Dear Gordon,

In our discussion of Schedule 1 during the fourth session of the Higher Education and Research Public Bill Committee, Committee members raised some questions about the provision which allows the Office for Students (OFS) to receive gifts of money, land or property contained in Clause 15(2) of that Schedule. I explained the purpose and limits on these powers and promised to write with further detail.

This provision aims to give OFS an ability to manage any issues raised by the public ownership of some of the land and property of some existing HE institutions, if those institutions merged or ceased operating, to ensure those assets could be managed effectively. The specific powers the OFS would use in these circumstances are contained in Clause 68(3) of the Bill.

The institutions in question would be the former Polytechnics. Prior to becoming universities in 1992, these institutions were owned by Local Authorities. When they became universities, some continued to use some property (typically buildings and land) which belonged to the Local Authority, that is, were public property.

In the event that one of these institutions should cease to operate or want to merge with another organisation, the public retains some ownership rights in relation to some of this former public property.

This provision gives OFS powers to accept this public property, to ensure that, should any of the institutions were to fail or be merged into new forms, OFS is able to manage these changes effectively.

This is an ability HEFCE has always had. Only the OFS as an organisation could accept gifts using this provision. The provision is not designed to allow members of OFS staff as individuals to accept gifts. We confidently anticipate that, should this provision ever need to be used in the manner described above the OFS would publish the details of the gifts involved.

Best wishes,

Jo Johnson MP

7 October 2016