



Department  
for Education

# **Strengthening oversight of partnership delivery in higher education**

**Government consultation response**

**December 2025**

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## Ministerial foreword

The *Post-16 Education and Skills White Paper* set out this government's vision for a high-quality, resilient, and responsive skills system — one that drives growth, meets the needs of employers, and supports individuals to reach their full potential. Higher education is central to that vision. It remains a cornerstone of our education system and a source of national pride, with providers recognised globally for excellence in teaching and research.

However, the benefits of higher education can only be realised when provision is of high quality and governed effectively. Students invest heavily in their education and rightly expect high standards of teaching, robust support, and value for money. Likewise, taxpayers must be assured that public funding is safeguarded against fraud and misuse.

In recent years, serious concerns have emerged around the franchising of higher education courses. Investigations by the National Audit Office<sup>1</sup> and the Public Accounts Committee<sup>2</sup> have highlighted troubling instances of poor-quality provision and misuse of public funds. While franchising can expand access and foster innovation when done well, it has too often been exploited by some providers.

This government is already taking firm action to tackle these abuses. The Office for Students is strengthening its regulatory requirements and increasing scrutiny of high-risk providers and franchise partnerships. Investigations into concerning practices are under way, and new measures to tighten conditions of registration and improve transparency are being implemented now.

This consultation response confirms that unregistered providers with 300 or more students (unless exempt) will have to apply for OfS registration in order for their courses to be eligible for student finance for new students in AY28/29.

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.

This targeted reform will lock in stronger long-term oversight of provision and ensure accountability where it matters most.

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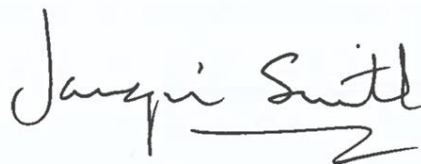
<sup>1</sup> <https://www.nao.org.uk/wp-content/uploads/2024/01/investigation-into-student-finance-for-study-at-franchised-higher-education-providers.pdf>

<sup>2</sup> [https://assets.publishing.service.gov.uk/media/66d9d2bfe87ad2f12182650e/E03194725\\_HMT\\_Treasury\\_Minutes\\_Sept\\_24\\_Accessible.pdf](https://assets.publishing.service.gov.uk/media/66d9d2bfe87ad2f12182650e/E03194725_HMT_Treasury_Minutes_Sept_24_Accessible.pdf)

Providers must also take responsibility for ensuring the quality and governance of their partnerships, and act swiftly where standards fall short. If we see poor behaviours from providers, we will not hesitate to take further action including considering further legislative changes to restrict franchising.

As Minister, I am proud of our higher education sector's global standing. Our message is clear: we will protect students and taxpayers, uphold high standards, and ensure higher education continues to be a source of opportunity, excellence, and national pride.

**The Rt Hon Baroness Jacqui Smith**  
**Minister for Skills**

A handwritten signature in black ink that reads "Jacqui Smith". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

## Summary of responses received

On 30 January 2025, the government launched a 9-week consultation seeking views on proposals to strengthen oversight of partnership delivery in higher education, otherwise known as ‘franchising’. The consultation closed on 4 April 2025.

Respondents were asked the type of organisation they worked for (table 1) and to identify the type of respondents they were (table 2). Most responses came from universities, with the second largest groups being professional bodies and individuals. Most respondents responded on behalf of an institution.

Most respondents were registered with the OfS (table 3).

**Table 1: Summary of stakeholder groups:**

<b>Stakeholder Groups</b>	<b>Number of stakeholders</b>	<b>Percentage of all stakeholders</b>
Universities	23	43%
Professional bodies	10	19%
Individual	10	19%
Private providers	7	13%
Research institute	1	2%
Academic	1	2%
Colleges	1	2%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

**Table 2: Summary of respondent groups:**

<b>Respondent Groups</b>	<b>Number of responses</b>	<b>Percentage of all responses</b>
Vice Chancellor	0	0%
Chief Executive Officer	1	2%
Personal View	9	17%
On behalf of an institution	32	60%
Other	11	21%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

**Table 3: Summary of registration status:**

<b>OfS registered</b>	<b>Number of responses</b>	<b>Percentage of all responses</b>
Yes	31	58%
No	11	21%
N/a	3	6%
Not answered	8	15%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

## **Main findings from the consultation**

The consultation asked 36 questions, over four key areas, seeking to understand providers' behaviours because of the proposed changes. It sought views on our proposal to introduce a requirement to register with the OfS based on a student number threshold, on the proposed implementation details and territorial scope.

There were 53 responses received. The breakdown of the professional bodies and of the higher education providers who responded are at annex B.

Overall, there was broad support for our proposals to introduce a student number threshold for OfS registration, for our proposed exemptions and for our proposed implementation timetable. It was thought that these proposals would help support quality in higher education and provide greater assurance to the taxpayer.

Several risks were raised including in relation to providers behaviour shifts, OfS capacity, and impact on other areas of the higher education system. It was felt these proposals would displace the risks to other areas of policy.

### **About you (questions 1-13)**

Most responses (32) were on behalf of an organisation. Others were individuals or professional bodies.

Of the 53 responses received, almost half of respondents (49%) confirmed that another provider delivers provision on their behalf.

Of the 57% of respondents who identified as having another provider delivering higher education provision on their behalf over half (56%) said that only 0-19% of their total number of students was currently studying with another provider. 10% said that 80% or more of their total numbers of students was currently studying with another provider.

Most respondents (57%) did not answer the question asking about their intention to register with the OfS. Of those who did answer, around a quarter (23%) said that they intended to register and 15% said that they would not.

Most respondents did not respond to the questions asking about their plans for either increasing or decreasing their franchised provision. Of those who responded a range of reasons were given; there was no clear theme.

## **Section 2: Threshold for OfS registration (questions 14-20)**

The vast majority of respondents (87%) agreed with the introduction of a student number threshold as the trigger to register with the OfS and the majority (57%) also agreed the threshold should be set at 300. There was a recognition that our proposal would positively impact quality and providers' and students' confidence.

Key risks raised by some respondents related to OfS capacity, additional bureaucracy, gaming, access and participation, provider's capacity and financial sustainability. 40% of the responses raised concerns of providers electing to stay below the threshold.

Responses in relation to financial impact were mixed with no clear picture. Respondents highlighted the need for further clarity in relation to the threshold calculation.

## **Section 3: Proposed exemptions from the requirement to register with the OfS (questions 21-23)**

Most respondents agreed with our proposed exemptions. A few respondents provided views on other regulatory body partners that could be exempted, including the Charity Commission (2 responses), Ofsted (2 responses), Quality Assurance Agency (1 response), government departments and the military (1 response).

## **Section 4: implementation (questions 24-34)**

There was broad support for the proposed implementation timetable. The main concern raised was in relation to OfS capacity. There were also concerns about bureaucratic burdens, as highlighted earlier. Most respondents also agreed with the proposed appeal period, the proposed 'consequence year' to mitigate the risk of gaming, and the publication of the list of approved providers.

## **Section 5: Devolved governments (questions 35-36)**

The majority of respondents (57%) agreed that our policy should only apply to England and (47%) did not think that there would be risks associated with this approach. Of those respondents that raised concerns, the risks highlighted related to creating confusion and possible exploitation if devolved governments do not replicate the English approach.

## Government response

The government is committed to protecting public money in higher education. Following rapid growth in franchised provision since 2019, we are taking firm action to address serious concerns about poor-quality provision, financial exploitation, and fraudulent practices among some franchise providers. This behaviour undermines student outcomes, damages public trust, and diverts funding away from legitimate education.

Franchising in higher education refers to arrangements where one registered higher education provider (the lead provider) authorises another organisation (the delivery partner) to deliver all or part of one or more of its higher education courses. For the purposes of this document, we refer to such arrangements as “franchised provision”. A franchised student is defined as one who is registered with a higher education provider, but where more than 50% of their provision is taught by another provider under a subcontractual arrangement.

In most cases, providers that recruit students to higher education courses must be registered with the Office for Students (OfS) for their courses to be designated for student finance. However, current regulations allow registered providers to subcontract course delivery to delivery partners that are not themselves registered with the OfS. This means that, under existing rules, unregistered providers can deliver franchised courses that remain eligible for student finance through their lead partner.

Franchised provision has grown rapidly in recent years. Between 2019/20 and 2023/24, the number of students studying at a franchised provider more than doubled, from 56,590 to 159,460. By 2023/24 students at franchised providers represented around 5% of all students in the higher education sector. 98,470 students studying at a franchised provider were studying at a provider that was not registered with the OfS.

The intention behind enabling provision to be franchised was to widen access and choice, supported by a clear educational rationale and the expectation of robust oversight by lead providers. However, too many providers have used franchise arrangements primarily as a means of generating income, without ensuring quality, adequate governance, or appropriate student support.

The OfS has found evidence of poor practice, including:

- a. vulnerable students being recruited to courses, and applying for student loans, without any realistic prospect of being able to meaningfully engage or benefit from higher education;*
- b. entire cohorts of students being supported to commit academic misconduct to ensure onwards progression through a course;*



- c. *entire cohorts of students being recruited onto courses and taking out student loans where the quality of delivery is so poor that not a single student achieves their qualification;*
- d. *sub-standard course design that lacks sufficient academic challenge for the designated level of study, risking awards that do not meet sector standards*<sup>3</sup>.

The National Audit Office<sup>4</sup> has also found too many cases where franchised provision fails to deliver the quality of education students should expect, and even instances of abuse of the student finance system.

This document sets out the government's approach to ensuring that higher education provision subcontracted under franchise arrangements continues to be designated for student finance only where appropriate safeguards are in place. It forms part of a wider package of reforms to protect public money from fraud and abuse and to provide assurance to students, government, and taxpayers.

These reforms include the OfS's strengthened initial conditions of registration, which apply to all new registration applications, and its recent consultation on proposals for new requirements for oversight of subcontractual arrangements in English higher education<sup>5</sup>. Together with the policy set out in this document, these actions will mean that the vast majority of franchised provision will be subject to greater regulation and oversight - both from the OfS and from the lead providers who remain accountable for quality and standards.

Alongside this, the government's response to the Public Accounts Committee<sup>6</sup> outlines steps to tighten system controls. There is also cross-government work led by the Public Sector Fraud Authority and work to strengthen admissions and recruitment practices.

As set out in the Post-16 Education and Skills White Paper, we also intend to legislate to expand the OfS's powers so it can take swift and decisive action where quality is compromised or public money is at risk.

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<sup>3</sup> [https://www.officeforstudents.org.uk/media/tx4o5y0v/subcontracting\\_consultation\\_july\\_2025.pdf](https://www.officeforstudents.org.uk/media/tx4o5y0v/subcontracting_consultation_july_2025.pdf)

<sup>4</sup> <https://www.nao.org.uk/wp-content/uploads/2024/01/investigation-into-student-finance-for-study-at-franchised-higher-education-providers.pdf>

<sup>5</sup> [https://www.officeforstudents.org.uk/media/tx4o5y0v/subcontracting\\_consultation\\_july\\_2025.pdf](https://www.officeforstudents.org.uk/media/tx4o5y0v/subcontracting_consultation_july_2025.pdf)

<sup>6</sup> [https://assets.publishing.service.gov.uk/media/66d9d2bfe87ad2f12182650e/E03194725\\_HMT\\_Treasury\\_Minutes\\_Sept\\_24\\_Accessible.pdf](https://assets.publishing.service.gov.uk/media/66d9d2bfe87ad2f12182650e/E03194725_HMT_Treasury_Minutes_Sept_24_Accessible.pdf)

## Threshold for OfS registration

### Key points

- Unregistered franchised providers with 300 or more students will need to register with the OfS if they want to deliver courses designated for student finance on behalf of a registered provider.
- The threshold will be open to review.

Having carefully considered the responses to the consultation, the government has confirmed, in the Post-16 Education and Skills White Paper<sup>7</sup> that it will introduce a student number threshold whereby unregistered franchised providers will be required to register with the OfS if they want to deliver courses designated for student finance on behalf of a registered provider.

This threshold will initially be set at 300 students. As set out in our consultation, this number will ensure that the majority of public money in franchised provision will be protected whilst also being mindful of the bureaucratic burden for smaller providers. Our rationale for exempting small providers (below 300 students) from the requirement to register is based on the proportionality of the regulatory burden. Our view is that, whether students are in receipt of public funding or not, providers with more students should be better able to manage the regulatory requirements of registration.

The threshold will be a headcount measure that includes all students (domestic and international and across all partnerships that a franchised provider might have), regardless of study mode (e.g. part-time, full-time, online). Counting all students at franchised providers for the threshold will ensure that the focus is not only on protecting public money but also on the quality of higher education at franchised providers.

The number of students at franchised providers overall is within the control of the franchised provider, and a providers' decision on whether they need to apply for OfS registration can be informed by their business planning.

Using student numbers aligns with the methodology of the Higher Education Statistics Agency (HESA) and the Individual Learner Record (ILR). Data are measured at the end of the academic year and adjusted for non-standard years, counting each student only once per academic year (1 August – 31 July), regardless of how many courses they take.

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<sup>7</sup> [https://assets.publishing.service.gov.uk/media/68f518ee06e6515f7914c7ce/Post-16\\_Education\\_and\\_Skills\\_white\\_paper\\_Accessible\\_Version.pdf](https://assets.publishing.service.gov.uk/media/68f518ee06e6515f7914c7ce/Post-16_Education_and_Skills_white_paper_Accessible_Version.pdf)

The OfS produce a headcount measure (detailed below) of the number of students at franchise providers which the DfE will use to assess whether a delivery provider is above or below threshold.

The government will also proceed with the proposal to keep this threshold open to review. This means that the government will have the option to lower the threshold to capture a greater number of providers if there is evidence of poor behaviour or other significant risks to public funds. The government will consider an appropriate notice period to do this should we decide to take this forward.

## Exemptions

### Key point

- 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.

The government will proceed with the exemptions consulted on, as follows:

- state-funded schools
- further education corporations
- sixth form college corporations
- 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

The government will also exempt:

- government departments
- the Armed Forces
- Mayoral Combined Authorities

There are other assurance mechanisms for them to protect public money, as set out in [Managing public money - GOV.UK](#)

For the avoidance of doubt, the constituent colleges of Oxford, Cambridge and Durham, and the joint medical/pharmacy schools are not in scope of the requirement as they are already required to register independently with the OfS.

## Implementation

The government has carefully considered the feasibility and proportionality of the proposed implementation timetable, and it has decided to proceed with it but with some adjustments to ensure that both providers and the OfS are able to take the necessary steps.

## Proposed approach

### Key points

- Each September the Department will make a decision on which franchised providers' courses can be designated for student finance. Providers will have an opportunity to appeal this decision based on the previous year's data for the first two years.
- Providers will need to have submitted a registration application to the OfS by 1 July 2026 if they want their courses to be designated for student finance in AY 2028/29.
- The policy will apply to new students only.
- Amending regulations will be laid and, subject to parliamentary approval, come into force in Spring 2026.

The government will proceed with its proposal to implement a 'decision year' whereby each September in that 'decision year', the Department will determine whether a franchised provider's courses should be designated as eligible for student finance for new students for the following academic year ('the implementation year').

This will be based on the number of students the provider had two academic years previously ('the data year'). The data used will be the Higher Education Statistics Agency (HESA) and Individual Learner Record (ILR) data that providers submit to Jisc and the DfE every year in November. This will be the latest data available at the time of the decision.

This means that in the first year of implementation, a decision will be made in September 2027 ('the decision point') based on student numbers in 2025/26 ('the data year'), which will determine whether a franchised provider's courses are designated for student finance for new students in AY 2028/29 ('the first implementation year').

The government will proceed with the proposal to apply the policy to new students only.

This means that:

For new students:

- Courses delivered by franchised providers that successfully registered with the OfS before the time at which the decision is made (the decision point) will be designated for student finance for new students in the implementation year regardless of how many students they had in the data year.
- Courses delivered by unregistered franchised providers with fewer than 300 franchised students in the data year will be designated for student finance for new students in the implementation year.
- Courses delivered by unregistered franchised providers with 300 or more franchised students in the data year will not be designated for student finance for new students in the implementation year or any year thereafter unless they have successfully registered with the OfS.

For existing students:

- Franchised courses will continue to be designated for student finance for existing students. Existing students are those students who started their course before the first implementation year in AY 2028/29 (i.e., in or prior to AY 2027/28)

**Examples:**

If by September 2027 -

- A franchised provider that is **registered** with the OfS had **300 or more students in AY 2025/26**. The DfE will inform the provider in September 2027 that courses delivered by this provider **will be designated** for student finance in **AY 2028/29** for all students (both **new and existing**).
- A franchised provider that is **not registered** with the OfS had **fewer than 300 students in AY 2025/26**. The DfE will inform the provider in September 2027 that courses delivered by this provider **will be designated** for student finance in **AY 2028/29** for all students (both **new and existing**).
- A franchised provider that is **not registered** with the OfS had **300 or more students in AY 2025/26**. The DfE will inform the provider in September 2027 that:
  - courses delivered by this provider **will not be designated** for student finance for **new** students in **AY 2028/29** or **any subsequent year** until the provider has registered.
  - courses will continue to be designated for student finance for **existing** students who started their course prior to AY 2028/29.

The government has decided that courses delivered by providers who submitted a registration application to the OfS in ‘good time’ but have not received an outcome from the OfS by the September 2027 decision point will remain designated for student finance in the implementation year and until they receive a decision. ‘In good time’ is defined as no later than the 1 July 2026.

Applications to the OfS will only be considered as having been submitted ‘in good time’ if the application meets all criteria set out in published guidance from the OfS and in force at the time the application was submitted. These criteria can be found in OfS ‘Regulatory Advice 3: Regulatory advice 3: How to register with the Office for Students’<sup>8</sup> and the application requirements notice ‘Regulatory notice 7: Application requirements notice’<sup>9</sup>.

This is an implementation provision and for future years providers who wish to expand will need to plan accordingly to ensure they allow sufficient time for registration prior to when they want to advertise their courses.

Providers should note the OfS’s registration guidance on ‘Reapplying for registration following a final refusal decision’<sup>10</sup> which sets out that if a provider applies for registration on or after 1 January 2026 and receives a final refusal decision, it will not be able to submit a new application until 12 months after the date of the final decision to refuse registration. The OfS Regulatory Advice<sup>11</sup> sets out the exceptions to this requirement that it would consider.

In summary, this means that, at the first decision point in September 2027:

- If a provider submits an application that meets all criteria to the OfS before 1 July 2026 but has not yet received an outcome, courses they deliver will remain designated for student finance for new and existing students for AY 2028/29.
- If a provider submits an application to the OfS on or after 1 July 2026 and has not yet received an outcome, courses they deliver will not be designated for student finance for new students for AY 2028/29.

The Government intends to proceed with laying amendments to the Education (Student Support) Regulations 2011 by April 2026 subject to Parliamentary approval these would come into force in May 2026. We intend to proceed with making our first decision in September 2027 (‘the decision year’) regarding course designation for student finance based on student numbers in AY 2025/26 (‘the data year’).

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<sup>8</sup> <https://www.officeforstudents.org.uk/publications/regulatory-advice-3-how-to-register-with-the-office-for-students/>

<sup>9</sup> <https://www.officeforstudents.org.uk/publications/regulatory-notice-7-application-requirements-notice/>

<sup>10</sup> <https://www.officeforstudents.org.uk/for-providers/registering-with-the-ofs/how-to-register-with-the-office-for-students/5-outcomes/>

<sup>11</sup> <https://www.officeforstudents.org.uk/media/zmbhtws/regulatory-advice-3-how-to-register-with-the-ofs.pdf>

## Transition period and appeals

### Key points

- There will be a two-year transition period to allow unregistered franchised providers to appeal the designation decision made in September 2027 and September 2028.
- Alongside registration status, the September 2027 designation decision will be made based on centrally held student number data from AY2025/26. The September 2028 designation decision will be made based on centrally held student number data from AY2026/27.
- There will only be one ground of appeal: where there is evidence that student numbers were below the threshold in the year prior to the designation decision.

The government will proceed with the proposal to allow a two-year transition period whereby, for the first two years of implementation only (decision years 2027 and 2028), franchised providers will be given a month to appeal the September designation decision. This is because the AY 2025/26 student numbers will have already been determined when the legislation comes into force and student numbers are also likely to be largely determined for AY 2026/27. This means that providers will have been unable to amend student numbers or contractual agreements for the relevant years prior to the first decisions about designation for student finance in September 2027.

The government will proceed with allowing providers to appeal the Department's decision, as set out in the implementation timetable. An appeal decision will be based on evidence provided by the delivery partner and verified by the lead provider(s). There will be one ground of appeal: where there is evidence that student numbers were below the threshold in the previous year.

### Example:

1. In September 2027 (the 'decision point'), DfE sees from the published data (HESA/ILR) that a provider's student numbers in AY 2025/26 (the 'data year') was above the threshold.
2. In September 2027, OfS confirms that the provider is not registered but has not submitted a registration application by 1 July 2026.
3. In September 2027, DfE issues its preliminary decision to the franchised provider and its lead provider/s to set out that the courses delivered by that franchised provider on behalf of the lead provider/s will not be designated for student finance for new students in AY 2028/29.

4. Between September and October 2027, the franchised provider lodges an appeal with the Department to provide evidence that its student number in AY 2026/27 was below the threshold.
5. The Department:
  - a. Either accepts the evidence provided and issues its final decision setting out that courses delivered by that franchised provider on behalf of the lead provider/s will be designated for student finance for new students in AY 2028/29.
  - b. Or refuses the appeal and issues its final decision setting out that courses delivered by that franchised provider on behalf of the lead provider/s will not be designated for student finance for new students in AY 2028/29.
6. If later, evidence shows that final student numbers in AY 2026/27 were in fact above the threshold, there will be a correction year (see section below).

The government will not extend the transition period beyond two years because by that point franchised providers will have been able to anticipate their student numbers and either register with the OfS or reduce their numbers. Lead providers will also have had an opportunity to amend contractual arrangements if necessary to ensure compliance with the requirements for courses to be designated for student finance.

## Correction year

### Key point

- Unregistered franchised providers exceeding the threshold will lose a year of eligibility for student finance for new students, regardless of whether they have registered with the OfS in the interim.

The government will proceed with the proposal to introduce a 'correction year' whereby a franchised provider who goes above the threshold whilst unregistered will lose a year of eligibility for student finance for new students, regardless of whether they have registered with the OfS in the interim.

### Example:

- If a franchised provider had fewer than 300 students in AY 2025/26 without being registered with the OfS, their courses will be eligible for student finance in AY 2028/29.
- However, if that provider had 300 or more students in 2026/27 without being registered with the OfS, their courses will not be designated for student finance for new students in 2029/30 ('correction year'), even if they have registered with



the OfS by 2029/30. They will still be able to get funding for new students in the 2028/29 academic year as this decision will already have been made (in autumn 2027). In cases where providers have had a positive DfE decision at appeal in November 2027 based on declared student numbers for 2026/27, but where, at the next decision point in September 2028, this number is found to have been above the 300 threshold in 2026/27 and providers were not registered with the OfS, then a correction year will apply in 2029/30 even if they have registered with the OfS by 2029/30.

- If the same unregistered provider exceeded the threshold again in AY 2027/28, the same approach would apply and their courses would not be designated for student finance for two years (2029/30 and 2030/31), and so on.

## Impact on students

### Key point

- Each year, the department will publish a list of ‘approved’ franchised providers providing transparency to students.

The government’s proposals on franchised provision are designed first and foremost with students in mind. Our policy aims to ensure that the higher education in which students invest is of good quality, effectively managed, and supports them to achieve positive outcomes. Where courses are delivered by a franchised partner on behalf of the provider they are registered with, students should have confidence that the course meets robust quality standards and is subject to appropriate oversight.

Prospective students will also benefit from greater transparency. As consulted on, the Department for Education will publish, on an annual basis, a list of franchised providers whose courses are designated for student finance. This will allow students to make informed decisions about where to study, and reassure them that their course is delivered by a provider subject to effective regulatory oversight. Where courses are delivered by franchised providers with 300 or more students, registration with the OfS will provide additional assurance that both the lead provider and the regulator are overseeing the provider delivering their course.

Registered providers are also required to sign up to the Office of the Independent Adjudicator, thereby providing additional protection to students.

We recognise that as a result of these reforms some franchised providers may reduce the scale of their provision or exit the market. By providing a two-year implementation period and only applying the proposal to new students we are seeking to minimise disruption. In the longer term, the requirement to register will raise overall quality, protect students, and safeguard public investment in higher education.

## Proposed timetable

The timetable will be as follows:

Time	Event
December 2025	Government response to the consultation is published.
April 2026	Amendments to the Education (Student Support) Regulations 2011 are made and laid.
May 2026	Subject to Parliamentary approval, amendments come into force.
Midnight on 30 June 2026	Deadline for unregistered franchised providers to submit their application to the OfS to be considered 'in good time'.
September 2027	First 'decision point'. DfE sends its preliminary decision to providers – lead and franchised – on whether the course/s delivered by the franchised providers will be a designated for student finance in 2028/29.
October 2027	Period of appeal for franchised providers to submit evidence that the course they deliver on behalf of a registered provider should continue to be eligible for student finance.
November 2027	Second 'decision point'. DfE issues its final decision and publishes a list of approved franchised providers.
August 2028	The 'first implementation year' starts.
The above timetable will repeat for the 2 <sup>nd</sup> transition year (2028)	
September 2029	'Decision point'. DfE sends its decision to providers – lead and franchised – on whether the course/s delivered by the franchised providers will be a designated for student finance in 2030/31.
October 2029	DfE issues its final decision and publishes a list of approved franchised providers.

## DfE function

The Government will administer the process set out in this document, working closely with the OfS and the Student Loans Company. It will consider if any additional guidance is needed either prior to or after amending regulations have been laid.

## Devolved governments

The government has considered the devolved nature of higher education, alongside the regulatory regimes that are in place in devolved governments, the instances of franchising in devolved governments where student finance (England) is involved, and the consultation responses, and it can confirm that this policy will apply to English providers only. Lead providers and franchised providers in the devolved governments are not in scope of this policy.

The responses received endorsed this approach. There is currently very little franchising of higher education provision in devolved governments, and, where there is, the government is satisfied that appropriate mechanisms are in place to manage risks to public money and/or are in the process of reviewing them. However, the government will take action if it sees patterns of behaviours that put public money at risk.

## Conclusion

The policy set out in this document is one further step in the government's programme of actions to tackle abuse, and a clear indication of the government's unwavering commitment to put an end to the bad practice it has seen within franchised provision in higher education.

The government believes that the actions set out in this document, taken together with other reforms to protect public funds in higher education, strike the right balance between the need to act quickly to protect public money whilst giving sufficient time for providers to adjust to these changes. It sits alongside action that the OfS is also already taking to tighten its conditions of registration in relation to protecting public money and governance, and its proposals to strengthen the oversight they and lead providers give to franchise arrangements. In addition, cross-government action led by the Public Sector Fraud Authority is tackling the threat of abuse of public money, as announced<sup>12</sup> by the Secretary of State in March 2025.

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<sup>12</sup> [Written statements - Written questions, answers and statements - UK Parliament](#)

Together these changes will ensure that provision delivered under franchise arrangements is within a tighter regulatory regime with clear expectations on lead providers and their delivery partners.

The government will not tolerate any abuse of the system. It will not hesitate to take action to address issues that threaten the reputation of higher education in England.

## Next steps

Following the publication of this consultation response, the Department, working closely with the OfS, will engage with providers likely to be affected by these proposals to ensure that they understand the proposals set out in this document.

The government will continue to work closely with the OfS who, in Spring 2026, are expected to publish the outcome of their consultation on new requirements for the oversight of subcontractual arrangements in English higher education<sup>13</sup>.

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<sup>13</sup> [Consultation on new requirements for the oversight of subcontractual arrangements in English higher education - Office for Students](#)

## Annex A - Analysis of the consultation

This section provides a breakdown of the responses received for each consultation questions.

### About you

In addition to questions aimed at understanding respondents' profiles, as set out in the earlier section we also asked questions seeking to understand future plans that providers may have to either decrease or increase their franchised provision, and to gauge intention to register with the OfS.

**Q.10** Respondents were asked, in the case where they are a delivery partner providing higher education on behalf of one (or more) Office for Students registered provider/s, if they had any plans to increase or decrease the provision they deliver on their behalf. Most respondents either did not answer (25 respondents, 47%) or the answer did not apply to them (18 respondents; 34%). For 4% of respondents (2), the response was either unclear (1) or irrelevant to the questions (1).

Of the 5 respondents (9%) who said they would seek to increase their franchised provision, the reasons given were:

- to extend the degree apprenticeship provision,
- to grow existing partnerships,
- or do so in the short-term until successful OfS registration.

One (1) respondent said that they would increase or decrease their existing partnerships depending on the strengths of each partnership.

**Q.11** Lead providers were asked if they had any plans to increase or decrease the provision that they deliver through another non-Office for Students registered provider.

**Table 4 - Lead providers' plan for growth:**

<b>Plans to increase or decrease franchised provision delivered by non-OfS registered provider</b>	<b>Number of respondents</b>	<b>Percentage of those who answered (excluding not answered, answer unclear and n/a)</b>
Increase	9	39%
Decrease	5	22%
Mixture	4	17%

<b>Plans to increase or decrease franchised provision delivered by non-OfS registered provider</b>	<b>Number of respondents</b>	<b>Percentage of those who answered (excluding not answered, answer unclear and n/a)</b>
Stay as is	3	13%
Unsure	2	9%
Answer unclear	1	-
Did not answer	17	-
N/A	12	-
<i>TOTAL</i>	53	100

For the majority of respondents (30 respondents; 57%), either no response was provided (17) or the question was not applicable (17 respondents) or the answer was not clear (1 respondent).

Of the respondents who said they were planning to increase (9 respondents; 39%) their franchised provision, the reasons given included:

- (2) intended to increase Transnational Education (TNE)
- (1) stated that this was in order to respond to a request for a lead provider to address a cold spot
- (1) was in order to develop new partnerships
- (1) intended to increase partnership with small partners delivering strategically important subjects such as social care, engineering etc

Of the respondents who said that they planned to decrease (5; 22%) their franchised provision, the reasons given included:

- to focus on OfS registered partners,
- to focus on exempt partners (FE colleges, NHS trusts and a small number of specialist providers delivering strategically important provision (Social Care) or niche provision (performing arts).

A few respondents (4 respondents, 8%) planned to both increase and decrease with the view to consolidate existing partnership but grow strong partnerships.

**Q.12** Respondents were asked if they are currently registered with the OfS. The analysis for this question is set out in the previous section about respondents' profile.

**Q.13** Respondents were asked if they intended to register with the OfS.

**Table 5 - Lead providers' plan for registration with the OfS:**

<b>Answer</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	12	23%
No	8	15%
Not answered	30	57%
N/A	3	5%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

Most respondents (57%) did not answer this question. Of those which answered, 23% said that they would register with the OfS and only 15% said that they would not.

## **Section 1: Threshold for OfS registration**

**Q.14** Respondents were asked if they agreed with our proposal to require franchise delivery partners with more than a specified number of students to register with the OfS.

**Table 6 – Requirement to register with OfS if threshold is met:**

<b>Answer</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	46	87%
No	5	9%
N/A	2	4%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

The large majority of respondents (46 respondents, 87%) agreed with our proposal to require franchise delivery partners with more than a specified number of students to register with the OfS.



**Q.15** Respondents were asked if they agreed that a threshold of 300 students is appropriate.

**Table 7 – Threshold of 300 students:**

<b>Answer</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	30	57%
No	23	43%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

The majority of respondents (30 respondents, 57%) agreed that a threshold of 300 is appropriate.

**Q.16** Respondents who answered ‘No’ in the previous question were asked at what level they thought this threshold should be set and why. Of those who did not agree that the threshold of 300 students is appropriate (23 respondents, 43%), there was no clear alternative threshold. Some said >500+ whilst others said <150.

Five themes that emerged from the responses included:

- the additional bureaucratic burden that our proposal will introduce and how this will mostly affect smaller providers. (4 respondents)
- the need to balance this burden against the need to prevent gaming by reviewing this threshold at regular intervals. (2 respondents)
- the risk to access and participation (3 respondents)
- the risk that OfS lack capacity to implement the proposals (2 respondents)
- the risk to financial sustainability (2 respondents)

Some respondents (4) felt that no threshold should be necessary and that all providers should simply register with the OfS and that this would ensure all students benefit from the same protection.

Some respondents provided alternative proposals, including:

- A tiered system where providers with fewer than 300 students are required to demonstrate compliance with a lighter-touch regulatory framework.
- A threshold set against the level of risks
- A threshold based on FTE
- A new OfS category for franchised providers
- Using site specific student number controls on awarding providers for those with rampant growth in franchised provision.

**Q.17** Respondents were asked to what extent and in what ways do they think providers might adapt their business model in response to this threshold. If a respondent was a provider or a provider representative body, they were asked what actions they or their members might take if these proposals were implemented. The majority of respondents (77%: 41) answered this question.

The two main themes that emerged from the responses to this question included:

- that providers would elect to stay below the threshold including by splitting their provision (21 responses; 40%). This included setting up subsidiaries or mergers.
- that providers would simply seek to move to validation arrangements (8 responses; 15%).

Responses to this question also included additional comments highlighting some possible negative impacts from our proposals, including:

- the negative impact on students and A&P (10 responses; 19%)
- the negative impact on smaller providers and risk of loss of smaller good quality provision (8 responses; 15%)
- the increased financial pressures (7 responses; 13%)
- the increased complexity and bureaucracy (4 responses; 8%)

Some suggestions to mitigate these concerns included:

- Providing clear guidance to ensure accountability is very clear.
- Ensuring to cross-refer to the work that OfS is also doing.
- Ensuring that clear information is provided to students.
- Continuing to communicate the importance of ensuring high quality provision.
- Tightening recruitment practices.

**Q.18** Respondents were asked what positive impact might there be on providers or students as a result of these changes. This question received 100% response rate.

A number of themes emerged from the comments provided about the positive impacts resulting from our policy, but the two main positive impacts were:

- improved quality of HE (21 responses; 40%)
- improved confidence and assurance (18 responses; 34%)

Other positive impacts included:

- improved student experience (8 responses; 15%)
- improved student protection (7 responses; 13%)

- reduced risk (institutional and of fraud) (3 responses; 6%)
- increased transparency (3 responses; 6%)
- increased reputation of HE (3 responses; 6%)
- improved scrutiny and accountability (3 responses; 6%)
- improved student outcomes (3 responses; 6%)

**Q.19** Providers were asked if they are a lead or delivery partner in a franchising arrangement, what, if any, financial impact did they think the proposals could have for them as a provider. Key themes emerging from the comments received in relation to the possible financial impact that our proposal might lead to included:

- negative financial impact on the delivery partner (10 responses; 19%)
- negative financial impact on the lead provider (7 responses; 13%)
- negative financial impact on both (5 responses; 9%)
- positive financial impact (2 responses; 4%)

Some respondents (8% to 15%) thought that financial impact would be negligible.

**Q.20** Respondents were asked what, if any, risks might there be from these changes. Key risks that respondents highlighted included:

- OfS capacity (14 responses; 26%)
- financial viability (11 responses; 21%)
- loss of provision (10 responses; 19%)
- access and participation (9 responses; 17%)
- student experience (10 responses; 19%)
- threshold calculation (8 responses; 15%)

## **Section 2: Proposed exemptions from the requirement to register with the OfS**

**Q.21** Respondents were asked if they agreed with our proposal that state-funded schools, the statutory further education sector, NHS Trusts, Councils, and Police and Crime Commissioners should be exempt from the requirement to register with the OfS. Respondents were invited to provide reasons for their answer.

**Table 8 – Agreeing with our proposed exemptions:**

<b>Answer</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	41	77%
No	9	17%
Not answered	2	4%
N/A	1	2%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

The majority of respondents (41 respondents, 77%) agreed with our proposed exemptions. Of those who agreed, a key theme was that these organisations may already be sufficiently regulated (9 responses). Of those who disagreed, key themes were that:

- some of the organisations may need the additional oversight of the OfS (3 responses)
- the listed organisations should all be under the same regulation (2 responses)

**Q.22** Respondents were asked if they agreed that providers should not be exempt from registering with the OfS if their provision is regulated by an appropriate Professional, Statutory and Regulatory Body (PSRB). Respondents were invited to provide reasons for their answer.

**Table 9 – Agreeing to not exempt PSRBs accredited provision:**

<b>Answer</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	37	70%
No	13	25%
Not answered	3	5%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

The majority (70%) of those who responded (95%) agreed not to exempt PSRB accredited provision. Of those who agreed, a key theme was that providers may need HE-specific regulation (2 responses). Of those who disagreed, a key theme was that PSRBs may be able to regulate and quality assure (3 responses). Across respondents who agreed and those who disagreed, key themes were that providers need consistent regulation (7 responses) and that PSRB regulation may not be sufficient (7 responses).

**Q.23** Respondents were asked if there are any other regulatory partners that providers are regulated by that they think should qualify a provider as being exempt from the requirement to register with the OfS. Most respondents did not answer this question (43 respondents, 81%). Of those respondents who did provide comments:

- a minority of respondents (6 respondents, 11%) felt that providers should be exempt if they are already regulated by another partner. This included:
  - o the Charity Commission (2 responses)
  - o Ofsted (2 responses)
  - o QAA (1 response). The view was that where a provider had engaged with QAA to conduct a review, then they should be exempt
  - o OGDs and the Military (1 responses)
- a couple of respondents said that the regulator must provide quality assurance to public funds, irrespective of who is regulating. (2 responses)
- Other respondents stated that there should not be multiple regulatory partners, and that it would be more beneficial if there was a universally recognised regulator. (2 responses)

## Section 3: Implementation

**Q.24** Respondents were asked if they agreed with our proposed approach to implementation, and if 'No' to explain why.

**Table 10 – Agreeing with our proposed implementation:**

Answer	Number of respondents	Percentage
Yes	33	62%
No	15	28%
Not answered	4	8%
N/A	1	2%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

The majority of respondents (62%; 33) agreed with our proposed approach to implementation. 20 respondents (38%) provided additional comments, and of these the key theme that emerged was concerns about OfS capacity to support the changes (12 responses, 60% of the 20 respondents). Other responses (all singular) included: concerns about bureaucratic burden, concerns about timescales being too short, concerns about timescale needing to be faster, and needing more information.

**Q.25** Respondents were asked if there are any obstacles to submitting registrations to the OfS within the proposed timeframes, and if 'Yes' to set out what these are. Just under half of the respondents (26, 49%) felt that there were obstacles preventing them from registering within the proposed timeframe. Of those who felt that there were obstacles to registering with OfS, key themes included:

- concerns over OfS capacity (15 responses)
- concerns about the impact of the changes to the OfS registration conditions (8 responses)
- the bureaucracy associated with the OfS (7 responses)
- a lack of support for new delivery partners (6 responses)
- concerns over OfS's pause in registration having an impact on providers' ability to submit registrations within the proposed timeframe (2 responses)

**Q.26** Respondents were asked if they agreed that we should continue to fund any existing students who began their courses before 2028/29. The majority of respondents (46, 87%) agreed that we should continue to fund existing students.

## Appeals

**Q.27** Respondents were asked if they agreed with the proposed ground for appeal. Respondents were invited to provide comments.

**Table 11 – Agreeing with our proposed grounds for appeal:**

<b>Answer</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	43	81%
No	7	13%
Not answered	2	4%
N/A	1	2%
<i><b>TOTAL</b></i>	<i><b>53</b></i>	<i><b>100%</b></i>

The majority of respondents (81%) agreed with our proposed grounds of appeal. Of the 3 respondents (6%) that provided additional comments:

- 2 respondents welcomed the proposal for DfE to manage appeals.
- 1 respondent said more clarity was needed on the appeals process, specifically on what constitutes valid grounds for appeal and whether a provider can continue operating during an appeal.

**Q.28** Respondents were asked if there should be any other grounds of appeal.' and if 'Yes', what should these be? Just over half (30, 57%) of respondents didn't think other grounds of appeals were needed.

Two themes emerged from responses who were in support of our proposed grounds of appeal:

- the need to have an appeal on basis of marginal differences, such as instances where a provider exceeded threshold for only a certain amount of time (2 responses).
- the need to allow for a delay in OfS registration process (3 responses)

Other suggestions for additional grounds of appeal (all singular responses) included:

- where a provider has no control over elements of an unsuccessful application to the OfS
- where one month is not sufficient to ensure accurate student number calculations.
- where it is difficult to distinguish between existing and returning students.
- where a provider had not met the threshold in the data year.
- where a provider needs TEF to comply with OfS registration. It was felt that if a provider does not yet have TEF, this should be a ground for appeal.

Another suggestion was to introduce a threshold that allows for growth on a sliding scale, and with the appeal being the mechanism to agree this.

**Q.29** Respondents were asked if they agreed that a two-year transition period for appeals is sufficient.

**Table 12 – Agreeing with our proposed transition period:**

<b>Answer</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	34	64%
No	13	25%
Not answered	5	9%
N/A	1	2%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

The majority of respondents (34, 64%) agreed that a two-year transition period for appeals is sufficient.

Of these 64% of respondents who agreed with the two-year transition, some noted the following concerns (all singular respondents):

- complexities with calculating student numbers
- OfS ability to register
- capacity constraints in HEPs, suggesting a pilot scheme may be useful
- needs to ensure sufficient protection for existing students to continue

Of the 25% (13) of respondents who did not agree that a two-year transition period was sufficient, the main reasons provided included:

- concerns over OfS capacity / ability to register, and 2 respondents said the registration process is too slow / burdensome (3 responses)
- complexities with calculating student numbers (3 responses)
- transition period should be 3 years (2 responses)
- the threshold is too low too soon, and the transition period needs to protect students (2 responses)
- transition period should be 1 year (1 response)

## The 'correction year'

**Q.30** Respondents were asked if they agreed that there should be consequences for providers who exceed the threshold without being registered with the OfS, and if 'No', to explain why.

**Table 13 – Agreeing with our proposed consequences:**

Answer	Number of respondents	Percentage
Yes	46	87%
No	5	9%
Not answered	2	4%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

51 respondents answered this question. The majority of respondents (87%) agreed that there should be consequences for providers who exceed the threshold without being registered with the OfS.

9% of respondents did not agree that there should be consequences for providers who exceed the threshold without being registered with the OfS, and 4% of respondents did not answer this question.



12 respondents (23%) who agreed that there should be consequences for exceeding the threshold had also provided additional comments, and the key themes were:

- noted issues with student numbers/headcount (5 responses)
- mentioned proportionate penalties (3 responses)
- noted inefficiency of regulator registering providers (2 responses)
- said that the policy needed to be more robust (2 responses)

There were also (2) responses asking to ensure that student interests should be protected, regardless of consequences.

**Q.31** Respondents were asked if they agreed that it is a proportionate consequence for a provider to lose a year of student finance for new students for every year in which the threshold was exceeded without the provider being registered, and to give reasons for their answers.

**Table 14 – Agreeing with the proportionality of our proposed consequences:**

<b>Answer</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	27	51%
No	22	42%
Not answered	4	8%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

Only just over half of respondents (27, 51%) felt that our proposed consequence of losing a year of funding was proportionate.

Of the 22 respondents (42%) who did not feel that our proposed consequence of losing a year of funding was proportionate, the majority (17) felt that the consequence was too severe.

Of those who agreed that our proposed consequence of losing a year of funding was proportionate, the key themes emerging were that:

- the providers are responsible for ensuring regulatory compliance (5 responses)
- it can be difficult for providers to manage headcount (3 responses)

Of those who disagreed that our proposed consequence of losing a year of funding was proportionate, key themes were that:

- more flexibility was needed (6 responses)
- this would threaten financial sustainability (4 responses)

- this would impact students (3 responses)

## What these proposals mean for students

**Q.32** Respondents were asked if they agreed with our proposal to publishing each year a list of franchised providers whose courses will be designated for student finance the following year. Respondents were invited to provide comments.

**Table 15 – Agreeing our proposed publication of a list of approved franchised providers:**

Answer	Number of respondents	Percentage
Yes	48	91%
No	3	6%
Not answered	2	3%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

The majority (48, 91%) of respondents agreed with our proposal to publishing each year a list of franchised providers whose courses will be designated for student finance the following year.

Of those who agreed that we should publish a list of franchised providers, the main reason highlighted was that:

- this would provide transparency and strengthen accountability (11 responses)
- this would have a positive impact on students (6 responses)

Only 6% (3) of respondents disagreed, and 3% (2) did not answer this question. The key risks highlighted from those who disagreed that we should publish a list of franchised providers, were:

- the risk of adding complexity (1 response)
- the risk of duplication (1 response)

## Proposed implementation timetable and proposed new DfE function

**Q.33** Respondents were asked if they agreed with our proposed timeline, and if 'No' to explain why.

**Table 16 – Agreeing our proposed timeline:**

<b>Answer</b>	<b>Number of respondents</b>	<b>Percentage</b>
Yes	35	66%
No	17	32%
Not answered	1	2%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

Over half of respondents (35 respondents, 66%) agreed with our proposed implementation timeline. Those who did not agree (17 respondents, 32%) with our proposed implementation timeline highlighted:

- concerns of insufficient time to complete the registration process / that the timeline was too short (12 responses). This represents 71% of the 17 respondents who did not agree.
- concerns over OfS capacity to register (10 responses). This represents 59% of the 17 respondents who did not agree.
- concerns over the negative impact on students (4 responses). This represents 24% of the 17 respondents who did not agree.
- concerns over whether providers could comply with OfS conditions (2 responses). This represents 12% of the 17 respondents who did not agree.

Other concerns raised by singular respondents included:

- a too long timeline
- lack of clarity over the impact of the OfS new condition of registration
- impact on businesses
- concerns over providers behaviours

Only 1 respondent disagreed with our proposal entirely, disagreeing with its rationale.

Other comments included:

- suggestion to add three months to the proposed timeline (1 response)
- request for clarification on whether the implementation would apply retrospectively for current students (1 response)
- request for clarification on whether funding decisions will be based on registration decision or on the position of providers in the registration pipeline (1 response)

**Q.34** Respondents were asked if they agreed that DfE is a suitable body to make decisions about eligibility for student finance, and if 'No' to explain why.

**Table 17 – Agreeing that DfE is a suitable body to make decisions about eligibility for student finance:**

Answer	Number of respondents	Percentage
Yes	42	79%
No	4	8%
Not answered	6	11%
N/A	1	2%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

The majority of respondents (42 respondents, 79%) agreed that DfE is a suitable body to make a decision about eligibility for student finance. Among those who disagreed (4 respondents, 8%) that DfE is a suitable body to make a decision about eligibility for student finance, some respondents felt that the OfS should have this responsibility (3 responses). Additional themes emerging from the additional comments provided for this question included:

- the importance of transparency (1 response)
- the need for the OfS and the DfE to work closely together and share information (1 response)
- concerns over duplication between DfE requirements and OfS requirements for registration (1 response)

## Section 4: Devolved governments

**Q.35** Respondents were asked if they agreed that no action is needed in relation to provision delivered by franchise providers operating in devolved government areas. Respondents were invited to provide comments.

**Table 18 – Agreeing that no action is needed in relation to devolved governments:**

Answer	Total	Percentage
Yes	30	57%
No	15	28%
Not answered	8	15%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

Over half of respondents (30 respondents, 57%) did not think that action was needed in relation to provision delivered by franchise providers operating in devolved government areas. A minority of respondents (15 respondents, 28%) didn't agree and thought action was needed.

Of those respondents who did not think that action was needed:

- some stated that regulation on franchising should be the same in all nations (8 responses)
- some stated that a non-UK wide approach could leave the system open to be taken advantage of (3 responses)
- some felt that different regulation could cause unequal burden on the sector (2 responses)

Of those respondents that thought that action was needed:

- one respondent stated the government should consider the actions required under respective devolved administrative arrangements
- one respondent agreed with the proposed approach
- one respondent stated the OfS's regulation is not needed in devolved nations

**Q.36** Respondents were asked if they could see any risks associated with this approach. Respondents were invited to provide explanations to their response.

**Table 19 – Risks:**

Answer	Total	Percentage
Yes	19	36%
No	25	47%
Not answered	9	17%
<i>TOTAL</i>	<i>53</i>	<i>100%</i>

47% of respondents did not see any risks associated with our proposed approach in relation to Devolved Governments, compared to 36% who thought the opposite.

Of those who identified risks (19 respondents, 36%), the risks identified included:

- risk of exploitation of the system (6 responses, 32% of 19 respondents who said yes)
- risk of confusion of the regulatory systems (4 responses, 21% of 19 respondents who said yes)

- risk of increased regulatory burden (2 responses, 11% of 19 respondents who said yes)
- risk of unintended consequences (2 responses, 11% of 19 respondents who said yes)

## **Annex B: Professional bodies and universities that responded to the consultation**

### **Professional bodies**

- Membership body for UK business schools
- GuildHE
- Independent Higher Education
- London Higher
- MillionPlus
- The Quality Assurance Agency for Higher Education
- Universities UK
- AoC
- The Chartered Management Institute (CMI)
- OIA

### **Universities**

- Bath Spa University
- Buckinghamshire New University
- Coventry University Group
- De Montfort University
- Falmouth University
- Liverpool Hope University
- Liverpool Hope University, Faculty of Education and Social Sciences
- London Metropolitan University
- Royal Holloway, University of London
- University College London
- University for the Creative Arts
- University of Bedfordshire
- University of Birmingham
- University of Derby
- University of East Anglia
- University of East London

- University of Greenwich
- University of Hertfordshire
- University of Northampton
- University of Salford
- University of Staffordshire
- University of St Mark & St John
- University of Suffolk



## Annex C: Glossary

ALL	Advanced Learner Loans
AY	Academic Year
DAPs	Degree Awarding Powers
DfE	Department for Education
DIs	Designated Institutions
FE	Further Education
FY	Financial Year
GIAA	Government Internal Audit Agency
HE	Higher Education
HERA 2017	Higher Education and Research Act 2017
ILPs	Individual Learning Providers
ITPs	Individual Training Providers
NAO	National Audit Office
OfS	Office for Students
PAC	Public Accounts Committee
PSRBs	Professional Statutory Regulatory Bodies
SLC	Student Loans Company
UT	University Title

## Annex D: Scenarios

Scenario	Franchised providers' overall students' number		Date of franchised provider's application to OfS		Date of OfS application decision		OfS decision		Outcome
1	<300								Our policy doesn't apply to these franchised providers.
2		= >300	before 1 July 2026		before September 2027		successful		The franchised provider can continue to access student finance in AY 2028/29 for the franchised course they deliver.
3		= >300	before 1 July 2026		before September 2027			unsuccessful	<p>The franchised provider cannot continue to access student finance in AY 2028/29 and beyond for the franchised course they deliver.</p> <p>They could access student finance in AY 2028/29 if they can demonstrate, on appeal, that their 2026/27 student number were below 300. They could access student finance in 2029/30 and beyond if they manage to reduce their student</p>

Scenario	Franchised providers' overall students' number		Date of franchised provider's application to OfS		Date of OfS application decision		OfS decision		Outcome
									number by the time of the next DfE decision.
4		= >300	before 1 July 2026			after September 2027	successful		The franchised provider can continue to access student finance in AY 2028/29 and beyond for the franchised course they deliver.
5		= >300	before 1 July 2026			after September 2027		unsuccessful	<p>The franchised provider can continue to access student finance in AY 2028/29 (and until they receive the OfS decision) for the franchised course they deliver as they applied before July 2026.</p> <p>However, they will not be funded for any new students for AY 2029/30 onwards, unless they apply again and are successful.</p> <p>They could separately access student finance in AY 2028/29 if they can demonstrate, on</p>

Scenario	Franchised providers' overall students' number		Date of franchised provider's application to OfS		Date of OfS application decision		OfS decision		Outcome
									appeal, that their 2026/27 student number (were below 300. They could access student finance in 2029/30 and beyond if they manage to reduce their student number by the time of the next DfE decision.
6		= >300		on or after 1 July 2026	before September 2027		successful		The franchised provider can continue to access student finance in AY 2028/29 and beyond for the franchised course they deliver.
7		= >300		on or after 1 July 2026		after September 2027		unsuccessful	The franchised provider cannot continue to access student finance in AY 2028/29 for the franchised course they deliver.  They could access student finance in AY 2028/29 if they can demonstrate, on appeal, that their 2026/27 student number that their number were below 300. They could access student

Scenario	Franchised providers' overall students' number		Date of franchised provider's application to OfS		Date of OfS application decision		OfS decision		Outcome
									finance in 2029/30 and beyond if they reduce their student number by the time of the next DfE decision.



Department  
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