



National Audit Office

The UK's independent public spending watchdog

Jak Kirkland

Sent via email to: [REDACTED]

Date

7 July 2026

Dear Jak,

SYSTEMIC WASTE OF PUBLIC EDUCATION FUNDING VIA STRUCTURAL NON-COMPLIANCE (THE OPEN UNIVERSITY)

Thank you for your email of 3 July, in response to my letter of 16 March, in which you clarified that your initial correspondence to the NAO did not relate to an individual/personal dispute with The Open University, but rather provided evidence of a structural failure and systematic challenges with how funds are allocated/retained based on attendance.

In terms of attendance, you may have noticed that we considered this in our 2024 work on [franchised HE provision](#). At paragraph 14, we summarise our finding that there is insufficient evidence of students attending and engaging with their course. This followed providers determining whether students engaged in a course, self-assuring their own data with no effective standard against which to measure student engagement, or legal/generally accepted definition of attendance. We recommended DfE develop further guidance for providers explaining what constitutes meaningful student course engagement and how it expects providers to self-assure data. As part of this, DfE should consider what SLC and OfS need to better assess the quality of provider data, and what SLC needs to have sufficient assurance over student payments.

As I am sure you would expect, we continue to monitor DfE's response to our findings and will follow this up with further focused work in due course. As such, although we cannot respond specifically to your request, the insights and information you provide are invaluable in helping us identify both when to undertake work and what this should look at. The C&AG must use this discretion, provided by statute, to decide what action, if any, we consider appropriate to take consistent with our audit role and responsibilities.

The NAO values the contact it has with members of the public. The information provided, and evidence obtained through peoples' personal experiences provide valuable insight into areas of interest, such as government's stewardship and oversight role over student loans and the higher education sector.

I hope this gives assurance that we take the concerns you raise seriously, and that we will be returning to this area in the near term, when we can draw on the information you provided. We regularly publish our work in progress on our website. Thank you for taking the time to write to the National Audit Office.

Yours sincerely,

[REDACTED]

Director, Education value for money audit

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