

GOVERNMENT SUPPORT PACKAGE FOR HIGHER EDUCATION PROVIDERS AND STUDENTS

The response from the Higher Education (HE) sector to the COVID-19 outbreak has been impressive. From the speedy conversion to online teaching, to the ongoing support for students who need to remain in halls of residence, as well as the application of university resources, both physical and intellectual, to combatting the effects of COVID-19, the work of HE is an important part of the national effort to mitigate and recover from the effects of this pandemic.

However, we know that COVID-19 has placed great strain on our HE sector and those who study and work in it, and that the sector has called for measures to achieve stability. That is why we have announced a package of measures to stabilise university admissions and support our world-class HE system to continue to deliver for all students and the wider economy. This package will ensure we continue to look after the best interests of students and help them make well-informed choices that give them the best prospect for success in their lives and careers.

Stabilising Admissions

The Government has announced that **temporary student number controls** will be put in place for domestic and EU students for academic year 2020/21, to ensure a fair, structured distribution of students across providers. These measures mean that providers will be able to recruit students up to a temporary set level, based on provider forecasts, which allows additional growth of up to 5% in the next academic year. The Education Secretary will also have the discretion to allocate an additional 10,000 places on top of the controls, of which 5,000 will be allocated to students studying nursing or allied health courses, to ensure growing numbers that will support our vital public services. This measure will only apply to full-time, undergraduate, UK/EU domiciled students, with certain specified exemptions. These controls will not apply to international (non-EU) students. The exact level of the student number controls and exemptions will be set out in the coming days.

In the event that a provider does not abide by its student number controls, the Government will address the consequences for the stability and the sustainability of the HE sector by reducing the sums available to the provider through the student finance system in the subsequent academic year. We expect students who want to go to university, and meet their entry requirements, to be able to access HE.

As part of the package, providers will need to act in the best interests of students in making offers, including refraining from large-scale use of unconditional offers and other practices which might induce a student to make a decision against their own interests. Related to this, the Office for Students (OfS), the regulator in England, will consult on a **new temporary¹ condition of registration**. The OfS proposed condition would prohibit registered providers from engaging in any form of conduct which, in the opinion of the OfS, could reasonably have a material negative effect on the stability and/or integrity of the English HE sector. Such conduct could include a provider making multiple conditional

¹ The time limit on the continued effect of the condition would be one year from the date the condition would come into effect

unconditional offers or offers not linked to prior educational attainment. If a provider breaches the condition, the OfS will be able to apply their usual sanctions, including monetary penalties, suspension of registration or de-registration. In addition, a new sector agreement and statement of fair admissions practices will be published by Universities UK (UUK). The agreement – which applies in England and Wales – includes adhering to a new principle that higher education providers will not put undue pressure on students, and new rules to restrict destabilising behaviours such as use of unconditional offers at volume.

Supporting Students

We are also empowering students to make more informed decisions about entry into HE by ensuring they have good quality information and advice, and by reassuring them that there are places available this year. We can support them in choosing a course and provider which are best aligned with their career aspirations and talents.

We have therefore worked with the Universities and Colleges Admissions Service (UCAS) to **bolster the Clearing process this year**. This will support students, both domestic and international, to review their choices, and be aspirational. Both ‘placed’ and ‘unplaced’ students will continue to have the opportunity to change their choice of provider/course including once they receive their grades. This will be supported by a new service that can suggest alternative opportunities, based on their achievements, their course interest, and other preferences (thereby helping students to filter through thousands of courses in a structured way). UCAS is also working with BBC Bitesize to give students enhanced advice on applying to university and Clearing. The Government continues to support the recruitment of key workers, such as nurses and doctors, during this important time and aims to use this summer’s enhanced Clearing to help this. Students can be confident that there will be a fair and orderly process once they receive their exam results.

We have also worked with the OfS to enable providers to draw upon existing funding to increase **hardship funds** and support disadvantaged students impacted by COVID-19. As a result, providers will be able to use the funding, totalling £46m across April and May, towards student hardship funds and mental health support, as well as to support providers’ access and participation plans.

International Students

The Government values the important contribution that international students make to our HE sector - socially, culturally, and economically. International students enrich the university experience for all students, including those from the UK, bringing greater diversity to campus life, and adding an international dimension to the experience of all students. For all these reasons, UK HE providers have gone to great lengths to support international students at this difficult time.

This is also why we are working across government as a matter of priority to make sure we are ready to welcome international students back to our universities. Ministers from the Department for Education (DfE) and the Department for International Trade will chair a group, including key sector representatives, to consider how the Government’s **International Education Strategy**, designed to support the recruitment of international students, can be updated by autumn 2020, to respond to the impact of COVID-19. Government is also committed to introducing the new Graduate immigration route for

international students by summer 2021. This will allow international students to remain in the UK for two years after their studies are finished to find employment here.

Under the current circumstances, Government is applying discretion to ensure that international students are not negatively impacted if they find themselves in a position where they cannot comply with certain visa rules as a result of the COVID-19 outbreak. In March, the Government updated **visa guidance** to provide greater certainty for international HE students in the UK currently unable to return home due to COVID-19; this was supplemented with bespoke guidance for short-term and Tier 4 students and their sponsors on 20 April.

Financial Sustainability for Providers

The Government is clear that we do not want to see any students miss out on the opportunity to benefit from our excellent HE system as a result of COVID-19. HE is playing a vital role in developing the scientists, engineers, nurses, teachers and other professionals across industry and public service, who are showing now more than ever their value to society and to the economy.

We have confirmed that providers are eligible to apply for **Government support schemes**, and recently published further guidance to help providers access these. These include the Coronavirus Business Interruption Loan Scheme (CBILS), Coronavirus Large Business Interruption Loan Scheme (CLBILS) and COVID Corporate Financing Facility (CCFF). The OfS estimate that these schemes could be worth at least £700m to the sector, depending on eligibility and take up. Providers will make their own decisions about whether to apply for this support.

We have also confirmed that HE providers can access the Coronavirus Job Retention Scheme (CJRS) to safeguard staff jobs. This includes access to support for those staff with short term or hourly paid contracts. We have also published further guidance about the CJRS and how providers should access the scheme - in particular, any grant from the CJRS should not duplicate other sources of public funding where these are being maintained, such as UK home student tuition fees. We will continue to work with the sector and the OfS to understand the financial impacts on providers and their access to measures to support financial sustainability.

We will pull forward **tuition fee payments**, expected to be worth £2.6bn, for providers so that they receive more cash in the first term of academic year 20/21. This will have no impact on students but will allow providers to better manage financial risks over the autumn. This will be available to all providers across the UK. In reprofiling these payments, we are clear in our expectation that providers should use the cashflow benefits appropriately, taking significant steps to improve efficiencies and manage their finances in order to avoid cashflow problems further down the track. Reprofiling in this way is a one-off intervention for the autumn term only, to help providers take all necessary steps now to prepare for the future.

We are reminding providers, as part of existing programmes and using established procedures, that DfE will consider purchasing land and buildings where they can be used for new or expanding schools and colleges in England. This financial year – across purchases from all suitable vendors, including but not limited to HE providers – we have budgeted up to £100m to acquire sites for planned projects in England.

We are also continuing to work with the OfS to prioritise funding allocations to specialist providers.

The Government's key focus will be on ensuring our world-class HE system delivers for all students and the wider economy. As part of this, we expect all providers and their creditors to behave responsibly. We expect access to the business support schemes, reprofiling of public funding and student number controls should be sufficient to help stabilise most providers' finances, and that should certainly be the first port of calls for providers. Should that not be sufficient, such that a higher education provider finds themselves at risk of closure, we will only intervene further where we find there is a case to do so, and only where we believe intervention is possible and appropriate, and as a last resort. In such instances, DfE will be working with HMT and other Government departments to develop a **restructuring regime**, through which we will review providers' circumstances and assess the need for restructuring. Where action is required, this will come with attached conditions. We will work with the Devolved Administrations on this approach.

Research

The Government recognises that there are challenges the university research sector faces as a result of COVID-19 and will work with research representatives in the coming weeks to gather intelligence on sustainability issues for the UK's world-class university research base. The UK's universities are home to some of the most talented, dedicated, and innovative researchers in the world and many in the research community are already working to respond to the immediate and longer-term challenges arising from the COVID-19 outbreak. Maintaining the UK's excellent university research capacity and capability will be important for the UK's future economic growth, health, and prosperity.

For this reason, we are establishing a **joint DfE/BEIS Ministerial Taskforce on university research sustainability** to be jointly led by Science Minister, Amanda Solloway (BEIS) and Universities Minister, Michelle Donelan (DfE). It will involve the Devolved Administrations and key stakeholders and advise on the risks associated with the impacts of COVID-19 on university research, and how universities and the Government can work together to ensure the health of university-led research in both the short and long term across the UK.

In England, we will also be **bringing forward £100m Quality-related Research funding** for providers to the current academic year to help to address some of the immediate pressures being faced for university research activities.

The Government recognises the shared responsibility between Government, other funders and universities in supporting national economic and societal recovery. We therefore expect universities will also want to develop their own proposals to build an efficient, effective and sustainable research and development system, focused on driving recovery. The Government will work in partnership with the sector on proposals.

We are committed to supporting higher education providers and students. We will continue to work with the sector to closely monitor and review the effect of the measures in this package and emerging issues affecting the sustainability of the sector and the interests of students.

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