October 2026

Chief Executives' report

Board's primary role in relation to this paper:

☐ A. Set strategy

☐ B. Set risk appetite

☒ C. Oversee performance

☐ D. Understand context

Purpose

1. This paper provides an update on achievements, issues and activities since the last meeting of the board that are not otherwise covered in separate papers.

Decisions requested

2. The board is invited to note the updates contained in this paper.

Paper publication

3. To be published along with the board papers (subject to appropriate redactions).

For further information, please contact Polly Payne and Ruth Hannant, Chief Executives.

Key developments

4. **External engagement.** Since the last meeting, we have continued our programme of external engagement across the higher education sector, through provider visits, meetings, roundtables and one-to-one discussions with vice-chancellors and senior leaders, governing body representatives and students. We also, with the Chair, met with a range of sector bodies such as the Office of the Independent Adjudicator for Higher Education (OIAHE), Research England, Advance HE and the Student Loans Company (SLC). These engagements have provided valuable insight into current opportunities and challenges across the sector. We also participated in a range of sector events, including the Universities UK (UUK) annual conference on 9 and 10 September 2026, providing opportunities to engage with stakeholders, build relationships and communicate our priorities and regulatory approach. At the conference, we delivered our first major speech to the sector, emphasising the hugely important contribution higher education makes to students and wider society. We also spoke about the changes we are making following the Sussex lessons learned report and reinforced the importance of the OfS continuing to identify and tackle the small pockets of poor-quality provision that remain within the sector.

5. **Lessons learned from the University of Sussex judicial review.** On 3 September 2026, the OfS published our response to the judgment in the judicial review between the OfS and the University of Sussex. It sets out our new overarching no surprises approach to regulation, along with five lessons learned and 13 actions arising from them. Feedback received on the report has been positive. The Board will discuss a paper on our approach to the implementation of the lessons learned later in the agenda.

6. **Organisational review.** As part of the lessons learned work we committed to undertaking a review of our organisational structures and processes, learning lessons from other regulators, and to reviewing our culture. We informed staff of our plans for the review at an all staff briefing on 22 July 2026 where Josh Fleming also presented the findings from our lessons learned work. We have now appointed PA Consulting to assist us in the work which is starting with an intensive diagnostic phase including significant staff engagement. The Board will be updated on this work further through a dedicated paper on organisational review and transformation later in the agenda.

7. **Financial viability and sustainability risk assessment framework.** On 23 July 2026, the OfS published guidance on our financial viability and sustainability risk assessment framework. This sets out how we assess financial risk in practice, including the characteristics and indicators that inform financial risk judgements for individual providers, how we apply regulatory judgements and the level of regulatory intervention the OfS is likely to take in response to escalating risk. Overall, the reception to this report has been positive. [Exempt from publication].

8. **Free speech complaints scheme and conditions of registration.** On 1 September 2026, we launched the free speech complaints scheme, providing a free route to resolution for staff, visiting speakers, applicants to academic posts and other non-student members. We will consider complaints about registered higher education providers and may make recommendations where complaints are upheld. It is too early to draw conclusions from complaint volumes. The 90 day period allowed for providers to consider complaints has yet to elapse, so we do not expect eligible complaints that have exhausted that process to begin

reaching us until later in the year. [Exempt from publication]. On 17 September 2026, we published two new free speech conditions and launched a consultation on accompanying guidance. Condition E11 (initial and ongoing) requires effective governance arrangements to support compliance with free speech duties. Condition E12 (ongoing only) requires providers to secure and promote freedom of speech and academic freedom and maintain a code of practice. The conditions will apply from 1 April 2027.

9. **Lifelong Learning Entitlement (LLE).** Our preparations for the implementation of the LLE from January 2027 focuses in particular on how we will regulate modules and modular pathways. This includes setting out our regulatory expectations for providers expecting to offer LLE-fundable modules in a letter to accountable officers, holding roundtables with providers to discuss their plans for modular delivery, and developing a proportionate approach to regulating modules in the short and long term that effectively manages and mitigates risks to quality and public funding while enabling providers to test the market. Latest SLC data indicates that around 19 providers will offer 157 LLE-fundable modules from January 2027.

10. **Market monitoring tool (MMT).** We published a prototype to help providers and regional decision makers understand the geography of higher education through the student lifecycle. There has been high interest in the tool, with over 3,500 website sessions from over 2,000 users in the first few days. We are seeking feedback from Mayoral Strategic Authorities and providers on the prototype. [Exempt from publication].

11. Exempt from publication.

12. Exempt from publication.

13. **Published independent report on commuter students.** Based on a survey of 1,069 students, the report found that longer journey times are most consistently associated with poorer student experiences, particularly lower participation, reduced access to campus opportunities, and weaker engagement. Financial constraints and caring responsibilities often shape commuting decisions, while travel costs can compound these challenges. The report also identifies gaps in institutional support and recommends practical measures such as travel bursaries, more flexible timetabling, and greater hybrid provision.

14. **Strategic priorities grant and funding reform consultation update** We mitigated risks to providers of a very late guidance letter for Strategic Priorities Grant (SPG) funding for 2027-28 through communicating indicative allocations and then confirming allocations before the start of the academic year. We expect to publish a consultation on reforms to Strategic Priorities Grant funding in autumn 2026, with implementation of any changes from 2027-28. The reforms are intended to better target funding in support of quality, skills and student outcomes. The OfS continues to engage with sector representative bodies ahead of publication. Final proposals and publication timing remain subject to Department for Education decisions on funding priorities.

15. Exempt from publication.

16. **OfS fees update.** Following the DfE's consultation on the OfS fee model, we have continued to work with them to understand the responses and onward decisions. [Exempt from publication].

17. **Update on strengthened approach to Prevent.** The updated Prevent monitoring framework and accompanying updated OfS webpages will be published on 23 September 2026.

    a. The monitoring framework improves the use of existing monitoring processes to gain better assurance that our monitoring activity is effective and robust, in response to the recommendation for the OfS of the 2023 'Independent Review of Prevent' report. This includes using in-depth Prevent review meetings with providers in a more targeted way based upon evidence of non-compliance or sector-wide risk.

    b. A crisis communication plan in response to a terrorist incident associated with a provider has also been developed. The plan will be linked from the master organisational crisis communication plan.

Emerging issues and challenges

18. **Tackling poor provision.** We continue to work closely with DfE and the Student Loans Company (SLC) to tackle pockets of poor-quality provision in line with each organisation's role and remit. Our focus remains on our work relating to misuse of public funding and poor-quality provision.

    a. We have reviewed the work we are doing in this area, and are committed to taking strong action to tackle poor provision. Our main work areas are:

        - [Exempt from publication].

        - Where evidence of serious concern is identified, we will consider options for regulatory action while continuing to work closely with DfE and SLC to ensure regulatory activity is informed by the latest intelligence and emerging risks.

    b. Exempt from publication.

    c. Exempt from publication.

19. Exempt from publication.

20. Exempt from publication.