in areas critical to growth such as data science and AI. Our regulatory focus on equality of opportunity supports growth by unlocking the potential of individuals.

We also take account of the guidance in the Better Regulation Framework.[17]

Producer of Official Statistics

As a producer of Official Statistics, we comply with the Code of Practice for statistics.[18] We look to apply the principles of the code to all the statistics that we produce, whether they are Official Statistics or not.

We made no notifications to the UK Statistics Authority during this financial year.

Prevent duty

Under counter terrorism legislation, relevant higher education bodies have a statutory duty to have due regard to the need to prevent people from being drawn into terrorism. The OfS is delegated as the monitoring authority to assess compliance. We require providers to report to us on their Prevent-related activities, including their approach to external speakers and events, and staff training.

We published sector-level findings of the 2023-24 Accountability and Data return in June 2025.[19]

In March 2026, we announced our plans to make updates to strengthen our Prevent duty framework for monitoring, which we plan to publish later in 2026.

Risk management systems and responsibilities

The main areas of strategic risk we faced in this financial year are set out in the Performance report (see the 'About us' section of the 'Performance report'). Strategic risks are defined as risks aligned directly to the organisation's regulatory objectives and aims as set out in the strategy.

Our risk management systems provide assurance that we effectively identify and manage the risks to achieving our objectives, and understand associated roles and responsibilities. The annual review of the OfS's risk management systems, carried out in December 2025 by the Head of Internal Audit, concluded that the OfS's risk management processes continue to operate effectively with evidence of continuous improvements and ongoing refinements to the system. The review gave significant assurance that there are good controls for considering corporate-level risks alongside delivery, updating mitigating actions, and governance and reporting structures throughout the OfS.

As part of the annual review of risks, at its July 2025 meeting, the board agreed a revised set of strategic risks, and its risk tolerance and appetite levels. We have continued to review these risks through the year, including in response to the publication of the government's Post-16 education and skills white paper,[20] and the judgement in the University of Sussex judicial review.[21]

Our risk management policy ensures consistency in our approach to risk.

There are regular discussions of the most significant risks at ExCo, with its Risk and Performance subcommittee regularly reviewing all strategic risks, as well as at RAC and board meetings. These discussions drive mitigating actions to reduce the level of risk in line with the risk appetite.

We operate continuous improvement and capability building, to embed risk management concepts into everyday business and to develop maturity in our risk management culture. Our use of a risk management application ensures transparency and consistency in the management of risks. Staff are offered training and support to develop capability and skills in working with our risk management system. We operate a quarterly risk forum for risk owners (members of staff responsible for managing identified risks to the organisation).

We assess risks according to a matrix of impact and likelihood, on a five-point scale. Our risk management response, and the levels of governance, control and mitigation we put in place, reflect the severity of the assessed risk. Our assessment and management of risks complies with the risk management principles of the UK Government's Orange Book.

Risk heat map

The chart below shows our strategic risks (represented by circles) and whether each is categorised as high, medium, or low.

In March 2026 we had 19 corporate risks. Corporate risks are defined as presenting a risk to the delivery of the OfS business plan, legal duties and/or regulatory objectives. They are likely to be cross-cutting in nature, and some of them will be very significant. The chart on the following page shows how our corporate risks are distributed.

Internal controls

Organisational structure and decision making

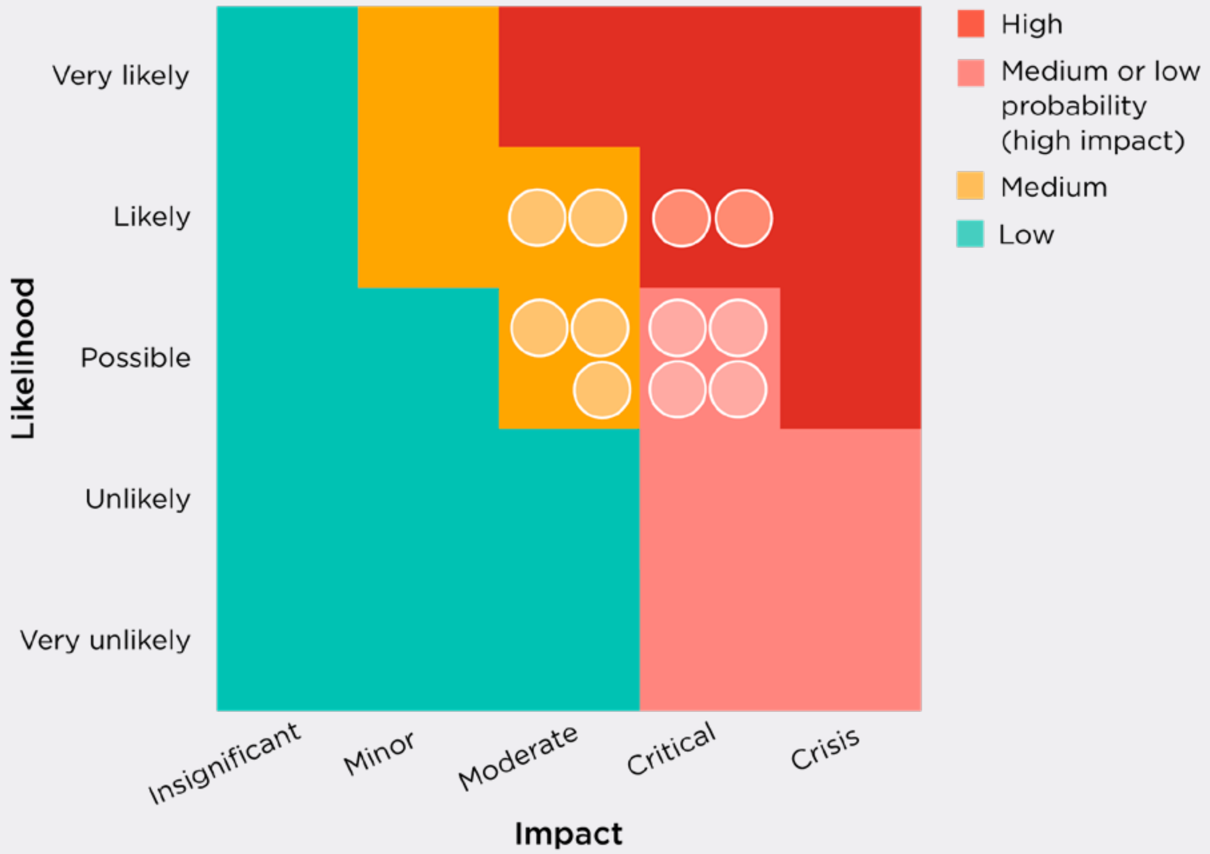
The OfS's scheme of delegation sets out how our functions are exercised, and decisions are delegated to the appropriate level.

ExCo directs OfS business where board-level decisions are not required. Its responsibilities relate to OfS policy and associated strategy, allocation of cross-business resources and overseeing and assessing progress towards agreed objectives in the OfS strategy and business plan, including management of associated risks.

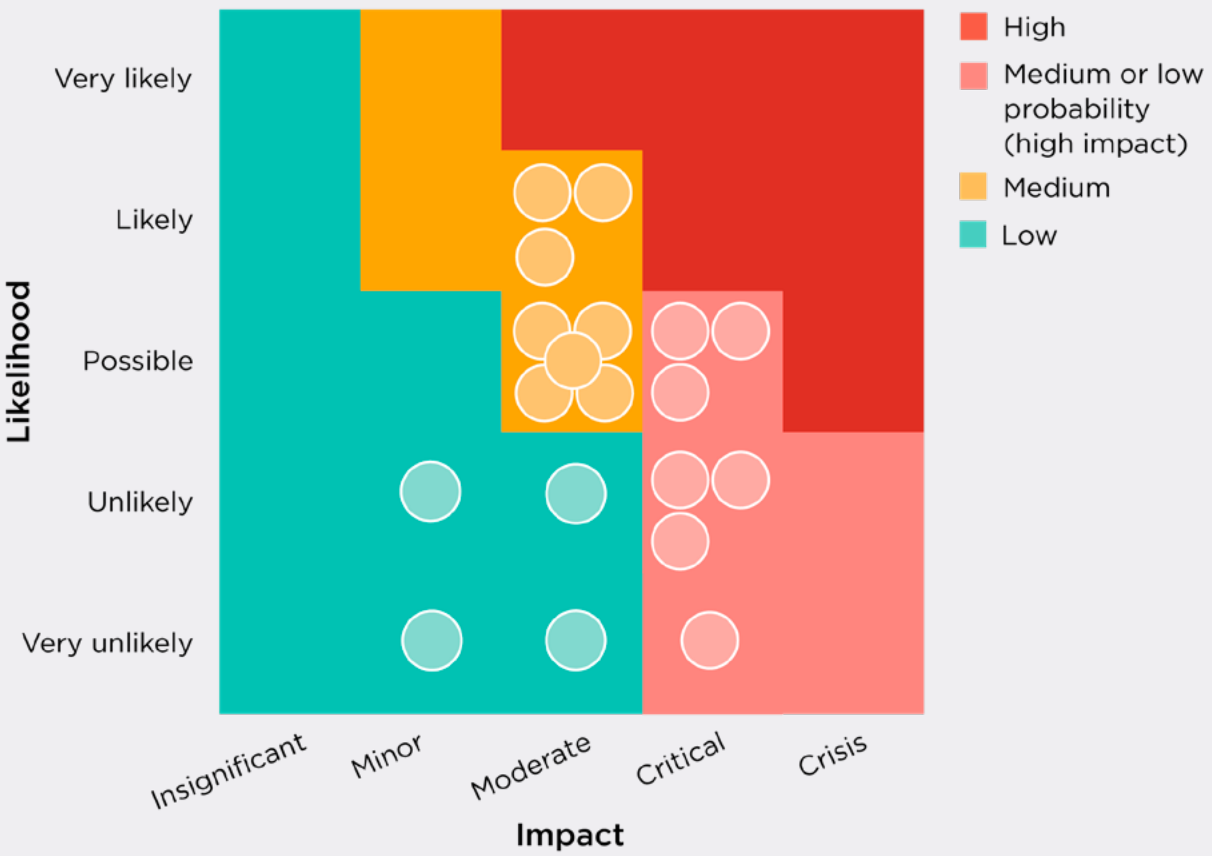
ExCo consists of the chief executives and the other directors. It has subcommittees for Regulation, Strategy, and Risk and Performance.

We deliver the business plan and objectives through an organisational structure aligned to three executive directorates. The 'About us' section of the 'Performance report' includes an organisational chart.

Heat map of the OfS's strategic risks as of 31 March 2026



Heat map of the OfS's corporate risks as of 31 March 2026



Internal audit

The board is assured of the OfS's data quality and assurance processes through the internal audit programme. The OfS's internal auditors for 2025-26 were KPMG LLP.

Reviewing internal controls

We have internal controls in place to safeguard, channel and record resources. Our RAC performs an effective challenge role on internal controls.

We have mechanisms in place for scrutiny of whether the OfS is using its resources efficiently, economically and effectively, including oversight of corporate finance and financial reporting, and review of progress against the business plan. We have regard to the relevant functional standards as appropriate, including those concerning finance, commercial and counter fraud.

As Accounting Officers, the chief executives seek assurances from members of the executive team about the OfS's compliance with the standards set out in Managing Public Money and specific requirements.[22]

Regularity of expenditure

In line with Managing Public Money, the Accounting Officers observe delegated limits as set out in the Accounting Officer's delegation letter. Decision making is undertaken on the basis set out in the scheme of delegation. Some matters are reserved to the board or to other individuals and committees, including the chief executives.

We respect agreed budgets and avoid unaffordable longer-term commitments.

To ensure value for money in our procurement, projects and processes, we have an annual programme of assurance activity on the regularity (and propriety and value for money) principles in relation to funding disbursed by the OfS. This is conducted in accordance with our funding assurance framework, which is reviewed by the National Audit Office (NAO). The primary direct funding assurance is received for each provider through the report of its external auditor within its financial statements in relation to the use of funding. In addition to this overarching assurance, the mechanisms for monitoring compliance with terms and conditions of individual funding grants are included within our funding assurance framework.

We receive assurance from the DfE for OfS funding that we disburse to further education colleges, and the OfS provides similar assurance to the DfE in relation to funds disbursed by the DfE to institutions for which the OfS is the primary regulator. We also provide assurance to UKRI.

We learn from grants audits in relation to ensuring regularity of expenditure, and our Delivery and Evaluation teams support post-project review of lessons learned. Our RAC receives relevant insights from across the NAO's work at each quarterly meeting.

Strategic and business planning

We published our 2025 to 2030 strategy in November 2025. The Risk and Performance (RAP) subcommittee of ExCo reviews progress against business plan activities and strategic risks; technology and digital issues; staff resource; communications and engagement; and financial position. ExCo receives a report of key themes that arise to inform decisions, and the risk register is updated as appropriate. Every six months the business plan review is supplemented by an assessment of progress towards our strategic goals, including consideration of KPMs.

Financial management, systems and control

RAP reviews the management accounts on a monthly basis. RAC receives assurance about processes and controls in our core systems through the internal audit programme.

A framework of controls is built into routine financial and human resources processes, ensuring that transactions cannot be processed without appropriate authorisation.

The RAC considered value for money assurance at its meeting in June 2026, at which time the committee agreed that there was sufficient assurance over the control process within the OfS in support of the committee's annual opinion on value for money in 2025-26.

Prompt payment

The OfS is committed to paying suppliers promptly. The government target is that 95 per cent of invoices are paid within 30 days and in 2025-26 we paid 98.1 per cent within 30 days.

At 31 March 2026, the amount owing to our suppliers was £0.3 million (2024-25: £0.2 million).

Counter fraud

The counter fraud oversight group meets quarterly to monitor risks and actions in respect of fraud, including monitoring compliance with the Government Counter Fraud Functional Standard,[23] and the Public Sector Fraud Authority continuous improvement framework.[24]

Cyber and information security

We are committed to good cyber security practices, seeking to achieve a balanced level of security that ensures legal compliance, minimises risk and enables staff to do their work securely and effectively. This is underpinned by strong organisational and technical controls.

Policies and procedures are in place that guide the organisation's activities, and ongoing training and awareness programmes ensure that staff are aware of cyber security risks.

Cyber assurance is provided by regular organisation-wide penetration testing, Cyber Essentials Plus accreditation, Microsoft Secure Scores for cloud services, application penetration testing for new services, audits from KPMG and oversight by our RAP subcommittee.

Information security policies and procedures apply to OfS staff and contractors, and provide a level of mitigation against information security risks.

The Chief Technology Officer attends each RAC meeting to provide assurance on the effectiveness of the OfS's cyber security arrangements, and the ongoing work intended to mitigate existing and future cyber risks.

Annual mandatory cyber awareness training is in place for all staff, as well as routine phishing simulations.

Whistleblowing

During the financial year no concerns were raised under the whistleblowing policy.

Health and safety

Our Health, Safety and Environment committee meets quarterly. In this financial year no incidents were reported to the Health and Safety Executive under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations.

Social matters, respect for human rights, anti-corruption and bribery

We operate in a way that is compatible with the Human Rights Act 1998.[25] We continue to hold the Corporate Ethics Mark from the Chartered Institute of Procurement and Supply. All staff must follow the seven 'Nolan Principles' of public life,[26] and comply with our policy on prevention of bribery, fraud and improper conduct.

Working with other bodies

Designated data body

The Higher Education and Research Act 2017 makes provision for the OfS to work with a designated data body to perform the information duties in sections 64 and 65 of the Act.[27] This body is Jisc.

In-year student data collection programme

The OfS inherited from predecessor bodies a commitment to fund Data Futures, a complex sector-wide transformation programme led by Jisc.[28] Following the completion of the Data Futures programme in 2024, an independent review was undertaken by PwC.[29] The review identified the main issues affecting the timely delivery of high quality data and set out the lessons to be learned. The recommendations arising from this review have informed practice since and continue to be implemented. One outcome of the review has been strengthening the OfS's oversight of Jisc in its role as the designated data body.

The review also concluded that an important element of the original Data Futures scope, the implementation of in-year student data collection, had not been fully delivered and remained necessary. Jisc has therefore established a separate programme of work, in partnership with the UK higher education regulatory bodies, to deliver in-year student data collection. The OfS has not provided additional funding beyond that previously provided for Data Futures. However, reflecting the regulatory risks arising from the issues encountered during the first Data Futures data collection, the OfS board and RAC continue to maintain close oversight of the programme's progress and governance.

Governance arrangements for the in-year student data collection programme have been put in place by Jisc in line with the PwC review's recommendations. These include clearer lines of accountability, improved planning disciplines and more systematic monitoring of delivery. The OfS holds membership of both the programme board and the steering group, enabling appropriate oversight while working alongside Jisc and the other UK regulatory bodies to ensure that lessons from the PwC review are embedded across programme delivery and ongoing operations.

Student Loans Company

Registration with the OfS forms one of the components that needs to be satisfied for a higher education provider's students to obtain access to student financial support. Through established protocols we work closely with the Student Loans Company to ensure that information flows between us. This is to allow us to regulate providers against the conditions of registration set out in the regulatory framework, and for the Student Loans Company to implement processes and controls to ensure that payments are made in respect of eligible students in attending designated courses on the OfS Register. If potential risk to public funding is suspected, we share information and intelligence with the DfE and the Student Loans Company to inform each party's response through an agreed joint OfS, Student Loans Company and DfE higher education incident response plan.

UK Research and Innovation

UK Research and Innovation (UKRI) relies on the OfS's regulation of English higher education providers receiving research funding, and on the judgements and decisions the OfS makes. This does not extend to assurances about compliance with the specific terms of conditions for UKRI's grant.

The OfS Accounting Officers wrote to the UKRI Accounting Officer providing assurance over the regularity of expenditure of UKRI grant funding to certain higher education providers. We provide written assurance on the work that we carried out to gain assurance over providers' arrangements for financial sustainability, risk management, internal control, governance, and value for money.

Department for Education (DfE)

About 150 further education colleges and sixth form colleges provide higher education courses and are registered with the OfS. Where a higher education provider is a further education college or sixth form college under the regulation of the DfE, the provider submits data (including financial information) to the DfE rather than to the OfS. The Higher Education and Research Act 2017 makes provision for the OfS to cooperate and share information with the DfE, so that the OfS may understand the financial sustainability of these providers.[30] There is an annual exchange of letters in relation to assurance that public money is being used for the purposes intended.

The OfS as principal regulator of exempt charities

Under the Charities Act 2011, the OfS is the principal regulator of the exempt charities that are higher education providers.[31] This includes connected charities of those exempt charities.

The OfS discharges its 'compliance objective' under charity law by:

- Making information available to providers about changes to the charity law obligations that apply to exempt charities.
- Promoting compliance with charity law by sharing with providers relevant guidance from the Charity Commission of England and Wales (CCEW) and the Fundraising Regulator.
- Notifying the CCEW if we have concerns about a breach of charity law or other misconduct or mismanagement in the administration of a provider that is an exempt charity, or if we become aware of any other matter in which CCEW has a regulatory interest.

Other collaborations

We engage and collaborate with organisations where we share regulatory interests, such as Skills England and Ofsted on the regulation of degree apprenticeships and higher technical qualifications, and relevant professional, statutory and regulatory bodies.

We work with the Department of Health and Social Care, NHS England, DfE and the General Dentistry Council on the admission of students to medicine and dentistry courses.

Public engagement with the OfS

Notifications

The OfS operates a process intended for students, staff and other people who wish to tell us about a matter that may be of regulatory interest (see the 'About us' section of the report).

Complaints

There is a formal process for complaints about the OfS in relation to the service we provide and the behaviour of our staff. Two complaints came within the scope of the complaints policy this year, and one complaint was partially upheld.

Information rights

The volume and complexity of Freedom of Information requests have continued to increase. In the 2025-26 financial year we received 155 requests (compared with 121 in 2024-25). Our average compliance with statutory deadlines was 96.3 per cent.

During this year there were 16 internal appeals. For most cases, internal reviews upheld the original decision, and a small minority were overturned.

During the year, there was one appeal to the

Information Commissioner's Office under the Freedom of Information Act,[32] which was not allocated a case officer during the financial year, and one First-tier Tribunal case, which was withdrawn by the requester.

This year we received 15 subject access requests.

Opinion of the Head of Internal Audit

The work of the OfS's internal auditors, KPMG LLP, included audits and reviews of cyber security (third party management), data loss prevention, learning and development, business continuity, student insight and engagement, degree awarding powers, payroll, risk management, and data governance.

A total of 46 management actions were raised relating to reports commissioned during this financial year, of which one was high priority, 31 were medium priority and 14 low priority. The OfS implemented 32 actions in the year including 14 actions from previous periods. No actions were overdue at year-end. Based on his work throughout the year, the Head of Internal Audit has provided a formal opinion on the adequacy of risk management, control, and governance processes at the OfS.

The basis for forming the opinion was as follows:

- An assessment of a range of individual assurances arising from contemporary core reviews of financial systems, governance, risk management and data quality.
- An assessment of the range of individual assurances arising from risk-based internal audit assignments that have been reported throughout the period. This assessment has taken account of the relative materiality of these areas.
- An assessment of the implementation status of prior year actions raised from internal audit assignments. This assessment has taken account of the severity and nature of actions raised.
- The assurance framework reflects the OfS's key objectives and risks and is regularly reviewed.

The overall opinion for the period 1 April 2025 to 31 March 2026 is that 'significant assurance with minor improvement opportunities can be given on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.'

Formal opinion of the Risk and Audit Committee (RAC)

Given the opinions of both the Head of Internal Audit and the NAO as expressed in their annual reports, and the other information available to us from our work during the year, the RAC can provide the OfS chief executives, as Accounting Officers, with reasonable assurance that the OfS's processes relating to corporate governance, risk management and internal control are working satisfactorily.

We recognise that the risks facing the OfS continue to be significant, particularly those relating to its finances and resourcing. Through our process of deep dives we obtained a deeper understanding of the key risks and have a reasonable level of confidence that these are being managed appropriately.

We are satisfied with the quality of the work provided by Internal Audit and with the services of the NAO. Through this work, we are able to take a measured view and receive assurance on the quality and effectiveness of financial reporting and internal control within the OfS.

In respect of our own performance, we consider that the committee has worked effectively with Internal Audit to ensure the focus of our work is relevant to the risks facing the OfS and we have challenged appropriately. We have supported the chief executives and the executive in their work and offered constructive challenge where required. In carrying out these activities, we believe we have fully discharged our responsibilities.

This opinion is intended to give reasonable rather than absolute assurance of effective controls. It informs the chief executives' governance statement.

Accounting Officers' conclusion

We have relied on the oversight of the OfS's systems of corporate governance, risk management and internal control carried out by the OfS RAC as described in its annual report, to review this Annual report and accounts, and took account of the 2025-26 management report from the OfS's external auditors.

We have considered the accounts and evidence provided in the production of this governance statement. We are satisfied that where any weaknesses in systems and processes have been identified, there are plans in place both to address them and to ensure continuous improvement. We conclude that the OfS's overall governance and internal control structures were appropriate for the OfS's business, and that they operated satisfactorily throughout the period of review.

Remuneration and staff report

Part one (not subject to audit)

Remuneration and Nominations Committee (RNC) – dissolved with effect from 11 November 2025

The RNC was one of the OfS's committees until the dissolution date of 11 November 2025. Members of the committee for 2025-26 were:

- **Sir David Behan**, interim OfS chair (term ended 6 July 2025)
- **Edward Peck CBE**, OfS chair (term commenced 7 July 2025, term ended 11 November 2025)
- **Caleb Stevens**, OfS board member (term ended 11 November 2025)
- **San Johal**, independent member (term ended 25 June 2025).

Apart from reserved matters (which are dealt with separately in the scheme of delegation), the RNC had non-exclusive authority to give advice and make recommendations to the OfS on any remuneration and nominations matters without any limitation whatsoever.[33]

People Committee – established with effect from 11 November 2025

The People Committee is one of the OfS's committees with effect from the commencement date of 11 November 2025. Members of the committee for 2025-26 were:

- **Jane McCall**, committee chair, board member (term commenced 11 November 2025)
- **Andrew Wilson**, board member (term commenced 11 November 2025)
- **Alex Killick**, independent member (term commenced 10 February 2026).

Apart from reserved matters (which are dealt with separately in the scheme of delegation), the People Committee has non-exclusive authority to give advice and make recommendations to the OfS board on any People Matters without any limitation whatsoever.[34]

Remuneration arrangements

The initial remuneration of the chief executive, the Director for Fair Access and Participation (DFAP) and the Director for Freedom of Speech and Academic Freedom (DFSAF) are determined by the Secretary of State for Education. The People Committee (and previously the RNC) provides advice on any future changes to salaries. If applicable, the level of non-consolidated performance pay (up to a maximum of £20,000 per annum for the chief executive) relates to achievement of previously agreed objectives and is normally paid in the following financial year.

Working within the context of the annual HM Treasury pay guidance and pay remit process, the pay system for directors similarly aims to enable the OfS to recruit, retain and motivate highly talented people to lead on specific areas in the OfS's strategy, and to work together to lead the organisation. The People Committee (and formerly the RNC) considers proposals for remuneration of the directors made by the chief executive, who makes decisions about any changes to pay for the following year.

Contracts

The lengths of the terms for the chief executive, the DFAP and the DFSAF are determined by the Secretary of State for Education.

Susan Lapworth served as chief executive and Accounting Officer from 1 September 2022 (having been appointed as interim chief executive from 1 May 2022) until 31 March 2026. Her employment with the OfS ended on 7 April 2026 to allow for the completion of work and a full handover.

Josh Fleming assumed the role of interim chief executive and Accounting Officer on 1 April 2026.

John Blake served as the DFAP for a four-year term, which began on 1 January 2022 and ended on 9 November 2026. His employment with the OfS continued until 31 December 2026.

Chris Millward was appointed as the DFAP on 10 November 2025 for a 12-month term in a non-executive role. His appointment stipulates a minimum of a three-month notice period.

Arif Ahmed was appointed as DFSAF from 14 August 2023 for a six-year term. There is an option to extend his appointment to a total of ten years. His appointment stipulates a minimum of a six-month notice period.

Appointments for all other directors are open-ended and their notice period is a minimum of six months.

Membership of the board

The OfS board consists of the chair, the chief executive, the DFAP, the DFSAF and at least seven and not more than 12 ordinary members. Ordinary members of the board are appointed based on their experience (between them) of: representing the interests of individual students; providing higher education on behalf of an English higher education provider; employing graduates of higher education courses; promoting choice for consumers; managing a regulatory system; managing or auditing the financial affairs of an organisation; and a broad range of the different types of English higher education providers.[35] At least one of the ordinary members must have experience of representing or promoting the interests of students in higher education. These appointments are made by the Secretary of State for Education following a selection process run by the DfE in accordance with the Governance Code for Public Appointments. Ordinary members are eligible to receive an annual payment of £9,180 pro rata.

People and equality matters

The OfS is committed to promoting equality of opportunity in employment, and has due regard to the public sector equality duty under the Equality Act 2010.[36] The OfS's equality objectives 2023 to 2027 address both sector-focused and internal objectives.[37] Two of these objectives relate to regulatory work and progress is reported in the 'Student support and experience' section of this report and summarised here. Progress towards the staff-related objective 3 is set out below.

This year, the OfS strengthened its commitment to creating a workplace where every colleague can thrive. Its focus remained firmly on ensuring equality of opportunity, enhancing employee experience and building a culture that reflects the OfS's strategic attitudes. Across the year, the OfS invested in new initiatives, updated key policies and improved the ways it listens to and learns from its staff.

It continued to broaden access to employment at the OfS by offering diverse pathways into the organisation. The OfS leadership development programme and apprenticeships provided opportunities for colleagues and early-career professionals to build skills and progress. The OfS reviewed several core policies to ensure they remain legally compliant, up to date and reflective of good practice. In particular, it refreshed recruitment materials in response to employee feedback. It produced clearer, more accessible information for candidates, including its approach as a Disability Confident employer. It refined the way it

Delivery against our equality objectives in financial year 2025-26

Objective 1:

We will seek to promote equality in relation to access, success, progression, and outcomes for students with relevant protected characteristics.

We consulted on proposals to change the way we regulate and assess the quality of higher education in England. The proposals focused on securing positive higher education experiences for all students. We intend to publish consultation outcomes and next steps in 2026-27.

We assessed and approved 47 access and participation plans for 2026-27. These plans set out how higher education providers will improve equality of opportunity for students from disadvantaged backgrounds so they can access, succeed in and progress from higher education into employment or further study.

We continued to fund the Uni Connect programme in the academic year 2025-26 at £20 million, maintaining 29 regional partnerships working to improve equality of opportunity in access to higher education.

Our funding supported the Centre for Transforming Access and Student Outcomes (TASO), which provides evidence and resources to help reduce equality gaps. Our funding also supported the creation of the Higher Education Evaluation Library (HEEL) to support the sharing of evidence and evaluation in relation to equality of opportunity in higher education.

We monitored our Equality of Opportunity Risk Register (EORR) to ensure it remains up to date based on the latest evidence. We expect higher education providers to use the EORR to identify any of their prospective or current students likely to be affected by the risks and which groups may be most at risk. They should then consider how they can contribute to reducing the identified risks.

Objective 2:

We will seek to promote equality in relation to the higher education experience of students with relevant protected characteristics.

Our new condition of registration (E6) came into effect on 1 August 2025, strengthening regulatory requirements for preventing and addressing harassment and sexual misconduct.

We published the results of the 2025 sexual misconduct survey in September 2025. Findings revealed that some student groups are more likely to be affected than others, including female students, disabled students, students who are bisexual or gay/lesbian, and those under 21. The evidence will support higher education institutions to effectively prioritise their work on preventing and responding to sexual misconduct.

We provided funding of £13.9 million for providers to support student mental health in the 2025-26 financial year.

We published an Insight brief on equality of opportunity for disabled students, including mental health. This encourages universities and colleges to support an environment conducive to the learning and the wellbeing of disabled students.

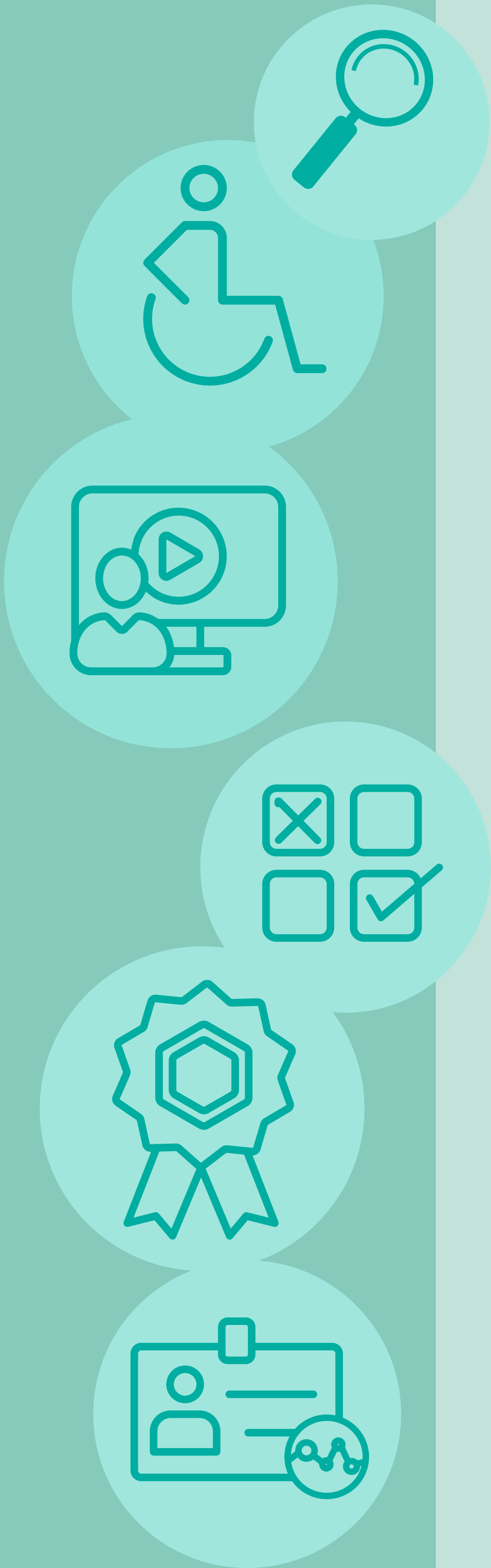
Objective 3:

We will seek to be an inclusive workplace that attracts a diverse range of candidates, creating an environment in which colleagues are treated with respect and where we recognise the importance of impartiality in our work.

We continued to offer diverse pathways into employment with the OfS, including our leadership development programme and apprenticeships.

We reviewed and updated several policies and guidance, ensuring policies remain aligned with legal requirements and effective practice, including:

- learning and development policy to support all forms of learning
- retirement policy
- parental leave policy in line with Employment Rights Act 2025 legislative update to provide a ‘day one right’ to unpaid parental leave from April 2026
- neonatal care leave policy in line with the Neonatal Care (Leave and Pay) Act 2023, which came into effect in 2025
- remote working policy
- health and safety policies.



We are actively reviewing our policies to ensure compliance with the Employment Rights Act 2025.

We have revised our recruitment materials in response to employee feedback, providing more comprehensive and accessible information, including on our approach as a disability confident employer.

We updated our approach to collecting staff personal data in line with the Sullivan Review recommendations and launched a disclosure campaign encouraging participation, leading to a positive increase in responses. This provides a more comprehensive view of workforce characteristics to support workforce planning.

We ran, analysed and responded to the 2025 People Survey. We launched a new regular Pulse survey to more frequently monitor employee engagement trends. We will produce action plans to address identified issues and support us in sustaining areas of strength.

We launched new awards, linked to our four strategy attitudes – collaborative, ambitious, vigilant and vocal – to celebrate colleagues who exemplify our strategic approach.

We enhanced our exit interview process and questionnaires to establish a more systematic approach to engaging with leavers. This improved the quality of our data collection and analysis, and informed actions where appropriate.

Note: For more information on the legislation and the Sullivan Review referenced in this graphic, see Employment Rights Act 2025; Neonatal Care (Leave and Pay) Act 2023; and Independent review of data, statistics and research on sex and gender - GOV.UK.

collects staff personal data in line with government recommendations, launching a disclosure campaign that resulted in stronger participation and a more complete picture of its workforce. This enhanced data enables better informed workforce planning and helps the OfS strengthen equality outcomes. It has also overhauled its exit interview and questionnaire process, for a more consistent and meaningful way of learning from leavers, enabling it to refine the employee experience at every stage.

The OfS deepened its engagement with colleagues through its annual People Survey and launched a new regular pulse survey to monitor engagement throughout the year. Action plans informed by the results are already shaping improvements and reinforcing what the OfS does well. To celebrate the contributions of colleagues who exemplify the OfS's strategic ambitions, the OfS introduced new awards linked to its four attitudes: collaborative, ambitious, vigilant and vocal.

The OfS is a Disability Confident employer and has given full and fair consideration to applications for employment made by disabled people.[38] (See the OfS guidance for applicants.[39])

The OfS reasonable adjustments policy states that no applicant or employee should be subjected to workplace disadvantages due to their disability, where an appropriate reasonable adjustment can be put in place. This policy applies to all areas of employment including recruitment, learning and development and career progression. The OfS is committed to taking positive and proactive steps during an employee's employment to ensure appropriate and effective reasonable adjustments are put in place. Any requests or matters raised are treated positively and sensitively and no detriment, harassment or unfavourable treatment will result from an employee bringing any adjustment matters to the attention of the OfS. If, after advice from the OfS's occupational health provider, an employee is unable to continue in their current role because of ill health or disability, and no reasonable adjustments can be made to accommodate that employee in their current role, the OfS will make reasonable efforts to find suitable alternative employment within the OfS if a suitable job role is available. If necessary, training and support will be provided to enable an employee to take on a different job role in the OfS.

More information can be found on the OfS website, including staff equality data.[40]

Staff report

The OfS continues to monitor sickness absence as an indicator of staff wellbeing. The OfS sickness absence remains close to the average for public sector bodies. In 2025-26 the OfS lost 3,834 working days to sickness (2024-25: 3,435), an average of 7.3 days per person (2024-25: 6.9). This compares with an average of 8.2 days for government Civil Service bodies,[41] and 9.1 days for private sector services.[42] The total additional accrued pension liabilities in the year amounted to nil (2024-25: £0).

Annual staff turnover for 2025-26 was 7.0 per cent (2024-25: 9.0 per cent).

As of 31 March 2026 there were no off-payroll engagements or expenditure on consultancy (2024-25: nil).

Part two (audited)

The OfS chair

Remuneration of the chair is decided by the Secretary of State. The OfS chair receives remuneration but does not participate in the organisation's pension scheme.

The OfS board

All ordinary board members are eligible to receive an annual payment of £9,180 pro rata. The payment is non-pensionable. All members are paid the amount directly via payroll. Members have the option to be paid on a monthly or annual basis. The total board members' remuneration is shown in the following table.

Table: Remuneration of the OfS chair

	Year ending 31 March 2026	Year ending 31 March 2025
Edward Peck CBE (Term commenced on 7 July 2025)	43,298	0
Sir David Behan (Term commenced on 26 July 2024 and ended on 6 July 2025)	7,851	20,142
Lord Wharton of Yarm (Term ended on 9 July 2024)	0	26,010

Table: Remuneration of OfS board members

	Year ending 31 March 2026	Year ending 31 March 2025
Martin Coleman (Term ended 30 September 2025)	4,590	9,180
Elizabeth Fagan CBE (Term ended 30 September 2025)	4,590	9,180
Katja Hall (Term ended 31 December 2025)	6,885	9,180
Verity Hancock	9,180	9,180
Rachel Houchen[a] (Term ended 31 March 2025)	765	9,180
Simon Levine	9,180	9,180
Jane McCall (Term commenced 1 September 2025)	5,355	0
Dayo Olukoshi OBE[a] (Term ended 31 March 2025)	765	9,180
Michael Spence (Term ended 31 May 2025)	1,530	9,180
Caleb Stevens	9,180	9,180
Neil Swift (Term commenced 1 May 2025)	8,415	0
Simon Wilde [b] (Term commenced 1 September 2025)	5,955	0
Andrew Wilson (Term commenced 1 September 2025)	5,355	0
Total	£71,745	£82,620

[a] Remuneration made in April 2025 relating to financial year 2024-25.

[b] Includes £600 for attendance at OfS Committee meetings.

Public Service Pensions Remedy

Accrued pension benefits included in these tables for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgement. The Public Service Pensions Remedy applies to individuals who were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022.

The OfS chief executive

Changes to the chief executive's remuneration and non-consolidated performance bonus are determined by the OfS board after considering advice from the People Committee (formerly the RNC). The chief executive received no benefits in kind in 2025-26. The total emoluments for the OfS chief executive are shown in the following table.

Not included in the table of remuneration paid but provided for in the financial statements of the OfS are the following amounts in relation to the chief executive who left the OfS on 7 April 2026: under voluntary exit terms a compensation payment of £90-95,000, made in accordance with the provisions of the Civil Service Compensation Scheme (CSCS), a statutory scheme made under the Superannuation Act 1972; a non-consolidated performance pay award for exceptional performance in respect of 2025-26 of £15-20,000; a contractual payment for untaken annual leave of £15-20,000 and legal costs of £2,500.

Table: Remuneration of chief executive

	Salaries and allowances paid (£000)[a]		Bonus (£000)[b]		Pension benefit (nearest £1,000)		Total (£000)	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Susan Lapworth[c]	180-185	175-180	10-15	15-20	(13)	0	180-185	195-200

a. Annual pay settlements are awarded from 1 August each year.

b. Bonus in 2025-26 is non-consolidated pay in recognition of performance in 2024-25. Bonus paid 2024-25 is in relation to performance in 2023-24. Non-consolidated performance pay is calculated as a cash lump sum. Non-consolidated performance pay is not pensionable.

c. Susan Lapworth's appointment as chief executive ended on 31 March 2026 and her employment on 7 April 2026 to allow for the completion of work and a full handover.

The Director for Fair Access and Participation (DFAP)

John Blake's (the former DFAP, appointment ended 9 November 2025 and employment ended on 31 December 2025) remuneration and non-consolidated performance bonus were determined by the chief executive after considering advice from the People Committee (formerly the RNC). Chris Millward's (DFAP from 10 November 2025) remuneration was determined by the Secretary of State. The role does not attract any remuneration other than the annual fee and does not confer eligibility to participate in the Civil Service pension arrangements.

Neither DFAP received benefits in kind in 2025-26. The total emoluments for the DFAP are shown in the following table.

The Director for Freedom of Speech and Academic Freedom (DFSAF)

The DFSAF's remuneration and non-consolidated performance bonus are determined by the chief executive after considering advice from the People Committee (formerly the RNC). The DFSAF received no benefits in kind in 2025-26. The total emoluments for the DFSAF are shown in the following table.

Table: Remuneration of the Director for Fair Access and Participation

	Salaries and allowances paid (£000)[a]		Bonus (£000)[b]		Pension benefit (nearest £1,000)		Total (£000)[a]	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
John Blake[c,e]	165-170	135-140	0	0-5	43	56	210-215	195-200
Chris Millward[d]	15-20	n/a	n/a	n/a	n/a	n/a	15-20	n/a

a. Annual pay settlements are awarded from 1 August each year.

b. Bonus in 2024-25 was non-consolidated pay in recognition of performance in 2023-24. Non-consolidated performance pay is calculated as a cash lump sum. Non-consolidated performance pay is not pensionable.

c. Employment ended 31 December 2025. Annual full year equivalent (FYE) salary for the year 2025-26 is £145-150,000.

d. Appointment commenced 10 November 2025. Appointment is as a non-executive director for a 12-month term and remuneration is £49,000 per annum for two days per week. Chris Millward has chosen to donate this remuneration in full directly to the University of Birmingham.

e. Included in the table of remuneration paid, are the following amounts paid to John Blake: under voluntary exit terms a compensation payment of £45-£50,000, made in accordance with the provisions of the Civil Service Compensation Scheme (CSCS), a statutory scheme made under the Superannuation Act 1972; untaken annual leave of £5-10,000; and legal costs of £1,000.

Table: Remuneration of the Director for Freedom of Speech and Academic Freedom

	Salaries and allowances paid (£000)[a]		Bonus (£000)[b]		Pension benefit (nearest £1,000)		Total (£000)	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Arif Ahmed MBE	110-115	105-110	0	0-5	44	42	155-160	155-160

a. Annual pay settlements are awarded from 1 August each year.

b. Bonus in 2024-25 is non-consolidated pay in recognition of performance in 2023-24. Non-consolidated performance pay is calculated as a cash lump sum. Non-consolidated performance pay is not pensionable.

Senior employees

Salaries include gross salary, overtime, reserved rights to London weighting or allowances, recruitment and retention allowances, and any taxable allowances or payments. No senior employee received any benefits in kind in 2025-26.

Table: Remuneration of senior employees

	Salaries and allowances paid (£000)		Bonus (£000)[a]		Pension benefit (nearest £1,000)		Total (£000)	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Jean Arnold[b] Deputy Director of Quality (appointment commenced 1 January 2026)	25-30	n/a	0	n/a	47	n/a	75-80	n/a
Josh Fleming Director of Strategy and Delivery	130-135	110-115	10-15	5-10	52	44	195-200	165-170
Philippa Pickford Director of Regulation	140-145	135-140	10-15	5-10	55	97	205-210	245-250
Nolan Smith OBE[c] Director of Resources and Finance	120-125	130-135	0	0-5	53	78	175-180	210-215
Sarah Stoney[d] General Counsel (appointment commenced 29 September 2025)	65-70	n/a	0	n/a	139	n/a	205-210	n/a

a. Bonus paid in 2025-26 is in relation to performance in 2024-25. Bonus paid 2024-25 is in relation to performance in 2023-24.

b. Annual FYE salary for 2025-26 is £110-115,000.

c. Reduced working hours from full-time to 0.81 of a full-time equivalent (FTE) on 1 November 2024. FTE salary is £150-155,000.

d. Annual FYE salary for 2025-26 is £130-135,000.

Table: Senior employees' pensions

	Accrued pension at pension age as at 31 March 2026 and related lump sum (£000)	Real increase/ (decrease) in pension and related lump sum at pension age (£000)	CETV at 31 March 2026 or end date (£000)	CETV at 31 March 2025 or start date (£000)	Real increase/ (decrease) in CETV (£000)
Susan Lapworth, Chief executive					
Pension	30-35	(0-2.5)	680	586	63
Lump sum	95-100	(0-2.5)			
John Blake, Director for Fair Access and Participation					
Pension	10-15	2.5-5	171	135	23
Lump sum	0	0			
Arif Ahmed MBE, Director for Freedom of Speech and Academic Freedom					
Pension	5-10	2.5-5	99	59	30
Lump sum	0	0			
Jean Arnold[a], Interim Director of Quality and Access					
Pension	35-40	2.5-5	724	654	30
Lump sum	70-75	0-2.5			
Josh Fleming, Director of Strategy and Delivery					
Pension	15-20	2.5-5	206	168	23
Lump Sum	0	0			
Philippa Pickford, Director of Regulation					
Pension	40-45	2.5-5	873	786	36
Lump Sum	90-95	0-2.5			
Nolan Smith OBE, Director of Resources and Finance					
Pension	50-55	2.5-5	1,115	1,018	35
Lump sum	120-125	0-2.5			
Sarah Stoney, General Counsel					
Pension	35-40	5-7.5	714	577	123
Lump sum	80-85	12.5-15			

Note: CETV = Cash equivalent transfer value.

[a] Calculations made using opening figures as at 31 March 2025 as opposed to 1 January 2026.

The OfS contributes to two pension schemes: the Principal Civil Service Pension Scheme (PCSPS) and the Universities Superannuation Scheme (USS). The USS is a multi-employer defined benefit pension scheme.[43] The PCSPS is an unfunded multi-employer defined benefit scheme, but the OfS is unable to identify its share of the underlying assets and liabilities. Further details on pensions are provided below.

All senior employees are members of the PCSPS apart from the chief executive who is a member of the USS.

Fair pay disclosure

As part of central government's commitment to increase transparency and accountability, the OfS is reporting the median, the upper quartile and the lower quartile earnings of its workforce, as well as the ratio between these and the mid-point of the remuneration band of the highest paid director. The disclosure will also allow some comparability over time and across the public sector and private sector, where similar disclosures of chief executives' remuneration and pay multiples are made.

The total remuneration of the highest paid director in the OfS (the chief executive), in the financial year 2025-26, was £195-200,000 (2024-25: £195-200,000). This was 3.5 times (2024-25: 3.6 times) the median remuneration of the workforce, which was £56,209 (2024-25: £54,439). The highest paid director received a bonus of £10-15,000 in 2025-26 (2024-25: £15-20,000). The bonus in 2025-26 relates to the performance in 2024-25.

Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions or the cash equivalent transfer value of pensions.

Table: Pay multiples

	2025-26		2024-25	
	Salary and allowances (£)	**Total pay and benefits (£)**	**Salary and allowances (£)**	**Total pay and benefits (£)**
Highest paid director (£000)	180-185	195-200	175-180	195-200
Staff salary range (£000)	20-185	20-200	20-180	20-200
Upper quartile	64,775	64,775	60,631	61,684
Median	56,209	56,209	54,439	54,439
Lower quartile	45,536	45,536	44,102	44,102
	Percentile	**Percentile**	**Percentile**	**Percentile**
Upper quartile	2.8	3.0	2.9	3.2
Median	3.2	3.5	3.3	3.6
Lower quartile	4.0	4.3	4.0	4.5

Table: Percentage change in the total salary and bonuses of the highest paid director and the staff average

	2025-26		2024-25	
	Highest paid director % change	Staff average % change	Highest paid director % change	Staff average % change
Salary and allowances	2.8	4.5	6.0[a]	8.5
Bonuses	(28.6)	(10.3)	0.0	11.2

a. Following the annual pay review in August 2024 a flat rate uplift of 5 per cent was awarded to all staff salaries, including the highest paid director. The method for calculating the percentage change for the highest paid director is based on the increase in the mid-point of the bandings between 165-170 (2023-24) and 175-180 (2024-25), which results in a percentage change of 6 per cent instead of the actual 5 per cent.

The staff average bonus (see above note) was £847 in 2023-24 and £942 in 2024-25. In 2025-26 the staff average bonus was £845. The highest paid director received a bonus of £15-20,000 in 2023-24, £15-20,000 in 2024-25 and £10-15,000 in 2025-26. The bonus in 2025-26 relates to the performance in 2024-25. The movement of staff numbers and eligibility for bonus awards in 2025-26 has driven the decrease in the staff average bonus figure in this year (compared to the previous two years).

There has been no significant change to the remuneration of the highest paid director and no significant changes to pay policies for staff across the OfS in the year. Accordingly, we consider the median pay ratios are consistent with the pay, reward and progression policies for employees taken as a whole.

In 2025-26, no employees (2024-25: none) received remuneration in excess of the highest paid director.

Salary includes gross salary, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, and any other allowance, to the extent that it is subject to UK taxation. All eligible staff are considered for a non-consolidated performance-related payment related to individuals' performances against objectives. Annual settlements are awarded from 1 August each year and relate to individuals' performances from the previous financial year.

On the census date of 31 March 2026, the OfS employed 523 full-time equivalent staff (2024-25: 475) of the 553 headcount (2024-25: 503), 368 were female and 185 were male (2024-25: 328 were female and 175 were male). Of the 11 board members listed in the Remuneration report in post during the year (excluding the chief executive, the DFAP, the DFSAF and the chair), seven were men and four were women. Of the nine senior employees listed in the Remuneration report, five were men and four were women.

The OfS had an average of 510 FTE staff members (2024-25: 475), which includes 11 contractors during 2025-26 (2024-25: 12). Full-time equivalents include those staff who are employed on either permanent OfS contracts or fixed-term contracts and paid directly from the OfS payroll, including those on maternity leave. The staff numbers do not include any outwardly seconded staff. Although the full-time equivalence for the chair is excluded from the above staff numbers, his costs are included among staff costs.

Pensions

Employers' contributions of £7,708,470 (2024-25: £6,707,231) were payable to the PCSPS at one rate of 28.97 per cent (2024-25: one rate of 28.97 per cent) of pensionable pay. This one rate came into effect from 1 April 2024. The scheme's actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account: a stakeholder pension with an employer contribution. Employers' contributions of £66,704 (2024-25: £68,202) were paid to appointed stakeholder pension providers. Employer contributions are age-related and range from 8.0 to 14.75 per cent (2024-25: 8.0 to 14.75 per cent) of pensionable pay. Employers also match employee contributions up to 3 per cent of pensionable pay and contribute a further 0.5 per cent of pensionable pay to PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill-health retirement of these employees.

Three (2024-25: three) members of staff hold a pension with USS. For 2025-26, employers' contributions of £41,152 (2024-25: £39,651) were payable at a rate of 14.5 per cent (2024-25: 14.5 per cent). Employers may be required to contribute 2.1 per cent

Table: Staff and pension costs

	Year ended 31 March 2026 (£000)	Year ended 31 March 2025 (£000)
Staff with a permanent UK employment contract with the OfS		
Salaries	28,909	25,437
National Insurance contributions	3,877	2,798
Pension costs	7,816	6,815
Total	**40,602**	**35,050**
Costs of employing contract, agency and temporary staff	399	982
Total staff costs	**41,001**	**36,032**
Pension costs breakdown		
Civil Service pensions	7,708	6,707
Partnership pension	67	68
Universities Superannuation Scheme (USS)	41	40
Total pension costs	**7,816**	**6,815**

for employees who have elected for enhanced opt-out to retain death in service and incapacity benefits.

Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the PCSPS, which is divided into a few different sections – classic, premium, and classic plus provide benefits on a final salary basis, while nuvos provides benefits on a career average basis. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis. All newly appointed civil servants, and the majority of those already in service, are in alpha.

The PCSPS and alpha are unfunded statutory schemes. Employees and employers make contributions (employee contributions range between 4.60 and 8.05 per cent, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year. Pensions in payment are increased annually in line with the Pensions Increase legislation. Instead of the defined benefit arrangements, employees may opt for a defined contribution pension with an employer contribution, the partnership pension account.

In alpha, pension builds up at a rate of 2.32 per cent of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HM Treasury. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.[44] All members who switched to alpha from the PCSPS had their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha.

The accrued pensions shown in this report are the pensions the members are entitled to receive when they reach normal pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over normal pension age. Normal pension age is 60 for members of classic, premium, and classic plus, 65 for members of nuvos, and the higher age of 65 or State Pension Age for members of alpha. The pension figures in this report show pension earned in PCSPS or alpha – as appropriate. Where a member has benefits in both the PCSPS and alpha, the figures show the combined value of their benefits in the two schemes but note that the constituent parts of that pension may be payable from different ages.

When the Government introduced new public service pension schemes in 2015, there were transitional arrangements that treated existing scheme members differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to alpha. In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members.

As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The Public Service Pensions Remedy is made up of two parts.[45] The first part closed the PCSPS on 31 March 2022, with all active members becoming members of alpha from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023. This is known as 'rollback'.

For members who are in scope of the public service pension remedy, the calculation of their benefits for the purpose of calculating their cash equivalent transfer value and their single total figure of remuneration, as of 31 March 2025 and 31 March 2026, reflects the fact that membership between 1 April 2015 and 31 March 2022 has been rolled back into the PCSPS. Although members will in due course get an option to decide whether that period should count towards PCSPS or alpha benefits, the figures show the rolled back position i.e. PCSPS benefits for that period.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8.00 and 14.75 per cent (depending on the age of the member). The employee does not have to contribute but, where they do make contributions, the employer will match these up to a limit of 3 per cent of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5 per cent of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill-health retirement).

Further details about the Civil Service pension arrangements can be found at the Civil Service Pension Scheme website.[46]

Cash equivalent transfer values

A cash equivalent transfer value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme, or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement that the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008,[47] and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax that may be due when pension benefits are taken.

Real increase in CETV

Real increase in CETV reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation or contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement), and uses common market valuation factors for the start and end of the period.

Universities Superannuation Scheme

The USS is a multi-employer defined benefit scheme, which publishes its own accounts and has its own assets and liabilities held in trust. The OfS is unable to identify its share of the underlying assets and liabilities of this scheme on a consistent and reasonable basis. USS members paid contributions of 6.1 per cent of pensionable earnings (2024-25: 6.1 per cent of pensionable earnings). The rate of employers' contributions is 14.5 per cent (2024-25: 14.5 per cent). On death, pensions are payable to the surviving spouse at a rate of half the member's pension. On death in service, the USS pays a lump sum benefit of three times pensionable pay. Employees who have elected for enhanced opt-out retain death in service and incapacity benefits and contribute 2.5 per cent of pensionable earnings, while employers contribute 2.1 per cent.

In accordance with HM Treasury guidance, the OfS has accounted for USS pensions as if they were defined contribution schemes.

Exit packages

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (CSCS), a statutory scheme made under the Superannuation Act 1972.[48] The table below shows the total cost of exit packages agreed and accounted for in 2025-26. £330,651 exit costs were paid in 2025-26, the year of departure (2024-25: £21,655). Where the non-departmental public body has agreed early retirements, the additional costs are met by the non-departmental public body and not by the Civil Service Pension Scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

Table: Exit packages

Exit package cost band	2025-26			2024-25		
	Number of voluntary exits	Number of other exits	Total number of exit packages by cost band	Number of voluntary exits	Number of other exits agreed[a]	Total number of exit packages by cost band
<£10,000	0	0	**0**	0	1	**1**
£10-25,000	0	0	**0**	0	1	**1**
£25-50,000	0	0	**0**	0	0	**0**
£50-100,000	3	0	**3**	0	0	**0**
£100-150,000	2	0	**2**	0	0	**0**
Total number of exit packages	5	0	**5**	0	2	**2**
Total cost/£	**447,466**	**0**	**447,466**	**0**	**21,655**	**21,655**

a. Other exits agreed are for ex-gratia payments made with the agreement of the HM Treasury.

Parliamentary accountability and audit report (audited)

This section presents the disclosures to support parliamentary accountability of the OfS.

Regularity of expenditure

The chief executives and Accounting Officers confirm the regularity of expenditure incurred through their statement in the Accountability report.

Fees and charges income

The executive team regularly reviews the OfS's performance in two areas. In relation to its operations budget, the OfS's operating activities are funded mostly by income from registration fees paid by registered providers. The OfS's sector budget is for the OfS's grant funding activities funded by grant in aid provided by the DfE. More analysis and information can be found in Note 2: Operating segments.

Table: Operating income and costs

Operations	Year ending 31 March 2026 (£000)	Year ending 31 March 2025 (£000)
Income	(33,536)	(32,556)
Expenditure*	50,966	41,011
Net operating expenditure*	17,430	8,455

*Figures for financial year 2024-25 have been re-presented due to re-classification of non-pay programme costs, which were previously included within recurrent and non-recurrent grant expenditure and due to a change to the OfS's operational segmental reporting.

Remote contingent liabilities

The OfS has no remote contingent liabilities that need to be disclosed under parliamentary reporting requirements (2024-25: none).

Losses and special payments

During 2025-26 the OfS made provision for one loss above £300,000 (2024-25: none) as follows:

- Provision of £660,000 for legal costs incurred by the University of Sussex.

There were no special payments either individually or cumulatively above £300,000 (2024-25: none).

Gifts

Managing Public Money states any gifts made over the prescribed limits should be disclosed. There were no gifts made during 2025 to 2026 (2024-25: none).

Government functional standards (unaudited)

The OfS assess its compliance with the government functional standards as appropriate.

Ruth Hannant and Polly Payne

Chief Executives and Accounting Officers

2 July 2026

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the Office for Students for the year ended 31 March 2026 under the Higher Education and Research Act 2017.

The financial statements comprise the Office for Students':

- Statement of Financial Position as at 31 March 2026;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Office for Students' affairs as at 31 March 2026 and its comprehensive net expenditure for the year then ended; and
- have been properly prepared in accordance with the Higher Education and Research Act 2017 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2024. I am independent of the Office for Students in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Office for Students' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Office for Students' ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officers with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Office for Students is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Annual report but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officers are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Higher Education and Research Act 2017.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Higher Education and Research Act 2017; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Office for Students and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Office for Students or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officers for the financial statements

As explained more fully in the Statement of Accounting Officers' Responsibilities, Accounting Officers are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Office for Students from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the Higher Education and Research Act 2017
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the Higher Education and Research Act 2017 and
- assessing the Office for Students' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officers anticipate that the services provided by the Office for Students will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Higher Education and Research Act 2017.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Office for Students' accounting policies and key performance indicators.
- inquired of management, the Office for Students' Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Office for Students' policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Office for Students' controls relating to the Office for Students' compliance with the Higher Education and Research Act 2017, Higher Education (Registration Fees) (England) Regulations and Managing Public Money.
- inquired of management, the Office for Students' Head of Internal Audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Office for Students for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates and grant regularity. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Office for Students' framework of authority and other legal and regulatory frameworks in which the Office for Students operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Office for Students. The key laws and regulations I considered in this context included Higher Education and Research Act 2017, Higher Education (Registration Fees) (England) Regulations, Managing Public Money and relevant employment law and pensions legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;

- I enquired of management, the Risk and Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies **6 July 2026**

Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Notes

1 See Our board and committees - Office for Students.

2 'Managing conflicts of interest' is available at Who we are - Office for Students.

3 'Board members' register of interests' is available at Our board and committees - Office for Students.

4 See Managing public money - GOV.UK.

5 See Higher Education and Research Act 2017 (Schedule 1).

6 See Higher Education and Research Act 2017.

7 Available at Office for Students framework document - GOV.UK.

8 See Higher Education and Research Act 2017 - SCHEDULE 1. Schedule 1, paragraph 2(3) provides that at least one of the ordinary members of the OfS board must have experience of representing or promoting the interests of students on higher education courses.

9 Available at Our board and committees - Office for Students.

10 See Corporate governance code for central government departments 2017 - GOV.UK.

11 See Our board and committees - Office for Students.

12 'OfS Scheme of delegation' is available at Who we are - Office for Students.

13 See Regulatory framework for higher education in England - Office for Students.

14 See Higher Education and Research Act 2017 (Section 2).

15 See Legislative and Regulatory Reform Act 2006.

16 See Growth duty - GOV.UK.

17 See Using the Better Regulation Framework - GOV.UK.

18 Available at Code of Practice for Statistics.

19 Available at Prevent monitoring: Summary of 2023-24 accountability and data returns - Office for Students.

20 Available at Post-16 education and skills white paper - GOV.UK.

21 See OfS responds to University of Sussex judgment - Office for Students.

22 See Managing public money - GOV.UK.

23 See Government functional standard 013 Counter fraud – Gov.UK.

24 See Public Sector Fraud Authority - GOV.UK.

25 See Human Rights Act 1998 - GOV.UK.

26 See The Seven Principles of Public Life - GOV.UK.

27 See Higher Education and Research Act 2017 (section 64); and Higher Education and Research Act 2017 (section 65).

28 See Data Futures: The programme | HESA.

29 Report available at Data Futures: Independent review - Office for Students.

30 See Higher Education and Research Act 2017 - Section 63.

31 See Charities Act 2011 - GOV.UK.

32 See Freedom of Information Act 2000 - GOV.UK.

33 'OfS scheme of delegation' is available at Who we are - Office for Students.

34 'OfS scheme of delegation' is available at Who we are - Office for Students.

35 See Schedule 1 Para 2 (2) Higher Education and Research Act 2017.

36 See What does the law say? - Office for Students.

37 See Equality objectives - Office for Students.

38 See Disability Confident employer scheme - GOV.UK.

39 See Guidance for applicants - Office for Students.

40 See Staff at the Office for Students: Equality statistics 2025 - Office for Students.

41 See Civil Service sickness absence, 2025: report - GOV.UK.

42 See CIPD, 'Health and wellbeing at work 2025' available at Health and wellbeing at work | CIPD.

43 See Civil Service Pensions / Home - Civil Service Pension Scheme; and USS.

44 See Finance Act 2004 - GOV.UK.

45 See How the public service pensions remedy affects your pension - GOV.UK.

46 See Civil Service Pensions / Home - Civil Service Pension Scheme.

47 See The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 - GOV.UK.

48 See Superannuation Act 1972 - GOV.UK.

Financial statements

Financial statements

Table: Statement of comprehensive net expenditure (SoCNE) for the year ended 31 March 2026

	Note	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000
Income	6	(34,205)	(33,232)
Staff costs	4	41,001	36,032
Non-pay costs*	5	12,470	12,336
Depreciation	7	704	616
Recurrent and non-recurrent grant expenditure*	3	1,386,853	1,573,922
Changes in provision	11	762	(123)
Total operating expenditure		**1,441,790**	**1,622,783**
Net operating expenditure		**1,407,585**	**1,589,551**
Finance costs		71	56
Net financing expenses		**71**	**56**
Comprehensive net expenditure		**1,407,656**	**1,589,607**

The notes on pages 131 to 149 form part of these accounts.

*Figures for 2024-25 have been re-presented due to re-classification of non-pay programme costs which were previously included within recurrent and non-recurrent grant expenditure.

The OfS incurred £0 (2024-25: £0) other comprehensive expenditure in the year.

Table: Statement of financial position as at 31 March 2026

	Note	As at 31 March 2026 £000	As at 31 March 2025 £000
Non-current assets			
Property, plant and equipment	7	2,092	3,095
Grant recoveries falling due after one year	8a	89	1,114
		2,181	**4,209**
Current assets			
Grant recoveries falling due within one year	8a	1,025	1,118
Trade and other receivables due within one year	8b	2,145	2,057
Cash and cash equivalents	9	15,594	14,731
		18,764	**17,906**
Total assets		**20,945**	**22,115**
Current liabilities			
Trade and other payables due within one year	10	(14,349)	(13,830)
Provisions for liabilities and charges due within one year	11	(755)	0
Total assets less current liabilities		**5,841**	**8,285**
Non-current liabilities			
Trade and other payables due after one year	10	(1,096)	(1,609)
Provisions for liabilities and due charges after one year	11	(642)	(967)
		(1,738)	(2,576)
Total assets less liabilities		**4,103**	**5,709**
Taxpayers' equity			
General reserve		4,103	5,709
		4,103	**5,709**

The financial statements on pages 127 to 130 were approved and were signed on 2 July 2026 by Ruth Hannant and Polly Payne, joint Chief Executives and Accounting Officers.

The notes on pages 131 to 149 form part of these accounts.

Table: Statement of cashflows for the year ended 31 March 2026

	Note	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000
Cashflows from operating activities			
Net operating expenditure*	SoCNE	(1,407,585)	(1,589,551)
Adjustment for non-cash transactions*	7,11	1,466	387
Decrease in receivables and grant recoveries	8a,8b	1,030	1,755
Increase/(Decrease) in non-lease payables*	10	516	(741)
Net cash outflow from operating activities		**(1,404,573)**	**(1,588,150)**
Cashflows from investing activities			
Purchase of property, plant and equipment	7	0	0
Net cash outflow from investing activity		**0**	**0**
Cashflows from financing activities			
Grants from government department	SoCiTE	1,406,050	1,587,352
Payment of lease liabilities		(614)	(441)
Net financing		**1,405,436**	**1,586,911**
Net increase/(decrease) in cash for the period		**863**	**(1,239)**
Cash and cash equivalents at the beginning of the period	9	14,731	15,970
Net increase/(decrease) in cash and cash equivalents in the period	9	863	(1,239)
Cash and cash equivalents at the end of the period		**15,594**	**14,731**

The notes on pages 131 to 149 form part of these accounts.

* Figures for 2024-25 have been re-presented to use the net operating expenditure figure as per the SoCNE and to re-present an adjustment to non-cash transactions relating to the movement in lease liability.

Table: Statement of changes in taxpayers' equity (SoCiTE) for the year ended 31 March 2026

	Total Reserves £000
Changes in taxpayers' equity 2025-26	
Balance as at 1 April 2025	**5,709**
Grant from sponsoring department	1,406,050
Comprehensive net expenditure for the period	(1,407,656)
Balance as at 31 March 2026	**4,103**
Changes in taxpayers' equity 2024-25	
Balance as at 1 April 2024	**7,964**
Grant from sponsoring department	1,587,352
Comprehensive net expenditure for the period	(1,589,607)
Balance as at 31 March 2025	**5,709**

The general reserve consists of grant and grant in aid from the DfE and the net expenditure relating to programme and administration costs.

The notes on pages 131 to 149 form part of these accounts.

Notes to the accounts

1 Accounting policies

1. Basis of accounting

These financial statements have been prepared in accordance with the 2025-26 Government Financial Reporting Manual (FReM) issued by HM Treasury, as set out in the statutory accounts direction given by the Secretary of State, with the consent of HM Treasury and in accordance with the Higher Education and Research Act 2017. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRSs) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the OfS for the purpose of giving a true and fair view has been selected. The particular policies adopted by the OfS for 2025-26 are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

2. Accounting convention

The accounts are prepared under the historical cost convention. The currency used to prepare the accounts is sterling and is rounded to the nearest £1,000.

3. Adoption of FReM amendments

There have been no significant FReM changes in 2025-26 apart from the addition of IFRS 17 – Insurance Contracts, which has now come into effect. This has no impact on the accounting policies as the OfS does not issue insurance contracts.

4. Early adoption

The OfS has not adopted any accounting standards early in 2025-26.

5. Going concern

OfS activities are funded from either registration fee income or grant in aid. Registration fees are based on rates that have been set by Parliament to recover the OfS's operating costs. Grant funding activities are funded through the departmental group's estimates and there is no reason to believe that future sponsorship and future parliamentary approval will not be forthcoming. It is therefore appropriate to prepare these accounts on a going concern basis.

6. Financial instruments

IFRS 7 and International Accounting Standards (IAS) 32 require an organisation to present and disclose information on the possible impact of financial instruments on its financial position and performance, and on the extent of its risk exposure. As a non-departmental public body funded by the government and government determined registration fees, the OfS is not exposed to any liquidity or interest rate risks. The OfS has no overseas operations and does not operate any foreign currency bank accounts. It is not subject to any foreign currency, credit or market risks.

Assets and liabilities that meet the definition of financial instruments are accounted for under IAS 32, IFRS 9 and IFRS 7. Trade receivables, recoverable grants and payables are initially recognised at fair value and held at amortised cost. The cost is judged to be a reasonable approximation of fair value and amortised cost.

During the course of its business, the OfS may on occasion make loans to higher education providers. These are disclosed in Note 8a as recoverable grants. As these loans are repaid from deductions to future grant payments, the OfS considers the risk of credit loss to be nil.

7. Grants from the Department for Education (DfE)

All grant in aid from the DfE is treated as financing, as it is a contribution from controlling parties giving rise to a financial interest. The OfS records grant in aid as financing in the statement of cash flows and to the general reserve. Grants received (excluding grant in aid) are not classified as financing but are subject to conditions such that non-compliance with grant terms would result in the grant being repaid.

8. Operating income

Operating income is income that relates directly to the operating activities of the OfS. Income is accounted for in accordance with IFRS 15: Revenue recognition, which states that revenue shall only be recognised once a performance obligation has been met.

Registration fee income

Section 70 of the Higher Education and Research Act 2017 makes provision for the OfS to charge providers an annual fee for their registration in the Register of English higher education providers.[1] The OfS has the powers under section 72 to retain these fees as income. The OfS fulfils its obligations by regulating providers during the period the fee covers. The benefits are simultaneously received by the provider; therefore, the revenue received by the OfS should be recognised proportionately over the academic year that the fee covers. Any income paid in excess of the value of performance obligation at the year-end is deferred.

Other fee income

Section 71 of the Higher Education and Research Act 2017 (HERA) makes provision for the OfS to charge providers additional fees for activity or services undertaken by the OfS in the performance of its functions as specified in the regulations.[2]

Investigation fee income

The Higher Education (Investigation Fees) (England) Regulations 2022 make provision for the OfS to charge additional fees for conducting an investigation of the activities of a registered higher education provider.[3] Fee income is recognised when the conditions set out in the relevant regulation are met.

Assessment fee income

The Higher Education (Assessment Fees) (England) Regulations 2023 make provision for the OfS to charge fees for undertaking assessments of the quality of, and the standards applied to, higher education in connection with initial registration, ongoing registration and the authorisations to grant degrees.[4] Fee income is recognised when the conditions set out in the relevant regulation are met.

Income from joint initiatives and national programmes

The OfS acts as lead partner for several jointly funded initiatives with the other UK higher education funding bodies. The OfS in its capacity as lead partner for all projects incurs all associated costs. The OfS fulfils its obligation by providing services as per the contractual agreement. A share of these costs is then allocated to the other bodies in the funding group, which then reimburse the OfS. The income is recognised as costs are incurred.

Service-level agreements and rental income

The OfS may enter into service-level or rental agreements in respect of shared office space. The OfS fulfils its obligation by providing services as per the contractual agreement. Service-level agreements and rental income are invoiced quarterly, and revenue is recognised in the quarter in which the service is provided.

9. Segmental reporting

In accordance with IFRS 8: Operating Segments, the OfS has considered the need to analyse its activities in relation to operating segments. Since segmental information for total assets and liabilities is not regularly reported to the chief operating decision maker, it has not been produced in the accounts. See Note 2 for segmental reporting disclosures on net expenditure.

10. Joint arrangements and national programmes that benefit the higher education sector in the UK

For those joint activities that meet the definition of jointly owned operations under IFRS 11, the OfS is required to show only its share of the income and expenditure within these accounts.

11. Leases

Leases are capitalised at the present value of the minimum lease payments at the inception of the lease and a liability recognised for the same amount. Leased assets are depreciated over the shorter of the asset's useful life and the lease term. Each lease payment is allocated between the principal capital component and finance charges. The finance charges are allocated to each period during the lease term, to produce a constant periodic rate of interest on the remaining balance of the liability.

Where the interest rate implicit in a lease cannot be readily determined, the OfS calculates the lease liability using the HM Treasury discount rates promulgated in Public Expenditure System papers as the incremental borrowing rate. For leases that commence or are remeasured in the 2026 calendar year, this rate is 5.32 per cent (2025: 4.81 per cent).

Interest on leases is charged to the statement of comprehensive net expenditure (SoCNE) in the year in which the lease payment relates.

Leases that are low in value or represent a short-term lease of up to 12 months are recognised as expenses on a straight-line basis and charged to the SoCNE in the year to which they relate.

12. Non-current assets

Property, plant and equipment are capitalised where the costs for an individual asset, or group of functionally interdependent assets, exceed £10,000. On initial recognition assets are measured at cost, including all direct costs attributable to bringing the assets into working condition. The OfS has elected to use depreciated historical cost as a proxy for fair value for all assets that have short useful lives or low values.

13. Depreciation

Depreciation is provided at rates calculated to write off the cost or valuation of each asset by equal instalments over their expected useful lives as follows:

- Right of use asset – the useful life of the asset or the lease term, whichever is shorter, unless the title to the asset transfers at the end of the lease term, in which case depreciation is over the useful life.
- Leasehold improvements – ten years or the lease term, whichever is shorter.
- Furniture and fittings – five years.
- Information technology equipment – three years.

14. Payment of grants

Grants expenditure is recognised at the payment dates agreed with the organisations concerned. Most grants are paid on agreed profiles, which are set to reimburse the grant recipients based on the expected profile of expenditure. The profiles are periodically updated throughout the academic year, and therefore no financial year-end accruals are expected for these streams of expenditure.

The exceptions to this are: holdback of providers' grant arising from revised student numbers where there is sufficient certainty; and clawback of provider grant where specific conditions of the grant have not been met. Future profile payments are adjusted to reflect the change and could result in a net receivable or payable balance at year-end. Sufficient certainty is where the relevant decision maker approves the funding adjustment.

15. Grant commitments

The OfS's policy is to only recognise grants as commitments where a signed grant letter exists within the reporting year. Public commitments to funding will only be included as part of the disclosure notes if these criteria have been met.

16. Pensions

OfS employees are covered by the provisions of the PCSPS. This is a multi-employer defined benefit scheme treated for accounting purposes, in accordance with the FReM, as a defined contribution scheme. Prior to joining the OfS, some staff transferred to the Higher Education Funding Council for England from universities, and these staff are covered by the provisions of the USS. The USS is also a defined benefit scheme treated for accounting purposes as a defined contribution scheme. These schemes are described in more detail in the remuneration and staff report.

17. Provisions for liabilities and charges

The OfS makes a provision in the accounts where the following criteria are met in accordance with IAS 37: Provisions, contingent liabilities and contingent assets:

- a legal or constructive obligation exists that will result in the transfer of economic benefit
- the transfer is probable
- a reliable estimate can be made.

18. Taxation

The OfS's income generating activities are not intended to produce surpluses and are therefore considered as not liable for corporation tax. Most of the OfS's activities are outside the scope of value added tax (VAT). Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of property, plant and equipment.

19. IFRS issued but not yet effective

To comply with the requirements of IAS 8: Accounting policies, changes in accounting estimates and errors, the OfS must disclose details of any IFRS that has been issued but is not yet effective.

The OfS has carried out a review of the following IFRS and found that none of the updates have any material impact on the 2025-26 accounts:

IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2: Climate-related Disclosures – effective date, periods starting after 1 January 2024.

These standards have been issued but are not yet effective or incorporated into the FReM:

IFRS 18: Presentation and Disclosure in Financial Statements, effective date, periods starting after 1 January 2027.

IFRS 19: Subsidiaries without Public Accountability: Disclosures – effective date, periods starting after 1 January 2027.

20. Significant judgements

The preparation of these accounts requires management to make certain judgements, estimates and assumptions that affect the application of policies and reported amounts of income, expenditure, assets and liabilities. Management has specifically made such judgements on the following areas.

a. Grant recoveries

The OfS's policy is to recognise grant adjustments as debts only when there is sufficient certainty of recovery. Recovery is made through adjustments to providers' future grant funding. Further details are given in Note 8a.

The OfS has the powers under the Higher Education and Research Act 2017 to determine amounts of grant to recover from providers where the terms and conditions of grant have not been met. In exercising these powers, the OfS may in some cases decide not to seek recoveries for periods prior to a certain year. In such cases the decision is taken on an individual basis, with due regard to the circumstances giving rise to a potential recovery.

b. Contingent liabilities

Where the time value of money is material, contingent liabilities, which are required to be disclosed under IAS 37, are stated at discounted amounts and the amount reported to Parliament noted separately. Remote contingent liabilities that are not required to be disclosed by IAS 37 are disclosed in the Parliamentary Accountability Report and stated at the amounts reported to Parliament.

The OfS policy is to recognise or disclose potential costs arising from legal cases where claimants are seeking financial recompense as part of their claim.

21. Consolidation

The OfS is an arms' length body of the Department for Education and consolidated within its group accounts.

2 Operating segments

IFRS 8: Operating segments requires operating segments to be identified by an entity based on reports that are regularly reviewed by the chief operating decision maker. The executive team regularly reviews the OfS's performance using two operating segments.

The operating segment named 'operations' is the OfS's operating activities funded by the registration fee and other sources including some funding provided by grant in aid by the DfE. The operating segment named 'sector' is the OfS's grant funding activities funded only by grant in aid provided by the DfE. The analysis of grant expenditure below is consistent with the presentation in 'Guide to funding 2025-26'.[5]

The 'Operations' segment has replaced the administrative segment used in prior years, which consisted of operating activities predominantly funded by the registration fee and did not include any activity funded by grant in aid. In financial year 2025-26, to reflect the increase in regulatory front-line activities undertaken, of which some funding is received via grant in aid, the OfS made the decision to adapt the way in which management financial information was presented.

Table: Operating segments

	Operations		Sector		Total	
	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000 (Re-presented)	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000 (Re-presented)	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000 (Re-presented)
Income						
Registration fees	(32,463)	(31,642)	0	0	(32,463)	(31,642)
Other activities	(1,073)	(914)	(669)	(676)	(1,742)	(1,590)
	(33,536)	**(32,556)**	**(669)**	**(676)**	**(34,205)**	**(33,232)**
Expenditure						
Institutional recurrent funding	0	0	1,244,090	1,329,786	1,244,090	1,329,786
Funding for national facilities and initiatives	0	0	49,886	69,973	49,886	69,973
Capital funding	0	0	84,474	163,549	84,474	163,549
Other government allocations	0	0	8,403	10,614	8,403	10,614
Non-pay	8,499	7,729	3,971	4,607	12,470	12,336
	8,499	**7,729**	**1,390,824**	**1,578,529**	**1,399,323**	**1,586,258**
Depreciation	704	616	0	0	704	616
(Decrease)/ Increase in provision	762	(123)	0	0	762	(123)
Staff	41,001	32,789	0	3,243	41,001	36,032
Net operating expenditure	**17,430**	**8,455**	**1,390,155**	**1,581,096**	**1,407,585**	**1,589,551**
Finance cost	71	56	0	0	71	56
Net expenditure	**17,501**	**8,511**	**1,390,155**	**1,581,096**	**1,407,656**	**1,589,607**

Due to the change in presentation of operational segments, the prior year was re-presented to the current operating segment model in order to be comparable.

Net operating expenditure is funded by grant in aid.

3 Analysis of recurrent and non-recurrent grant expenditure

Table: Analysis of recurrent and non-recurrent grant expenditure

	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000
Teaching funding [a]	1,244,090	1,329,786
Funding for national facilities and regulatory initiatives [b]	49,886	69,973
Capital funding [c]	84,474	163,549
Other government allocations [d]	8,403	10,614
Total grant	**1,386,853**	**1,573,922**

Figures for 2024-25 have been re-presented due to re-classification of non-pay programme costs, which were previously included within recurrent and non-recurrent grant expenditure.

This analysis of grant expenditure is consistent with the presentation in the 'Guide to funding 2025-26'.[6]

a. **Teaching (Institutional recurrent) funding** – grant paid to specific higher education providers to support their recurrent teaching activities. This funding is not meant to fully meet the cost of these activities, as this primarily comes from tuition fees. Instead, funding is prioritised to support areas where teaching costs are particularly high, or to support particular policy priorities.

b. **Funding for national facilities and regulatory initiatives** – a portion of recurrent funding, reallocated to meet particular policy priorities. This is provided for specific purposes and to promote change that cannot easily be achieved through institutional recurrent or capital funding.

c. **Capital funding** – allocations provided to enhance the learning experience of higher education students at providers, by helping raise the quality of their learning and teaching facilities.

d. **Other government allocations** – grant administered on behalf of the government to cover specific programmes. The OfS distributes this funding, which is provided by the DfE or other departments for specific purposes. For the current financial year £8.1m of capital funding was paid to qualifying higher education providers on behalf of Department for Energy Security and Net Zero.[7]

4 Staff costs

Table: Analysis of staff costs

	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000
Staff with a permanent UK employment contract with the OfS		
Salaries	28,909	25,437
National insurance	3,877	2,798
Pension costs	7,816	6,815
Total	**40,602**	**35,050**
Cost of employing contract, agency and temporary staff	399	982
Total staff costs	**41,001**	**36,032**

Staff costs are analysed in the Remuneration and staff report on page 115.

5 Other costs

Table: Analysis of other costs

	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000
Non-pay costs		
Staff-related and general expenditure*	1,023	1,123
Rental payments under other operating leases	0	86
Premises costs*	755	633
Office costs*	2,662	2,440
Board and committee members' fees and expenses	179	160
Audit fee	110	120
Rental payments under plant and machinery operating leases	2	12
Professional services*	7,739	7,762
Total non-pay costs	**12,470**	**12,336**

*Figures for 2024-25 have been re-presented due to re-classification of non-pay programme costs, which were previously included within recurrent and non-recurrent grant expenditure.

The analysis of expenditure shown above reflects the in-year management accounting process whereby the OfS monitors and reports on its administration costs. Staff-related and general expenditure includes costs of recruitment, training and staff travel.

Premises costs include expenditure on rates, heat and light, building maintenance, equipment and furniture.

Office costs include information technology costs, stationery, postage, catering and minor office equipment costs.

The audit fee for 2025-26 is £110,000 (2024-25: £105,000). The NAO did not provide any non-audit services during the year. £15,000 of the audit fee costs recognised in 2024-25 relate to audit services provided in 2023-24 and invoiced in 2024-25.

6 Income

Table: Analysis of income

	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000
Registration fees	32,463	31,642
Income from joint initiatives and national programmes	910	847
Investigations and quality assessments	659	632
Service-level agreement income	63	60
Rental income	50	50
Income from other activities	60	1
Total income	**34,205**	**33,232**

Registration income is an annual fee charged to providers for their registration in the Register of English higher education providers as per section 70 of the Higher Education and Research Act 2017.[8] The fees have been set by Parliament under the Higher Education (Registration Fees) (England) Regulations 2019.[9] The OfS has the powers under section 72 of the Higher Education and Research Act 2017 under direction of the Secretary of State and consent of the Treasury to retain these fees as income.[10]

The OfS receives income from UK funding councils and associated organisations in respect of agreed contributions towards joint initiatives and national programmes. These do not meet the definition of joint operations under IFRS 11 and are therefore shown above. Income includes a contribution towards the OfS's costs of managing and administering these programmes.

The OfS may perform investigations and assessments of providers and charge providers fees for these activities under the Higher Education (Investigation Fees) (England) Regulations 2022 and the Higher Education (Assessment Fees) (England) Regulations 2023.[11] Section 71 of the Higher Education and Research Act 2017 makes provision for the OfS to charge providers additional fees for activity or services undertaken by the OfS in the performance of its functions as specified in the regulations.[12] The OfS has the consent of the Treasury to retain these fees as income.

The OfS provides a range of services under service-level agreements to UKRI and the Department for the Economy Northern Ireland, which include facilities management and quality assurance.

7 Property, plant and equipment

Table: Analysis of property, plant and equipment

	Leasehold improvements £000	Furniture, fixtures and equipment £000	Information technology £000	Right of use £000	Total £000
Cost or valuation					
At 1 April 2025	1,211	116	124	3,480	4,931
Dilapidation adjustment	0	0	0	(332)	(332)
Rent adjustment	0	0	0	33	33
At 31 March 2026	**1,211**	**116**	**124**	**3,181**	**4,632**
Depreciation					
At 1 April 2025	760	116	124	836	1,836
Charge for period	148	0	0	569	717
Dilapidation adjustment	0	0	0	(18)	(18)
Rent adjustment	0	0	0	5	5
At 31 March 2026	**908**	**116**	**124**	**1,392**	**2,540**
Net book value at 31 March 2026	**303**	**0**	**0**	**1,789**	**2,092**
Cost or valuation					
At 1 April 2024	1,211	116	124	2,207	3,658
Additions	0	0	0	1,273	1,273
Disposals	0	0	0	0	0
At 31 March 2025	**1,211**	**116**	**124**	**3,480**	**4,931**
Depreciation					
At 1 April 2024	612	116	124	368	1,220
Charge for period	148	0	0	468	616
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
At 31 March 2025	**760**	**116**	**124**	**836**	**1,836**
Net book value at 31 March 2025	**451**	**0**	**0**	**2,644**	**3,095**

The above note shows the capitalised value of the OfS's property, plant and equipment. The right of use asset relates to two properties: the rental of the Bristol office, Westward House; and the rental of the London office, 10 South Colonnade, which commenced on 1 February 2025 and was capitalised in 2024-25.

The IFRS 16 adjustment to the right of use asset is due to a revised estimate of the dilapidations for 10 South Colonnade, which resulted in a reduction in the asset valuation and the depreciation charge for the financial year 2025-26.

The dilapidation adjustment to the right of use asset was due to revised estimate of the dilapidation provision required for 10 South Colonnade. This resulted in a reduction in the asset valuation and the depreciation charge for the financial year 2025-26.

The rent adjustment to the right of use asset and depreciation was due to revised estimate of the rental payments required for 10 South Colonnade. This resulted in an increase in the asset valuation and depreciation charge for the financial year 2025-26.

8a Grant recoveries

During the course of its business, the OfS may on occasion make loans to higher education providers. The OfS does not consider there to be a risk with these loans, as repayments are deducted from future funding at source.

Table: Analysis of grant recoveries

	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000
Balances as at 1 April	2,232	2,551
Recovered during the period	(1,118)	(319)
Balances as at 31 March	**1,114**	**2,232**
Due within one year	1,025	1,118
Due after one year	89	1,114
Balances as at 31 March	**1,114**	**2,232**

As at 31 March 2026, zero (2024-25: zero) organisations had outstanding recoverable grants or loan balances of £1,000,000 or more.

Included in grant recoveries and loans are amounts for the recovery of grant funding due from providers. These loans are provided within the total budgets of the Revolving Green Fund. This relates to adjustments to payment of grant funding to higher education providers (non-government bodies) where student numbers fall outside a standard percentage threshold, arising through data audits or reconciliations. The OfS's policy is to recognise such recoverable amounts as debts only when there is sufficient certainty of recovery. Recovery is made through adjustments to institutions' future grant funding or via other means. Discussions around data and recovery of grant funding happen on a continuous basis as a result of the data collection and audit programmes that run each year. Consequently, at year-end, there may be continuing data audits or investigations where the outcomes, and any potential holdback, are not yet certain. Such amounts are not included within the above balances.

Also included in grant recoveries and loans are funds granted to providers on an individual basis to support the initial costs of specific projects, which are normally recovered via an adjustment to their future funding. It has been agreed with the DfE that these balances should be accounted for as loans, to ensure consistency of reporting across the departmental group.

8b Trade and other receivables

Table: Analysis of trade and other receivables

	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000
Receivables due within one year		
Trade prepayments*	1,049	950
Trade and other receivables*	884	862
Accrued income	212	245
Total receivables	**2,145**	**2,057**

*Prior year figures have been aggregated into one line for trade prepayments and trade and other receivables. Previously this was split between programme and administration prepayments and other receivables.

Receivables: These include contributions to national initiatives due from UK higher education funding councils for contributions to the OfS's operation costs for managing and administering these initiatives.

Accrued income: This includes cost sharing income that is due to the OfS but has not been invoiced as at 31 March 2026.

9 Cash and cash equivalents

Table: Cash held under Government Banking Service

	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000
Cash held under Government Banking Service		
Balance as at 1 April	14,731	15,970
Net change in cash and cash equivalent balances	863	(1,239)
Total cash and cash equivalents as at 31 March	**15,594**	**14,731**

The framework document between the OfS and the DfE advises a minimum working balance consistent with the efficient operation of the OfS. The OfS's balances relate to timing differences in the payment of expenditure committed and the receipt of registration fee income in the 2025-26 academic year.

The OfS banks with the Government Banking Service (GBS). This is a government-wide banking service provided by Royal Bank of Scotland and overseen centrally by the GBS team, ultimately controlled by HM Treasury. The OfS does not earn any interest on any balances held in GBS accounts.

The OfS has no cash held at commercial banks.

10 Trade and other payables

Table: Analysis of trade and other payables

	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000
Amounts falling due within one year		
Trade payables*	253	178
Accruals*	3,275	3,512
Tax and social security	1,834	1,492
Deferred income	8,467	8,131
Lease liability	520	517
	14,349	**13,830**
Amounts falling due after one year		
Lease liability	1,096	1,609
	1,096	1,609
Total payables	**15,445**	**15,439**

*Prior year figures have been aggregated into one line for trade payables and accruals. Previously this was split between programme and administration payables and accruals.

'Trade payables' includes claims received but not yet paid because of any delays in payment authorisation, the timing of OfS payment runs or both.

'Accruals' includes the staff annual leave accrual to reflect the requirements of IAS 19.

The tax and social security includes amounts due to HM Revenue and Customs in arrears for National Insurance, Pay As You Earn and VAT.

'Deferred income' includes registration fee income and S71 cost recovery income paid in excess of the value of performance obligation at the year-end.

11 Provisions for liabilities and charges

Table: Analysis of provisions for liabilities and charges

	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000
Opening balance	967	788
Provision utilised in year	0	(105)
Increase/(Decrease) in provision	762	(123)
Capitalised right of use asset adjustments	(332)	407
Balance as at 31 March	**1,397**	**967**
Due within one year	755	0
Due after one year	642	967
Balance at 31 March	**1,397**	**967**

The provisions are for financial year 2024-25 are solely in relation to dilapidations for the buildings noted in Note 12.

The movement in provision consists of three elements. The first, a £7k increase in provision is a consequence of the revaluation of the lease for 10 South Colonnade by the GPA.

The second, a £660k increase in provision is a result of the judgment made in the University of Sussex's judicial review brought against the OfS.[13] The Courts and Tribunals Judiciary has ordered the OfS to pay the University of Sussex's legal fees that it had incurred during the review. The provision provided is a management judgement based on an assessment by the OfS's legal team.

The third, a £95k increase in provision for a voluntary exit, made in accordance with the provisions of the Civil Service Compensation Scheme (CSCS), a statutory scheme made under the Superannuation Act 1972.

The capitalised dilapidations provision is included within the right of use additions disclosed in Note 7.

The movement in the capitalised right of use asset dilapidations provision is due to a re-estimation of the dilapidations required for 10 South Colonnade following the earlier revaluation of the lease by the GPA.

12 Commitments under leases

Table: Commitments under leases

	Year ended 31 March 2026 £000	Year ended 31 March 2025 £000
Buildings		
Not later than one year	571	586
More than one year and not later than five years	993	1,398
Later than five years	208	343
Total commitments under leases	1,772	2,327

The OfS leases its office buildings in Bristol and London.

The OfS's lease for its Bristol office, Westward House, has been capitalised and is disclosed as a right of use asset in Note 7.

The OfS's lease for its London office, 10 South Colonnade, has been capitalised and is disclosed as a right of use asset in Note 7. The lease was signed on 1 February 2025.

13 Financial commitments

Table: Financial commitments (as at 31 March 2026)

	£000
Commitments as at 31 March 2026	
Grant committed for the period April to July 2026	531,677
Grant committed for the next academic year August 2026 to July 2027	688
Grant committed beyond the next academic year post July 2027	0
Total financial commitments	**532,365**

Table: Financial commitments (as at 31 March 2025)

	£000
Commitments as at 31 March 2025	
Grant committed for the period April to July 2025	505,083
Grant committed for the next academic year August 2025 to July 2026	825
Grant committed beyond the next academic year post July 2026	688
Total financial commitments	**506,596**

The OfS has no commitments under non-cancellable contracts.

Recurrent expenditure for providers is approved on an academic year basis (1 August to 31 July).

Grant funding to the higher education sector for the forthcoming academic year (commencing 1 August) is announced by the OfS each spring. The publication detailing the 2025-26 academic year is called 'Guide to funding for 2025-26'.[14]

14 Contingent liabilities

As at 31 March 2025 and 2026 there were no recognised contingent liabilities.

15 Related party transactions

The OfS is an independent public body, which during the year was sponsored by the DfE. The DfE and other DfE-sponsored bodies, such as the Students Loans Company, are regarded as related parties with which the OfS has had various transactions during the year.

In addition, the OfS has had a small number of transactions with other government departments and other central government bodies (such as the Scottish Funding Council, Medr and the Department for the Economy in Northern Ireland).

No board member or senior manager has undertaken any material transactions with the OfS during the year. The remuneration arrangements with members of the OfS board and senior management team are set out in the remuneration report.

The following tables provide details of material transactions with organisations that are deemed related parties by virtue of OfS board members or senior management holding a key position at those organisations. These payments are at arm's length and part of the normal course of the OfS's business. Registers of interest for board and OfS directors can be found on the OfS website.[15]

The OfS has excluded related party transaction information relating to certain persons who were previously disclosed in this note for the current financial year. This is to ensure that only membership of boards and committees with authority for directing and controlling major operational activities or the governance of the OfS are included in this disclosure as per IAS24 Related Party Disclosures.

Table: OfS governance related parties

	OfS position	Nature of related party
Sir David Behan	Interim Chair (term ended 6 July 2025)	King's College Hospital NHS Foundational Trust, Chair of the Board
Verity Hancock	Board member	Leicester College, former CEO and principal (retired August 2025)
Professor Edward Peck	Chair (term commenced 7 July 2025)	University of Gloucestershire, partner is a member of the board
Chris Millward	Board member (term commenced 10 November 2025)	Medr, member of the board Bath Spa University, partner is deputy chair of the board Warburg Institute, University of London, partner is a member of the board
Michael Spence	Board member (term ended 31 May 2025)	University College London, President and Provost University of London, trustee
Neil Swift	Board member (term commenced 1 May 2025)	North East London NHS Foundational Trust, non-executive director, chair of Finance and Investment Committee

Table: Related party transactions

	Income	Expenditure	Receivable/ (payable)	Grants committed
				Year ended 31 March 2026 £000
Bath Spa University[a]	(175)	4,617	0	1,473
Leicester College	(35)	1,122	0	45
Medr[a]	(174)	0	0	0
Queen Mary University of London[ac]	(220)	27,260	0	11,380
University of East London[ac]	(205)	5,113	0	1,933
University of Gloucestershire[a]	(139)	5,871	0	1,470
University College London[c]	(220)	27,055	0	11,525
University of London[b]	(76)	507	0	219
City St George's, University of London[b]	(74)	4,191	0	9,049
King's College London[b]	(220)	33,962	199	14,873
				Year ended 31 March 2025 £000
	Income	Expenditure	Receivable/ (payable)	Grants committed
Bath Spa University[a]	0	0	0	0
Leicester College	(37)	4,240	0	50
Medr[a]	0	0	0	0
Queen Mary University of London[ac]	0	0	0	0
University of East London[ac]	0	0	0	0
University of Gloucestershire[a]	0	0	0	0
University College London[ce]	(214)	28,733	0	10,541
University of London[b]	(86)	646	0	173
City St George's, University of London[bf]	(182)	12,257	0	7,738
King's College London[be]	(214)	39,671	398	13,259

a. Although there may have been previous year transactions with these organisations, there were no prior year registered interests.

b. Partners with King's College Hospital NHS Foundation Trust.

c. Partners with North East London NHS Foundation Trust.

d. Partnership with Nottingham College.

e. Grant expenditure has been restated to exclude recoverable grant scheme repayments.

f. Income has been restated to include income accrued during merger between City, University of London and St. George's Hospital Medical School to form City St George's, University of London which occurred during financial year 2024-25.

All expenditure relates to grant expenditure apart from approximately £50k for King's College London. This expenditure was for professional services for the evaluation of the postgraduate research grant scheme.

All receivable balances relate to the recoverable grant scheme (Revolving Green Fund). The balance is for the full amount owed by the provider. The OfS is only eligible to 50 per cent of the receivable balance with the other 50 per cent due to its joint operator for this scheme, Salix Finance Ltd.

Other than those disclosed above, there are no outstanding balances with these parties as at 31 March 2026 and 31 March 2025.

The OfS has had no material transactions with companies whose directors are closely associated with it. In this context 'closely associated' refers to board members, committee members or directors. These individuals may have other relationships through family members who are employees or students in providers funded by the OfS, or through membership of governing bodies. Details of relationships are held in the OfS's register of interests and are available on its website.[16]

16 Events after the reporting period

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Audit Certificate and Report of the Comptroller and Auditor General. The Accounting Officers authorised these financial statements for issue on 2 July 2026.

Susan Lapworth's appointment as Chief Executive of the OfS ended on 31 March 2026.

Josh Fleming was appointed as interim Chief Executive and Accounting Officer of the OfS from 1 April 2026 to 14 June 2026.

Ruth Hannant and Polly Payne were appointed as joint Chief Executives and Accounting Officers of the OfS from 15 June 2026.

On 29 April 2026, the Courts and Tribunals Judiciary made a judgment in favour of the University of Sussex in the judicial review case it brought against the OfS. The result of this judgment has required a post-balance sheet adjustment to both the OfS trade receivables and payables in relation to the £585,000 fine raised in March 2025. It also has required a post-balance sheet adjustment to the OfS's provisions to provide for the estimated £660,000 cost in legal fees owed to the University of Sussex.

Ruth Hannant and Polly Payne
Chief Executives and Accounting Officers

2 July 2026

Abbreviations

AFR	annual financial return
AI	artificial intelligence
APP	access and participation plan
CCEW	Charity Commission of England and Wales
CETV	cash equivalent transfer value
CUC	Committee of University Chairs
DAPs	degree awarding powers
DFAP	Director for Fair Access and Participation
DfE	Department for Education
DFSAF	Director for Freedom of Speech and Academic Freedom
EORR	Equality of Opportunity Risk Register
ExCo	Executive Committee
FReM	Financial Reporting Manual
FSAP	Financial Sustainability Advisory Panel
FTE	full-time equivalent
FYE	full year equivalent
GBS	Government Banking Service
GGC	Greening government commitments
GPA	Government Property Agency
HEAT	Higher Education Access Tracker
HEEL	Higher Education Evaluation Library
IFRS	International Financial Reporting Standards
KPM	key performance measure
LLE	Lifelong Learning Entitlement
NSS	National Student Survey
OfS	the Office for Students
PCSPS	Principal Civil Service Pension Scheme
PGCC	postgraduate conversion course
RAC	Risk and Audit Committee
RAP	Risk and Performance
RNC	Remuneration and Nominations Committee
SoCiTE	Statement of changes in taxpayers' equity
SoCNE	Statement of comprehensive net expenditure
SPG	Strategic Priorities Grant
STEM	science, technology, engineering and mathematics
TASO	Transforming Access and Student Outcomes
TCFD	Taskforce for climate-related financial disclosure
TEF	Teaching Excellence Framework
UKRI	UK Research and Innovation
USS	Universities Superannuation Scheme

Notes

1 See Section 70 of Higher Education and Research Act 2017.

2 See Section 71 of Higher Education and Research Act 2017.

3 See The Higher Education (Investigation Fees) (England) Regulations 2022.

4 See The Higher Education (Assessment Fees) (England) Regulations 2023.

5 Available at Guide to funding 2025-26 - Office for Students.

6 Available at Guide to funding 2025-26 - Office for Students.

7 For more details, see Capital funding for financial year 2025 to 2026 - Office for Students.

8 See Higher Education and Research Act 2017 (Section 70).

9 See The Higher Education (Registration Fees) (England) Regulations 2019.

10 See Higher Education and Research Act 2017 (Section 72).

11 See The Higher Education (Investigation Fees) (England) Regulations 2022; and The Higher Education (Assessment Fees) (England) Regulations 2023.

12 See Higher Education and Research Act 2017 (Section 71).

13 See judgment, The University of Sussex -v- The Office for Students - Courts and Tribunals Judiciary.

14 Available at Guide to funding 2025-26 - Office for Students.

15 Available at Our board - Office for Students (see the relevant board or committee section, or the section on ‘Our leadership’).

16 Available at Our board - Office for Students (see the relevant board or committee section, or the section on ‘Our leadership’).

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