

Political Affairs Digest

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14 - 18 September 2026

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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Parliamentary business

Education – Oral questions

On Monday 14 September, the Secretary of State for Education, Rt Hon Lucy Powell MP (Labour), and her ministerial colleagues answered oral questions in the House of Commons. Several exchanges focused directly on student finance, university funding, further education, apprenticeships and post-16 skills.

Tessa Munt MP (Liberal Democrat) asked what steps the Government is taking to improve the student loan system. Powell described the system as “broken and unfair” and said reform was at the “top of my in-tray”. Munt highlighted the freeze in the Plan 2 repayment threshold and asked the Government to uprate thresholds, restore maintenance grants and introduce an independent watchdog to prevent retrospective changes to loan terms. Powell said the Government was keeping the system under review and acknowledged the cost pressures facing graduates in their 20s and early 30s, particularly Plan 2 borrowers, saying she hoped to have “more to say soon”.

Luke Charters MP (Labour) raised concerns about whether borrowers properly understand the terms of student loans. Powell said that, following the Treasury Committee’s recent report, the Government had committed to clearer information for prospective students before they make decisions about university. She also highlighted the Government’s cap on maximum student loan interest rates for this academic year and plans to reintroduce maintenance grants. Responding to Saqib Bhatti MP (Conservative), Powell reiterated that she believed the system needed reform, but said any changes would have to be considered in the context of the wider public finances.

Christine Jardine MP (Liberal Democrat) and John Grady MP (Labour) asked about the number of young people not in education, employment or training. Powell described this as one of the country’s biggest challenges and said the Government wanted the UK to become a “technical education superpower”. Jardine raised concerns about attendance and disengagement among young people in further education, while Grady highlighted employers reporting that some apprentices required additional basic maths training. Powell said attendance, inclusion and engagement were central to reducing NEET numbers, alongside stronger academic foundations and technical pathways. Munira Wilson MP (Liberal Democrat) also highlighted the importance of work experience and entry-level employment, with Powell pointing to apprenticeship support including a £4,000 bursary.

Bradley Thomas MP (Conservative) asked about support for apprenticeships, highlighting falls in starts and completions compared with 2023–24 and asking how vocational pathways would be aligned with industry need. Education Minister Paul Waugh MP (Labour) said responsibility for apprenticeships now sits with the Department for Work and Pensions, but DfE would support progression through new technical and vocational pathways for 14 to 19-year-olds, including V Levels from 2027, new level 2 pathways and additional T Levels. He said V Levels were being designed around employer needs. Helen Hayes MP (Labour), Chair of the Education Committee, also repeated the Committee’s recommendation for a single access point equivalent to UCAS for apprenticeships and technical and vocational education. Waugh said Baroness Smith of Malvern (Labour) was looking at “precisely that” issue.

Wera Hobhouse MP (Liberal Democrat) asked what support was available to colleges and training providers seeking to develop international skills partnerships. Education Minister Josh MacAlister MP (Labour) highlighted the UK’s return to Erasmus+ in 2027, saying colleges and training providers would be able to access funding for partnerships across Europe and beyond. Hobhouse asked whether the Government would work with the British Council to build on its international skills partnerships programme, particularly for smaller providers. MacAlister said ensuring smaller providers can access Erasmus+ opportunities would be a focus of implementation.

University finances were also raised during topical questions. Jessica Toale MP (Labour) said changes to funding for high-cost creative subjects would cost Arts University Bournemouth more than £300,000 this financial year and asked the Government to address pressures facing specialist creative institutions. Powell agreed to meet her and highlighted the importance of creative arts universities to skills and employment.

Chris Ward MP (Labour) raised wider university financial sustainability, citing £35 million of annual cuts at the University of Sussex and the University of Brighton’s announcement that it could sell one of its campuses. Powell said she was “worried about the pressures facing higher education funding”, was examining the issue closely and was working with Cabinet colleagues to make them aware of the “precarious nature” of the situation, while reiterating that universities are autonomous institutions.

Ian Sollom MP’s (Liberal Democrat) tabled question on the adequacy of further education funding was not reached for an oral answer. In the subsequent written response, the Government highlighted an additional £120 million for FE in 2026–27, rising to £365 million in 2027–28, and said total 16–19 funding would increase from £7.6 billion in 2024–25 to more than £9 billion in 2026–27.

[Read the full Education oral questions transcript](#)

Machinery of government changes – Science and Technology Committee oral evidence session

On Tuesday 15 September, the newly renamed Science and Technology Committee held an oral evidence session examining the implications of the Government's abolition of the Department for Science, Innovation and Technology (DSIT) and the redistribution of its responsibilities across the Cabinet Office, the Department for Business, Innovation, Science and Trade (BIST) and the Department for Digital, Culture, Media and Sport. The three panels heard from Dr Simon Kaye of Re:State and Alex Thomas of the Institute for Government; Dr Alicia Greated of the Campaign for Science and Engineering and Sir Paul Nurse, President of the Royal Society; and Dr Laura Gilbert of the Tony Blair Institute and Dom Hallas of Startup Coalition.

The first panel considered the practical and institutional consequences of reorganising Whitehall. Alex Thomas said the Institute for Government regarded the abolition of DSIT as a mistake, arguing that the department had developed a coherent role bringing science, innovation and technology together and warning that splitting responsibility for science and AI across Whitehall could make coherent decision-making more difficult. Dr Simon Kaye similarly highlighted the disruption and opportunity costs associated with repeated machinery-of-government changes, while arguing that the priority now should be to make the new structure work rather than undertake another reorganisation.

The second panel focused more closely on research and higher education. Sir Paul Nurse argued that placing science within a department principally focused on business risked narrowing science policy towards immediate commercial applications, when science also underpins health, defence, transport, energy and other areas of government. Dr Alicia Greated highlighted potential advantages from closer links between research, business, trade and health, but raised the absence of an equivalent formal connection with the Department for Education, given its responsibility for universities and higher education. She also stressed the importance of stability in research funding and policy and warned against basic and discovery research becoming deprioritised in favour of shorter-term objectives.

The session also examined the effect of the changes on UKRI, research infrastructure, AI policy, digital government and the Government's ability to coordinate policy across departmental boundaries. Witnesses discussed the need to maintain long-term capability alongside the Government's focus on growth and commercialisation, and raised concerns about the effects of repeated reorganisations on civil service expertise, institutional knowledge and delivery.

Following the session, Committee Chair Dame Chi Onwurah MP (Labour) wrote jointly to the Cabinet Office, BIST and DCMS saying the Committee had heard “serious concerns” about the changes. Nearly two months after the reorganisation was announced, she highlighted continuing uncertainty over budgets, ministerial responsibilities and delivery, and called for clarity on where accountability lies and how disagreements between departments will be resolved.

The Committee has asked the Government to provide a detailed breakdown of how the former DSIT budget will be distributed across departments and explain how the changes will affect the £86 billion R&D settlement agreed at the 2025 Spending Review. It also identified risks around stakeholder communication, staff affected by the reorganisation, ministerial and civil service focus within larger departments, and fragmented policymaking. However, the Committee said the changes could also create opportunities to streamline the pipeline from scientific research and discovery through to business and economic growth. Ministers are due to appear before the Committee on 21 October, with a written response requested by 9 October.

You can watch the [Committee session](#).

Government response to *Student Loans: Broken and unfair?* – Treasury Committee statement

On Tuesday 15 September, Dame Meg Hillier MP (Labour/Co-op), Chair of the Treasury Committee, made a Select Committee statement on the Government’s response to its report *Student Loans: Broken and unfair?*. The inquiry had heard evidence from Universities UK Chief Executive Vivienne Stern alongside students, graduate representatives, the Institute for Fiscal Studies and Sir Philip Augar, and received more than 52,000 responses to its public survey – the second largest response to a House of Commons Select Committee inquiry.

Hillier reiterated the Committee’s finding that historic Department for Education material had presented borrowers with an expectation that repayment thresholds would rise in line with inflation or earnings, while successive governments had subsequently changed repayment terms. The Committee had characterised this as “mis-selling” and recommended stronger consumer protections, clearer information for borrowers and a long-term move back towards a 50:50 balance between individual and state contributions to higher education.

The Government rejected the proposed 50:50 funding split, saying its overall contribution to higher education was already around 35% to 40% and that increasing this would carry a substantial fiscal cost. It also declined to adopt the Committee’s recommendation to apply the FCA Consumer Duty to student loan communications

and did not agree to replace RPI with CPI immediately for calculating interest, noting that changes to the RPI methodology are due from 2030.

However, Hillier welcomed the Government's commitment to substantially improve the information given to prospective borrowers. DfE and the Student Loans Company will redesign the pre-application process to make clear that student finance is governed by legislation and that repayment terms can subsequently be amended by Government and Parliament. The Government has also agreed to make this explicit in the "speedbumps" borrowers see during the application process, with changes planned from spring 2027.

A major focus of the statement was the planned freeze in the Plan 2 repayment threshold from April 2027. The Committee had called for the policy to be reversed; the Government did not accept the recommendation but said it would keep "all aspects of the student finance system under review". Hillier urged the Chancellor to reconsider the freeze at the October Budget, arguing that repeated changes to repayment terms had damaged borrowers' trust in the system.

During questions following the statement, Vikki Slade MP (Liberal Democrat) raised the accumulation of interest while students are still studying, while Catherine West MP (Labour) asked for publication of the Government's equality impact assessment of changes to Plan 2 repayments. Helen Hayes MP (Labour), Chair of the Education Committee, linked student finance reform to the financial sustainability of universities, asking whether concerns about the affordability of higher education could discourage participation and compound financial pressures on institutions. Hillier said the two issues needed to be considered together and repeated the Committee's call for a wider national discussion about how the costs of higher education should be shared.

You can [read the full Select Committee statement](#).

Student Finance (Review) – Ten Minute Rule Motion

Also on Tuesday 15 September, Tom Gordon MP (Liberal Democrat) introduced the **Student Finance (Review) Bill** under the Ten Minute Rule. The Bill would require the Secretary of State to review student finance in England, including loan repayment arrangements and thresholds, the terms and conditions applying when loans were originally issued, and the relationship between repayment thresholds and average earnings.

Gordon, who declared that he holds both a Plan 2 and postgraduate student loan, drew heavily on the Treasury Committee's findings. He argued that graduates from

lower-income backgrounds were particularly affected because they generally needed to borrow more, and criticised successive governments for changing repayment terms after loans had been taken out. He also raised the accumulation of interest during periods when borrowers are not making repayments, including maternity leave and periods of ill health, and argued that student loan repayments could influence decisions around employment, housing and family formation.

Gordon called for a review to consider restoring the link between repayment thresholds and average earnings and providing greater protection against retrospective changes to loan terms. He framed the Bill as an attempt to establish a cross-party approach, acknowledging that governments led by different parties had made changes to student finance over time.

The motion was agreed without division. The Bill was presented with cross-party support from Vikki Slade MP (Liberal Democrat), Liz Jarvis MP (Liberal Democrat), Ann Davies MP, Dr Danny Chambers MP (Liberal Democrat), Siân Berry MP (Green), Cat Eccles MP (Labour), Cat Smith MP (Labour), Christine Jardine MP (Liberal Democrat), Layla Moran MP (Liberal Democrat), Ruth Cadbury MP (Labour) and Alex Sobel MP (Labour). It received its First Reading, with Second Reading scheduled for **Friday 15 January 2027**.

You can read [the full Ten Minute Rule debate](#) transcript.

Written questions and statements

Home Office: Erasmus+ Programme

Mr Andrew Snowden MP (Fylde) (Con): To ask the Secretary of State for the Home Department, how many Erasmus+ participants she expects to enter the UK under the new immigration arrangements in each of the next five years. (27047) (Home Office)

Jo White MP (Bassetlaw) (Lab): The Erasmus+ programme is a reciprocal study and work exchange programme allowing participants to undertake placements in associated countries for a temporary period of up to 12 months. Participants coming to the UK will use existing immigration routes, including the Visitor, Student and Government Authorised Exchange routes.

Based on historic patterns, the Department for Education expect there to be more inbound than outbound Erasmus+ mobilities, given the UK is a popular destination for work and study.

[Source](#)

Home Office: Asylum: Overseas Students

Neil O'Brien MP (Harborough, Oadby and Wigston) (Con): To ask the Secretary of State for the Home Department, how many people who claimed asylum in the UK in each of the last five years had previously held a Student visa, by sponsoring institution. (28021) (Home Office)

Rt Hon Anna Turley MP (Redcar) (Lab): The Home Office publishes data on asylum in the '[Immigration System Statistics Quarterly Release](#)'.

Data on the number of people claiming asylum by route prior to claim is published in table Asy_D01a of the '[Asylum claims and initial decisions datasets](#)'. The data relates to a person's most recent leave prior to claiming asylum. In instances where someone entered on a study visa and subsequently moved onto another type of visa before claiming asylum, their most recent leave is recorded in the data. The data covers the period from 2018 to the year ending June 2026.

A breakdown of asylum claimants who previously held a study visa by sponsoring institution is not currently published.

[Source](#)

Department for Education: Graduates: Vacancies

James McMurdock MP (South Basildon and East Thurrock) (Ind): To ask the Secretary of State for Education, what assessment she has made of the potential implications for her policies of the finding from the Adzuna UK Job Market Report, published on 31 July 2026, that there has been a 45.6% year-on-year reduction in graduate vacancies. (27758) (Department for Education)

Georgia Gould MP (Queen's Park and Maida Vale) (Lab): The Adzuna report provides one indicator of conditions in the market for advertised graduate roles. The department considers that evidence from a range of sources should be used to establish the full picture of graduate outcomes and the wider labour market. Updated research from the Institute of Fiscal Studies and the 2026 Longitudinal Education Outcomes data shows that higher education continues to offer good value for money for most students, with graduates expected to be on average around £100,000 better off over their lifetime than someone who does not go to university. It also shows that rates of individuals in sustained employment, further study, or both remain consistently higher amongst graduates than amongst those with no higher level qualification, across all combinations of subject area, gender and prior GCSE attainment.

Source

Department for Business, Innovation, Science and Trade : Research: Finance

Baroness Ritchie of Downpatrick (Lab): To ask His Majesty's Government, further to the Written Answer by Lord Vallance of Balham on 16 December 2025 (HL12581), whether they have an updated timeline for the publication of Research England's Strategic Institutional Research Funding review. (HL3027) (Department for Business, Innovation, Science and Trade)

Lord Leong (Lab): Strategic Institutional Research Funding (SIRF) Review remains ongoing. As outlined in the UKRI Strategy, the review is assessing the effectiveness of Research England's block grant funding and allocation mechanisms. Any resulting changes to SIRF allocations will be implemented by the end of the Spending Review period.

Rather than a final publication, outputs will be published as they are finalised. Research England plans to publish the Transparency Programme pilot findings, the SIRF Impact Evaluation and the Condition of the Research Estate reports by

December 2026 and will continue to work with stakeholders on future elements including a SIRF evaluation report.

Source

Department for Education: Students: Housing

Lord Jamieson (Con): To ask His Majesty's Government when they anticipate the Higher Education Statistics Agency data on student accommodation for 2025—26 will be published. (HL2870) (Department for Education)

Baroness Smith of Malvern: The Higher Education Statistics Agency (HESA), part of Jisc, is responsible for collecting and publishing data on the UK higher education sector. The information is shared with the department and includes data on student accommodation through the HESA student record.

The publication date for the 2025/26 HESA student record has not yet been confirmed. However, based on previous publication cycles, it is expected to be published around January 2027.

Source

Sector news

Government agrees to change how student loans are presented to prospective students

On 13 September, the Treasury Committee published the Government's response to its report *Student Loans: Broken and unfair?*. The Government has agreed to change how information about student loans is presented to prospective students, following the Committee's conclusion that previous Department for Education and Student Loans Company communications had amounted to "mis-selling".

The Government has committed to redesigning pre-application guidance so that it is clearer that student finance is governed by legislation and that repayment terms can therefore be changed by future governments. As part of the Student Loans Company's *Enable* transformation programme, the pre-application process will be reviewed with students, with changes planned from spring 2027. The application form and associated guidance will also be updated for the 2027–28 academic year to provide greater clarity about the respective responsibilities of DfE and the SLC.

The Government also accepted that borrowers need better information about how much they may ultimately repay. Rather than providing individual lifetime repayment forecasts, which it argued would depend on too many uncertain assumptions, it will explore showing prospective borrowers how factors including salary progression, retraining, part-time work and career breaks can affect repayment trajectories.

However, the Government did not accept several of the Committee's wider recommendations. It rejected moving towards a 50:50 split in the cost of higher education between individuals and the state and did not agree to apply the Financial Conduct Authority's Consumer Duty directly to student loan communications. It also stopped short of committing to replace RPI with CPI for calculating student loan interest. On the Committee's call to reverse the freeze in the Plan 2 repayment threshold, the Government said all aspects of the student finance system remained under review rather than ruling out a change.

You can read the [Treasury Committee announcement](#) and the [Government's full response](#).

Science diplomacy: Sovereignty, strategy and the global race – Government response

On 15 September, the Government published its response to the Science and Technology Committee's report on science diplomacy, setting out its approach to international research partnerships, research talent, technology sovereignty and research security. The Government said international science and technology engagement would be aligned with economic growth, security, inward investment, talent and access to critical capabilities, while continuing to support collaboration with the EU, US and other international partners.

On international research talent, the Government described globally mobile researchers as a "strategic asset" for UK growth and said attracting international expertise should complement rather than replace investment in domestic capability. It highlighted the Global Talent Fund, which can cover relocation and immigration costs for supported researchers, their teams and dependants, and said more than £5 billion is expected to be spent on research talent programmes over the Spending Review period. UKRI is investing £806 million in Collective Talent funding in 2026–27, including doctoral training and fellowship schemes, while the proportion of international students supported through UKRI training grants is normally capped at 30%.

The response also contains new commitments on **research security**. The Government said its first Research Security Strategy will be launched later in 2026, providing a single cross-government approach to research security and strengthening guidance and information-sharing with universities and research organisations. It will also establish a new **Research Security Fund** to help UK research institutions manage security risks and invest in protective measures. The Research Collaboration Advice Team has undertaken more than 3,800 engagements with over 155 research institutions since March 2022.

On research funding and international collaboration, the Government confirmed that ODA funding for the International Science Partnerships Fund will fall from around £175 million a year during the previous Spending Review period to £64 million annually from 2027–28. It said future funding will be more tightly focused on AI for science and development, climate and extreme weather, clean energy and building research capacity in partner countries. More broadly, UKRI is developing delivery plans for each of the Government's frontier technology priorities, while substantial investment is being directed towards AI, quantum, engineering biology, advanced materials, connectivity and semiconductor capabilities.

The Government also backed greater use of public procurement and specialist investment to help UK research and technology companies scale, pointing to

measures including the £500 million Sovereign AI Fund, expanded British Business Bank capacity and work towards a potential £1 billion-plus UK Scale-up Fund. It cited university-linked investment models including Northern Gritstone and Midlands Mindforge as examples of place-based approaches that can help commercialise research and support regional innovation.

You can [read the full Government response](#).

Education Committee urges Chancellor to address university financial pressures in the Budget

On 15 September, Education Committee Chair Helen Hayes MP (Labour) wrote to Chancellor John Healey MP ahead of the 2026 Budget, setting out a series of education funding priorities arising from the Committee's recent work. The letter highlights the financial position of higher education as a particular concern, pointing to redundancies, department and campus closures, institutional mergers and weaker international student recruitment following tighter immigration rules.

The Committee renewed its call for the Government to address VAT rules that can make it more difficult for universities to share back-office services. Its recent inquiry into higher education funding heard that the existing Cost Sharing Group VAT exemption was often unworkable, despite potential efficiency savings from institutions collaborating on administrative functions. The Committee therefore urged the Treasury to use the Budget to reconsider reforms that would make shared services easier and help providers achieve economies of scale.

It also repeated its recommendation that the **Strategically Important and Vulnerable Subjects** programme should be reintroduced through the Strategic Priorities Grant, arguing that targeted funding could help protect subjects that are nationally important but at risk of disappearing in parts of the country.

The letter also calls for further support for further education. The Committee said per-student FE funding remains below historic levels in real terms despite recent increases and argued that funding should keep pace with inflation and rising numbers of 16 to 18-year-olds. It again called for FE colleges to be brought within VAT refund arrangements available to schools and academies, saying the current treatment diverts resources away from frontline provision at a time when colleges are central to technical education and efforts to reduce youth economic inactivity.

You can [read the Education Committee's letter to the Chancellor](#).

Government responds to concerns over UKRI governance and STFC funding

On 9 September, Business, Innovation, Science and Trade Secretary Jonathan Reynolds MP (Labour) and Culture Secretary Lisa Nandy MP (Labour) responded jointly to the Science, Innovation and Technology Committee following questions about the implications of recent machinery-of-government changes, UKRI governance and financial pressures at the Science and Technology Facilities Council (STFC). The response confirms that BIST has taken over departmental sponsorship of UK Research and Innovation following the closure of DSIT.

The letter addresses controversy over changes made after publication to minutes of the December 2025 STFC Council meeting. The original minutes referred to a “major shift of funding from curiosity-driven research to priority areas and targeted programmes” and warned that discretionary funding would be “severely reduced”. UKRI subsequently amended the wording, saying the original version did not accurately reflect its position and that funding for curiosity-driven research was expected to rise slightly over the Spending Review period, while legacy commitments would fall and funding would shift towards priority areas. BIST said the changes were intended to improve accuracy, but acknowledged that multiple post-publication revisions were not the standard expected of UKRI. UKRI has since strengthened quality-assurance processes for drafting and approving Council minutes.

On STFC’s financial position, the Government said UKRI and its councils are subject to regular scrutiny by the National Audit Office and that work is under way to strengthen contingency planning around cost inflation. BIST said it was working with STFC to manage escalating costs and make what it described as necessary financial decisions to maximise the impact of public investment, but the response does not set out additional funding for STFC.

The letter also confirms how several former DSIT responsibilities have been redistributed following the machinery-of-government changes. Alongside UKRI sponsorship moving to BIST, responsibility for the Information Commissioner’s Office and digital infrastructure has moved to DCMS, while the Office for Life Sciences is now a joint BIST–Department of Health and Social Care unit.

You can [read the full Government response](#).

IPPR: Local Youth Opportunity Index reveals sixfold gap in job opportunities

The Institute for Public Policy Research (IPPR) has published a new **Local Youth Opportunity Index**, finding a more than sixfold difference in the availability of suitable entry-level jobs for young people across Britain. Its analysis finds there are 46 suitable vacancies for every 1,000 18 to 24-year-olds in Rotherham, compared with 288 in the Cotswolds. Nine of the ten areas with the greatest availability of suitable vacancies are in the South of England, while areas with the fewest opportunities are spread across the Midlands, Yorkshire, Scotland, Wales and the East of England.

IPPR argues that the findings challenge the idea that the high number of young people not in education, employment or training (NEET) can primarily be explained by individual skills or motivation. Young people already face an unemployment rate more than three times that of the wider workforce, while the availability of entry-level opportunities varies substantially according to where they live.

The report also highlights significant differences in apprenticeship provision between sectors. Health and social work are among the sectors offering the most apprenticeships relative to their workforce, while areas such as arts and entertainment provide considerably fewer. IPPR estimates that **around 110,000 additional apprenticeship starts each year** could be generated if sectors with lower provision closed half the gap with the best-performing sector.

Ahead of the final **Milburn Review on young people and work**, IPPR calls for a new **Youth Contract**, including a “Work Start” programme to fund jobs in areas with limited entry-level opportunities; reforms to increase the number of apprenticeships available to young people; and a universal youth employment service providing personalised support. It also proposes a single-rate youth allowance within Universal Credit, arguing that the current system does not reach around half of young people who are NEET and places a disproportionate emphasis on sanctions and conditionality for younger claimants.

Office for Students launches higher education market monitoring tool

On 16 September, the Office for Students (OfS) launched a new prototype **higher education market monitoring tool**, bringing together data on the supply of and demand for different higher education subjects across England, alongside information on research activity across the UK. The tool is intended to support strategic planning by universities and colleges, as well as local and regional decision-makers.

The tool combines data on where students apply, study, graduate and move into employment, with information on providers, subjects and regional patterns. It includes UCAS applications and acceptances, Student Loans Company data on loan take-up, HESA and Individualised Learner Record data on student numbers and outcomes, Graduate Outcomes data on regional graduate flows, and TRAC and SciVal data on research capabilities and outputs.

Users can examine patterns by subject, region, provider and, where available, student characteristics. The dashboard also includes interactive maps showing where higher education is delivered, continuation, completion and progression measures, and analysis of how students move between the regions where they grew up, studied and subsequently entered employment. Research data provide information on institutional and regional strengths across different subject areas.

The OfS says the prototype is designed to help universities, colleges and local leaders better understand regional skills and higher education provision and identify potential gaps or opportunities. It is seeking feedback from the sector and expects to publish the next iteration of the tool in the first half of 2027. The full underlying datasets are not yet available for download, although the OfS says it expects to make these available in future versions.

You can find out more [about the higher education market monitoring tool](#).

DfE: Cost of undergraduate provision and qualifications in England

On 17 September, the Department for Education published new KPMG analysis of the **full economic cost of undergraduate provision in England**, based principally on 2023–24 data from 29 universities and nine further education colleges. The study estimates that the weighted average full economic cost of delivering a full-time first degree at a university is **£12,317 per student per year**, although costs vary substantially by subject and provider type. The report does not make recommendations on funding or assess teaching quality.

Medicine, dentistry and veterinary sciences were the most expensive subject group, at an average **£19,986 per student**, followed by physical sciences at **£16,466**. Law had the lowest reported average cost at **£9,475**, followed by combined and general studies at £10,276. KPMG attributes the higher costs of practical and technical subjects to specialist staff, lower student-to-staff ratios, laboratories and other specialist facilities, and expensive equipment. Specialist providers also reported substantially higher costs, although the report cautions that the available sample for these institutions was small.

The study finds that the cost of delivering all subject areas has risen since the previous DfE study, which used 2016–17 data, but by less than overall inflation. Average subject costs increased by **11% to 31%**, compared with cumulative RPIX inflation of 41.2%. Staff costs increased by 14%, while estates costs rose by 40% and non-pay costs by 46%. KPMG says this suggests universities have constrained expenditure in response to the resources available, with some institutions restructuring or postponing investment in their estates.

Around **64% of the average cost of provision is classified as student-facing**, with course delivery the largest single component at 25%. Corporate services account for 17% and estates for 15%. Universities taking part in the study also reported increasing expenditure on hardship support, mental health, disability and other student services, alongside growing recruitment and retention costs as competition for students has increased. The report notes that reductions in international recruitment have intensified competition for domestic students, particularly for medium- and lower-tariff providers.

The report cautions that its findings should be interpreted in light of the sample and wider financial environment. The 29 participating universities represent 29% of the relevant student population, while the college sample is not considered statistically representative. It also notes that restructuring, pension changes, inflation and deferred capital expenditure mean the reported 2023–24 costs may not fully reflect the longer-term cost of maintaining provision.

[Read the full DfE-commissioned study](#)



Universities UK (UUK) is the collective voice of the UK's universities, bringing them together to pursue a common cause: thriving universities, serving society.



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