



HOUSE OF LORDS

Library Note

Higher Education and Research Bill (HL Bill 76 of 2016–17)

The Higher Education and Research Bill would make extensive changes to the way in which higher education is regulated in England, establishing a new regulatory body called the Office for Students (OfS). It would also make changes to the way in which the UK's seven research councils operate. The Bill provides for the research councils, along with Innovate UK, to be integrated into a new body called United Kingdom Research and Innovation (UKRI). Amongst its other provisions is the establishment of non-interest bearing finance options for students. The Bill's [Explanatory Notes](#) explain that the measures contained in the Bill also:

- Seek to open up the higher education sector with the aim of encouraging more competition and choice by making it easier for new high-quality providers to start up and achieve degree awarding powers, and subsequently secure university status.
- Put in place risk-based regulation with the aim that the higher education sector serves its stakeholders: students, employers and taxpayers.
- Seek to recognise and reward high-quality teaching by enabling the Office for Students to implement a Teaching Excellence Framework.
- Seek to bring greater transparency to the data held by the higher education sector, to inform choice and promote equality of opportunity.

The Bill was introduced in the House of Commons on 19 May 2016 and passed third reading on 21 November 2016. Its second reading in the House of Lords is scheduled to take place on 6 December 2016. The Bill was amended by the Government at committee and report stage in the Commons. At report stage these principally related to the monitoring of the financial sustainability of registered higher education providers, promotion of the interests of students on the OfS board and the desirability of at least one UKRI board member having experience in relation to at least one of Wales, Scotland and Northern Ireland. A number of non-government amendments were discussed at report stage, with the House of Commons dividing on six of these. Broadly, these amendments related to the modification of student loan repayment terms; the removal of means-tested maintenance grants; the impact of the removal of post study work visas; how the new Teaching Excellence Framework (TEF) scheme could be scrutinised; the considerations the OfS should have when exercising its degree awarding powers; and the relationship between UKRI and the devolved administrations. This briefing focuses on those opposition amendments upon which the House divided, however, it also provides a short discussion on some of the government amendments which were added to the Bill.

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I. Introduction

The [Higher Education and Research Bill](#) passed its third reading in the Commons by 279 votes to 214 on 21 November 2016.¹ It is scheduled to have its second reading in the House of Lords on 6 December 2016. The Bill, as brought from the House of Commons, consists of 119 clauses and 12 schedules. The Bill's Explanatory Notes refer to several commitments set out in the Conservative Party 2015 manifesto.² These are:

- We will ensure that universities deliver the best possible value for money to students: we will introduce a framework to recognise universities offering the highest teaching quality; encourage universities to offer more two-year courses; and require more data to be openly available to potential students so that they can make decisions informed by the career paths of past graduates.³
- Through the Nurse Review of research councils, we will seek to ensure that the UK continues to support world-leading science, and invests public money in the best possible way.⁴
- We will ensure the continuing success and stability of these [Higher Education] reforms, so that the interests of both students and taxpayers are fairly represented.⁵

The Government made a number of amendments to the Bill, including on the representation of student interests on the Office for Students (OfS) board. Six divisions took place on non-government amendments to the Bill at report stage in the House of Commons. Broadly, these were on:

- The process by which student loan repayment terms can be modified.
- An attempt to reinstate means-tested maintenance grants.
- The impact of the removal of post-study work visas.
- Scrutiny of the Teaching Excellence Framework (TEF) scheme.
- Adding to the considerations that the Office for Students should have when exercising its degree awarding powers.
- The relationship between UKRI and the devolved administrations.

However, none of these amendments were made to the Bill.

This Lords Library briefing provides an overview of the first three parts of the Bill (part four deals with general provisions on issues such as regulation making powers and commencement). It then provides a summary of the debate at report stage in the House of Commons, focusing

¹ [HC Hansard, 21 November 2016, cols 717–20.](#)

² [Explanatory Notes](#), p 6.

³ Conservative Party, [Conservative Party Manifesto 2015](#), April 2015, p 35.

⁴ *ibid.*

⁵ *ibid.*

on opposition amendments on which the House of Commons divided. A short summary of third reading is also provided. Finally, the appendix to this briefing lists publications relevant to the Bill's passage through parliament.

The Nurse Review

In December 2014, the Government announced a review into the way in which the UK's research councils operated as part of its science and innovation strategy.⁶ The Review was led by Sir Paul Nurse and was published in November 2015 (the Nurse Review).⁷ The Review made a series of recommendations, including that the existing research councils should become part of a single larger organisation, 'research UK' in the terminology of the Review. It recommended that the research councils should be formed into:

[...] a formal organisation with a single Accounting Officer, which can support the whole system to collectively become more than the sum of its parts, through: speaking with a strengthened voice to government; taking responsibility for delivering cross-Council strategy; and simplifying transactional operations, aimed at reducing the burden of administration currently placed on the heads of research councils. As a consequence, they would be freed up to focus on formulating strategy, promoting research, and increasing engagement with their research communities.⁸

Education White Paper, May 2016

On 16 May 2016, the Government published a white paper entitled *Success as a Knowledge Economy: Teaching Excellence, Social Mobility and Student Choice*. The white paper laid out much of the content of the Bill. In it the Government explained that:

We will establish a single market regulator, the Office for Students (OfS) and a single research and innovation funding body, UK Research and Innovation (UKRI). We will act to ensure teaching and research remain coherent and coordinated at the national as well as the institutional level, including recognising the value of research led teaching through TEF and consideration of the interaction between teaching and research in Lord Stern's review of the Research Excellence Framework (REF). We intend to ensure, through future legislation, that the OfS and UKRI work together on areas of mutual interest, such as the financial sustainability and efficiency of the HE sector, and that they share relevant information, data and expertise.⁹

It provided further detail on the Government's policy aims in the area of higher education, research and innovation. This also included increasing competition in the higher education (HE) sector through:

[...] the creation of more new universities so students can choose from a wider range of institutions. [The Government] will remove barriers for new high quality providers to enter, achieve degree awarding powers and secure university status, in a manner which will enhance the world class reputation of the sector.¹⁰

⁶ Department for Business, Innovation and Skills, '[Nurse Review of Research Councils](#)', 19 November 2015.

⁷ Paul Nurse, [Ensuring a Successful UK Research Endeavour: A Review of the UK Research Councils](#), November 2015.

⁸ *ibid*, p 26.

⁹ Department for Business, Innovation and Skills, [Success as a Knowledge Economy: Teaching Excellence, Social Mobility and Student Choice](#), May 2016, Cm 9258, p 15.

¹⁰ *ibid*, p 21.

Higher Education and Research Bill Second Reading and Committee Stage

At the Bill's second reading in the House of Commons on 19 July 2016 the Secretary of State for Education, Justine Greening argued that the creation of new universities was:

[...] an undoubted force for good, both academically and economically. Recent research by the London School of Economics shows that doubling the number of universities per capita could mean a 4 percent rise in future GDP per capita too. However, the current system for creating universities can feel highly restrictive, with new providers requiring the backing of an incumbent institution to become eligible to award its own degrees. This Bill levels the playing field by laying the foundations for a new system where it will be simpler and quicker to establish high-quality new providers. I am pleased that in May the hon Member for Wallasey (Ms Eagle) confirmed that the Opposition do not object to broadening choice for students by expanding the higher education sector.¹¹

The Secretary of State also argued that UKRI would:

[...] strengthen the strategic approach to future challenges, while maximising the value of the Government's investment of more than £6 billion a year in research and innovation. UKRI will provide a strong, unified voice for the UK's research and innovation funding system on the global stage, cementing Britain's world-leading position. UKRI and the Office for Students will work closely together to ensure that there is a co-ordinated, strategic approach to the funding of teaching and research in England.¹²

Gordon Marsden, Shadow Minister for Education, said that whilst Labour felt the Bill had "positive elements", such as the introduction of a transparency duty for university admissions, it expressed concerns that the "reality is that our world and the education world are utterly changed since 23 June".¹³ Mr Marsden argued that:

The Bill too often produces 20th century answers to 21st century challenges. It is laced with an obsession for market-led ideology that does not reflect the realities in higher education or those of the post-Brexit world.¹⁴

Speaking for the SNP, Carol Monaghan, Group Leader for Public Services and Education, said that her Party did not "dispute that "some aspects of higher education need reviewing".¹⁵ She also said that the SNP welcomed "attempts to increase diversity and access to higher education".¹⁶ However, she argued that to "press ahead with the Bill at a time when HE is already experiencing great uncertainty due to Brexit is reckless and will cause further

¹¹ [HC Hansard, 19 July 2016, cols 703–4.](#)

¹² *ibid.*, col 714.

¹³ *ibid.*, col 716.

¹⁴ *ibid.*

¹⁵ *ibid.*, col 733.

¹⁶ *ibid.*

damage”.¹⁷ Carol Monaghan also argued that there were “significant” differences between the HE sector in Scotland and the other parts of the UK.¹⁸ She said that:

The SNP is supportive of the UK Government’s proposals to improve the standard of teaching through the teaching excellence framework, but it stresses the need to consider Scotland’s unique educational provision. Although Scottish HE providers will not be bound by the Bill, there are concerns that by not participating in the TEF, Scottish universities will be disadvantaged when attracting international students, who are a crucial source of funding for all HE institutions.¹⁹

The Bill passed second reading by 294 to 258.²⁰ The House of Commons Library produced a briefing to support the Bill’s second reading in the Commons.²¹

The Higher Education and Research Bill’s committee stage took place over fourteen sessions between 6 September and 18 October 2016. The Public Bill Committee took written and oral evidence from a range of HE sector organisations. The House of Commons Library has published a briefing which provides a summary of the Bill’s House of Commons committee stage.²² This explains that:

There were 17 divisions during the Committee Stage and a number of amendments were agreed; all the accepted amendments were Government amendments—most of which were minor technical ones. The only substantial amendments agreed were amendments allowing the immediate suspension of providers from the register of higher education providers where public funds are at risk, and another permitting TEF ratings to be given to higher education institutions (HEIs) in the devolved regions.²³

2. An Overview of the Bill

2.1 Part One: The Office for Students

Part one of the Bill is concerned with the establishment of a new higher education (HE) regulator for England, to be called the Office for Students (OfS). The OfS would be established as a non-departmental public body. It would take on the regulatory functions of the current HE regulator, the Higher Education Funding Council for England, which was established by the Further and Higher Education Act 1992. It would also take on the statutory powers of the Director of Fair Access to Higher Education, established under the Higher Education Act 2004. These two bodies would then be wound up.

The OfS would have a duty to encourage competition and value for money in the HE sector alongside “the need to promote equality of opportunity in access to, and participation in, HE”.²⁴ The Bill’s Explanatory Notes state that the aim is to use a more competitive system to improve quality standards and outcomes for both students and taxpayers. Alongside its duty to promote choice and competition, the OfS would also be required to “promote fair access and success”

¹⁷ [HC Hansard, 19 July 2016, cols 703–4.](#)

¹⁸ *ibid.*

¹⁹ *ibid.*

²⁰ *ibid.*, cols 791–4.

²¹ House of Commons Library, [Higher Education and Research Bill 2016 \[Bill No 004 of 2016–17\]](#), 30 June 2016.

²² House of Commons Library, [Higher Education and Research Bill: Committee Stage Report](#), 16 November 2016.

²³ *ibid.*, p 4.

²⁴ [Explanatory Notes](#), p 7.

for those students from disadvantaged backgrounds.²⁵ One of the members of the OfS's executive board would have responsibility for fair access. The Explanatory Notes explain, however, that the OfS would not set targets for access and success:

[...] instead in a continuation of the way that the Director of Fair Access to Higher Education has operated, it will work with institutions to ensure they are doing as much as they can to make real progress on these issues.²⁶

The OfS would also establish a register of HE providers in England. The register would include “among others, all providers whose students can receive student support or have a Tier 4 licence for international students”.²⁷ Providers which offer accredited HE courses would be able to join the register on a voluntary basis as long as they comply with the student complaints scheme of the Office of the Independent Adjudicator for Higher Education. However, they would not receive access to public funding or student support.

The Bill would also make changes to the way in which HE providers can award degrees. The Bill's Explanatory Notes explain that the provisions would enable a “risk-based” approach.²⁸ The Government's white paper explained that:

We will allow all providers to choose how they participate in the higher education sector, and what types of government support they want to access. This forms the basis of a new approach to regulation in higher education—one that doesn't suppose that all providers of a particular type are the same. Instead all providers will now be regulated in the same way and on the basis of the risk that they pose [...]²⁹

All “predominately degree-level” providers would be able to make an application to the OfS for degree making powers.³⁰ Those providers which met required quality levels would be able to acquire “full degree awarding powers more quickly, after three years of operation”.³¹ The Bill would enable the OfS to “vary degree awarding powers which will enable providers to secure probationary degree awarding powers when they first start operating”.³² This would be subject to “extensive monitoring and some restrictions on scope”.³³ Additionally, responsibility for granting degree awarding powers and university status would be transferred from the Privy Council to the OfS. The OfS would maintain the same duties to protect “academic freedom and institutional autonomy” over admissions as the current Director of Fair Access to Higher Education, within the context of access, participation and success of students from disadvantaged backgrounds.³⁴

²⁵ [Explanatory Notes](#), p 8.

²⁶ *ibid.*

²⁷ *ibid.*, p 7.

²⁸ *ibid.*

²⁹ Department for Business, Innovation and Skills, [Success as a Knowledge Economy: Teaching Excellence, Social Mobility and Student Choice](#), May 2016, Cm 9258, pp 23–4.

³⁰ [Explanatory Notes](#), p 7.

³¹ *ibid.*

³² *ibid.*

³³ *ibid.*

³⁴ *ibid.*

Amongst its other provisions part one of the Bill also:

- Places a “transparency duty” on HE providers to publish data on the backgrounds of applicants.³⁵

And,

- Establishes the Teaching Excellence Framework (TEF). The TEF is aimed at providing “clear, understandable information” on the quality of teaching at a given HE provider. Additionally, an HE provider’s fee caps would be able to be set at differing levels based on its TEF award. This would be within an overall sector floor and cap controlled by Parliament.³⁶

2.2 Part Two: Other Education Measures

Non-Interest Bearing Student Finance

Part two provides for the introduction of a non-interest bearing model of student finance to be offered alongside current student loans. These would be provided for those students “who feel unable to use interest-bearing loans for religious reasons”.³⁷ The Coalition Government consulted on the introduction of such financial support. In its response to the consultation the Coalition Government stated that this would require primary legislation and it would need to find parliamentary time to introduce this. However, it said that:

[...] in light of the positive response to the proposals in the consultation, the Government supports the introduction of a Sharia-compliant Takaful Alternative Finance product available to everyone and will work on its development.³⁸

In its 2016 white paper, David Cameron’s Government reiterated its support for “an alternative student finance offer”, stating that:

It has the potential to support participation from Muslim students and therefore to help meet the [then] Prime Minister’s clear commitment to increasing the number of BME students going to university.³⁹

The Explanatory Notes explain that:

Existing legislation only allows for regulations to offer loans and grants to support students of higher and further education. This Bill will extend that power so that regulations can provide an alternative model of student finance alongside current student loans. Full details will be set out in secondary legislation.⁴⁰

³⁵ [Explanatory Notes](#), p 8.

³⁶ *ibid.*

³⁷ *ibid.*

³⁸ Department for Business, Innovation and Skills, [Government Response to Consultation on a Sharia Compliant Alternative Finance Product](#), September 2014, p 21.

³⁹ Department for Business, Innovation and Skills, [Success as a Knowledge Economy: Teaching Excellence, Social Mobility and Student Choice](#), May 2016, Cm 9258, p 60.

⁴⁰ [Explanatory Notes](#), p 8.

Lord Sharkey, Liberal Democrat, introduced a private member's bill into the House of Lords on 26 May 2016 to make provision for non-interest-bearing student finance facilities.⁴¹ It has yet to receive a date for a second reading.

Higher Education Corporations

Part two of the Bill will also:

[...] deregulate the legislative arrangements governing higher education corporations, with the aim of placing them on a more equal footing with other providers of higher education incorporated under different constitutional arrangements.⁴²

2.3 Part Three: United Kingdom Research and Innovation

Part three of the Bill would establish the United Kingdom Research and Innovation (UKRI). The Conservative's 2015 manifesto said that:

Through the Nurse Review of research councils, we will seek to ensure that the UK continues to support world-leading science, and invests public money in the best possible way.⁴³

The Bill would incorporate the existing seven research councils, Innovate UK and certain elements of the Higher Education Funding Council for England, within a single body—to be known as UKRI. The Explanatory Notes state that this part of the Bill is based on the following “key principles”:

- The aim of strengthening strategic thinking on cross cutting priorities and developing a more agile and responsive research and innovation funding system.
- The aim of retaining the world class strengths of the current system, including the Haldane principle,⁴⁴ the dual support system and Innovate UK's distinct business facing focus.
- The importance of subsidiarity, with decisions needing to be taken at the lowest effective level and leaders in particular fields of activity given full responsibility for decisions in their areas.
- The aim of reducing bureaucracy, freeing up research and innovation leaders to focus on strategic decision-making.⁴⁵

The existing research councils would be represented by separated “Councils” within UKRI. These would have delegated budgets and maintain “autonomy on scientific, innovation, and

⁴¹ [Student Support \(Non-Interest-Bearing Finance\) Bill](#), HL Bill 23 of session 2016–17.

⁴² [Explanatory Notes](#), p 9.

⁴³ Conservative Party, [Conservative Party Manifesto 2015](#), April 2015, p 35.

⁴⁴ The Haldane principle “means that decisions on individual research proposals are best taken by researchers themselves through peer review”, [HC Hansard, 20 December 2010, cols 138–9WS](#).

⁴⁵ [Explanatory Notes](#), p 10.

research decision making”.⁴⁶ The councils would have executive chairs appointed by government on the advice of UKRI’s board. The executive chairs would:

[...] discharge the implementation of the Research England Council decisions on a day-to-day basis. UKRI’s board will have responsibility for leading overall strategic direction and cross-cutting decision making, including managing funds with cross-disciplinary impact.⁴⁷

3. House of Commons: Report Stage

The Bill’s report and third reading in the House of Commons took place on 21 November 2016. This section of the briefing focuses on the six divisions that took place on opposition amendments to the Bill. However, a brief overview of government amendments is also provided.

3.1 Government Amendments

The Government made 36 amendments to the Bill at report stage in the House of Commons.⁴⁸ This included new clause 1 (clause 62 in HL Bill 76), which would provide the OfS with a duty to monitor and report on the financial sustainability of higher education providers. The Government’s explanatory statement on the new clause explained that it:

[...] requires the OfS to monitor the financial sustainability of registered higher education providers who are in receipt of, or eligible for, certain kinds of public funding. It requires the OfS to include in its annual report a summary of conclusions which it draws from that monitoring regarding patterns, trends or other matters which it has identified relating to the financial sustainability of some or all of the providers monitored and which it considers are appropriate to be brought to the attention of the Secretary of State.⁴⁹

The Minister of State for Universities and Science, Joseph Johnson, stated that the new clause 1 was a response to stakeholder evidence and to the debates during the Bill’s committee stage. He explained that Universities UK, for example, considered the Higher Education Funding Council for England’s “holistic oversight” to be a critical part of the regulator’s role. Mr Johnson explained that he:

[...] understand[s] the importance of this oversight in maintaining confidence in the sector and preserving its world-class reputation. The stakeholders share the desire to make our policy intention in the White Paper explicit in legislation. This role will include financial oversight of all the institutions’ activities, spanning teaching and research.⁵⁰

Responding to new clause 1, Gordon Marsden, Shadow Minister for Education, criticised the Government for not placing more detail of the OfS’s powers on the face of the Bill, arguing that “if the Government want to calm suspicions about the OFS, they need to do more to ensure

⁴⁶ [Explanatory Notes](#).

⁴⁷ *ibid.*

⁴⁸ House of Commons, [Votes and Proceedings](#), 21 November 2016.

⁴⁹ House of Commons, [Consideration of Bill \(Report Stage\)—Higher Education and Research Bill, as Amended](#), 21 November 2016, p 2.

⁵⁰ [HC Hansard, 21 November 2016, col 662](#).

that as a body, it has sufficient powers directly defined in the Bill”.⁵¹ He explained that he believed that

[...] we have to work on the assumption that we will have the worst and the naughtiest Secretaries of State, not necessarily the best ones and not necessarily the best Minister with responsibility for universities. That means that we need to build things directly on the face of the Bill.⁵²

Other government amendments made to the Bill included:

- Government amendment 4: This “makes clear that the OfS may impose a registration condition requiring a provider to publish a student protection plan”.⁵³
- Government amendment 21: This would require that “at least one of the ordinary members of the OfS has experience of representing or promoting the interests of students in higher education”.⁵⁴
- Government amendment 35: This “requires the Secretary of State, when appointing members of UKRI, to have regard to the desirability of at least one of the members having relevant experience in relation to at least one of Wales, Scotland and Northern Ireland”. “Relevant experience” is defined in the amendment.⁵⁵

Joseph Johnson also explained that government amendments 1, 12 and 13 introduced additional protections in the area of academic freedom and institutional autonomy.⁵⁶ In particular, the explanatory statement for government amendment 1 states that:

This amendment prevents guidance given by the Secretary of State, which is framed by reference to a particular course of study, guiding the OfS to perform a function in a way which prohibits or requires the provision of a particular course. Amendments 12 and 13 place corresponding restrictions on the Secretary of State’s power to impose terms and conditions of a grant to the OfS under clause 67 [clause 68 of HL Bill 76], or to give directions under clause 70 [clause 71 of HL Bill 76], which are framed by reference to a particular course.⁵⁷

3.2 Changes to Student Loan Repayment Terms

New clause 2 was a Labour amendment which addressed concerns expressed by the Party about changes to student loans terms and conditions. The repayment threshold of post-2012 student loans had been set at £21,000 and the Government said that it planned to “increase it

⁵¹ [HC Hansard, 21 November 2016, col 641](#).

⁵² *ibid.*

⁵³ House of Commons, [Consideration of Bill \(Report Stage\)—Higher Education and Research Bill, as Amended](#), 21 November 2016, p 13.

⁵⁴ *ibid.*, p 22.

⁵⁵ *ibid.*, p 25.

⁵⁶ [HC Hansard, 21 November 2016, col 623](#).

⁵⁷ House of Commons, [Consideration of Bill \(Report Stage\)—Higher Education and Research Bill, as Amended](#), 21 November 2016, p 11.

periodically to reflect earnings”.⁵⁸ However, in the July 2015 Budget the Government stated that it would consult on freezing the loan repayment threshold for five years.⁵⁹ Following this consultation the Government said that it had:

[...] decided that the threshold freeze will be implemented for all borrowers with post-2012 loans. The repayment threshold will be £21,000 at April 2016, and it will not be uplifted until at least April 2021, when the threshold will be reviewed. The ‘upper’ interest threshold of £41,000 will be frozen at the same time to ensure that variable interest rates applied for those earning between £21,000 and £41,000, remain unaltered.⁶⁰

During the Bill’s report stage in the House of Commons, Wes Streeting, Labour MP for Ilford North, argued that consequently:

[...] graduates will end up paying more each month and thousands of pounds more over the 30-year lifetime of their loans. Worst of all, the change will affect not only future students, who can consciously decide to sign up to those repayment conditions, but thousands of existing students and graduates who took out their loans in good faith on the promise that the repayment threshold would increase from 2017.⁶¹

He described the change as “retrospective” and “regressive”.⁶² Mr Streeting said that he had “teamed up with Martin Lewis [of the website Money Saving Expert] to put forward amendments to the Bill”.⁶³ The House of Commons Library has published a briefing on the freezing of the student loan repayment threshold.⁶⁴ This includes further discussion of this issue, including on the potential retrospective nature of the change. The briefing explains that the “booklet [which] sets out the conditions that students agree to when they take out a loan [...] says that the loan terms may possibly be changed over the life of the loan”.⁶⁵

New clause 2 would have required modifications, or changes, to the repayment of a loan to be approved by an independent panel before taking effect.⁶⁶ Amongst its considerations, the panel members would have to ensure that the modification was subject to consultation with representatives of borrowers and that evidence was provided to show that those on low incomes would be protected. The panel would consist of three people appointed by the Secretary of State. Taken together the panel members would have to have experience of consumer protection; loan modification and mediation; the higher education sector and student finance.

Gordon Marsden, Shadow Education Minister, spoke to new clause 6 which similarly sought to prevent changes to repayment conditions retroactively without the agreement of both Houses of Parliament. New clause 6 was not pushed to division. Mr Marsden also spoke to new clause 2 and said that he believed the issue of changes to student loan repayment terms would be

⁵⁸ [HC Hansard, 3 November 2010, col 924.](#)

⁵⁹ HM Treasury, [Summer Budget 2015](#), July 2015, HC 264 of session 2015–16, para 1.265.

⁶⁰ Department for Business, Innovation and Skills, [Freezing the Student Loan Repayment Threshold: Government Response to the Consultation on Freezing the Student Loan Repayment Threshold](#), November 2015, p 33.

⁶¹ [HC Hansard, 21 November 2016, col 653.](#)

⁶² *ibid.*

⁶³ *ibid.*, col 654.

⁶⁴ House of Commons Library, [Freezing the Student Loan Repayment Threshold](#), 15 July 2016.

⁶⁵ *ibid.*, p 16.

⁶⁶ House of Commons, [Consideration of Bill \(Report Stage\)—Higher Education and Research Bill, as Amended](#), 21 November 2016, pp 2–3.

raised again in the House of Lords, arguing that “it is economically, morally and socially indefensible”.⁶⁷ However, in its response to the consultation on freezing the repayment threshold the Government stated that the option of freezing the threshold for all post-2012 borrowers was:

[...] the most straightforward for HMRC, SLC [Student Loans Company] and businesses (employers) as no change from the current loan arrangements would be required. The threshold of £21,000 is already set in the Education (Student Loans) (Repayment) Regulations 2009 (as amended); no legislative change would be required for a ‘freeze’ and there would be no need to specify the rules for raising the threshold.⁶⁸

The Minister of State for Universities and Science, Joseph Johnson, argued that new clause 2 was unnecessary because “the key terms and conditions governing repayment of the loan are set out in regulations made under section 22 of the Teaching and Higher Education Act 1998”.⁶⁹ Therefore, they are “subject to scrutiny under the negative procedure, which allows Parliament to call a debate on any amendments”.⁷⁰ Mr Johnson stated that he felt that an “unelected panel” should not “have a final say on the loan terms and conditions”, rather that it should remain with Parliament.⁷¹

New clause 2 was defeated on division by 278 votes to 180.⁷²

3.3 Means-Tested Maintenance Grants

New clause 5 sought to revoke the Education (Student Support) (Amendment) Regulations 2015.⁷³ These regulations remove access to means-tested maintenance grants for ‘2016 cohort students’. The explanatory memorandum to the Regulations states that:

They will instead qualify for an increased loan for living costs, which for most 2016 cohort students on household incomes of £25,000 or less will be 10.3 percent higher than the maximum maintenance grant and loan for living costs package available for low income students in the 2015/16 academic year.⁷⁴

Speaking to new clause 5, Gordon Marsden said that “Bringing back the maintenance grant would help to enable over half a million students from low and middle-income backgrounds to go on to higher education”.⁷⁵ He raised the issue of social mobility in this context arguing that it was a “travesty that I have to stand here today to talk about the problems caused by scrapping maintenance grants and replacing them with a further loan”.⁷⁶ Mr Marsden stated that the removal of means-tested maintenance grants would disproportionately affect students from low-income backgrounds.

⁶⁷ [HC Hansard, 21 November 2016, col 664.](#)

⁶⁸ Department for Business, Innovation and Skills, [Freezing the Student Loan Repayment Threshold: Government Response to the Consultation on Freezing the Student Loan Repayment Threshold](#), November 2015, p 25.

⁶⁹ [HC Hansard, 21 November 2016, col 657.](#)

⁷⁰ *ibid.*

⁷¹ *ibid.*

⁷² *ibid.*, cols 665–8.

⁷³ House of Commons, [Consideration of Bill \(Report Stage\)—Higher Education and Research Bill, as Amended](#), 21 November 2016, p 5.

⁷⁴ [Explanatory Memorandum: The Education \(Student Support\) \(Amendment\) Regulations 2015](#), para 7.2.1.

⁷⁵ [HC Hansard, 21 November 2016, col 662.](#)

⁷⁶ *ibid.*

Speaking prior to Gordon Marsden, Joseph Johnson argued that revoking the Regulations would cost £2.5 billion a year and that the Regulations increased support for students “on the lowest incomes by over 10 percent”.⁷⁷ The Minister also asserted that “the sustainable system that we have put in place has enabled us to remove the cap on student numbers and offer more support for living costs than ever before”.⁷⁸

New clause 5 was defeated on division by 278 votes to 181.⁷⁹

3.4 UKRI and Post Study Work Visas

New clause 14 concerned the subject of post-study work visas. It would have required UKRI to commission an evaluation of the impact of the absence of post-study work visas on the UK economy and the “economy, efficiency and effectiveness of the higher education section”, within six months of the Bill coming into force.⁸⁰

Introducing the new clause, Carol Monaghan, SNP Group Leader for Public Service and Education, argued that “the current post-study work offer is not adequate for Scotland”.⁸¹ She stated that this was “even more important” in light of the EU referendum result.⁸² Carol Monaghan argued that recent data showed how a growth in international entrants needed to be placed in context, saying that:

Data published in January show that Scotland saw a 2 percent increase in international entrants in the academic year 2014–15, compared with the previous year. On the face of it, that may appear positive, but by comparison, from 2013–14 to 2014–15 the number of international students entering higher education in the United States increased by 10 percent. Rather than being able to take advantage of this growth sector and use it to create economic growth locally, our numbers are expected to remain stagnant, which is simply not good enough.⁸³

Mark Field, Conservative MP for the Cities of London and Westminster, argued that one reason for the removal of the post-study work visa was a concern about students who arrive in the UK and “then simply go to ground”.⁸⁴ He said that universities “cannot simply get students in, take the money and then wash their hands of any responsibility”. He asked Carol Monaghan what further obligations should be placed on universities in this respect. Responding, she asserted:

Certain rogue institutions—particularly private FE colleges—have in the past not complied with visa regulations, but there is little evidence that the HE institutions in the scope of this Bill have any record of non-compliance, so I do not accept the points the right hon Gentleman makes.⁸⁵

⁷⁷ [HC Hansard, 21 November 2016, col 658.](#)

⁷⁸ *ibid.*

⁷⁹ *ibid.*, cols 669–71.

⁸⁰ House of Commons, [Consideration of Bill \(Report Stage\)—Higher Education and Research Bill, as Amended](#), 21 November 2016, pp 9–10.

⁸¹ [HC Hansard, 21 November 2016, col 631.](#)

⁸² *ibid.*

⁸³ *ibid.*, cols 631–2.

⁸⁴ *ibid.*, col 632.

⁸⁵ *ibid.*, col 632.

Speaking to this issue, Jim Cunningham, Labour MP for Coventry South, said that the Scottish Affairs Committee had been looking at this and that “we found evidence that the Government need to look at the situation in Scotland differently from that in the rest of the country”.⁸⁶

Responding to new clause 14, Joseph Johnson said that he did not think that the Higher Education and Research Bill was an appropriate vehicle for commissioning research in the post-study work visa:

The Bill is focused on creating the structures needed to oversee higher education and research funding for many years to come. The scope of what this amendment proposes—a short-term piece of research on an element of migration policy—is not consistent with the scope and functions of UK Research and Innovation.⁸⁷

He argued that the UK had an “excellent offer for overseas students who graduate in the UK”.⁸⁸ He said that options were available for graduates to remain in the UK after their studies by “switching to several existing visa routes, including tier 2 skilled worker visas”.⁸⁹

New clause 14 was defeated on division by 280 votes to 211.⁹⁰

3.5 Teaching Excellence Framework Scheme

Amendment 47 concerned the Teaching Excellence Framework. The amendment (alongside amendment 46) would have required the OfS to lay a draft of the TEF scheme before Parliament and for it to be approved by a resolution of both Houses.

Speaking to amendment 47, Gordon Marsden, Shadow Minister for Education, argued that “we had to use some ingenuity to get even a discussion of the TEF in respect of the Bill, so cleverly had the Government gone about trying to keep it off the face of the Bill [...]”.⁹¹ Mr Marsden signalled Labour’s desire to pursue the issue in the House of Lords saying that he was sure that the “TEF will be returned to, and with some significance and in no short order, when it goes to the other place”.⁹²

The Minister argued that amendment 47 “misunderstood” the aim of the TEF and would “stifle [its] healthy development”.⁹³ Later in the debate he said that he did not believe that amendment 47 was “necessary or proportionate”.⁹⁴ He argued that:

[...] the development of the TEF has been, and will continue to be, an iterative process—as the research excellence framework was before it. Requiring Parliament to agree each and every change to the framework would stifle its healthy development.

⁸⁶ [HC Hansard, 21 November 2016, col 632.](#)

⁸⁷ *ibid.*, col 646.

⁸⁸ *ibid.*

⁸⁹ *ibid.*

⁹⁰ *ibid.*, cols 690–3.

⁹¹ *ibid.*, col 645.

⁹² *ibid.*

⁹³ *ibid.*, col 625.

⁹⁴ *ibid.*, col 648.

The Research Excellence Framework [REF] scheme is not subject to that level of oversight by Parliament, and nor should it be.⁹⁵

Amendment 47 was defeated on division by 277 votes to 216.⁹⁶

3.6 Degree Awarding Powers

Amendment 40 concerned the process through which the OfS would be able to grant further education providers the power to grant foundation degrees. Clause 40(1) of the Bill would grant the OfS the power to authorise by order:

- (a) a registered higher education provider to grant taught awards or research awards or both;
- (b) a qualifying further education provider to grant foundation degrees.⁹⁷

Clause 40(4) provides that the OfS cannot authorise a provider under subsection 1(b) unless:

- (a) the provider gives the OfS a progression statement, and
- (b) the OfS considers that the proposals set out in that statement are satisfactory and are likely to be carried out.⁹⁸

Amendment 40 moved by Gordon Marsden would have added the following two requirements to clause 40(4):

- (c) the OfS is assured that the provider is able to maintain the required standards of a UK degree for the duration of the authorisation; and
- (d) the OfS is assured that the provider operates in students' and the public interests.⁹⁹

Speaking to amendment 40 at report stage in the House of Commons, Mr Marsden argued that a distinction should be made between “broad-based” new providers and those providing what he described as “opportunistic, fast-buck courses”.¹⁰⁰ He also expressed concern about those which may be “inefficiently structured or financed”. He referenced amendment 58, tabled by Roberta Blackman-Woods, Labour MP for the City of Durham, as addressing similar concerns. Amendment 58 sought to amend clause 51 of the Bill which governed the power to grant an institution the right to use the word “university” in its title. It would have provided that before this was granted the institution would have to demonstrate that it provided a range of cultural activities to students, student support and wellbeing services, volunteering opportunities, access to a students’ union and that it “played a positive civic role”.¹⁰¹ Speaking to amendment 58,

⁹⁵ [HC Hansard, 21 November 2016, col 648.](#)

⁹⁶ *ibid*, cols 695–7.

⁹⁷ [Higher Education and Research Bill, HC Bill 78 of session 2016–17](#), clause 40(1).

⁹⁸ *ibid*, clause 40(4).

⁹⁹ House of Commons, [Consideration of Bill \(Report Stage\)—Higher Education and Research Bill, as Amended](#), 21 November 2016, p 16.

¹⁰⁰ [HC Hansard, 21 November 2016, col 643.](#)

¹⁰¹ House of Commons, [Consideration of Bill \(Report Stage\)—Higher Education and Research Bill, as Amended](#), 21 November 2016, p17.

Dr Blackman-Woods said that there was “huge concern” in the higher education sector about institutions being able to be called universities when they do not provide such facilities:

The reason that I tabled amendment 58 is that the Bill will allow a series of higher education institutions to call themselves universities even though we as yet have no idea whether they will have to offer a range of basic services to students. Will they be able to join a students’ union and sports clubs? Will they play an important role in the local community, as is the case with existing universities? Will they have an important role in the local economy?¹⁰²

Responding to the amendment, Joseph Johnson said that the Government was “absolutely committed” to protecting the quality and reputation of UK universities. He stated that the Government:

[...] are not changing the core concept of what a university is and are not planning any wide-ranging changes to the criteria for university title. As now, we want only those providers with full degree-awarding powers to be eligible. Students make the choice where to study based on many factors—not only the qualification they will receive, but the cultural and social opportunities—and one size does not fit all. As independent and autonomous organisations, higher education providers are best placed to decide what experiences they want to offer to students and the local community.¹⁰³

Referring to the requirements outlined in amendment 58, Mr Johnson also said that “none of these are current criteria”.¹⁰⁴ Later he said that “like now, we intend to set out the detailed criteria and processes for gaining university title in guidance, not in legislation. We plan to consult on the detail prior to publication”.¹⁰⁵ Amendment 58 was not pressed to division.

On amendment 40, Gordon Marsden said that as Dr Blackman-Woods “and others” had said there was “huge concern” in the HE sector about single-course universities.¹⁰⁶ Mr Marsden argued that the requirements laid down in the Bill for new providers were “inadequate” given the “huge amount of public money that will go into [them]”.¹⁰⁷ Consequently, he said that Labour wanted:

[...] to press the matter further. Amendment 40 requires the OfS to be assured about the maintenance of standards, students and the public interest before issuing authorisation to grant a degree. That is important. I give notice that we will press amendment 40 to a vote.¹⁰⁸

Mr Marsden also stated that “whatever the outcome” of the division “I assure the Minister that the issue is unlikely to go away and that he and his team will face further questions on it after the matter goes to the other place”.¹⁰⁹

¹⁰² [HC Hansard, 21 November 2016, col 635.](#)

¹⁰³ *ibid*, col 649.

¹⁰⁴ *ibid*, col 625.

¹⁰⁵ *ibid*, col 649.

¹⁰⁶ *ibid*, col 643.

¹⁰⁷ *ibid*.

¹⁰⁸ *ibid*.

¹⁰⁹ *ibid*.

Speaking before Gordon Marsden, Joseph Johnson said of amendment 40 that the Government's reforms "will ensure that students can choose from a wider range of high-quality institutions". Referring to the requirements to be placed on new providers, Mr Johnson said that:

If the higher education provider can demonstrate their ability to deliver high-quality provision, we want to make it easier for it to start awarding its own degrees, rather than needing to have degrees for its courses awarded by a competing incumbent. We intend to keep the processes on scrutiny of applications for degree-awarding powers, which have worked well so far, broadly as they are. That includes retaining an element of independent peer review for degree-awarding powers applications.¹¹⁰

Specifically on amendment 40, he said that:

I can reassure Members that we will, as now, ensure that the very high standards providers must meet to make such awards will be retained. We are streamlining processes, not lowering standards, and these amendments are therefore unnecessary.

Amendment 40 was defeated on division by 281 votes to 212.¹¹¹

3.7 UKRI and the Devolved Administrations

How the devolved administrations would interact with UKRI was the subject of discussion, and several amendments, at report stage. Clause 95 of the Bill as passed at the Commons committee stage (now clause 96 of HL Bill 76) concerned the Secretary of State's power to give directions to UKRI. Subsection 1 of clause 95 states that:

The Secretary of State may give UKRI directions about the allocation or expenditure by UKRI of grants received under section 94 [clause 95 of HL Bill 76].¹¹²

Section 94 concerns grants to UKRI from the Secretary of State. The SNP moved amendment 56 at report which sought to ensure that when the Secretary of State gives direction to UKRI it must:

(6) [...] consult on research and innovation policies and their priorities with the following—

- (a) the Scottish Government
- (b) the Welsh Government, and
- (c) the Northern Ireland Executive

(7) Before giving any direction to UKRI under subsection (1), the Secretary of State must seek agreement to the terms of that direction from—

- (a) the Scottish Government
- (b) the Welsh Government, and
- (c) the Northern Ireland Executive.¹¹³

¹¹⁰ [HC Hansard, 21 November 2016, col 625.](#)

¹¹¹ *ibid*, cols 700–2.

¹¹² [Higher Education and Research Bill, HC Bill 78 of session 2016–17](#), clause 95(1).

Carol Monaghan, SNP Westminster Group Leader for Public Services and Education, explained that the SNP had “concerns about the potential consequences for Scotland’s research base”.¹¹⁴ The SNP had tabled an amendment during the Bill’s committee stage in the House of Commons to “ensure that the new research body, UKRI, would include appropriate membership from the devolved nations”.¹¹⁵ Government amendment 35 at report sought to address these concerns by requiring:

[...] the Secretary of State, when appointing members of UKRI, to have regard to the desirability of at least one of the members having relevant experience in relation to at least one of Wales, Scotland and Northern Ireland.¹¹⁶

Carol Monaghan said that whilst she was “pleased that the Government had listened to the SNP’s concerns” she was disappointed that the Government’s amendment only required one member to have experience of one of the devolved administrations.¹¹⁷ She argued that this would not allow for “proper consideration” of the policy priorities of the devolved administrations within UKRI.¹¹⁸ She also argued that the Bill was not consistent with Sir Paul Nurse’s comment, in his review of the research councils, that “there is a need to solicit and respond to distinct research priorities and evidence requirements identified by the devolved administrations”.¹¹⁹ Carol Monaghan asserted that:

The Bill as it stands does not meet the overarching principles of the Nurse review, as the governance of UK Research and Innovation is accountable only to the UK Government, with principally English interests. We believe that the governance of UKRI needs to reflect the priorities of each of the governments within the UK; if it does not, there could be a lack of consideration of Government priorities and research needs in Scotland and other devolved nations among the decision-making bodies of the research councils and of Innovate UK.¹²⁰

Hywel Williams, Plaid Cymru MP for Arfon, supported Carol Monaghan’s comments saying that he “[backed] the hon Lady’s points, and note[d] that Welsh universities have particular priorities when it comes to research [...]”.¹²¹

¹¹³ House of Commons, [Consideration of Bill \(Report Stage\)—Higher Education and Research Bill, as Amended](#), 21 November 2016, p 20.

¹¹⁴ [HC Hansard, 21 November 2016, col 675](#).

¹¹⁵ House of Commons, [Notice of Amendments given up to and including 6 October 2016, Public Bill Committee—Higher Education and Research Bill](#), 6 October 2016, p 28.

¹¹⁶ House of Commons, [Consideration of Bill \(Report Stage\)—Higher Education and Research Bill, as Amended](#), 21 November 2016, p 25.

¹¹⁷ [HC Hansard, 21 November 2016, cols 675](#).

¹¹⁸ *ibid.*

¹¹⁹ Paul Nurse, [Ensuring a Successful UK Research Endeavour—A Review of the UK Research Councils](#), November 2015, p 24.

¹²⁰ [HC Hansard, 21 November 2016, cols 676](#).

¹²¹ *ibid*, col 676.

Responding for the Government, Joseph Johnson said that he wanted to be “very clear” that the issue of UK-wide research and innovation funding through the research councils and Innovate UK was a reserved matter.¹²² Mr Johnson stated that:

It is already the Secretary of State’s duty, as it is mine, to work for the interests of the whole of the UK. Similarly, it is the responsibility of the research councils and Innovate UK to operate on an equal basis across the UK.¹²³

He also argued that:

The research community functions remarkably well across the UK political landscape, not least because the UK Government and the devolved Administrations work together to make it do so. We would not seek to bind UKRI into a restrictive process of consultation, as proposed in this amendment.¹²⁴

Amendment 56 was defeated on division by 275 votes to 217.¹²⁵

3.8 Other Issues Discussed at Report

Amongst other issues discussed at report, but not divided on, was new clause 15, moved by Gordon Marsden, Shadow Minister for Education. Whilst new clause 15 was not pressed to division Mr Marsden indicated that Labour were minded to return to the issue in the House of Lords.¹²⁶ New clause 15 sought to establish a “standing commission on the integration of higher education and lifelong learning”.¹²⁷ Speaking to the amendment Mr Marsden argued that:

In a speech in the House of Lords, Lord Rees said that we needed to have a revolution in the way in which we formalise the system to more readily allow for transfers between institutions and between part-time and full-time study. The demand for part-time and distance learning will grow, speeded of course by the high fees now imposed on students at traditional residential university. Lord Rees, a former president of the Royal Society, is absolutely right. The time for action is now. That is why the Labour party and the Labour Front-Bench team have tabled that significant new clause. The standing commission on the integration of higher education and lifelong learning would set the course that was originally laid out by David Blunkett in “The Learning Age” Green Paper in 1998.¹²⁸

Whilst Gordon Marsden said that Labour “are not claiming that the structure that we want to put in the Bill is perfect” it would “take it through the House of Lords” if the Government did not “take it on board”.¹²⁹

¹²² [HC Hansard, 21 November 2016, cols 679.](#)

¹²³ *ibid.*

¹²⁴ *ibid.*

¹²⁵ *ibid.*, 704–7.

¹²⁶ *ibid.*, col 644

¹²⁷ House of Commons, [Consideration of Bill \(Report Stage\)—Higher Education and Research Bill, as Amended](#), 21 November 2016, p 10.

¹²⁸ [HC Hansard, 21 November 2016, col 643.](#)

¹²⁹ *ibid.*, col 644.

Responding to new clause 15, Joseph Johnson said that the Government were strongly committed to lifelong education.¹³⁰ He stated that:

Alongside our higher education reforms, we are reforming further education, including implementing the skills plan that was published earlier this year and through the recent introduction of the Technical and Further Education Bill, which had its second reading last week.¹³¹

And that:

[...] the Government committed in the last Budget to review the gaps and support for lifetime learning, including part-time flexible study. That review is ongoing. Higher education already offers flexible options for the thousands of mature students who want to study each year. In addition, much work is under way to expand access to lifelong learning through a variety of routes to suit learners. I am confident that those reforms, like others in the Bill, will continue to have a positive impact on learning—lifelong or otherwise.¹³²

New clause 15 was not pressed to division.

Concern about the impact of the UK leaving the European Union was expressed not just in relation to student visas (of which the SNP's new clause 14 was divided upon). It was also expressed in relation to the impact on international staff working in the UK's HE sector. New clause 11 was moved by John Pugh, Liberal Democrat Spokesperson for Education. New clause 11 would have required UKRI to report, within six months of clause 84 (clause 85 of HL Bill 76) coming into force, on "specialist employees" from the EU and outside the EU employed by UKRI and English HE institutions.¹³³ Subsequently the report would need to be made annually. If a reduction in the number of such staff were identified then the Secretary of State would have to make an assessment of the impact of such a reduction.

Speaking to the new clause, John Pugh argued that:

We all accept that universities have major anxiety about research funding post Brexit, simply because while we are in the EU there is a huge net benefit to the UK, in cash and personnel terms—in all terms—in key subjects such as science and medicine in particular. The Government are doing their best to pour oil on troubled waters with various reassuring mantras. They say that there is no change yet—well, we know that—and that there will be vigilance about what the EU is up to so that it does not cut us out of projects we ought to be involved in; there are vague promises of future largesse, with hopes of continuity, and statements that there are always prospects beyond the EU.

Sadly, none of that is working particularly well. Anxiety in the university sector is as emphatic as it was to begin with. We are not simply talking about money; we are talking about people. That is what new clause 11 is principally about.¹³⁴

¹³⁰ [HC Hansard, 21 November 2016, col 650.](#)

¹³¹ [ibid.](#)

¹³² [ibid.](#)

¹³³ House of Commons, [Consideration of Bill \(Report Stage\)—Higher Education and Research Bill, as Amended](#), 21 November 2016, p 8.

¹³⁴ [HC Hansard, 21 November 2016, col 674.](#)

He went on to say that he was sure that the Minister would welcome “an early warning of any kind of exodus, and any kind of problem with or diminution of the involvement of international lecturers in our universities. The new clause would simply give him that”.¹³⁵ Joseph Johnson responded to new clause 11, saying that he agreed with John Pugh that monitoring international diversity in the research sector workforce was desirable. He argued that:

We already take this very seriously and collect and discuss such data, but let me reiterate the Government’s position on the importance of international researchers. As I have said, we remain fully open to scientists and researchers from across the EU, and we hugely value the contribution of EU and international staff. There has been no change to the rights and status of EU nationals in the UK or of UK citizens in the EU, as a result of the referendum. As the Prime Minister said in her letter copied to Venki Ramakrishnan, president of the Royal Society, only five days after she came into office:

“Our research base is enriched by the best minds from Europe and around the world—providing reassurance to these individuals and to UK researchers working in Europe will be a priority for the Government”.¹³⁶

New clause 11 was withdrawn.¹³⁷

4. House of Commons: Third Reading

At the Bill’s third reading the Minister of State for Universities and Science, Joseph Johnson, argued that the current HE regulatory system reflected:

[...] a bygone era of grant funding, elite access and student number controls. Things have moved on and we must catch up. We are therefore putting in place the robust regulatory framework that is needed. It joins up the regulation of the market and will give us a “best in class” regulatory system. This is essential to ensure that students are protected and that students and the taxpayer receive good value for money from the system.¹³⁸

He also asserted that a number of improvements had been made to the Bill at report stage referencing, for example, the Government’s amendment that meant that the OfS would have a board member with experience of representing or promoting the interests of students.¹³⁹ In his closing remarks Mr Johnson also said that the Bill would help protect the UK HE sector’s international standing.

However, speaking for the Labour Party, Gordon Marsden criticised the Government for not “adjusting to the realities of Brexit”, stating that the Government:

[...] are not looking beyond Horizon 2020; they are not looking beyond the European structural and investment funding, and the £2 million that the Minister trumpeted today for the industrial strategy will not go too far in dealing with the immense problems we are going to have to face out of Brexit.¹⁴⁰

¹³⁵ [HC Hansard, 21 November 2016, col 675.](#)

¹³⁶ *ibid*, col 680.

¹³⁷ House of Commons, [Votes and Proceedings](#), 21 November 2016.

¹³⁸ [HC Hansard, 21 November 2016, col 712.](#)

¹³⁹ *ibid*, col 713.

¹⁴⁰ *ibid*, col 713.

He concluded his remarks at third reading arguing that the Government “have left an enormous number of question marks for the other place, which must carry out due diligence”.¹⁴¹

Mr Marsden said that Labour were unable to support the Bill at third reading because it had “failed in its overarching aims for social mobility”.¹⁴²

Speaking for the SNP, Carol Monaghan similarly criticised the Bill stating that the UK leaving the European Union had been “added to the mix” and that the UK’s HE sector had suffered “reputational damage” internationally. She argued that:

There are serious issues in the sphere of higher education, and we should be addressing them before we proceed with the Bill.¹⁴³

Dr Roberta Blackman-Woods referred to the TEF saying that:

I do not think any Labour Member has a problem in principle with putting a teaching excellence framework in place. We think that it is a necessary corrective for many of our institutions to ensure that teaching gets the same level of applause as research currently does.¹⁴⁴

Nevertheless, she criticised the Government saying that:

[...] even though we are on third reading, we do not have enough information about how the TEF will work in practice and whether it will measure teaching quality, or use proxy measures. We know that the metrics still have to be sorted. From now on, we will have to rely on the other place to scrutinise that matter and the issue of how the traffic light system will come into operation and whether it will be used in any way for the recruitment of students, particularly international students.¹⁴⁵

The Bill passed third reading by 279 votes to 214.¹⁴⁶

¹⁴¹ [HC Hansard, 21 November 2016, col 714.](#)

¹⁴² *ibid.*

¹⁴³ *ibid*, col 715.

¹⁴⁴ *ibid*, col 715–6.

¹⁴⁵ *ibid*, col 716.

¹⁴⁶ *ibid*, cols 717–20.

Appendix: Relevant Documents

- Department for Business, Innovation and Skills, [Success as a Knowledge Economy: Teaching Excellence, Social Mobility and Student Choice](#), May 2016, Cm 9258
- Paul Nurse, [Ensuring a Successful UK Research Endeavour: A Review of the UK Research Councils](#), November 2015
- HM Treasury, [Spending Review and Autumn Statement 2015](#), November 2015, Cm 9162
- Department for Business, Innovation and Skills, [Fulfilling Our Potential: Teaching Excellence, Social Mobility and Student Choice](#), November 2015, Cm 9141
- HM Treasury, [Fixing the Foundations: Creating a More Prosperous Nation](#), 10 July 2015, Cm 9098
- HM Treasury and Department for Business, Innovation and Skills, [Our Plan for Growth: Science and Innovation](#), December 2014, Cm 8980
- Department for Business, Innovation and Skills, [Government Response to Consultation on a Sharia Compliant Alternative Finance Product](#), September 2014



¹⁴⁷ QR Codes are graphical representations of hyperlinks which can be read by barcode or QR code scanning applications on smartphones and tablets which are equipped with a camera. The links are read automatically by the device and will download the relevant PDF of the report.

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