

Key issues for universities resulting from the vote to leave the EU

4 July 2016

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1. Universities UK response to the vote to leave the EU, Friday 24 June

Leaving the EU will create significant challenges for universities. Although this is not an outcome that we wished or campaigned for, we respect the decision of the UK electorate. We should remember that leaving the EU will not happen overnight – there will be a gradual exit process with significant opportunities to seek assurances and influence future policy.

Throughout the transition period our focus will be on securing support that allows our universities to continue to be global in their outlook, internationally networked and an attractive destination for talented people from across Europe. These features are central to ensuring that British universities continue to be the best in the world.

Our first priority will be to convince the UK Government to takes steps to ensure that staff and students from EU countries can continue to work and study at British universities in the long term, and to promote the UK as a welcoming destination for the brightest and best minds. They make a powerful contribution to university research and teaching and have a positive impact on the British economy and society. We will also prioritise securing opportunities for our researchers and students to access vital pan-European programmes and build new global networks.

Universities UK will be working pro-actively with the UK Government to minimise the uncertainty caused by this decision to the UK science, research and higher education sector, and to work to secure an outcome from negotiations which ensures continued cooperation and collaboration between the UK and European Member States.

2. Brexit impact on UK universities - what we know and what we don't know

Universities UK (UUK) welcomes the statement this week from the <u>Student Loans Company</u> advising that current EU students and those starting courses from August 2016 that are eligible for financial support will receive it without being subject to any changes. The Department for Business, Innovation and Skills (BIS) also highlighted in a <u>statement</u> this week the current unchanged situation regarding student loans, ERASMUS+ students and Horizon 2020 funding.

However, an unpredictable environment could still risk the UK being unable to attract the best and brightest staff and students whilst losing out on vital science and research funding. There are mounting concerns from EU students and staff regarding their status in the UK, the impact on prospective students given recruitment for 2017 has begun and staff who are part of EU research collaboration supported by Horizon 2020.

We also encourage the government to make a clear and unequivocal statement that EU migrants currently living in the UK are welcome here and that post-referendum changes would apply only to new migrants. This is particularly crucial for universities, given 15% of the academic workforce is from other EU countries. Many of the greatest minds from across Europe are teaching students and carrying out cutting-edge research at British universities. UUK is therefore seeking urgent clarity on the following issues:

Immigration status

What we know

 The EU referendum outcome will not lead to any immediate change to the immigration status of current EU students or staff, including those students about to start a course in the coming academic year (2016–17). This has been confirmed in a statement (27 June) from Jo Johnson, Minister of State for Universities and Science.

What we don't know

 The longer term implications for EU students and staff who want to come to the UK from 2017–18 onwards. This is particularly important given the recruitment for the 2017–18 academic year has already begun.

EU student finance

What we know

- EU students attending universities in England and Wales who are eligible under current rules to receive loans and grants from the Student Loans Company will continue to do so for courses they are currently enrolled on, or are about to start this coming year. Current EU students, and those starting in the coming year, will continue to receive funding for the duration of their courses. This has been confirmed by the <u>Student Loans Company</u> for England, and by <u>Universities Wales</u> for Wales.
- A <u>statement</u> (27 June) from Jo Johnson, Minister of State for Universities and Science, on higher education and research reaffirms this.

What we don't know

- We are currently awaiting confirmation on equivalent arrangements for EU students at universities in Scotland and Northern Ireland.
- The tuition fees that EU students will be required to pay in the longer-term.
- For how long EU students will be able to access loans and grants in their current format.

Research funding

What we know

There will be no immediate change to the UK university sector's ability to participate
in EU research and innovation programmes such as Horizon 2020. This was
confirmed in a <u>statement</u> (27 June) from Jo Johnson, Minister of State for
Universities and Science. Exit negotiations between the UK and the EU are
expected to take up to two years. The UK will remain an EU member during this time
and as such will be entitled to participate in EU programmes and apply for EU
research grants.

What we don't know

- The ability of UK researchers to apply for and access funding under Horizon 2020 once the UK leaves the EU.
- The level of funding a UK government would commit to replace any income lost as a result of universities not being able to access EU sources of funding.
- Whether leaving the EU will affect the status of UK researchers involved in partnership projects funded under Horizon 2020.

Erasmus+ exchange programmes

What we know

- Students from UK universities currently overseas on an Erasmus+ placement, and those considering applying to participate in Erasmus+ next year (2016–17) will not be affected by the referendum result.
- The European Commission has <u>confirmed</u> that EU law continues to apply to the full in the United Kingdom until it is no longer a Member. This therefore also applies to the projects financed through the Erasmus+ programme.

What we don't know

What mobility opportunities – whether via Erasmus+ or a replacement scheme – will
exist for UK students once the UK leaves the EU.

3. Universities UK priorities

In the longer term, and in negotiations on the future of the EU-UK relationship, UUK's priorities are as follows:

- Science and research must have a seat at the negotiating table and continued influence in EU policy-making
- Brexit represents a significant threat to UK higher education and science, and it is imperative that voices from the research community play a prominent role in ensuring that the future EU-UK relationship works for universities.
- More widely, the UK government and research community must work to ensure that there are mechanisms to ensure the UK's continued influence in policies and programmes at EU level that it will continue to play a part in

UUK sees the sector's priorities, in order of priority, for withdrawal negotiations as the following:

- Preservation of freedom of movement for EU students, researchers and staff.
- Continued access to relevant EU funding streams and relevant networks.
- An appropriate and proportionate regulatory environment.

Freedom of movement

- Regardless of the constitutional settlement, freedom of movement for current and prospective academics, researchers and students should be preserved for in recognition of the fundamental contribution of EU students and staff to the UK university sector and to UK society more generally.
- If freedom of movement for EU nationals is to be limited in the future, the UK
 government should make a clear and unequivocal statement that EU migrants
 currently living in the UK are welcome here and that post-referendum changes would
 apply only to new migrants.
- In addition, the UK government must ensure that any changes to the current immigration system that the UK is open to international student and staff recruitment and reflects the fundamental contribution that they make to the UK higher education sector and research community, and the wider public.
- In recognition of the above, international students, whether from elsewhere in the EU, or from outside the EU, should be removed from any net migration target.
 Continued inclusion will lead to further declines in the numbers of students coming to UK universities, and the vast majority of the British public do not believe students should be classified as 'immigrants'. International education is a huge growth sector for the UK worth £10.7 bn in 2011–12.

Access to funding and networks

Researching funding

• The UK government should look to ensure continued participation in and access to the Horizon 2020 programme through association as a non-EU member state, also

- recognising that any limitation of this access would need to be offset by national investment in internationally collaborative research.
- In 2014–15, UK universities received £836m in research grants and contracts from EU sources.
- As of April 2016, the UK higher education sector coordinated more projects under Horizon 2020 than any other, with 1,137 coordinations compared to 352 from Germany, 354 from the Netherlands, and 179 from France.
- It is concerning that a number of universities have reported to UUK that research
 applications and collaborations under Horizon 2020 are either being cancelled
 (where the plan at application stage was for the UK to play a coordinating role), or
 that the roles of UK researchers is being downgraded as a result of European
 partners' views.

Innovation and structural funding

- The UK government should provide reassurance that access to structural funding
 will not be reviewed until the end of the EU's current budgetary cycle in 2020, and
 provide reassurances to the university sector that this investment will be replaced at
 national level, as was promised by the Vote Leave campaign, and that universities
 will not be left without access to substantial funds to help them generate local jobs,
 growth and innovation..
- Between 2003–04 and 2014–15, UK universities received more than £1 bn from the EU via the European Regional Development Fund (ERDF) and the European Social Fund (ESF).
- Universities have a great track record of using ERDF for establishing research and
 dvelopment centres to collaborate with industry; innovation centres and campuses to
 provide specialist facilities, support and funding to small and medium-sized
 enterprises (SMEs) embarking on research and development and innovation
 projects; collaborative PhD and Masters programmes to support research projects
 specified by SMEs and undertaken by a research student supervised by the
 university; graduate placements; and innovation voucher schemes offer funding to
 businesses to support early-stage innovation.
- It is therefore worrying that, once the current funding period expires (2020)

Student and staff mobility

- Increasing outward mobility from the UK is a government priority, and is central to
 ensuring a globally competitive and outward-facing workforce. The UK government
 should look to secure continued access to the Erasmus+ programme, also
 recognising the high demand from EU students to spend time studying in the UK.
- Currently, 6.6% of UK students have a period abroad as part of their studies; a large number of whom do so through Erasmus+. This compares to 10% in the US, 13% in Australia, and 25% in Germany. Most recently, UK STEM students' participation in mobility programmes has been on the rise – there is a risk that such opportunities are removed for future cohorts of students, should access to Erasmus+ be restricted.

Regulatory environment

 The EU regulatory environment impacts on UK universities in a range of areas from data protection to copyright, pensions and state aid. The UK government is asked to work with the higher education sector and research community to review how and on what basis these regulations would continue to apply, and where EU regulation could be reviewed in order to support a science friendly regulatory environment and promote evidence-based policy-making.

4. Universities UK next steps

UUK will be liaising closely with the UK government, the European Commission and other relevant agencies and will keep in regular touch with members to highlight next steps as they become clear, and will seek urgent clarification on key cross-sector questions. Universities Scotland and Universities Wales are in contact with Scotlish and Welsh governments to seek clarification on devolved matters.

We are also engaged with parliament including the Science and Technology and BIS select committees and informing their analysis of the potential impact of a Brexit on the sector.

We are keen to brief MPs on the potential implications, UUK activity and how they can get involved: you will receive an invite to a UUK hosted event in the coming days.

5. Telegraph article by UUK President Dame Julia Goodfellow, 1 July 2016

Brexit: what will it mean for universities, students and academics?

A week has now passed since the vote that divided the electorate and sent shockwaves through political establishment. Among the many sectors that are coming to terms with the consequences – seeking answers and assurances – higher education has much at stake.

During the referendum campaign, the vast majority of university staff and students supported remain and university leaders were clear and vocal that membership of the EU strengthens universities and enhances their positive impact on the economy and society. The vote to leave the EU was not one we wished for, but we must now work to address the significant and immediate challenges for universities, and identify the opportunities.

Crucially, we must redouble our efforts to promote the values that make British universities the best in the world. We are best when we are outward looking, globally networked and welcoming to the world. As institutions, we are resilient and adaptable. We must now seek and create new opportunities, drawing on our significant strengths and values.

Now is a time for calm heads. We must seek clarity amid the confusion, provide reassurance to students and staff and consider what support and policy changes British universities need to continue to thrive outside the European Union. There are many unanswered questions about what this result means for students, academics and universities – and answers are unlikely to be quick or easy to secure in a complex political climate. We should, however, remember that leaving the EU will not happen overnight, there

will be a gradual exit process with significant opportunities to seek assurances and influence future policy.

There is understandable anxiety among the 125,000 EU students currently studying at UK universities and the 43,000 university staff from other EU countries. Our first priority must be to reassure them that their enormous contribution to our universities and our country is extremely highly valued and that the referendum result does not have any immediate implications for their immigration status, fee status or access to tuition fee loans. We have received confirmation that current EU students, and those aiming to start courses this autumn, will continue to receive loans and/or grants for the duration of their courses. We must get this message out urgently, widely and with clarity.

We must convince the UK Government to take immediate steps to ensure that current staff and students from EU countries can continue to work and study at British universities in the long term. To this end, we have added our voices to a broad-based coalition of prominent organisations and individuals in calling for the Government and Conservative leadership candidates to make a clear and unequivocal statement that EU migrants currently living in the UK are welcome here and that any future immigration changes must not apply to them.

Researchers working on EU-funded projects and students on Erasmus programmes feel particularly exposed. The message needs to go out that the referendum result has no immediate effect on UK researchers applying to or participating in Horizon 2020 programmes. UK participants can continue to take part in the programme in the usual way and we urge European researchers to treat their UK colleagues as they have before.

UK students and staff continue to have full access to Erasmus+. We will prioritise securing opportunities for researchers and students to access vital pan-European programmes and build new global networks. During the referendum campaign, commitments were made by Vote Leave to increase investment in research. We will have to make sure the next prime minister shares that commitment.

Our university sector is one of the UK's global success stories. We now have an opportunity to influence and help shape a post-Brexit Britain. We will ensure that those negotiating the terms of the UK's withdrawal from the EU are clear on the priorities of universities. We will work to persuade Government to develop the domestic policy measures necessary to counteract the negative consequences of a 'Brexit' on universities. The next prime minister should get behind the sector as a major national asset, essential to post-Brexit economic success and growth. They should help us attract and retain international students and academics through concerted promotion and a welcoming visa offer.

Perhaps most importantly, universities have a central role to play in responding to the wider social challenges of the referendum decision. Domestically, universities will use their strength as civic leaders to help address the fractures and divisions that the referendum campaign revealed. Internationally, university leaders will be loud and consistent voices in championing diversity, tolerance and internationalism and promoting the UK as the most welcoming destination for talented people from across the world. We urge political leaders to stand alongside us in this endeavour.

Dame Julia Goodfellow, President of Universities UK and Vice-Chancellor of the University of Kent

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