

A Sustainable Future for International Students in the UK



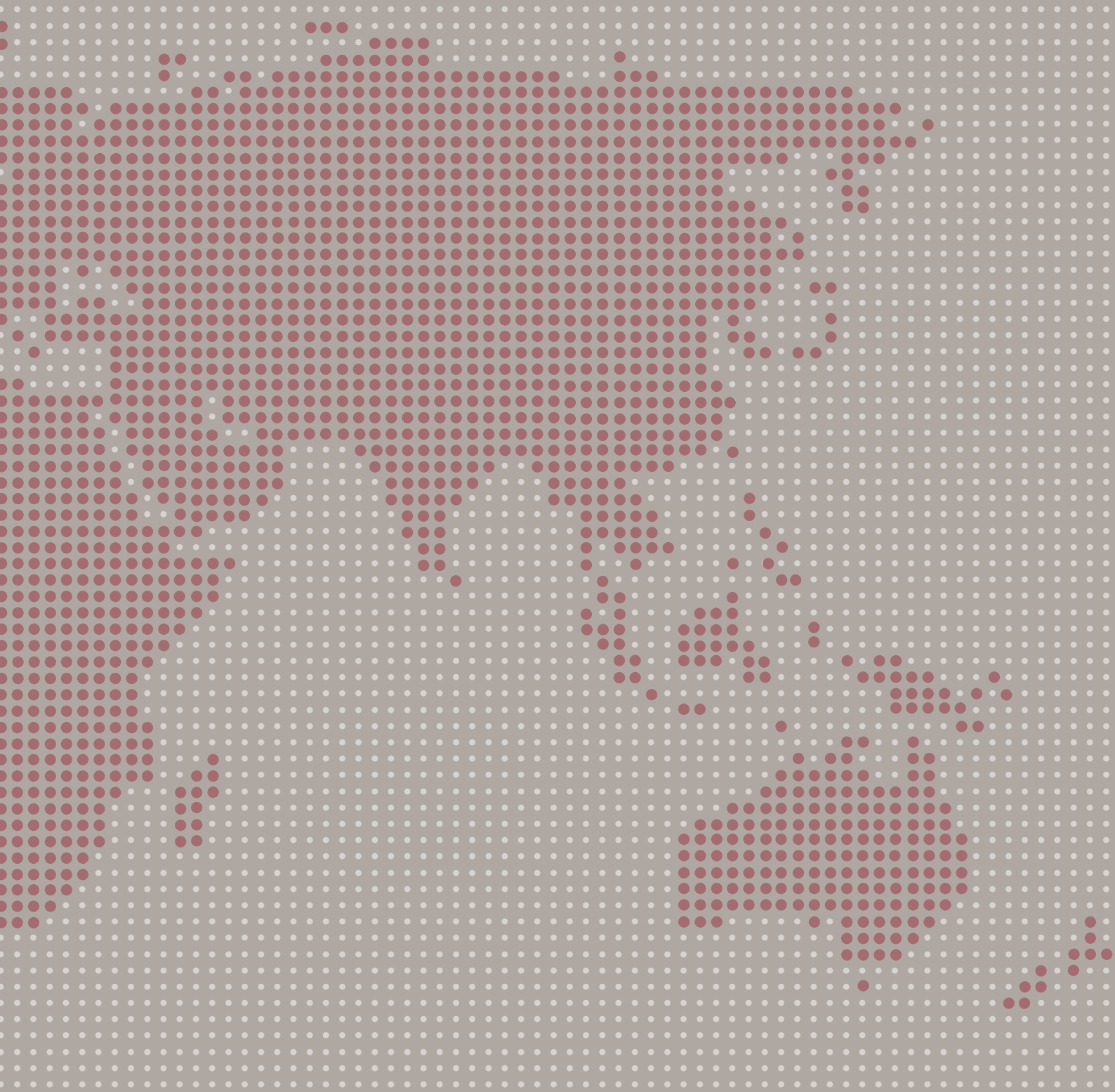
All-Party Parliamentary Group for International Students *Inquiry Report*



November 2018

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Contents

Foreword by the Co-Chairs of the All-Party Parliamentary Group for International Students	5
Executive Summary	7
List Of Recommendations	8
About The All Party Parliamentary Group for International Students	10
The Inquiry Process	11
International Students Overview	12
Recommendations	15
Conclusion	44
Annex A – List Of Written And Oral Evidence To The Inquiry	46

Foreword

by the Co-Chairs of the All-Party Parliamentary Group for International Students

As the country navigates an uncertain economic future heading towards our departure from the European Union, we must build on our strengths. We have few greater assets than our education system, which delivers prosperity and opportunity across the regions and nations of the UK. The desire to study in our universities, colleges and schools, has made us second only to the US as a destination of choice, bringing billions in export earnings and enormous influence. International students who choose the UK provide the opportunity for UK students to study in a multinational classroom, bring vitality and tremendous cultural contributions to our campuses and communities, and inspire others to travel and explore. In exchange the UK provides a transformative experience that offers a platform to change their lives and the lives of others.

But the UK's position is slipping. Our competitors have viewed the opportunities presented by a growing market and developed strategies to increase numbers. Meanwhile, international student numbers in the UK have flatlined. Now is the time to reassert our position, increase our earnings and boost local economies, with an ambitious strategy which matches the quality of our offer.

In recent years, international student recruitment has fallen victim to the wider debate on migration in the UK. Migration policy has been driven by a target to reduce overall net migration, with measures designed to create a "hostile environment". One such policy initiative designed to place downward pressure on net migration was the closure of the Post Study Work route in 2012. Since then, growth has become stifled and diversity has declined as international students from key markets choose our competitors. Over the same period, enrolments in competitor countries such as Australia, the US and Canada have grown significantly. According to recent analysis from Universities UK, £8.2 billion was lost in export revenue between 2013 and 2017 as a result.

Our Inquiry set out to address the reasons for the decline and provide practical solutions as to what can be done about it, including looking to what has worked well for our competitors. It brought together Parliamentarians from across the political spectrum including a former Secretary of State for Education, to hear from leading business figures, universities and regional leaders. It is the first such report to cover education in the round, including schools, English language provision, and further education pathways, as well as higher education.

Our thanks go to all of those who gave evidence, and made written submissions, to the University of Sheffield for resourcing the Inquiry and to Jennifer Knapp-Wood and Joy Elliott-Bowman for their outstanding work in supporting the Inquiry and preparing this report.

Our principal recommendation is that the Government should set an ambitious target to increase international student recruitment, backed up by a cross-departmental strategy to achieve it. We recommend the Department for Business, Energy and Industrial Strategy lead the strategy, as the all-UK department with responsibility for exports, growth, research and innovation, reflecting the importance of international students to the economy.

We make a number of recommendations to accompany such a strategy. Learning from our competitors, we propose the reintroduction of a clearly labelled and attractive post-study work visa allowing up to two years work experience. We also recommend changes to the visa pathway and immigration rules in response to evidence suggesting the current system is perceived negatively and discourages applications from prospective international students.

A key indicator of success would be a steady increase in the number of international students coming to the UK, so we recommend removing students from the net migration target. Students can still be counted within immigration statistics, as the Government's Migration Advisory Committee recommends, but they should not be included in any numbers that are targeted for reduction. This

chimes with the evidence we received that the majority of British people do not view international students coming to study at UK universities as immigrants.

The evidence we heard and received suggests there is wide agreement that the UK should maintain its close relationship with European universities and research programmes following our exit from the European Union. This will only be possible if we maintain unrestricted movement of students and researchers, which has been so integral to the success of that collaboration, as part of the negotiations on our future relationship with the EU. Our offer to EU students must remain competitive.

For too long, the drive to reduce net migration has trumped the growth of our world-class education system. Our campuses, local economies and global standing are suffering as a result. This self-defeating course must be reversed. This report provides a practical roadmap to achieve that goal.



A handwritten signature in black ink that reads "Paul Blomfield".

Paul Blomfield
MP (Sheffield Central)

Co-Chair, All-Party Parliamentary
Group for International Students



A handwritten signature in black ink that reads "Kalan".

Lord Bilimoria of Chelsea

Co-Chair, All-Party Parliamentary
Group for International Students

Executive Summary

International students benefit the UK economically, culturally and socially whilst studying and after graduation. They are an integral part of British society, contributing to the diverse mix of people in our institutions, communities, regions and nations.

In the context of the UK leaving the European Union (EU) the Government has stated its intention to develop a new immigration system. This provides a unique opportunity to further demonstrate the contribution that international students make to the UK and to ensure that the new system supports this. In recent months there has been substantial focus on aspects of the UK's policy on international students. The Migration Advisory Committee¹ (MAC) has looked in detail at immigration-related aspects at the Government's request. The Higher Education Commission² (HEC) has looked at some aspects of the UK's international competitive position in higher education. Universities UK International (UUKi) has proposed a Global Graduate Talent Visa in the context of competitors' post-study work offerings.

Our aim in this Inquiry has been to evaluate the wider impact of international students and consider how the UK can maximise and increase the benefits of international students to the UK economy, to our institutions, our local communities and nations, to our soft power, our trade and international influence.

In doing so, we are responding to the immediate opportunity now for a re-designed and reformed immigration system and the challenge of ensuring that post-Brexit, the UK retains and substantially increases its success and influence as a leading provider of international educational services.

We acknowledge the policy recommendations made by the MAC³ to the Government on the future of international study in the UK, as well as the proposals made by the HEC⁴. We believe that in order to create a sustainable long term future for international students, change is imperative with regards to the Government's net migration target, the messages that are conveyed to all students about the UK's welcome as a study destination, the immigration system and the collation of data at all levels of study.

Having heard all the evidence and considering opportunities and challenges we are recommending that the Government sets a target to grow the number of international students and that this is supported by a cross-departmental strategy. We believe the various government departments and the sector should come together to ensure this is done within the next six months. The overall aim of the target and the supporting strategy should be to grasp the opportunities which now present themselves and show the world that the UK is not just open for business but determined to lead the world in this hugely important enterprise.

¹ Migration Advisory Committee (2018). *Impact of International Students in the UK*. Available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/739089/Impact_intl_students_report_published_v1.1.pdf

² Higher Education Committee (2018). *Staying Ahead. Are International Students Going Down Under?* Available at https://www.policyconnect.org.uk/hec/sites/site_hec/files/report/469/fieldreportdownload/hecreport09-18final.pdf

³ *ibid*

⁴ *ibid*

Recommendations

Recommendations for Government

1 Government should set a clear and ambitious target to grow international student numbers which should be supported by a cross-departmental strategy focused on recruitment and the student experience. Government should then remove students from targets to reduce net-migration to successfully facilitate increasing numbers.

2 Government should offer a clearly labelled and attractive post-study work visa which allows up to two years of work experience in the UK. This visa should not be restricted to licenced Tier 2 sponsors, or by job type or salary.

3 Government should pursue an EU deal for unrestricted movement of students and researchers, as part of a close relationship between European universities and research programmes, and provide urgent clarity for EU nationals studying and researching in the UK on what changes they will experience in visa and funding rights.

4 Immigration rules should facilitate and encourage students to study in the UK and at multiple study levels within the UK education system.

5 Diversity is a key strength in the UK's offer to international students. The Government should promote and protect the diversity of the UK education offer including small, specialist, vocational and further education providers within the proposed recruitment strategy.

6 The Independent Chief Inspector of Borders and Immigration should conduct an independent review of credibility interviews within the student immigration system to ensure the system is fit for purpose, cost effective relative to current risk and does not limit the diversity of international students in the UK.

7 The UK Government should work closely with devolved and regional governments to support growth in international student numbers, protect local courses and institutions which are dependent on international students, and support regional and national initiatives which enhance the benefit of international students such as work experience schemes and industry engagement.

8 Government should accurately track data on education as an export and as an economic value, including at a national, regional and local level. Government should include education in their trade strategy when approaching bi-lateral agreements.

Recommendations for Universities, Colleges and Schools

9 Education institutions should share best practice across the education sector to enhance internationalisation strategies through maximising the advantages and benefits of having a diverse body of international students, as well as support more UK students to study abroad.

Recommendations for cooperation

10 Messages for international students regarding the UK should be welcoming, clear, simple and consistent. These should be developed in cooperation between government and the education sector.

11 The UK should establish an international graduate and alumni strategy which would support international students' employment opportunities in their home country to boost UK soft power, research and trade and support greater engagement with alumni by universities, business and government. Activities to track the long-term employment destination of international graduates should be intensified.

12 Education institutions, local government and local business should come together to attract, plan for, support and integrate international students in the local community.

About

The All-Party Parliamentary Group for International Students

The All-Party Parliamentary Group (APPG) for International Students was established to: recognise the internationalisation and global prominence of UK education; promote the value of international students to UK education, economy and 'soft power'; raise awareness of issues which affect international students and UK education; and provide a platform for collaboration between parliamentarians, international education institutions and professionals and business leaders.

The Group's website is www.exeduk.com/appg-for-international-students

Inquiry Committee

- Lord Bilimoria of Chelsea (Co-Chair)
- Paul Blomfield MP (Co-Chair and Registered Contact)
- Nicky Morgan MP (Secretary)
- Geoffrey Robinson MP (Vice-Chair)
- Alison Thewliss MP (Vice-Chair)
- Baroness Uddin (Treasurer)
- Baroness Warwick of Undercliffe (Vice-Chair)
- Lord David Willetts (Vice-Chair)

Acknowledgements

We would like to thank all the groups and individuals who submitted written and oral evidence to the Inquiry, the UK Council for International Student Affairs for its financial support and the University of Sheffield for its support in developing and designing the final report.

Powers

The APPG is an informal cross-party group, registered in the House of Commons as an All-Party Group, and recognised by Parliament. It does not have Select Committee powers.

Publications

Reports and briefings are published on the Group's website at www.exeduk.com/appg-for-international-students

Committee staff

The APPG secretariat is provided by Independent Higher Education. This report was written by Joy Elliott-Bowman (Independent Higher Education) and Jennifer Knapp-Wood (University Secretary's Office, The University of Sheffield) on behalf of and in partnership with the APPG Officers and Members. The report was funded in-kind by The University of Sheffield and Independent Higher Education as the secretariat. Funding for the Inquiry was provided by Supporters of the APPG for International Students (for a list of supporters visit <http://www.exeduk.com/appg-for-international-students/appg-supporter-status/appg-supporters>).

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Disclaimer

The facts presented and views expressed in this publication are those of the APPG Officers and the content has been agreed by Officers prior to publication. The content is not necessarily endorsed by other members of the APPG for International Students, the political parties of the members of the Committee or Independent Higher Education as the secretariat.

The Inquiry Process

In July 2018 the APPG for International Students launched an inquiry into how the UK could build a sustainable future for international students in the UK.

Inquiry Terms of Reference

The APPG for International Students set out to examine the challenges and opportunities of hosting international students in the UK and to influence Government policy to create a sustainable future for international students in the UK. The Inquiry was driven by the need to take a broader look at the place of international students in the UK in the context of the Government's intention to develop a new, post-Brexit immigration system. We build on other recent key reports, such as the Migration Advisory Committee's inquiry into international students.⁵ The Inquiry sought responses to the following questions in particular:

- What are the educational opportunities and challenges of welcoming international students into our schools, colleges and universities?
- What are the challenges and opportunities of integrating international students and their dependants into local communities?
- Do international students differ from other migrant or visitor communities in this regard?
- There is a concentration of international higher education students in London and the South East - is this regional tilt similar for international students in other levels of education? If so, what would be the challenges and opportunities of achieving a greater balance of international students in nations and regions across the UK?
- What role do international students play in increasing global research capabilities, trade links and soft power for the UK and what strategies could be implemented to support this further?

Evidence

The Inquiry launched on 3 July 2018 with both a roundtable event attended by representatives of the education sector and a call for written evidence that closed on 3 September 2018. The Inquiry sought submissions from universities, further education colleges, English language schools, independent schools, private education providers, businesses, education and business representative bodies, the devolved administrations, charities, international student recruitment agents, overseas embassies, researchers, students and graduates. The Secretariat advertised the Inquiry on the Exporting Education UK website, Twitter via the APPG's account @APPGIS, and the Inquiry launch and oral evidence sessions were covered in the education media.⁶

In addition to the Roundtable, the Committee held two oral evidence hearings with a total of 21 witnesses appearing before the Committee in July and September 2018. The Committee received a total of 50 pieces of written evidence. A full list of written and oral evidence to the Inquiry, witnesses and the organisations that they represented can be found in Annex A with the evidence available from the APPG Inquiry website <http://www.exeduk.com/appg-for-international-students/inquiry>. Where individual case studies have been quoted or referred to in this report, identifiable details have been changed unless permission was given otherwise.

⁵ Migration Advisory Committee (2018)

⁶ The PIE News, 3 July 2018, "International students focus of new UK parliamentary inquiry". Available at <https://thepienews.com/news/international-students-focus-of-new-uk-parliamentary-inquiry/>
The PIE News, 18 July 2018, "APPG inquiry starts evidence gathering with stakeholders session". Available at <https://thepienews.com/news/appg-inquiry-starts-evidence-gathering-with-stakeholders-session/>
The PIE News, 12 September 2018, "UK Parliament hears second round of evidence on int'l students". Available at <https://thepienews.com/news/uk-parliament-hears-second-round-of-evidence-on-intl-students/>

International Students Overview

International students in the UK undertake courses at higher education institutions, further education colleges, English language schools and independent schools. The information in the following section provides an overview of the current international student landscape in the UK.

For the purpose of this Inquiry an international student is defined as someone who is not domiciled in the UK but resides temporarily in the UK to study. The definition applies to any duration and level of study and at all providers. It must be noted, however, that the impact of the student immigration regime on the UK's international student landscape featured prominently in written submissions to the Inquiry and the oral evidence given by witnesses. Consequently, the findings of the Committee and its recommendations focus on policies that affect non-European Economic Area (EEA) nationals who are currently subject to immigration controls when studying in the UK.

How many international students are in the UK?

The Higher Education Statistics Agency (HESA) reported that there were 307,540 non-EU and 134,835 non-UK EU domiciled students in all years and at all levels of study at publicly funded higher education providers in the UK in the 2016/17 academic year.⁷ This represented 19% of the total higher education student body. The number of non-EU domiciled students at alternative providers in the same period stood at 5,120 and there were 3,165 non-UK EU domiciled students.⁸

Evidence received by the Inquiry Committee from English UK estimates that 550,000 international students undertook an English language programme, of varying durations, during the 2016/17 academic year.⁹

The Association of Colleges undertook a survey of its members in the 2016/17 academic year and established that there were 7,760 non-EU students and 18,708 EU students at colleges.¹⁰ It must be noted that not all Association of Colleges members responded to the survey and that the Association of Colleges represents further education colleges in England only. Unlike in higher education there is no centralised collation of further education enrolments. No data was provided to the Inquiry on international student enrolments in further education in Scotland, Wales or Northern Ireland.

The Independent Schools Council's annual census in January 2018 reported that there were 53,678 non-British students at independent schools in the UK, 53.1% of whom had parents living outside the UK.¹¹ The Independent Schools Council represents 1,332 independent schools in the UK.

In which part of the UK are international students studying?

The majority of international students in higher education study in England, with a predominance in London and the South East. Scotland is the second most popular nation in the UK for international students. For international students in higher education, business and administration, engineering and technology and social studies are the most sought after subjects. At postgraduate research level, international students comprise the majority of higher education students in STEM¹² subjects.

English language centres are dispersed across the UK, also with a concentration in London and the South East. For colleges in England, English language programmes are the most popular.¹³ Independent schools are located across the UK, although the majority can be found in England, with students undertaking programmes of study across the curriculum.

⁷ <https://www.hesa.ac.uk/data-and-analysis/students/where-from>

⁸ <https://www.hesa.ac.uk/news/15-02-2018/sfr249-higher-education-student-statistics-APs/location>

⁹ English UK written evidence

¹⁰ Association of Colleges written evidence: Association of Colleges (2017). *International Activity in Colleges. The 2017 Association of Colleges Survey*

¹¹ Independent Schools Council (2018). *ISC Census and Annual Report 2018*. Available at https://www.isc.co.uk/media/4890/isc_census_2018_report.pdf

¹² Science, technology, engineering and mathematics

¹³ Association of Colleges (2017)

Where do international students come from?

China is the most important overseas market for UK higher education study. In 2016/17, students from Malaysia and Hong Kong were the second and third most numerous groups respectively. From within the EU, Germany is the largest sending country.¹⁴

Similarly, China is the most important market for colleges in the UK. At English language schools, students from Italy, China and Saudi Arabia accounted for the majority of student weeks in 2017.¹⁵ The Independent Schools Council 2018 census notes that China accounted for the majority of international students at independent schools as of January 2018, followed by students from the EEA.¹⁶

What is the economic contribution of international students?

Higher education is the UK's fifth largest services sector. A number of studies have calculated the economic contribution that international students make to the UK, the methodologies of which were most recently discussed by the MAC¹⁷ in its findings on the impact of international students to the UK. Whilst there is no universal approach towards calculating the economic impact of international students at all levels of study in the UK, studies repeatedly point to contributions outweighing costs.

A 2018 report from the Higher Education Policy Institute (HEPI) and Kaplan International¹⁸ conclude that the net economic benefit to the UK of both EU and non-EU higher education students who started in 2015/16 was £20.3 billion. A similar study by Universities UK (UUK) showed a gross economic benefit of £25.8 billion for 2014/15.¹⁹

In its submission to this Inquiry English UK highlights that in 2016/17 English language teaching represented a £1.429 billion gross value added (GVA) for the UK. A study conducted for the Independent Schools Council concluded that non-British independent school pupils supported a £1.8 billion GVA in 2017.²⁰

The Association of Colleges found that non-EU tuition fee income in the 2016/17 academic year generated £52 million and EU tuition fee income accounted for £4.5 million.²¹

¹⁴ <https://www.hesa.ac.uk/data-and-analysis/students/where-from>

¹⁵ English UK written evidence

¹⁶ Independent Schools Council (2018)

¹⁷ Migration Advisory Committee (2018)

¹⁸ The Higher Education Policy Institute and Kaplan International Pathways (2018). *The Costs and Benefits of International Students by Parliamentary Constituency*. Available at <https://www.hepi.ac.uk/wp-content/uploads/2018/01/Economic-benefits-of-international-students-by-constituency-Final-11-01-2018.pdf>

¹⁹ <https://www.universitiesuk.ac.uk/news/Pages/International-students-now-worth-25-billion-to-UK-economy---new-research.aspx>

²⁰ Oxford Economics (2018). *The Impact of Independent Schools on the UK Economy*. Available at https://www.isc.co.uk/media/5364/isc_impact_of_independent_schools_on_the_uk_economy.pdf

²¹ Association of Colleges (2017): 62 colleges responded to the Association of Colleges survey question on non-EU tuition fee income and 42 colleges responded to the question on EU tuition fee income

How does the UK compare with its competitors?

The UK is the second most popular destination for international study behind the USA. However, whilst the number of international students in the UK has increased for some parts of the education sector in previous years this has been at a markedly reduced pace when compared with its competitors, namely the USA, Australia and Canada, and the growth of students looking to study internationally. When the UK's international student market share is compared with that of its competitors, the UK has been in decline since 2011. International student numbers in further and private education have decreased drastically in the UK since 2011.²² The reasons for this are multifaceted and can be attributed to: repeated changes to and complexities of the Tier 4 student visa regime; the 2012 closure of the post-study work scheme; the introduction of national strategies and targets for increasing the number of international students in competitors nations, including attractive post-study work offerings; and the perception of the UK as a less welcoming study destination due to Government rhetoric, particularly regarding a 'hostile environment' for migrants and in the wake of the EU Referendum.

The British Council²³ has reported that the global mobility of tertiary aged students is due to increase annually by 1.7% between 2015 and 2027, representing a decrease from the growth of 5.7% that was experienced between 2000 and 2015. Growth from China and India is predicted to account for 60% of global growth in outbound students to 2027. Pakistan, Nigeria and Bangladesh will also experience significant increases in the number of globally mobile students. HESA figures show a decline in numbers of international students coming to the UK from Pakistan, Nigeria, Bangladesh and a substantial decline from India. Of the key areas for global growth, only the numbers of Chinese students are growing in the UK.²⁴

This changing landscape poses an opportunity for the UK to both capitalise on an opportunity to increase its international student market share and reverse the decline in student enrolments from growth countries, in particular India, that the UK has experienced since 2011. However, this can only be achieved if the UK's approaches towards and policies in respect of international students are correct.

²² Exporting Education UK (2016). Supporting International Education. Available at: http://exeduc.independentthe.com/?page_id=845

²³ British Council January (2018). *International student mobility to 2027: Local investment, global outcomes*. Available at <https://ei.britishcouncil.org/educationintelligence/ei-feature-international-student-mobility-2027-local-investment-global-outcome>

²⁴ <https://www.hesa.ac.uk/data-and-analysis/students/where-from>

Recommendations

Recommendations for Government

- 1 Government should set a clear and ambitious target to grow international student numbers which should be supported by a cross-departmental strategy focused on recruitment and the student experience. Government should then remove students from targets to reduce net-migration to successfully facilitate increasing numbers.

A coordinated approach towards attracting and recruiting international students is essential for a successful and sustainable future for international students in the UK. We urge those government departments with responsibility for international students to work together to set a target for growth to capitalise on the benefits that this group of students brings.

International students at all levels of study contribute to the UK economy through the payment of tuition fees, living costs and receiving friends and family visitors during their studies, as outlined in Table 1. They enhance the UK socially and culturally and develop an emotional connection with the UK that can have long-term positive benefits for research and trade.

Table 1 The economic contribution of international students

Sector	Economic benefit
Higher Education	The net economic benefit to the UK of both EU and non-EU higher education students starting in 2015/16 was £20.3 billion. ²⁵
English language schools	English language teaching represented a £1.429 billion gross value added (GVA) in 2016/17. ²⁶
Colleges	Tuition fee income from international college students represented £56.5 million in 2016/17. ²⁷
Independent schools	Independent school pupils supported a £1.8 billion GVA in 2017. ²⁸

²⁵ The Higher Education Policy Institute and Kaplan International Pathways (2018)

²⁶ English UK written evidence

²⁷ Association of Colleges (2017)

²⁸ Oxford Economics (2018)

At present the UK, unlike many of its competitors, does not have a target to increase the number of international students. This fundamentally influences the nature of student migration policy. International students are included in the Government's 2010 target to reduce net migration to less than 100,000. Any migrant coming to the UK for more than 12 months is included in this metric. The problems of using the International Passenger Survey (IPS) to count those entering and leaving the UK have been documented. In particular the Office for National Statistics acknowledged that the IPS cannot accurately count the number of students who stay in the UK when their study visa finishes despite the survey being used to suggest vast numbers of students overstayed their visa. New exit check data published in the August 2017 report from ONS show that 97.4% of students left the country at the end of their student visa.²⁹ The MAC recently outlined the way in which the UK's main competitors count international students in migration figures for the purpose of population projections and noted that '*What is unusual about the UK is not how it calculates net migration, but the fact that net migration is the measure of migration that politicians focus on*'³⁰. Whilst the Government has repeated that there is no limit on the number of international students who can come to the UK, their inclusion in a target to substantially reduce net migration inevitably encourages policies to limit their numbers.

We agree that international students should be included in the net migration statistics for population planning purposes. However, we recommend that international students are removed from the net migration target. The evidence received by the Inquiry Committee shows that there is overwhelming support from politicians, communities, regions, nations and education providers for this action. We recommend that government departments with responsibility for international students collaborate to introduce and monitor a target for recruiting international students to the UK. The creation of a target would enable the realisation of international students' economic, social and cultural contributions, reflect the public's positive attitudes towards international students³¹ and communicate that the UK welcomes and values international students.

The setting of targets for numbers of international students admitted to the UK and the associated inclusion of international students within the net migration target incorrectly implies that international students are driving immigration and are a burden to society. International students should be removed from these targets as it would send a clear message that the UK welcomes international students.

The Chartered Association of Business Schools.³²

A target to grow international students would position the UK in line with many of its competitors, as outlined in Table 2 and should be set at or above the UK's expected market share in the context of the predicted growth in international student numbers. The UK has witnessed slower growth in international student numbers than its competitors in recent years, as outlined in Table 3. As set out in the International Students Overview (see page 12) this trend can be attributed to a range of factors such as: visa regime changes; closure of the post-study work scheme; our competitor nations taking forwards strategies for increasing the number of international students; and the perception of the UK as a less welcoming study destination due to the 'hostile environment' policy and views of the UK in the aftermath of the EU referendum. The UK's slowed growth comes at the same time as the British Council³³ has reported that the global mobility of tertiary aged students will increase annually by 1.7% from 2015 – 2027. This is at a slower pace than the growth of 5.7% experienced between 2000 and 2015. The UK must be proactive and ambitious to attract international students in the future and a target could encourage a coordinated Government approach to achieve this.

Table 2 International student recruitment targets

	Australia	Canada	Germany	Ireland	New Zealand	UK	USA
International student recruitment target	720,000 by 2025	450,000 by 2022	350,000 by 2020	44,000 by 2019	143,000 by 2025	No target	No target

Source: UUKi, *Five little known facts about international student mobility to the UK*³⁴

²⁹ <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/articles/whats happeningwithinternationalstudentmigration/2017-08-24>

³⁰ Migration Advisory Committee (2018)

³¹ Universities UK (4 September 2018). 'New poll: public support for international students'. Available at <https://www.universitiesuk.ac.uk/news/Pages/New-poll-public-support-for-international-students.aspx>

³² Chartered Association of Business Schools written evidence

³³ British Council January (2018)

The target that we are recommending would include the recruitment of international students *at all levels of study* given each group's economic value and the education sector 'pipeline'. This would build upon the Government's existing goal to increase the value of international higher education to £30 billion by 2020. In order to achieve the target that we are recommending, data on *all* international student enrolments must be collected in a systematic and centralised way. At present, this only happens within higher education.

There are many different government bodies with an expressed interest in and responsibility for international students. A target to grow the number of international students needs support and powers from: The Department for Business, Energy and Industrial Strategy (BEIS); The Department for International Trade (DIT); The Department for Education (DfE); and the Home Office. At present, the evidence suggests to us that the Home Office exerts a disproportionate level of influence on educational institutions' international activity through its pursuit of the net migration target and the resulting immigration policy.

We recommend that the Department for Business, Energy and Industrial Strategy leads an international student recruitment strategy, in close collaboration with those government bodies listed above. This would both prioritise the role that international students can play in the realisation of the Government's industrial strategy and in driving economic growth, and recognise international education as an export.

We're a global Britain and we're facing great challenges, we should be looking to address those challenges with partners from around the world. So aligning the visa student policy with an industrial strategy would seem to me to make great sense.

Kevin McCole, China Britain, 'Trade and Business' oral evidence session, 11 September 2018.

2 Government should offer a clearly labelled and attractive post-study work visa which allows up to two years of work experience in the UK. This visa should not be restricted to licenced Tier 2 sponsors, or by job type or salary.

We call upon the Government to introduce a two-year post-study work visa. The visa would both increase the UK's attractiveness and competitiveness as a global study destination, and grant international graduates the opportunity to employ the knowledge and skills that they have acquired in the UK for the benefit of research, innovation and ultimately economic development.

The opportunity to work in the UK upon completion of studies is of significance for international students when deciding where in the world to study. International graduates seek work experience in the UK to improve their long-term employability. Employers demand highly skilled graduates to offer new perspective, expand their organisation's operations and fill skills shortages. QS Enrolment Solutions' International Student Survey 2018³⁵ reported that 40% of prospective international students considering the UK stated that one of their top five considerations when selecting a study destination was the ability to get a visa after graduating. Strategies for growth will only find success if the UK has a clear and competitive offer in the areas that matter most to students. Evidence submitted from Universities UK shows that the UK's offer in this area is not competitive.

It is important that international students are provided with viable visa options which facilitate work opportunities after studies and enable the UK to retain highly skilled international graduates within its labour market.

University of Cambridge.³⁶

There is public support for an immigration system that facilitates the employment of highly skilled graduates after graduation. In an August 2018 poll conducted by ComRes on behalf of Universities UK, 74% of British adults thought that when international students graduate from UK universities it is better for them to use their skills to work in the UK for a period of time in order to contribute to the economy.³⁷ A recent National Union of Students survey of undergraduate students in England, Wales and Scotland found that 75% of respondents either agreed or strongly agreed that international students should be permitted to work in the UK after graduation.³⁸

³⁴ Universities UK (2018). *Five little-known facts about international student mobility to the UK*. Available at <https://www.universitiesuk.ac.uk/policy-and-analysis/reports/Pages/five-little-known-facts-about-international-student-mobility-to-the-uk.aspx>

³⁵ QS Enrolment Solutions (2018). *International Student Survey 2018 Harnessing Opportunities in Global Higher Education*. Available at <https://www.internationalstudentsurvey.com/international-student-survey-2018/>

³⁶ University of Cambridge written evidence

³⁷ Ibid Universities UK (4 September 2018)

³⁸ NUSUK written evidence: National Union of Students (2017). *Student perspectives on international students*

Table 3 Post-study work opportunities compared to targets and growth in international enrolments

	Australia	Canada	Germany	Ireland	New Zealand	UK	USA
Work per week allowed during study	Up to 20 hours	Up to 20 hours	Up to 20 hours	Up to 20 hours	Up to 20 hours	Up to 20 hrs for degree programmes	Up to 20 hrs on campus only
Post-study work	2–4 years, depending on level of study.	Up to 3 years, depending on length of studies.	Up to 18 months	International graduates can remain for up to 24 months to look for work, depending on level of study.	12 months	Graduates may remain for up to 4 months after completing course. Subsequently may switch into Tier 2 if they hold a job offer that meets minimum salary threshold. Employer sponsorship.	12 months with 2 years extension option for STEM graduates. Work must relate to field of study.
International student recruitment targets	720,000 by 2025	450,000 by 2022	350,000 by 2020	44,000 by 2019 (footnote 10)	143,000 by 2025	No national target	No national target
Growth rate over the past 3 years (2012-15)	18.0%	26.9%	16.3%	42.5%	39.3%	0.7%	22.5%

Source: UUKi, *Five little known facts about international student mobility to the UK*

The UK's offer for post-study work has been more identifiable to students in the past. From 2008 to April 2012 international students could apply for a Tier 1 (Post-Study Work) visa to work in the UK for two years after completion of their studies with unlimited access to the labour market. The closure of the scheme was announced in March 2011 in the context of the Government's ambition to reduce net migration to the tens of thousands and concerns that Post-Study Work (PSW) visa holders were undertaking low-skilled work in the UK. This concern was based upon a sample of 253 graduates and has been heavily critiqued.³⁹

Following the closure of the PSW visa, changes were made to the Tier 2 visa system to encourage students to use that route as a post-study work option. Students were exempt from the Resident Labour Market Test and were not included in the monthly cap on the number of visas granted. However, visas remained difficult to get as employers had to be a Tier 2 sponsor, jobs had to fit narrow definitions of skilled employment and have a starting salary of at least £20,800 (or £30,000 for certain occupations).

³⁹ In its written evidence, UUK noted that 'In recent years, it has been consistently claimed that many international students were employed in unskilled roles under the old, more generous system of Tier 1 Post-Study Work. This claim is based on a 2010 study which was limited in scope and flawed. Firstly, it was not based on a representative sample but instead focused only on individuals who had applied to bring their dependents to the UK. Further, the sample size for the study was small (253 individuals) and in almost one-third of cases, it could not be determined whether individuals were employed in skilled or unskilled roles. Critically, the threshold for determining if a job was skilled was by salary level – anyone earning more than £25,000 was classified as skilled. Eight years on from this study, the average graduate salary remains well below £25,000 which indicates that the study may have set an artificially high threshold for identifying skilled employment and may not have accurately assessed how many Tier 1 PSW visa-holders were employed in unskilled roles.'

The closure of the PSW scheme led to a significant reduction in the number of visas granted for work post-graduation. In its submission to the Inquiry, the Russell Group noted that since April 2012, the number of international students switching into work routes after their studies decreased by 87%.⁴⁰ The withdrawal of the PSW visa was attributed with a decline in international student recruitment in the UK from key markets, notably India. Between 2010/11 and 2016/17 the number of higher education students from India more than halved.⁴¹

The current Tier 2 system poses numerous problems for international graduates and those organisations wishing to employ them. Tier 4 visa holders on courses of twelve months or more are granted four months after completion of their studies to remain in the UK, or six months if they attend an institution that has been selected to participate in the Home Office's Tier 4 Pilot Scheme⁴². This is a short period of time for graduates to secure a job offer, particularly those on postgraduate taught programmes, as graduate recruitment deadlines invariably close before the end of the academic year. Furthermore, the salary requirements apply to all employment sectors and regions of the UK irrespective of average starting salaries. Small and medium sized enterprises must navigate the Tier 2 sponsorship system. In its submission to this Inquiry the Russell Group provided evidence on the spread of Tier 2 sponsors in the UK showing a concentration in London and the South East where salaries are at their highest:

The minimum salary requirement for new entrants can be particularly problematic for those seeking employment outside of London where wages tend to be lower. This effect is likely to be compounded by fewer numbers of companies with the resources necessary to sponsor under Tier 2 based outside of London.

Russell Group.⁴³



Given the inherent problems with the current system we recommend a post-study work visa that permits graduates to work in the UK for up to two years. We welcome the recommendation from the MAC⁴⁴ that international students should have a longer period of time in which to switch from Tier 4 to Tier 2 but propose a more ambitious scheme. The visa we recommend would not be restricted to licensed Tier 2 sponsors, or by job or salary type. Instead, it would allow graduates the opportunity to gain valuable employment experience in the UK and provide all employers with access to a pool of talent to fill skills shortages and develop their businesses:

⁴⁰ Russell Group written evidence, page 18: 'percentage change from 2011 – 2016 in grants of an extension to stay for 'work' where the application was previously in the 'study' category'

⁴¹ <https://www.hesa.ac.uk/data-and-analysis/students/where-from>

⁴² <https://www.gov.uk/government/news/twenty-three-universities-join-student-visa-pilot>

⁴³ Russell Group written evidence

⁴⁴ Migration Advisory Committee (2018)

I know that the Department for International Trade wants to make us a nation of exporters, and they're currently looking very carefully at how to support SMEs in particular to export more than they are currently. And I think international graduates could be a really important component of that. They go into a small company, they help them overcome the psychological but also business barriers involved with exporting by focusing on their home market.

Alex Proudfoot, Independent Higher Education, Roundtable event, 3 July 2018.

We're encouraging our businesses to think global. From the minute we speak to an entrepreneur with a business idea to a corporation we're saying, think global, start to export, we can help you do that, but any burdens of regulation or barrier or difficulty that's put in the way of small businesses can make it particularly off-putting.

Jane Gratton, British Chamber of Commerce, 'In our Communities' oral evidence session, 11 September 2018.

Universities UK International has recently proposed a Global Graduate Talent Visa whereby higher education institutions holding a Tier 4 licence could sponsor their graduates to search for and gain work experience in the UK for two years without restrictions on job level or salary and without an employer sponsorship requirement. The Russell Group proposes granting all Masters level students a 12-month period after completing their studies to remain in the UK to look for work and granting STEM graduates an additional 12 months to remain in the UK.

An improvement in the UK's offer to international graduates would serve multiple purposes: by improving the UK's attractiveness as a study destination the likelihood of achieving an international student recruitment target would increase; net migration would not be affected if international students were discounted from this metric; and it would further extend the UK's welcome to international students and demonstrate that their contribution to the UK is valued.

3

Government should pursue a EU deal for unrestricted movement of students and researchers, as part of a close relationship between European universities and research programmes, and provide urgent clarity for EU nationals studying and researching in the UK on what changes they will experience in visa and funding rights.

One of the most significant messages from the evidence collected in this Inquiry was the potential impact of the UK's exit from the EU on international students. The primary concern for many was the impact of a potential visa regime on international students, researchers and academic staff. The Inquiry noted the MAC report assertion that outside of an EU deal which included free movement there is no justification for treating EU and non-EU students differently. However, evidence to the Inquiry suggests that both the EU student population in the UK and the market for EU students are notably different than those for non-EU. The flexibility needed in funding, fees and for different types of education, along with the practicality of integrating EU students into the current or a revised immigration system were all cited as reasons to ensure the UK retains unrestricted movement for students and researchers.

A survey by the International Association of College Admissions Counsellors found that 79% of counsellors who responded to the survey who work with EU students observed that ability to pay UK fees was 'extremely' or 'very' important. Similarly, 55% of those counsellors felt access to tuitions fee loans and 67% felt the ability to study without a visa were of similar importance.⁴⁵

EU students made up 58% of all English-language students and 37% of all the weeks studied in 2016. For privately funded English-language schools, students from Italy made up 16.5% of all student weeks and represented the biggest growth in language students for these schools.⁴⁶ The representative body for English language schools, English UK, is concerned that the UK's exit from the EU will have a significant impact on these schools and their local communities:

⁴⁵ International ACAC written evidence

⁴⁶ English UK written evidence: Annual statistics report 2016

... in the ELT industry there is a dominance in London and the southeast, but in the regions and in tourist areas like Bournemouth and Brighton, where there are clusters of language schools, where there are homestay families, there's a real impact which is quantified in our economic impact report, of what extra jobs are being created, what money has been brought into those regions. They are really dominated by EU students and so there's a massive threat from Brexit to those sort of businesses, and therefore those local economies.

Sarah Cooper, CEO, English UK, Roundtable event, 3 July 2018.

A survey by QS Enrolment Solutions in 2018 showed 'An increased number of prospective students from the EU say they are now less interested in studying in the UK given Brexit, and many expressed a lack of awareness and clarity regarding fees for EU students coming to study in the UK as one of their reasons'.⁴⁷

EU students are currently entitled to study at UK institutions that are publicly funded or otherwise accredited.⁴⁸ They are not required to obtain a visa for the UK but must obtain comprehensive sickness insurance to have a right of residence. EU students are entitled to 'home' fee status, meaning that they pay the same tuition fees as their domestic peers. EU students commencing a course in 2018/19 and 2019/20 in England, Wales, Scotland and Northern Ireland have been guaranteed home fee status for the duration of their studies.

If EU students were subject to the same funding and immigration requirements post-Brexit as non-EEA students are at present, there would be significant changes to the ease and freedom with which they could study in the UK.

EU students would be subject to overseas tuition fees, which are significantly higher than home fees. EU students would need to apply for a visa prior to studying in the UK and pay any associated immigration application fees for each and every visa application. Student visa holders who move to a new university, college or school must apply for a new visa and certain course changes can also necessitate a fresh visa application. These applications may also need to be made from outside the UK, depending on the change. EU students would be subject to a time cap on the number of years that they could study in the UK and as discussed earlier in the report, would face uncertainty and difficulties in accessing the UK job market post-graduation.

If the above conditions were applied to EU students it would mark a significant change for this cohort of students. At a time when EU countries are initiating more English-medium and English language courses to attract students, remaining competitive for EU students against other EU countries is vitally important, especially where EU student numbers are high within regions of the UK. Government should seek to create agreements with EU countries to ensure students from the EU and the UK can continue to fund their studies regardless of the country they choose to study in.

4

Immigration rules should facilitate and encourage students to study in the UK and at multiple study levels within the UK education system.

The MAC⁴⁹ report on international students confirmed the substantial value of international students to the UK economy, while evidence to this Inquiry spoke of the benefit to our cultural and diplomatic influence of educating future decision makers in the British system. In order to maximise each of these benefits, the Government should aim not only to grow the number of students who come here in the first place, but to encourage them to remain in our education system for as long as possible through multiple levels of study. Both aims face a number of obstacles currently.

Prospective students considering the UK from amongst their potential destinations for an international education do not always face a frictionless way forward. The decision of the Home Office, for admirable reasons of securing the integrity of the assessment, to heavily restrict the availability of English language tests for the purposes of UK student visas, has been off-putting to students in many parts of the world. In certain regions applicants are forced to travel hundreds of miles to find the nearest available test centre, sometimes in a completely different country, for which they need a different visa

⁴⁷ QS Enrolment Solutions written evidence

⁴⁸ The UK Council for International Student Affairs defines 'otherwise accredited' as 'recognised by the Secretary of State as an establishment which has been accredited for the purposes of providing such courses or training within the law or administrative practice of the part of the United Kingdom in which the establishment is located'. Source: <https://www.ukcisa.org.uk/Information--Advice/EEA--Swiss-Students/Staying-in-the-UK-as-a-student>

⁴⁹ Migration Advisory Committee (2018)

for this purpose alone. A second arduous journey is often then needed to visit the nearest UK Visa Application Centre and give the applicant's biometric data. While these two trips can be an expensive inconvenience, of greater concern is the perception globally that the UK immigration rules are designed explicitly to catch people out for minor errors with paperwork, rather than to facilitate the applications of genuine students and encourage them to choose the UK.

At a time when Canada and Australia are jostling to supplant the UK from its number two position and other countries are accelerating plans to bolster their own international education appeal, it is essential that the UK develops a comprehensive and competitive offer for international students. Evidence from English UK and the Independent Schools Council suggests that students and their parents are increasingly making the choice to come to the UK at an earlier age.⁵⁰ This may take the form of an English summer programme, where juniors represent a growing share of the overall market, or opting for a full British school experience either at sixth form or from a younger age. In this market context, it becomes all the more important to track and facilitate the transitions of international students between different levels of the UK education sector. The UK is a world leader in offering a diverse range of flexible transition routes and programmes within a school, English language, further education or higher education context. We are not, however, yet as good at tracking and understanding these different routes and therefore lack the robust evidence necessary to design effective policies to support them. Several comments from the sector recommend that the Department for Education should make the collection of this evidence a priority.

Evidence from Further Education Colleges, Pathway Colleges, English language schools and independent higher education institutions suggests that some of the natural flexibility of the UK education sector and its responsiveness to customer demand has been somewhat stymied by an increasing micromanagement of what is allowed in the immigration rules and associated bureaucracy. These rules are highly prescriptive in relation to what students can and cannot study, how long they are able to study at certain levels, and what constitutes 'academic progression' from one programme to the next. In certain institutions such as English language schools and further education colleges, it is not currently possible for students to progress at all and they are forced to return home if they wish to take another course, putting at risk all of the previously identified benefits of a longer period of study in the UK. Ultimately a licensing system under which individual institutions are trusted to recruit with integrity – and the available data speaks compellingly of the high levels of compliance in the sector today – should not attempt to second-guess the admissions decisions of these institutions. Instead the current rules should be reviewed to ensure that students are supported to make the decisions that are right for them and that the UK sector's key strengths of diversity and flexibility are promoted and not undermined.

While universities have been the focus of much of the Government's attention hitherto because of their major economic impact and the additional benefits which derive from supporting the UK's research base, there is strong evidence from across the sector that international students studying here below degree level represent an essential pipeline into higher education and that as the global pool of mobile students deepens further it becomes all the more important that these pathways are available. The Government in reviewing its policies towards international students should therefore pay close attention to the welcome and the rights afforded to students below degree level so as to encourage their continued study in the UK and maximise their economic and social contributions to the country.

At the other end of the student journey, and while remaining sensitive to the political context in which the issue of economic migration continues to resonate, the evidence overwhelmingly favours a view that students who have made a long-term commitment to the UK and acquired valuable skills and knowledge while here should be welcomed and encouraged to stay longer in order to contribute by working for a period of time. The recent MAC reports⁵¹ have demonstrated the strong net benefit to the UK economy of skilled migrants joining the workforce, and no skilled migrant will be better prepared for and capable of integrating into British life and society than one who has already spent years in the UK education system, learning from British academics and studying alongside British students as well as working part time for a local business and contributing to their local community.

Overall the evidence speaks strongly of the cumulative positive impact of international students who stay in the UK for several years across multiple levels of study. The Government should make it a priority to encourage and facilitate this pattern of experience, and should consider looking to

⁵⁰ Transcript, APPG for International Students Inquiry Roundtable 3 July 2018

⁵¹ Migration Advisory Committee (2018). *EEA migration in the UK: Final report*. Available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/741926/Final_EEA_report.PDF

innovations elsewhere which have been designed to do so. A clear example which may be worth emulating is the New Zealand pilot of a dedicated multi-level, multi-course visa which relies upon a number of different institutions to work together to share responsibility for supporting the academic progression of individual students through their educational journey.

5 Diversity is a key strength in the UK's offer to international students. The Government should promote and protect the diversity of the UK education offer; including small, specialist, vocational and further education providers within the proposed recruitment strategy.

This Inquiry received evidence from an incredible diversity of schools, colleges, institutes and universities who teach international students. The message from the Education Attachés network LEARN⁵² was that this diversity should be celebrated as it makes the UK much more attractive for students but also a better partner for governments looking to sponsor students to study. Staff in London-based embassies particularly mentioned the range of vocational courses, short term study options and industry focused professional development on offer in the UK as valuable to students and an area of growth globally. From the evidence submitted it is clear that our ability to continue to grow our international market share will rely upon embracing the diversity of the UK market in order to cater to the diverse needs and interests of different groups of students.

Some students are drawn to the academic rigour of a traditional university setting and have acquired the skills and qualifications required for direct entry. Others will prefer a more vocational environment which supports learning by doing, or be attracted to the intersection of business and education which can be found in the independent sector. But the Destination for Education evidence shows that for many students around the world the UK will be accessible only if we promote the availability of transition and pathway courses to bridge the gap in attainment between many countries' school leavers and the first year of undergraduate study.⁵³ Certainly English language tuition is essential preparation for students of many nationalities. A more extended period of study at a UK school or further education college will provide an even more valuable preparation for their higher education experience.

The diversity of our sector allows each student to pursue the path which suits them best, enabling the UK to compete for the widest possible share of the global market. The Government should recognise this diversity and make it a central part of the UK offer which is promoted overseas, including in bilateral talks and in the design and content of marketing campaigns. It should also ensure that no artificially imposed restrictions act to undermine this offer.

a) Remove rules which treat students differently based on the provider they choose to study with.

Since 2011 the Government introduced a series of changes to the immigration rules whose effect on international students depended on the institution at which they chose to study. While granted a licence to sponsor Tier 4 visas in just the same way, every institution soon found themselves grouped together by definitions of 'type' which they could not alter. The immigration rules and underlying policy began to differentiate between these types and impose different rights, responsibilities and privileges on the constituent institutions and their students with the aim both of risk management and intentional market distortion.

The evidence from Independent Higher Education tells how students who chose institutions defined by the Home Office as 'private providers' soon found that they were no longer allowed to work part time; their ability to incorporate work-based learning into their programmes of study was restricted; postgraduate students were unable to bring partners or children with them; opportunities to remain in the UK at the end of their course became fewer and less accessible; applicants had to prove their ability to study in English by incurring the considerable expense of a test at a restricted list of centres.⁵⁴

⁵² LEARN Committee of Education Attachés of London-based Embassies meeting with Geoffrey Robinson MP and Baroness Uddin – APPG for International Students Inquiry, note of meeting, 6 September 2018

⁵³ Destination for Education written evidence

⁵⁴ Independent Higher Education written evidence

The Association of Colleges reflect on how in 2015 these restrictions were tightened further and applied to further education colleges. Students could no longer extend their stay in the UK, switch to a new course, progress to a higher level of study or take a Tier 2 job after graduation. Nor even could they request an extension to resit an exam or repeat a module. Instead they were required to leave the UK and apply from their home country, with no assurance that they would be able to return, thereby forcing them to give up their accommodation, pack up their belongings, say goodbye to friends and put their lives on hold.⁵⁵

The combined impact of these changes had a deleterious effect on the attractiveness of further education, transition courses and higher education outside of the mainstream university sector. The number of such students on Tier 4 visas declined by more than 70% and has shown little sign yet of recovery.⁵⁶ While university student numbers over the last seven years have plateaued, their figures mask a significant shift of students across the private and further education sectors. Such market distortions are unlikely to have a net positive effect in the long term as they serve to undermine the diversity which is one of the UK sector's major strengths internationally. Contrary to the assertion of the Migration Advisory Committee, our evidence confirms that these distortions remain in place, with many students today not permitted to work part time. While the new Office for Students regulatory framework provides an avenue for English higher education providers to access the same 'privileges', this has not yet been extended to providers in Scotland, Wales and Northern Ireland, nor to all further education colleges or English language schools.

A clear and consistent offer which supports students to make the right choice of institution and course based on their educational needs rather than any extraneous penalties or privileges will present the UK in the best possible light and extend our appeal to reach the widest possible group of prospective students.

b) Protect small providers through an SME model of export and ensure immigration rules are fair and fit for purpose for a diverse range of universities, colleges and schools.

Both the immigration rules and the sponsorship model of Tier 4 itself present difficulties for smaller education providers. The primary instrument that the Home Office uses to assess risk in different providers is their visa refusal rate. Alongside the other core metrics (on arrival and completion) which form the annual Basic Compliance Assessment (BCA), this refusal rate is calculated as a percentage, with anything over 10% of applications being refused currently leading to compliance action. The use of percentages is and always will be problematic for small providers and those who admit only a small number of international students each year.

Given that the majority of visa refusals arise from factors outside of the institution's control, this assessment and the consequences of losing a licence can represent an intolerable risk for the governing bodies of many institutions which simply opt out of the Tier 4 system altogether. The Exporting Education UK evidence highlights analysis by the Migration Observatory showing that 460 institutions chose not to continue with Tier 4 when these percentage-centred metrics were first made a mandatory component, and many more have since followed suit as a result of the cost and administrative burden.⁵⁷ Even for larger institutions, the overall cost of effective compliance with the Tier 4 system remains disproportionately high, as the Russell Group evidence points out:

In 2012/13, universities and other higher education providers spent a total of £66.8 million for Tier 4 visa compliance. We predict that costs of compliance have increased over more recent years as more responsibilities for sponsors have been introduced and fixed costs have risen.

Since 2009, universities have had to respond to 36 versions of the Tier 4 sponsor guidance and 41 of the policy guidance, with sometimes as many as 8 versions being issued in one year (for example, in 2014). The increased complexity of compliance and sheer volume of policy change over recent years has meant many of our members have had to increase the number of dedicated staff they employ to oversee Tier 4 compliance.
Russell Group.⁵⁸

⁵⁵ Transcript, APPG for International Students Inquiry Roundtable 3 July 2018

⁵⁶ Exporting Education UK (2016)

⁵⁷ Exporting Education UK meeting with Baroness Uddin – APPG for International Students Inquiry, note of meeting, 17 July 2018

⁵⁸ Russell Group written evidence

If we are to preserve and strengthen the diversity of the UK sector, small providers must be protected. New providers may start small but can generate exciting and innovative new approaches to education which could appeal to new groups of international students. Some providers offer a specialist education which will only ever appeal to limited numbers, but these specialisms may make an outsized contribution to the perceived depth and breadth of the UK offer and can help to extend our cultural impact and influence in certain industries.

Independent Higher Education note that the Government has expressed a desire to greatly expand the number of UK businesses which export products and services, while indicating that targeted support for SMEs might be forthcoming. The very same SME model should be put in place for education exports and, alongside more commercial and market support from the Department for International Trade, the Home Office should develop a set of immigration rules and operational policies which protect rather than penalise smaller providers.⁵⁹

In higher education the new regulatory system administered by the Office for Students and its close monitoring of student data throughout the year obviates the need for a separate annual assessment by the Home Office. The proposed Office for Students' Data Strategy sets out a far more sophisticated approach to data collection and analysis which allows for more intelligent, contextual and individualised risk assessments than do the blunt metrics of the BCA. This superiority has been recognised by the Home Office in its decision to extend the 'full privileges of Tier 4' to all providers registered with the Office for Students. The Government should go further, explicitly recognising the low risk to immigration control posed by providers with small volumes of international students by ensuring that any rules applied to them are tested for effectiveness and proportionality.

The importance of diversity and innovation to the UK's global offer, as well as the wider government policy objectives of driving up quality through competition from new entrants to the higher education market, calls into question the current Home Office position that only providers with a 'four-year track record of compliance' get the full privileges of Tier 4. This market distortion advantages incumbent providers by preventing students at high-quality new providers from e.g. working part time. It also acts to the disadvantage of the UK sector and economy more generally, given the difficulty of retaining students for further periods of study if they are forced to go home to reapply. The thorough scrutiny of providers conducted as part of the Office for Students' registration process and the in-year monitoring of student outcomes should make this delay for new providers unnecessary, as any risk can be assessed and acted upon 'in real time'.

6

The Independent Chief Inspector of Borders and Immigration should conduct an independent review of credibility interviews within the student immigration system to ensure the system is fit for purpose, cost effective relative to current risk and does not limit the diversity of international students in the UK.

International students contribute to the diversity of nationalities in the classroom. The immigration system should acknowledge, encourage and facilitate this. Diversity benefits all students as it can increase cultural awareness, tolerance and understanding, encourage critical thinking and prepare students for a life and career in an interconnected world.

International students enrich the experience of UK students studying alongside them and support a range of educational opportunities. They create diverse campuses, prepare students for a global workforce and support the development of new or more facilities.
Universities UK.⁶⁰

Credibility interviews allow Home Office staff to assess the genuineness of a student's intentions to study in the UK before granting a Tier 4 visa. The incorporation of the genuineness test into the Tier 4 visa application process in 2011 introduced subjectivity into a system that was intended to be objective.

Credibility interviews were originally piloted between December 2011 – February 2012 at a selected number of visa application centres overseas. In July 2012 the immigration rules were amended so

⁵⁹ Transcript, APPG for International Students Inquiry Roundtable 3 July 2018

⁶⁰ Universities UK written evidence

that interviews could be conducted at all overseas centres although the Home Office stated that the interviews would extend to 5% of visa applicants only. This was rolled out further in May 2013 for entry clearance applications and in October 2013 to those applications made from within the UK. The genuineness assessment could be applied to nationals deemed to be 'low risk' in April 2014 and to Tier 4 (Child) students aged 16 years or older in April 2017.

Tier 4 applicants may be interviewed at random or on the basis of a perceived level of risk. The Home Office maintains a list of nationals that it deems to be 'low risk'. Those international students on this list may be less likely to have a credibility interview which, in turn, can reduce visa refusal rates and the degree to which they are viewed as an immigration threat. If the reverse happens to 'high risk' nationals, it becomes increasingly difficult for countries to be assessed as low risk. The categorisation of nationalities as low or high risk creates a perception of an unwelcoming environment in the UK for international students. Evidence to this Inquiry has shown how strongly this was recently felt in India.⁶¹

We believe that a risk assessment preceding a credibility interview should be based on individual circumstances rather than nationality. This would promote equal treatment of students and preserve the diversity of nationalities in the classroom and the positive benefits that this can bring.

Home Office exit data has shown that Tier 4 visa holders demonstrate high levels of compliance with their immigration conditions. In August 2017 the Home Office reported that 97.4% of those coming to the UK to study left before the expiry of their visa.⁶² Tier 4 sponsors must demonstrate high levels of compliance in order to retain their Tier 4 licence, including meeting strict Home Office criteria on the number of Tier 4 students who are granted a visa, enrol and complete their studies. The Inquiry Committee received evidence on the considerable time and resource that institutions invest to fulfil their compliance requirements. One such requirement is to assess an applicant's ability and intention to study before assigning a Confirmation of Acceptance for Studies (CAS) endorsement. This function is performed by educational institutions to uphold academic standards but there is an added compliance incentive.

We hold 14 sponsor licences. We spend £500,000 on compliance.... We spend a lot of money to ensure we are selecting a student that won't get rejected.

James Pitman, Study Group, 'In the Classroom' oral evidence session, 17 July 2018.

The last review of credibility interviews was conducted in 2012 when the pilot scheme was evaluated within the wider Tier 4 system.⁶³ Given the imperative placed upon universities, colleges and schools to ensure that only genuine students are sponsored under the Tier 4 regime, the compliance witnessed in the sector and the changes that have taken place since the last inspection, we call upon the Independent Chief Inspector of Borders and Immigration (ICIBI) to review whether credibility interviews are necessary in the current environment.

A Tier 4 applicant who is endorsed by a licensed Tier 4 sponsor and can demonstrate English language competence, prior educational attainment and the necessary level of funding can be refused on the grounds of credibility. If a student is refused a Tier 4 visa on these grounds, it can be very difficult to overturn the decision through the Administrative Review process. As the Administrative Review is considered by a representative of the Home Office, the same organisation is tasked with overturning its original assessment of genuineness. In May 2016 the ICIBI recommended that the Home Office provide training for Administrative Review reviewers consistent with the training provided to original decision makers.⁶⁴ The Home Office accepted this recommendation and it was closed by the ICIBI in a further inspection from September to December 2014.⁶⁵ We call upon an independent review by the ICIBI to re-open this recommendation and explore the extent to which impartiality is achieved when credibility refusals are considered.

Evidence received by the Inquiry Committee and previously reported by the UK Council for International Student Affairs⁶⁶ highlights that the questions posed to applicants during credibility interviews do not demonstrate a suitable degree of cultural awareness and sensitivity. Students are asked questions about the institution and course to which they are applying, the answers to which

⁶¹ Sannam S4 written evidence

⁶² Home Office (2017). Second report on statistics being collected under the exit checks programme. Available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/639621/second-report-on-statistics-being-collected-under-exit-checks.pdf

⁶³ Independent Chief Inspector of Borders and Immigration (2012). An inspection of Tier 4 of the Points Based System (Students). Available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/546577/An-inspection-of-Tier-4-of-the-Points-Based-System-29.11.2012.pdf

⁶⁴ Independent Chief Inspector of Borders and Immigration (2016). An inspection of the Administrative Review processes introduced following the 2014 Immigration Act. Available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/549244/ICIBI_report_on_admin_reviews_May_2016.pdf

⁶⁵ Independent Chief Inspector of Borders and Immigration (2017). A re-inspection of the Administrative Review process. Available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/669189/A-re-inspection-of-the-Administrative-Review-process.pdf

their domestic peers would not be expected to know. Furthermore, the questions asked in credibility interviews are neither informed by the way in which students search for a place to study nor how institutions recruit students. Students should not be penalised, for example, if they have not thoroughly researched a number of other UK institutions, given that their chosen institution will have invested considerable time and efforts in marketing.

People are asked to prove that they are the genuine article, they can be asked questions like 'who the Vice Chancellor of your university is?' or 'what's the day of your examination?' which often domestic students don't usually know the answers either so they are not particularly reasonable.

Professor Simon Marginson, University College London, 'In the Classroom' oral evidence session, 17 July 2018.

If credibility interviews continue the Home Office should invite support from institutions to encourage a better understanding of how students are recruited. Immigration policy should not undermine an institution's marketing and recruitment strategy. Rather, institutions should be guided by best practice and guidance from the Consumer Markets Authority on marketing and recruitment.

7 The UK Government should work closely with devolved and regional governments to support growth in international student numbers, protect local courses and institutions which are dependent on international students, and support regional and national initiatives which enhance the benefit of international students such as work experience schemes and industry engagement.

The UK needs a strategy that supports a positive future for international students across the UK, including all regions of England and the nations of Wales, Scotland and Northern Ireland. The terms of this Inquiry were UK-wide, and the evidence submitted reflects the different challenges and opportunities facing regional and devolved governments in recruiting international students to their area, and encouraging them to stay as skilled workers and entrepreneurs when they finish. To achieve this the UK Government must work to support the ambitions of devolved and regional governments including adopting different approaches to recruitment, trade and immigration which reflect the needs of the region or nation.

The profile of international students at Scottish institutions is different to that of the UK as a whole, with different consequences for the immediate economic, social and cultural impact that they have on their institutions and local communities during their period of study. The potential that they offer to Scotland in terms of longer-term migration and economic and social value is also more significant when seen in the light of Scotland's particular demographic and economic challenges.⁶⁷

The impact of international students in Scotland: Scottish Government response.

The Home Secretary at the time, David Blunkett, announced the scheme jointly with me and stated that the previous 'one size fits all' system for the UK was now no longer relevant for the 21st century. Lord McConnell of Glenscorrodale reflecting to the APPG Inquiry on the announcement of a number of reforms designed to promote Scotland internationally as a place to work, study, visit and stay, including the Fresh Talent post-study work scheme which was later rolled out across the UK as PSW.

International students play a vital role in the development strategies of different regions and nations across the UK. The Inquiry received evidence and case studies from regional Mayors, businesses and education representatives suggesting there was a disconnect between the UK Government approach to international students and their own. This disconnect was made more challenging by the lack of coordination between devolved or regional governments and UK Government, including on projects which specifically engaged international students as part of a wider strategy to address local skills shortages as the case study below shows:

⁶⁶ UK Council for International Student Affairs (2013). Tier 4 Credibility Interviews UKCISA Survey Report. Available at <https://www.ukcisa.org.uk/Research--Policy/Resource-bank/resources/2/Tier-4-Credibility-Interviews-UKCISA-survey-report>

⁶⁷ Scottish Government (2018). *The Impact of International Students in Scotland Scottish Government response to the Migration Advisory Committee's consultation on the impact of international students in the UK*. Available at <https://beta.gov.scot/publications/impact-international-students-scotland-scottish-government-response-migration-advisory-committees/pages/8/>

English-language school (Northern Ireland)

An English-language school in Northern Ireland was working with the Department of Enterprise, Trade and Investment and Invest Northern Ireland to support the recruitment of nurses by offering vital English training ahead of their application for a Tier 2 visa to work in the Northern Ireland Health Service. Iran was identified by the Northern Ireland departments as an ideal place to recruit due to the high quality of nursing and the positive impact of Iranian nurses already working in the local health service. The English language school sent staff to Iran with the Northern Irish Government and through a series of interviews and document checks selected ten nurses for the programme. The Home Office refused four nurses their Tier 4 visa on the basis of not being a genuine student. Two of those nurses then applied for a programme at a university in Manchester and had their visas approved within the same year. They intend to work as nurses in Manchester once they have completed the course. The English-language school is now at risk of losing their Tier 4 licence due to the high number of visa refusals. The English-language school feels a lack of cooperation between NI and UK government departments is to blame for the students being incorrectly identified as 'not genuine'.⁶⁸

Regions of England also spoke about their need to have an approach to international students that meets their local ambitions. Dan Jarvis, Mayor of the Sheffield City Region, gave evidence to the Inquiry's oral evidence session on the region's Advanced Manufacturing Research Centre and its role in their ambition to develop a "Global Innovation Corridor".⁶⁹ For Mayor Jarvis international students with an established relationship to the region through one of their universities or colleges will bring both medium benefits through students working during and after study, and longer-term benefits such as partnerships and economic relationships when graduates return home. The solution for the Sheffield City Region is to be organised and coordinated to build and use those relationships for the betterment of the area. This takes coordination from the regional administration, universities, colleges and the UK Government.

The importance of international students remaining to work for a time after study was a feature in much of the evidence from business, tourism and trade. Guild HE submitted evidence on the geographic 'stickiness' of international students.

Many international students, both from within and beyond the EU, remain in the UK after graduation in order to work. Significantly, between 50% and 90% of graduates from within the EU are employed in the same region as that in which they studied. In contrast, UK students are less geographically 'sticky'. GuildHE suggests that this 'stickiness' is due to international students building networks in only that region, something likely to be equally true of other international students, while UK students may feel more comfortable moving to a region they don't know. Guild HE.⁷⁰

The data they presented from the Destination of Leavers from Higher Education (DLHE) Survey, asked of most higher education graduates six months after graduation, shows that strategies to recruit skilled workers from international graduates can work when the right conditions are in place. EU students from the above sample have no restrictions on their right to work.

Regional and national strategies for growth also depend on the provision of key skills to local students. Evidence submitted showed the extent that some college and university programmes rely on international students as there are not enough UK students for the course to be sustainable.

Universities UK told us:

International students make up over half of postgraduate taught students at UK universities in the following subject areas:

- Business (63%) • Engineering (60%) • Mathematics (58%) • Mass communications (55%)
- Computer science (50%)

International students also make up very significant proportions of students on creative arts and design courses (48%), language courses (45%), law courses (44%) and physics courses (41%).

...Many universities supplied us with lists of courses which would be unviable without international students. These ranged from four at one locally-focused institution, to 67 at another specialist London-based institution, and nearly a third of courses at an institution with one of the highest levels of international students. Universities UK.⁷¹

⁶⁸ Evidence from APPG for International Students Inquiry drop-in session at Study World Conference, 4 September 2018.

⁶⁹ Transcript, APPG for International Students Inquiry oral evidence session 'Regions and Nations' 11 September 2018

⁷⁰ Guild HE written evidence

⁷¹ Universities UK written evidence

The Association of Colleges told us:

The addition of migrant students to the class can boost class numbers and help to ensure the viability of some courses that are difficult to recruit to. This in turn secures teaching staff jobs. An example of this is an AoC member college where migrant student numbers, particularly Tier 4 sponsored students, helped to maintain the college's economics, accounting and pure maths provision. Without the migrant students the provision was stripped back, leading to a reduced local offer. Association of Colleges.⁷²

Another benefit of international students to domestic students who study in regions with low levels of other migration is the impact on their global ambitions. Shelagh Legrave OBE from Chichester College Group told the Inquiry evidence session how international students at her Further Education College inspired UK students to study and work abroad, have a more global outlook for their future careers and raised their ambition to succeed:

There are less than 6% of people in our own part of west Sussex where I am who come from an ethnic minority background. Bringing the cultural diversity that comes from international students is a huge benefit to many further education colleges outside of London and the big metropolitan areas... in terms of that international mix, it also creates aspiration. We have a lot of seaside towns in my area, where there is a real lack of aspiration and bringing international students who have a particular work ethic into colleges creates that aspiration in other students, and opportunities that UK students are traditionally not very good at grabbing, such as going abroad. We've had students, and many colleges have had students, doing exchanges to Japan and other countries and bringing that globalisation to a college that it wouldn't otherwise have. Shelagh Legrave OBE, 'In the Classroom' oral evidence session, 17 July 2018.

The impact of international students to regional and national course offers and to the UK student experience makes the decline in international student numbers at some universities and across the further and independent higher education sectors very concerning.

NUS provided a table which showed the percentage change in international student numbers for several regional and London/South East universities:

Table 4 NUS percentage change in international students regionally

University	2010/11 FT & PT non EU	2015/16 FT & PT non EU	% change
University of Hull	2925	1755	-40%
Teesside University	2195	765	-65%
University of Bradford	1980	1090	-45%
University of Wolverhampton	1910	1205	-37%
Staffordshire University	1335	640	-52%
Derby	1090	610	-44%
Bedfordshire	5255	1805	-66%
Oxford University	4500	5385	+20%
Imperial	3915	5755	+47%
UCL	6250	10,790	+73%
University of Sussex	1855	3885	+109%
Kings College London	3855	5340	+39%

This table shows the percentage change in international students from different universities. This has also had a significant economic impact on those institutions, and the local area.⁷³

⁷² Association of Colleges written evidence

⁷³ NUS written evidence

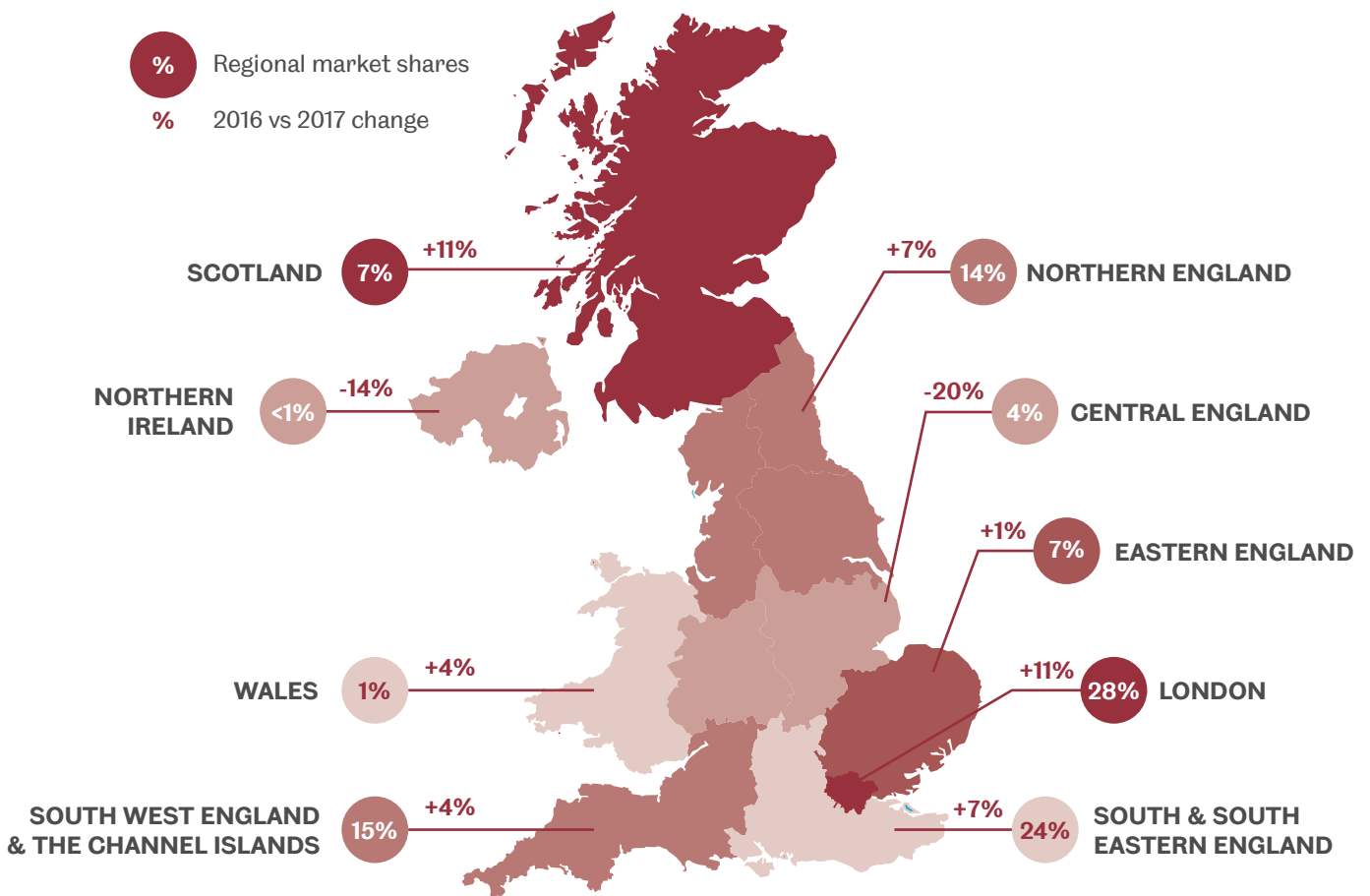
A report by Exporting Education UK and Parthenon EY, submitted by Exporting Education UK shows the decline in not only international student numbers but further education colleges, more commonly found in rural regions, and independent higher education colleges which are more likely to teach specialist degrees and programmes. The impact on course viability, student experience and economic value is significant.

Figure 1 Losses to the UK economy (Exporting Education UK and Parthenon EY)⁷⁴

	2011/12		2012/13		2013/14	
	Students	Value £millions	Students	Value £millions	Students	Value £millions
Ind. Higher Education	53,000	£1,509	53,000	£1,509	53,000	£1,509
Further Education	10,601	£184	9,494	£185	6,774	£132
			(32,820)	(£817)	(42,170)	(£1,137)

English language programmes also play a vital role in encouraging tourism to a regional area, as well as supporting the recruitment of international students to study further in the region. Data collected by representative body English UK suggests that Northern Ireland and Central England are also facing declines in English language students.

Figure 2 Regional market share (2017) and 2016 vs 2017 change in student weeks (English UK)⁷⁵



With so many colleges recruiting smaller numbers of international students, representative bodies called for SME-style support for student recruitment to help these providers increase numbers. Current services from bodies such as the British Council and the Education is GREAT campaign are

⁷⁴ Exporting Education UK and Parthenon-EY (2016), p22. Supporting international education in the UK. Available at <http://www.exeduk.com/resources/publications/supporting-international-education-in-the-uk>

⁷⁵ English UK (2018), p10. Student Statistics Report 05/2018

only feasible if they support the recruitment of hundreds or thousands of international students. A more affordable approach which supports annual growth of less than 100 students should be developed by these bodies and campaigns to support the achievement of a target where all providers feel the positive impact.

Whether or not student recruitment is reaching positive numbers, regionally coordinated projects can enhance the international student experience and boost the impact international students can make on their region. Case studies submitted by the China Britain Business Council (CBBC) show how the joint project to place Chinese students in SMEs looking to develop greater exports to China had a significant impact on the regions export capability.

CASE STUDY

Sheffield China Gateway Scheme

A Graduate of MSc in Creative and Cultural Industry Management, the University of Sheffield, worked as a placement student for a Sheffield healthcare company and then went on to work for the Department for International Trade in China

While studying at the University of Sheffield, the student took part in the Sheffield China Gateway Scheme to support a local health care company in exploring the China market. She carried out initial desk-top market research, translated the company's marketing materials from English to Chinese, and accompanied the company on the trade mission to China in March 2016, acting as a coordinator and interpreter.

After she completed her placement and study at the University of Sheffield, the graduate was employed by the Department for International Trade, to work as the Senior Trade and Investment Officer, based in British Consulate-General Chongqing, China. Benefiting from her placement experience in the UK's healthcare sector, she is now responsible for facilitating communications and business activities between the two countries, specifically for collaborations in the healthcare area.

The Sheffield China Gateway Scheme is an example of the organisation and coordination referred to by Mayor Jarvis in his evidence noted above. Another example is the University of Bristol's International Talent scheme which links businesses in Bristol with needs such as translation or marketing insights to international students from those countries or regions.⁷⁶

Coordination between the local government, business and education communities within a region can help direct the particular skills international students have to offer and support business to navigate the working rights that some international students have access to. This model could be expanded under a post-study work scheme which would provide greater support for international students to undertake meaningful and impactful work experience during their two years. Independent Higher Education provided an example of how this could work:

Devolved or regional governments could create a collaborative hub-based approach to supporting international students to gain valuable work experience while helping the region gain valuable skills. These hubs would bring together schools, colleges and universities in the region and address specific and local needs. Driven by local industry and export ambitions, regional collaboration hubs could direct efforts to where international students could make the greatest impact. From supporting local companies to export to their home-country to offering a global perspective on local challenges, projects created by regional hubs can support the skills exchange with international students by highlighting where they could make the greatest impact, supporting the students through the process and demystifying the working rights of international students for employers. With a post-study work scheme which does not require an expensive and burdensome Tier 2 licence or place barriers such as artificial salary thresholds or skill profiles in the way, these projects could really increase the impact on both student and their host nation/region.⁷⁷

⁷⁶ Chartered Association of Business Schools written evidence

⁷⁷ Independent Higher Education written evidence

8 Government should accurately track data on education as an export and as an economic value, including at a national, regional and local level. Government should include education in their trade strategy when approaching bi-lateral agreements.

The evidence this Inquiry received made clear that international students make a strong contribution to the UK economy on a national, regional and local level. However, the value of this contribution across the UK, at all levels of education and in all nations, was not as clear. Despite individual schools, colleges, universities and their representative groups presenting the Inquiry with well-considered estimates of the economic contributions of international students at their institutions, there was no centralised source of annual information on the value of fees, in-country spending, tourism and knock-on economic spend.

Data on education as an export has been collected by both the Office for National Statistics (ONS) and the Department for Education. ONS uses the International Passenger Survey (IPS) to estimate education services exports, while the Department for Education has employed a different method using student numbers and estimates of fee income, living expenditure, research and other contracts, and education products and services. Reports from Oxford Economics⁷⁸ and London Economics⁷⁹ have also included travel and tourism expenditure by both the student and their guests but neither the ONS nor the Department for Education data include tourism expenditure. The figure below from the Department for Education research report *UK revenue from education related exports and transnational education activity 2010-2014* published in July 2017, shows the considerable difference between the two methods of calculating education export.

Table 5 ONS estimates of education services exports, £m current prices to nearest 10m, calendar years (Department for Education)⁸⁰

	2010	2011	2012	2013	2014
ONS Education related services ¹	5,020	4,480	5,880	6,440	6,920
ONS Training and educational services ²	450	280	320	270	320
ONS Total education services	5,480	4,760	6,200	6,700	7,240
ONS Education services exports³	11,320	11,920	11,880	11,980	12,430
Proportion of education services exports captured by ONS in the above series	48%	40%	52%	56%	58%

The use of the IPS to estimate education export is problematic as the IPS, which is based on a small migrant sample size, has been shown to be not sufficiently robust enough to give the level of detail we feel is needed to accurately track education exports. In particular, the IPS has been shown to have limited ability to disaggregate 'study' as a reason for migration due to the small sample size. In their July 2017 report the Office for Statistics Regulation concluded that IPS data which tracked student

⁷⁸ Universities UK (2017). *The economic impact of international students*. Available at <https://www.universitiesuk.ac.uk/policy-and-analysis/reports/Documents/2017/briefing-economic-impact-international-students.pdf>

⁷⁹ Higher Education Policy Institute and Kaplan International Pathways (2018)

⁸⁰ Department for Education (2017). *UK revenue from education related exports and transnational education activity 2010-2014*. Available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/630741/UK_Revenue_from_Educational_Exports_2010-14.pdf

Notes from table:

Totals will not necessarily equal the sum of the parts due to rounding, percentages are based on unrounded data.

1. Pink Book 2015, table 3.3 <http://www.ons.gov.uk/economy/nationalaccounts/balanceofpayments/compendium/unitedkingdombalanceofpaymentsthepinkbook/2015-10-30/unitedkingdombalanceofpaymentsthepinkbook>

2. International Trade in Services 2014, table C1 <http://www.ons.gov.uk/businessindustryandtrade/internationaltrade/datasets/internationaltradein-services-referencetables>

3. To compare as closely as possible on education services exports this excludes the value of TNE, exports of goods, HE research and IP income, FE other income, broadcasting exports and exports associated with qualification awarding bodies (as some of this may be considered TNE)

migration on entry and exit should be branded experimental as it does not yet present a 'complete and coherent picture of former-student outcomes' including the point at which students depart the UK.⁸¹ It is clear from these reports and the level of detailed analysis of economic impact received by this Inquiry that there is still considerable progress to be made to accurately track education exports. We agree with the Office for Statistics Regulation that ONS should work collaboratively to produce a more reliable data set of international student numbers, which includes international students at all levels of study, but encourage ONS to include the Department for Education, and other representative bodies, alongside their work with the Home Office and the Universities UK/Centre for Population Change survey.

The evidence also emphasised the impact that fluctuations in international student recruitment can have on economies, industrial and skills strategies and on the range of courses which can be offered to UK students in education institutions across the country. The written submission from Destination for Education suggested that:

Latest Higher Education Statistics Authority Data shows that, in total, 72 British universities have lost over 43,000 international students over the past five years. These students would have supported around 24,000 jobs and brought £920m positive economic impact to these universities and their local economies: 50% of the jobs would have been in the local economies and 50% in the universities.⁸²

While many of these universities would be found in urban centres, evidence from Caroline Nixon from the British Association of Independent Schools with International Students (BASIS) during our Inquiry Roundtable suggested the impact of international student number fluctuations in boarding schools may be more keenly felt as:

... most of our schools are the main employer in their small towns or villages.

She also added:

Most of our schools are not rich foundations and they depend on the fee income that they get and use the full-fee-paying international student to subsidize their means-assessed bursaries for British children who otherwise wouldn't be able to go to the school. Caroline Nixon, British Association of Independent Schools with International Students (BASIS), Roundtable 3 July 2018.

The reports from the MAC and the Higher Education Commission correctly note the need to understand the economic and social impacts of policy changes for international students. It is clear from the evidence we received that not only is this vital to protect local, regional and national economies, the data required to understand the potential impact can be produced with cooperation across government departments and education representative bodies. Much of the same evidence we received from sector bodies such as English UK, the Independent Schools Council, Independent Higher Education and the Association of Colleges shows that not only do they understand the challenge of tracking education export through the international students studying at their member institutions, they are actively supporting the Department for Education to produce a more complete data set. Indeed, the Department for Education report *UK revenue from education related exports and transnational education activity 2010-2014* published in July 2017 notes the collaboration with these representative bodies to produce more accurate data on education exports which can extend to the full range of levels at which international students can study in the UK. Centralised data must be obtained for students studying outside of publicly funded universities in order to effectively understand the impact of potential policy and to ensure that when the target for growth is set, it can be measured across the levels available to international students. We recommend this collaboration be continued and the Department for Education method of calculating education export be explored further by ONS as a viable way to understand the impact of policy changes on a local and regional level, as well as to individual institutions and the courses they can offer to UK students.

Education export must also be seen as a key driver for, and opportunity within bi-lateral trade agreements between the UK and other countries. The evidence received showed a cyclical impact of international students on the UK's ability to trade with the world. The perception that international students from a specific country are more or less welcome in the UK has been shown to influence trade negotiations. Evidence received showed the Indian Prime Minister openly criticising the UK's approach and the treatment of Indian students despite their membership in the Commonwealth⁸³ during a trade visit by the UK Prime Minister. While students study in the UK they increase their

⁸¹ Office for Statistics Regulation (2017). The quality of the long-term student migration statistics. Available at <https://www.statisticsauthority.gov.uk/wp-content/uploads/2017/07/The-quality-of-long-term-student-migration-statistics.pdf>

⁸² Destination for Education written evidence

⁸³ The Times, 19 April 2018, "Missed Opportunity". Available at <https://www.thetimes.co.uk/article/missed-opportunity-sr9sqm2hd>

knowledge of and preference for British brands leading to greater consumption of UK products.⁸⁴ We also received a substantial amount of evidence that international graduates maintain a strong emotional, business and diplomatic relationship with the UK. Evidence from Universities UK highlight two reports which show the extent of this impact:

The Association of Commonwealth Universities gave evidence to the House of Lords in 2014 highlighting that 25% of Commonwealth Scholarship alumni have gone on to hold public office in their home country, and 45% had influenced Government policymaking.⁸⁵

Recent studies by the former Department for Business, Innovation and Skills show that international students offer the UK excellent potential business and trade links for the future... In more detailed interviews, a 'vast majority' said they felt a strong emotional attachment to the UK. Around 90% said that their study experience had improved their perceptions of the UK, and students frequently came away with the feeling that the UK was a trustworthy country to do business with.⁸⁶

To ensure that international students continue to be a positive force for UK trade, their impact must be seen as an education export and treated appropriately in negotiations by the Department for International Trade. Particularly important after the UK leaves the EU, trade agreements should facilitate a greater exchange of international students through bi-lateral agreements including projects such as Brazil's Science without Borders Programme⁸⁷ and the ability of students from both countries to use domestic funding to cover the costs of studying in the UK or the partner country.

⁸⁴ Department for Business, Innovation and Skills (2013), p46. *The Wider Benefits of International Higher Education in the UK*. Available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/240407/bis-13-1172-the-widerbenefits-of-international-higher-education-in-the-uk.pdf.

⁸⁵ Association of Commonwealth Universities (2013). *Universities, scholarships and soft power: Written submission to the House of Lords Select Committee on Soft Power and the UK's Influence*. Available at <https://www.acu.ac.uk/publication/downloadPid=516>, in Universities UK written submission.

⁸⁶ Universities UK written evidence (citing *ibid* Department for Business, Innovation and Skills (2013))

⁸⁷ Brazilian Embassy shared information on Science without Borders through the LEARN Committee of Education Attachés of London-based Embassies meeting with Geoffrey Robinson MP and Baroness Uddin – APPG for International Students Inquiry, note of meeting, 6 September 2018

Recommendations for Universities, Colleges and Schools

- 9 Education institutions should share best practice across the education sector to enhance internationalisation strategies through maximising the advantages and benefits of having a diverse body of international students, as well as support more UK students to study abroad.

An international student body offers significant benefits to the UK and plays a key role in the UK's position in a globalised world. Capturing the benefits that international students bring to the UK and to the education sector is an important part of ensuring that the debate on immigration and students is informed by facts. Alongside this, capturing the wide range of support and activity undertaken with international students also helps to provide substance to schools, colleges, training providers, and universities own internationalisation strategies.

Facilitate and help students articulate the benefits of studying alongside international students

The benefits of strong alumni networks are discussed in Recommendation 11, however, international students also play a positive role in the education sector whilst studying that goes beyond the unquestionable financial benefit. Respondents to the Inquiry consistently remarked on the diversity and different perspectives that international students bring into the classroom, and the positive impact this has for all students alongside exposure to different cultures and experiences. The NUS⁸⁸ highlights its research⁸⁹ on students' perceptions of international students where it found that 82% of UK students engage with international students as part of their educational and social experience and that students across all subjects and levels felt strongly that any reductions of international students would impact their cultural experience - around 70% of respondents agreed with this statement. The HEPI/Advance HE 2018 survey⁹⁰ of students' academic experiences also shows some positive perspectives, with just over 60% of students agreeing that studying alongside international students gave them a better world view. However, only 36% felt it helped them develop a global network and less than 20% thought it would improve employment prospects or give an opportunity to practice language skills. HEPI concluded that "UK students are focused on their own experience rather than considering whether they are developing through the range of other students they learn with". The Inquiry also heard from many respondents about the benefits that international students bring to UK research, which by its nature is international in scope, design and application. For example, international students who return home having been part of research groups as an undergraduate or postgraduate in the UK will retain links with peers from their time at university, enabling global research networks to develop organically. The Russell Group and Bournemouth University⁹¹ highlighted this aspect of internationalisation.

In the evidence we saw the great work some schools, colleges and universities were doing to increase the opportunities for students to benefit from the global perspectives created through international students studying alongside UK students. However, we believe more could be done to share the projects and programmes that help students experience, articulate and use the benefits of studying alongside international students across the education sector, and in particular between further and higher education where we see less cross-over.

We also received evidence from the Bright Futures project at the University of Edinburgh which revealed the impact of internationalisation on international students, in this case with a focus on Chinese students, the largest national grouping of international students in the UK. Chinese students in the study arrived with an expectation of internationalisation, with over 80% choosing the UK in order to meet people from different backgrounds and enhance their career prospects. Over 60% came to be part of a global world. However, the study showed that when they arrived 54% mostly or only socialised with home country friends and only 7% said they regularly spend time with non-Chinese students.

⁸⁸ NUSUK written evidence

⁸⁹ NUSUK (2017). *Student perspectives on international students*. Available at <https://www.nusconnect.org.uk/resources/Student-perspectives-on-international-students>

⁹⁰ HEPI/Advance HE (2018). *2018 Student Academic Experience Survey*. Available at <https://www.hepi.ac.uk/2018/06/07/2018-student-academic-experience-survey/>

⁹¹ Russell Group and Bournemouth University written evidence

Half said they rarely “engaged in ‘mixed national teamwork’ in their academic programmes” with 21% saying they never do this.⁹² The study sends a clear message that it is just as important to international students that we get internationalisation right across our universities as it is to UK students.

This project was supported by, amongst others, the UK Council for International Student Affairs who also gave evidence of the extensive work they do to help to welcome students to the UK and to encourage and enable them to mix with UK students and others of differing nationalities. These sorts of initiatives need to be encouraged and expanded within a new strategy to ensure that we do not just claim to offer some of the very best experiences for all those choosing the UK, but improve still further our internationalisation and every aspect of the international student experience.

Establishing a good practice database could help to enhance existing internationalisation strategies to the benefit of the student experience. It could also strengthen the UK’s position in attracting and retaining international students by bringing together a more rigorous and extended evidence base for the non-economic benefits of international students. The Inquiry recommends that the education sector works together to develop its good practice and evidence base – both will serve to offer greater support for international students in the UK and clarify the benefits they bring, to government, business, other students and wider stakeholders.

Create greater connectivity between institution and government mobility and international education strategies.

Evidence shared by further education colleges in particular, both written and in the oral evidence session, showed how international students inspired local students to take a more global perspective on their opportunities for study and work. The Inquiry was told how international students’ experiences inspired local students to study or work abroad. It is important to support greater outward student mobility by UK students, especially as evidence indicates that UK students are less likely to take-up opportunities to study abroad compared to international peers, despite the benefits such mobility offers them.⁹³

CASE STUDY

College students in the community

Further education colleges and training providers offer technical and vocational education, alongside academic study, which attracts both domestic and international students. Colleges are widely dispersed around the country and will often be the main education provider in areas where there may be lower diversity than in the main cities and urban areas of the UK. The Inquiry heard evidence from the college sector of the beneficial impact that international students have on Level 3 vocational courses by offering a wider real-world perspective on different sectors of the economy such as Construction, Tourism and Hospitality, Hair and Beauty and Business. This often leads to a broadening of perspective for domestic students about how the sector they may be choosing to work

in operates in different parts of the world, and the opportunities it may afford them for work elsewhere, but also for bringing in fresh perspectives when working in their chosen career in the UK. As a result of studying alongside their international peers, local students were inspired to study and work abroad through Erasmus programmes organised by colleges.

We feel there is much to learn and develop to better support UK students to undertake study or work abroad as part of their development. Stronger links between internationalisation and mobility strategies could help to better use the resource that international students represent in order to facilitate this.

⁹² Bright Futures (2018). *In search of excellence: Chinese students on the Move*. Available at <http://brightfutures-project.com/wp-content/uploads/2018/10/Bright-Futures-Booklet-Web-Version.pdf>

⁹³ Universities UK international (2018). *Gone International: Expanding Opportunities Report on the 2015-16 graduating cohort*. Available at <https://www.universitiesuk.ac.uk/policy-and-analysis/reports/Pages/gone-international-expanding-opportunities.aspx>

Recommendations for cooperation

- 10 Messages for international students regarding the UK should be welcoming, clear, simple and consistent. These should be developed in cooperation between government and the education sector.

International students benefit the UK in many different ways, as demonstrated in the rest of the report. Evidence, including the MAC⁹⁴, has established that international students are a significant export market for the UK. Student choice plays a key role in the international education market, with more variables and risks in play than a typical 'service' industry. The perception of the UK and how students believe they will be treated whilst here are instrumental in a student's decision of whether to study in the UK, or with one of our competitors, alongside their perceptions about the UK educational experience and its value. The 2018 International Student Survey undertaken by QS Enrolment Solutions indicated that 'When choosing a destination, international students are highly motivated by how welcome they feel. 42% of international students cited being made to feel unwelcome as a worry about studying in a different country'⁹⁵. Conversely, the Survey showed that 'initiatives such as the #WeAreInternational and #LondonIsOpen campaigns have a positive impact, with 82% of prospective international students saying the campaigns have positively influenced their perceptions of the UK'. Clearly, getting the image that we present to potential students right is essential. This is not a matter of presentation alone – evidence of the value of UK education and the benefits students derive from studying here are the substantive building blocks of our offer to the rest of the world. But a positive, consistent message is also necessary to put this substance in the best possible light and make the most of the proven benefits and quality of UK education.

Currently, the perception of the UK as a 'hostile environment' and the messages presented on immigration, as well as the reality of the treatment of international students, could be seen as having a negative impact on our ability to attract international students. This point is reflected in much of the evidence submitted to the Inquiry and other recent reports.⁹⁶ The UK is facing a decline in its international student market share; overall the UK has seen a 1% increase from 2015/16 to 2016/17 compared with an overall global growth in international student mobility of over 6%. Other English-speaking countries are growing much faster than the UK. From 2011/12 to 2015/16, Canada saw a 58.2% increase in international student numbers, the USA an increase of 31.9% and Australia an increase of 32.8%. In the same period, the UK saw an increase of 0.8%.⁹⁶ The presentation of a united, positive position is necessary to try to halt this decline in market share.

There is a strong base to build on for an agreed set of welcoming, clear, simple and consistent positive messages to international students, showing that the UK is a welcoming, diverse, culturally rich and rewarding place to study. Universities, colleges and schools, education representative bodies, different parts of government and key international agencies all have core messages of welcome and substantive facts about provision. Additionally, as mentioned above, campaigns such as #WeAreInternational and #LondonIsOpen offer a template for simple and clear messaging to international students, often using the voice of existing international students to advocate on behalf of the UK. As called for by submissions and presentations to this Inquiry (for example from the British Council, NUSUK, Universities UK and Roundtables), we believe that government, key government agencies such as the British Council and the education sector should work together to create an international education strategy, including a clear communication strand with messages of welcome to tackle the current negative perception of the UK. The strategy must clearly identify the UK's offer to international students, and look to articulate it in a way that reflects the competitive environment the UK is in to increase international student numbers in the UK.

The communication strand of a new strategy for international students must include managing key announcements including immigration rule changes, and announcements on immigration policy, ensuring that the latter are explained to international students as well as a domestic audience. Destination for Education shared with the inquiry how Australia has taken advantage of our mismanagement of messages on immigration:

⁹⁴ Migration Advisory Committee (2018)

⁹⁵ QS Enrolment Solutions written evidence

⁹⁶ Higher Education Commission (2018)

⁹⁷ British Council written evidence

Catriona Jackson, Chief Executive of Universities Australia, in her op-ed for the Australian Financial Review, highlights the impact of the UK's "careless" migration policy and emphasises the ways in which it benefits the Australian higher education sector. Jackson states that "Britain's loss is our gain".⁹⁸

Beyond the communication strand, the strategy must also seek to address where UK policy leads unnecessarily to negative messages in-country. Evidence from NUS suggests:

...the tone of some Government announcements concerning migration and linking it to international study could have the impact of making the UK appear to not be a welcoming and supportive environment in which to study and we would suggest that the atmosphere in the post-referendum environment has exacerbated such feelings.

NUS and others suggest that part of the role of an international students strategy and the GREAT campaign should be to prevent a conflation between government approaches to abuse of the migration systems and international students. New policy developments should consider their impact on the UK's ambitions for recruitment and how they may be perceived by key market countries. Policies such as the 'low-risk' list of countries who have access to a less burdensome visa process generate negative messages that the UK feels students from countries not on the list are high-risk or less credible:

CASE STUDY

India excluded from low risk Tier 4 visa list

The Government recently amended its immigration rules for Tier 4 visas to allow a greater number of students to benefit from a streamlined application process by reducing documentary requirements. However, India was not one of the countries added to the list. The reaction from India and a wide range of parties interested in supporting international students in the UK has been critical about this decision. Articles in the Indian press such as in the Times of India⁹⁹ show the anger and confusion evident in relation to this type of unexplained immigration decision, where the contrast is made with other countries being offered this more streamlined route. Such examples of this critical reception demonstrate the need for clear positive action from government, aligned with positive messaging.

The "Education is GREAT" platform offers the potential for a renewed campaign through re-invigoration of its education strand, led from government, to show Britain is open for international students. We recommend that a dedicated cross-government/ stakeholder taskforce led initially by the GREAT campaign is established in early 2019 to take this recommendation forward, involving: departments with an interest in the UK's position in the world and its education sector, such as the Department for Business, Energy and Industrial Strategy, Department for Education, Department for International Trade, Department for Digital, Culture, Media and Sport, Home Office; the British Council; and key education partners from across the school, further and higher education sectors.

⁹⁸ Destination for Education written evidence

⁹⁹ Times of India, 16 June 2018, "Outrage as UK excludes India from relaxed student visa rules". Available at http://timesofindia.indiatimes.com/articleshow/64613959.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

11

The UK should establish an international graduate and alumni strategy which would support international students' employment opportunities in their home country to boost UK soft power, research and trade and support greater engagement with alumni by universities, business and government. Activities to track the long-term employment destination of international graduates should be intensified.

As has been highlighted in this report and others the UK has been, and currently remains, a popular destination of study for international students. The international students, graduates/alumni from the UK's education system will go on to make connections in their home countries, or wherever else they choose to reside, study or work after their education experience in the UK. Similar to UK graduates remaining in the UK, international students also enter graduate-level jobs and professions in a wide range of areas, and rise to senior levels.

The international graduates who gave evidence to the Inquiry said more must be done to support international students who choose to start their careers in their home country. Much like the support UK students receive from domestic careers services, international graduates rely on their institutions to help them navigate the global jobs market. Support given to students at course completion could lead to greater benefits for the UK as students may be able to advance more quickly upon their return home. As Jose Ignacio Valenzuela, a UK alumni from Colombia told the inquiry:

Health informatics was a new area for me. It was actually non-existent in my country. I studied here, I graduated in... 2007, and went back home... To be honest, when I was thinking about going back home, there were a lot of uncertainties clawing in my mind, because I thought, what am I going to do, this is something that I feel passionate about but what am I going to do with it back in Colombia? I was actually the first person formally trained in health informatics in my country. And one of the few in Latin America... I felt very lonely back in my country with a health informatics degree trying to change the environment. I was about to give up several times.

There are some MBA programs that are very good at thinking about what the graduates will do when they finish the program and try to give them orientation. So this is something that could very well be applied, to try to offer options when students are going to the real world. Either they're staying in the UK or Europe or if they're going elsewhere.

Jose Ignacio Valenzuela, 'Soft Power of Students' oral evidence session, 11 September 2018.

For the students we spoke to, there must be a strong link between the support offered as they graduate, and the alumni relations that benefit the UK as they progress through their career. Filmmaker and Birmingham City University Alumni Baby Ruth Villarama talks about her experience returning to the Philippines after studying under a Chevening Scholarship:

I don't know if there's a transition system or program that can sort of assure us and help us implement all these wonderful things that we've learned here. I feel like that's crucial because the transition period of coming back home, and also, I think we have to also invest in success stories...

Baby Ruth Villarama, 'Soft Power of Students' oral evidence session, 11 September 2018.

The students suggested that alumni stories also serve a very practical purpose of showing students the path others have taken when they graduate to help them understand where their own opportunities may lie.

Although measuring the influence of alumni is difficult, research does indicate that the alumni from UK higher education in particular can be found at senior levels of business and/or civic society outside the UK. Research from HEPI shows that 57 serving monarchs, presidents and prime ministers who undertook higher education abroad were educated in the UK, the second highest number.¹⁰⁰ More widely, assessments of the UK's 'soft power', for example by Portland PR Ltd, show that the UK retains a primary position, very closely followed by France, in terms of its influence. This might be a surprising result given recent events following the EU Referendum vote and changed perceptions of the UK. Portland PR Ltd cite that items measured by the index still remain objectively unchanged and 'the UK maintains an incredibly well-balanced set of soft power assets.... Culture, Digital, and Education are

¹⁰⁰ HEPI, 14 August 2018, "UK slips behind the US, which takes the number one slot, for educating the world's leaders". Available at <https://www.hepi.ac.uk/2018/08/14/uk-slips-behind-us-takes-number-one-slot-educating-worlds-leaders/>

all areas where the UK enjoys considerable stores of soft power'. The summary in particular notes that the 'UK is home to some of the world's most successful higher education institutions that attract students and academics from across the globe'.¹⁰²

Evidence indicates that international alumni can have a positive impact for the UK after studying here. As the British Council highlights individuals 'who have studied in the UK are 18% more likely to trade with/invest in the country'¹⁰³; the Department for Business, Innovation and Skills report on the wider benefits of international students found that of the individuals surveyed 'around 95% of non-EU international graduates would recommend others to study in the UK and/or at their HE institution'¹⁰⁴; The 2018 QS International Student Survey indicates that 73% of prospective students already know someone who has either previously studied or is currently studying abroad, and 60% of these prospective students have been influenced in their study choices by these people.¹⁰⁵

Submissions to the Inquiry highlight the positive career destinations of students. The University of Cambridge highlighted the Gates Cambridge Trust Scholars who are all influential leaders in multilateral science, education and international development projects¹⁰⁶, London Business School outlined the achievements of their alumni who include international astronauts, deputy prime ministers, CEOs and chairmen of FTSE100 companies¹⁰⁷; and a response from the West Midlands Combined Universities outlined a number of notable alumni, including a University of Coventry graduate who was granted a Tier 1 Graduate Entrepreneur Visa to start his own company offering international business consultancy services in the UK.¹⁰⁸

Research, for example the Business, Innovation and Skills report referred to above, and submissions to the Inquiry discuss the importance of alumni networks to help make the most of the UK's soft power. The evidence indicates that alumni maintain links with the friends and contacts made while studying. The ambassadorial role alumni play means it is in the UK's, and UK education institutions' best interest to consider how best to retain mutually beneficial relationships with international alumni. Queen Mary University of London shared evidence of their large alumni communities in influential commercial and political hubs worldwide, particularly in East Asia (notably Beijing, Shanghai, Hong Kong and Singapore) who they engage with through their alumni programme.¹⁰⁹

A UK strategy for alumni should include the opportunity for schools, colleges and universities to share best practice in supporting international alumni as well as identifying where there are opportunities or gaps in connecting with alumni that could be supported through activity on a national level and using networks such as the Department for International Trade or the British Council. Such gaps, as indicated by the testimony of students to the Inquiry¹¹⁰ include staying engaged with students on an industry basis especially in sectors where the UK provides a strong educational offer. This could support transition into the careers market of students' home countries and would help to support both the UK's education export market but potentially growth in other UK/global markets through building stronger connections between UK industry and the international graduates' home industry. Universities Scotland shared how they are connecting global alumni from Scottish universities with Scottish Enterprise's Global Scot Network of Scottish businesses expanding their export activity.¹¹¹

An alumni theme of work within a strategy on international students would: support the UK's growth ambitions on international students through their role as ambassadors for our education system; identify the on-going support education institutions offer to alumni to demonstrate to students the wider value UK education can offer them; provide excellent case studies to inspire the next generation of students – UK and international; and create better connections between UK trade and export and the UK's incredible network of global alumni. Evidence of the employability of UK alumni is also vital to the UK's offer. A strong message from the evidence collected was that international students want to study in the UK because it offers them the best opportunities in a global job market. Evidence from Independent Higher Education offered a way to better understand where our alumni go after they study, and positive messages on their global employability:

¹⁰² *ibid*

¹⁰³ British Council written evidence

¹⁰⁴ Department for Business, Innovation and Skills (2013)

¹⁰⁵ QS Enrolment Solutions written evidence

¹⁰⁶ University of Cambridge written evidence

¹⁰⁷ London Business School written evidence

¹⁰⁸ West Midlands Combined Universities written evidence

¹⁰⁹ Queen Mary University of London written evidence.

¹¹⁰ Transcript, APPG for International Students Inquiry oral evidence session 'Soft Power of Students' 11 September 2018

¹¹¹ Universities Scotland written evidence

The change to the new Graduate Outcomes Survey for Higher Education offers a unique opportunity to build a narrative about international graduates from the UK on a national, regional and even local level. The Graduate Outcomes survey, which will survey students 15 months after graduation to ask about employment or further study, will for the first time be collected by a central organisation. Funding could be invested to improve the response rate of international students, allowing a greater and more accurate picture of what our international graduates are doing, both in the UK and in their home countries. This data would be of considerable benefit for policy making across government departments including DIT, DfE and the Home Office. Its greatest value could be as the only such survey that can accurately inform prospective international students from around the world exactly how successful graduates from the UK are 15 months after graduation. Those messages are exactly what is needed in the market right now, and the UK would be the only ones to have them because of the Graduate Outcomes Survey.¹¹²

12 Education institutions, local government and local business should come together to attract, plan for, support and integrate international students in the local community.

The UK's diverse education offer means that international students can be found in many local communities across the UK. Outside of the towns and cities where many universities can be found, independent schools, English language schools and small and specialist providers bring international students into many rural towns and villages. Almost a quarter of international students in the UK are studying English, with the UK having a 50% of global English language enrolments. Many of these are junior students aged 11-17 who are at the beginning of their education journey and may choose further study in the UK.

The evidence we received showed that international students have a positive impact on the local community. Economic studies by Oxford Economics (2013) showed international students contributed over £120 million into Sheffield's economy after costs associated with housing, transport and health.¹¹³ 2018 reports from HEPI/Kaplan International Pathways and the Migration Advisory Committee also show a clear net benefit to communities across the UK.¹¹⁴ Both of these reports also address the additional tourism and economic multiplier effects of international students on local communities. Evidence from the British Educational Travel Association suggests students will bring an average of two to four additional visitors to the UK as tourists.¹¹⁵ The HEPI/Kaplan International report estimated that each of these visitors was spending an average of £540 per trip in the UK. Each of the above reports also estimated the knock-on impact of international students to the local economy including spending by the university from student fee income, spending by those industries such as local catering services, construction industries or stationary suppliers, and the spending by staff who are provided jobs on the basis of international student numbers.

Beyond economics, the evidence we received from local MPs, tourism associations, businesses, think tanks and from schools, colleges and universities themselves showed a positive social and cultural impact from international students on both the community and the international students themselves from engaging in their local areas. Bournemouth MP Conor Burns spoke of the way the Bournemouth community engages with international students and through this enhances their cultural offer locally, from food to cultural festivals.¹¹⁶ Universities Scotland shared the findings of their report *Richer for it* which explored the positive social and cultural impact of international students to Scotland.¹¹⁷ Their report shared case studies including volunteering, cultural weeks and working closely with local schools. Both also noted the positive impact on transport, especially in rural areas, where international students can support a local bus service that then runs year round for local residents as well.

¹¹² Independent Higher Education written evidence

¹¹³ Oxford Economics (2013). *The Economic Costs and Benefits of International Students*. Available at https://www.sheffield.ac.uk/polopoly_fs/1.2590521/file/sheffield-international-students-report.pdf

¹¹⁴ The Higher Education Policy Institute and Kaplan International Pathways (2018)

¹¹⁵ BETA (2013). *Great Britain: At the heart of global youth travel*. Available at <https://www.betak.com/industry-insights/great-britain-at-the-heart-of-global-youth-travel/> Submitted as evidence to the APPG for International Students Inquiry

¹¹⁶ Transcript, APPG for International Students Inquiry oral evidence session 'In our Communities' 11 September 2018

¹¹⁷ Universities Scotland (2013). *Richer for it: The positive social, cultural and educational impact international students have on Scotland*. Available at <https://www.universities-scotland.ac.uk/wp-content/uploads/2015/12/Richer-For-It-US-270818SMALL.pdf>

Evidence from the British Property Federation shows 40% of international students in higher education stay in purpose-built student accommodation. Goodenough College also shared how they provide purpose-built student accommodation but with a clear aim to support a global culture and exchange by offering additional support and community activities to students.¹¹⁸ Contributions from the Independent Schools Council, English UK and the Association of Colleges spoke highly of the host family offer where international students of all ages stay with local families during their studies. Host families offer students the chance to integrate more into the local community and experience more of the language and culture of the different areas of the UK. Families receive a monthly income and are often supported by a third-party company working with the school, college or university. For younger students stays of more than 27 days are reported to the local authority for a check by the foster care team. However, evidence from the Association for the Education and Guardianship of International Students (AEGIS) suggests more needs to be done to ensure that shorter stays are quality checked and safeguard younger students better. AEGIS suggest this should be a cooperative effort by schools and colleges, alongside the Home Stay company and the local authority.¹¹⁹

Embassy staff who support students from their country also noted that when international students feel part of their local community they share that experience when they return home. Many students, they say, look to the UK's communities as safe and welcoming, with a lower cost of living than urban centres and still a rich diversity of people.¹²⁰

Communities who are aiming for growth should work together to plan for growth

Most clear in the evidence was the need to work cooperatively to support a sustainable future for international students in our local communities. The Inquiry collected case studies from the Bournemouth International Education Forum¹²¹ and Destination Bristol¹²² on how schools, colleges, universities and English-language colleges are coming together with local government, business, tourism interests and social groups to not only promote the community as a study destination but also welcome, celebrate and integrate international students with the local community. In Bristol this effort is led by the Mayor's Office and tracks the value of tourism including international students to understand how that value can grow. These collaborative efforts offer the opportunity to support a managed and positive growth of international students in many communities across the UK. Education institutions, local government and business, working together to not only attract international students as a community, but to plan for, support and integrate international students with the local community, has the potential to support and grow a sustainable future for international students in our local communities.

Community partnerships can support integration into the local community

The community-education partnerships identified above come in many shapes and forms. Volunteering, civic engagement and activities to enhance global connectivity are all part of partnerships created by international students, their schools, colleges and universities, and the local community that enhance the positive impact of international students and the positive impact of the community on the international student.

One of the most positive partnership examples found in the evidence submitted was a local community welcome activity for newly arrived international students. These welcome activities not only foster a greater sense of integration but also serve to introduce international students to the local community including business, tourism interests, culture and social opportunities. Conor Burns MP shares the welcome they give international students in Bournemouth:

Every year since I've been a member of Parliament, since 2010, Bournemouth University have had an international commencement ceremony where we gather all the newly starting international students and tell them, one, how welcome they are, and two, how incredibly important they are to us, and the bit that I think we often lose sight of, and it's very very hard to measure this, but people who come here, and study here, and then return to their country of origin become very powerful ambassadors for the way we do things. And by definition they will end up in their home countries, as our graduates do here, in positions of leadership and that benefits us enormously.
Conor Burns MP, 'In our Communities' oral evidence session, 11 September 2018.

¹¹⁸ Goodenough College written evidence

¹¹⁹ AEGIS written evidence

¹²⁰ LEARN Committee of Education Attachés of London-based Embassies meeting with Geoffrey Robinson MP and Baroness Uddin – APPG for International Students Inquiry, note of meeting, 6 September 2018

¹²¹ <https://www.studybournemouthpoole.co.uk/>

¹²² From Chartered Association of Business Schools written evidence - <https://visitbristol.co.uk/about-bristol/study>

NUS has recommended that education institutions come together to develop coordinated regional welcome programmes through working with local authorities, community groups, student organisations and others.

These efforts are enhanced when colleges and universities work closely with international students, especially through dedicated international student officers. NUS evidence noted how dedicated international student representatives, particularly in full-time sabbatical roles, provide valuable perspectives from international students and support the inclusion of international students in the life and community of the institution and surrounding area.

Evidence also showed international students participating in volunteering activities in the local community at higher levels than UK students. Universities Scotland described an initiative where volunteer Chinese students at the University of Edinburgh spend one session per week in an East Lothian primary school where they support the class teacher in introducing Chinese cultural activities and language. Mandarin is now being introduced into two secondary schools in the county and the model is being adopted by other local authorities across Scotland.¹²³ Colleges who specialise in study abroad opportunities in the UK work with local charities to provide volunteering opportunities which can integrate into the study abroad experience.¹²⁴ Evidence from NUS shows that, despite representing no more than 19% of the student population, 45% of students who participate in the national Green Impact initiative, where students volunteer to support activity that protects the environment, are international students.¹²⁵

Some evidence did suggest that immigration rules posed a barrier to international students integrating with the local community and taking up volunteering roles. Rules that prohibit work or voluntary work for students at further education colleges or independent further or higher education colleges and schools mean non-EU students cannot take up roles in the community that are open to their EU or UK counterparts. As noted in the recommendation above, the Government is urged to end the discrimination against international students who study at different or new colleges or universities in the interest of also supporting greater community integration for international students.

¹²³ Universities Scotland written evidence

¹²⁴ AASAP written evidence

¹²⁵ NUS written evidence

Conclusion

This Inquiry has not been conducted in isolation but in the context of an ongoing high profile debate about international students in the UK. There have been a number of reports showing the significant benefits that international students bring to the education sector. In many respects there is a consensus amongst stakeholders, the public and researchers about the positive impact of international students on and for the UK. However, this contrasts strongly with, seemingly, the lack of consensus within Government.

What is clear from the evidence received by the Inquiry Committee is that the impact of international students is not felt in isolation by educational institutions, communities, regions and nations or on UK trade, research and soft power. Each area is interconnected and changes in one area affect another. The far reaching nature of the impact of international students is reflected in the Inquiry Committee's recommendations. The sustainable future of international students in the UK depends on an approach that is equally as far reaching and inclusive of levels of education and regions and nations of the UK.

We have made policy recommendations that support, complement and build upon those proposed in other reports on international students in recent months and, indeed, in recent years.

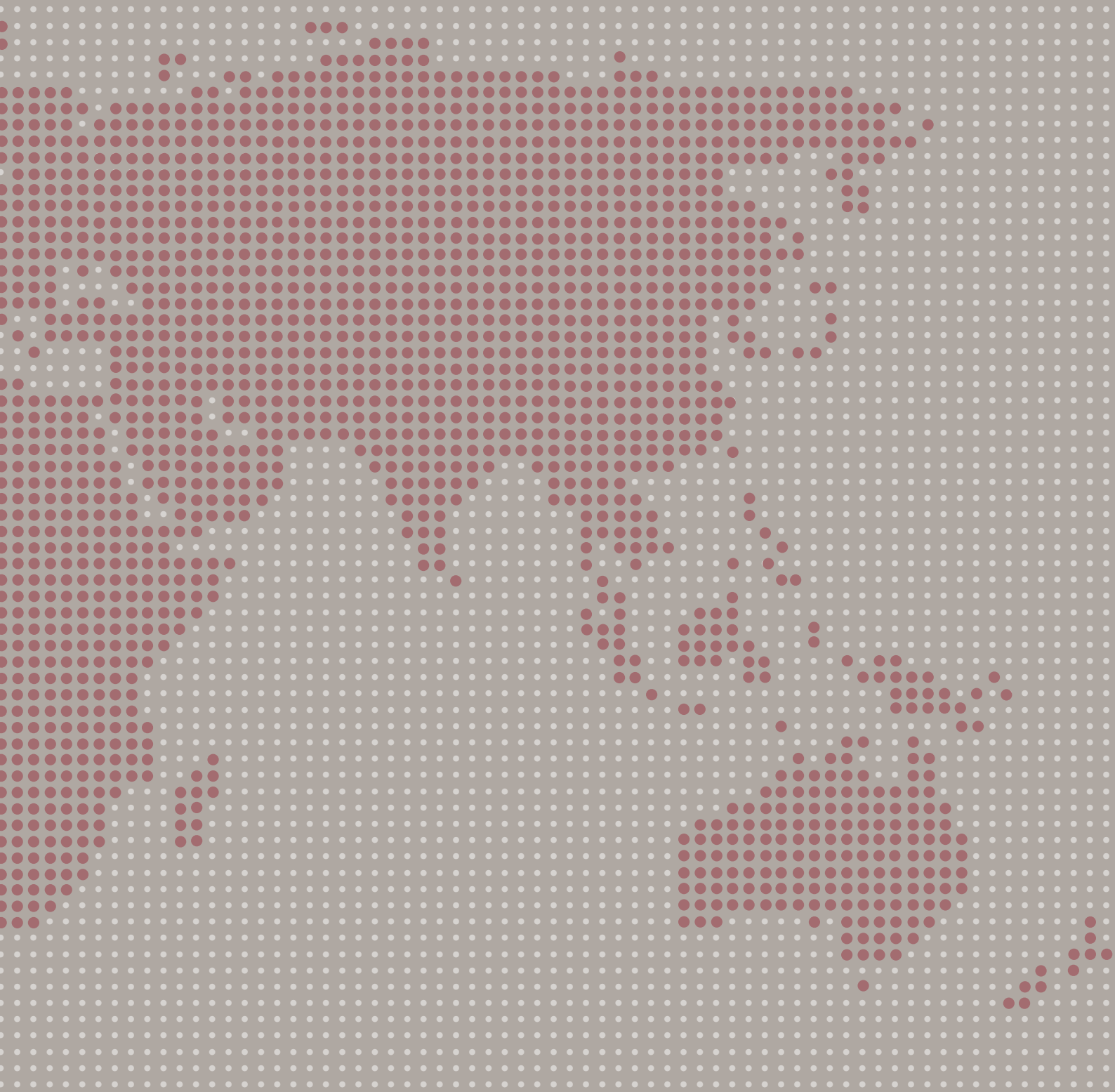
We need a growth mindset in relation to international students and a strategy to support this. The UK is the second largest recruiter of international students but this is now under threat. Although the UK has maintained a strong position in the global student market place, recent research indicates this position is now being eroded by our competitors, many of whom have growth targets in place and strategies to achieve these. The challenges posed by Brexit make this an even more pressing priority. The UK's past successes cannot be replicated without policies designed to attract and retain international students, their sponsors and their families.

Our policies and messages to international students must show that they are welcome. Consistent, strong messages that international students are welcome in the UK should become the norm and the lead should come from government in this area. Positive communication should be supported by positive treatment of students from the moment they choose to study in the UK. Action must be taken to ensure that the 'hostile environment' and negative domestic messages on immigration do not have a negative impact on the international student experience or damage the UK's ability to grow international student numbers.

Compliance with the student immigration system is high. The evidence is clear that international students and their education institutions are highly compliant with the requirements of the student immigration system. A culture of ensuring that the UK's student immigration rules are applied is embedded in the education sector and as such, a more trusting relationship between the sector and the Home Office would be justified and welcome.

Inaccurate data has damaged the UK's positive reputation, driven a policy of net migration targets and impaired the ability of government to make policy decisions on reliable evidence. To facilitate many of the recommendations above the UK must improve the data on international student entry / exit to the UK and as an export market for the UK. A better picture of the flow of international students at all levels of study into the UK is needed and a deeper understanding of the regional and local spread of students. Additionally, international students are a key export market for the UK and as such, national, regional and local data to enable economic impact assessments should be collected and shared.

The UK has a great reputation for its education sector, which is demonstrated in the number of students who choose to study here and share their experiences and talent. From the evidence presented to the Inquiry Committee we believe that the opportunity presents itself now to secure a sustainable future for international students in the UK and build on our success.



Annex A – Evidence received

Written Evidence

AASAP - American Association of Study Abroad Providers
AEGIS - Association for the Education and Guardianship of International Students
Association of Colleges
Alba English
BETA - British Education Travel Association
Bournemouth University
Bright Futures
British Council
British Future
British Property Federation
Chartered Association of Business Schools
Centre for Global Higher Education
Christian English Language Centre
Destination for Education
East Sussex College Group: Sussex Downs College & Sussex Coast College
English UK
Exeter Academy
Exporting Education UK
Foundation for International Education
Goodenough College
GuildHE
HESA
House of Commons Scottish Affairs Committee
Independent Higher Education
International ACAC (Association for College Admission Counselling)
ISC - Independent Schools Council
Kaplan International
King's College London
London Business School
London Education and Research Network of London-based Embassies
Modern Britain
NUS - National Union of Students
ProtectEd

OIAHE – Office of the Independent Adjudicator for Higher Education
QS Enrolment Solutions
Queen Mary University of London
Russell Group
SannamS4
Sheffield Hallam University
St Clare's Oxford
Study Group
Twin Group
UAL - University of the Arts London
UEA - University of East Anglia
Universities UK
University of Cambridge
University of Edinburgh
University of Sheffield and University of Sheffield Students Union
Universities Scotland
West Midlands Combined Universities

Oral Evidence

Roundtable

Alex Proudfoot, Independent Higher Education
Anne Kiem, Chartered Association of Business Schools
Caroline Nixon, British Association of Independent Schools with International Students (BASIS)
Emma Meredith, Association of Colleges
Professor Sir Keith Burnett, University of Sheffield
Martin Barrow, China Britain Business Council
Ruth Arnold, University of Sheffield
Sarah Cooper, English UK
Sue Edwards, Kaplan International Pathways
Sunena Stoneham, Independent Schools Council
Vivienne Stern, UUKi
Yinbo Yu, National Union of Students

Oral Evidence 17 July 2018

5:00-6:00pm: In the Classroom

Simon Marginson, Institute for Education

Yinbo Yu, NUS

Ilyas Nagdee, NUS

James Pitman, Bellerby's College and Study Group

Shelagh Legrave, Principal of Chichester College Group

6:00-7:00pm: Research, Trade and Soft Power

John Bramwell, British Council

Eliza Bonham-Carter, Royal Academy

Dr Zainal Abidin Sanusi, Embassy of Malaysia

Dr Sonal Minocha, Bournemouth University

11 September 2018

9:30-10:30: Trade and Business

Steve Lowy, British Education Travel Association

Matthew Rous, China Britain Business Council

Kevin McCole, UK India Business Council

10:30-11:30: For our Regions and Nations

Ruth Arnold, University of Sheffield

Catriona McCarthy, Ulster University

Dan Jarvis MP, Mayor of the Sheffield City Region

4:30-5:00: Soft Power of Students

José Ignacio Valenzuela (Columbia)

Baby Ruth Villarama (Philippines)

5:00-6:00: In the Community

Conor Burns MP (Bournemouth)

Sunder Katwala, British Future

Jane Gratton, British Chambers of Commerce

Binita Mehta-Parmar, Modern Britain

Visits and Meetings

17 July 2018

Exporting Education UK

(Baroness Uddin)

4 September 2018

Study World Conference – Recruitment Agents,
Service Providers and Education institutions

(Baroness Uddin)

6 September 2018

London Education and Research Network of
London-based Embassies

(Geoffrey Robinson MP; Baroness Uddin)

The APPG for International Students is grateful for the support of our interns for this Inquiry, all of whom are current international students in the UK

Carrie Cuno, SOAS University of London

Ganesh B Khadka, University College London

Qianmin Chen, Newcastle University



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