

POLICY STATEMENT

MillionPlus asks on Government Spending Review – November 2020

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Summary

The UK Government¹ has stated that this year's spending review is focused entirely on the response to Covid-19 and supporting jobs. The government has already recognised the important role universities have played so far in supporting higher education students, and will continue to do. It has announced a range of financial support that will mitigate issues for some universities, but there other areas of investment in higher education provision that will benefit students, public services and businesses in the longer term.

Modern universities have long focused on supporting regional economies, developing local training and development infrastructure, and offering opportunities for individuals to improve and revamp their skills. There is huge scope and potential to build on the success of higher education and harness its impact to support the government's objectives of high quality public services, levelling up opportunity and investment, so we can build back better.

Supporting public services

- Introduce a maintenance grant of up to £10k for all students in England to encourage them to train in key public services subjects
- Invest in high quality placements in NHS, social work and teaching
- Offer loan forgiveness for those remaining in relevant professions for at least 5 years
- Establish a new Public Services in Higher Education Capital fund to support universities in England and partners to invest in high quality simulation equipment and other vital infrastructure
- Create a new professional development programme to underpin the NHS volunteer reserve force in England

Investing in infrastructure

- Increase skills and expertise by enabling individuals in England to access loan support for short courses and modules at levels 4 and 5
- Place employers in England at the centre of apprenticeships policy and encourage them to partner with universities to support regional skills development and productivity growth

¹ All subsequent references to "government" or "the government" should be taken to mean the UK Government, not those of any of the devolved administrations

- Commit to investing at least 3% of GDP into research and innovation
- Create a new Shared Prosperity Fund in 2021 to encourage economic growth in regional towns and rural communities to drive the government's levelling up agenda

SUPPORTING PUBLIC SERVICES

1. The impact of Covid-19 has highlighted the importance of our key public services, particularly the need for a robust and resilient NHS. To build on what we have learned, and to ensure the UK is better prepared in the future, the government should use the spending to strengthen and enhance education for the public services across England.
2. The government can create a resilient public services by supporting students and graduates to become key workers in public service. By [offering a maintenance grant of up to £10k](#) for all students in England, investing in [NHS, social work and teacher training placements](#), and providing [fee-loan forgiveness for those remaining in relevant professions for at least 5 years](#), the government will be secure the foundations of strong, robust, sustainable public services.
3. Underpinning this foundation with high-quality, cutting edge equipment and infrastructure is vital. As was seen during the immediate response to the pandemic in the initial months, the most effective approach is collaboration between universities, hospital trusts and other services. The government should create new [Public Services in Higher Education Capital Fund](#) to enable universities in England and its partners to invest in simulation equipment and other important vital infrastructure.
4. In parallel with high quality infrastructure, it is also essential to retain and develop key workers in public services, by [increasing general staffing budgets](#) and creating a [new professional development programme](#) focused on enhancing skills of current public servants and the new NHS volunteer reserve.

INVESTING IN INFRASTRUCTURE TO INCREASE PRODUCTIVITY AND GROWTH TO BUILD BACK BETTER

5. Higher education plays a vital role in a country's economic success, fuelling innovation and knowledge exchange and providing a highly-skilled workforce to enable regional growth. Modern universities are fundamental to this, and have been pioneers in working with employers to develop innovative higher and degree apprenticeships that combine the very best of work and learning.
6. The government should continue with its already announced plans to increase loan flexibility for higher education students. It should commit to [reforming the student loans system in England to rocket boost re-training and up-skilling opportunities](#). By allowing individuals in England to [access loans for shorter courses and modules at Level 4 and Level 5](#) without an initial commitment to a degree, the government will inspire innovation and unlock unmet demand for these courses that provide employees with the technical and professional skills employers need to grow their businesses. Modern universities are already major players in this provision and they would very quickly be able to increase capacity to support this important reform.
7. The government should also ensure that the apprenticeship policy in England continues to [place employers at the centre and enable them to partner with universities](#) to enable these opportunities to be available to all, regardless of age, or where they live. Expanding apprenticeship opportunities at all levels will be critical to sustaining a productivity-led recovery.

8. The government's commitment to ensuring the UK is a research and innovation superpower is of huge importance and will mean that the UK is able to compete for talent with other leading OECD countries. To support this aim, and to unlock the talent in small and medium-sized businesses across the country, the government should focus on how funding for research – both original and applied/translational research – and innovation can support its policy aim of levelling up and building back better.
9. Investing at least 3% of GDP into research and development (R&D) in the 2020s will put the UK on the same footing as competitor countries like Germany and South Korea, and drive forward the government's bold agenda in this area.
10. The government should ensure the new UK Shared Prosperity Fund is in place by January 2021, so that it can provide a vehicle for investment in research and development in regional and rural communities across the UK that have benefited significantly from European R&D funds. This approach will serve as a major contribution to both the recently published R&D roadmap and to the government's crucial levelling up agenda.