



# Universities Scotland briefing: Scottish Government debate on Tuesday 10 September 2019: The Impact of the UK Government's Planned Immigration Policy and Mobility Restrictions on Scotland's University and Scientific Research Sectors

## Summary:

The success of higher education is dependent on being actively open to ideas and on mechanisms that support the attraction, retention and exchange of talented and creative people from all over the world, and in all directions. With that said, there are policy actions we would like to see from both the Scottish and UK Governments, including:

1. Clarity from the Scottish Government on whether the Continuity Bill's intention to maintain alignment with EU law in devolved areas after EU exit means that EU undergraduate students will remain eligible to free tuition from 2021/22 and beyond. [See B.1.](#)
2. Clarity on the UK's continued participation in Erasmus (under deal/no deal) and if this were to end, to quickly move to a new scheme that allowed full participation of Scottish students and staff in high quality mobility opportunities. [See B.2.](#)
3. The UK Government to extend the length of the European Temporary Leave to Remain from three to five years to cover the full length of some undergraduate degrees and avoid a disproportionate impact on Scotland's universities. [See C.1.](#)
4. Details from the UK Government on the announcement on the planned extension of the Tier 1 exceptional talent visa and an assurance from UK Government that all UK universities will be able to benefit from this to attract talent into the UK. [See C.2.](#)
5. A move, post-Brexit, to create a two-year post study work visa for international students to stay and work after their studies. We believe there is a strong evidence-based case to devolve aspects of immigration policy to Scotland, to allow this to happen.<sup>1</sup> However, we are pragmatic on this point and would also welcome meaningful policy change at UK level for all UK universities. [See C.3.](#)
6. A move, post-Brexit to recognise that a salary threshold of £21,000 is more appropriate for skilled international staff working in the UK than the £30,000 threshold mooted. [See C.3.](#)

## Introduction

With immigration policy currently a reserved issue, many of the issues and actions covered in this brief on the topic of mobility of talent necessarily relate to the UK Government. At the time of writing the UK Universities Minister, Mr J Johnson MP, had just resigned his post and it's unclear whether there will be an imminent UK General Election. It'd be fair to say that the deeply unhelpful heightened uncertainty that has dogged EU nationals studying and working in Scottish higher education since the referendum result in 2016 continues.

This brief is structured into 3 parts:

- A. The importance of being open to talent for universities and Scotland more widely.
- B. Action we are looking for from the Scottish Government.
- C. Reserved issues and action we are looking for from the UK Government

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<sup>1</sup> The evidence set out in [Dr Eve Hepburn's study](#) is very compelling, including a focus on Scotland's different demographic challenges to other parts of the UK with 90% of Scotland's projected population growth expected to depend on migration.



## A. The importance of being open to talent for universities and Scotland more widely

- The success of higher education is dependent on being actively open to ideas and on mechanisms that support the attraction, retention and exchange of talented and creative people from all over the world, and in all directions. That will always be the case.
- We know there is cross party support for this in Scotland and we thank all parties for their commitment to this.
- Amongst our student population, we have 21,605 EU nationals (8.7%) and 32,600 non-EU international students (13%) studying with us at all levels.<sup>2</sup>
- Amongst our staff, we have 6,500 EU nationals (13.4%) and 4,275 non-EU international citizens (8.8%) working across the teaching, research and other professional roles (finance, marketing, welfare etc).
- Non-UK nationals tend to be found more commonly in the teaching and/or research roles in universities. Combined, EU and non-EU international staff make up 47% of university staff who focus on research-only and 29% of staff who do both teaching and research in our universities. EU staff account for 27% of research-only staff and non-EU international account for 20%.<sup>3</sup>

### There is a connection between mobility of talent and high quality university outputs

- International collaboration is associated with high quality research and is often grown out of informal discussion and information sharing, supported by mobility.
- Researchers who have spent an extended time abroad are likely to have published significantly more than those who have stayed in one place,<sup>4</sup> and international mobility is linked to greater international collaboration, which in turn is linked to greater research impact.<sup>5</sup> The proportion of international staff at a university is also used as a metric in international university league table rankings, recognising that the ability to attract and retain world-leading researchers is a vital part of being an internationally excellent institution.<sup>6</sup>
- International PhD students also often go on to become academics in the UK as well, supporting the UK academic pipeline. Of international staff who first started working at their university in 2015 or 2016, 16% had most recently been studying at a UK university. That rises to 19% for new staff from outside the EEA. Without international PhD students, universities would find it much harder to resource their undergraduate teaching or to find the academics of the future.

### The economic benefits of international students:

Research by London Economics<sup>7</sup> published in January 2018 identified:

- The net economic impact to Scotland of international students entering higher education in 2015/16 to be £1.9 billion.

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<sup>2</sup> HESA Student Record (2017/18) Numbers shown in full person equivalent.

<sup>3</sup> HESA Staff record (2017/18). Percentages calculated using Full Person Equivalent numbers.

<sup>4</sup> BEIS/Elsevier (2017), International Comparative Performance of the UK Research Base 2016

<sup>5</sup> Elsevier and Science Europe (2013), Comparative Benchmarking of European and US Research Collaboration and Researcher Mobility

<sup>6</sup> QS World University Rankings methodology and THE World University Rankings assign 5% and 2.5% respectively to international staff ratios

<sup>7</sup> London Economics. The costs and benefits of international students by parliamentary constituency

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- Looking specifically at living costs, international students' spend in Scotland is estimated to have been £517.5 million in 2015-2016<sup>8</sup>. Alongside fees paid to institutions and living costs, spending by international students is a significant contribution to the economy.
- We can add to this, the tourism spend by students' family and friends who visit whilst they are studying, boosting tourism spend. Universities Scotland estimates this tourism spend was £25.7 million in 2015/16 in Scotland<sup>9</sup>.

There's also huge potential for long-term economic benefit from the 'soft power' connections forged by a students' time in Scotland. New research with international graduates led by Universities UK found that:

- 77% of international students at UK universities say they are more likely to do business with the UK as a result of studying in the UK.
- 81% of international students at UK universities intend to build professional links with organisations in the UK.<sup>10</sup>

### **The educational and cultural benefits of international students**

- A diverse university campus environment, supported by a mix of nationalities, in turn supports the development of a global outlook and attributes by all students; UK, EU and non-EU. This resonates with a review by the Department for Business, Energy and Industrial Strategy,<sup>11</sup> which noted that diversity on campus provides students with an international outlook and networks for personal and professional development.
- Global citizenship is one of universities' graduate attributes for the 21<sup>st</sup> century which institutions look to ensure that every graduate is equipped with.

### **In some cases the sustainability of courses is helped by international students**

- For some universities, in some courses at the taught postgraduate level, international students count for as much as 63% of all students, and it is not uncommon for international students to make up 30-50% of enrolments in some courses, at some HEIs in Scotland.
- Universities' ability to attract students from outside of the UK is an important element in the sustainability of some courses, and therefore the opportunities available to Scottish-domiciled students and the strategic skills capacity of the economy more broadly. The demand for courses by international students can provide Scottish HEIs with a competitive edge as some courses, particularly from small, specialist institutions, are rare or not offered anywhere else in the world.

## **B. Devolved issues and action we are looking for from the Scottish Government**

### **B.1 The post-Brexit fee status of EU undergraduate students**

<sup>8</sup> US figures 2015/16 based on BIGGAR Economics methodology

<sup>9</sup> US figures 2015/16 based on BIGGAR Economics methodology

<sup>10</sup> Universities UK iGraduate Survey 2019.

<sup>11</sup> Global Growth and Prosperity: An Accompanying Analytical Review (2013)



- There are 14,060 EU student in Scotland at undergraduate level in 2017/18 all of whom are entitled to study for free. They are bright, motivated and bring a welcome diversity to the learning experience on offer in our universities.
- It is not yet clear what their fee-status will be post-Brexit nor is it clear what will happen to the resource that currently supports the sustainability of courses and institutions, if the fee status of EU undergraduates is changed and is no longer funded by the Scottish Government. That would be a disappearance of somewhere between up to £90m of higher education funding.<sup>12</sup> That would be catastrophic for universities.
- The Scottish Government has given welcome reassurances on the fee status of EU students up to 2020/21.

**We want to see:**

- Clarity about the direction of travel for EU student fees policy beyond 2020/21, so that universities can plan for how to remain open to EU talent in a financially sustainable way.

**B.2 Full exploration of all of the options for keeping Erasmus+ open to students**

- It's not yet certain what will happen to the UK's continued participation in the Erasmus+ scheme regardless of whether there is a negotiated or no deal Brexit.
- Under a deal, the UK Government has currently put a financial underwrite until the end of 2020. However, if there is no deal exit, then at that point the UK would leave Erasmus by default and future exchanges will only be possible if the student's university has made a bilateral agreement direct with another partner institution. This comes at a huge opportunity cost for universities and of course any future exchange would need to take place in a new and unknown visa and immigration system.
- Over 2,500 people at Scotland's universities did a study or work exchange through Erasmus in 2016/17<sup>13</sup>. This number of outwardly mobile students at Scotland's universities has been growing over recent years, increasing by 15% in the three years to 2016/17 after a lot of energy invested by institutions, government and other agencies.

**What we want to see:**

- Our first priority is to retain full, no interruptions, access to Erasmus on an affordable basis as it is a well-established and high quality mechanism, offers a huge range of opportunities to students and offers universities and other partners economies of scale in terms of its management and implementation.
- If, following Brexit, the UK chose not to be a full participant in Erasmus then if there is an option for Scotland to become an associate Erasmus member on an opt-in basis we would welcome full exploration and cost/benefit analysis of that.

**C. Reserved issues and action we are looking for from the UK Government**

**C.1 A European Temporary Leave to Remain (ETLr) scheme that works for Scotland**

<sup>12</sup> The variance in cost implication depends on one or two variables including the future fee status of students from the Rep of Ireland.

<sup>13</sup> <https://www.erasmusplus.org.uk/statistics>



- Temporary Leave to Remain was announced in January 2019 and reconfirmed by Home Secretary Priti Patel MP in September (after an August Home Office announcement to immediately end freedom of movement was reversed).
- The scheme requires EU nationals wanting to move to the UK for more than three months, after the UK's exit from the EU but before the end of 2020, to have a temporary immigration status lasting up to 36 months on a non-extendable basis.
- Temporary Leave to Remain would apply to all EU/EEA students studying in Scotland after the UK leaves the EU.
- The 36 month (3 year) time limit is set to disproportionately disadvantage Scotland's universities more so than any other part of the UK because of the standard four-year undergraduate degree in Scotland. It's been described as a "[kick in the teeth to Scottish universities](#)" and policy making "[on the hoof](#)" when it was first announced in January 2019.
- HESA student data confirms that **96.4%** of all EU students on undergraduate courses in Scotland's universities expect their length of study to be greater than three years.<sup>14</sup> This compares with only **35.1%** of EU students at English universities (who are likely to be studying 5-year medical, engineering degrees or similar).
- This issue has received extensive coverage, has been raised at [PMQs](#) and in questions in Westminster in [May](#) and [June](#), and support including a [recent letter](#) from the Scottish Parliament's Education and Skills Committee to the Home Office, but without action forthcoming from the UK Government so far.

#### What we want to see:

- An extension of ETLtR to cover five-years to work for all degrees offered by universities in Scotland and the rest of the UK. This could be across the board or the extension to five years could be limited to the higher education sector as part of a sector-specific deal.
- Or, at the very least, we would want to see the UK Government waive the fee that European students would need to pay in order to finish their degree. Under current arrangements it would cost EU students £475 (for an application within the UK) to convert their ETLtR to a Tier 4 international student visa at the end of their third year of studies; all at a time when they should be focused on their studies and final year preparation.

## C.2 Meaningful extension of the Tier 1 "Exceptional Talent" visa announcement.

- On 8 August, the Prime Minister announced a "shake-up" of the Tier 1 visa route which relates to exceptional talent. His basis for doing so is to allow the UK to attract elite researchers and specialists into the UK.<sup>15</sup>
- We have cautiously welcomed the announcement as a *potential* signal of a positive new direction UK Government immigration policy. It's a recognition that the UK needs to remain open to talent from across the world post-Brexit.
- It's also welcome that the Tier 1 Exceptional Talent Visa (as it currently stands) is not restricted purely to exceptional talent working in science or maths. It also applies to exceptionally talented individuals in the fields of humanities, social sciences and the arts which make a huge contribution to our economy and society.

<sup>14</sup> HESA Student Record 2017/18

<sup>15</sup> <https://www.gov.uk/government/news/pm-sets-out-vision-to-cement-uk-as-a-science-superpower>

- However, it has to be a cautious welcome as the policy details are yet to be clarified, the Tier 1 route has always been a marginal part of the immigration system, and it's not yet clear if the announcement will make a substantial, practical difference. The cap on numbers at 2,000 "endorsements" per year has never been exceeded<sup>16</sup>, in contrast to the cap on numbers through the Tier 2 (skilled workers) route which is regularly reached. Whilst the cap may become more of an issue once the UK leaves the EU (and EU citizens become subject to a new UK immigration policy) it is always likely to remain a marginal immigration route into the UK.

#### What we want to see:

- It would be welcome if the UK Government plans to extend the number of organisations who can "endorse" "exceptional talent" under the Tier 1 route as universities don't currently have this option (only 3 National Academies, Tech Nation and the Arts Council have "designated competent body" (DCB) status at present). There's speculation that the number of endorsing bodies might be increased to 30. We would want to see the DCB status extend to **all** higher education institutions in the UK.
- We'd also want assurances that an extension (whether on a pilot basis or otherwise) would be inclusive of all parts of the UK and all types of higher education institution. This concern is raised based on past experience of a pilot Tier 4 post-study work scheme at masters level which did not include any universities outside of England in phase one and in phase two only included one post-92 institution out of 23 institutions. There appears to be bias in the way the Home Office tests these initiatives.

### C.3 A post-Brexit immigration policy that allows UK universities to compete for staff and student talent

- The UK's exit from the EU necessitates a complete review of the migration system. It is imperative that a future, post-Brexit Westminster Immigration Bill (which was at white paper stage) works in such a way that universities can continue to access staff and student talent from across the EU and opens the UK up to the rest of the world on a competitive basis.
- A 2015 study<sup>17</sup> found that 36% of prospective students who chose not to study in the UK cited post-study work options as the principal reason for this decision. Two very similar concerns followed: about job prospects in the UK, and ability to stay in the UK after completing their studies.
- All of the available evidence suggests strong economic benefits and very low level risk for improving the student visa offer in the UK; international students have very high compliance rates with their visas. *The 2018 Home Office Exit Checks found* 97.6% of those on study visas expiring in 2017/18 left within the terms of their visa.
- There's a huge cost to universities to comply with the current Tier 4 visa system. Universities UK estimates it costs the sector £40 million a year to comply. This would suggest Scotland's share of costs where somewhere in the region of £4m (based on 10% of UK population).

<sup>16</sup> House of Commons, Science and Technology Committee (2018) [An Immigration System that Works for Science and Innovation](#). Paragraph 29

<sup>17</sup> Hobsons EMEA (2015). International Student Survey 2015: Value and the Modern International Student.



Adding EU students to this system, post-Brexit, is estimated to cost an additional £12.3m (estimated to be over £1 million for Scottish universities).

#### What we want to see:

- A salary threshold for international **staff** working in the UK on a Tier 2 visa in the UK set at no higher than £21,000 to recognise that or sector does not have the same relationship between salary and skills / qualifications that is seen in other sectors. We need to see measures in the bill to support universities to recruit PhD staff, measures that protect the pipeline of study to work, and the ability to recruit technicians.
- International **students** given the option to stay and work for two years after completion of their studies. We continue to have full belief in [visa proposals developed by a cross-party steering group](#), universities, businesses and led by the then Minister for External Affairs and International Development, Mr Yousaf MSP. Two years would not place us at the lead of offers internationally but would equip the sector to make a competitive offer.
- A simplification of the Tier 4 sponsorship route for international students and universities (as the sponsors) to reduce the cost and the red-tape of compliance relative to the current scheme and to make the process one that does not actively make applicants feel unwelcome. Simple changes should be brought into a new scheme including: phase out the use of credibility interviews, eliminate police registration for students on arrival in the UK, make the system affordable for universities, including small institutions, to run, scrap the arbitrary 10% visa refusal rate requirement (universities are at risk of losing their Highly Trusted Status if more than 10% of visa applications to their institution are refused by the Home Office. This disproportionately penalises small institutions), reduce the occurrence of visa processing delays.<sup>18</sup>

#### ENDS

#### Further information:

Susannah Lane, Head of Public Affairs

T: 0131 225 0701

E: [susannah@universities-scotland.ac.uk](mailto:susannah@universities-scotland.ac.uk)

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<sup>18</sup> Universities UK Student VISAS – Principles of reform.

