

## **Department for Education**

# The Rt Hon Bridget Phillipson MP Secretary of State for Education

via email

9<sup>th</sup> December 2025

Dear all,

The Post-16 Education and Skills White Paper sets an ambitious vision for our Higher Education Sector. This includes long term investment to provide the necessary financial underpinning that HE requires. To deliver on this and maintain the hard-earned reputation as a world-class sector, we must root out abuse of the system and provide students and taxpayers with assurance that money is being well spent.

I am writing to you today to reaffirm this shared responsibility. This letter sets out the action the Government is taking and asks that you take this opportunity to assure yourselves that practices are being managed appropriately within your institution and within organisations delivering on your behalf.

Today my department has set out our approach to requiring large franchise providers with 300 or more students to register with the Office for Students (OfS) from academic year 28/29 in order for their courses to be designated for student finance. Franchised providers within scope need to act now to consider applying for registration. Applications that meet the criteria and are received by 1 July 2026 will be considered to be 'in good time'. Further details can be found in the consultation response document.

The requirement on unregistered franchised providers with 300 or more students to register with the OfS will not apply to franchised providers in the following categories: state-funded schools, the statutory further education sector (Further Education Corporations, Sixth Form Colleges Corporations and Designated Institutions), providers of National Health Service (NHS) services (including an NHS trust as defined in Section 25 of the National Health Service Act 2006), Police and Crime Commissioners, local authorities, government departments, the Armed Forces and

Mayoral Combined Authorities. In addition, the work that my department is doing to reform the Strategic Priorities Grant (SPG) will explore options for making exempt franchise providers eligible for this funding, aligning the treatment of student finance and the SPG.

Alongside this the OfS has tightened its conditions of registration and is considering proposals to strengthen the oversight of franchise arrangements. This will mean that the vast majority of franchise provision will be subject to increased regulation and oversight, including and crucially, from the lead providers who remain accountable for that provision. Later in 2025-26, OfS intends to consult on a new ongoing condition of registration to ensure providers are treating their students fairly<sup>1</sup>.

The government is working closely with the OfS and SLC on the implementation of this and will be monitoring compliance closely. We will not hesitate to take further action, if needed, including through stronger powers for OfS and tougher minimum standards for access to student finance.

#### **Action needed**

It is down to you, as leaders in the sector, to drive changes in practice for the good of all. Most institutions in our HE sector are well-run and add significant value to students, our local and national economies, and wider society. But there are pockets of the sector, where standards of governance and oversight are inadequate, risking poor outcomes for students and taxpayers. Addressing poor standards should be a priority for everyone who values the performance and reputation of our HE sector. Below, I have set out some key areas where concerns have been raised and where further action may be needed.

#### Management and governance

Positive outcomes for students are intrinsically linked to the success of institutions. Regulation that secures good outcomes for students not only protects them but also safeguards the reputation of our world-leading sector.

<sup>&</sup>lt;sup>1</sup> Office for Students Business plan 25-26

OfS registration condition E2: 'Good Governance' requires governing bodies to ensure and be able to demonstrate compliance with initial and ongoing conditions of registration, including the requirement to have adequate and effective management and governance arrangements. This includes establishing and maintaining robust systems of internal control and ensuring that appropriate oversight is in place for all aspects of the institution's operations.

I want to highlight that the OfS' conditions of registration apply not just to the courses that your institution delivers directly, but also to those that are delivered under subcontracted arrangements<sup>2</sup>. The responsibility for standards and ensuring there are arrangements in place to deliver the public interest governance principle around regularity, propriety and value for money, continues to lie with you and your board.

Institutions seeking registration from 28 August 2025 are subject to new initial conditions of registration (C5, E7, E8 and E9). These conditions relate to treating students fairly, fraud and inappropriate use of public funds, and further strengthen overall governance and oversight.

### Admissions and recruitment

The Fair Admissions Code of Practice, co-owned by Universities UK and GuildHE, is clear that decisions should prioritise the interests of applicants above the interest of universities and colleges.

As set out in the code, an applicant's potential to complete a course successfully must be an essential criterion for entry onto a course. It also states that it is the responsibility of signatories to ensure that franchised provision and any contracted partners (including agents) operate in accordance with the code.

An amended code was published on 14 October 2025. It includes a duty on signatories to protect public money and prevent fraud. The code advises that all applicants, regardless of nationality or place of residence, must demonstrate sufficient English language competency to enable them to succeed in their studies and that providers should have robust process to assess this, prior to entry.

-

<sup>&</sup>lt;sup>2</sup> The Register - Office for Students

I would be grateful if you could consider taking steps to review your recruitment and admissions policies and processes to ensure they reflect the best interests of students and the standards expected by taxpayers.

#### Attendance

In line with the existing Student Loans Company (SLC) requirements, I want to emphasise that eligibility for Maintenance Loan support depends on regular inperson attendance. Students whose attendance is limited solely to weekends will not meet the criteria.

I draw your attention to the Department's attendance management guidance<sup>3</sup> and request that you ensure that your institution's attendance practices:

- make clear to prospective students, before enrolment, what the attendance expectations are for their course, that attendance is linked to student finance entitlement, and that students must ensure they can meet these requirements;
- monitor attendance effectively after enrolment, in an auditable manner, intervening promptly where students fall below expected levels and withdraw those students, should this be necessary.

By applying robust attendance policy and monitoring consistently, you can help to ensure that all students receive a high-quality experience, and that public money is used responsibly.

We want to ensure that higher education continues to be a source of opportunity, excellence, and national pride. It should support learners to succeed, drive economic growth, and contribute to the mission of breaking down barriers to opportunity.

Delivering this cannot be achieved by government alone. Leaders across the higher education sector have a responsibility to uphold high standards, ensure quality provision, and demonstrate strong governance. Together, we must end the poor practices of the past and ensure that access to public funding reflects a sustained commitment to quality, accountability, and protecting of public money.

<sup>&</sup>lt;sup>3</sup> https://www.heinfo.slc.co.uk/resources/guidance/student-information-service-user-guide/attendance-confirmation/attendance-management-guidance/

I welcome your support in setting and enforcing high standards and maintaining the reputation of the higher education sector.

Yours sincerely,

The Rt Hon Bridget Phillipson MP Secretary of State for Education

Bridget Phillipson