

Political Affairs Digest

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

If you would like more information on parliamentary business, or advice on engaging with Parliament or a parliamentarian, please contact the team:

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

Contents

Parliamentary business	2
Student loans and taxation of graduates - Treasury Committee Oral evidence session	2
Welfare reforms and youth – HoL oral question	3
Home Office - Oral questions	4
Forthcoming business	6
Value for money of automatic enrolment in the Teachers’ Pension Scheme – HoL Oral Question	6
Impact of the University of the Air White Paper on lifelong learning opportunities – Westminster Hall debate	6
The work of the Department for Education – Education Committee oral evidence session	6
Written questions and statements	7
Ministry of Housing, Communities and Local Government: Shorthold Tenancies: Students	7
Home Office: Visas: Overseas Students	7
Treasury: Erasmus+ Programme	8
Department for Education: Students: Fraud	9
Sector news	11
Business and Trade Committee calls for overhaul of UK investment system	11
Universities UK sets goal to secure £100bn doubling of external investment into UK innovation by 2035	11
Government AI Hardware Plan	14
Policy Exchange: Tarnished Towers	15
24 universities and colleges awarded investment to boost student places and strengthen UK defence industry	16
2026 Student Academic Experience Survey	18

Parliamentary business

Student loans and taxation of graduates - Treasury Committee Oral evidence session

On Wednesday 10 June, the Treasury Committee held an oral evidence session on student loans and the taxation of graduates.

Witnesses included:

- Lucy Rigby KC MP, Chief Secretary to the Treasury at HM Treasury
- Rt Hon. Baroness Smith of Malvern, Minister of State (Minister for Skills) at Department for Education

The session covered the balance of public and student contributions to higher education funding, the sustainability of the student loan system, university finances, maintenance support, and whether borrowers properly understand the terms of their loans.

Catherine West MP directly referenced evidence given to the Committee by UUK the previous week, including the point that the balance of higher education funding has shifted significantly over time, with the government contribution falling while the student contribution has increased.

Ministers defended the current system as already containing a significant public subsidy. Baroness Smith said around 30% of annual student loan outlay is forecast not to be repaid and that, once grants and Strategic Priorities Grant funding are included, the Government's overall contribution to higher education is around 35% to 40%. She said she had some sympathy with calls for higher public investment in HE, but argued this had to be weighed against wider Treasury and DfE priorities, including early years, SEND, and 16 to 18 education. Lucy Rigby described the UK as having an "incredible university sector", which is also a major contributor to economic growth.

Financial sustainability was raised directly. Peter Swallow MP, guesting from the Education Committee, referenced the latest British Social Attitudes survey, which found that the proportion of people who believe a university degree is not value for money has risen from 14% in 2005 to 34% in 2025. He said MPs had heard from young people in their constituencies who were choosing not to go to university partly because of anxiety about student loan repayments, and asked whether this posed a risk to the financial sustainability of the sector.

Baroness Smith acknowledged that universities are under considerable financial pressure, but argued this was primarily linked to previous decisions to freeze tuition fees, which reduced the real-terms value of university income, rather than the structure of the loan system itself. She linked the Government's approach to the Prime Minister's target for two-thirds of young people to undertake level 4 or above qualifications by the age of 25, including degrees, apprenticeships and higher technical qualifications.

The session also focused on whether students properly understand the terms of their loans, particularly the fact that future governments can change repayment terms. Baroness Smith said current Student Loans Company guidance is clearer than previous materials and states that regulations may change, meaning loan terms may also change. However, she accepted that many borrowers feel they did not understand this when they took out their loans and said she was open to recommendations on improving communication.

Baroness Smith confirmed that maintenance grants will be reintroduced from academic year 2028/29. The grants will be worth £1,000 in years one and two, and £750 in year three, for students with family incomes below £25,000

On tuition fees, Baroness Smith said the Government had increased fees by inflation and intended to legislate for fee indexation over time. The Committee questioned how durable this commitment would be, given previous changes to student loan repayment thresholds despite legislation. Smith said future governments would have to answer for any decision not to follow indexation. She also said fee indexation would be linked to quality, meaning universities' ability to increase tuition fees in line with inflation would depend on the quality of provision.

Baroness Smith also highlighted concerns about franchise provision and said providers with 300 or more students would be expected to register with the Office for Students.

Dame Meg Hillier MP confirmed that the Committee aims to publish a report on student loans and student finance before the summer recess.

You [can watch the session](#).

Welfare reforms and youth – HoL oral question

On Thursday 11 June, there was a House of Lords oral question on the "Welfare reforms and youth unemployment", tabled as an oral question Lord Evans of Rainow (Conservative).

During the debate, Lord Willetts (Conservative) argued that higher education should be seen as part of the answer to youth unemployment, not part of the problem. He said higher education provides a significant amount of vocational and technical education, and noted that almost 80% of graduates in work say they are directly using what they learned in higher education. He also said graduate employment rates are significantly higher than non-graduate employment rates, at 88% compared with 68%, and that graduates are far less likely to be NEET.

Lord Baker (Conservative) focused on university technical colleges, arguing that they equip 14 to 18 year-olds with employability skills and provide a stronger route into apprenticeships, university and local employment. He said 50% of UTC students go on to university to study STEM subjects or the humanities, while others move into apprenticeships or local jobs. He called for wider expansion of technical education in schools.

Lord Mohammed of Tinsley noted that, as university and sixth-form terms come to an end, many young people will be looking for work experience. He encouraged peers to offer work experience opportunities and said qualifications, including degrees, need to be complemented by broader experience that helps young people stand out to employers.

In her closing remarks, Baroness Smith said too many young people are leaving education without the opportunity to work, and that the challenge cuts across employment, health, education and welfare. She highlighted the Government's youth guarantee, growth and skills levy, youth jobs grant, support for SMEs taking on apprentices under 25, and new foundation apprenticeships.

You can watch the debate and read the full transcript.

Home Office - Oral questions

On Monday 8 June, at 2.30pm, the Secretary of State for the Home Department, Rt Hon Shabana Mahmood MP, and her ministerial colleagues answered oral questions in the House of Commons.

Dr Rupa Huq MP (Labour) raised concerns about the impact of immigration policy on universities and international talent. She said the UK should be proud that four of the world's top ten universities are based here, including Imperial College London's White City campus in her constituency, and described universities as "genuine engines of growth".

She argued that the withdrawal of the post-study work visa, alongside rumours about changes to indefinite leave to remain, risked driving talented graduates and researchers to competitor countries. She asked whether the Home Secretary would

meet her, education ministers and her two vice-chancellors to discuss a solution, saying the Government should not “scare off genuine innovators and wealth creators”.

In response, Shabana Mahmood said the Government had increased routes at the top end of the skills system, including the Global Talent visa, to ensure the UK continues to attract talent from around the world. She said there was work to do with the university sector to ensure students recruited to the UK are on good courses and making a contribution.

The Home Secretary also said the Government’s changes to indefinite leave to remain were “not about students”, arguing that students do not come to the UK in order to obtain ILR, but that the changes were aimed at other parts of the migration system. She agreed that Dr Huq would receive a meeting with the Migration Minister, Mike Tapp MP.

You [can watch the session](#) and [read the transcript](#).

Forthcoming business

Value for money of automatic enrolment in the Teachers' Pension Scheme – HoL Oral Question

On Monday 15 June, there will be a House of Lords oral question on the value for money of automatic enrolment in the Teachers' Pension Scheme for higher education providers, academics, students and taxpayers, tabled by Baroness Warwick of Undercliffe (Labour).

Impact of the University of the Air White Paper on lifelong learning opportunities – Westminster Hall debate

On Tuesday 16 June, there will be a Westminster Hall debate on the impact of the University of the Air White Paper on lifelong learning opportunities.

The work of the Department for Education – Education Committee oral evidence session

On Wednesday 17 June, the Education Committee will hold an oral evidence session on the work of the Department for Education.

The Committee will hear evidence from the Secretary of State for Education, Rt Hon Bridget Phillipson MP.

Written questions and statements

Ministry of Housing, Communities and Local Government: Shorthold Tenancies: Students

Gregory Stafford MP (Farnham and Bordon) (Con): To ask the Secretary of State for Housing, Communities and Local Government, what assessment his Department has made of the potential impact of the abolition of Assured Shorthold Tenancies on university students in cases where previous fixed-term tenancies were due to end within two months of the date of abolition. (5281) (Ministry of Housing, Communities and Local Government)

Matthew Pennycook MP (Greenwich and Woolwich) (Lab): From 1 May 2026, the new tenancy system provided for by the Renters' Rights Act applies to all private tenancies.

As such, all tenancies are now periodic and it will no longer be possible to agree a fixed rental term or create a tenancy with an end date or break clause, and any existing terms of these types no longer apply.

Students renting private accommodation, like other tenants, will be able to stay in their home until they decide to end the tenancy by giving two months' notice.

Landlords will be able to end the tenancy using a possession ground if they have a valid reason.

The Act introduces new mandatory ground 4A which will allow landlords renting HMOs to full-time students who occupy on either joint or individual tenancy agreements to seek possession ahead of each new academic year, facilitating the ongoing yearly cycle of short-term student tenancies.

My Department introduced transitional arrangements for landlords seeking to end student tenancies at the end of the 2025/26 academic year. To do so landlords must serve a possession notice between 1 May and 30 July 2026 and provide at least 2 months' notice.

[Source](#)

Home Office: Visas: Overseas Students

Katrina Murray MP (Cumbernauld and Kirkintilloch) (Lab): To ask the Secretary of State for the Home Department, what mechanisms exist for universities to challenge

or seek clarification where refusal of student visas appear to result from a misunderstanding of course structure or progression pathways. (4052) (Home Office)

Mike Tapp MP (Dover and Deal) (Lab): My response to your previous question of PQ 3544 confirmed that changes to the Basic Compliance Assessment (BCA) policy were first announced on 23 May 2024.

Since then, I have continued to engage regularly with the education sector on the BCA policy and what will be expected of them. That has provided the sector with over two years to prepare for the changes.

It has been a long-standing principle that education institutions wanting to recruit international students must demonstrate a strong record of immigration compliance, and education providers responsible for offering places to these students must treat their roles as recruiting sponsors with the diligence and seriousness that those roles demand.

Student visa applications are considered on their individual merits, in line with the Immigration Rules and published guidance. Caseworkers must be satisfied that an applicant meets the requirements of the Student route, including the genuine student requirement and, where applicable, academic progression requirements set out in Appendix Student.

All immigration routes are kept under regular review, including trends in student visa refusals to ensure the integrity of the immigration system is maintained. Refusal rates are monitored at an aggregated level as part of wider operational and compliance activity.

UKVI provides structured training to caseworkers, supported by a quality assurance framework and operational oversight processes to ensure decisions are made consistently and in line with the Immigration Rules and guidance. The Administrative Review process provides a mechanism for applicants to challenge a refusal.

UKVI also maintains ongoing engagement with the education sector, including through dedicated support routes to assist sponsors in understanding decision making, raising queries, and seeking clarification on how the rules and guidance are applied.

Treasury: Erasmus+ Programme

Mike Wood MP (Kingswinford and South Staffordshire) (Con): To ask the Chancellor of the Exchequer, if she will place in the Library a copy of the (a) agreement, (b) amendment to Protocol I, (c) guidance, (d) memorandum of understanding and (e) legal instruments between the EU and the UK relating to the UK's affiliation to the Erasmus+ programme. (4130) (Treasury)

Rachel Blake MP (Cities of London and Westminster) (Lab): The legal text of the agreement, Decision No 1/2026 of the Specialised Committee on Participation in Union Programmes under the Trade and Cooperation Agreement, amending Protocol I of the Trade and Cooperation Agreement, was published here on 15 April 2026: <https://www.gov.uk/government/publications/decision-no-12026-of-the-specialised-committee-on-participation-in-union-programmes-under-the-trade-and-cooperation-agreement-amending-protocol-i-of-t>

In accordance with Parliamentary scrutiny requirements for Specialised Committee Decisions, on 15 April 2026 an Explanatory Memorandum was provided to Parliament and published

here: [https://assets.publishing.service.gov.uk/media/69df561c8e256133a842257a/EXPLANATORY MEMORANDUM EU PROGRAMMES TCA DECISION.pdf](https://assets.publishing.service.gov.uk/media/69df561c8e256133a842257a/EXPLANATORY_MEMORANDUM_EU_PROGRAMMES_TCA_DECISION.pdf)

Further guidance on the Erasmus+ programme, including how to apply for funding, was published by the Department for Education on 16 April 2026

here: <https://www.gov.uk/government/publications/the-erasmus-programme>

Source

Department for Education: Students: Fraud

Jack Rankin MP (Windsor) (Con): To ask the Secretary of State for Education, what steps she has taken to identify the proportion of the student loan book used for fraudulent activity by students, franchised and non-franchised HE providers and intermediaries. (3997) (Department for Education)

Josh MacAlister MP (Whitehaven and Workington) (Lab): The government is resolute in its commitment to protecting public money, including all types of student funding. We are working closely with the Student Loans Company (SLC) and other bodies across government to tackle fraudulent behaviour as swiftly as possible and improve controls.

Eligibility for student finance, including Childcare Grant (CCG), is set out within the Education (Student Support) Regulations 2011, which detail a number of provisions which a student must meet to receive funding. These include being registered on a designated course of study, together with requirements relating to immigration status and residency requirements. The intention is to ensure that resources are focused on students who are most likely to contribute positively to the UK economy. My right hon. Friend, the Secretary of State for Education regularly receives information from the SLC, and other organisations, on suspected and actual fraud cases. This information is used to inform departmental policy and engagement with the higher education sector. The analysis received includes assessment of CCG. Abuse of student funding is not tolerated. Investigations into suspected student loan fraud, including CCG fraud, are routinely carried out by the SLC. These investigations utilise a range of prevention and detection methods but do not target based on

nationality or ethnicity. However, from the SLC's analysis of recent investigations, as well as intelligence from external partners, we have become aware that some nationalities are disproportionately involved in some cases of exploitation of the student finance system. This relates to both student loans and CCG.

The SLC will always act to stop funding for a childcare provider where fraud or exploitation of public money is identified. The SLC CCG is linked to the Ofsted registration and can only be used for childcare that meet Ofsted's registration requirements. The department works across government to share intelligence and develop policy, processes and systems that minimise fraud exposure. We are also working with the Public Sector Fraud Authority (PSFA) to help better understand and respond to emerging threats.

The government is aware that cases of confirmed student funding fraud occur disproportionately among students in franchised provision. The National Audit Office reported that, in 2022/23, 53% of the £4.1 million fraud detected by the SLC by value was at franchised providers, although students at franchised providers made up only 6.5% of the total number of SLC-funded students. The National Audit Office report is available at: : <https://www.nao.org.uk/wp-content/uploads/2024/01/investigation-into-student-finance-for-study-at-franchised-higher-education-providers.pdf>.

We are increasing regulatory oversight of this provision, and any franchised provider with 300 or more students will now be subject to direct regulation by the Office for Students as a condition for access to student finance. This requirement will be brought in for the 2028/29 academic year, with the first decisions on designation being made in September 2027. We have published information on GOV.UK to support providers in understanding what they need to do to implement this requirement.

Grouped Questions: 3994, 3995, 3996

Source

Sector news

Business and Trade Committee calls for overhaul of UK investment system

The Business and Trade Committee has called for a radical overhaul of Britain's investment system, warning that the Government will not achieve its ambition of delivering the highest growth in the G7 without major reform.

The Committee argues that the UK has a strong research and innovation base, including world-class universities which have generated around 1,300 spinout companies over the last 12 years, but continues to struggle to turn this strength into scaled, UK-based businesses. It says the UK needs to mobilise an additional £180–200bn of investment each year to match the strongest G7 economies, and highlights barriers including limited access to scale-up finance, underused pension capital, weak regional banking provision, and the tendency for promising UK firms to be sold too early or move overseas.

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

Universities UK sets goal to secure £100bn doubling of external investment into UK innovation by 2035

On 9 June, Universities UK set out an ambition to help double the level of external investment flowing into UK university innovation by 2035. The major intervention will create jobs, support the government's investment-led growth agenda and boost economies and communities in every region.

The ambition - to reach £10 billion of external investment each year up from £5bn today - will be announced by Universities UK at the UK Global R&D and Science Investment Summit in London. It would mean over £100bn of external investment flowing into university spinouts, startups and social enterprises over a decade.

This is an area with high growth potential. In the 2024–25 academic year, there were 2,218 active spin-outs which are estimated to employ 48,734 people and had an estimated turnover of over £11.16 billion. Since 2014–15, over 48,000 student and staff start-up companies have emerged with the support of universities.

However, the announcement comes amid growing concerns about slowing investment and that, while the UK produces world-leading research and breakthrough technologies, it is too often failing to scale innovative businesses in every corner of the country.

The annual Spotlight on Spinouts report, published last week, found that while the UK has five of Europe's top 10 universities for spinout value creation, 2025 saw the lowest level of venture capital funding secured since 2020. This came amid global economic challenges and bottle necks in funding for early stages of innovation. This has raised concerns that the UK risks losing ground to international competitors unless it creates a stronger environment for scaling innovation-led businesses.

The commitment is a response from universities to the Chancellor's calls in her Mais Lecture to double down on investment, drive growth and create jobs across the UK. It will see universities use their reach locally, regionally and globally to convene investors, founders, business leaders, regional leaders including mayors, and government to create partnerships to double new inward investment into innovation in the next decade. It will tap into the enormous growth potential of university innovation investment, spreading the prosperity benefit across the UK.

Universities will play their part in ensuring regional economies across the UK feel the long-term benefits of this investment by working with stakeholders to ensure innovative companies - in a range of sectors including in the IS-8 growth-driving industries - can access global capital, scale their business and ultimately stay in the UK.

With the support of the Chancellor's economic reforms and the new UK Research and Innovation (UKRI) mission to advance knowledge, improve lives and drive growth, these partnerships will help drive the real world, on-the-ground economic improvements that will help deliver the UK Government's Modern Industrial Strategy.

Universities UK says this ambition can be achieved with bold measures such as:

- Working with government on developing a new UK-wide spinout and scale-up fund that can attract support from UK institutional investors and Sovereign Wealth and Pension Funds.
- Working with Mayors and devolved nations to grow regional investment partnerships, with institutions working together to generate a pipeline of high-quality university-linked investment opportunities across the UK. Universities can leverage global connections to industry and alumni, supporting mayors and devolved nations to attract investment, drive growth and attract jobs into local economies.

- Working with UKRI to implement the Hickson review and the Independent Review of University Spin-out Companies, co-chaired by Professor Irene Tracey and Doctor Andrew Williamson, to strengthen the investor-readiness of university spinouts.

The announcement supports the Government's wider focus on investment-led growth, as well as broader efforts across the research and innovation system to attract significantly greater levels of private capital alongside public R&D investment.

Chancellor of the Exchequer Rachel Reeves said:

"We are a global leader when it comes to research and development – with some of the best universities in the world helping shape the future.

"I've been clear about my plan to double down on investment, drive growth and back the industries of tomorrow. This shows that in action – unlocking billions in private investment, turning our world-class research into businesses that grow, scale and stay in the UK."

Vivienne Stern MBE, Chief Executive of Universities UK, will tell the Summit:

"Our universities are a real reason to be optimistic about the future of the UK. They consistently produce world-leading research, ideas and foster entrepreneurial talent. But few people know just how many new companies spin out or start up in our universities. We want those companies that are born here to be able to scale here and stay here, creating jobs and wealth in all parts of the UK.

"The countries that succeed over the next decade will be those that are best able to turn innovation into investment, productivity and globally competitive businesses.

"Universities have a critical role to play in that mission, and we need long-term targets and a plan to achieve them. That's why we are creating a Future Innovators action plan to establish the UK as the most attractive place in the world to invest in and scale university startups and spinouts.

"Today the sector is committing to work with investors, founders and government to make the UK the best place in the world to start an innovative company, and to help double private investment into UK university innovation by 2035.

"This is about helping build the industries, technologies and companies that will drive long-term economic growth across the country."

Professor Irene Tracey, CBE, FRS, FMedSci, Vice-Chancellor of the University of Oxford said:

"There is enormous untapped potential to commercialise more of the world-leading research that takes place within our universities. We are determined to play our part. So, with improved access to investment, as the Chancellor is delivering and through this ambitious commitment, alongside removal of the barriers that stifle growth, we can and will translate this research excellence into economic growth that benefits everyone in the UK.

"Creating more high growth companies that stay in the UK providing well paid jobs, relies on universities in every part of the country working closely with investors, the government and regional partners. If we get this right, we will make the UK an attractive place to invest and a world-leading innovation ecosystem built on our creative spirit."

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

Government AI Hardware Plan

On 8 June, the Department for Science, Innovation and Technology announced a £1.1bn AI Hardware Plan, intended to support UK chip firms, expand national computing capacity and strengthen the skills pipeline for AI and semiconductor technologies.

The package includes £750m for a new national AI supercomputer, which the Government says will join Isambard-AI, Zenith and DAWN as part of the UK's AI Research Resource. Of this, £400m will go towards next-generation AI chips, including £150m as an advance commitment to buy novel chips from start-ups and British firms. The Government said this is intended to create a market for UK-designed AI hardware and help British companies scale.

The plan is relevant to universities because it includes new investment in skills and research capacity. This includes a £12m Centre for Doctoral Training in Chip Design in UK universities, expanded undergraduate bursaries in semiconductor skills, and a further £20m through the TechFirst programme to support 500 more UK PhD students in strategically important fields such as chip design and AI hardware.

The announcement also includes a research commercialisation element. The Government will provide £120m for a new AI Hardware Innovation Programme, including at least £20m to expand the Scaling Inference Lab, delivered by ARIA and CommonAI, to help companies prove their technology, attract investment and secure partnerships. A new fund led by Playground Global and backed by up to £150m from the British Business Bank will also invest in UK-based AI hardware companies.

The Government also said it will soon launch the tender process for the £750m Next National Supercomputing Service at the University of Edinburgh, which is intended to support advanced research, industry and public services.

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

Policy Exchange: Tarnished Towers

On 8 June, Policy Exchange published *Tarnished Towers: Fixing England's Broken Higher Education System*, a report arguing that England's higher education system is in "melt-down", with financial pressures, job losses, course closures, concerns about standards, and declining public confidence in the value of a degree.

The report argues that both mass expansion and marketisation have failed, leaving universities exposed to real-terms cuts while graduates take on high levels of debt. It says the current system does not provide sufficient assurance to ministers, students or the public on quality and standards, and argues that the Office for Students is both costly and ineffective.

The most significant recommendations are highly interventionist. Policy Exchange calls for institutional student number controls to be reintroduced, with places reduced by 6% a year for five years, amounting to a 30% reduction overall. It says reductions should be targeted at institutions with high drop-out rates, weak progression to highly skilled employment or further study, low graduate earnings, or rapid growth that has put pressure on staff-student ratios, accommodation or entry standards.

The report also recommends banning franchised provision, closing the student loan book to for-profit higher education providers, ending government funding for foundation years except in medicine, and abolishing the postgraduate master's loan. On funding, it proposes freezing tuition fees for five years, renaming the Strategic Priorities Grant as the Teaching Grant, increasing teaching grant funding for high-cost subjects, and switching student loans from RPI to CPI.

On quality and regulation, the report calls for caps on the proportion of Firsts and 2:1s awarded by each institution, the abolition of the National Student Survey, a new cyclical quality inspection regime, and a standardised national exit exam for all graduates. It also recommends abolishing the current access and participation regime and replacing it with what it describes as "transparent, meritocratic and non-discriminatory" admissions requirements.

The report is also politically relevant on international students. Policy Exchange recommends a 30% cap on the proportion of undergraduate students at each

institution who may be international students, arguing that reliance on international recruitment can distort institutional priorities and lower standards.

Longer term, the report proposes a more fundamental restructuring of the sector into “global universities” and “regional universities”. Under this model, global universities would have greater autonomy and a higher fee cap, while regional universities would receive more direct teaching grant funding but face tighter controls on recruitment, provision and research participation.

Responding to a report from Policy Exchange about England's higher education system, Chief Executive of Universities UK, Vivienne Stern MBE, said:

"The authors of this report have some good ideas, but they are wrapped up in a familiar and wrong-headed analysis. It is not unusual to see a list of degree-holding commentators take a swipe at the expansion of the university system.

"A balanced analysis would note that holding a degree remains one of the best possible protections against unemployment, with just 3% of the graduate population out of work compared to 6% of the wider working age population.

"The report might also note that only 8% of graduates regret their decision to go to university, and that by the age of 31, graduate earnings are on average 37% higher than non-graduates. Or note for those of us who enjoy watching television or live music or going to a show, that we're lucky that there are students who want to enter these fields for the love of it, even if they may not earn huge salaries. They might even note that the reason for the erosion of the graduate premium has a lot to do with the increase in the national minimum wage, which has taken many lower paid workers out of poverty. Good policy making requires analysis of all the facts, not only those you like."

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

24 universities and colleges awarded investment to boost student places and strengthen UK defence industry

On 9 June, the Ministry of Defence and Department for Education announced that 24 universities and colleges in England have been awarded a share of £80m to expand student places and facilities in areas linked to the UK defence industry.

The funding is intended to create almost 2,500 new student places over five years, starting from this autumn. It will focus on courses linked to defence skills needs,

including engineering, computer science, cyber security, robotics, autonomous technology, aerospace engineering and advanced manufacturing.

The announcement includes £50m to support additional student places and a further £30m for projects such as new teaching facilities, intended to support capacity growth over the next decade. The Government said the investment will help deliver the Strategic Defence Review's recommendation to strengthen the pipeline of skilled workers needed for national security.

The announcement is relevant to universities because it positions higher education as central to the Government's defence, skills and growth agendas. It also highlights the role of universities in developing new undergraduate degrees, increasing defence-related industry placements and projects, and supporting joint working between academic institutions and defence industries.

Vivienne Stern welcomed the outcome of the competition, saying universities are central to building the skills needed for a new era of UK defence through their teaching, research and industry partnerships. She also noted that more than 100 applications were submitted, showing universities' readiness to support the defence skills pipeline, and said it remained critical that the wider Strategic Priorities Grant continues to support high-cost subjects vital to the UK's needs.

The successful institutions include:

The 24 institutions which have been awarded funding are:

- Bournemouth University Higher Education Corporation
- University of Winchester
- Lincoln College
- City College Plymouth
- The University of Birmingham
- University of Liverpool
- Birmingham City University
- University of Durham
- University of Lincoln
- University of Sheffield
- University of Southampton

- The University of Surrey
- Teesside University
- The University of Warwick
- The University of Westminster
- Yeovil College
- Aston University
- University of Exeter
- University of Newcastle upon Tyne
- University of Plymouth
- The University of Cumbria
- St Mary's University, Twickenham, London
- The University of Bath
- New Model Institute for Technology and Engineering

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

2026 Student Academic Experience Survey

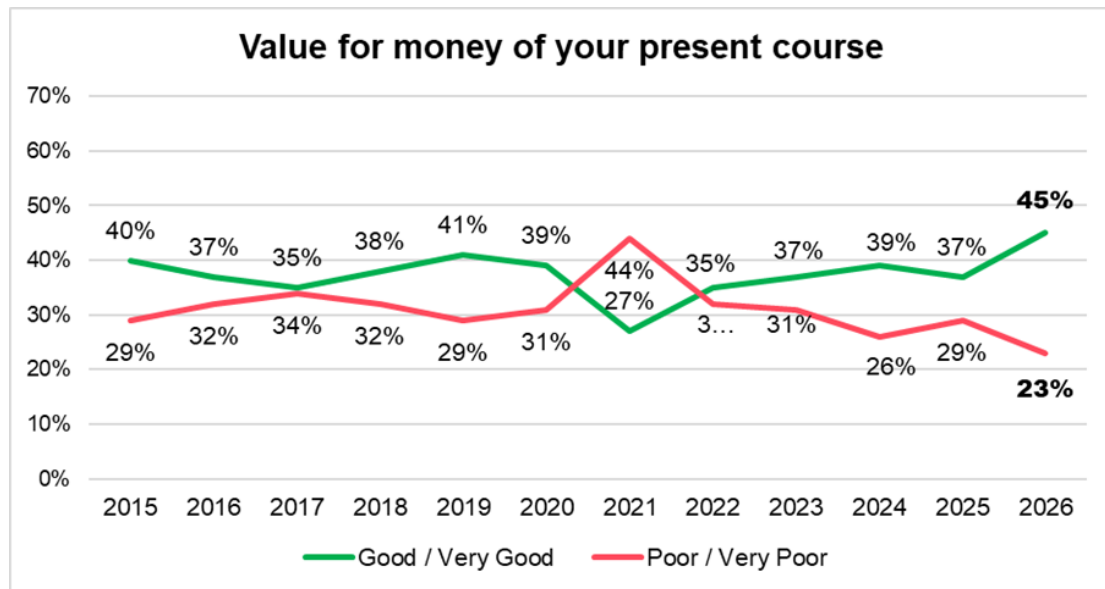
The 2026 Student Academic Experience Survey, published by Advance HE and the Higher Education Policy Institute (HEPI), finds more students reporting good value for money and feeling positive about their choice of university than at any point in over a decade, even as financial pressures continue to shape the student experience.

The 2026 Student Academic Experience Survey (SAES), now entering its third decade since its launch in 2005-06, canvassed the views of more than 10,000 full-time undergraduate students studying at higher education institutions across the UK. The findings paint an encouraging picture of a sector delivering high-quality provision for students who are increasingly well-prepared to navigate the demands and opportunities of undergraduate life.

Value for money at its highest in more than a decade

The proportion of students rating the value for money of their course as 'good' or 'very good' has risen to 45% in 2026, up from 37% in 2025, the highest figure

recorded in more than ten years. This improvement is consistent across different student groups, including students from all parts of the UK, home and international students, and students from a range of ethnic backgrounds, giving weight to the conclusion that this represents a genuine and significant positive shift.



Teaching quality remains the principal driver of positive value perceptions, alongside course content and facilities. The data also suggest that more students this year feel better equipped to manage the financial pressures of student life, a finding that, while modest, points to the impact of improved financial guidance and institutional support.

Teaching quality and assessment: strong and improving

Ratings of teaching quality have risen across almost every measure in this year's survey, with several indicators reaching their highest recorded levels. Students are particularly positive about staff who motivate them to do their best work, clearly explain course requirements, and use contact hours to guide independent study. Ratings of feedback on assessments have also improved significantly, with the proportion of students saying their experience of feedback 'has been positive' now markedly higher than it was a decade ago.

Students' contact hours are largely steady this year, at 15.5 hours a week, remaining materially higher than before COVID. However, independent study hours have fallen somewhat recently, reflecting the pressures on students' lives, and now amount to an average of 11.1 hours a week. Students say an average of nearly four (3.95) academics know their name and the progress they are making on their course: while one-third of students say five or more academics know this, nearly as many say only two or fewer do so.

More students happy with their choice – and fewer considering leaving

Two-thirds of students (66%) say they are happy with their choice of course and institution and would not change anything, a marked increase from 56% in 2025. The proportion who say they would have chosen an option entirely outside of higher education has fallen to just 7%, reversing the increase seen last year.

Separately, only 22% of students say they have considered withdrawing from their course – the lowest figure in recent years – with 76% reporting that they have not contemplated leaving at all.

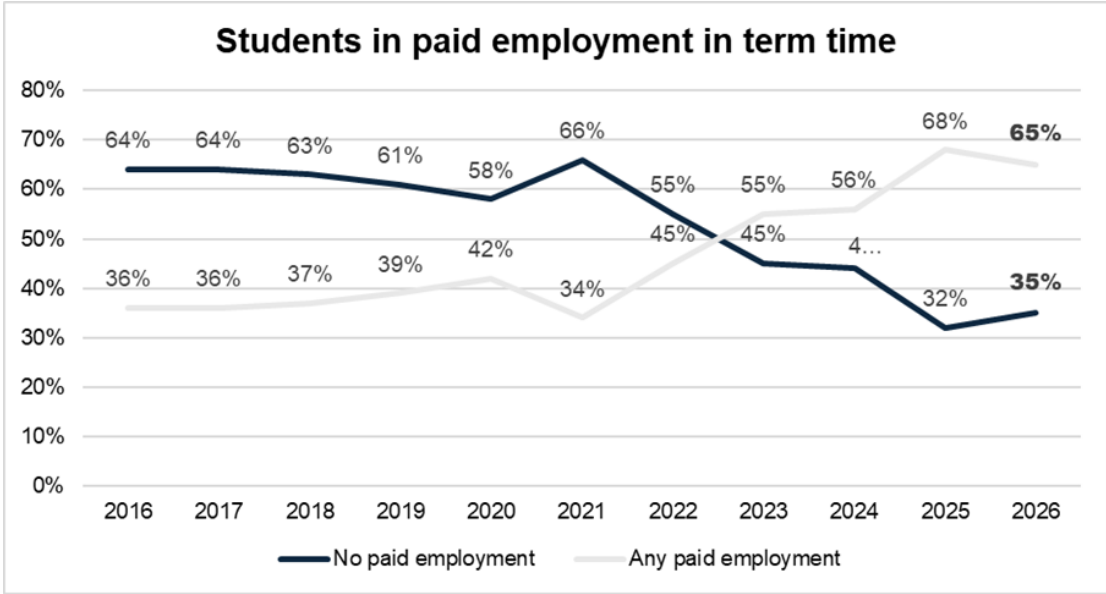
These findings are consistent across demographic groups: older students, younger students, home and international students, and students from a range of ethnic backgrounds have all reported higher levels of satisfaction with their choices in 2026.

However, the picture is more nuanced for students studying vocational qualifications. Students on Degree Apprenticeship courses are notably less likely to be satisfied with their choice, with 18% saying they would have preferred to get a job or pursue an option outside higher education entirely. Institutions delivering qualifications beyond the traditional Bachelor's degree may wish to give particular attention to how student expectations are set and supported for these groups.

Paid employment: widespread but better managed

The proportion of full-time undergraduates in paid employment during term time stands at 65% in 2026, consolidating the landmark shift first recorded in last year's survey. Paid employment is now firmly established as the norm rather than the exception for a clear majority of students, a fundamental change in the nature of undergraduate life that shows no sign of reversing.

Students in employment work an average of nearly 14 hours per week, meaning that those who combine study with paid work face total weekly commitments of 44.2 hours. This is materially higher than the national average for full-time employees as measured by the Office for National Statistics (36.6 hours).



New questions introduced in this year's survey reveal a positive picture of institutional support: more than eight in ten employed students report that their university has provided support of some kind. The most meaningful forms include offering flexibility around assessment deadlines, compressing the teaching timetable to free up days when students can work, and helping students recognise the skills they are developing through employment. Institutions are also working with local employers to maximise opportunities, and many are advertising part-time roles directly. International students, who often find it more challenging to navigate the local labour market, are significantly more likely to have sought and received this kind of support

Freedom of expression and confidence to air views

Seven in ten students (70%) say they feel comfortable expressing their views on campus even if others disagree, up six percentage points from 2025. Where students feel uncomfortable doing so, the most common reasons relate to personal confidence, a lack of confidence in public speaking (52%) or perceived weaknesses in debating skills (33%), rather than to any sense of institutional restriction. Students who attended a private school were significantly less likely (38% for those who attended private school versus 55% for those who attended a state school) to say that a lack of confidence in public speaking made them uncomfortable in expressing their viewpoint. This points to a clear area for development: fostering the skills and environments that enable all students to participate in campus discussion and debate, particularly those from disadvantaged or underrepresented backgrounds.

Harassment: a new area of focus

A new question introduced in this year's survey asked students whether they had experienced harassment related to protected characteristics in a university or college environment in the past 12 months. One in five students (22%) reported having done so, with the findings highlighting particularly elevated levels of reported harassment among Trans students, Jewish students, disabled students, and those who identify as LGB+. These are important findings that will be monitored carefully in future surveys.

Rural students: a less positive experience

New analysis in this year's survey examines the experience of students who live and study in rural areas. Students living in small towns and villages report lower wellbeing scores, a weaker sense of belonging and a greater likelihood of their experience falling short of expectations compared to their urban peers. They are also more likely to have longer commutes or to study entirely online, raising questions about access to in-person teaching and the adequacy of transport provision for students in rural communities.

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



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