



About

- UK's only specialist HE think tank and a non-partisan charity
- A micro-organisation looking at the macro picture
- Supported by 130+ higher education institutions and firms with a major interest in the health of the HE sector – including:



About me

- HEPI Director since 2014
- Former special adviser to the Minister for Universities and Science (David Willetts)
- Board member of two universities (Manchester & Buckingham) & two schools



Unlike many think tanks, we aim to be non-partisan and specialist



Student accommodation costs across 10 cities in the UK

Cost pressures and their consequences in Purpose-Built Student Accommodation



HEPI Report 166

Show me the money – an exploration of the gender pay gap in higher education

Rose Stephenson



HEPI Report 171

An overview of US higher education

Nicholas W. Hillman



HEPI Report 175

Unblocking the Pipeline: Supporting the Retention, Progression and Promotion of Black Early-Career Academics

Dr Becca Franssen, GatenbySanderson

With support from

Josh Freeman, HEPI

Dr Opeoluwa Aiyenitaju, Dr Bola Babajide, Dr Mercy Denedo, Steven Kator Iorfa and Dr Ade Oyedijo, Society of Black Academics



HEPI Report 176

Stronger Together: Challenges of devolved regional economic development

A new and expanded role for universities and university groupings

Alistair Lomax



HEPI Report 178

Evolution of Devolution: how higher education policy has diverged across the four nations of the UK

Edited by Rose Stephenson



HEPI Report 181

The student experience of transnational education

Professor David Carter



HEPI Report 184

Advancing Translational Research

Lan Murdoch, Taylor & Francis, and Rose Stephenson, HEPI



HEPI Policy Note 57 November 2024
With support from Rose Blin, GC, Journal of Translational Research; Gail Lombardi, Executive Director, European Alliance for Social Science & Humanities; and Professor Richard Burke, University of Bath

Foreword
With a new Labour Government in place, universities have a crucial role in supporting public policy development and enactment. The Prime Minister, Neil Kinnock, particularly welcomed evidence-based policy development and evaluation. The higher education sector needs to ensure that it plays its part in providing evidence and support to policymakers. This should be seen as a core part of their civic responsibilities. There are excellent examples of researchers engaging with policymakers. Researchers must respond to the needs of public policy development by providing practical, evidence-based, and problem-solving alongside broader thinking and complex research in an timely manner to meet the pressures of public life to take decisions. Within mission-driven government focused on growth opportunities and the green economy, research designed to solve societal problems will help demonstrate the value of higher education institutions and make their civic impact.

Executive summary
This Policy Note explores the crucial role of translational research in bridging the gap between scientific discovery and real-world application and unlocks its potential to enhance interdisciplinary collaboration, foster innovation and commercialisation and translate research into policy, practice and products. While translational research originated in applied medical research, other disciplines can adopt and benefit from this approach and mindset.

Key findings
• **Definition and importance:** Translational research involves turning basic research knowledge into practical applications to improve human health and well-being or adopting a goal-oriented approach from the initial research design stage to solve specific problems. It encourages cross-disciplinary collaboration and can significantly impact societal challenges.
• **Challenges:** The field faces numerous barriers, including scientific, regulatory, financial, institutional and cultural obstacles. These challenges require innovative solutions and coordinated efforts to overcome.
• **Role of publishers:** Publishers can support translational research by making scientific knowledge more accessible, facilitating cross-disciplinary collaboration and promoting the translation of research findings into actionable insights.
Recommendations
For academics and research institutions:
• Develop a comprehensive framework for planning, delivering and assessing translational research.
• Create enabling environments and opportunities for researchers and teams.
• Invest in translational research infrastructure and translational research.

November 2024 1



Five Decades: One Lens – A view from the rear stalls

John Cater

HEPI Policy Note 60

February 2025

About the author

Dr John Cater was the longest serving university leader in the UK when he retired in early 2025 from his post as Vice-Chancellor of Edge Hill University. During his 30 years in charge, Edge Hill was transformed into a modern institution that has advanced further and faster in the national league tables than any other UK university. Awarded a Gold for Student Experience in the most recent Teaching Excellence Framework exercise, Edge Hill has invested over £350 million in the physical infrastructure of its award-winning north-west campus in line with John's vision to create a place where students can live, learn and belong.

One person

Economic growth. A social security system. A National Health Service. Education to 14 for all. And hope. It seemed commonplace then.

I was born in the early 1950s, at a time when meat, bread and butter were still rationed. My mother was the youngest of six, my father recovering from his second nervous breakdown.

Home was an eighteenth-century two-bed terrace, fronting Wadding Street, rattled by lorries, blackened by smoke and shared with my Parkinson-stricken grandfather – my 50-something grandmother having died in the week my parents married.

Having barely survived bronchitis in my second winter, the local authority moved us to a 1920s council terrace, the first home I remember. There was no heat other than a coal fire, no source of hot water other than a stove, no indoor lavatory, a tin bath – and a long back garden full of chickens and the occasional fox. But there was hope, and we had belief that things would get better.

At eight, I acquired my first Saturday evening job, at 10 I had two paper rounds and sold soap door-to-door. With my poor father hospitalised again, I was famed out to an aunt, only returning home for one day, at a headteacher's insistence, to take the 11-plus. Selection at 11 failed my two sisters and my brother, but it may have saved me.

February 2025

The only kid from the council estate, at grammar school, I rebelled. For two years I was placed on Daily Report, having to gain the teachers' signature, confirming satisfactory attitude and behaviour, for every lesson I attended. Then I grew up. Sport helped. I wanted to be part of the team. But so did an exceptional teacher, someone who changed lives and created life chances. I can still picture my late mother opening my GCE O-level results envelope, bursting into tears, saying that I would never have to work in a factory – though, in some form of penance, I spent the following two summers labouring in the local iron foundry.

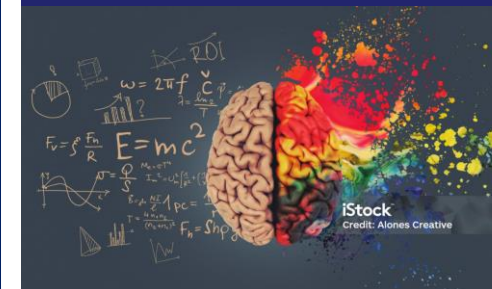
One institution

In 1971, even among those who had survived the mass exodus via Fifth Remove, only a handful of my peers went to university. I did not expect to go either. The only profession I knew of was teaching, so I hitch-hiked to Culham College, near Abingdon, and already armed with sufficient GCSEs, asked if they would take me in. They agreed, but I followed Groucho Marx's advice, and, for university, headed west to the smallest institution I could find for undergraduate education, Lampeter in mid-Wales, joining its first cohort of just 16 geographers. That said, Culham fulfilled a purpose, convincing me that I could study beyond the age of 18 and was a religious version of the institution I joined eight years later, my first permanent lecturing post, at one of the 170 teacher training colleges tied to its church or its local authority.

1

The Swing to Science: Retrospects and Prospects

Peter Mandler



HEPI Report 187

'There was nothing to do but take action': the encampments protesting for Palestine

Josh Freeman



Higher Education Policy Institute

HEPI Report 185

Outsiders used in student Gaza protests

Georgia Lambert

Non-students were used at university pro-Palestinian encampments to boost their numbers, which made it difficult for disciplinary action to be taken against them, a report has found.

The first in-depth report on last year's student encampments found the protests were fuelled by anger and powerlessness over the war in Gaza. It also uncovered deeper motivations—the fear of speaking out, outrage over tuition fees “funding genocide,” a break from doomscrolling, and the search for community through activism.

The Higher Education Policy Institute (HEPI) interviewed dozens of protesters, three vice-chancellors, union leaders, and Jewish students.

Jewish students said camps encouraged antisemitic behaviour and wrote slogans in Arabic to hide their meaning. There were also reports of other students being victims of Islamophobia. The report also highlighted that the Office for Students, England's higher education regulator, “missed an opportunity” to help institutions, and the government put them in an “awkward position” over the topic.

Last year, protests, starting on April 17 with activists pitching tents outside Columbia University's library in New York, saw students demand that their universities cut ties with Israeli arms suppliers and support rebuilding Gaza's schools. Like-minded activists at British universities were watching closely. Soon, students at 21 Russell Group uni-

versities, including Oxford, Cambridge, UCL, and Edinburgh, organised campus occupations.

Many of these camps welcomed non-student demonstrators to bolster their numbers and cover night shifts.

However, the think tank's report said their presence created challenges for institutions, which struggled to identify them, enforce disciplinary measures, or ensure the safety of students and staff.

The paper, written by Josh Freeman, of HEPI, said: “It is very likely that the involvement of external individuals helped encampments continue for longer and campaign more energetically. They provided supplies and food, occupied tents overnight so students could return to their accommodation, and participated in activities.



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News > UK

Non-students in pro-Palestinian camps 'likely to have extended protests'

The encampments made Jewish students 'fearful' and they may have encouraged students to engage in antisemitic behaviour, a report says.

Eleanor Busby • Thursday 30 January 2025 00:01 GMT

Nearly three in five students want more education on budgeting at school – poll

9 hrs ago

Don't 'dumb down' curriculum that is working, Labour warned

Languages plea

A quarter of university students think languages should be compulsory in school, according to a poll of 1,100 students by the Higher Education Policy Institute. Students said they wanted the opportunity to learn more languages, including sign language. Foreign languages have been optional at GCSE for more than 20 years.

Poorly advised A-level picks 'lock students into wrong degrees'

School pupils need better information on their post-16 options to avoid the risk of narrowing their university and career choices, says Hefi report

February 13, 2025

Students want more lessons on finance

One Step Beyond: How the school and college curriculum in England can prepare young people for higher education

Josh Freeman



hepi
Higher Education Policy Institute

 **University of
Chester**

HEPI Report 186

Foreword

Professor Janice Kay CBE, Director, Higher Futures

It is a pleasure to introduce this 2025 study, a welcome repeat of the 2024 AI survey of how full-time undergraduate students are currently using AI tools. It shows that use has soared over the past year, demonstrating that AI tools are used in varied ways in learning and assessment.

It is a positive sign overall: many students have learned more about using tools effectively and ethically and there is little evidence here that AI tools are being misused to cheat and play the system. Students see a range of benefits of using AI tools, from saving time to improving the quality of their work in ways they consider to be personalised, especially outside study hours.

And yet, there are quite a lot of signs that will pose serious challenges for learners, teachers and institutions and these will need to be addressed as higher education transforms. Policies on AI use for assessment are generally clear but, at the same time, students are uncertain about what acceptable AI use looks like, with less than a third stating that their institution encourages them to use it and nearly a third reporting that their institution bans its use. Some students report that they are 'being warned about the potential risks of AI, but [staff] are actively incorporating AI as a creative tool into some of their modules'.

Students want more of the latter. They want more support in their courses to increase their skills in using and managing AI tools, and they also perceive that while more staff are well-equipped to support them than previously, this needs to improve substantially. Peppered through the study is clear evidence of a digital divide, whether women are using AI tools less and for less confident reasons or those with greater means are more able to access premium products.

There are gaps then for higher education institutions: how AI tools are used effectively to support students' learning and engagement, how students become better skilled, how staff are trained to have a deeper working understanding of AI tools and how divides in the use of AI are not allowed to develop and persist. I urge you not only to mull through the data presented here but also to take time to reflect on the conclusions and policy recommendations. I look forward to seeing what happens in the 2026 report.

Executive summary

Building on our 2024 AI Survey, we surveyed 1,041 full-time undergraduate students through Savanta about their use of generative artificial intelligence (GenAI) tools.

In 2025, we find that the student use of AI has surged in the last year, with almost all students (92%) now using AI in some form, up from 66% in 2024, and some 88% having used GenAI for assessments, up from 53% in 2024. The main uses of GenAI are explaining concepts, summarising articles and suggesting research ideas, but a significant number of students – 18% – have included AI-generated text directly in their work.

When asked why they use AI, students most often find it saves them time and improves the quality of their work. The main factors putting them off using AI are the risk of being accused of academic misconduct and the fear of getting false or biased results. Women are more worried about these factors than men, and men report more enthusiasm for AI throughout the survey, as do wealthier students and those on STEM courses. The digital divide we identified in 2024 appears to have widened.

February 2025

1

Nine in 10 UK undergraduates now using AI in assessments – survey

One in four students tell Hepi they use text generated by tools such as ChatGPT in submitted work

February 26, 2025

News > UK > UK Politics

Nearly nine in 10 university students use AI to help with studies – report



Universities urged to test whether assessments are ChatGPT-proof

FINANCIAL TIMES
NATIONAL

Education

Soaring rents price students out of London

Struggling
Tham
to suf
death
ate

News

Tuesday December 10 2024 | THE TIMES

Students priced out of capital as rocketing rents outpace loans

News • UK

Rent for student room in London up by a fifth in two years, report suggests

An 'affordability crisis' in the capital's housing market was putting students in an impossible position, a charity boss has warned.

ELIZABETH SHORT TUESDAY, DECEMBER 10, 2024

Cost of average student rent in London outstrips maximum maintenance loan

such
16...
14 per
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21...
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26 per
41 per

Nick Hillman, director of Help, warns that four in ten English students in London live at home due to inadequate maintenance support and has called for a review to address students' needs. The Renters' Rights Bill, set to become law next year, will require students to pay rent monthly using maintenance loans. Students have expressed concern that the bill's change to monthly rent payments could create a significant risk of students falling into arrears.

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Daily Mail, Thursday, November 14, 2024

Oxbridge told to end bias against female students

cleaner Harding
Editor

Thursday November 14 2024 | THE TIMES

Oxbridge women 'do worse than men because of PMS'

News

11

premenstrual syndrome and
form better in coursework".
representation of women
students and staff is also
the report says many courses
significant awarding gaps have
balances, giving female stu-
role models.
or an overhaul of assessment
equity. "The balance of ex-
to coursework should be re-
as, in some cases, course-
evaluation of a student's
is."
"The intensity of work,
examination is exhausting
ents but the added anxie-
nstration and the tired-
that can come with it are
contributors to unexpect-
ademic performance in
tions taken by women."
versities to experiment
assessing academi-

Call to give students access to their marked exam papers

Chinese students live in ghettos as they fail to fit in



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devoted to higher education.

Blog

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24 March 2025 by Jessica Corner

Research England is strengthening oversight and support to help universities navigate financial pressures and sustain research excellence.



[However: The Curriculum and Assessment review](#)

22 March 2025 by Chris Husbands

The interim curriculum review highlights system strengths but repeatedly signals unresolved challenges in equity, attainment, and qualification pathways.



[Financial sustainability in UK higher education: the limits of self-help?](#)

21 March 2025 by Matthew Howling and Poppy Short

In a recent HEPI/Mills and Reeve discussion, university leaders discussed the financial challenges facing higher education, emphasizing the need for collective action, strategic investment, and...



[Will the UK's AI Action Plan Force Universities into a U-turn?](#)

19 March 2025 by Emma Prodromou

The UK's AI growth ambitions clash with restrictive visa policies, risking talent loss and undermining the AI Action Plan's objectives.



**Universities
&
Science
(2015-20)**

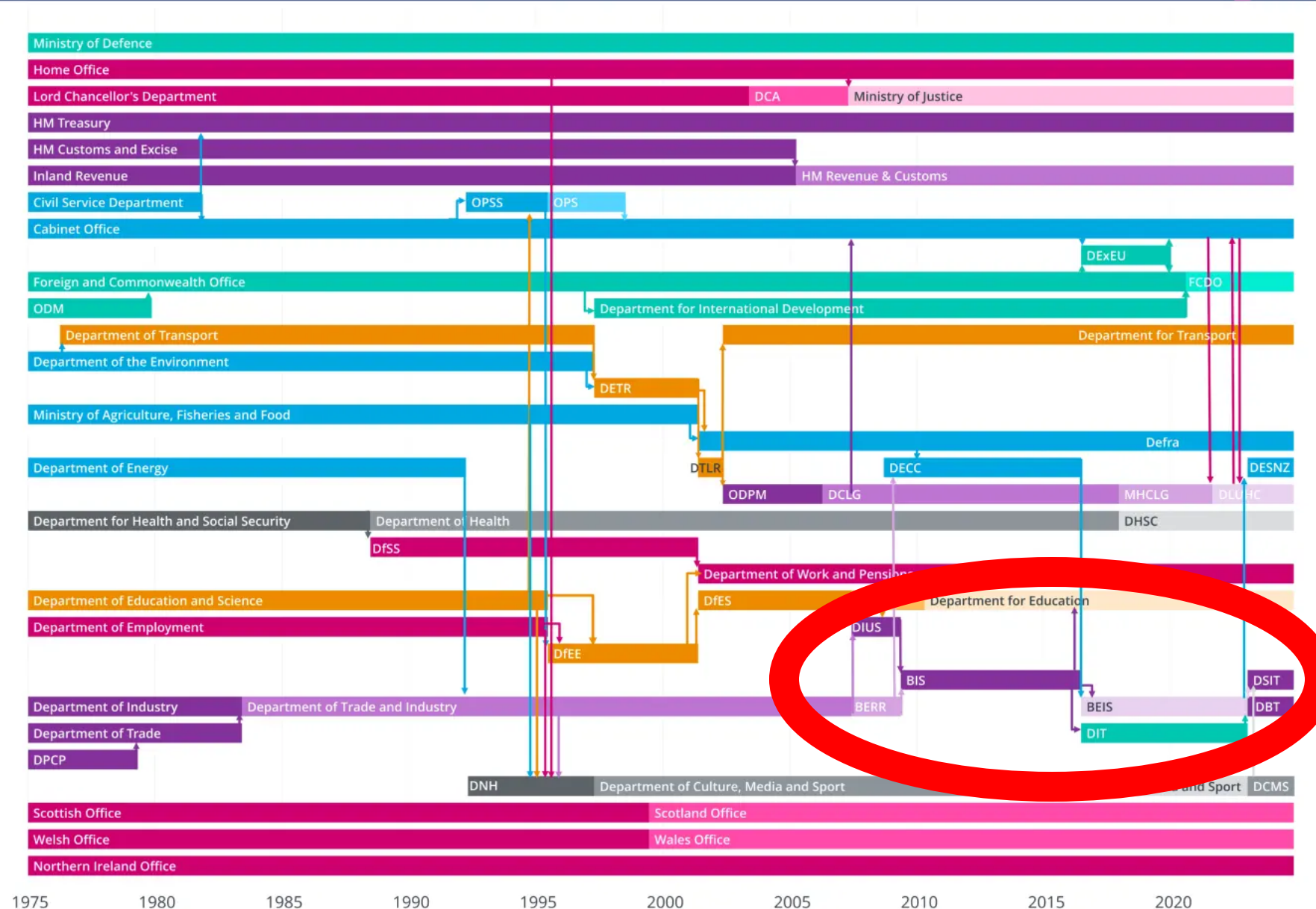


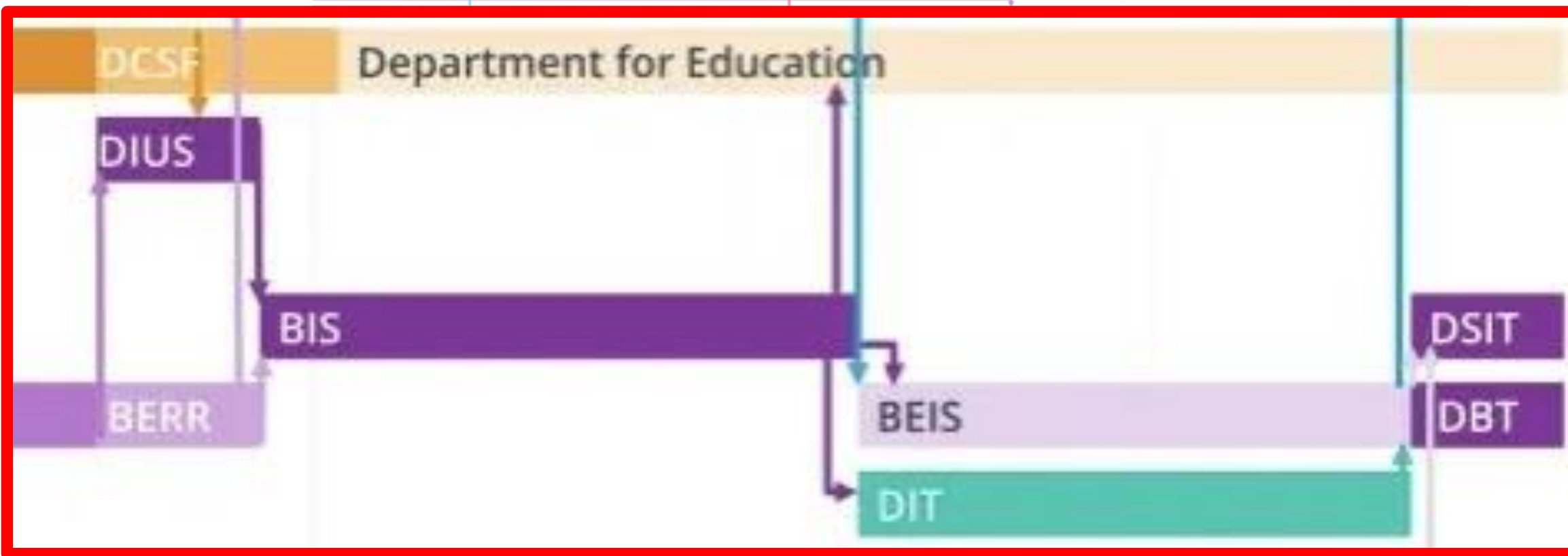
**Science &
Research
(2020-25)**



**Higher
Education
(2020-25)**

**HE
Ministers
since 2015**





Some recent higher education policy changes

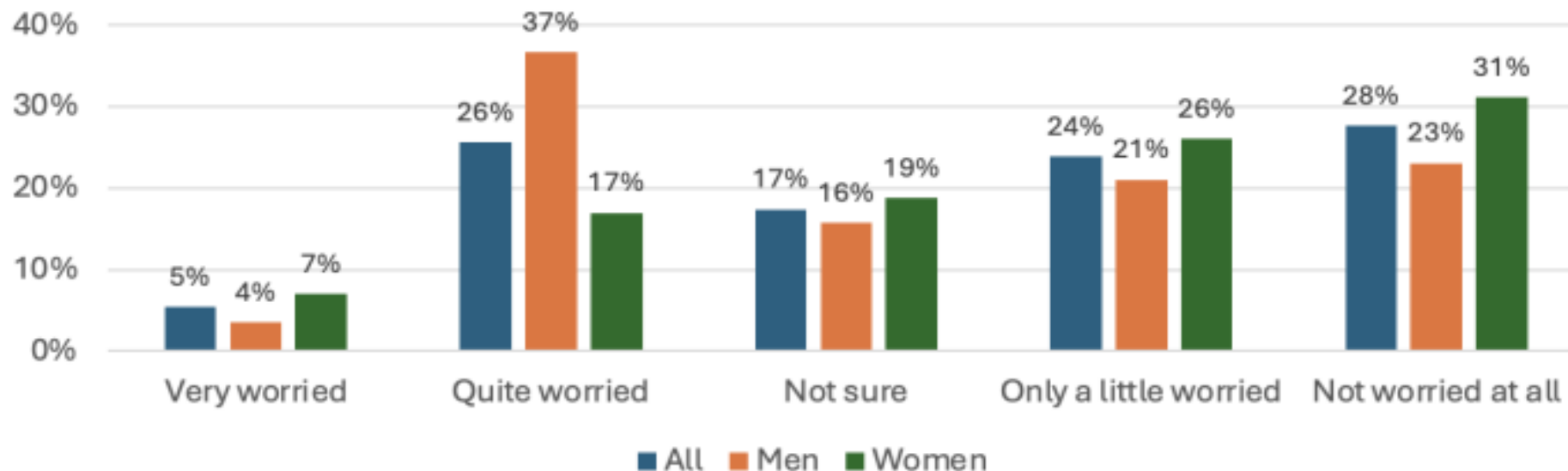
- | | |
|----------------------------------|-------------------------------------|
| 1. New Govt / Ministers | 9. UUK blueprint |
| 2. New chair(s) at OfS | 10. Efficiency task force |
| 3. Renters (Reform) Bill | 11. Encampments |
| 4. U-turns on free speech | 12. Visa changes |
| 5. Tuition fee increase | 13. New fiscal rules |
| 6. Pause to supply-side | 14. Softening demand |
| 7. SoS's letter | 15. Curriculum review |
| 8. REF changes | 16. Financial sustainability |

Some recent higher education policy changes

1. N **legislation** at the first available
 2. N opportunity to ensure the Office for
 3. R Students has tough new powers to
 4. U intervene quickly and robustly to
 5. T protect public money, in addition to the
 6. P stronger remit I have given it to monitor
 7. S university finances.
 8. R **changes**
10. Financial sustainability



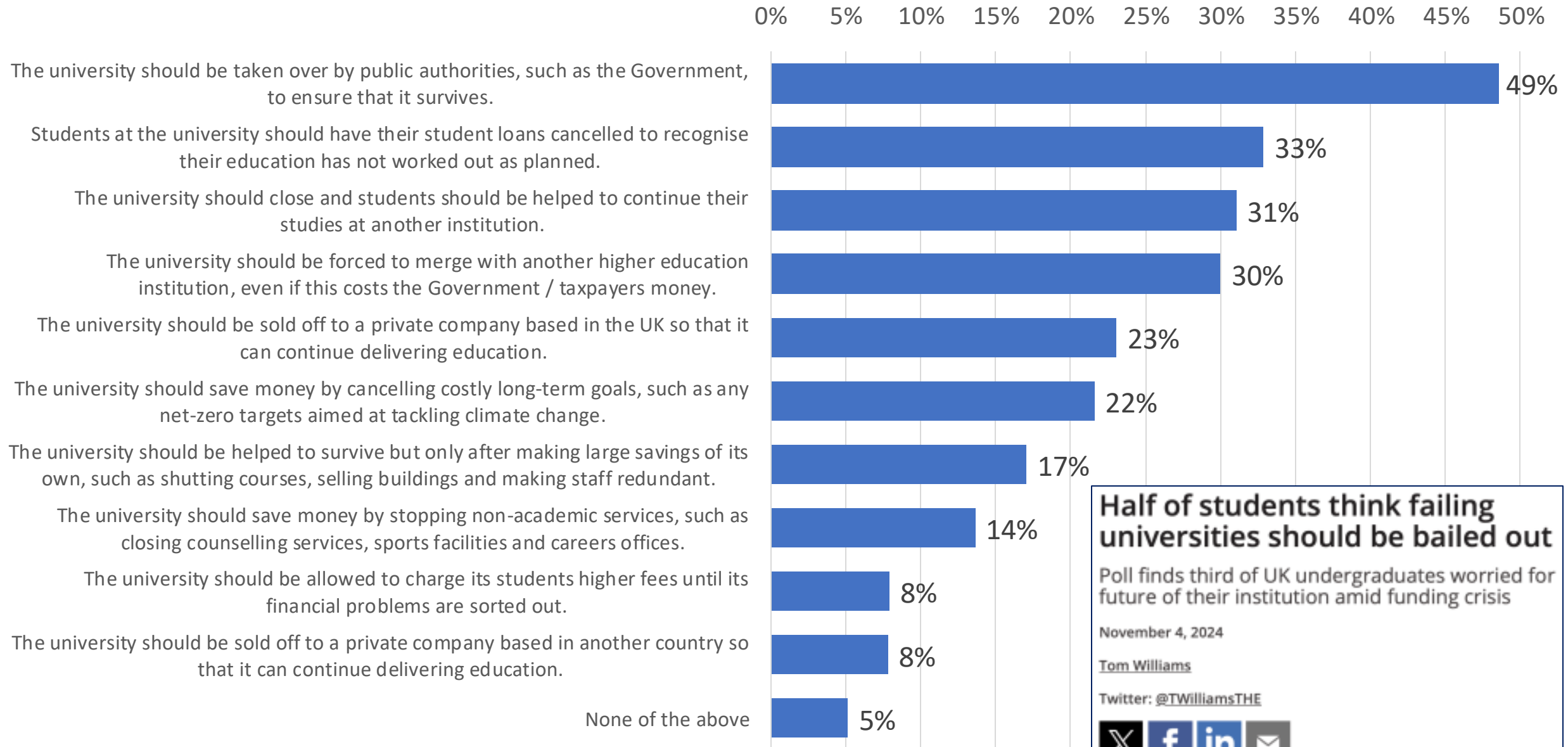
How worried are you that your own higher education institution might go bust?



How worried are you that your own higher education institution might go bust?



If this were to happen to your own higher educational institution, which of the following actions do you think should be considered?



Half of students think failing universities should be bailed out

Poll finds third of UK undergraduates worried for future of their institution amid funding crisis

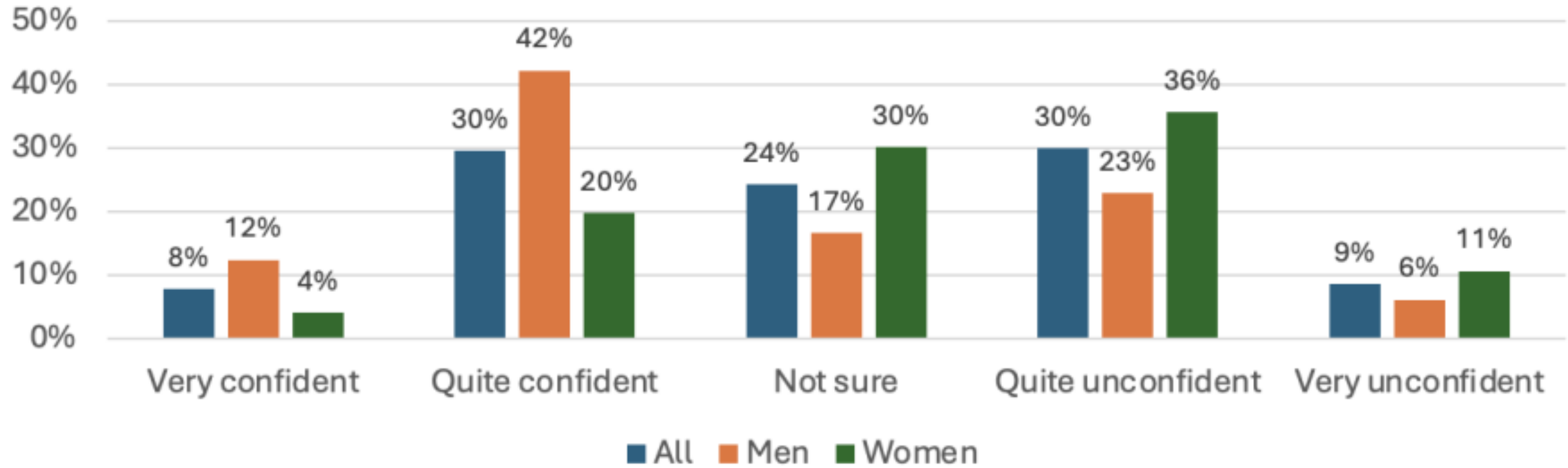
November 4, 2024

[Tom Williams](#)

Twitter: [@TWilliamsTHE](#)



How confident are you that public authorities, such as the Government, will behave quickly and sensibly if and when a university goes bust?



The financial position is getting worse

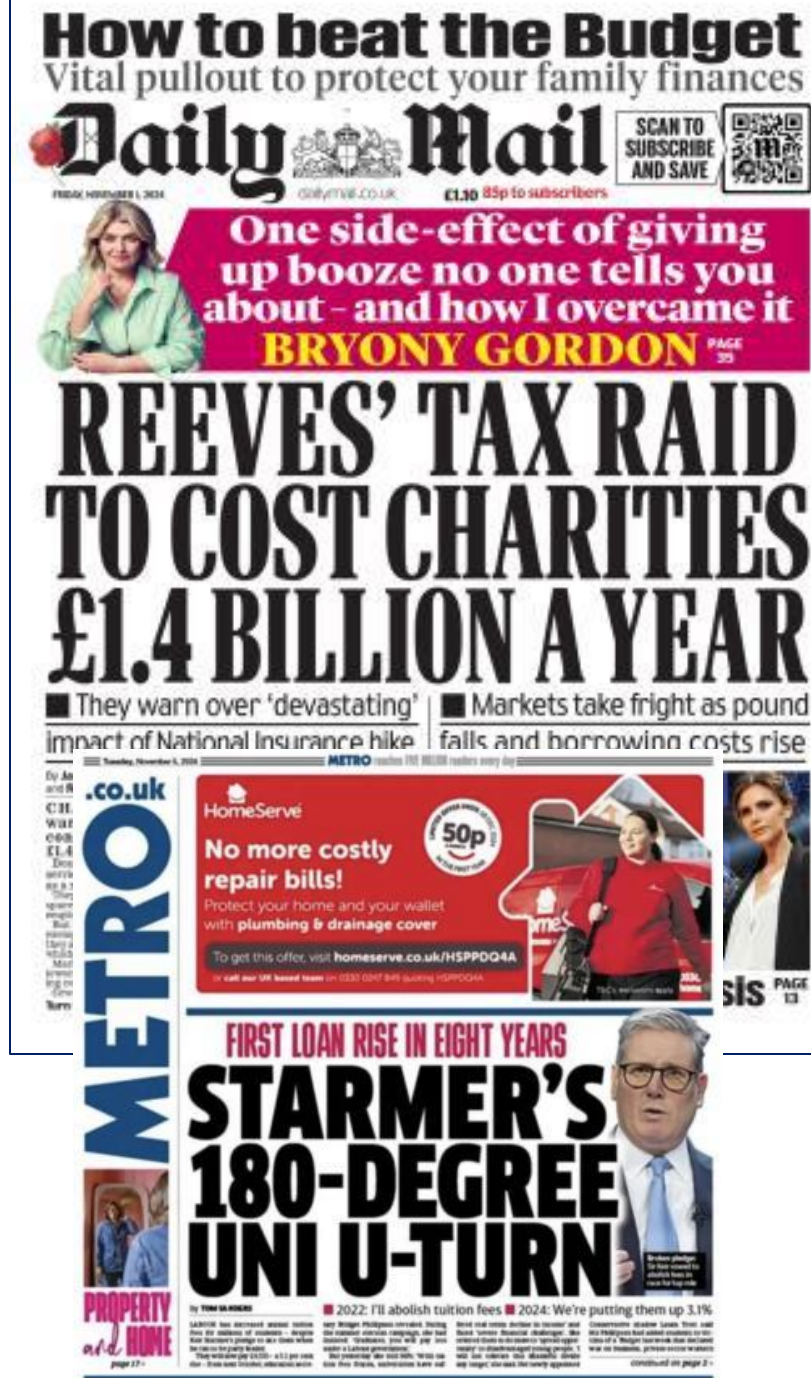
Office for
Students



Financial sustainability of higher education providers in England: November 2024 update

- An increase to UK undergraduate tuition fees at the Retail Price Index, excluding mortgage interest payments (RPIX) inflation rate for 2025-26, as announced by the Secretary of State for Education in the House of Commons on Monday 4 November 2024. **We estimate this to represent up to an additional £371 million of annual fee income for the sector**, if it is applied to entrants and continuing UK undergraduate students by providers subject to the higher fee limit for relevant students.¹⁰
- An increase to employer National Insurance contributions for providers, based on the lower salary threshold of £5,000 at which employers must pay National Insurance and the 1.2 percentage point increase to the contribution rate from April 2025. **We estimate that this will result in additional costs for the sector of £133 million in 2024-25 and c£430 million each year from 2025-26.**

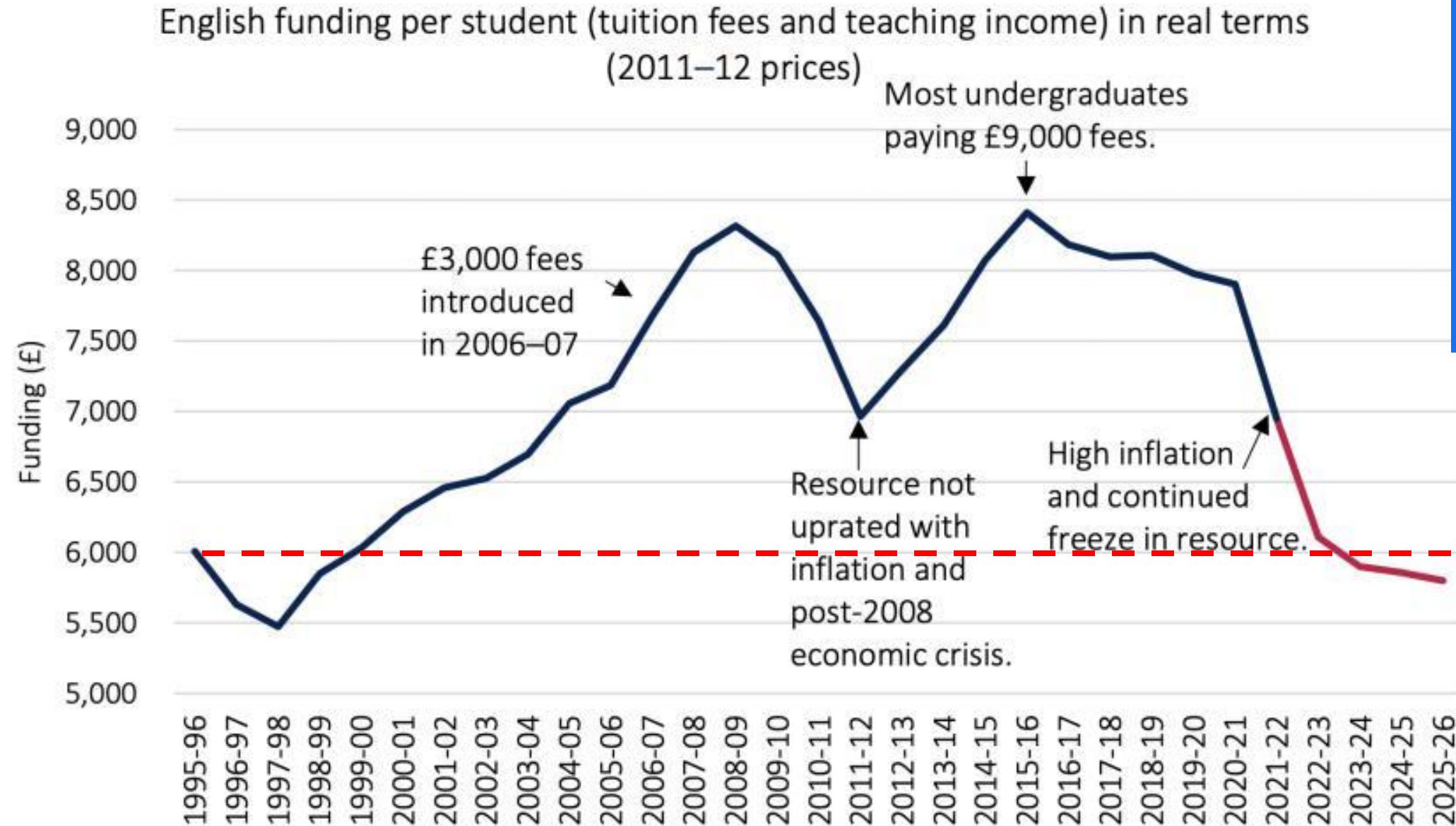
Our modelling suggests that there will be a total net reduction in annual income across the sector of -£3,445 million by 2025-26 compared with the sector's forecast position. This represents approximately 7.7 per cent of the audited income achieved by the sector in 2022-23.¹¹



It won't sort out the funding mess

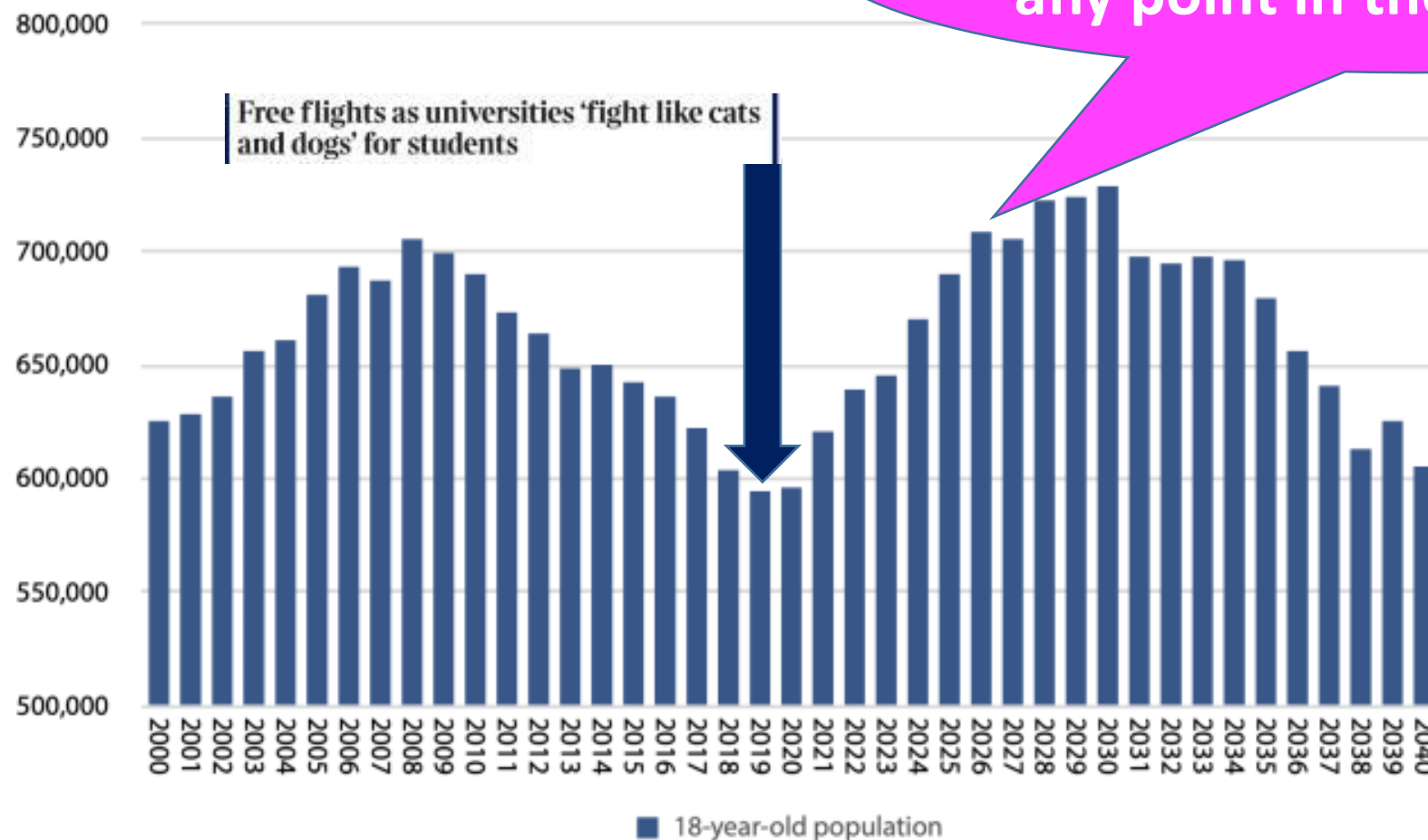
Sustainable university funding

Why it is important and what is needed



Demand

Figure 1 The 18-year-old population



More 18-year olds than at any point in the last 15 years

Student Demand to 2035
Bahram Bekhradnia



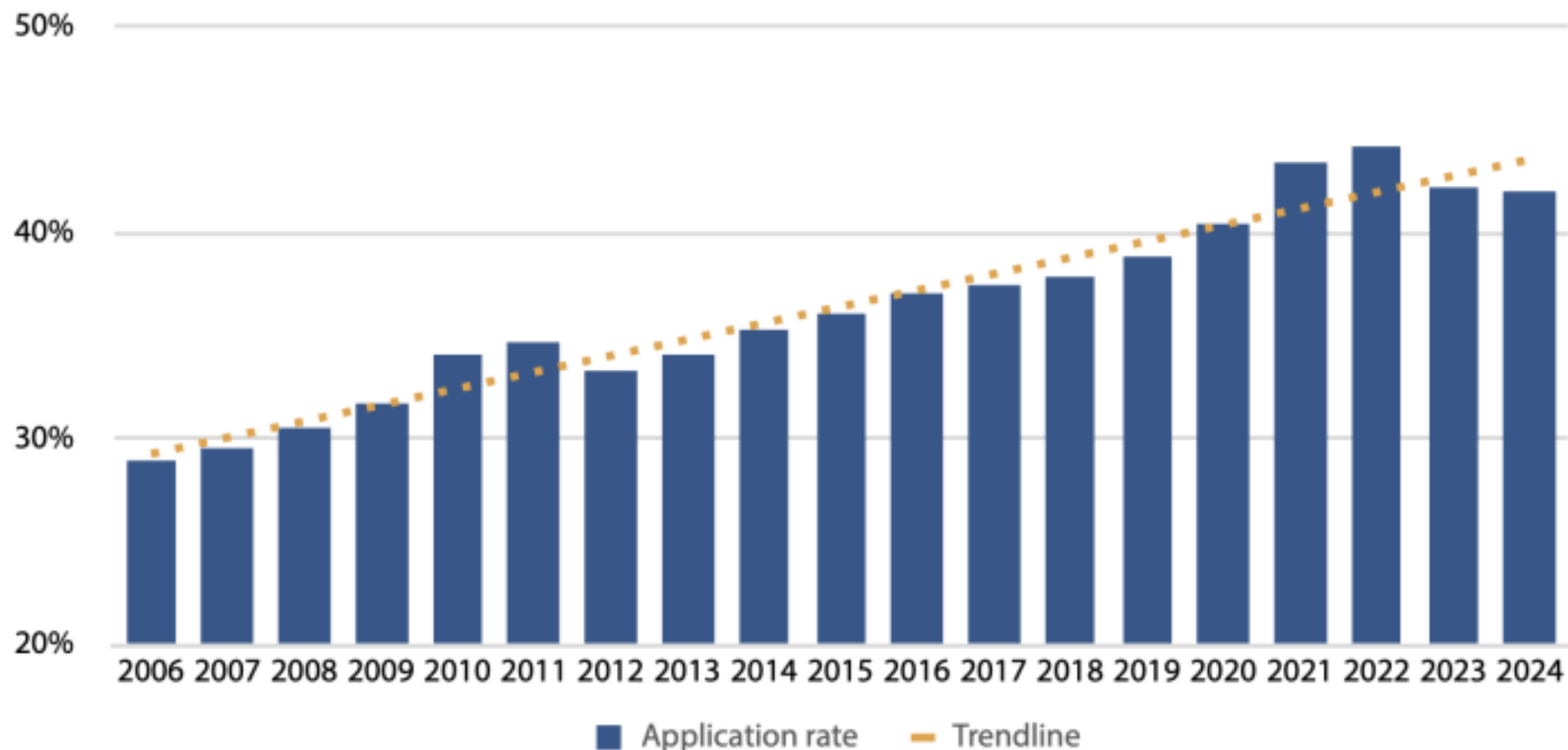
HEPI Report 179

Source: Office for National Statistics, Births in England and Wales: summary table. Live births, extrapolated to provide 18-year-old population – excluding deaths and migration <https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/livebirths/datasets/birthsummarytables>



Demand

Figure 4: Applicants to university as a percentage of the 18-year-old age group

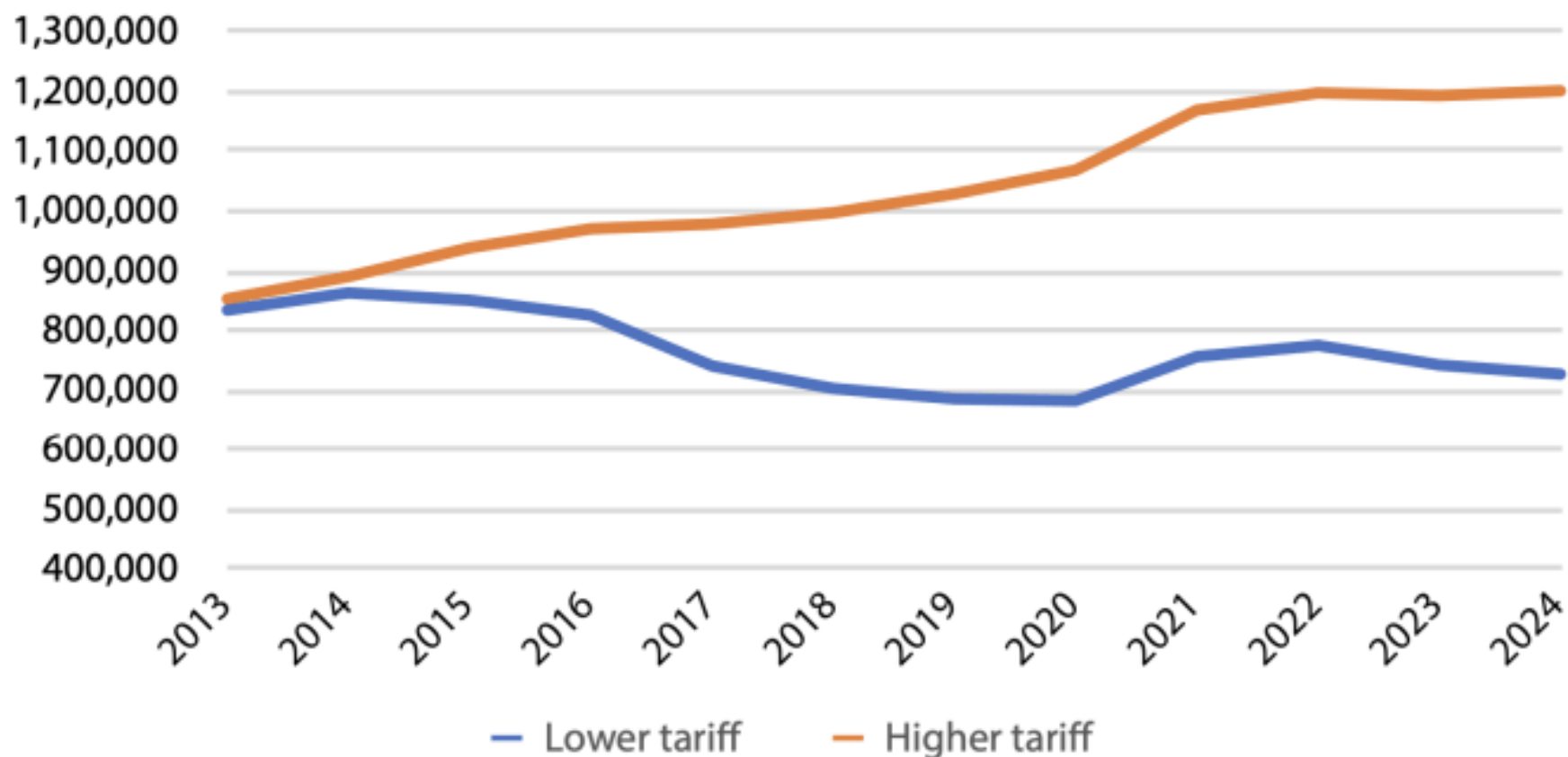


Source: UCAS, 2024 cycle applicant figures - 30 June deadline <https://www.ucas.com/undergraduate-statistics-and-reports/ucas-undergraduate-releases/applicant-releases-2024-cycle/2024-cycle-applicant-figures-30-june-deadline>



Demand

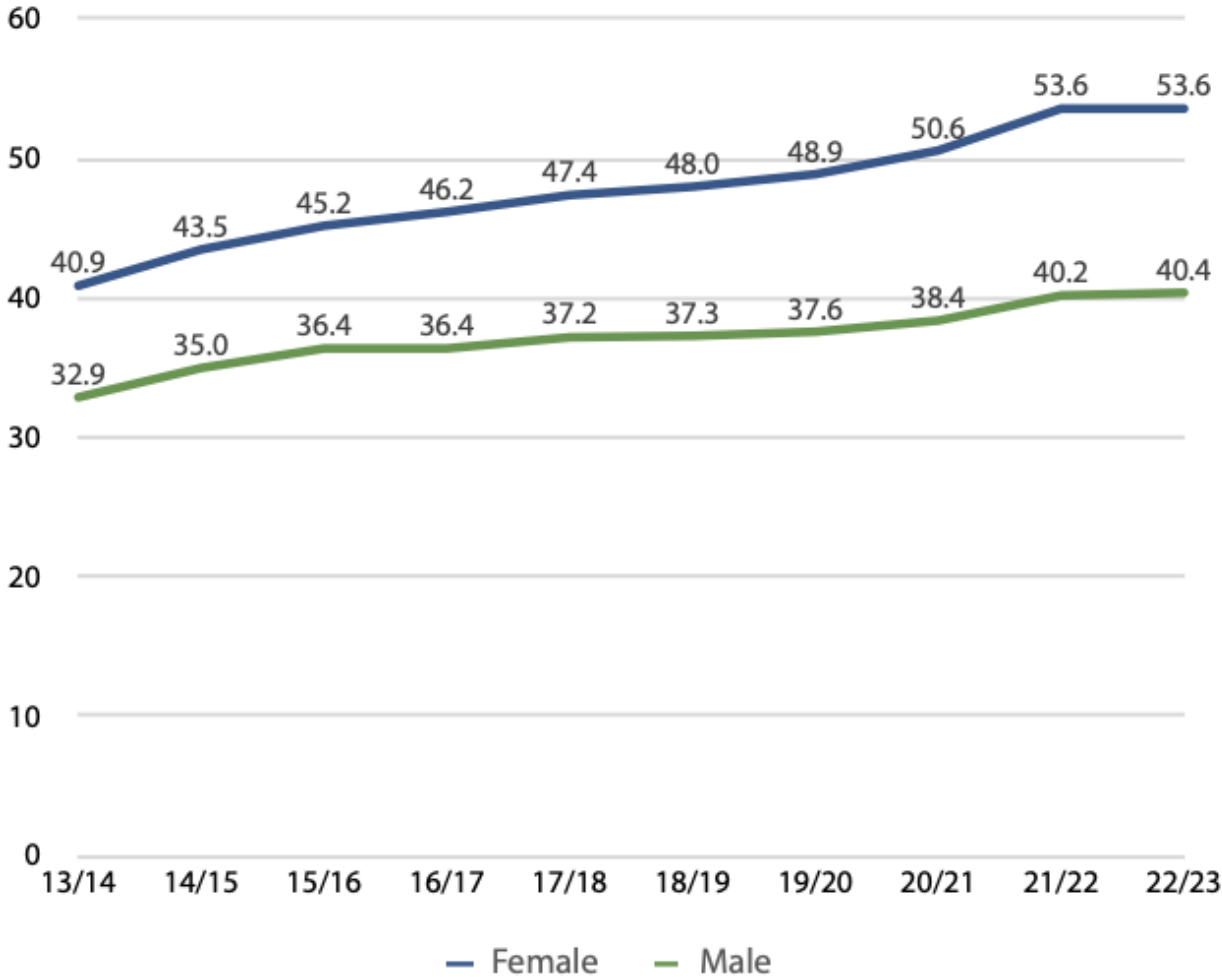
Figure 10: Time series of applications to higher and lower tariff institutions



Source: UCAS, 2024 cycle applicant figures - 31 January deadline <https://www.ucas.com/undergraduate-statistics-and-reports/ucas-undergraduate-releases/applicant-releases-2024-cycle/2024-cycle-applicant-figures-31-january-deadline>



Proportion of men and women in England who entered higher education by age 19 (%)



Source: Department for Education, *Academic year 2022/23: Widening participation in higher education*, October 2024 <https://explore-education-statistics.service.gov.uk/find-statistics/widening-participation-in-higher-education>

Boys will be boys:
The educational underachievement of boys and young men

Nick Hillman and Mark Brooks

With a Foreword by Mary Curnock Cook

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Higher Education Policy Institute

HEPI Report 188

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Be 'boy positive' to tackle underachievement, schools told

Be 'boy positive' to tackle underachievement, schools told

More male teachers are needed to help address the gender attainment gap, says report

20th March 2025, 12:01am

Mark Gould



sly news

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Sir Keir Starmer says minister for men 'not the answer' to 'problem with boys' raised in Netflix drama Adolescence

The prime minister says he is more persuaded by the arguments put forward by ex-England football manager Gareth Southgate, who said boys need more positive role models in their life.

Monday 24 March 2025 14:02, UK



The Telegraph

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UK news Politics World Health news Defence Science Education Environment Investigations

Young men drawn to toxic masculinity because schools are not 'boy-positive'

Report shines a light on the impact of misogynist influencers on teenage boys, with parallels to the Netflix series Adolescence

Tim Sigsworth

Related Topics
Toxic Masculinity,
Children, Education News
20 March 2025 6:45am GMT

118

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X f d e



The Netflix drama Adolescence looks at the influence of misogynist influencers on a 13-year-old boy Credit: Ben Blackall/Netflix

In one of several positive changes this year, perceptions of value for money have improved significantly

AdvanceHE

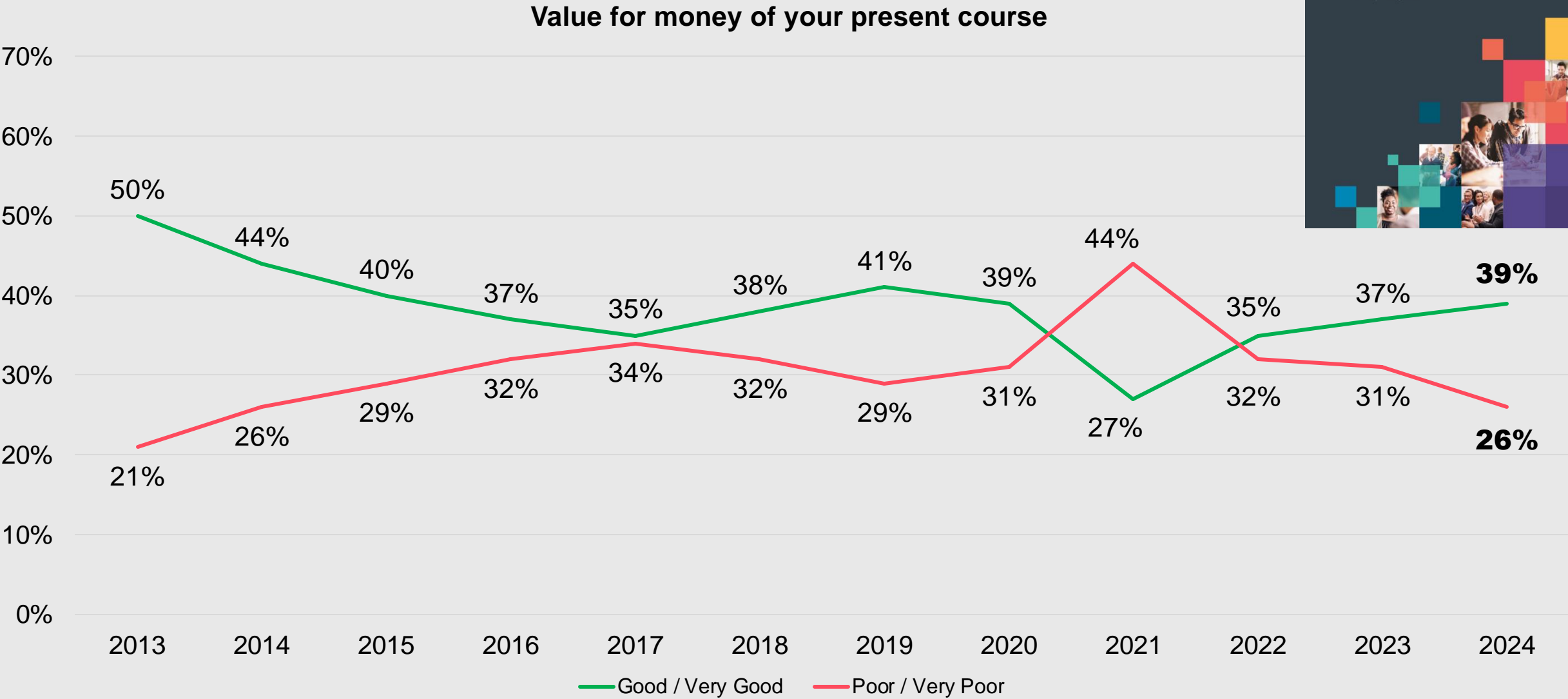
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HIGHER EDUCATION
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+

Student Academic
Experience Survey
2024

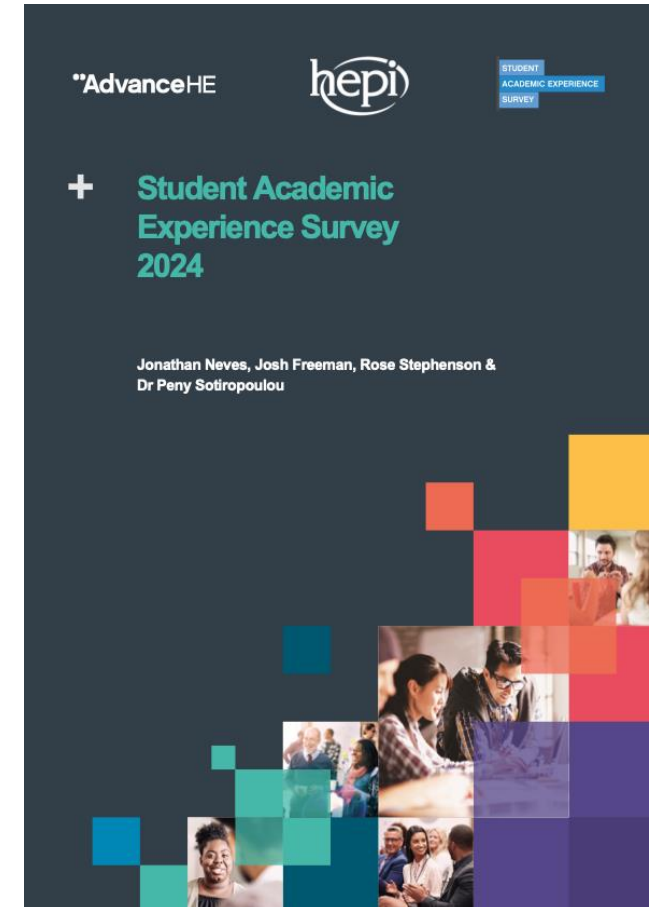
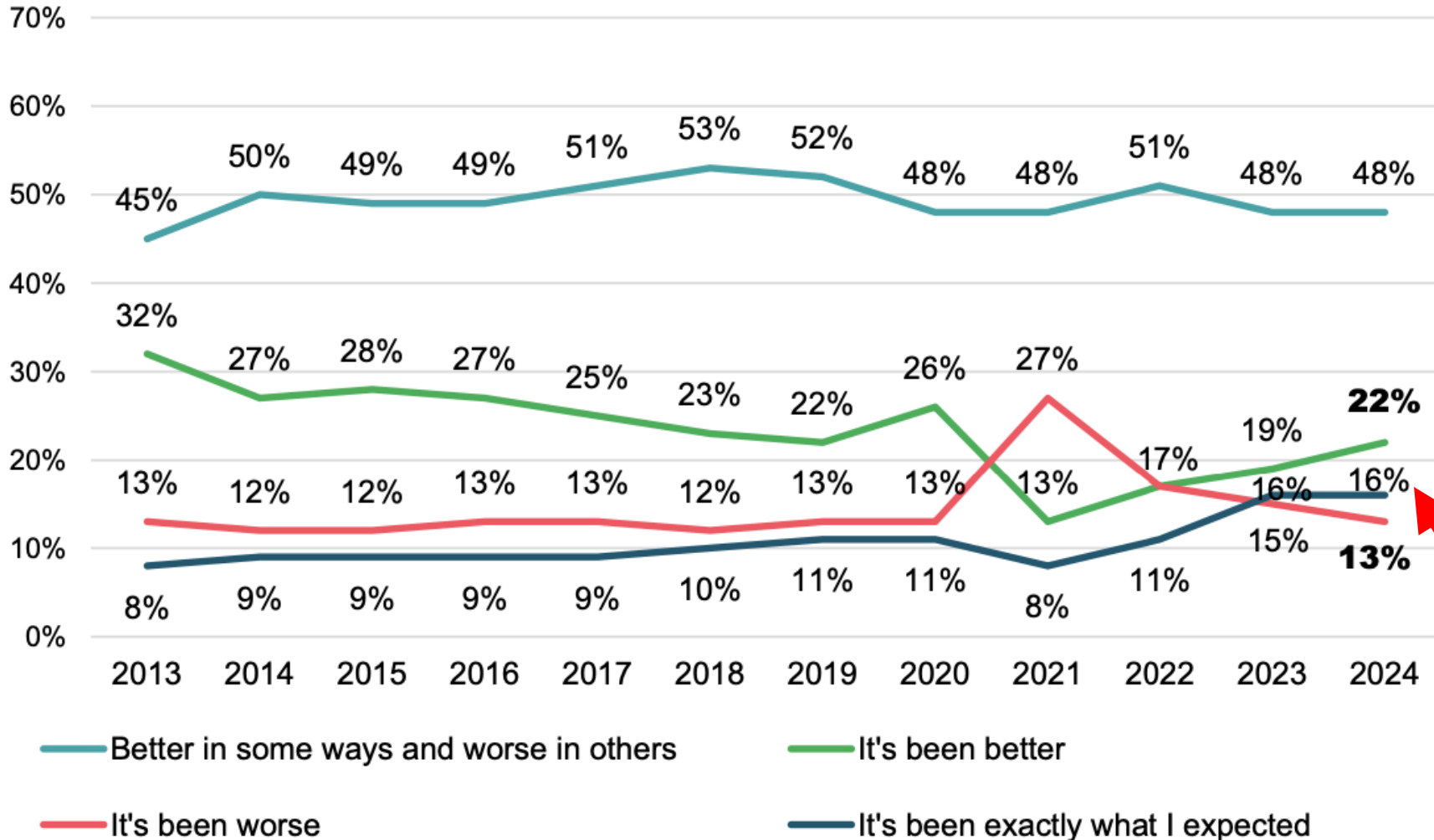
Jonathan Neves, Josh Freeman, Rose Stephenson &
Dr Penny Sotiropoulou



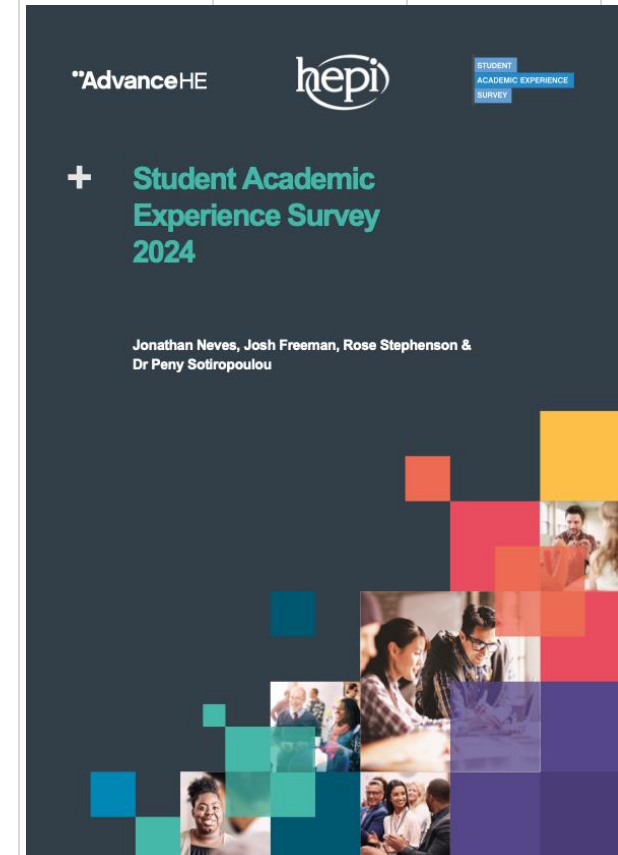
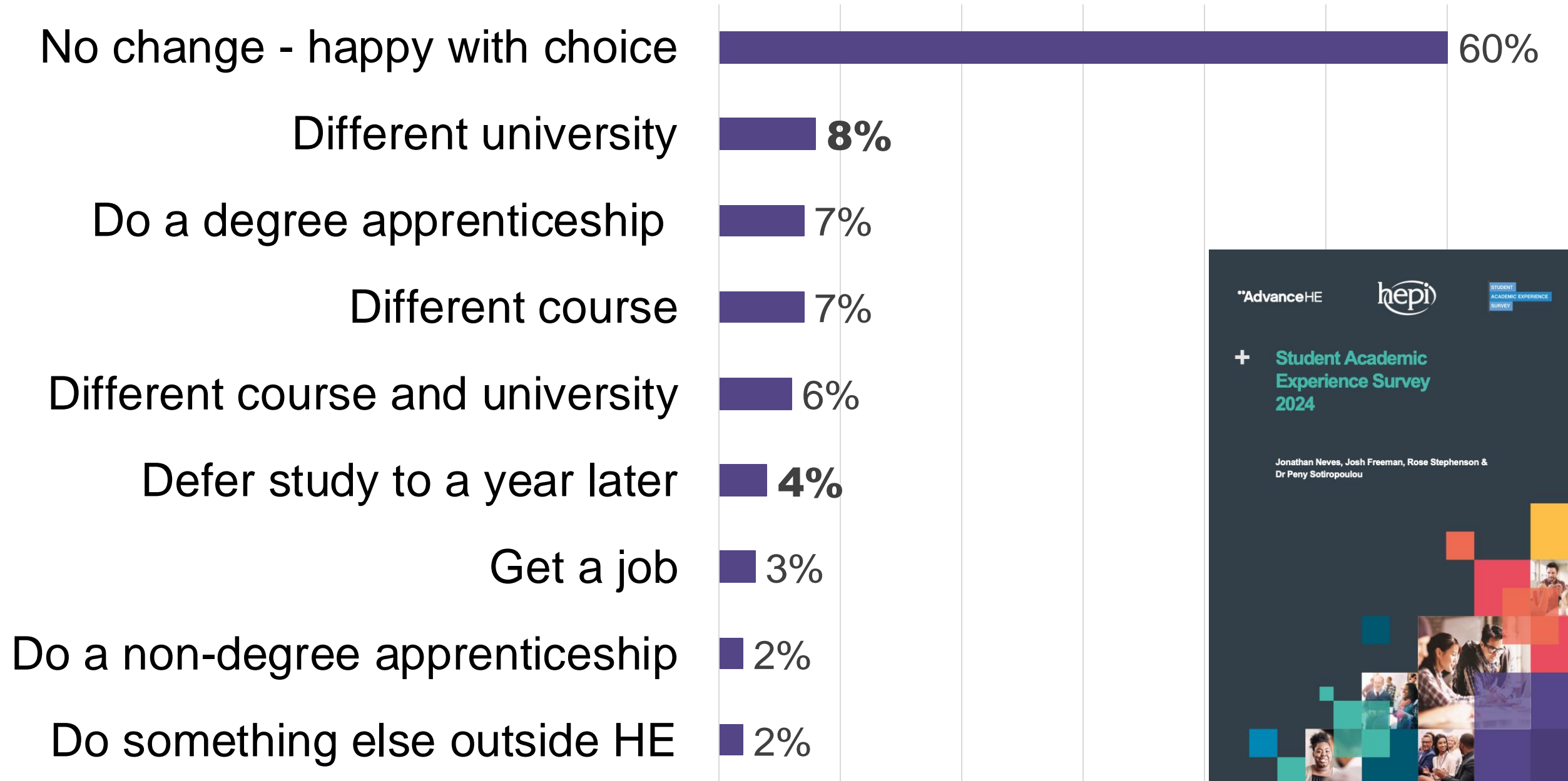
Only 1-in-6 students find university to be exactly as they expected



Experience compared to expectations



Whether students would make the same choice again



Whether students would make the same choice again

No change - happy with choice



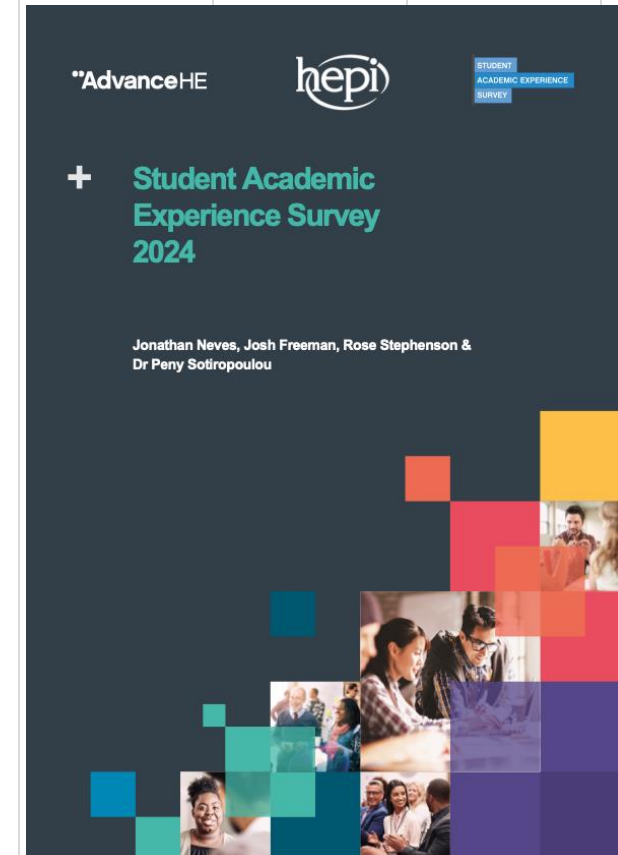
So almost no one regrets going to higher education...

but 40% – that is over 200,000 people a year regret the precise decision they made

Do a non-degree apprenticeship

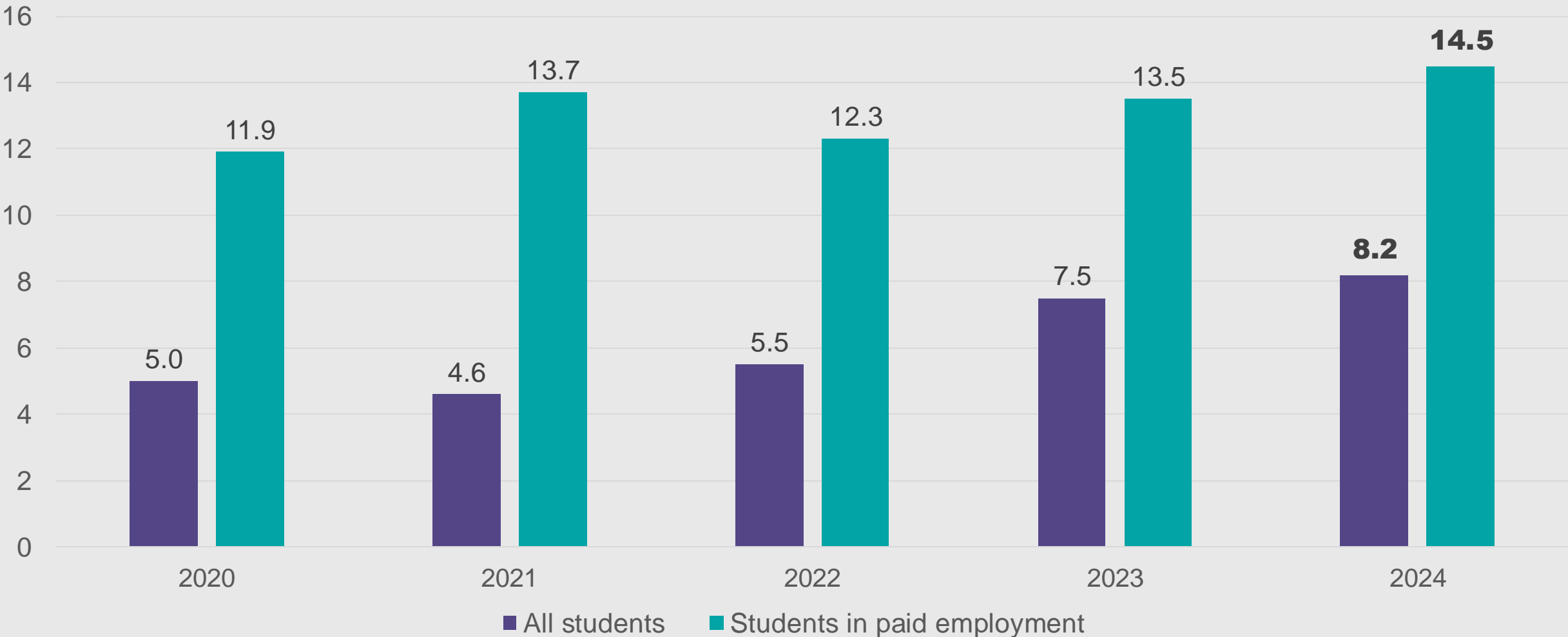


Do something else outside HE



Continuing a theme from last year, although the proportion of students who work for pay has not materially changed, there has been a clear increase in the average number of hours worked

Paid employment – mean hours per week term time





Living costs

English student living loan increases since vs inflation (full maintenance loan before means testing)

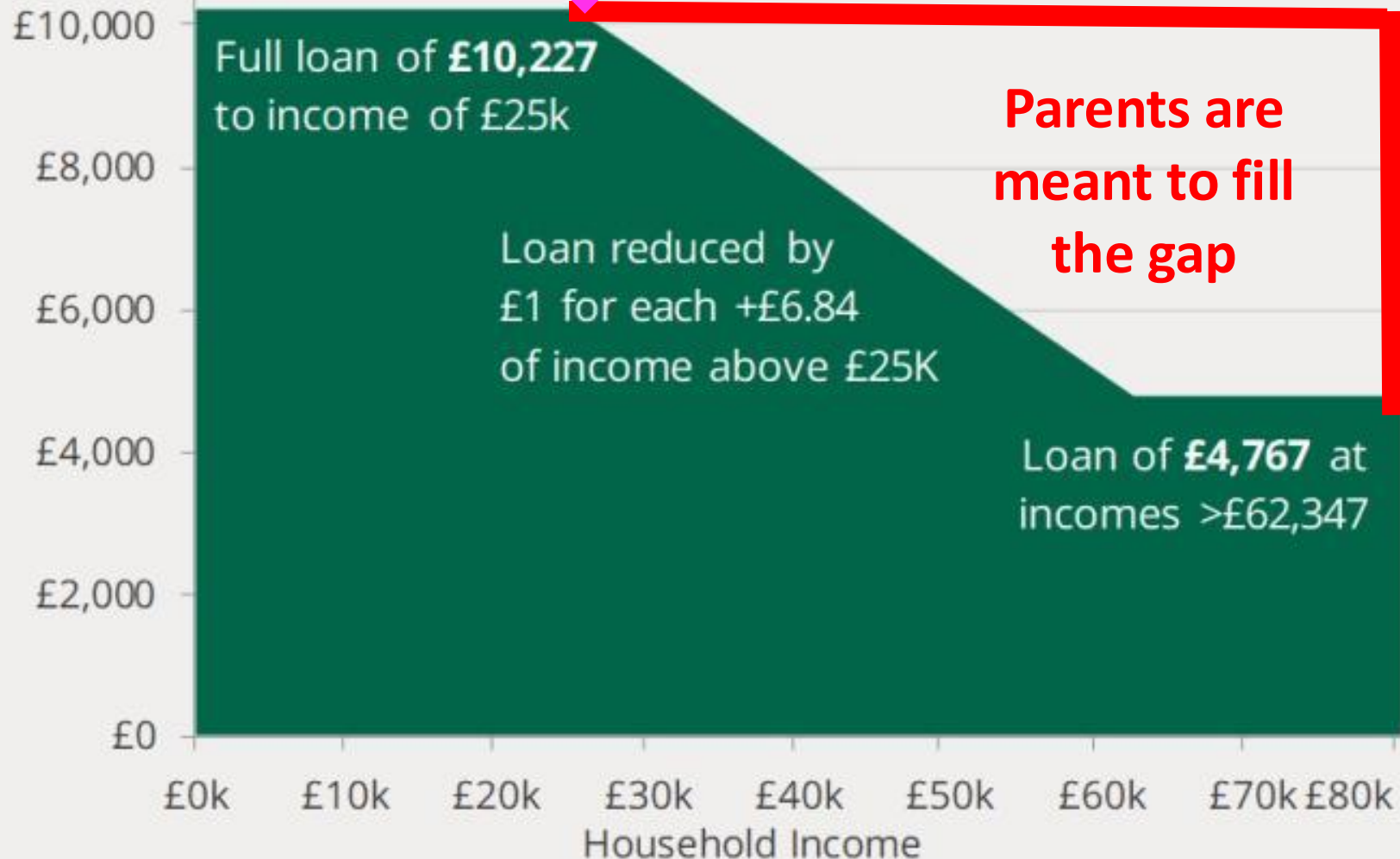
Academic year	Living with parents	Living away from home – outside of London	Living away from home – in London
2024/25	£8,610	£10,227	£13,348
2025/26	£8,877	£10,544	£13,762
2025/26 loan had it risen with CPI inflation (1)	£9,839	£11,688	£15,253
Real terms cut in loan next year	£962 (9.8%)	£1,144 (9.8%)	£1,491 (9.8%)

(1) **CPI** for each December since 2021, except 2024 as December inflation isn't out yet (latest September CPI is used). Source: Office for National Statistics.

Maximum loan available in 2024/25 by income

Post 2016 English students living away from home outside London

Value of loan



Living costs

Parental threshold has not increased since Gordon Brown was PM!

House of Commons Library

The value of student maintenance support

Living costs

NSMS
2024
NATIONAL STUDENT MONEY SURVEY



May 2024

A Minimum Income Standard for Students

Katherine Hill and Matt Padley
Centre for Research in Social Policy
Loughborough University

Josh Freeman
Higher Education Policy Institute



Works out to be between £18,000 and £19,000 a year (more in London)

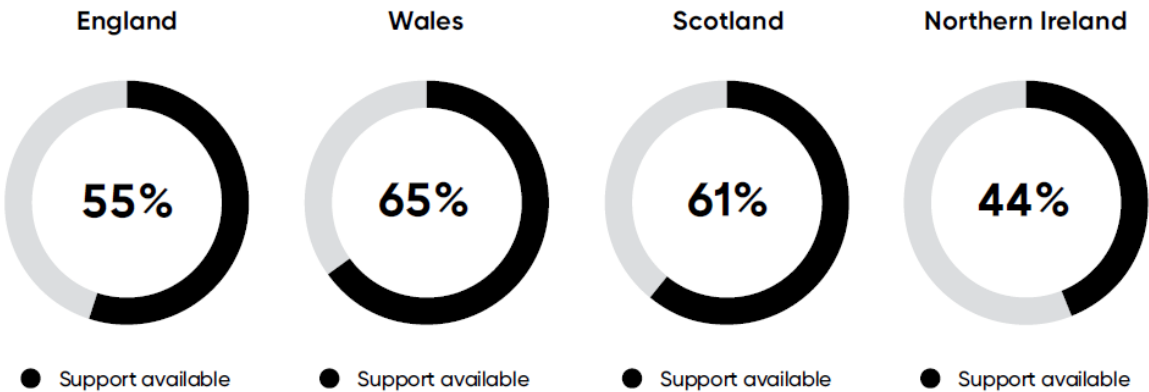
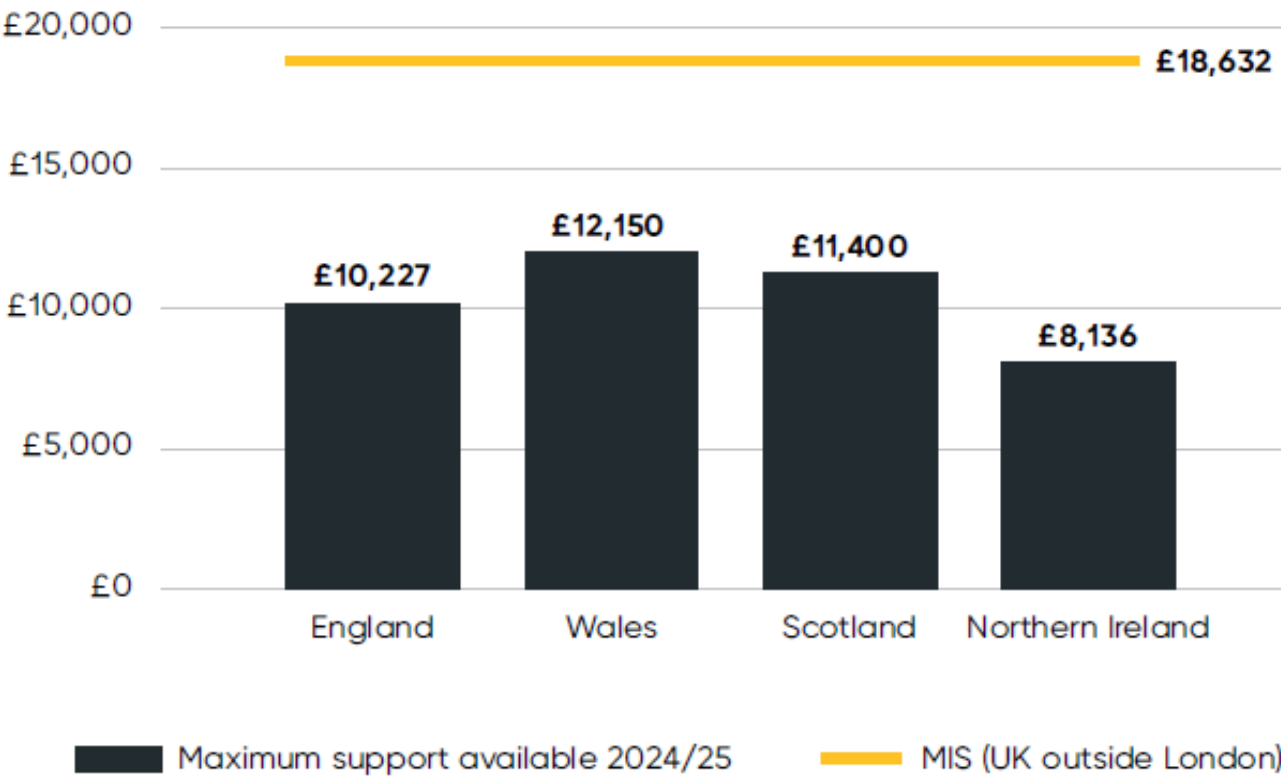
Student MIS budget (£ per week)

Food and drink in the home	63.92
Food on the go	10.00
Clothing and footwear	15.80
Household goods and services	5.68
Mobile phone	2.19
Laptop	3.32
Social activities and eating out/takeaway	52.98
Other social participation	19.59
Personal care and health	25.88
Bus pass	12.50
Taxis	10.00
Other transport	7.32
Utilities (fuel and water)	13.41
Contents insurance	1.38
Rent	122.33
Total (excluding rent)	243.97
Total (including rent)	366.30

A Minimum Income Standard for Students

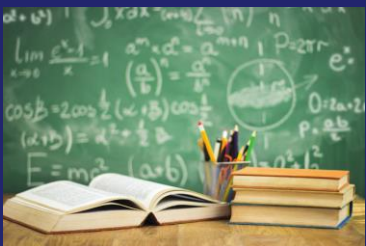
Katherine Hill and Matt Padley
Centre for Research in Social Policy
Loughborough University

Josh Freeman
Higher Education Policy Institute



The determinants of international demand for UK higher education

Gavan Conlon, Rohit Ladher
and Maike Halterbeck



HEPI Report 91

The UK's tax revenues from international students post-graduation

Report for the Higher Education Policy Institute and
Kaplan International Pathways



March 2019

Paying more for less? Careers and employability support for international students at UK universities



HEPI Report 143



The Exchequer benefits and costs associated with the Graduate Route visa

Report for the Higher Education Policy Institute, Kaplan International Pathways, and the National Union of Students

May 2024

'Not heard of this': Employers' perceptions of the UK's Graduate Route visa

Nick Hillman, HEPI Director

HEPI Policy Note 43

January 2023

Background

Migration policy has continued to dominate the news thanks to:

- **political shenanigans**, which in autumn 2022 saw the resignation of one Home Secretary (Suella Braverman), the appointment of another Home Secretary (Grant Shapps) who was in post for less than a week, followed by the reinstatement of the Home Secretary who had resigned just a few days earlier;
- **a sharp increase in the number of asylum seekers arriving on boats via the Channel**, with the number totalling over 40,000 in 2022, up from 8,404 in 2020 and the most since statistics started being collected in 2018;¹ and
- **employers facing significant challenges in finding staff**, with the Confederation of British Industry's annual *Employment Trends Survey* finding 'three-quarters of UK companies [have been] hit by labour shortages in the last 12 months' and the leading pro-Brexit business leader Lord Wolfson stating, 'in respect of immigration, it's definitely not the Brexit that I wanted'.²

Just as this Policy Note was going to press, the House of Lords' Economic Affairs Committee published a report entitled *Where have all the workers gone?* This noted job vacancies had recently peaked at 1.3 million and that unemployment has been running at its lowest level for almost half a century:

Since the start of the pandemic, economic inactivity has increased by 565,000 people. This is quite different from what has happened in most other developed economies, where inactivity rose during the COVID-19 pandemic but has since fallen back. ... The rise in inactivity poses serious challenges to the UK economy. Shortage of labour exacerbates the current inflationary challenge; damages growth in the near term; and reduces the revenues available to finance public services, while demand for those services continues to grow.³

One related area of public policy that has been in considerable flux is the UK's policies towards both international students and former international students who have recently graduated.

During the period that Theresa May was Home Secretary, which coincided with David Cameron's time as Prime Minister (from 2010 to 2016), and while she was herself Prime Minister (from 2016 to 2019), the policy environment was tighter for those who wanted to come to the UK to study and to stay afterwards to work than it was either beforehand or afterwards. For example, the Post-



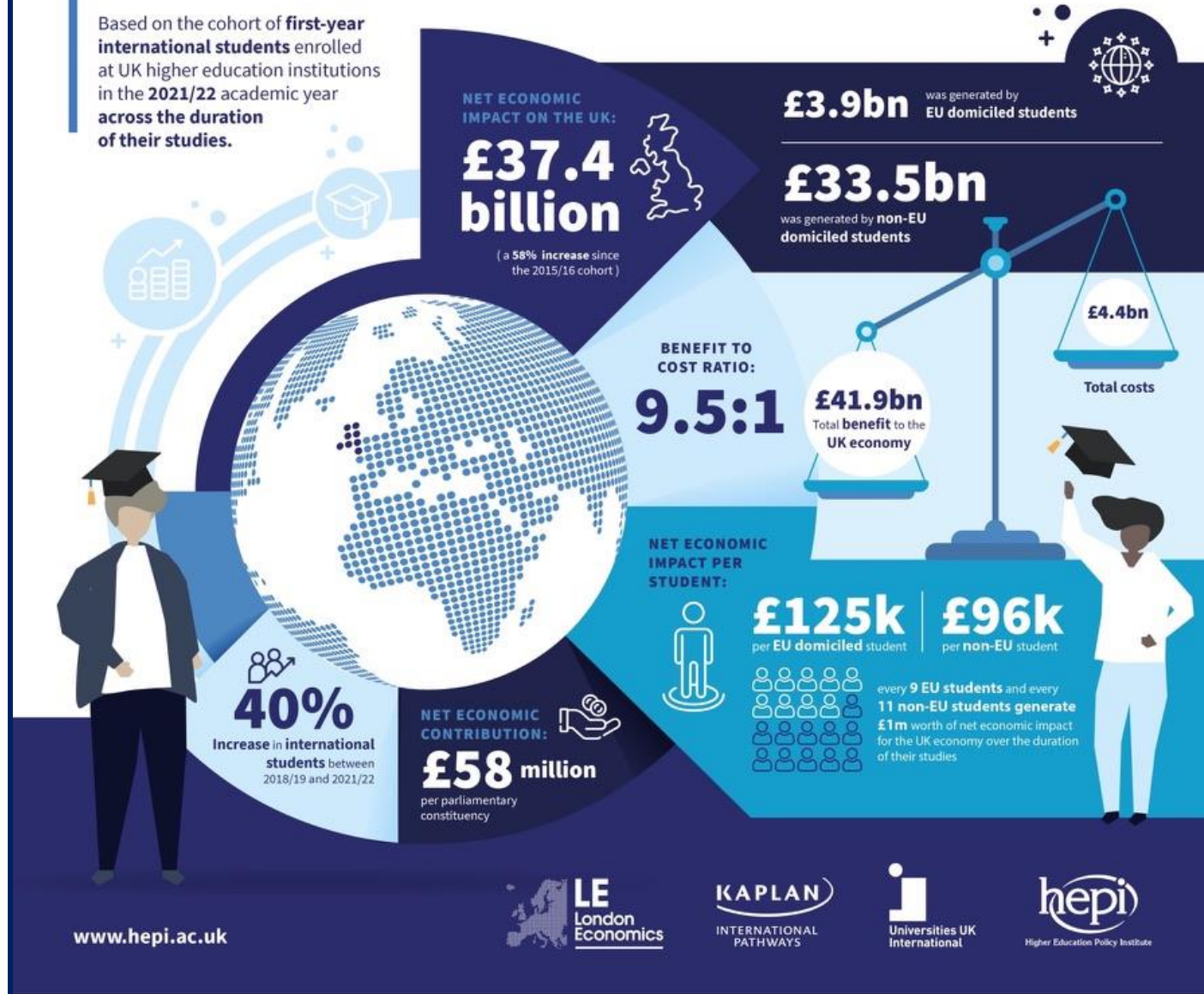
The benefits and costs of international higher education students to the UK economy

Report for the Higher Education Policy Institute, Universities UK International, and Kaplan International Pathways

May 2023

The benefits and costs of international higher education students to the UK economy

Based on the cohort of **first-year international students** enrolled at UK higher education institutions in the **2021/22** academic year across the duration of their studies.



Get a graduate-level job or go home, foreign students to be told

Overseas graduates can stay for two years even without a job but are likely to face a higher bar as ministers plan to cut net migration by restricting visa options

Max Kendix, Political Reporter |
Matt Dathan, Home Affairs Editor

Monday February 24 2025,
10.25pm, The Times

Universities



Overseas students who do not find a highly-skilled job can remain in Britain if they switch from a graduate to a skilled worker's visa on a much lower salary

ALAMY

Graduate visa changes 'would make university closures likelier'

Proposal to restrict post-study work rights to those in 'graduate jobs' alarms vice-chancellors

February 27, 2025

Tom Williams

Twitter: [@TWilliamsTHE](https://twitter.com/TWilliamsTHE)

Tightening UK post-study work rights would jeopardise the beginnings of a recovery in international student numbers and further destabilise university finances, sector leaders have warned.

Less than a year after the [UK's graduate visa was spared amid intense political pressure](#), ministers intent on bringing down immigration are reportedly looking again at making it harder to stay in the country post-graduation, a move that would almost certainly lead to another steep drop in overseas student numbers.



Source: Richard Baker/Getty Images

The Secretary of State’s letter: Carrot and stick



The Rt Hon Bridget Phillipson MP
Secretary of State for Education

Department for Education, Sanctuary Buildings, 20 Great Smith Street, London SW1P 3BT
tel: 0370 000 2288 www.education.gov.uk/contactus/dfe

4 November 2024

Dear all,

I am proud to be the Secretary of State responsible for our world-leading higher education sector. The institutions which you lead make a vital contribution, as education and research institutions, to our economy, to society, and to industry and innovation. They contribute to productivity growth; play a crucial civic role in their communities; and have a key role to play in enhancing the UK’s reputation across the globe. I also passionately believe in education for education’s sake: a more educated society is happier, healthier, more cohesive, and socially and culturally richer.

The government wants to work in partnership with everyone involved in the higher education sector to deliver the change that the country needs. This will require a change in approach from the government – and real change from the sector as well. What I am setting out today is the start of a process of wide-scale reform in the higher education sector.

The Budget last week set out the major challenges facing our public finances and public services, and the tough decisions that the government is taking to fix the foundations and deliver change – some of which I know will affect your institutions. I recognise that the higher education sector is facing real financial challenges. Teaching income per UK student that higher education institutions receive has declined in real terms since 2015/16 and is now approaching its lowest level since 1997. The recent international recruitment environment has also been very challenging. The Office for Students reports a growing number of higher education providers facing significant financial difficulty, with 40% forecasting deficits in 2023-24.

I am clear that we need to put our world-leading higher education sector on a secure footing: in order to face the challenges of the next decade, and to ensure that all students have confidence that they will receive the world-class higher education experience they deserve.

In line with this approach, I am announcing today that from September 2025 we will be increasing both the maximum cap for tuition fees, and maintenance loans for students, in line with inflation. The new rates are set out below:

Fees

	2024/25	2025/26	Uplift
Full-time	£9,250	£9,535	£285

Part-time	£6,935	£7,145	£210
Accelerated	£11,100	£11,440	£340

Maintenance loans

	2024/25	2025/26	Uplift
Home	£8,610	£8,877	£267
London	£13,348	£13,762	£414
Elsewhere	£10,227	£10,544	£317
Overseas	£11,713	£12,076	£363

I am also confirming today that the government will proceed with the tuition fee reduction for classroom-based foundation years, as announced by my department on 17 July 2023. From the start of the 2025/26 academic year, a lower fee limit of £5,760 will be introduced for foundation years in classroom-based subjects – such as business, social science and humanities.

This government recognises the importance of foundation years for promoting access to higher education, but we believe they can be delivered more efficiently in classroom-based subjects, at lower cost to students.

The decision to increase maximum fees has been tough, and I have not taken it lightly. In return for the increased investment that we are asking students to make we want to work with the higher education sector on reforms to ensure the very best outcomes for all students and the country as a whole, including regional and national growth.

That is why I am setting out today my five priorities for reform of the higher education system. We will expect our higher education providers to:

- 1. Play a stronger role in expanding access and improving outcomes for disadvantaged students.** The gap in outcomes from higher education between disadvantaged students and others is unacceptably large and is widening, with participation from disadvantaged students in decline for the first time in two decades. To support not just disadvantaged learners, but all learners, we need to do more to create a culture of lifelong learning and provide more flexible models to help everyone access higher education. I will expect the sector to work closely with the government and with the Office for Students to tackle these issues, including making the most of the opportunity of the Lifelong Learning Entitlement.
- 2. Make a stronger contribution to economic growth.** I am clear that our higher education institutions already make a major contribution to economic growth, as skills providers; research institutions; employers; and educators of current and future leaders across the globe. But in some areas our higher education provision needs to be much more strongly aligned with the needs of

students and the economy. I will expect you to collaborate with Skills England, with other parts of government, and with partners in the further education sector, to ensure our higher and further education institutions are meeting skills needs; we will set out more detail in our post-16 skills strategy in the coming months. We must also work in partnership to ensure that research delivers benefits to the economy and society, including supporting our five national missions and our industrial strategy. And I want to develop a refreshed International Education Strategy with you to enhance the UK’s influence and soft power around the world.

- 3. Play a greater civic role in their communities.** Our higher education providers already play a vital and varied role in their communities and regions: as employers, skills providers, research institutions, and more. I want to build on this and ensure that you play a full part in both civic engagement, ensuring local communities and businesses benefit fully from your work, and in regional development, working in partnership with local government and employers to shape and deliver the economic and social change that is needed across skills, research and innovation. This civic contribution must be locally led, and you will each have distinctive and different roles to play, but I am clear that the government will want it to form a core part of a renewed vision for the sector.
- 4. Raise the bar further on teaching standards, to maintain and improve our world-leading reputation and drive out poor practice.** We should be proud to have one of the best higher education systems in the world. But we need to be clear that there are also pockets of provision where standards are unacceptably low, which means that some students are being held back by poor outcomes. To maintain and enhance our national and international reputation we need a culture which accepts nothing less than high standards, and which requires continuous improvement for all. This will need a more rigorous approach to improving quality and supporting improvement. I ask you to work in partnership with the re-focused Office for Students as they develop and implement a new approach, following the conclusions of Sir David Behan’s review.
- 5. Underpinning all of this needs to sit a sustained efficiency and reform programme.** I know many higher education institutions are already making difficult decisions to ensure they are financially sustainable – and I welcome the efforts that the sector is already making, through Universities UK, to identify opportunities for system-level change. However, adapting to the changed context of the higher education sector over the next decade will require a more fundamental re-examination of business models and much less wasteful spending. We will need to see far greater collaboration across the sector to drive efficiency. I will also expect the sector to be significantly more transparent on how it is managing its resources and to be held to account for delivering great value for money for students and the taxpayer.

I hope you will recognise these as shared objectives, and I know that there is much good practice already underway, including the work outlined in Universities UK’s recent report. I am committed to respecting the autonomy and diversity of the sector

– which are great strengths of our world-leading system. But I am clear too that this agenda needs a real change of approach, both from the government and from the institutions you lead. I want to work in partnership with you, the Department for Science, Innovation and Technology, UK Research and Innovation, and the Office for Students over the coming months to shape the changes to government policy that will be needed to support these changes. The Government will then set out its plan for higher education reform by next summer, to ensure the system delivers against these priorities.

I am determined that our universities are a success because I know how vital securing a sustainable future for our higher education sector is for the success of our students. I am also determined that this success must be not just for this year and the next, but for the decades ahead. I look forward to working with you all.

Yours faithfully,

The Rt Hon Bridget Phillipson MP
Secretary of State for Education

The Secretary of State's letter 1: broadening access

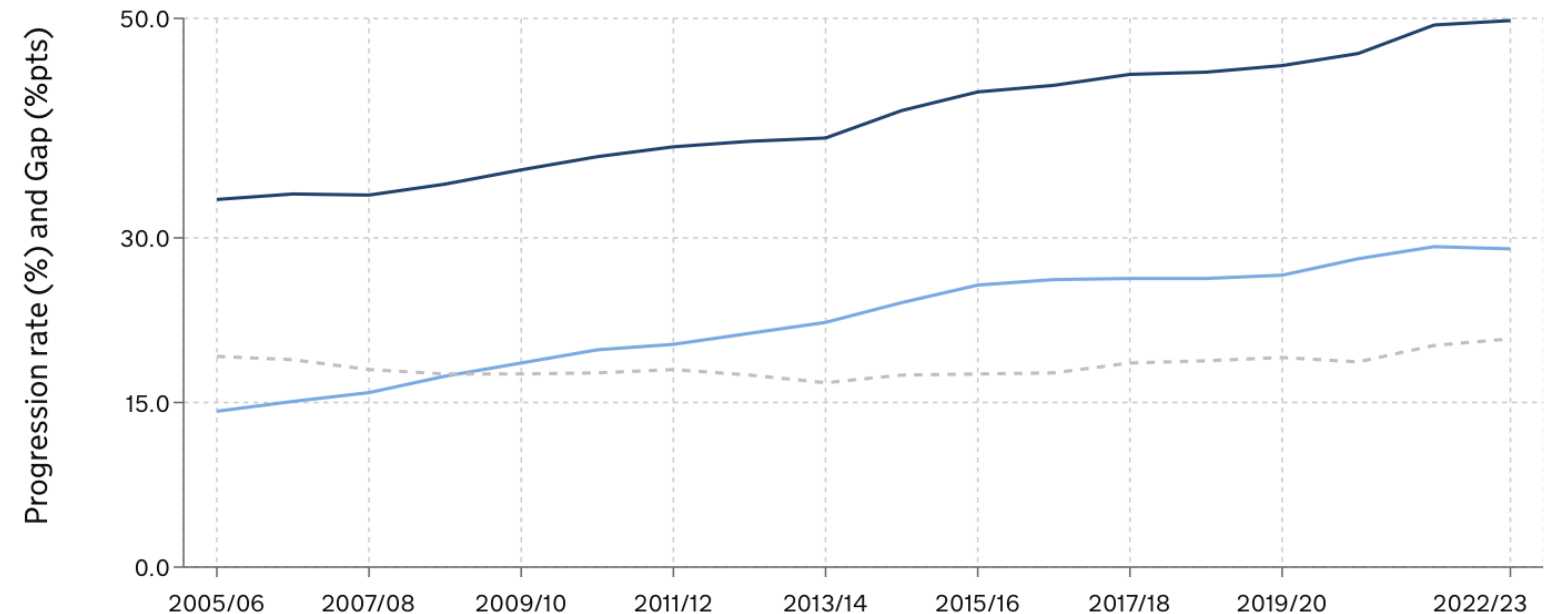
1. Play a stronger role in **expanding access** and improving outcomes for disadvantaged students. ... we need to do more to create a culture of lifelong learning ... making the most of the opportunity of the Lifelong Learning Entitlement.

FSM eligible - Progression Rate
Gap

20.8pp

The gap between FSM eligible and non-FSM eligible pupils has increased to the highest level recorded

Progression to HE by age 19 by Free School Meal eligibility



- HE Progression Rate (FSM) (England)
- HE Progression Rate (Non-FSM) (England)
- Progression Rate Gap (England)



The Secretary of State's letter 2: economic growth

2. **Make a stronger contribution to economic growth.** ... our higher education provision needs to be much more strongly aligned with the needs of students and the economy. I will expect you to collaborate with Skills England ... We must also work in partnership to ensure that research delivers benefits to the economy and society, including supporting our five national missions and our industrial strategy.

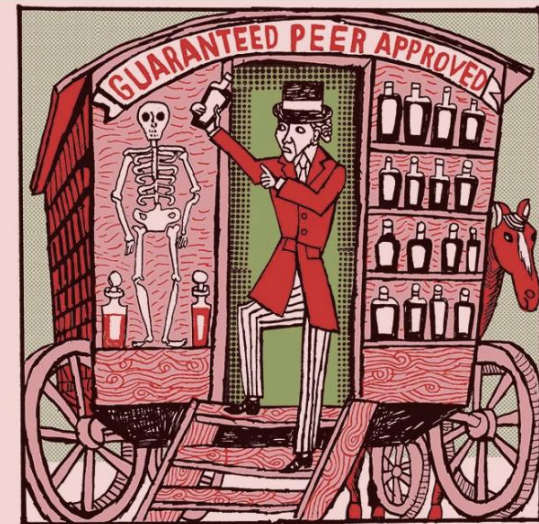
Skills England will:

- work to form a coherent national picture of where skills gaps exist and how they can be addressed, working closely with the Industrial Strategy Council and the [Migration Advisory Committee](#)
- unify the skills landscape to ensure that the workforce is equipped with the skills needed to power economic growth, by bringing together Mayoral Combined Authorities and other key local partners, large and small businesses, training providers and unions
- shape technical education to respond to skills needs, including identifying the training accessible via the Growth and Skills Levy
- advise on the highly trained workforce needed to deliver a clear, long-term plan for the future economy

Iain Mansfield

The absurdity of funding 'diverse' research

20 January 2025, 12:22pm



The Secretary of State's letter 3: civic

3. **Play a greater civic role in their communities.** Our higher education providers already play a vital and varied role in their communities and regions ... I want to build on this and ensure that you play a full part in both civic engagement, ensuring local communities and businesses benefit fully from your work; and in regional development, working in partnership with local government and employers

The Kerslake Collection

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The future of universities and
their places, five years on from
the Civic University Commission.

VIEW ESSAYS



The Secretary of State's letter 4: standards

4. Raise the bar further on **teaching standards**, to maintain and improve our **world-leading reputation and drive out poor practice**. ... there are also pockets of provision where standards are unacceptably low, which means that some students are being held back by poor outcomes. ... This will need a more rigorous approach to improving quality and supporting improvement.

The Office for Students needs to walk and chew gum – by Jo Johnson

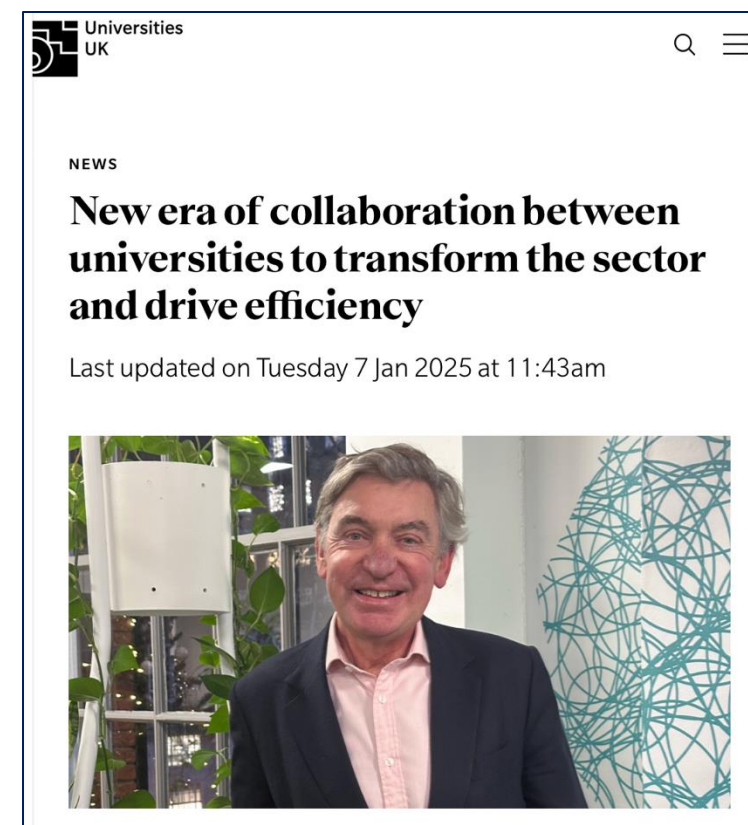
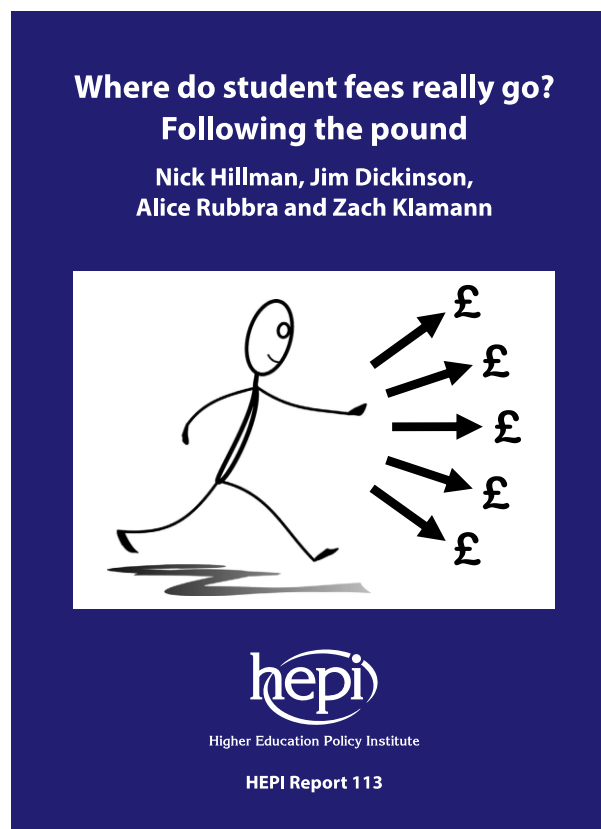
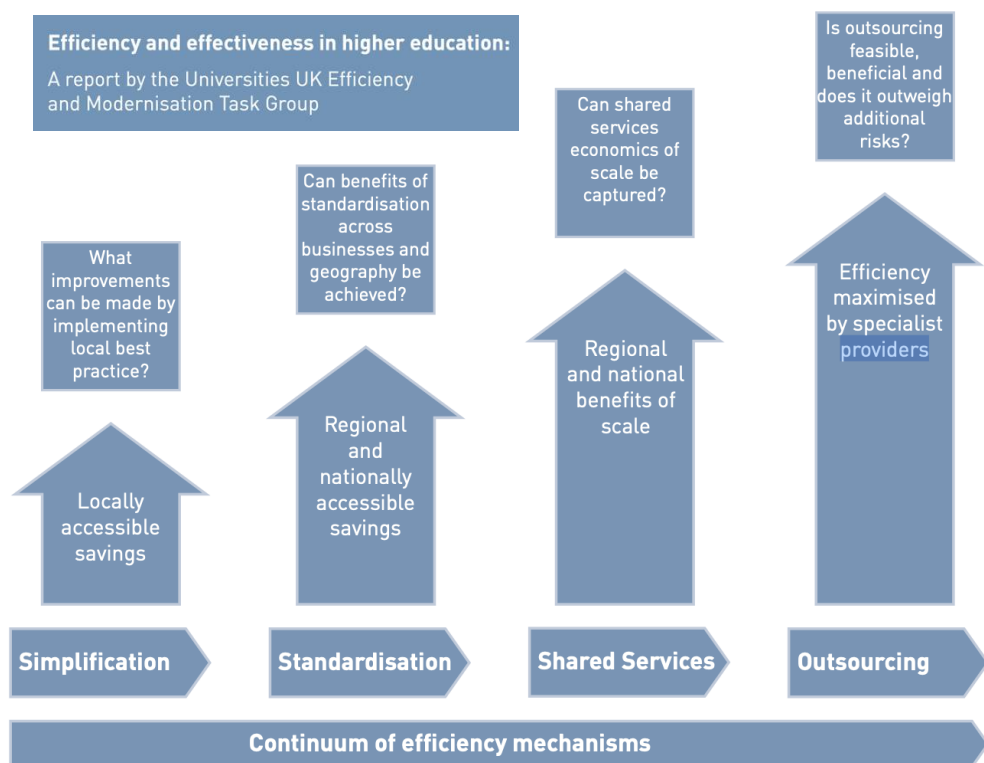
28 January 2025

Best of all, to my mind, is that the Teaching Excellence Framework is at the heart of the regulator's new integrated approach to quality. Given the interests ranged against it, few would have put money on the TEF making it to the tenth anniversary of the [Green Paper](#) that made the case for it.

The Secretary of State's letter 5: efficiencies

5. a sustained **efficiency and reform** programme. ... I welcome the efforts that the sector is already making, through Universities UK, to identify opportunities for system-level change. However, adapting to the changed context of the higher education sector over the next decade will require a more fundamental re-examination of business models and much less wasteful spending.

Figure 6: Increasing impact of efficiency measures (adapted from PwC, 2011)



WHAT'S NEXT?

Future reports

1. Monday, 31 March 2025
Skills England and higher ed

2. Wednesday, 2 April 2025
Did students and graduates make the wrong decisions?

3. Thursday, 24 April 2025
How to deliver employer-sponsored HE

4. Thursday, 8 May 2025
Collection on HE leadership

HEPI's Annual Conference, Thursday 12 June 2025

On Thursday 12 June 2025, HEPI will host its Annual Conference at One Great George Street, London SW1P 3AA . Further details to be announced. For any queries please contact admin@hepi.ac.uk.

12
Jun
2025

HEPI / Advance HE Parliamentary Breakfast Seminar, Tuesday 25 March 2025: 'Survive or thrive: What should the new operating model be for UK higher education?'

25
Mar
2025

HEPI webinar, Wednesday 5 March 2025: 'How the school and college curriculum in England can prepare young people for higher education'

5
Mar
2025