

## Russell Group evidence to the Home Affairs Select Committee immigration inquiry

## Summary

- The strong base of overseas talent at research-intensive universities, including researchers and students, is fundamental in underpinning excellence in research, innovation and education, helping the UK to maintain and develop our position as a world-leading research nation and playing a critical role in educating future generations.
- Russell Group universities are major contributors to the UK economy generating a positive
  impact right across the country and the ability to attract talented individuals from anywhere in
  the world is central to this success. Our universities are highly internationalised: a quarter of the
  workforce and over a third of academics at our universities are from overseas and around 37%
  of first year students are from outside the UK.
- We welcome reassurances the Government has been able to give so far on the rights of EU
  nationals including students to remain in the UK; however, further reassurances are needed to
  safeguard the UK's position as a world leader in science, research and HE for the long-term. In
  particular, the Government should confirm the long-term status of current and prospective EU
  staff and students (and their dependants) to work and study at UK universities.
- Any future immigration system must support the UK's universities to attract and retain researchers, academics and students from anywhere in the world as they are essential for driving innovation, improving national productivity and maintaining the competitive advantage of the UK in research and education. A new immigration regime should:
- (a) Prioritise highly skilled people (including researchers and academics); those with specialist knowledge and expertise (including technicians, analysts, and expert practitioners); and students. This would involve continuing to prioritise those in PhD-level and other highly skilled positions, perhaps through a separate light-touch route for academic, research and associated specialist/ technical positions. In addition, any new immigration system should also treat students as a separate, low-risk category of migrant and should fast-track their access to the UK as many of our competitors do.
- (b) Be light-touch, fair and transparent to avoid introducing disincentives to come to the UK, and to reduce the compliance burden which UK universities already face in sponsoring non-EU staff and students. Any new system should not be static but should have the capacity to adapt to the changing needs of research and academia.
- (c) Provide an attractive offer to overseas nationals who can make a significant contribution to the UK's economy and society including: introducing more comprehensive post-study work opportunities for overseas students; keeping any visa/sponsor fees and maintenance requirements to a reasonable and competitive level; enabling genuine migrants (including students) to bring dependants with them and avoiding placing restrictions on this; and providing a warm welcome at the border and throughout their time in the UK.
- (d) Offer options for long-term migration with routes to residency and temporary migration for education, training, research collaboration and knowledge exchange in order to meet a range of different requirements.
- In order to avoid a potentially damaging period of instability, appropriate transitional measures should be put in place to ensure that universities can continue to attract and retain international talent as we move towards a post-Brexit regime. In addition, any significant changes to the current system should be subject to a full consultation with relevant stakeholders including universities before being implemented to avoid unintended negative consequences for the UK.

## 2. Context

- 2.1 The purpose of The Russell Group is to provide strategic direction, policy development and communications for 24 major research-intensive universities in the UK; we aim to ensure that policy development in a wide range of issues relating to higher education is underpinned by a robust evidence base and a commitment to civic responsibility, improving life chances, raising aspirations and contributing to economic prosperity and innovation.
- 2.2 We welcome the opportunity to provide evidence to this inquiry. Russell Group universities are major contributors to the UK economy generating positive effects right across the country and the ability to attract talented individuals from anywhere in the world is central to this success. Russell Group universities are highly internationalised. Overseas staff represent 25% of the overall workforce at our universities (compared with 18% for all UK universities) and nearly 37% of academics (28% for the sector as a whole). There are over 190,000 students of non-UK nationalities at Russell Group universities, and in 2014-15, 37% of Russell Group first year students were from other EU and non-EU countries, compared with 23% UK-wide.
- 2.3 Overseas (other EU and non-EU) students and staff make a significant contribution to the success of research-intensive universities and to the UK's economy, society and culture more broadly. In particular:
- (a) Excellent overseas students are indispensable for world-class universities, contributing to a diverse student body and a thriving society, culture and economy not just on campus but for the UK more widely. Demand from international students is vital to the continued sustainability of many degree courses, particularly postgraduate taught courses supporting the continued provision of subjects which are of strategic importance to the UK economy, such as engineering and computer science. More broadly, international students play a key role in promoting the future sustainability of UK universities, not just the viability of certain courses. Higher education is one of the UK's most successful export industries and is estimated to contribute more than £10 billion a year in overseas earnings £3.9bn in tuition fees and £6.3bn in living expenses per annum alone.¹ These benefits are spread right across the regions and nations of the UK, with international student expenditure off-campus benefiting local businesses and creating jobs.²
- Overseas researchers and PhD students play a vital role in continually refreshing the UK's research base, and in maintaining and developing our position as a world-leading research nation.<sup>3</sup> Selection rates for the Research Excellence Framework 2014 were highest for other EU and non-EU staff at UK universities, a clear indication of the high-quality research they produce and their value to UK universities: in REF 2014, 56% of UK nationals were selected, compared with 75% of EU staff and 70% of non-EU staff.<sup>4</sup> An international base of highly skilled researchers is also essential for universities in enabling access to vital international research funding (both from overseas governments and private companies) and in attracting inward investment to their regions, benefiting the local and national economy.
- (c) Overseas academics play a critical role in educating future generations and producing a highly skilled workforce in the UK. For example, around 36% of EU staff at Russell Group universities are directly involved in teaching (i.e. those on teaching only or

<sup>&</sup>lt;sup>1</sup> BIS, 'International Education: Global Growth and Prosperity', (2013)

<sup>&</sup>lt;sup>2</sup> According to BIS and Universities UK calculations, the expenditure generated by non-UK students and their visitors creates over 63,000 jobs in the UK.

<sup>&</sup>lt;sup>3</sup> International Comparative Performance of the UK Research Base 2013: report prepared by Elsevier for BIS

<sup>4</sup> http://www.hefce.ac.uk/pubs/year/2015/201517/

teaching and research contracts) and thus provide a significant core of expertise and capacity for training future generations. Many of the overseas academics our universities attract are leading experts in economically important STEM subjects.<sup>5</sup> EU academics also play a vital role in undertaking research in and teaching strategically important modern European languages. The provision of degrees in modern foreign languages is crucial for the UK in developing our capability to engage fully with the wider world in business, diplomacy and academia.

- (d) Overseas staff in non-academic roles also bring vital skills to the UK and make up around 11% of all non-academic staff at Russell Group universities. Many of these members of staff hold highly skilled posts as lab technicians and clinicians, engineers and senior managers and administrators, in addition to a small number in support roles which are equally important to the running of UK institutions. There are over 2,000 non-academic EU and non-EU staff in associate professional and technical positions at our universities. An area of growing importance, for example, is in the management of Big Data where staff may have more of a hybrid academic/non-academic role.
- 2.4 Decisions about the rights of EU nationals to enter the UK for work or study after the UK has left the EU will be key elements in the Government's Brexit negotiations. We understand that a number of scenarios for a future immigration regime are likely to be considered. Whatever the outcome of the negotiations, future policy should ensure UK universities can continue to recruit and retain talented staff and students from across the EU and more widely without bureaucratic visa burdens. The ability to recruit the 'brightest and best' talent from overseas (as well as from within the UK) is essential to the future sustainability of research-intensive universities and to maintain the UK's position on the global stage as a world-leader in research, innovation and education. This in turn will help to drive economic growth and productivity, and contribute to progress on industrial strategy goals, particularly in a potentially more challenging environment post-Brexit.

## 3. Priorities for any future UK immigration system

Assurances for EU nationals currently in the UK (or those planning to come here before Brexit)

- 3.1 Our universities are just as open and welcoming to students, staff and ideas as we were before the EU referendum and we will continue to work with partners across Europe and more widely to boost the UK's international competitiveness. However, significant uncertainty remains for overseas staff and students at UK universities regarding the country's future relationship with the EU. This is concerning for universities with high numbers of both EU and non-EU student and staff. Feedback from our members shows that some prospective staff (both from within and outside the EU) are now changing their minds about continuing with job applications or accepting work contracts because of the Brexit vote.
- 3.2 Similarly, applications from EU students to 'early deadline' universities and courses fell by 9%, ending a trend of annual increases over recent years. While it is too early to know the reasons for the decline, we would be concerned if EU students were deterred from applying because of uncertainties around Brexit. The market for international student recruitment is

<sup>&</sup>lt;sup>5</sup> In particular, 54% of academic staff in chemical engineering, 53% in maths, 52% in electrical, electronic and computer engineering and general engineering, and 49% in IT, systems sciences and computer software engineering at Russell Group universities are non-UK nationals.

- extremely competitive and our competitors are taking advantage of the uncertain position in the UK to grow their overseas student numbers.<sup>6</sup>
- 3.3 We have welcomed the reassurances the Government has provided for current EU students and those starting courses in 2016/17 and 2017/18 regarding their fee rates and ability to access loans and grants. However, we now need the Government to confirm as soon as possible the status of EU students starting in 2018/19 in terms of their fee rate and whether they will be able to access student loans and grants for the duration of their courses. We also welcome the Government's confirmation there will be no immediate changes to the circumstances of EU nationals currently in the UK, including those studying or working at UK universities.
- 3.4 Whilst we welcome reassurances the Government has been able to give so far on the rights of EU nationals, further reassurances are needed to safeguard the UK's position as a world leader in science, research and HE for the long-term. In order to provide certainty for universities and students and to mitigate some of the negative impacts of the UK's exit from the EU, the Government should:
  - Confirm the immigration status of existing and prospective EU students (and their dependants) and their right to remain in the UK for work or further study post-Brexit. Government should also provide clarification as soon as possible on the status of students starting courses in 2018/19, their fee rate and their ability to access student loans for the duration of their course.
  - Confirm the continued working rights post-Brexit for current EU staff (and their dependants) currently at UK universities (both academic and non-academic), and for those who take up positions during the transition period before the UK has left the EU. We would want staff and their dependants to retain the same rights to stay and work without a visa that they have now (with no time limit placed on this).
  - Implement a comprehensive communications strategy to promote the message
    that the UK is open and still looking to attract talented researchers, academics,
    students and others from across the globe, in recognition of the valuable
    contributions these people make to our leading universities and to the wider UK
    economy and society.

Overarching principles for a new immigration system

- 3.5 Any changes to our immigration system following Brexit are likely to have a direct impact on the desirability of the UK as a place to study and work, both for other EU and non-EU nationals. Any move to introduce additional restrictions on the overseas researchers, academics or students coming to the UK is likely to make it harder for our universities to recruit international staff and students, and may mean we would lose the best talent to overseas competitors and so negatively impact on the UK's economy and research standing.
- 3.6 Even the perception that the UK does not welcome the very best overseas students and staff could be damaging. The international education market is highly sensitive to visa system changes. Indeed, research conducted by Hobsons in 2014 found that a country's attitude to international students and the ease of getting a visa are key factors in decision-making for international students planning to study abroad. Hobsons' report also notes that visa

<sup>&</sup>lt;sup>6</sup> For example, the US hosted more than one million students with numbers growing by 7% in 2015/16, the number of international students in Canada increased by 8% in 2015, and education exports in Australia surpassed AUS\$20 billion for 2015/16 (an increase of roughly 6% over the previous fiscal year).

processing, immigration policy and government regulation are integral to "painting a picture of how welcome international students are".

- 3.7 Therefore, any future immigration system must support the UK's universities to attract and retain researchers, academics and students from anywhere in the world who are essential for driving innovation, improving national productivity and maintaining the competitive advantage of the UK's leading universities.
- 3.8 The current system is too bureaucratic and burdensome for all parties including the Home Office, sponsors and migrants and it was not designed to facilitate movement of EU as well as non-EU nationals. Attempting to use it for this purpose is likely to increase the strain on Home Office and sponsor resources significantly (particularly with regard to Tier 4 sponsorship) as well as damage the international competitiveness of the UK in research and education.
- 3.9 To mitigate uncertainty and to continue to attract talented international students and staff, a number of high-level principles should be embedded into any future immigration system. These include:
- (a) Prioritising highly skilled people (including researchers and academics), those with specialist knowledge and expertise (including technicians, analysts, and expert practitioners), and students (including undergraduate, postgraduate taught and PhD students). This would involve continuing to prioritise those in PhD-level and other highly skilled positions, perhaps through a separate light-touch route for academic and research and associated specialist/ technical positions. Such a route could reduce the bureaucracy within the current system in order to attract talented overseas researchers, academics and other specialists to the UK's universities. In addition, any new immigration system should also treat students as a separate, low-risk category of migrant as many of our competitors do. This would enable a lighter touch, fast-tracked approach and could reduce the compliance burden on sponsors.
- (b) Ensuring any future visa or registration system for overseas nationals is light-touch, fair and transparent to avoid introducing disincentives to come to the UK, and to reduce the compliance burden which UK universities already face in sponsoring non-EU staff and students.<sup>7</sup> The system should therefore provide certainty so that applicants can assess whether they will be granted access to the UK or not before they apply. Any new system should not be static but should have the capacity to adapt to the changing needs of research and academia.Furthermore, adequate resource should be directed towards processing applications promptly and ensuring that applicants are not without their passports for prolonged periods of time preventing them from undertaking critical overseas travel for genuine academic and research purposes.
- (c) Providing an attractive offer to overseas nationals who can make a significant contribution to the UK's economy and society including:
  - Introducing more comprehensive post-study work opportunities for overseas students. Students value the opportunity to work in the country in which they studied to gain experience of the business environment and culture before returning home and providing them with this experience helps to strengthen the future soft power this creates for the UK in the long-run. There is evidence that the UK's limited post-study

<sup>&</sup>lt;sup>7</sup> Research from the Higher Education Better Regulation Group found that universities and other higher education providers are spending a total of £66.8 million per year for Tier 4 visa compliance (based on the 2012/13 academic year). These costs are likely to have increased considerably in recent years as more responsibilities for sponsors have been introduced and fixed costs have risen.

work opportunities already deter some international students as the UK has one of the shortest post-study work periods for international students among key English-speaking and European markets.<sup>8</sup>

- Keeping any visa/sponsor fees and maintenance requirements to a reasonable and competitive level. For example, the comparatively high cost of a student visa in the UK risks damaging the UK's international competitiveness, restricting our ability to take advantage of opportunities to grow international education. In addition, the changes introduced to maintenance requirements are proving prohibitive for some students, particularly PhD students and those from less economically developed nations.
- Enabling migrants (including students) to bring dependants with them and for those
  dependants to work. Overseas staff wishing to work in the UK are unlikely to accept a
  job offer if their spouse and/or children are unable to accompany them. In many
  circumstances, international postgraduate students particularly doctoral students –
  may not be able to come to the UK if their spouse/partner cannot join them or if
  restrictions are placed on their dependants' work rights.
- Providing a warm welcome for overseas nationals at the border and throughout their time in the UK. Russell Group universities are competing internationally for the best talent – both staff and students – and it is important for them and the UK's competitiveness overall that all parts of the immigration system work effectively.
- (d) Offering options for long-term migration with routes to residency and temporary migration for education, training, research collaboration and knowledge exchange in order to meet a range of different requirements. Any future immigration system should facilitate the movement of talent in all circumstances including through employer recruitment, relocation of research and academic talent to the UK, short visits and temporary work as well as for formal study and research at universities. Flexible and low burden routes to residency are particularly important for researchers and academics building a career here and will enable the UK's research base and HE system to retain the vital skills and experience of individuals over the long-term.
- 3.10 In order to avoid a potentially damaging period of instability, appropriate transitional measures should be put in place to ensure that universities can continue to attract and retain international talent as we move towards a post-Brexit regime. Such transitional measures should ensure that academics, researchers and students from other EU countries can continue to come to the UK to work and study without unnecessarily bureaucratic burdens.
- 3.11 In addition, any significant changes to the current system should be subject to a full consultation with relevant stakeholders including universities before being implemented to avoid unintended negative consequences for economic growth and productivity in the UK. Any changes should also be widely publicised and announced well ahead of implementation to provide universities and other stakeholders with enough time to prepare for them.

January 2017

<sup>-</sup>

<sup>&</sup>lt;sup>8</sup> For example, the Hobsons/Times Higher Education 2015 international students survey found that 36% of students who chose not to study in the UK after considering it said that post-study work options were the reason for deciding against the UK. 23% blamed the UK's attitude to international students more generally.