



Universities Scotland’s submission to the Constitution, Europe, External Affairs and Culture Committee inquiry into the Scottish Government's international work

Universities Scotland welcomes the opportunity to submit evidence to the committee’s inquiry into the Scottish Government’s international work. Scotland’s universities are proudly European and international.

Internationalisation is a critical dimension to the work of Scottish universities: from recruiting of international students and staff; to collaborative research projects with other universities and in other nations; to the delivery of education outside of Scotland by our members (otherwise known as transnational education).

All this work has significant benefit not only to our universities, but wider Scottish society. As a 2021 British Council report into Scotland’s higher education’s distinctive assets noted: “the Scottish higher education sector and national bodies have actively sought to grow internationalisation across the sector for the benefit of all students (domestic and international), for international partners, for Scottish society, the Scottish economy and the long-term benefit of all involved, essentially extending the ethos of public good into an ‘international good’”.¹ Additionally, internationalisation has become a critical aspect of Scottish universities’ operating model due to the restraint in public spending on the sector in the past decade. As Audit Scotland has noted², universities are subsidising research and publicly-funded teaching activity (for Scotland domiciled students) with income from other sources, primarily international fees. This cross subsidisation of the cost of teaching domestic students is unique to Scotland in a UK context.

It is therefore of critical importance that Scotland’s universities operate in a policy environment that allows them to perform at their optimal level and protect their distinctive assets.

Evidence of the international dimension to Scottish universities:

- The total economic contribution of international students is estimated to be around £1.94bn³.
- International education exports were estimated to be worth £775m in 2017, which is 2.4% of total international exports from Scotland⁴.
- The campuses of Scotland’s universities are amongst the most multicultural in the world. Around 31% of students in Scotland are from overseas.
- Each year more than 58,000 international students from 180 countries study in Scotland.

¹https://scotland.britishcouncil.org/sites/default/files/240321_strategic_analysis_of_scotlands_higher_education_sectors_distinctive_assets.pdf

² https://www.audit-scotland.gov.uk/uploads/docs/report/2019/nr_190919_finances_universities.pdf

³ The impact of international students in Scotland: Scottish Government response; <https://www.gov.scot/publications/impact-international-students-scotland-scottish-government-response-migration-advisory-committees/pages/4/>

⁴ Scotland: a Trading Nation



- Despite the challenges of the pandemic, international student recruitment from beyond the EU has remained strong, however the number of EU students coming to Scottish universities has declined sharply following Brexit with the most recent UCAS data for placements for AY2021-22 showing a 56% drop on the previous year.
- Scotland is a magnet for talented international researchers and academics, with around 24% of staff being of non-UK nationality.
- Our universities currently have teaching, research, and staff/student exchange partnerships in over 100 countries.
- 91% of international graduates said that they are satisfied with their learning experience in Scotland⁵.
- More of Scotland's research publications are up there in the world's top 1% of most cited publications than anywhere else in the UK or EU. Highly cited work is a mark of the impact of the research.
- In 2019-20, Scottish universities provided TNE to 44,140 students across the world⁶. This was a 3.6% increase in TNE provision from 2018-19.

Current critical issues for the sector in international environment

- **Horizon Europe.** Our stated first preference since the referendum result has been associate membership of Horizon Europe. However, this formal association to Horizon Europe has been delayed. Currently UK Government is providing funding guarantees for successful projects, to be delivered through UK Research and Innovation. Horizon Europe is considered a central plank of the UK-wide ambition (which we support) for research and innovation. The UK Government have a vision of the country being a "science superpower" with plans to increase its own level of investment in research and development to reach 2.4% of GDP by 2027.
 - The Withdrawal Agreement created a platform for the participation of the UK in Horizon Europe⁷. It was a feature of the position of both the UK and the EU negotiating positions that such participation would be mutually beneficial and should be secured. Horizon Europe provides a platform for collaboration across multiple geographic and disciplinary boundaries with minimal friction and supports the UK in attracting talented researchers. The experience of developing bilateral and multilateral research agreements with other countries contributes to our belief that it would be extremely challenging to fully replicate the advantages of Horizon Europe outside of a similar structure.
- **Student recruitment.** The year-on-year drop in EU student numbers (20,550 in 2020-21 from a record high of 21,605 in 2017-18) diminishes the student experience for home students and creates particular problems for sustaining Scottish universities' provision in subjects where EU students have been a major part of the student body, particularly in STEM and

⁵ International Graduate Outcomes 2019 i-GO

⁶ <https://www.universitiesuk.ac.uk/universities-uk-international/insights-and-publications/uuki-publications/scale-uk-higher-education-transnational-8>

⁷ <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1592316528275&uri=CELEX%3A12019W/DCL%2801%29> (see II A UK Participation in Union Programmes)

creative subjects. The impact of this is yet to be seen given the first intake post-Brexit was in the autumn. We welcome the 2021-22 intention for a £2.5m EU student scholarship scheme. The recent budget published for 2022-23 is of the same scale so we would hope that the scheme will operate in the next academic year. Building from this, we seek a multi-year commitment to the continuation of this scholarship scheme. However, we note this was not confirmed in December's budget.

- **Student exchange programmes.** We deeply regret the loss of membership in the Erasmus+ programme as a facilitator of inward mobility to Scotland and the opportunity for students to gain experience abroad. It was a scheme that Scotland did extremely well from, not just our students and staff, but in the further education, schools, youth work and community schemes. Over 2,700 people at Scotland's universities had the experience of outward mobility for study or work through Erasmus in 2017/18. Between 2014-18, Erasmus+ funded 164 projects and 17 strategic partnerships in higher education in Scotland at the value of €50.2m and €5.4m respectively. We will work to maximise the potential of the new Turing scheme and we support the Programme for Government intention of the Scottish Government to create a new mobility scheme that will give opportunity for reciprocal movement of Scottish domiciled and EU students. To achieve this, the Scottish Government would need to make an investment proportionate in scale to that made by the Welsh Government with its International Learning Exchange. We estimate that an annual investment of £19m is required to establish and replicate such a scheme for universities. The draft Scottish Government budget for 2022-23 sees no additional resource for such a scheme.
- **Integrate the opportunity of the Post Study Work Visa into thinking about immigration and skills needs.** The introduction of a new Post Study Work Visa (PSWV) by the UK Government was the welcome culmination of pressure from the sector and others over several years. The Visa will be key in attracting talented individuals to choose Scotland as a study destination. After a period working in the UK under the Visa conditions, many students will return to their home countries, adding to Scotland's global relationships, reputation and soft power. However, many will want to remain in Scotland to work, live and contribute. The PSWV is a vital strategic opportunity to address Scotland's specific demographic and skills challenges and we hope that Scottish Government can align policy, action and investment to secure outcomes from this opportunity.

Actions Universities Scotland would like to see Scottish Government take

- We would welcome action, support and clarifications where possible from the Scottish Government on the critical issues raised in the previous section.
- The sector is eagerly anticipating the Scottish Government's International Education Strategy (IES). The IES will be the first of its kind for the sector in Scotland and it's an important opportunity to bring together and connect a number of strands of international issues for the sector, some that sit outwith the higher education portfolio, such as transnational education (TNE) and foreign direct investment. The opportunity to marry these



items with issues such as recruitment so there is a coordinated approach to Scotland's international higher education outlook will be highly anticipated. We are proudly a partner of Scotland Is Now and higher education can make a contribution beyond the "study" strand we are involved in. The International Education Strategy will allow the sector to connect deeper into the Scottish Government's "invest" and "work" strands, which we already contribute to, but would seek a more prominent role. Its publication will be much anticipated and give impetus to establishing and/or refining new target markets for the sector.

- Alongside the International Education Strategy, there will be a requirement for investment in international promotion for the sector. The sector is an investor and collaborator in Scotland Is Now. We believe there is significant scope for further joint investment with government to position the sector overseas, improve its brand recognition and its online footprint and visibility.
- In addition to the International Education Strategy, higher education was not given the profile in recent Scottish Government strategies: 'Global Scotland' and 'Scotland: A Trading Nation' that a sector as prominent as ours would expect. This was disappointing to the sector and we would like to see that rectified in future iterations of the plans.

ENDS

