



## BRIEFING PAPER

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# International and EU students in higher education in the UK FAQs

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## Summary

**In 2017/18 there were 458,000 overseas students studying at UK universities;** 20% of the total student population, 54% of full-time taught postgraduates and 49% of full-time research degree students. **139,000 were from the EU and 319,000 from elsewhere.**

New overseas entrants to UK universities fell from almost 240,000 in 2010/11 to just over 230,000 in 2015/16. **Increases in the last two years have seen overseas entrants numbers reach a new high of 248,000 in 2017/18.**

The top sending countries for overseas students have changed over the last few years. **China currently sends the most students to the UK, more than 76,000 in 2017/18;** the number of Chinese student in the UK has risen by 43% since 2011/12. In contrast the **number of students from Nigeria has declined significantly;** Nigerian student numbers have fallen by 52% since 2011/12. There has also been a more recent decline in numbers from Malaysia and India (despite an increase in 2017/18)..

There has been a general drop in entrants from the major EU countries since 2011/12; Ireland down by 41%, Germany 18%, Greece 16% and France 11%. Italy was the exception with numbers up by more than half.

**In recent years, the UK has been the second most popular global destination for international students after the USA. In 2016 the US took 28% of higher education students** from all countries who were studying overseas at universities in the OECD, the **UK was in second place with 132.** But market share has been slipping and other English speaking countries such as Australia, New Zealand and Canada are now seeing significant increases in overseas students as are European countries which are increasingly offering courses in English.

**The decline in numbers has been attributed to a numbers of factors such as changes in student visa arrangements, the net migration target and most recently Brexit.** The impact of Brexit on EU students in the UK is uncertain and will depend on the outcome of negotiations, but the Government has guaranteed to continue to fund EU students until 2018/19.

**Universities UK has estimated that in 2014-15 international students contributed around £25.8 billion in gross output to the UK economy.** International students also benefit the UK in other social, cultural and intellectual ways and are an important contributors to the UK's 'soft power' overseas. Any decline in student numbers is therefore a concern.

On 16 March 2019 the Government launched the [International Education Strategy](#) – the Strategy will aim to recruit 600,000 international higher education students annually by 2030 and will extend the post-study work period to six months for undergraduates and Masters students, and a year for doctoral students.



#### 4 International and EU students in higher education in the UK FAQs

This paper answers some frequently asked statistical and policy questions on international and EU students.

# 1. Overseas student numbers

## How many overseas students are at university in the UK?

In 2017/18 there were 458,000 overseas students studying at UK universities; 20% of the total student population. 139,000 were from the EU and 319,000 from elsewhere.

New overseas *entrants* to UK universities peaked at 238,000 in 2011/12.

Their number fell by 10,000 in 2012/13 largely due to a drop in entrants from the EU in the first year of higher fees in England. Since then increases in the latest two years, mainly from outside the EU, have seen overseas entrants reach a new peak of 248,000 in 2017/18. This was 32% of all first year students at UK universities. 62,000 were from the EU and 185,000 from elsewhere.<sup>1</sup>

## Which countries send the highest numbers of students?

The top ten countries are shown opposite. China clearly dominates with more entrants as the rest of the top ten combined.

## How has this changed in recent years?

Change since 2011/12 is shown opposite. Some of the key recent trends are:

- Chinese student numbers are up by 43% since 2011/12. They increased by more than 10,000 in 2017/18 alone. Numbers from the US have increased more steadily over the same period
- Indian student numbers have fallen by 44% between 2011/12 and 2015/16. They have increased since then, but are still 24% down on 2011/12 numbers. There has been a more recent decline in numbers from Malaysia and particularly Nigeria.
- There has been a general drop in entrants from the major EU countries since 2011/12; Ireland down by 41%, Greece 16%, Germany 18% and France 11%. Italy was the exception with numbers up by more than half.

## What is the UK's share of the overall international higher education market?

In 2016 the US took 28% of international students who were studying overseas at universities in the OECD. The UK was in second place with 12% followed by Australia with 10% and France and Germany both with 7%. In the same year the UK had one of the highest rates of

### TOP 10 COUNTRIES OF ORIGIN

#### First years 2017/18

China	76,425
India	12,465
United States	11,625
Germany	7,135
France	6,910
Hong Kong	6,790
Italy	6,160
Malaysia	5,935
Greece	5,080
Nigeria	4,805

Source: Statistical bulletin SB252, HESA

### CHANGE IN 1ST YEARS

#### 11/12-17/18: Major non-EU countries

China	+43%
Hong Kong	+28%
United States	+15%
Canada	+1%
Thailand	-2%
Saudi Arabia	-12%
India	-24%
Malaysia	-24%
Nigeria	-52%

Source: Statistical bulletin SB252, HESA

<sup>1</sup> HESA, [Higher Education Student Statistics: UK, 2017/18](#)

international students<sup>2</sup> in the OECD with 18%. This was double the EU average and behind only Luxembourg (47%) and New Zealand (20%).<sup>3</sup>

### How much is the international higher education market worth to the UK?

There have been various estimates over the years of the value of education and training 'exports' to the UK (overseas students studying in the UK and some training/consultancy abroad) carried out for the British Council, Universities UK and the Government. These cover a wide range of definitions, years and methodologies. There is a substantial amount of uncertainty about these figures. They are highly approximate estimates only and are often made by groups with an interest in the sector. Estimates include:

- In 2011, the Department for Business, Innovation and Skills (BIS) [estimated](#) that the total value of higher education exports to the UK in 2008/09 was £7.8 billion. It projected that this would grow to £10.4 billion by 2015 and £13.2 billion by 2020.
- More up to date estimates of HE 'exports' for the UK were published by BIS in 2013. They put the total at £10.2 billion in 2011; 2.1% of UK exports.<sup>4</sup>
- Universities UK [estimated](#) that in 2011/12, the value of higher education exports to the UK was £10.7 billion

The Department for Education estimated that in 2015 higher education accounted for £12.9 billion out of a total £19.3 billion in international education exports and transnational education activity.<sup>5</sup>

In 2018 Universities UK published [new research](#) on the subject that put the **total value in 2014-15 at £25.8 billion**. As with the other estimates this includes direct spending by students on and off-campus and the indirect of 'knock-on' effect of this spending on the economy. It also includes an estimate of the impact of visitors to the UK linked to international students. The report also estimated that international students were 'responsible' for £10.8 billion of UK export earnings and their spending supported just over 200,000 jobs. The component parts of the £25.8 billion are:

- £4.8 billion generated in fees
- £5.4 billion off-campus spending by students
- £0.7 billion on-campus spending (excluding fees)
- £13.5 billion in the knock-on economic benefit of this spending ('gross output supported')
- £0.5 billion direct spending by visitors to international students
- £1.0 billion in knock-on economic benefit from visitor spending

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<sup>2</sup> As a proportion of all students at tertiary level

<sup>3</sup> [Education at a Glance 2018](#), OECD. Indicator B1

<sup>4</sup> [International Education –Global Growth and Prosperity: An Accompanying Analytical Narrative](#), BIS (pp29-62 especially)

<sup>5</sup> [UK revenue from education related exports and TNE activity 2015](#), DfE

## What level courses do overseas students follow?

Overseas students are much more likely than home students to study full-time and/or follow postgraduate courses. In 2017/18 49% of non-EU students were on postgraduate courses compared to 32% from the EU and 19% of home students. At undergraduate level overseas students were more likely to be on first degree courses than home students. Overseas students were also more likely to be studying full-time; 90% of those from the EU and 93% of non-EU entrants compared to 75% of home students.<sup>6</sup>

In 2014/15 56% of Chinese students were studying at postgraduate level (mainly taught courses), a very similar rate to those from the US (57%) and slightly below the proportion of Indian postgraduates (64%). The majority of EU students were undergraduates (63%).<sup>7</sup>

## How many UK universities have overseas campuses?

The UK higher education sector is involved in various types of transnational education (TNE) and a number of universities have established branch campuses overseas to increase their global reach.

In 2012, UK universities had opened 25 campuses in 12 countries, according to a study by the Observatory on Borderless Higher Education. A publication by UUK and the British Council in 2016 gave information on some of these campuses:

Over the last decade a number of universities have opened branch campuses. A very well known example for the UK has been the University of Nottingham campus in Ningbo, China and in Semenyih, Malaysia. Manchester Business School and Middlesex University are other notable players, as well as Lancaster and Strathclyde universities that signed agreements in May 2009 to establish campuses in Pakistan. Aberystwyth University followed Middlesex University in opening a campus in Mauritius in 2014. The University of Liverpool and Xi'an Jiaotong University in China formed a partnership for setting up Xi'an Jiaotong-Liverpool University (XJTLU), an independent university based in Suzhou, Jiangsu, China. The UK's existing and currently planned branch campuses are concentrated quite heavily in the UAE, China, Malaysia and Singapore, though single campuses have been established in less well known locations such as Uzbekistan (Westminster).<sup>8</sup>

It has been suggested that a number of British universities are considering plans to open new branches inside the EU ahead of Brexit as a way of maintaining partnerships with other EU universities and retaining and attracting staff who needed to work within the EU.<sup>9</sup>

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<sup>6</sup> HESA, [Higher Education Student Statistics: UK, 2017/18](#)

<sup>7</sup> *Students in higher education institutions 2014/15*, HESA

<sup>8</sup> HE Global, [The Scale and Scope of UK Higher Education Transnational Education](#), Universities UK and the British Council, June 2016

<sup>9</sup> ["UK universities draw up plans for EU campuses ahead of Brexit"](#), The Guardian, 22 September 2016

Oxford University may also create its first foreign campus in response to Brexit.<sup>10</sup>

Other universities have created institutional partnerships with overseas universities, or set up validation and franchising arrangements. An article in the *Times Higher Education*, "Empires and allies", in 2012 discussed UK HE's overseas education.<sup>11</sup>

Further information on overseas education is given on the UUK international website at [What is UK HE TNE?](#)

## 1.1 Fees paid by overseas students

### How much are fees for overseas students?

A survey of typical fees for overseas (non-EU) students at UK universities<sup>12</sup> gave these averages for different types of courses in 2018/19 (opposite). Overseas fees for classroom-based courses have risen faster than the home rate in recent years at both undergraduate (where the home/EU rate is capped) and postgraduate levels.

Undergraduate		
Classroom	£14,400	£14,364
Lab-based	£16,400	£16,368
Postgraduate taught		
Classroom	£14,600	£14,609
Lab-based	£16,900	£16,934
MBA	£19,900	£19,923

## 1.2 UK students abroad

### How many UK students study abroad and where do they go?

In 2016 an estimated 2% of UK students in higher education were studying abroad. This rate was half the EU average and well below levels in Germany and France (both 4%). The most popular overseas destinations for UK students were the US with 30% of home students studying abroad, followed by the Netherlands (7%), Germany, Australia and France (all 6%).<sup>13</sup>

## 2. What policies have had an impact on international/EU students?

The numbers of students coming to the UK to study has slowed down. The reasons for this are complex but the policies outlined below have been cited as contributory factors.

### 2.1 Net migration target

For several years it has been Government policy to reduce net migration (the difference between those who come to the UK for periods of at

<sup>10</sup> "Oxford University may break with 700 years of tradition and open a foreign campus- after France offers Brexit sweetener", *The Telegraph*, 20 February 2017

<sup>11</sup> "'Empires and allies", *Times Higher Education*, 18 October 2012

<sup>12</sup> [International and postgraduate fees survey, 2018](#), Times Higher Education

<sup>13</sup> [Education at a Glance 2018](#), OECD. Indicators B6.1 and B6.5



least 12 months and those who leave). Students who come to the UK to study and stay for more than 12 months are 'migrants' under the UN's definition and are included in the net migration target.

Many bodies, such as Universities UK, have campaigned for years to have international students removed from the net migration target.<sup>14</sup> A report by the Institute for Public Policy Research in 2016 set out details of the Government's increased restrictions on international students and argued the case for removing international students from net migration figures.<sup>15</sup>

Various parliamentary select committees have also challenged including international students in the net migration target and most recently an amendment to the *Higher Education and Research Bill 2016* by Lord Hannay of Chiswick which would have removed students from the net migration target was passed in the House of Lords by a large majority following almost unanimous support from speakers.<sup>16</sup> The amendment was later removed when the House of Commons considered the amendments to the Bill.

There is no limit on the number of international students who can come to the UK to study.

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<sup>14</sup> Universities UK, [International students and the UK immigration debate](#), August 2014

<sup>15</sup> IPPR, [Destination Education Reforming Migration Policy in International Students to Grow the UK's Vital Education Exports](#), September 2016

<sup>16</sup> ["Peers defeat UK government on international student policy"](#), *Times Higher Education*, 13 March 2017

A report by the Office for National Statistics July 2016, [Population Briefing International student migration What do the statistics tell us?](#) however stated that some international students do not leave the UK when they should and this might provide a further reason for keeping students in the net migration target :

Although it is sometimes argued that net migration figures should exclude overseas students since students are normally 'temporary migrants' and would be counted out in subsequent emigration statistics, available data suggest that some of those people who say they come to study do not actually leave the UK at the end of their courses.

The Prime Minister, Theresa May, has specifically said that students will not be removed from the net migration target:

Whether or not international students are included in the net migration target is not a message about our country and how we welcome people. We welcome students coming to this country—we are very clear about that—but in the statistics we abide by the international definition used by countries around the world. We want to ensure that the brightest and the best are indeed able to come to the United Kingdom and get the value of a UK education. ([HC Deb 29 March 2017 c289](#))

Further information on this issue is available in library briefing SN06077, [Migration Statistics](#), 7 March 2017.

### 2.2 Post-Study Work Visa

In April 2012 the Tier 1 Post-Study Work Visa, which allowed Tier 4 students to stay on and work for two years after their studies, was abolished. The change was controversial and a report by the Higher Education Policy Institute in January 2017 said that the change in visa policy had resulted in a 20% reduction in enrolments at UK HEIs (higher education institutions)<sup>17</sup>

On 11 September 2019 the Government announced the introduction of a **new two-year post-study work visa** for international students:

The new 'Graduate' route will be open to all international students – including those from India – who have valid UK immigration status as a student and have successfully completed a course of study in any subject at undergraduate level or above at an approved UK Higher Education Provider. The visa will allow eligible students to work, or look for work, in any career or position of their choice, for two years after completing their studies.<sup>18</sup>

The new Graduate route will launch for the **2020/21** intake of students to university.

### 2.3 Brexit

It has been suggested that the result of the EU referendum vote in June 2016 has had an impact on student recruitment and it has been alleged

"International students should be removed from the net immigration target. The Government's refusal to do so is putting at the risk the higher education sector's share of the international student market. Removing international students from the target would be a simple way to offset some of the risks from leaving the European Union".

House of Commons Education Committee report, [Exiting the EU: challenges and opportunities for the higher education sector](#), 19 April 2017

<sup>17</sup> Higher Education Policy Institute (HEPI), [The determinants of international demand for UK higher education](#), January 2017 p9

<sup>18</sup> Gov.UK, [UK announces 2-year post-study work visa for international students](#), 11 September 2019

that some students now perceive the UK as less welcoming to foreign students. This is a concern as it has been shown that when choosing a destination, international students are highly motivated by how welcome they feel.<sup>19</sup>

An article in the *Financial Times* in July 2016 stated that a survey by Hobson's student recruitment consultancy had found that a third of international students questioned said that they would be less likely to come to the UK post Brexit:

More than a third of international students say they are now less likely to study at a UK university following last month's vote to leave the EU, a survey has found.

Of 1,014 students surveyed this month by Hobsons, a careers advisory service, 30 per cent said they were less likely to study in the UK, while 6 per cent said they would definitely not study in the UK as a result of the vote.

[...]

Jeremy Cooper, managing director of Hobsons in Europe, said: "Market conditions for international student recruitment look set to toughen and universities need to send a clear message that the UK welcomes international students, as well as providing practical guidance and support.

"Almost two-thirds of students surveyed felt it would become harder for them to obtain a visa, while almost half expected it would become more difficult to get a job in the UK after graduating.

Among those who said Brexit made it more likely that they would come to the UK to study, 43 per cent said it was because the fall in the value of the pound would make it cheaper."<sup>20</sup>

## 2.4 The Higher Education and Research Act 2017

The *Higher Education and Research Act 2017* contains a provision to make universities provide more information specifically for international students. Section 65 of the Act places a duty on higher education providers to publish higher education information and s65(8) states that when the Office for Students (OfS) determines what information is covered by this duty it must include information which would be helpful to international students. Under s65(9) the OfS may also consider it appropriate to ask providers to supply information on numbers of international students on HE courses.

## 2.5 The International Education Strategy March 2019

On 16 March 2019 the Government launched the [International Education Strategy](#).<sup>21</sup> The Strategy sets out how the Government aims

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<sup>19</sup> Hobsons International Student Survey 2017 p13

<sup>20</sup> "[Third of foreign students less likely to come to UK after Brexit](#)", *Financial Times*, 28 July 2016

<sup>21</sup> HM Government, [International Education Strategy global potential, global growth](#), March 2019

to preserve and grow the UK's share of the global education market. The Strategy aims to:

- to increase education exports to **£35 billion by 2030**
- grow the numbers of international higher education students studying in the UK **to 600,000 by 2030**
- provide a welcoming environment for international students and develop an increasingly competitive offer by: **extending the post-study leave period**; considering where the visa process could be improved; supporting employment; and ensuring existing and prospective students continue to feel welcome.
- appoint an International Education Champion in 2019

The Strategy also said that the Government would conduct a review of transnational education (TNE) to identify the overall value of TNE to the UK economy and to provide insight into potential markets for both new and existing providers. The review will report in the spring 2020.

The visa changes implemented in September 2019 go beyond what was recommended in the Strategy.

### 3. Non-economic benefits of international students

The benefits of higher education are wide-ranging and cannot be solely calculated in economic terms.<sup>22</sup>

#### How do international students benefit UK higher education?

A study by the Higher Education Policy Institute, [Now that's what we call soft power](#), in 2015 showed that international students generated significant geopolitical benefits for the UK as 55 world leaders (Presidents, Prime Ministers and monarchs) from 51 countries had attended higher-level education in the UK. These personal connections with Britain are likely to be an important contributor to our 'soft power' and help to build long-term social, political and trade links with other countries.<sup>23</sup>

It has been suggested that the UK could lose its traditionally strong relationship with India if the number of students from the sub-continent continues to fall.<sup>24</sup>

"International students are vital for a successful post-Brexit, industrial strategy fit for a global Britain. They make a significant contribution to driving economic growth and engaging the UK's diplomatic and trade links on the world stage."

[Universities UK Parliamentary Briefing, April 2017](#)

<sup>22</sup> BIS research paper No 146, [The Benefits of Higher Education Participation for Individuals and Society: key findings and reports "The Quadrants"](#), October 2013

<sup>23</sup> IPPR, [Destination Education Reforming Migration Policy in International Students to Grow the UK's Vital Education Exports](#), September 2016 p8

<sup>24</sup> "UK-India relationship 'at risk' as student numbers slide", Times Higher Education, 2 March 2017

## What do international students contribute to the UK HE experience?

International students add to the diversity of the student body and bring social and intellectual benefits to the UK as well as creating a more global perspective.

A study by the Higher Education Policy Institute, [What do home students think of studying with international students?](#)<sup>25</sup> asked UK students for their views on international students; 87 per cent of students surveyed said that studying alongside their peers from overseas would give them a wider world view; 85 per cent said it will be useful preparation for working in a global environment; and 76 per cent said it will help them develop a global network.

The HEPI report also suggested that international students enriched academic debate:

Without a healthy number of international students, it is likely that some courses would be uneconomic to run, graduates would have a more limited outlook and classroom discussions would be excessively monocultural. Universities are more able to fulfil their core mission of sharing and spreading knowledge when they have students and staff who bring experiences from different countries and cultures.

## 4. Impact of international students on universities

### Which universities have the most overseas students?

WHICH UNIs HAVE THE MOST OVERSEAS STUDENTS?						
Overseas students in UK universities 2017/18: Top 10						
rank	by absolute number	number	% of students	by % of students	% of students	number
1	University College London	17,990	45%	London Business School	72%	1,380
2	The University of Manchester	13,750	34%	LSE	68%	7,885
3	The University of Edinburgh	12,025	37%	Royal College of Art	66%	1,415
4	Coventry University	11,285	33%	Imperial	52%	9,560
5	King's College London	11,175	35%	London School of Hygiene and Tropical Medicine	51%	550
6	Imperial	9,560	52%	University of the Arts, London	48%	9,175
7	University of the Arts, London	9,175	48%	Cranfield University	48%	2,085
8	The University of Warwick	8,990	35%	Royal College of Music	48%	400
9	The University of Sheffield	8,965	30%	The University of St Andrews	46%	4,905
10	The University of Glasgow	8,815	30%	University College London	45%	17,990

Source: [HESA, Higher Education Student Statistics: UK, 2017/18](#)

### How many staff at universities are from overseas?

In 2016/16 there were 61,580 academic staff from overseas at UK universities. This was 30% of all academic staff. 35,900 were from the

<sup>25</sup> HEPI report 76, [What do home students think of studying with international students?](#), July 2015

EU and 25,700 from elsewhere.<sup>26</sup> In 2015/16 Engineering & technology and the sciences had the highest overseas staff rates with 42% and 38% respectively.<sup>27</sup>

## 5. Funding

### 5.1 Institutional income

#### What research income comes from the EU/other overseas?

Research income from the EU was worth £877 million to UK universities in 2016/17 or 15% of total research income. This includes grants and contracts from EU Government bodies, charities and the private sector. Research income from all non-EU overseas sources was £469 million or 8% of all research income in the same year.<sup>28</sup>

### 5.2 Which universities get the most research funding from overseas?

EU: TOP 10 UNIVERSITIES				NON-EU: TOP 10 UNIVERSITIES			
EU research income 2016/17				Other overseas research income 2016/17			
rank		£ million	% of research income	rank		£ million	% of research income
1	Total UK	877	15%	1	Total UK	469	8%
2	The University of Oxford	78	14%	2	The University of Oxford	83	15%
3	The University of Cambridge	65	14%	3	Imperial	44	12%
4	Imperial	63	17%	4	The University of Cambridge	41	9%
5	University College London	58	13%	5	London School of Hygiene and Tropical M	41	33%
6	The University of Edinburgh	35	13%	6	University College London	28	6%
7	The University of Manchester	28	11%	7	Liverpool School of Tropical Medicine	25	33%
8	London School of Hygiene and Tropical M	27	22%	8	King's College London	17	9%
9	King's College London	27	14%	9	The University of Manchester	14	5%
10	The University of Sheffield	22	14%	10	The University of Edinburgh	11	4%

Source: HE Finance Plus 2016/17, HESA

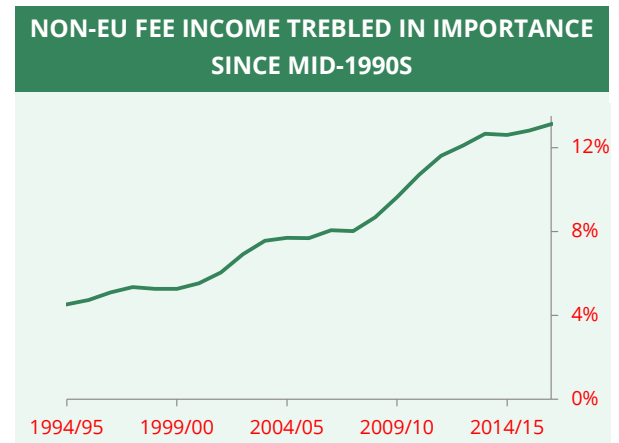
<sup>26</sup> HESA, [Higher Education Staff Statistics: UK, 2016/17](#)

<sup>27</sup> [Departmental demographics of academic staff](#), HESA

<sup>28</sup> [HE Finance Plus 2016/17](#), HESA

## How much fee income comes from overseas?

Overall academic fees from non-EU overseas students were worth £4.7 billion to UK universities in 2016/17 or 13.1% of their total income. Trends are illustrated opposite and show a sustained increase in the importance of overseas fee income, up from below 5% in the mid-1990s.<sup>29</sup>



## 5.3 Student support

### What support is available for international students?

Only students categorised as home or EU students are eligible for publicly funded student support, there is no funding available for international students. Individual institutions however may provide scholarships for international students.

The [UK Council for International Student Affairs](#) (UKCISA) publishes information on the criteria for categorisation as a home/EU student.

### I am a British citizen so why have I been classified as an international student?

The student support regulations state that students must meet two main criteria to be classified as a home student: firstly students must have the correct immigration status (right of abode, or indefinite leave to remain) **AND** they must meet a three year residency requirement. Students who do not meet either of these criteria can be classified as an international student even if they are UK citizens. The three year residency requirement may catch out ex-pats returning to the UK.

## 6. EU students

### What support is available for EU students?

Under EU rules on free movement European students studying in another EU member state must be given the same access to higher education as local students. This means that EU students have the same right to fee support as local students.

In the UK therefore EU student have access to **tuition fee loans** on the same basis as UK students. EU students studying across the UK regions will be treated the same as home students of that region, this is why EU students in Scotland do not pay fees. These rules do not apply to a member states own internal arrangements so our devolution settlement means that English students can be charged fees at Scottish universities.

EU students are not generally eligible for maintenance loans but some students may qualify if they meet residency criteria.

<sup>29</sup> *ibid.*

## How much do EU students take out in loans?

In 2017-18 a total of £490 million was lent to EU students at English universities. The amount has increased in recent years particularly due to higher fees from 2012. An estimated 69% of eligible EU full-time undergraduates took out fee loans in 2014/15. A total of £2.2 billion was owed by EU borrowers at the end of financial year 2017-18; just over 2% of the total outstanding student loan debt.<sup>30</sup>

EU students had £2.2 bn in outstanding student loan debt in March 2018.

[Student Loans in England: Financial year 2017-18](#)

## How many EU students repay loans?

As EU students have only been eligible for fee loans from 2006 there are a limited number of cohorts who have become liable to repay and only early evidence on any post-2012 cohort where loan amounts are much bigger.

Looking across all cohorts with at least one tax year processed<sup>31</sup> 16% had repaid their loans in full, 25% were currently repaying, 22% were earning below the earnings threshold (in the UK or overseas) and hence not repaying and the remaining 36% were either not in employment, defaulted on repayment, had not provided details of their income, were not traced or were not liable to repay yet. Compared to home students EU borrowers were much more likely to have repaid in full, much less likely to be repaying (around half the rate for recent cohorts), more likely to be working, but earning less than the repayment threshold and much more likely to be in one of the 'other' non-repayment categories.<sup>32</sup>

## How do EU students repay their loans?

EU students repay their loans directly to the Student Loans Company. Information on repayments of loans by EU students was given in answer to a parliamentary question in March 2017:

**Students: Loans:** Written question - 66121

**Mrs Anne Main:** 01 March 2017

To ask the Secretary of State for Education, what steps the Government takes to reclaim student loans from graduates from non-UK EU countries who fail to repay those loans.

**Joseph Johnson :** 08 March 2017

The Student Loans Company (SLC) has arrangements in place to collect repayments from borrowers who move away from the UK. SLC establishes a 12 month repayment schedule based on the borrower's income and provides information on the methods of repayment available.

SLC sets up fixed repayment schedules for borrowers who do not remain in contact and will place those borrowers in arrears. Further action, including legal action, can then be taken to secure recovery.

The Department published a Joint Repayment Strategy in February 2016, which sets out how action will be taken to trace borrowers and act to recover loans where avoidance or evasion is identified.

<sup>30</sup> [Student Loans in England: Financial Year 2017-18](#), SLC

<sup>31</sup> Up to the 2016 cohort who finished their courses in 2015 and first became liable to repay in April 2016

<sup>32</sup> [Student Loans in England: Financial Year 2017-18](#), SLC



This publication can be found at  
<https://www.gov.uk/Government/publications/student-loan-repayment-strategy>.

[[HC Deb 1 March 2017](#)]

## Will the Government continue to fund EU students post Brexit?

On 28 May 2019 the government [confirmed](#) that EU students who begin their degrees on or before the academic year 2020-21 will be eligible for home student fees and financial support and that nothing will change for them throughout their degree. This will be the case whether or not the UK leaves the EU with a deal.

However the government has not stated what the situation will be for EU students after the 2020-21 academic year, the May statement said:

Work to determine the future fee status for new EU students after the 2020/21 academic year is ongoing as the Government prepares for a smooth and orderly exit from the EU as soon as possible.

The Government will provide sufficient notice for prospective EU students on fee arrangements ahead of the 2021/2022 academic year and subsequent years in future.

## 6.1 Erasmus+

### How many students come to the UK on Erasmus programmes?

31,200 higher education students came to the UK under the 2016 Erasmus+ 'Call'. This includes those on traineeships as well as those studying at UK universities. The largest number came from France with 7,800, followed by Germany with 5,300 and Spain with 4,600.<sup>33</sup>

### How many UK students are on Erasmus+ programmes and where do they study?

10,944 UK students were involved in the 2016 Erasmus+ 'Call' for studies in participating programme countries. A further 6,618 were on traineeships through Erasmus.<sup>34</sup>

In 2016/17 The most popular host countries for UK students and those on traineeships were France (3,873), Spain (3,767), Germany (2,321), Italy (1,202) and the Netherlands (1,189).<sup>35</sup>

A report by Universities UK international, [Gone International: Mobility Works](#), showed that Erasmus+ accounted for 55% of the international experiences of graduates who had completed their courses in 2014/15. The report also found a correlation between mobility and improved academic and employment outcomes:

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<sup>33</sup> [Erasmus+ Programme Annual Report 2017](#), Annex 18

<sup>34</sup> 2016 Key Actions 1 & 3 Outputs Funded tables - Placements (actuals & estimates) 18-09-2018, <https://www.erasmusplus.org.uk/statistics-0>

<sup>35</sup> [2014-2017 Higher education mobility statistics](#), [www.erasmusplus.org.uk](http://www.erasmusplus.org.uk)

Six months after graduation mobile students were less likely to be unemployed and more likely to have had obtained a first- or upper second-class degree, be in a graduate level position, or to be working abroad.<sup>36</sup>

### Will Brexit affect the UK's participation in the Erasmus+ scheme?

Future participation in the Erasmus+ programme will vary depending on whether there is a deal or a no deal Brexit and on the outcome of future negotiations.

On 29 January 2019 the Government issued guidance in an [updated Technical Notice](#) :

#### **Planning for a deal**

In the event that the UK leaves the EU with a withdrawal agreement in place, the UK will participate in Erasmus+ and the ESC until the end of the current cycle in 2020. EU funding for UK participants and projects will be unaffected for the entire lifetime of projects, including those that extend beyond 2020. It is important that UK organisations and participants are in a position to benefit from the UK's continued participation in Erasmus+ and ESC.

#### **Planning for no deal**

In the event that the UK leaves the EU without a deal, the UK will engage with the European Commission with the aim of securing the UK's continued full participation in Erasmus+ and ESC until 2020. There are a range of options for the UK's continued participation in Erasmus+ and ESC, including programme country status, partner country status or another arrangement. Partner country access to Erasmus+ varies between different regional groups.

The government aims to minimise the impact on projects in a no deal scenario. We will work closely with the National Agency to update organisations when more information is available from the European Commission. Home organisations will keep participants updated on any changes.

#### **The government underwrite guarantee**

In the event that the UK leaves the EU without a deal, the government's underwrite guarantee will cover the payment of awards to UK applicants for all successful Erasmus+ and ESC bids. Successful bids are those that are approved directly by the European Commission or by the National Agency and ratified by the European Commission. This includes projects and participants that are only informed of their success, or who sign a grant agreement, after the UK's withdrawal from the EU, and commits to underwrite funding for the entire lifetime of the projects.

The government will need to reach agreement with the EU for UK organisations to continue participating in Erasmus+ and ESC projects and is seeking to hold these discussions with the EU. If discussions with the Commission to secure UK organisations' continued ability to participate in the programme are unsuccessful, the government will engage with Member States

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<sup>36</sup> Universities UK international, [Gone International: Mobility Works](#), p36

and key institutions to seek to ensure UK participants can continue with their planned activity.

In these circumstances, UK organisations may wish to consider bilateral arrangements with partner organisations that would enable their projects to continue. The government will provide funding for projects that were approved directly by the European Commission or by the National Agency and ratified by the European Commission prior to the UK's withdrawal from the EU to continue in this form, should it become necessary.

The guarantee covers funding committed to UK organisations. It does not cover funding committed to partners and participants in other Member States and other participating countries. This means that where a UK organisation is the lead member of a partnership, any funding it distributes to non-UK associated beneficiaries is not covered by the guarantee.

Participation in the Erasmus+ programme in the event of a no deal Brexit was raised in a PQ on [4 February 2019](#):

**Erasmus+ Programme:** Written question - 214486

**Gordon Marsden:** 30 January 2019

To ask the Secretary of State for Education, whether funding for students currently on Erasmus+ placement years in (a) the UK and (b) in EU member states will be guaranteed to complete their year abroad in the event that the UK leaves the EU without a deal.

**Chris Skidmore:** 04 February 2019

Leaving the EU with a deal remains the government's top priority. This has not changed. However a responsible government must plan for every eventuality, including a no deal scenario. We are intensifying and accelerating no deal planning to ensure we are fully prepared.

The Department for Education and Her Majesty's Treasury have regular discussions on preparations for leaving the EU in a no deal scenario, including on this issue.

The updated Technical Notice states the current position on no deal preparations for Erasmus+. In the event of a no deal, the government guarantee will cover the payment of awards to UK applicants for all successful Erasmus+ bids agreed by the National Agency and EU Commission. We have noted the information released by the European Commission on 30 January 2019 with regards to contingency planning for Erasmus+ and we are seeking to hold discussions with the Commission as soon as possible to discuss this.

With regards to 2019 applications, we continue to recommend that applications are submitted, as they are normally, both to the UK National Agency and directly to the European Commission in line with the 2019 Programme Guide. The Government Guarantee will cover the payment of awards to UK applicants for all successful Erasmus+ bids for the duration of the course. Successful bids are those that are approved directly by the European Commission or by the National Agency and ratified by the European Commission.

## A UK alternative to Erasmus+ ?

Commentators have said that if the UK loses access to the Erasmus+ scheme it is important that the Government commits to fund an alternative scheme. A replacement scheme to Erasmus+ was discussed

during the House of Commons Education Committee's inquiry into the impact of Brexit on the higher education sector. The Committee's report, [\*Exiting the EU: challenges and opportunities for the higher education sector\*](#), 19 April 2017, gives an overview of the issues involved with a new scheme and potential costs on p221-22.

## 7. Sources of information

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UK Council for International Student Affairs, [\*UKCISA Briefing on international students\*](#), May 2017

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Higher Education Statistics Agency, [\*Higher Education Student Statistics: UK, 2017/18 - Where students come from and go to study\*](#)

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