



Teaching English to the world: how the Government can help kickstart UK ELT after Covid-19

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Foreword

English is spoken by over a billion people around the world. It is a global lingua franca used in arts, music, science, business and millions of conversations that connect people who do not share their first language.

Learning English has never been easier, with advances in technology and qualified teachers across the world. Nonetheless, millions of students still value the experience of travelling overseas for their language learning, being exposed to a new culture, developing new skills and making international friendships.

550,000 students come to the UK each year, more than half aged under 18 and around half from Europe. Many come on language holidays or intensive courses for a week or two, while others seeking qualifications will study for several months. They learn in privately-run English language teaching centres, boarding schools, colleges and universities.

English UK – the national association for English language teaching centres – represents around 400 of these organisations, although the size of the sector is estimated to be closer to 900, especially during the summer season.

They bring us £1.4bn and 35,000 jobs, underpin our £20bn international education sector, and build positive relations between the UK and countries around the world.

UK ELT is world-leading, attracting almost twice as many international students than any of our anglophone competitors. But all this is at risk.

UK ELT has a long history, yet is innovative and enterprising. Before Covid-19 struck, the sector was chasing new opportunities arising from significant disruptors in the global ELT industry: the 4th industrial revolution and technological advances; demand from increasingly younger learners; the evolution of emerging markets; and the pursuit of national bi-lingual policies by governments across the world.

Our ELT industry was impacted by Covid-19 early, when our biggest customers in China and Italy stopped travelling weeks before UK lockdown.

We closed our teaching centres on Friday 20 March for public safety and there is little prospect of any meaningful recovery until 2021. Many centres may not be able to reopen without government support, which should already be open to them but is not.

Our members have furloughed or released almost 84% of their staff since March and are expecting to teach just 18% of normal student numbers in the first three quarters of 2020 - a direct loss of at least £514m for 2020.

Neither purely education nor tourism, ELT doesn't fit neatly under any government department.

To quote Minister for Exports Graham Stuart: "DIT is playing a pivotal role in cross-government work to help our education exporters as we co-ordinate our efforts with the Home Office, the Treasury, BEIS, DfE, the Department for Digital, Culture, Media and Sport, MHCLG and the Department for Transport to give the ELT sector the support it needs... we cannot take on the visa element, which is naturally that of the Home Office; we cannot deal with relief for business rates or whatever, because that naturally would be for MHCLG; but I will, as best I can, seek to champion the sector."*

* House of Commons, 1 July 2020

Executive summary

Teaching English usually needs little help from the Government but instead supports the UK economy.

550,000 students bring in £1.4bn annually, creating 35,000 jobs.* What's more, English language teaching underpins our £20bn international education sector.**

But the 400 English language teaching centres that are members of English UK, expect to lose over 80% of this year's business to Covid-19.

They are particularly worried about the huge impact of Covid-19 on market confidence: many potential international students are not inclined to travel.

Added to this, is concern about the end of free movement in January, when a limited Covid-19 recovery may only have just begun. 75% of English UK members estimate that they will only see 40-60% market recovery in 2021.

To both survive and succeed, UK ELT needs action and support in three areas: short and medium-term business support, tailored visas and immigration, and marketing of UK ELT on a national scale.



* Capital Economics/Bonard research conducted with English UK member centres, January 2018

** Graham Stuart, House of Commons, 1 July 2020

Executive summary

UK ELT was hit earlier than other sectors and we only expect a moderate level of recovery in confidence among student travellers and their families in 2021. We are also facing potential disruption – the perfect storm – from the unintended consequences of post-Freedom of Movement immigration regulations .

Our asks of Government are focussed and targeted. They will help UK ELT to weather this storm, kickstart recovery and retain our position as the number one global destination for students to learn English.

Short and medium-term business support for ELT centres

- Extend the business rates holiday and associated grants, already offered to the retail, leisure and hospitality sectors, to specifically include the ELT sector. We estimate this would cost no more than £18m.
- Provide ongoing support for ELT, including extended furlough for staff until March 2021. ELT is a seasonal industry and for many teaching centres, missing the important Easter and summer peaks will mean little or no income until spring 2021.

Tailored visas and immigration

- Extend visa validity periods for those unable to travel during the pandemic and if up-to-date information is required for such students, the original fee to cover the application.
- Keep ID-card travel for under-18 EU/ EEA/ Swiss group travel.
- Enable students already studying to apply for a new visa for further study (e.g. at an HEI) without leaving the country.

- Require all UK English language providers to be accredited and recognise Accreditation UK on all visa routes.
- Restore work rights of up to 20 hours a week for adult students on ELT courses with accredited providers, in line with our major English language competitor nations.
- Reconsider the pro-rata block in the points-based system, allowing temporary workers or creating a youth mobility scheme. This would help ELT schools to get the qualified seasonal staff they need for summer and Easter peaks.

Marketing on a national scale

- Drive and measure success by the inclusion of a growth target for UK ELT in the International Education Strategy.
- Increase government support for the Study UK campaign.
- Make GREAT funding available in key source markets for UK ELT and other international education sectors.
- Increase available financial support for education exporters.
- Offer innovation and enterprise grants to UK ELT.
- Maintain Erasmus+ relationships and funding while the government negotiates with the EU. Losing this business could close many UK ELT centres.

About UK ELT

How ELT benefits the UK

In a normal year, English language teaching brings 550,000 students and £1.4bn to the UK, supporting over 35,000 jobs*. ELT is more valuable than the fishing industry.

ELT centres are major contributors to their local economies and to 'levelling up': hiring a mixture of specialist and general staff; providing business for local transport, tourism, retail and food companies; as well as extra income for host families. In addition, students who come to the UK to learn English, often as young teens, are likely to aspire to study at one of our world-class universities. 80% tell us they plan to return.**

“English language teaching plays a key role in underpinning the UK’s wider education system by helping unlock the door for thousands of overseas students to courses at British universities and further education establishments. ELT is not only valuable in itself, but is a pipeline to the broader, wider educational offer.”†

UK ELT’s role as the foundation of our international education offer is increasingly played out beyond our shores. UK ELT centres support the export aims of the Government in the International Education Strategy through the delivery of world-class English language training via blended and transnational education platforms.‡

“ I have witnessed the truly world-class excellence of UK English language teaching. It is a superb British success story, which enriches the economic and cultural life of the country.

It helps to bring young people from across the globe to our shores. It strengthens our ties with nations worldwide, as international students share their experiences of the UK with their friends and families, building our profile in some of the world’s fastest growing global markets.

It fosters business, opportunity and prosperity in all regions and nations of the UK and helps to level up our country. ” †

**£1.4
billion**

brought to the
UK economy
each year

**35k+
UK jobs**

supported by
English language
students

* Capital Economics/Bonard research conducted with English UK member centres, January 2018

** Bonard research for English UK, December 2017

† Graham Stuart, House of Commons, 1 July 2020

‡ Department for Education/Department for International Trade policy paper: International Education Strategy: global potential, global growth, March 2019

What are ELT centres?

Most UK ELT centres are private businesses, often family-run, sometimes commercial chains. A significant minority are in state FE colleges or universities.

ELT centres are all over the UK. The largest concentrations of privately-owned centres are in Bournemouth, Brighton, Oxford, Cambridge and London, where they are a significant contributor to the local economy. Other hotspots include the South Coast, the South West, Kent, Edinburgh and Cardiff.

In 2019, a quarter of student weeks were taught in London, but Northern England increased its share by 9% and Central England by 21%.*

During the summer, there is a growth in the number of teaching centres, often in rural and coastal locations targeted by the government's 'levelling up' agenda.

Who are the ELT students?

Students who choose to travel to learn English do so for more than just language learning. They travel for an immersive experience, learning about the traditions, history and culture of the UK.

Just over half (54 %) of all students are aged under 18*. Many come to the UK for short language holidays in January, Easter and most of all in the summer. The majority of under-18s learn in privately-run ELT centres, where they stay for an average of 1.8 student weeks.

In 2019, adults in privately-run centres stayed, on average, for 4.9 student weeks, and in the state sector for 10.9 weeks.



* Student Statistics, English UK/Bonard, July 2020

What are our markets?

In 2019, 57% of all students (but 65% of student weeks) came from the EU. The top five source countries for private sector centres were Italy, Saudi Arabia, Spain, China and France. For state ELT providers it was China, Saudi Arabia, Japan, Romania and Poland.

While 86% of students studying English in the UK come from 20 source countries, English UK collects data on 114 different markets for UK ELT. We analyse market potential by considering economic and demographic factors alongside the average English language proficiency of the country. The matrix is simple. The global demand for English language learning is huge.*

What competition does the UK have?

The world's oldest English language school, the London School of English, opened in 1912 and many more followed in the mid 20th century: ELC Eastbourne in 1936, St Giles and Studio School Cambridge in the 1950s, with more rapid growth from the late 1960s into the twenty-first century. One man, Frank Bell, opened his after teaching languages in his prisoner-of-war camp.**

The UK led the way, but now global ELT displays the characteristics of a maturing market.

“Approximately 1.38 million students travelled abroad to learn English in one of the eight major ELT destinations (the UK, the USA, Australia, Canada, Ireland, Malta, New Zealand and South Africa) in 2018. English language learners spent a corresponding 10.5 million student weeks in these destinations in 2018.

“The figures mark a 0.5% decrease in terms of student numbers and a decrease of 3.2% in terms of student weeks compared to 2017.

* Student Statistics, English UK/Bonard, July 2020

** The Bell Story, www.bellenglish.com/about-bell/the-bell-story

† Global ELT Overview, English UK/Bonard, 2018

‡ Student Statistics, English UK/Bonard, July 2020

“However, country-to-country comparisons show destinations are growing at each other's expense. The USA continues to face declines in both student numbers and student weeks, while the UK, Australia and Canada managed to grow year-on-year (in terms of student numbers).”†

The UK attracts around twice as many students as its nearest competitor, the USA, but shares second place with Australia in the overall time students spend studying here – student weeks

Where are the opportunities?

Nearly 60% of students studying English in the UK come from the EU and the UK has the lion's share of the market in Western Europe. Proximity and, prior to Brexit, Freedom of Movement have made the UK the most popular destination for European English language student travellers.

However, growth in the global ELT market is coming from further afield: Asia and Latin America. There is opportunity for the UK to grow its market share in these regions at the expense of our anglophone ELT competitor destinations. As an example, our estimated share of the English language student travel market in China is 15%, 11% for Japan, 13% for Thailand, 7% for Brazil, 9% in Colombia and 8% in Mexico.‡

UK ELT centres are also chasing opportunities in new, 'non-traditional' markets arising from significant disruptors in the global ELT industry: the 4th industrial revolution and technological advances; demand from increasingly younger learners; the evolution of emerging markets; and the pursuit of national bi-lingual policies by governments across the world. These opportunities include teacher training, capacity building in support of national language and skills policies, delivery via blended means and transnational education.

The effect of Covid-19 on UK ELT

ELT centres in the UK closed their doors as part of the national effort to keep people safe but now face financial ruin.

English UK recommended all its member centres cease face-to-face teaching from Friday 20 March 2020 to support the national effort to keep people safe.

Students remaining in the UK transferred to online learning or returned home. Most students due to arrive after Friday 20 March postponed or cancelled their courses, many ELT centres moving quickly to offer online courses and postponements as 'reasonable alternatives' to cancellations.

However, this is not perceived in the market as a true substitute for a face-to-face course. Students and their families value the experiential learning aspect of being in the UK.

There is also huge global competition in online ELT. Online provision is therefore being used to allow currently-enrolled students to continue learning but is not a replacement revenue stream for most UK ELT centres.

In surveys held in July 2020, English UK member centres estimate:

81.7%
reduction
in student weeks

between January and September 2020, compared to same period in 2019

£510
million
revenue loss

between January and September 2020 as a direct result of Covid-19

93%
out of work
or reduced hours

staff furloughed, released or working reduced hours for reduced pay as a direct result of Covid-19.

0-20%
market recovery
anticipated in 2020

80% anticipate little market recovery in 2020.

40-60%
market recovery
anticipated in 2021

75% anticipate moderate market recovery in 2021.



Only 53% of English UK member centres plan to open for face-to-face teaching in August or September 2020

58% may open for new adult students by 1 October 2020 and 70% by 1 January 2021.

58% hope to open by 1 October 2020 to teach adults, but do not have the same confidence in the junior market

47% thought it unlikely they would open for new junior students by 1 January 2021 and only 59% were likely to reopen for closed junior groups by 1 January 2021. Junior students account for more than 50% of those studying English in the UK.

The impact on market confidence has been catastrophic

From student sentiment surveys and anecdotal reports, we have heard from markets across the globe that students and their families feel it is safer for them to remain at home.

They are uncertain about travelling to the UK and are worried about their language learning experience in the UK during a global pandemic. We need clear, consistent and positive messaging led by the Government on a national scale - we're open, you're welcome and we're taking your safety seriously.

Most of the UK's major ELT competitors have better Covid-19 metrics

The UK's major ELT competitors are Australia, Canada, Ireland and USA with Malta, New Zealand and South Africa as smaller destinations. Of the top four, it is only the USA that has worse Covid-19 metrics than the UK.

We anticipate 2020's huge loss of student volume and revenue will mean around 30% of UK ELT centres will cease trading. More will not survive the traditionally quiet winter season when cash flow is always at its lowest if further government support is not forthcoming now and in the recovery phase.

What we need from Government

Help UK ELT survive with short and medium term business support

Provide ongoing support for ELT, including an extended furlough scheme for staff until March 2021

ELT is a seasonal industry and for many centres, missing the important Easter and summer peaks will mean little or no income until spring 2021. Many centres have earned almost nothing this year and student travel this summer looks highly unlikely.

80% of English UK member centres anticipate that they will see between zero and 20% market recovery in 2020.

75% English UK member centres anticipate that they will see 40-60% market recovery in 2021.

Centres will need the extension of existing measures and additional support to keep going until they can reopen fully in 2021, otherwise they will not make it through the quiet winter season.

Extend business rates holiday and associated grants to ELT

This support already includes the retail, leisure and hospitality sectors. We estimate it would cost no more than £18m to include ELT.

In March, the Chancellor announced that all retail, hospitality and leisure businesses in England would benefit from a business rates holiday for 12 months but unclear guidance from the Ministry of Communities, Housing & Local Government has led to many English language centres to be deemed ineligible by local authorities. Just 17 areas have granted the relief.

This issue is an example of where ELT falls between education and tourism. The reality is that it sits firmly in both sectors.

ELT is clearly part of the tourism industry – all our students travel to the UK to experience our culture and learn our language, with most courses including sightseeing trips. As a result of this, our centres have no students and no income, and cannot make up this shortfall until confidence in travel returns, probably in 2021.

This relief is particularly important to ELT centres which tend to occupy large high street premises because they are more accessible for students and plenty of space is needed for classrooms and common areas.

Without this concession, English UK estimates that at least 30% of ELT centres will be lost, along with the jobs that they support and other benefits they bring to the UK.



What we need from Government

Help UK ELT compete with a supportive immigration system

It is crucial that the Home Secretary supports UK ELT's needs in post-Freedom of Movement immigration regulations. Plans to remove ID-card travel and not provide a seasonal worker route for ELT are particularly damaging.

Extend visa validity periods for those unable to travel during the pandemic

Enable students to extend the validity of six- and 11-month visas where course start dates have been postponed. This will ensure that the UK ELT sector can welcome back students who had already paid for courses as soon as travel restrictions allow.

Despite the Home Office's previous guidance, which says "the Home Office and its Ministers are very clear that no one will have a negative outcome through the immigration system due to a circumstance that was beyond their control,"* its latest position is that these

students will not only have to re-apply for their visas but will also have to pay a second fee.

We believe that it is only right to extend visa validity periods for those unable to travel during the pandemic and if up-to-date information is required for such students, the original fee should cover the application.

Keep ID-card travel for under-18 EU/EEA/Swiss group travel

Under-18s are UK ELT's biggest market and most of these students come from Europe, travelling on their ID cards as part of organised groups accompanied by responsible adult teachers or guardians.

Feedback from study travel agents and members around the ending of ID-card travel has been bleak, suggesting most European parents would not wish to go to the trouble and expense of obtaining passports for what are often only two or three-week study holidays.

Instead, those groups and individuals would choose to study within the EU travel area in our competitors Ireland or Malta.

* English UK survey respondent from a language centre chain

The economic impact of Covid-19 across our key markets makes it even less likely that parents will prioritise obtaining passports for their children.

A survey of English UK members in 2019 found that almost 90% (89.95%) of respondents had some proportion of under-18s travelling on ID only. Just over three-quarters had under-14s coming on cards, compared to almost 100% of 17- and 18-year olds.

Roughly two thirds of those responding had more than half of their European juniors travelling with ID cards

“If students cannot travel using their ID cards, our groups have told us that they will not come to the UK. They will go to Ireland or Malta. This school will not be financially viable without those groups and after 53 years will be forced to close.”*

Enable students already studying in the UK to apply for a new visa for further study without leaving the country

Other competitor nations allow students to apply for a visa covering several stages of study without the need to reapply.

This concession has been granted on a temporary basis to students in the UK until 31 July 2020.

Making this concession permanent and allowing students already in the UK to apply for a new visa, for instance for university, without returning home, would make the UK a more attractive destination.



* Coronavirus (COVID-19): Tier 4 sponsors, migrants and short-term students, Home Office Guidance, 20 April 2020

Require all English language providers to be accredited and recognise Accreditation UK on all visa routes

The UK has led the way on raising ELT standards, and that is done through rigorous accreditation.

All ELT centres should be accredited, and we believe Accreditation UK should be accepted on Tier 4 as well as short-term study routes because it is the only UK inspection framework focusing on ELT and raising standards within the industry.

Additionally, it has a global reputation as the world's oldest ELT inspection and accreditation provider.

Restore work rights of up to 20 hours a week for adult students on ELT courses with accredited providers

This would bring the UK in line with the major English language competitor nations. Since student migration routes were tightened up, there have been few or no instances of people failing to return home or breaking the terms of their study in the UK.

The UK faces a significant disadvantage compared to its competitors as only students at universities are now allowed to work.

We seek the restoration of work rights for ELT students across the spectrum of providers: it makes study in the UK more attractive as students can practice their language skills in the workplace and help offset the considerable cost of their stay here.

Support ELT centres to recruit the qualified seasonal staff they need

ELT is a seasonal industry which needs large numbers of qualified staff for short summer peaks. Schools have previously recruited qualified EU staff to complement their UK-based staff.

Our members foresee closures if seasonal staff cannot continue to be recruited from Europe as it would be almost impossible to source enough trained staff in the UK for the summer period only, but the pro-rata and salary threshold elements in the points-based system will prevent this.

We would also like to see the youth mobility scheme extended to EU/EEA citizens for the same reasons, with a higher upper age limit of 35 and the ability for those accessing the scheme to come to the UK for up to five seasonal work placements.

What we need from Government

Help UK ELT thrive with promotion on a national scale

The UK's ELT centres will need support to go out, connect with partners, reassure potential students, restore market confidence and make the most of opportunities for growth. We need clear, consistent and positive global messaging led by Government.

Drive and measure success by the inclusion of a growth target for UK ELT in the International Education Strategy

There is currently only a growth target for the UK HE sector. This should be joined by ambitious targets for all parts of the UK's international education ecosystem, including ELT.

Increase government support for the Study UK campaign.

This should include an expansion of the campaign to more countries, and promotion of all parts of the UK's international education ecosystem, including ELT.

Make GREAT funding available in key source markets for UK ELT and other international education sectors

This will support promotional campaigns targeting partners, buyers, students and their influencers, including increased support for Ministerial and Champion-led trade missions to key markets where specific barriers to trade have been identified.

Increase available financial support for education exporters

This should include TAP and similar programmes, and the loosening of eligibility criteria. This will help cash-strapped ELT organisations with no marketing budget to attend key events and visit overseas partners, ensuring the continuing visibility of Brand UK in the recovery phase.

Offer innovation and enterprise grants to UK ELT

Alongside targeted advice and consultancy, this will help UK ELT centres to pursue emerging opportunities and new markets in support of the aims of the Government's International Education Strategy.*

Maintain Erasmus+ relationships and funding while the government negotiates with the EU

A significant proportion of ELT students and ELT teachers taking training courses are supported by the EU Erasmus+ scheme. Losing this business could close many UK ELT centres.

Department for Education/Department for International Trade policy paper: International Education Strategy: global potential, global growth, March 2019



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