

**Research Briefing**

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# International students in UK higher education



## Summary

- 1 Overseas student numbers
- 2 Government policy on international students
- 3 Funding
- 4 The costs and benefits of international students to the UK

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# Contents

<b>Summary</b>	<b>4</b>
<b>1 Overseas student numbers</b>	<b>8</b>
1.1 UK students abroad	19
<b>2 Government policy on international students</b>	<b>21</b>
2.1 International Education Strategy	21
2.2 Brexit	24
2.3 Erasmus+ and the Turing Scheme	27
2.4 Student and graduate visas	29
2.5 Immigration policy	32
<b>3 Funding</b>	<b>37</b>
3.1 Institutional income	37
3.2 Student finance	40
<b>4 The costs and benefits of international students to the UK</b>	<b>42</b>
4.1 Economic	42
4.2 Non-economic	45

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## Summary

### Overseas student numbers

In 2022/23 there were 758,855 overseas students studying at UK universities, 95,505 of whom were from the EU and 663,355 from outside the EU. The total was the tenth record high in a row and 26% of the total student population.

In 2017/18, the number of new overseas entrants to UK universities was around 254,000, increases in the last five years saw overseas entrant numbers reach another new high of 459,200 in 2022/23.

The top sending countries for overseas entrants have changed over recent years.

- India sent the most students to the UK in 2021/22, 126,600 entrants in 2022/23; this was more than ten times the number of entrants from India in 2017/18.
- China had sent the most students to the UK for more than a decade, but new entrants from China fell in 2020/21 and increased only modestly afterwards to 102,800 in 2022/23.
- Rapid increases in entrants from Nigeria since 2017/18 have seen it move into third place with 53,800 entrants in 2022/23.
- The total number of EU entrants increased gradually in the late 2010s before falling sharply by 53% in 2021/22 (when funding rules and visa requirements changed) and a further 8% in 2022/23.

There are some signs of a fall in international student numbers in 2023 and 2024. The number of student visas granted increased to a new record of around 484,000 in 2022 before falling by 5% in 2023. Applications for study visas in August (traditionally the peak month) were 17% lower in 2024 than in 2023. Data from an international student enrolment platform suggests that postgraduate entrants in January 2024 were down by around one-third.

In recent years, the UK has been the second most popular global destination for international students after the US. In 2019, it was overtaken by Australia and temporarily fell to third, before returning to second place in 2021 and 2022. Other English-speaking countries, such as New Zealand and Canada, are also seeing substantial increases in overseas students, as are European countries which are increasingly offering courses in English.

## Government policy on international students

The new Labour government has sought to distance itself from what it has described as the “mixed messaging” of previous governments on international students. In July 2024, the Education Secretary, Bridget Phillipson, [said the government unambiguously welcomed international students](#) and valued their contribution to universities, communities, and the country.

Reconciling objectives towards international students with broader UK immigration policy has presented challenges to successive governments and resulted in some policy instability, as reflected by changes made over recent years to student visa holders’ rights to work, sponsor relatives and change visa category.

The Labour government is also [committed to reducing net migration](#). Observers have pointed to an incoherence between ambitions to increase international student numbers and reduce net migration.

### International Education Strategy

The UK Government’s [International Education Strategy](#) sets out actions to meet ambitions to:

- increase the value of education exports to £35 billion per year by 2030
- increase the total number of international students choosing to study in the UK higher education system (in universities, further education colleges and alternative providers) each year to 600,000 by 2030

The latter ambition was met for the first time in 2020/21, with 605,130 international higher education students studying in the UK.

### Brexit

There was a sharp decline (50%) in accepted applicants for undergraduate study in the UK from EU countries in 2021/22. This was the first year after changes to visa requirements and student finance for these students. This group of entrants fell further in the following two years to its lowest level since the higher education sector was reorganised in 1994.

New students arriving from the EU to start courses from August 2021 are [generally no longer eligible for home student status](#), which means they must pay international fees and will not qualify for tuition fee loans. Students who started courses on or before 31 July 2021 remain eligible for support for the duration of their course.

In September 2021, [the Turing Scheme](#) replaced the Erasmus+ programme in providing funding for participants in UK universities to go on international

study and work placements. The decision not to fund students coming to the UK as part of the Turing Scheme has prompted concern there will be a decrease in international students and the benefits they bring to the UK.

## Student visa arrangements

The [student visa route](#) is the main visa category for international students coming to study at a higher education institution. How long students can stay depends on the length of their course and their previous studies in the UK. Degree-level students can usually stay for up to five years.

In July 2021, a new post-study work visa for international students, the '[graduate route](#)', opened. The graduate visa gives international graduates permission to stay in the UK for two years after successfully completing a course in the UK. For graduates who completed a PhD or other doctoral qualification, the visa lasts for three years.

## Recent immigration policy changes

[Some new restrictions on student visa conditions](#) came into effect in January 2024. People coming to do taught postgraduate courses lost the right to bring dependant family members to the UK, and new students have been prevented from switching into a work visa before the end of their course.

A [review of the graduate route](#) published by the Migration Advisory Committee in May 2024 didn't find widespread abuse or evidence the visa is undermining the integrity and quality of the UK higher education system. The Committee did highlight concerns about poor practice by some international student recruitment agents. Shortly before the 2024 general election the Sunak government announced plans to introduce more stringent compliance standards for sponsoring education institutions and their use of recruitment agents. The [Home Secretary has confirmed](#) the government will proceed with those measures.

## Funding

Research income from the EU was worth £772 million to UK universities in 2022/23, or 11% of total research income. It included grants and contracts from EU Government bodies, charities, and the private sector. Research income from non-EU overseas sources was £727 million, or 10% of all research income in the same year.

Reductions to teaching grants, the freezing of tuition fee caps, rising costs have meant many higher education providers have looked to the tuition fees of international students to cross-subsidise shortfalls elsewhere in budgets. In 2022/23 fee income from all international students was £11.8 billion. This was 23% of total income, up from around 5% in the mid-1990s. International fees



are not capped in the same way as the fees of 'home' students, and so providers can charge significantly more.

However, there are growing concerns about the reliance of some UK universities on international tuition fee income, [particularly from Chinese students](#). In June 2022, the House of Commons Public Accounts Committee [warned higher education providers are potentially exposing themselves to significant financial risks](#) should assumptions about future growth in international student numbers prove over-optimistic.

## The costs and benefits of international students to the UK

The [government estimates](#) that higher education 'exports' were worth around £21.7 billion to the UK in 2021. Their real value has increased by 81% between 2010 and 2021.

Economic consultancy [London Economics estimates](#) that international students starting in 2021/22 would bring economic benefits to the UK of £41.9 billion, have costs to the UK of £4.4 billion, and hence net economic benefits of £37.4 billion. The analysis said the economic impact was spread across the entire UK, with international students making a £58 million net economic contribution to the UK economy per parliamentary constituency across the duration of their studies. This is equivalent to £560 per member of the resident population.

Alongside these economic benefits, reports have suggested international students benefit the UK higher education experience by bringing an outward-looking culture to campuses and preparing students for working in a global environment. However, concerns have been raised about some international students [not having the necessary English language skills to partake in classes and obtain degrees](#).

In 2023, [over one-quarter of the world's countries \(58\) were headed by someone educated in the UK](#), which is second only to the USA (65).

## 1

## Overseas student numbers

### How many overseas students are at UK universities?

In the 2022/23 academic year, there were 758,855 overseas students studying at UK universities; 26% of the total student population. 95,500 were from the EU and 663,400 from outside the EU.<sup>1</sup>

#### Student number data for 2022/23

The release of Higher Education Statistics Agency (HESA) student data for 2022/23 was delayed from January to August 2024 due to the introduction of a new 'data model' requiring significant changes to the way higher education institutions collect and manage their student data.

These changes have led to a larger than normal number of 'data quality issues'. These are described in detail in HESA's [Higher Education Student Statistics: UK, 2022/23](#). Those affecting the data in this briefing include a new definition of entrants, with a 'small' impact on overall numbers, missing data on country of permanent address (up from less than 100 in 2021/22 to around 2,800 in 2022/23) and incorrect classifications of mode/level of study for some students at some institutions.

New overseas entrants to UK universities initially 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 non-EU students have seen overseas entrants reach and set new records, despite falls in EU entrants in 2021/22 and 2022/23. The total of 459,200 in 2022/23 was more than 80,000 above the previous record from 2021/22, which was itself around 50,000 above the record from 2020/21. Overseas students made up 34% of all entrants to UK universities in 2022/23. 28,900 were from the EU and 430,300 from outside the EU.<sup>2</sup>

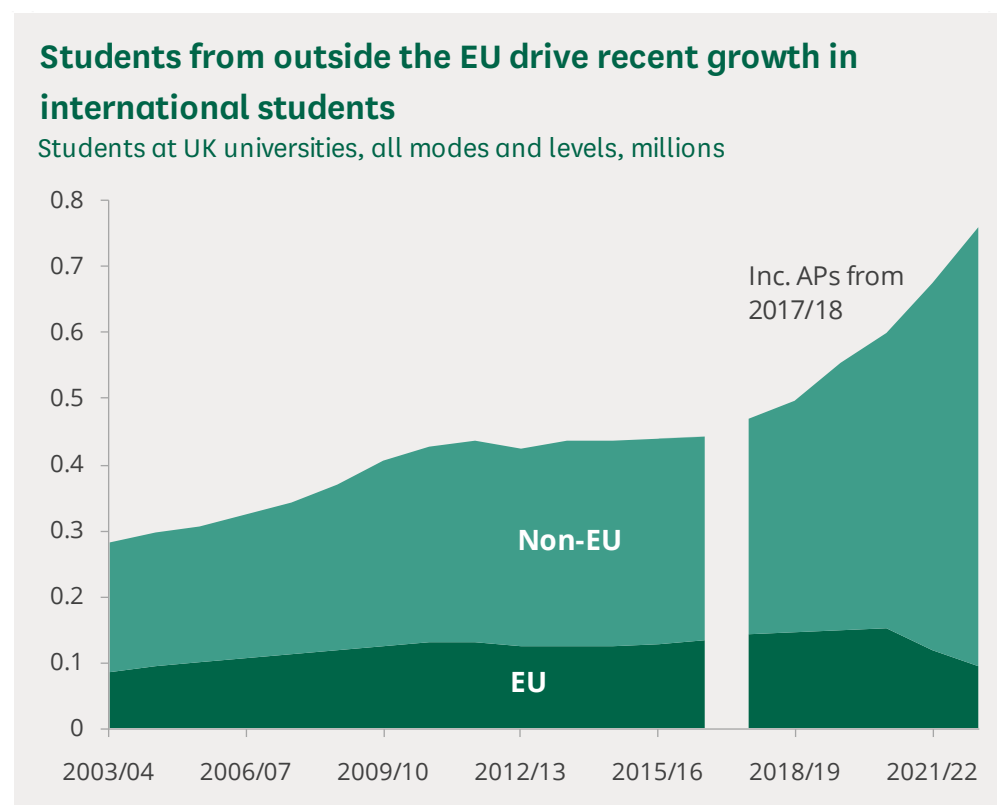
From 2017/18 the data includes 'Alternative Providers' (APs)<sup>3</sup> in England, as shown in the following chart.

<sup>1</sup> HESA, [HE student enrolments by permanent address 2018/19 to 2022/23](#)

<sup>2</sup> HESA, [HE student enrolments by permanent address 2018/19 to 2022/23](#) (and earlier versions)

<sup>3</sup> These are sometimes referred to as private providers. They are higher education institutions which do not received recurrent funding from the funding council.





Source: HESA, [HE student enrolments by permanent address 2018/19 to 2022/23](#) (and earlier editions)

### Undergraduate students

The number of students from outside the EU accepted on full-time undergraduate courses through the admissions service UCAS increased in each year between 2016 and 2022 from 38,300 to 62,500; a 63% rise. Numbers fell to 61,000 in 2023, but were still their second highest level. 29% of these students were from mainland China in 2023, followed by 11% from India and 6% from Hong Kong.<sup>4</sup>

Applications for 2024 entry from non-EU students at 30 June 2024 were down by 1.4% on the same period in 2023.<sup>5</sup> The number of non-EU students accepted on full-time courses by 30 August 2024 was down by 1.2%.<sup>6</sup>

EU undergraduate numbers are included in the [Brexit](#) section of this paper.

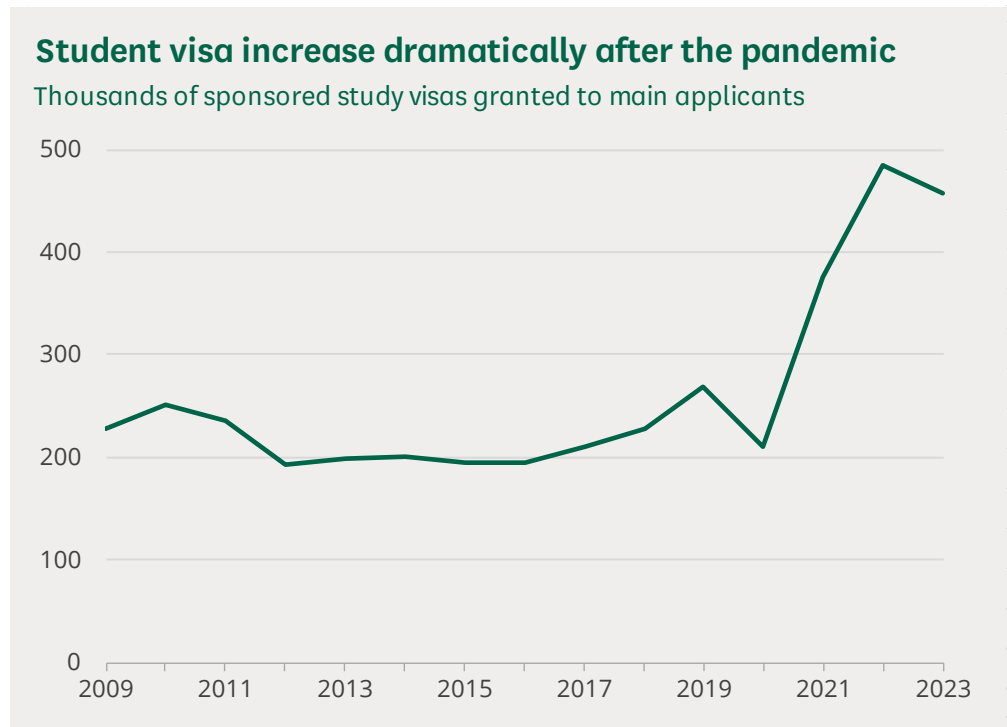
### Student visas

The following chart looks at trends in the annual number of study visas granted. The annual total was around 200,000 in much of the early and mid-2010s. The number started to rise towards the end of the 2010s, fell in the first year of the pandemic and increased rapidly in the following two years, reaching just over 484,000 in 2022.

<sup>4</sup> UCAS, [Undergraduate end of cycle data resources 2023](#)

<sup>5</sup> UCAS, [2024 cycle applicant figures -30 June deadline](#)

<sup>6</sup> UCAS, [Daily clearing analysis 2024 \(Day 15\)](#)



Source: Home Office, [Entry clearance visa applications and outcomes detailed datasets, year ending June 2024](#)

The 2023 total was 6% lower than 2022, but remained well above levels in earlier years.

Quarterly data shows the number granted in the fourth quarter of 2023 was 37% lower than the fourth quarter of 2022. Numbers in the first two quarters of 2024 numbers were down by around 23% on 2023.<sup>7</sup>

Student visa activity tend to peak just before the start of the academic year in August and September. Sponsored study visa applications from main applicants in August 2024 were 17% (25,200) below August 2023 levels. The number of applications from dependents of these students has fallen much faster. Between January and August 2024 were down by 83% (77,700) on the same period in 2023.<sup>8</sup>

The fall in student visa applications/grants is thought to partly reflect a response to the May 2023 package of measures on student immigration. The right for international students to bring dependents was limited to those on postgraduate research programmes from January 2024. The full impact will be clearer when data on visas granted in the third quarter of 2024 are published towards the end of the year.

<sup>7</sup> Home Office, [Entry clearance visa applications and outcomes detailed datasets, year ending June 2024](#)

<sup>8</sup> Home Office, [Monthly monitoring of entry clearance visa applications](#) (updated 12 September 2024)

The increase in study visas between 2019 and were largely driven by higher numbers from India (an increase of 105,000), Nigeria (52,000 more), Pakistan (23,500 more) and Bangladesh (13,500 more). The number from China fell by 16,000 over this period.<sup>9</sup>

These figures cover main applicants only. In 2023 around 144,000 dependant visas were granted, up from fewer than 20,000 for most of the 2010s.

Most, but not all, of study visas granted are for higher education. In 2023 around 90% of study visa applications were sponsored by higher education institutions. A further 4% were sponsored by 'tertiary, further education or other colleges' which will include some providing higher education courses.<sup>10</sup>

### Recent international student enrolment platform data

[Data from the from international student enrolment platform Enroly](#), which shows a clear fall in student entry indicators for the January 2024 intake. Many postgraduate courses start in January and this would be the first intake after the right to bring dependents was limited to those on postgraduate research courses only. Around one-third of international students are said to use this platform and the data is based on a sample of more than 68,000 student offers.

Enroly found a consistent decline of around one-third in visas granted, Confirmation of Acceptance for Studies (CAS) issued and deposits paid, in January compared to January 2023. There was a larger fall for postgraduate CAS issued (37%). The largest CAS falls by country were in those from Nigeria (70%), Sri Lanka (53%) and Bangladesh (42%). The number from Pakistan increased by 33%.<sup>11</sup>

The decline in all indicators in January 2024 reversed the increase in the previous years and took totals to between 2% and 7% below their January 2022 levels.<sup>12</sup> There was a 4% annual increase in the number of CAS issued for the September 2023 intake.<sup>13</sup>

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<sup>9</sup> Home Office, [Entry clearance visa applications and outcomes detailed datasets, year ending June 2024](#)

<sup>10</sup> Home Office, [Study sponsorship \(Confirmation of acceptance for Studies\) detailed datasets, year ending December 2023](#)

<sup>11</sup> Enroly, [CAS and deposits down by a third year-on-year for January intake](#), 27 March 2024

<sup>12</sup> Enroly, [CAS and deposits down by a third year-on-year for January intake](#), 27 March 2024

<sup>13</sup> Enroly, [Overall international student numbers rise amid a sharp fall in Nigerian students](#), 5 October 2024

## Do international students take the places of UK students?

In recent years, a number of media articles have suggested domestic students are losing out on UK university places to overseas applicants, particularly at prestigious Russell Group universities.<sup>14</sup>

Analysis by the Financial Times in July 2023 argued it has become apparent that “the big increase in the share of places offered to international students was starting to affect the chances of British children attending the highest-ranked universities.”<sup>15</sup> The article said that, in 2021, the intake of domestic students at English Russell Group universities fell to the lowest level since 2014, with 86,000 domestic students admitted, down from 102,000 in 2020.

The Financial Times article also noted the value of domestic tuition fees – which have been frozen for a number of years – had been eroded by inflation, and argued this had left many universities facing financial pressures and increasingly reliant on international students, who pay higher fees than their domestic peers. The article said:

With no major increase in government funding or tuition fees expected, many fear that England’s most prestigious universities will have no choice but to give an even greater share of their places to lucrative overseas students in the coming years.<sup>16</sup>

Some in the UK higher education sector described the Financial Times article and other media reporting as “misleading”, and have argued tuition fee revenue from international students helps to fund places for domestic students.<sup>17</sup> The Russell Group said its universities had grown UK student numbers in recent years at a faster rate than international student numbers, with the revenue generated from the latter reinvested into “high-quality education and research to benefit all students”.<sup>18</sup>

Similarly, Universities UK, which is a representative group for universities in the UK, has said that despite the significant growth in the absolute number of international students attending UK universities between 2017/18 and 2021/22,

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<sup>14</sup> “[Thousands of middle class British students ‘will lose out to foreign applicants’](#)”, The Telegraph, 8 July 2023; “[Britons squeezed out of top universities by lucrative overseas students](#)”, Financial Times, 21 July 2023

<sup>15</sup> “[Britons squeezed out of top universities by lucrative overseas students](#)”, Financial Times, 21 July 2023 (accessed 19 October 2023)

<sup>16</sup> “[Britons squeezed out of top universities by lucrative overseas students](#)”, Financial Times, 21 July 2023

<sup>17</sup> “[“Misleading” headlines called out by UK sector](#)”, The PIE News, 24 July 2023; “[Are international students taking over UK universities? No – in fact, they’re propping them up](#)”, The Guardian, 31 January 2024

<sup>18</sup> Russell Group, [Comment on UK student numbers at Russell Group universities](#), 24 July 2023

the proportion of international students at undergraduate level only rose from 14.3% to 15.1% over the period.<sup>19</sup>

The UK Government has said it is a “myth” that universities prioritise international students for places over UK students, with places offered to UK students and those from overseas in “two separate streams”. An August 2022 blogpost by the Department for Education said:

Universities allocate and offer places to students in separate streams – for those who are from the UK and for those that are from overseas. It is a myth that offering a place to an international student takes away a place from a student from the UK.

Most universities have separate home and international student recruitment targets, set before the admissions cycle even begins.<sup>20</sup>

However, the idea international students do not displace at least some home students was challenged in an article in Wonkhe in August 2022.<sup>21</sup> This argued that university courses have a maximum capacity due to, among other things, campus size and teaching staff numbers, and even if some of this capacity is part-funded by international recruitment, international students are occupying some of the capacity. It said:

If there are therefore 100 “places”, and a university isn’t giving all 100 places to the home students who meet the stated criteria for an offer, it must be the case that some of the “places” have been “taken” by international students.<sup>22</sup>

## Can international students “buy their way” into UK universities?

In January and March 2024, the Sunday Times published two articles arguing that international students are able to “buy their way” on to competitive higher education courses using “back door” routes that mean they do not have to meet entry requirements set for UK students.<sup>23</sup> The articles highlighted the use of foundation years or pathway courses, which have lower entry grades than full undergraduate degree courses, but which on completion allow international students to access such courses. Foundation and pathway courses are often delivered by partnerships between universities and private companies and advertised to prospective international students by recruitment agents.

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<sup>19</sup> Universities UK, [Are universities letting international students in on lower grades?](#), updated 15 February 2024

<sup>20</sup> DfE Education Hub blog, [How do international students access UK universities?](#), 4 August 2022. See also, DfE Education Hub blog, [4 myths about university places busted](#), 9 August 2023

<sup>21</sup> [“Yes, international students are displacing home students”](#), Wonkhe, 19 August 2022

<sup>22</sup> [“Yes, international students are displacing home students”](#), Wonkhe, 19 August 2022 (accessed 19 October 2023)

<sup>23</sup> [“Cash for courses: top universities recruit foreign students on low grades”](#), The Sunday Times, 27 January 2024; [“‘Pile them high’: how foreign student recruiters make millions”](#), The Sunday Times, 17 March 2024

The Sunday Times articles prompted questions in both the House of Commons and Lords about the fairness of university admissions for domestic students.<sup>24</sup> Under the Higher Education and Research Act of 2017, higher education providers in England are autonomous institutions, which means they can set their own admissions criteria. However, the 2022 Sunak government said the Department for Education was investigating university admission practices, including the behaviour of recruitment agents, and “will take action to ensure fairness between domestic and international students.”<sup>25</sup>

Representative bodies in the sector, such as Universities UK and the Russell Group, have challenged the claims made by the Sunday Times articles.<sup>26</sup> They have argued foundation years or pathway courses help to prepare students for studying in the UK after coming from different education systems, and do not guarantee entry onto a full degree course. They have also said it is misleading to present entry requirements for foundation programmes alongside entry requirements for full degrees. Universities UK has said:

[T]o progress to full degree programmes, students must successfully complete the foundation programme and meet entry requirements set by the university, which will be equivalent to those for home students.<sup>27</sup>

Foundation programmes are also offered by many universities for domestic students from disadvantaged backgrounds who have the potential to succeed in higher education but who may not meet entry requirements. These courses also have lower entry grades to reflect the fact they are at a lower level than a full degree. Nevertheless, Universities UK has said it recognises the importance of maintaining public confidence in universities admissions, and has commissioned an external review into foundation programmes, including their entry requirements.<sup>28</sup>

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<sup>24</sup> [HC Deb, Oral answers to questions, 29 January 2024, c592](#); [HL Deb \[Russell Group Universities: Foreign Student Admissions\] 1 February 2024](#)

<sup>25</sup> [PQ13198 \[Universities: Admissions\] 8 February 2024](#)

<sup>26</sup> Universities UK, [Universities UK responds to Sunday Times article on recruitment of international students on pathway courses](#), 17 March 2024; Russell Group, [Russell Group response to Sunday Times article on recruitment of international students on pathway courses](#), 17 March 2024

<sup>27</sup> Universities UK, [Are universities letting international students in on lower grades?](#), updated 15 February 2024

<sup>28</sup> Universities UK, [Universities UK responds to Sunday Times article on recruitment of international students on pathway courses](#), 17 March 2024



## Which countries send the most students?

The top ten countries are shown opposite. India was in the top position in 2022/23, replacing China which had been in top place for over a decade. EU entrants at UK higher education providers fell by more than half in 2021/22 and by a further 8% in 2022/23. Some of the key recent trends were:<sup>29</sup>

- Indian student numbers fell by 44% between 2011/12 and 2015/16. They increased steadily for the following few years before rising dramatically from 2017/18. The increase since 2017/18 has been around 115,000 entrants or more than 900%.
- Chinese student numbers are up by 92% since 2011/12, despite a small drop in 2020/21 and only small increases in 2021/22 and 2022/23. Numbers from the US fell in 2019/20 and 2020/21, increased by 43% in 2021/22 to a record level before falling by 11% in 2022/23.
- New students numbers from Nigeria fell rapidly in 2015/16 and 2016/17 before stabilising, then increasing almost 900% (48,000) between 2018/19 and 2022/23.
- Entrants from Malaysia fell in the mid- and late-2010s and have recovered slightly in the latest two years.
- There was a general drop in entrants from major EU countries between 2011/12 and 2020/21. This sharply accelerated in 2021/22 and there were generally smaller falls in 2022/23. The largest falls in entrants between 2011/12 and 2022/23 were 69% from Romania, 68% from Greece, 65% from Poland, 62% from Germany and 61% from Cyprus.
- Overall first year EU student numbers were down by 2% between 2010/11 and 2020/21. Much of this cut happened in 2012/13 and numbers increased during the 2010s. New entrants from the EU were down by 53% in 2021/22 and a further 8% in 2022/23 to their lowest level since the current higher education sector was formed in 1994.

### Top 10 countries of origin

Entrants 2022/23

India	126,580
China	102,795
Nigeria	53,790
Pakistan	24,950
United States	12,075
Bangladesh	10,480
Hong Kong	7,735
Malaysia	6,295
Italy	5,505
Saudi Arabia	5,325

### Change in entrants

11/12-22/23: Major non-EU

India	+675%
Nigeria	+437%
China	+92%
Hong Kong	+45%
Saudi Arabia	+25%
United States	+20%
Canada	+7%
Malaysia	-19%

## What impact did the coronavirus pandemic have on international students coming to the UK?

There was a general fear across the higher education sector that the pandemic and associated lockdowns across the world would lead to a substantial drop in international student numbers. However, despite a fall in entrants from some countries, notably China, the US, and Thailand, the total number of overseas students increased by more than 45,500 to a new record level in 2020/21. The largest increases in new students were from India, Nigeria, and Pakistan.<sup>30</sup>

<sup>29</sup> HESA, [Top ten EU and non-EU countries of permanent address \(excluding the UK\) in 2022/23 for HE student enrolments 2018/19 and 2022/23](#) (and earlier versions)

<sup>30</sup> HESA, [Higher education student data \(Where do they come from?\)](#)

Data from the admissions service UCAS covers new students on undergraduate courses. This also showed an increase in overseas applicants and the number accepted in 2020/21 to a new record. There was a sharp Brexit-related decline in applicants and acceptances from the EU in 2021/22. Numbers from outside the EU increased again in 2021/22.<sup>31</sup>

A Library briefing, [Coronavirus: Financial impact on higher education](#), discusses the impact of the coronavirus pandemic on international students. The latest data on international student numbers are included in the briefing [Higher education student numbers](#).

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

In 2021, the US took 13% of the global market in international students. The UK was the second largest destination with 9%. Australia overtook the UK and moved into second place in 2019, but it saw a dramatic fall in these students during the pandemic, while numbers increased in the UK. In 2021 Australia had the third largest number with 6%, just ahead of Germany (also 6%). The next largest destinations were Canada (5%), France (4%) and China (3%).<sup>32</sup>

The UK has one of the highest rates of international students<sup>33</sup> in the OECD at 20% in 2021. This was around double the EU average and behind only Luxembourg (49%) and Australia (22%).<sup>34</sup>

## How do international students choose where to study?

A survey of prospective international students in 56 countries revealed employment prospects (64%), followed closely by an institution's reputation (61%), were the top factors influencing where they choose to study.<sup>35</sup> Language, culture, and a country's post-study visa policy were the next three most important factors.

As part of its rapid review into the graduate visa (published in May 2024), the Migration Advisory Committee (MAC) commissioned Revealing Reality, an independent research agency, to conduct a series of 40 qualitative interviews with recent graduates from UK universities. This included asking them why they had chosen to study in the UK. Responses included:

- Studying at a UK university carried a certain prestige, especially those universities with an international reputation.

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<sup>31</sup> [UCAS undergraduate sector-level end of cycle data resources 2021](#).

<sup>32</sup> OECD, [Education at a Glance 2023](#), Table B6.1

<sup>33</sup> As a proportion of all students at tertiary level

<sup>34</sup> OECD, [Education at a Glance 2023](#), Table B6.1

<sup>35</sup> QS Quacquarelli Symonds, [QS Higher Education Briefing: Is COVID-19 still impacting student decision making?](#), 27 May 2022.

- It was hoped earning a degree from a UK university would increase their employability in other countries, including their home nations.
- They wanted to live in the UK, because it was considered an interesting and fun place to live while studying, and they might have had friends or family in the UK who had shared positive experiences about living there.
- The prospect of the graduate visa once they had finished their studies.<sup>36</sup>

## What level courses do overseas students study?

Overseas students are much more likely than home students to study full-time and/or follow postgraduate courses. In 2022/23, 64% of non-EU students were on postgraduate courses compared to 31% from the EU and 20% 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 96% of non-EU entrants compared to 75% of home students.<sup>37</sup>

## What subjects do overseas students take?

The most common broad subject group among overseas students was business and management. 263,500 of the 759,000 overseas students were on courses within this group of subjects in 2021/22. This was 35% of overseas students compared to 15% of UK students. These figures cover all students across all years, levels and modes of study. The table below gives the top five detailed subject groups for overseas undergraduate and postgraduate students.

Top five courses taken by overseas students, 2022/23			
Undergraduate		Postgraduate	
Business studies	17,105	Management studies	42,295
Business and management	15,355	International business	30,095
Computer science	15,305	Business studies	23,700
Law	13,760	Business and management	22,715
Management studies	12,125	Computer science	18,410

Source: HESA, [HE student enrolments by subject of study and permanent address 2019/20 to 2022/23](#)

<sup>36</sup> Migration Advisory Committee, [Graduate visa holders in the UK, a qualitative study](#), 9 July 2024

<sup>37</sup> HESA, [HE student enrolments by permanent address 2018/19 to 2022/23](#) (and earlier editions)

## Which universities have the most overseas students?

### Which universities have the most overseas students?

Overseas students at UK higher education providers with more than 5,000 total students, 2022/23

rank	By absolute number	Number	% of students	rank	By % of students	% of students	Number
1	University College London	28,120	54%	1	BPP University	70%	8,525
2	BPP University	19,205	70%	2	LSE	65%	8,520
3	The University of Manchester	18,515	40%	3	University of the Arts, London	55%	12,060
4	University of Hertfordshire	17,095	50%	4	University College London	54%	24,145
5	The University of Edinburgh	16,625	43%	5	Cranfield University	52%	2,685
6	Coventry University	16,285	46%	6	Imperial	52%	11,320
7	King's College London	15,995	39%	7	University of Hertfordshire	50%	13,230
8	The University of Glasgow	15,200	38%	8	The University of St. Andrews	47%	5,425
9	University of the Arts, London	12,990	55%	9	The University of East London	46%	6,715
10	The University of Leeds	12,570	34%	10	Coventry University	46%	15,565

Source: HESA, [HE student enrolments by HE provider and permanent address 2022/23](#)

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

In 2022/23, there were 77,800 academic staff from overseas at UK universities. This was 32% of all academic staff and 41% more than in 2014/15. 37,600 were from the EU and 40,200 from outside the EU. This was the first time that there were more academic staff from outside the EU than from the UK. In 2021/12, Engineering & technology and administration & business studies had the highest overseas staff rates with 49% and 41% respectively.<sup>38</sup>

### What is transnational education?

Transnational education (TNE) is defined by Universities UK as:

The delivery of degrees in a country other than where the awarding providers is based. It can include, but is not limited to, branch campuses, distance learning, online provision, joint and dual degree programmes, double awards, 'fly-in' faculty and mixed models.<sup>39</sup>

The UK higher education sector is involved in various types of transnational education and a number of universities have established branch campuses overseas to increase their global reach. The table below shows the numbers of TNE students attached to higher education providers in each part of the UK.

Transnational education (TNE) is higher education delivered by UK universities and colleges to students living abroad.

<sup>38</sup> HESA, [HE academic staff by cost centre and nationality 2014/15 to 2022/23](#)

<sup>39</sup> Universities UK, [The scale of UK transnational education](#), 20 December 2022.

<b>TNE students across the UK (thousands)</b>						
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
England	641.7	624.0	592.5	358.2	409.2	454.8
Scotland	40.2	41.4	42.6	44.2	46.0	45.1
Wales	24.6	27.0	30.3	28.7	31.3	30.7
Northern Ireland	1.4	1.4	1.4	1.5	1.7	1.9
<b>Total</b>	<b>707.9</b>	<b>693.7</b>	<b>666.8</b>	<b>432.5</b>	<b>488.1</b>	<b>532.5</b>

Source: HESA, [Aggregate offshore students by HE provider and level of study 2014/15 to 2021/22](#)

Universities UK publishes a report on the scale of UK transnational education in partnership with the British Council. The most recent report, published in December 2023, found in the 2021/22 academic year:

- UK TNE was reported in 228 countries and territories.
- 162 UK higher education providers reported 558,215 students learning through TNE.
- As in previous years, most UK higher education TNE students were studying for undergraduate degrees (66.8%), while 32.0% were studying postgraduate taught programmes.
- 51.1% of students were studying in Asia, 18.5% in Europe, 13.7% the Middle East, and 10.5% in Africa.<sup>40</sup>

The Office for Students, which regulates higher education in England, has published information on the experiences and outcomes of students living abroad who study with English universities and colleges, as well as how this part of the sector is regulated.<sup>41</sup>

## 1.1 UK students abroad

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

In 2021, an estimated 2% of UK students in higher education were studying abroad. This rate was half the EU average and below levels in Germany and France (both 4%).<sup>42</sup>

As the table below shows, the number of students from the UK study abroad was much lower than international students coming to study in the UK. Up to

<sup>40</sup> Universities UK, [The scale of UK HE TNE 2021—22](#), December 2023

<sup>41</sup> Office for Students, [Transnational education: Protecting the interests of students taught abroad](#), 25 May 2023

<sup>42</sup> OECD, [Education at a Glance 2023 \(Table B6.1\)](#).

2018/19, the numbers of students studying abroad was on an upward trajectory for each part of the UK aside from Northern Ireland. The COVID-19 pandemic set this progress into reverse, as did the UK's withdrawal from the EU, which affected the approach of universities in the EU to accepting UK students. Numbers recovered somewhat in 2021-22, but pandemic-related travel restrictions and additional testing requirements remained in place for much of the year.

### Numbers of UK students abroad peaked in 2018/19

Students studying abroad as part of their UK-based degree,  
by country of provider

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
England	32,705	39,115	39,690	28,750	11,425	20,450
Scotland	5,415	1,425	1,460	950	485	885
Wales	2,745	5,455	6,105	4,935	1,680	3,745
Northern Ireland	1,665	3,205	3,620	1,795	410	1,330
<b>Total</b>	<b>42,530</b>	<b>49,200</b>	<b>50,875</b>	<b>36,430</b>	<b>14,000</b>	<b>26,410</b>

Source: Universities UK, [International Facts and Figures 2023. Mobile students by country of UK HE institute. 2021-22](#), 5 December 2023.

The top three destinations for students going abroad to study in 2021/22 were Spain, France and the US. Together, these countries received 43.9% of all mobile students from the UK.<sup>43</sup>

<sup>43</sup> Universities UK, [International Facts and Figures 2023](#), 5 December 2023.



## 2

# Government policy on international students

The new Labour government has sought to distance itself from what it has described as the “mixed messaging” of previous governments on international students. In July 2024, the Education Secretary, Bridget Phillipson, said the government unambiguously welcomed international students and valued their contribution to universities, communities, and the country.<sup>44</sup> She said:

I want to set the record straight on international students. I know there’s been some mixed messaging from governments in the past, from our predecessors most of all.

And for too long international students have been treated as political footballs, not valued guests. Their fees welcomed, but their presence resented. Exploited for cheap headlines, not cherished for all they bring to our communities.

This government will take a different approach and we will speak clearly. Be in no doubt: international students are welcome in the UK.<sup>45</sup>

## 2.1

# International Education Strategy

## What is the UK Government’s strategy for international education?

In March 2019, the Department for Education (DfE) and the Department for International Trade (DIT) launched the [International Education Strategy](#).<sup>46</sup>

The strategy set out the UK Government’s ambition to:

- increase the value of education exports to **£35 billion** per year by 2030;
- increase the total number of international students choosing to study in the UK higher education system each year to **600,000** by 2030.

<sup>44</sup> Department for Education, [Bridget Phillipson's speech at the Embassy Education Conference](#), 23 July 2024

<sup>45</sup> Department for Education, [Bridget Phillipson's speech at the Embassy Education Conference](#), 23 July 2024

<sup>46</sup> HM Government, [International Education Strategy: Global potential, global growth](#), March 2019

The strategy also set out five cross-cutting strategic actions, which were developed through consultation with the education sector:

- Appoint an International Education Champion to spearhead overseas activity.
- Promote the breadth and diversity of the UK education offer more fully to international audiences.
- Provide a welcoming environment for international students and develop an increasingly competitive offer.
- Establish a whole-of-government approach by implementing a framework for ministerial engagement with the sector, as well as formalised structures for coordination between government departments, both domestically and overseas.
- Provide a clearer picture of exports activity by improving the accuracy and coverage of annually published education exports data.

## What progress has there been?

On 5 June 2020, it was announced that Professor Sir Steve Smith, who was previously Vice-Chancellor at the University for Exeter, would be the UK's International Education Champion.<sup>47</sup>

The DfE has said the champion will work to open up export growth opportunities for the whole UK education sector, in order to attract international students and establish global connections.<sup>48</sup> He will particularly focus on promoting growth for the higher education sector in India, Indonesia, Saudi Arabia, Vietnam, and Nigeria, as well as Brazil, Mexico, Pakistan, Europe, China and Hong Kong.<sup>49</sup>

On 6 February 2021, the government launched an [update to its International Education Strategy](#). It restated the ambitions set out in the original strategy and highlighted progress since 2019, including:

- the appointment of the International Education Champion;
- the introduction of a new graduate route for international students;
- the introduction of new student routes;

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<sup>47</sup> [“Sir Steve Smith appointed UK’s ‘international education champion’”](#), Times Higher Education, 5 June 2020.

<sup>48</sup> [HC Deb \[Universities: Foreign Students\] 2 July 2020](#)

<sup>49</sup> DfE blog, [How the International Education Strategy is championing the UK education sector overseas](#), 8 October 2021.

- the Turing Scheme.<sup>50</sup>

A progress update in 2022 said the ambition to host 600,000 international students was met for the first time in 2020/2021, with 605,130 international students studying in the UK.<sup>51</sup> A 2023 progress update highlighted the ambition was met again in 2021/22, with 679,970 students, and said the government believed it was also on track to meet the £35 billion per year export ambition by 2030.<sup>52</sup>

In 2021, the total UK revenue from education-related exports and transnational education activity was estimated to be £27.8 billion, which was a cash increase of 6.2% since 2020. Since 2010, estimated UK revenue from education related exports and TNE activity has risen by 76% in current prices or 40% in real terms.<sup>53</sup> The government has said that from 2021 onwards, an average annual increase in export revenue of around 3% per year would be needed to meet the ambition to increase the value of education exports to £35 billion by 2030.<sup>54</sup>

## What is the Scottish Government's international education strategy?

While international relations are a reserved matter in the UK, education is devolved. In February 2024, the Scottish Government published its own International Education Strategy, which said it wanted to become more active internationally, and form partnerships “with countries who share our ambitions to alleviate poverty, achieve net zero and be an attractive place to live, work, visit, study and do business.”<sup>55</sup>

Some of the actions in the strategy include:

- Work through Brand Scotland and Connected Scotland with universities and colleges to promote Scotland to prospective international students, staff, and researchers.
- Launch a Talent Attraction and Migration Service to provide information and advice for students considering staying in Scotland after graduation.
- Use Scotland's international offices and programme of Ministerial visits to promote and grow Scotland's transnational education (TNE).

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<sup>50</sup> HM Government, [International Education Strategy: 2021 update: Supporting recovery, driving growth](#), February 2021.

<sup>51</sup> HM Government, [International Education Strategy: 2022 progress update](#), May 2022.

<sup>52</sup> HM Government, [International Education Strategy: 2023 update](#), May 2023. The 2023 update is discussed in the Wonkhe article “[A bumpy road ahead for the UK's international education strategy](#)”, 28 May 2023.

<sup>53</sup> [UK revenue from education related exports and transnational education activity](#), updated 21 March 2024

<sup>54</sup> HM Government, [International Education Strategy: 2023 update](#), May 2023

<sup>55</sup> Scottish Government, [Scotland's international education strategy](#), 7 February 2024

- Work with the higher education sector to maximise participation in the Horizon Europe programme, monitor Scottish institutions' performance, and identify areas where further effort is required to improve Scotland's access to the programme.

## 2.2

## Brexit

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The number of EU students starting full-time undergraduate courses in the UK fell by two-thirds between 2020 and 2023

### How have EU student numbers changed since Brexit?

There was a concern that following the result of the EU referendum in June 2016, international student recruitment would be affected by a perception the UK was now a less welcoming place for foreign students.<sup>56</sup> However, there was no noticeable impact on EU student numbers immediately after the Brexit vote in 2016.

Funding rules and visa requirements for new EU students changed in 2021/22 and there was a clear fall in their numbers in that year and beyond.

Data from UCAS on applicants to full-time undergraduate courses shows that there was a sharp decline in applications from EU countries in 2021/22. The number of EU accepted applicants fell by 50% in 2021/22. EU Applicants for 2022/23 were down by a further 24% and acceptances down by 29% to their lowest level since the sector was reorganised in 1994. There were further small falls in applicants and acceptances in 2023/24.<sup>57</sup>

The Higher Education Statistics Agency data on student numbers across all levels showed a sharp fall in EU entrants of 35,300 (53%) in 2021/22 and a further fall of 2,500 (8%) in 2022/23. These were the first substantial falls in EU entrants since 2012/13.<sup>58</sup>

### What impact has Brexit had on home student status?

Higher education providers across the UK allocate their students 'home' or 'overseas/international' status for the purpose of charging tuition fees. Undergraduate home fees are currently capped in each part of the UK, while overseas fees are set by providers and can be much higher depending on the course and provider.

To receive publicly funded student support, including tuition fee and maintenance loans, students must also be allocated home status by one of:

- [Student Finance England](#)
- [Student Awards Agency Scotland](#)

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<sup>56</sup> "[Third of foreign students less likely to come to UK after Brexit](#)", Financial Times, 28 July 2016.

<sup>57</sup> UCAS, [Undergraduate end of cycle data resources 2023](#)

<sup>58</sup> HESA, [HE student enrolments by permanent address 2018/19 to 2022/23](#) (and earlier editions)

- [Student Finance Wales](#)
- [Student Finance NI](#)

New students arriving from the EU to start courses from August 2021 are generally no longer treated as having home student status, and thus no longer eligible for funding. Students who started courses on or before 31 July 2021 remain eligible for support for the duration of their course.

Following the UK's exit from the European Union, some new categories of eligibility for home fee status and student support have been established across the UK. EU students with rights under the EU Settlement Scheme will generally be eligible for home fee status and student support on broadly the same basis as before Brexit. See the relevant article in the Library casework article series on eligibility for home fee status and student support for more information:

- [England](#)
- [Scotland](#)
- [Wales](#)
- [Northern Ireland](#)

## What support was previously 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 student support as local students in EU countries.

During the UK's membership of the EU, therefore, EU students studying in the UK had access to tuition fee loans on the same basis as UK students. Since EU students studying in the UK's regions had to be treated the same as home students of that region, EU students in Scotland did not pay fees. EU rules do not apply to a member state's own internal arrangements, so the devolution settlement meant English students could still be charged fees at Scottish universities.

EU students were not generally eligible for maintenance loans due to the residency criteria.

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

In financial year 2020-21, a total of **£517 million** was lent to EU students at English universities. This fell in 2021-22 (which included EU students under the new rules for the first time) to **£458 million**. The amount had been increasing

particularly due to higher fees from 2012. An estimated 69% of eligible EU full-time undergraduates took out fee loans in 2014/15.<sup>59</sup>

A total of **£4.6 billion** was owed by EU borrowers at the end of financial year 2021-22; **2.5%** of the total outstanding student loan debt.<sup>60</sup>

## How many EU students repay their loans?

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

Looking across all cohorts with at least one tax year processed,<sup>61</sup> **21%** had repaid their loans in full; **22%** were currently repaying; **26%** were earning below the earnings threshold (in the UK or overseas) and hence not repaying; and the remaining **30%** 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>62</sup>

## How do EU students repay their loans?

EU students repay their loans directly to the Student Loans Company (SLC). SLC has arrangements in place to collect repayments from borrowers who move away from the UK. It establishes a twelve-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. It can also take further action, including legal action, to secure the recovery of loans.<sup>63</sup>

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<sup>59</sup> Student Loans Company, [Student Loans in England: 2021 to 2022](#) (Table 1A)

<sup>60</sup> Student Loans Company, [Student Loans in England: 2020 to 2021](#) (Table 1A)

<sup>61</sup> Up to the 2020 cohort who finished their courses in 2019 and first became liable to repay in April 2021

<sup>62</sup> Student Loans Company, [Student Loans in England: 2020 to 2021](#) (Table 3Bii).

<sup>63</sup> [PQ 66121 \[Students: Loans\] 1 March 2017](#).



## 2.3

## Erasmus+ and the Turing Scheme

The Erasmus programme launched in 1987 as an education exchange with eleven participating member states, including the UK. In 2014, the programme became [Erasmus+](#) and expanded to include apprentices, jobseekers, volunteers, sport, and staff and youth exchanges.

More information on Erasmus is available in the Library briefing [The Erasmus Programme](#).

### How many students came to the UK under the Erasmus+ programme?

**29,797** higher education students came to the UK in 2018/19 under the Erasmus+ programme. This includes those on traineeships as well as those studying at UK universities. The largest number came from France with 7,200, followed by Germany with 4,900 and Spain with 4,500.<sup>64</sup>

### How many UK students went on the Erasmus+ programme and where did they study?

**10,133** UK students in higher education participated in the 2018 Erasmus+ ‘Call’ for study placements abroad. A further **8,172** were on traineeships through Erasmus.<sup>65</sup>

In 2017/18, the most popular host countries for study placements were Spain (2,220), France (2,049), Germany (1,302), Netherlands (812), and Italy (711).<sup>66</sup>

A report by Universities UK International, [Gone International: Rising Aspirations](#) showed that Erasmus+ accounted for almost half (**49.2%**) of all instances of UK students going abroad during the 2015/16 academic year.<sup>67</sup>

### Why did the UK leave the Erasmus+ programme?

In December 2020, the then-Prime Minister Boris Johnson [announced the UK would no longer participate in the Erasmus+ programme, and would establish the Turing Scheme](#), named after the mathematician Alan Turing, as a replacement.<sup>68</sup>

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<sup>64</sup> European Commission, [Erasmus+ annual report 2019 –statistical annex](#), Annex 18.

<sup>65</sup> European Commission, [Erasmus+ annual report 2019 –statistical annex](#), Annex 15

<sup>66</sup> [Erasmus+ statistics](#) (Higher education mobility statistics)

<sup>67</sup> Universities UK International, [Gone International: Rising Aspirations](#), June 2019, p4

<sup>68</sup> “[UK students lose Erasmus membership in Brexit deal](#)”, The Guardian, 24 December 2020 (accessed 12 February 2021)

The Prime Minister said leaving Erasmus had been a “tough decision”, but a new scheme would give students the opportunity “not just to go to European universities, but to go to the best universities in the world.”<sup>69</sup>

According to the government, the terms proposed by the EU for continued involvement in Erasmus+ included a participation fee and a GDP-based contribution.<sup>70</sup> The government calculated this would have entailed a net cost in the region of £2 billion over the next seven-year cycle, and said it did not believe this offered value for money for the UK taxpayer.<sup>71</sup>

## Does the Turing Scheme allow international students to come to the UK?

The UK Government has said it considered whether to fund students coming to the UK as part of the Turing Scheme, but ultimately decided it would not provide value for money.<sup>72</sup> This decision prompted concern there will be a decrease in inbound exchange students and the benefits they bring to the UK.<sup>73</sup>

On 2 February 2022, the [Welsh Government launched Taith](#), an international learning exchange programme to run alongside the Turing Scheme.<sup>74</sup> £65 million has been allocated for the programme for 2022 to 2026. This will enable 15,000 participants from Wales to go on overseas mobilities, but also 10,000 participants to come from overseas to study or work in Wales.<sup>75</sup> The Scottish Government has said it will also [develop its own international exchange programme](#).<sup>76</sup>

More information on the Turing Scheme is available in the Library briefing [The Turing Scheme](#).

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<sup>69</sup> “[UK students lose Erasmus membership in Brexit deal](#)”, The Guardian, 24 December 2020 (accessed 12 February 2021)

<sup>70</sup> [PQ 132973 \[Turing Scheme\] 13 January 2021](#)

<sup>71</sup> [PQ 133977 \[Turing Scheme\] 15 January 2021](#)

<sup>72</sup> [PQ 133977 \[Turing Scheme\] 15 January 2021](#)

<sup>73</sup> “[Five questions to ask about the Turing scheme](#)”, Higher Education Policy Institute, 11 January 2021 (accessed 15 February 2021).

<sup>74</sup> Welsh Government, [Taith: International Learning Exchange Programme](#), 2 February 2022.

<sup>75</sup> Welsh Government press release, [New International Learning Exchange programme to make good the loss of Erasmus+](#), 21 March 2021.

<sup>76</sup> The Scottish Government, [A Fairer, Greener Scotland: Programme for Government 2021-22](#), 7 September 2021.

## 2.4

## Student and graduate visas

**What kind of visas do international students need to study in the UK?**

Since Brexit, all international students (except Irish nationals) have been subject to the same visa requirements. The rebranded [student visa](#) is the main category for people coming to study in higher education in the UK.<sup>77</sup> It opened on 5 October 2020.<sup>78</sup>

The student visa is available to people aged 16 or above who:

- have been offered a place on [a course by a licensed student sponsor \(the education institution\)](#);
- have enough [money to support themselves and pay for their course](#); and
- can [speak, read, write and understand English at an intermediate level](#).

How long students can stay depends on the length of their course and previous studies in the UK. Degree-level students can usually stay for up to five years. Entitlements to work and to bring family members depend on the students' visa sponsor and course level and duration.

Immigration rule changes implemented in January 2024 restricted the entitlement to bring dependants to students who are doing postgraduate research courses which are for at least nine months or PhDs or other doctorates, and government-sponsored students doing courses that last longer than six months.<sup>79</sup> The changes also removed most students' eligibility to switch into a work visa before finishing their studies.

It costs £490 to apply from overseas for a student visa. International students must also [pay the immigration healthcare surcharge](#) (IHS) as part of their application, at a discounted rate. The IHS was raised in early 2024; the rate for students is now £776 per year. From January 2025, student visa applicants will have to show they have £1483 or £1136 per month (for up to nine months) to demonstrate they have enough money to support themselves during their studies (the differential amounts reflect whether they would be studying inside or outside London respectively). The current rates (in place since 2020) are £1,334 and £1,023 per month.<sup>80</sup>

More information is available on Gov.uk at [Study in the UK on a Student visa](#).

<sup>77</sup> Some students studying for less than a year might be eligible under separate provisions for entry [as a visitor](#), or as an [English language student](#).

<sup>78</sup> Home Office, [New international student immigration routes open early](#), 10 September 2020.

<sup>79</sup> Statement of changes to the immigration rules, [HC 1496 of 2022-3](#); Home Office, [Tough government action on student visas comes into effect](#), 2 January 2024

<sup>80</sup> Home Office, Immigration rules, [Appendix Student](#), para ST 12.3

In 2023 almost 460,000 main applicants were granted a study visa. This was down by 5% on the record high from 2022, but more than double the level from most of the 2010s.<sup>81</sup> The more detailed student visa data is included in the [student numbers section](#) of this paper.

## Can international students work in the UK while studying?

Rights to work depend on the student's course level and sponsoring education provider.<sup>82</sup>

People studying a full-time course at degree level or above can work up to 20 hours a week during term-time and full-time during vacations, if they are on a short-term study abroad programme or are studying with an education provider who has a positive record of compliance with the sponsor licensing regime. People studying full-time at below degree level with a sponsor with a positive track record can work up to ten hours per week during term-time and full-time during vacations. Other students, including those studying part-time, are not allowed to work.

The National Union of Students has campaigned for the 20-hour weekly limit on working hours to be abolished.<sup>83</sup>

## Can international students stay in the UK after graduation?

Yes. The '[graduate route](#)', a new post-study work visa for international students, launched in July 2021.<sup>84</sup>

International graduates can apply for a graduate visa if all the following are true:

- they are currently in the UK;
- their current visa is a [student visa or Tier 4 \(General\) student visa](#);
- they studied a UK bachelor's degree, postgraduate degree, or other eligible course for a minimum period of time with their student visa or Tier 4 (General) student visa; and
- their education provider has told the Home Office they have successfully completed their course.

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<sup>81</sup> Home Office, [Entry clearance visa applications and outcomes detailed datasets, year ending December 2023](#)

<sup>82</sup> Immigration rules, [Appendix Student](#), para ST26.1

<sup>83</sup> NUS, [Beyond Borders: Equality at Work for International Students](#)

<sup>84</sup> Home Office, [Graduate route to open to international students on 1 July 2021](#), 4 March 2021.

The visa gives international graduates permission to stay in the UK for two years after successfully completing a course in the UK (or three years for graduates who complete a PhD or other doctoral qualification). Graduate visa holders have broadly unrestricted employment rights but aren't obliged to work (for example, if they can support themselves without recourse to public funds). The graduate visa can't be extended, but graduates may be able to switch to a different visa, for example a [skilled worker visa](#). Dependant partners and children are allowed if they were previously dependants to the person's student visa.

It costs £822 to apply for a graduate visa and applicants must also [pay the healthcare surcharge](#) (£1,035 for each year of the visa).

A report published by the Migration Advisory Committee in May 2024 provides [an overview of the costs and conditions](#) attached to post-study work visa routes in competitor countries.<sup>85</sup>

There were 73,000 graduate route extensions to study visas for main applicants during 2022, the scheme's first full calendar year. Their numbers increased by 57% to 114,400 in 2023. Most grants of graduate route extensions in 2023 were to graduates from India (50,100), followed by Nigeria (14,100) and China (11,300).<sup>86</sup> The Home Office has said that 20% of students whose leave expired in 2022 switched to the graduate route following their studies.<sup>87</sup>

Home Office [analysis of migrants use of the graduate route](#) published in May 2024 found that 32% of students who came to the end of their studies in 2023 moved onto the graduate route. Overall 56% of students remained in the UK in 2023 after their studies by switching to another type of leave. This was up from 20% in 2020, although comparisons to the time just before the graduate route came in will be affected by the pandemic. The Home Office said:

While more students appear to be extending their stay by making use of the Graduate visa and other routes, we do not yet know if they will remain in the UK permanently, or whether they are just staying longer.<sup>88</sup>

The Home Office analysis also found that 63% of those whose graduate visa expired in 2023 had switched to another immigration route (mainly work routes). 73% of graduate visa holders were in employment at some point during financial year 2022-23, 61% worked for at least part of the year. The median earnings for those employed across the entire year was £26,500.<sup>89</sup>

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<sup>85</sup> Migration Advisory Committee, [Rapid Review of the Graduate Route \(PDF\)](#), May 2024, Table 4.2, p.40

<sup>86</sup> Home Office, [Extensions detailed datasets, year ending December 2023](#)

<sup>87</sup> Home Office, [Why do people come to the UK? To work](#), 29 February 2024

<sup>88</sup> Home Office, [Analysis of migrants use of the Graduate route](#), 14 May 2024

<sup>89</sup> Home Office, [Analysis of migrants use of the Graduate route](#), 14 May 2024

A [report of an inquiry by the APPG on International Students](#), published in July 2023, considered early evidence of the graduate visa's effectiveness.<sup>90</sup> It described the graduate visa as “central” to the success of the International Education Strategy.

### What happened to the post-study work visa?

The UK didn't have a dedicated post-study work visa for several years immediately prior to the launch of the graduate visa.

The Tier 1 Post-Study Work Visa, which was similar in design to the graduate visa, was abolished in April 2012. International graduates remained eligible to apply for a skilled work visa if they had secured a graduate level job or training offer from an approved employer before the end of their student visa.

A more limited post-study work concession (the ‘Doctorate Extension Scheme’) was launched in April 2013. It enabled international students who had completed a PhD in the UK to stay for 12 months after completion of their studies and work, look for work, or switch into another visa category.<sup>91</sup> The change in post-study work visa policy was controversial, and a report by the Higher Education Policy Institute in January 2017 said [it had resulted in a 20% reduction in enrolments](#) at UK higher education providers.<sup>92</sup>

## 2.5

### Immigration policy

Reconciling objectives towards international students and immigration to the UK more generally has presented challenges to successive recent governments.

For example, the possibility of staying in the UK after completing a period of study is often cited as a significant component of the UK's attractiveness as a study destination. But it has been a longstanding Home Office priority to maintain a distinction between economic and study visa routes, and to limit opportunities for unsponsored, lower-skilled and lower-paid work visas. The Home Office and some of its stakeholders have cited concerns that student and graduate visa routes might be marketed by unscrupulous recruiters or perceived by some potential migrants as a way to get permission to come to

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<sup>90</sup> APPG for International Students, [The Graduate Visa: An effective Post-Study Pathway for International Students in the UK?](#) (PDF), July 2023

<sup>91</sup> For a more detailed overview and timeline of post-study policy changes, see Migration Advisory Committee, [Rapid review of the Graduate route \(PDF\)](#), 14 May 2024, p.8-10

<sup>92</sup> Higher Education Policy Institute, [The determinants of international demand for UK higher education](#), January 2017 p9



work in the UK on more generous terms than the usual work visa requirements.<sup>93</sup>

These tensions have resulted in some policy instability, as reflected by changes made over recent years to student visa holders' rights to work, sponsor relatives and change visa category.

More broadly, observers have pointed to an incoherence between successive governments' ambitions to increase international student migration and reduce net migration.<sup>94</sup>

## Net migration targets, 2010 - 2024

In November 2010, the then-Home Secretary, Theresa May, made a commitment to “reduce net migration from the hundreds of thousands back down to the tens of thousands”.<sup>95</sup> The target was retained by successive governments and was a commitment in the Conservative Party's 2017 manifesto.<sup>96</sup> It wasn't met under the Cameron or May governments.

The Conservative Party's 2019 manifesto had pledged that “overall numbers will come down”.<sup>97</sup> The Johnson government said it was “not in a numbers game in respect of net migration”.<sup>98</sup>

Net migration estimates sharply increased after the Covid-19 pandemic.<sup>99</sup> The Sunak government was more explicit about its desire to reduce immigration and net migration, without committing to a specific target.<sup>100</sup> In May and December 2023 it announced changes to various visa routes which were intended to reduce immigration and net migration. These included some changes affecting student and graduate visa routes (discussed further below). It anticipated that around 300,000 people who had come to the UK in 2023 wouldn't be eligible under the new rules.<sup>101</sup>

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<sup>93</sup> [HC Deb 24 May 2023 c293](#); Migration Advisory Committee, [Rapid review of the Graduate route \(PDF\)](#), 14 May 2024, p.35; A Manning, [Striking a balance on student migration to the UK](#), LSE British Politics and Policy blog, 24 January 2023; Migration Advisory Committee, [Impact of international students in the UK \(PDF\)](#), September 2018

<sup>94</sup> For example, Lords Science and Technology Select Committee, [International Science, Technology, Engineering and Mathematics \(STEM\) students](#), 1 April 2014, paras 41-53; British Future and Universities UK, [International students and the UK immigration debate \(PDF\)](#), August 2014.

<sup>95</sup> [HC Deb \[Controlling migration\] 23 November 2010, c169](#)

<sup>96</sup> The Conservative and Unionist Party Manifesto 2017, [Forward, Together: Our plan for a Stronger Britain and a Prosperous Future \(PDF\)](#), 2017

<sup>97</sup> The Conservative and Unionist Party Manifesto 2019, [Get Brexit Done Unleash Britain's Potential \(PDF\)](#), 2019

<sup>98</sup> [PQ 27057 \[Migration: Overseas Students\], 9 March 2020](#)

<sup>99</sup> ONS, [Long-term international migration, provisional: year ending December 2023](#), 23 May 2024

<sup>100</sup> [HC Deb 3 July 2023 c535-7](#).

<sup>101</sup> Home Office, [Home Secretary unveils plan to cut net migration](#), 4 December 2023

Net migration levels remain unusually high, but the latest figures show an increase in emigration and don't reflect more recent data which shows a fall in visa applications in recent months.<sup>102</sup>

The Labour government has a manifesto commitment to reduce net migration.<sup>103</sup>

## Should international students be counted as migrants?

Students who come to the UK to study on courses lasting longer than one year are included in official estimates of net migration, while students studying on courses shorter than one year are typically not included, unless they expect to remain in the UK for other reasons. Some stakeholders have argued that international students should be classified as temporary migrants and excluded from net migration calculations.<sup>104</sup>

The term 'migrant' is not defined under international law. For collecting data on migration, the United Nations Department of Economic and Social Affairs (UN DESA) defines an 'international migrant' as "any person who changes his or her country of usual residence."<sup>105</sup> A distinction is then made between short-term and long-term migrants. A 'long-term migrant' is "a person who moves to a country other than that of his or her usual residence for a period of at least a year."<sup>106</sup>

The UN definitions are widely used in international migration statistics; for example, all EU countries report migration statistics using this definition under an [EU Regulation](#). See the Library briefing [Migration Statistics](#) for more information.<sup>107</sup>

## Recent immigration policy changes affecting students

In May 2023 Suella Braverman, then Home Secretary, announced a package of changes affecting international students and sponsoring institutions.<sup>108</sup> She reaffirmed the government's commitment to the International Education Strategy, qualifying that it shouldn't be at the expense of commitments to lower overall migration and ensure that migration is highly skilled and most beneficial.<sup>109</sup>

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<sup>102</sup> ONS, [Long-term international migration, provisional: year ending December 2023](#), 23 May 2024

<sup>103</sup> Labour Party, [Change: Labour Party Manifesto 2024](#) (PDF), p.41

<sup>104</sup> British Future and Universities UK, [International students and the UK immigration debate](#) (PDF), August 2014;

<sup>105</sup> United Nations Department of Economic and Social Affairs, [Recommendations on Statistics of International Migration, Revision 1](#), 1998, p9, para. 32.

<sup>106</sup> United Nations Department of Economic and Social Affairs, [Recommendations on Statistics of International Migration, Revision 1](#), 1998, p10, para. 36.

<sup>107</sup> Commons Library briefing SN06077, [Migration Statistics](#).

<sup>108</sup> WS 800 [[Immigration update](#)] 23 May 2023.

<sup>109</sup> GOV.UK, '[Changes to student visa route will reduce net migration](#)', 23 May 2023

The two most significant changes came into effect in January 2024. People coming to do taught postgraduate courses lost the right to bring dependant family members to the UK with them, and most new students became ineligible to switch into a work visa before completing their studies.

Her statement said the government also intended to review the maintenance requirements for students and dependants; take action against unscrupulous education agents; better communicate the immigration rules to international students and the higher education sector; and improve its enforcement activity.<sup>110</sup>

The changes were prompted by the government's concerns about increases in net migration estimates and changing patterns of student immigration. The government pointed to an eightfold increase in the number of student dependants arriving (from 16,000 in 2019 to 136,000 in 2022).<sup>111</sup> Ministers said the system hadn't been designed to be used at such scale, and that dependants make a more limited contribution to the economy. The government said the measures would contribute to a "substantial" reduction in net migration.<sup>112</sup>

[Changes to work and family visas](#) were also implemented in early 2024 with the purpose of reducing immigration. They included significantly increasing the minimum salary thresholds for skilled worker visas (relevant to students who had retained eligibility to switch into a work route) and commissioning a rapid review of the Graduate visa route from the Migration Advisory Committee (MAC).

On 23 May 2024, the government announced proposals for further actions across the student and graduate routes.<sup>113</sup> As well as repeating the intention to increase the financial maintenance requirement for student visas, the government said it would require universities to sign up to a framework for student recruitment agents; apply more stringent compliance standards for sponsoring education institutions; review English language assessments with a view to standardising assessments; and restrict remote course delivery to ensure all international students are predominantly on face to face courses.

The Labour government has confirmed the Home Office and Department for Education will continue to pursue those changes, which it says are intended to reduce the potential for abuse of the visas.<sup>114</sup> Immigration rule changes published in September 2024 increased the maintenance fund requirements for international students to bring them back into line with the level of

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<sup>110</sup> WS 800 [[Immigration update](#)], 23 May 2023

<sup>111</sup> [HC Deb 24 May 2023 c293](#)

<sup>112</sup> GOV.UK, '[Changes to student visa route will reduce net migration](#)', 23 May 2023

<sup>113</sup> Home Office and Department for Education, '[New measures to tackle student visa abuse](#)', 23 May 2024

<sup>114</sup> WS 51 [on [Legal Migration](#)], 30 July 2024

maintenance loans for home students for the 2024-25 academic year.<sup>115</sup> They will take effect from 2 January 2025.

### MAC review of the Graduate route

In March 2024 the government commissioned the Migration Advisory Committee (MAC) to conduct a rapid review of the graduate route and whether it is meeting its original objectives. The government's commissioning letter outlined some potential issues, highlighting the increasing proportion of international students studying at "lower tariff institutions"; concerns that the growth in demand for degrees might be driven by the opportunity to obtain a job and stay in the UK; uncertainty over whether international students were moving into graduate level jobs; and concerns that that international students can access the UK's labour market on significantly lower salaries than those required for the skilled worker visa route.<sup>116</sup>

[The MAC reported on 14 May 2024](#). It didn't find evidence of widespread abuse (defined as deliberate non-compliance with the graduate visa immigration rules) or find that the visa is undermining the integrity and quality of the UK higher education system. It considered the route's impact on public finances was likely to be "small but positive", observing that "most [visa holders] appear to work, are young, and have no recourse to public funds."<sup>117</sup> It recommended against making further changes before the full impact of the measures introduced in January 2024 was known, saying that to do so risked "overcorrection". Noting that international student fees help to alleviate funding shortfalls for home students and research activities, the MAC further recommended that "any significant restrictions to the route should only be considered once the structural funding issues in the higher education sector have been addressed."<sup>118</sup>

The MAC made several recommendations aimed at improving the Home Office's approach to data collection and monitoring. It also highlighted concerns about poor practices and potential exploitation of students by some international student recruitment agents. It called on the government to establish a mandatory registration system for agents and pushed for greater transparency over their use.

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<sup>115</sup> Home Office, [Statement of changes in immigration rules](#), HC 217, 10 September 2024

<sup>116</sup> Migration Advisory Committee, [Letter from the Home Secretary to Professor Brian Bell](#), 11 March 2024

<sup>117</sup> Migration Advisory Committee, [Letter to the Home Secretary on the rapid review of the Graduate route](#), 14 May 2024

<sup>118</sup> Migration Advisory Committee, [Letter to the Home Secretary on the rapid review of the Graduate route](#), 14 May 2024

## 3 Funding

### 3.1 Institutional income

#### What research income comes from overseas?

Research income from the EU was worth £772 million to UK universities in 2022/23 or 11% of total research income.<sup>119</sup> This was down from £994 million in 2018/19. It included grants and contracts from EU Government bodies, charities, and the private sector.

Research income from all non-EU overseas sources was £727 million or 10% of all research income in the same year.<sup>120</sup>

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

EU: Top 10 universities EU research income 2022/23				Non-EU: Top 10 universities Other overseas research income 2022/23			
<i>rank</i>		£ million	% of research income	<i>rank</i>		£ million	% of research income
1	The University of Oxford	93	12%	1	The University of Oxford	135	17%
2	The University of Cambridge	51	9%	2	The University of Cambridge	86	15%
3	University College London	44	8%	3	London Sch. of Hygiene & Trop. Medicine	59	32%
4	Imperial	41	11%	4	Imperial	52	14%
5	The University of Edinburgh	27	9%	5	University College London	49	9%
6	The University of Manchester	27	10%	6	Liverpool School of Tropical Medicine	47	41%
7	King's College London	22	10%	7	The University of Edinburgh	25	9%
8	London Sch. of Hygiene & Trop. Medicine	21	11%	8	King's College London	20	9%
9	Swansea University	20	30%	9	The University of Glasgow	16	7%
10	The University of Sheffield	19	10%	10	The University of Birmingham	16	8%

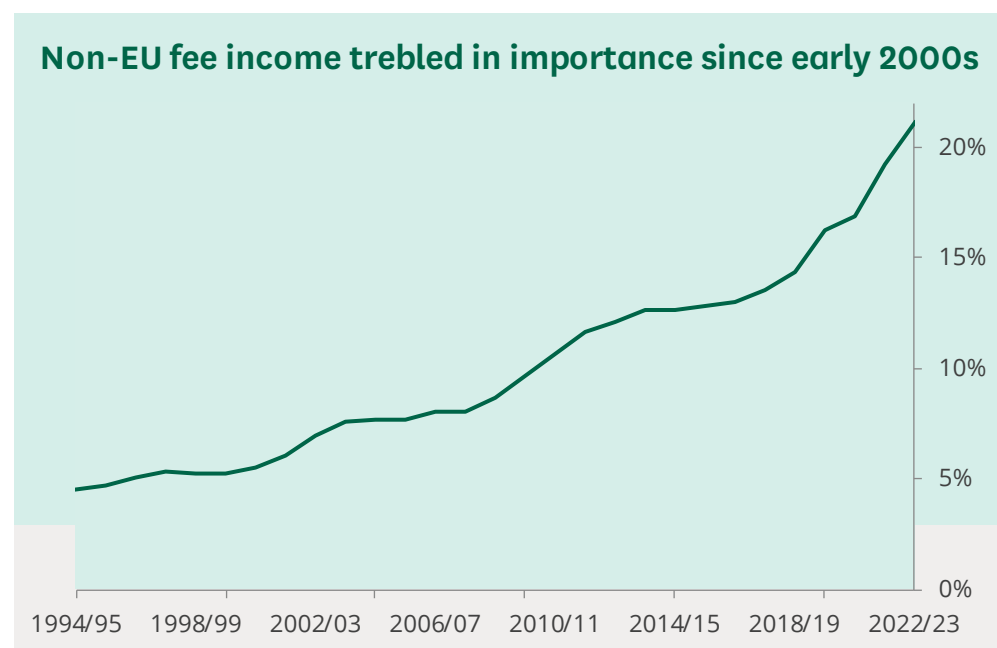
Source: HESA, [Research grants and contracts - breakdown by source of income and HESA cost centre 2015/16 to 2022/23](#)

<sup>119</sup> Excludes eight providers which had not provided data before the cut off for publication

<sup>120</sup> HESA, [Research grants and contracts - breakdown by source of income and HESA cost centre 2015/16 to 2022/23](#)

## How much fee income comes from overseas?

Overall academic fees from non-EU overseas students were worth £10.9 billion to UK universities in 2022/23 or 21.1% of their total income.<sup>121</sup> Trends are illustrated below and show a sustained increase in the importance of overseas fee income, up from below 5% in the mid-1990s.<sup>122</sup>



Source: HESA, [Tuition fees and education contracts analysed by HE provider, domicile, mode, level, source and academic year 2016/17 to 2022/23](#) (and earlier editions)

Fee income from EU students was £0.9 billion in 2022/23, making total international student fee income £1.8 billion. This was 22.9% of the sector's total income from all sources.<sup>123</sup>

<sup>121</sup> Excludes eight providers which had not provided data before the cut off for publication. HESA, [Tuition fees and education contracts analysed by HE provider, domicile, mode, level, source and academic year 2016/17 to 2022/23](#)

<sup>122</sup> The 2019/20 figure includes alternative providers for the first time.

<sup>123</sup> HESA, [Tuition fees and education contracts analysed by HE provider, domicile, mode, level, source and academic year 2016/17 to 2022/23](#)

## How much are fees for overseas students?

### Average overseas fees in 21/22

Undergraduate	
Classroom	£16,200
Lab-based	£18,900
Postgraduate taught	
Classroom	£16,900
Lab-based	£19,900
MBA	£21,300

Source: Complete University Guide, [Reddin survey of university tuition fees](#)

Fees for overseas students are not regulated and vary considerably by institution, subject and level. A survey of typical fees for overseas students at UK universities gave the averages shown opposite for different types of courses in 2021/22. At undergraduate level fees started at around £11,000 per year and went up to £32,000 for classroom-based and £39,000 for lab-based courses. Fees for postgraduate taught courses started at around £6,500 a year and went up to more than £50,000 a year.<sup>124</sup> This survey has not been updated with figures for 2022/23.

The [British Council](#) has said that that current undergraduate fees for international students in the UK vary from £11,400 to £38,000 a year with an average of around £22,000. At postgraduate level they vary from £9,000 to £30,000 a year with an average of £17,100.<sup>125</sup>

## Are universities reliant on overseas fee income?

The reliance of UK universities on the tuition fee income of international students has been described as an “uncomfortable reality” by the higher education sector.<sup>126</sup> Reductions to teaching grants, the freezing of domestic undergraduate tuition fee caps, and cost of living pressures have meant many higher education providers have looked to increase their surplus-generating income streams to cover shortfalls elsewhere in budgets.

The tuition fees of international students are a major source of income for many universities. They are not capped in the same way as the fees of ‘home’ students, and so providers can charge significantly more. This has led to some universities significantly expanding the number of international students they recruit, in order to cross-subsidise research and the teaching of high-cost subjects, such as medicine.<sup>127</sup>

In 2021/22 income from teaching non-publicly funded students (mainly fees from non-EU students) was £3 billion higher than the full economic costs for this activity for UK higher education institutions. This was a surplus of 46% above costs and, along with other income-generating activities, helped to cross-subsidise the deficits for research (£5 billion) and publicly funding teaching<sup>128</sup> (£1 billion).<sup>129</sup>

<sup>124</sup> Complete University Guide, [Reddin survey of university tuition fees](#)

<sup>125</sup> British Council, [Cost of studying and living in the UK](#)

<sup>126</sup> “[UK reliance on overseas students an ‘uncomfortable reality’](#)”, Times Higher Education, 7 December 2023

<sup>127</sup> National Audit Office, [Regulating the financial sustainability of higher education providers in England, 9 March 2022](#), 9 March 2022, p46; Higher Education Policy Institute, [From T to R revisited: Cross-subsidies from teaching to research after Augar and the 2.4% R&D target](#), 9 March 2020; Public Accounts Committee, [Financial sustainability of the higher education sector in England](#), 8 June 2022, HC 257 2022-23, pp11-12

<sup>128</sup> Home students and EU students on pre-2021/22 funding arrangements

<sup>129</sup> Office for Students, [Annual TRAC 2021-22: Sector summary and analysis by TRAC peer group](#) (25 May 2023)

Total fee income from non-EU overseas students increased from less than £1 billion (5.6% of the sector's income) in 2001/02, to £3.2 billion in 2011/12 and reached £8.9 billion in 2021/22, which was 19.1% of total income.<sup>130</sup>

There are growing concerns about the reliance of some UK universities on international tuition fee income, particularly from Chinese students.<sup>131</sup> In June 2022, the House of Commons Public Accounts Committee warned higher education providers are potentially exposing themselves to significant financial risks should assumptions about future growth in international student numbers prove over-optimistic.<sup>132</sup>

In May 2023, the Office for Students identified increasing reliance on fees from overseas students in some English higher education provider's business plans as a key risk to their financial sustainability.<sup>133</sup> It said it wrote to 23 higher education providers with high levels of recruitment of students from China, to ensure they have contingency plans in case recruitment patterns change and there is a sudden drop in income from overseas students.

## 3.2 Student finance

### What financial support is available for international students?

Only students who are allocated home student status are eligible for publicly funded student support in the UK. This includes tuition fee loans (or in the case of Scotland, free tuition), maintenance loans, bursaries, and grants.

Generally, students must be settled in the UK to qualify for home student status, but there are [certain exceptional categories included in the regulations](#). These primarily grant people allowed to live in the UK for humanitarian reasons access to home fee status and student finance. See the Library casework article series [Eligibility for home fee status and student support](#) for more information.

For postgraduate international students, there are scholarships supported by the UK Government to cover course fees and the cost of living during study. These include Chevening Scholarships, Commonwealth Scholarships, and

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<sup>130</sup> HESA, [Consolidated statement of comprehensive income and expenditure 2015/16 to 2021/22](#); and [Tuition fees and education contracts analysed by HE provider, domicile, mode, level, source and academic year 2016/17 to 2021/22](#) (and earlier editions). Includes income of alternative providers from 2018/19

<sup>131</sup> Harvard Kennedy School and King's College London Policy Institute, [The China question: managing risks and maximising benefits from partnership in higher education and research](#), March 2021

<sup>132</sup> Public Accounts Committee, [Financial sustainability of the higher education sector in England](#), 8 June 2022, HC 257 2022-23, p3

<sup>133</sup> Office for Students, [University finances generally in good shape, but risks include over-reliance on international recruitment](#), 18 May 2023



Marshall Scholarships. Eligibility varies and [more information is available at gov.uk](#).<sup>134</sup>

Individual providers also offer scholarships and bursaries to attract students from overseas. These include:

- academic, merit, and excellence scholarships;
- subject-specific scholarships;
- performance-based scholarships related to extra-curricular activities;
- equal access or sanctuary scholarships for refugees and asylum seekers.

More information is available in a [guide produced by UCAS](#).<sup>135</sup>

## Why are some British citizens classified as international students?

The student support regulations state students must generally meet two main criteria to be classified as a home student:

- the correct immigration status (right of abode, or indefinite leave to remain);
- three-year residency in the UK.

Students who do not meet either of these criteria can be classified as an international student even if they are UK citizens.

Following Brexit, however, UK nationals and their family members living in the EEA or Switzerland who start a course between 1 August 2021 and 1 January 2028 may also be eligible for home student status. See the Library casework article series [Eligibility for home fee status and student support](#) for more information.

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<sup>134</sup> GOV.UK, [Postgraduate scholarships for international students](#).

<sup>135</sup> UCAS, [Scholarships, grants, and bursaries: EU and international students](#).

## 4 The costs and benefits of international students to the UK

### 4.1 Economic

#### 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 government and higher education sector organisations.

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.

The Department for Education makes annual estimates of the value of education exports and transnational education activity.<sup>136</sup> The total value was put at £27.9 billion in 2021, of which £21.7 billion was for UK higher education. This includes fee income, living expenses and research income. The table below looks at how the real value has changed since 2010 and gives a broad breakdown by type.<sup>137</sup>

The overall value of higher education 'exports' increased by 81% between 2010 and 2021. There was much faster growth in exports related to students from outside the EU. Exports linked to EU students fell in 2020 and 2021.

The data on exports related to students can be further broken down into fee income and living costs. In 2021 fee income from all overseas students was estimated at £9.1 billion or 42% of total exports.<sup>138</sup> Their living costs were £10.8 million or 50% of total exports.<sup>139</sup>

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<sup>136</sup> Includes education programmes that take place outside the UK, either through partner institutions, or directly through distance learning or international campuses

<sup>137</sup> DfE, [UK revenue from education related exports and transnational education activity 2021](#)

<sup>138</sup> Net of the cost of providing fee loans to EU students

<sup>139</sup> DfE, [UK revenue from education related exports and transnational education activity 2021](#)

## Estimated UK revenue from higher education related exports

£ billion 2021 prices<sup>a</sup>

	EU students	Non-EU students	Research and other contracts	Other	Total
2010	2.7	8.3	1.0	0.1	<b>12.0</b>
2011	2.8	8.9	1.0	0.1	<b>12.8</b>
2012	2.9	9.3	1.2	0.1	<b>13.4</b>
2013	2.9	9.6	1.3	0.2	<b>13.9</b>
2014	3.0	10.1	1.4	0.2	<b>14.6</b>
2015	3.1	10.4	1.5	0.2	<b>15.1</b>
2016	3.2	10.6	1.5	0.2	<b>15.5</b>
2017	3.5	11.0	1.6	0.3	<b>16.9</b>
2018	4.1	12.3	1.7	0.3	<b>18.4</b>
2019	4.3	13.6	1.7	0.3	<b>19.9</b>
2020	4.1	14.8	1.5	0.3	<b>20.7</b>
2021	3.9	16.0	1.5	0.4	<b>21.7</b>
<i>change</i>					
'10 to'21	+44%	+93%	+53%	+194%	<b>+81%</b>

(a) Prices adjusted using March 2024 GDP deflators with changes in 2021 smoothed to remove the impact of pandemic-related distortions

Source: DfE, [UK revenue from education related exports and transnational education activity 2021](#)

The economic consultancy London Economics has produced estimates for different organisations of the net economic benefits of international students to the UK. These are different from the earlier DfE estimates of 'exports' as they:

- only look at students, not other sources of income
- include the knock-on economic impacts on the wider economy of international student spending
- estimate the benefits linked to friends and families visiting these students
- net off the costs to public services of the students and any dependent children

[London Economics analysis published on May 2023](#) for the 2021/22 cohort of students estimated that total gross benefits to the UK economy would be £41.9 billion and costs £4.4 billion, making a benefit to cost ratio of 9.4:1. Their net economic benefit was therefore £37.4 billion over the course of their

studies. This figure is around 60% higher in real terms than the 2015/16 cohort, largely due to increases in the number of non-EU students.<sup>140</sup>

The report takes this overall net benefit figure and assigns it to [UK nations and regions](#) in proportion to the number of international students at higher education institutions in each area. The estimated net economic benefit varies just under £1.0 billion in Northern Ireland to £9.6 billion in London. It then goes on to break these regional data down by [constituency](#) using census data on all students (home or overseas) living in each constituency<sup>141</sup>

Other reports on this issue include the Migration Observatory's January 2024 report [Student Migration to the UK](#) and the Migration Advisory Committee's 2018 report [Impact of international students in the UK](#).

## What are the economic benefits to the UK of the graduate route visa scheme?

The Home Office impact assessment for the graduate route (published in March 2021) forecast that total benefits to society could be between £11.1 billion and £34.6 billion over ten years with a central estimate of £25.6 billion.<sup>142</sup> The main benefits in the central estimate were for the exchequer (£13.3 billion) and fee income for higher education institutions (£10.6 billion).<sup>143</sup>

The impact assessment put total costs to society over ten years of between £3.8 billion and £9.6 billion, with a central estimate of £7.0 billion. Nearly all of these costs were for public service provision (£6.8 billion in the central estimate). Net benefits of the policy were therefore forecast to be between £7.4 billion and £25.1 billion (£18.6 billion in the central estimate).<sup>144</sup>

Here the range reflects uncertainty about the numbers of international students and graduates on the graduate route, where the lower end of the range is for lower volumes and vice versa. Student numbers and graduate route visa uptake have been higher than the central estimates used in the impact assessment. This suggests net benefits towards the higher end of the range, all other things being equal.

Universities UK International has estimated the [economic impacts of the government's wider International Education Strategy](#), including introduction of the graduate route. Their modelling found that these policies "directly contributed" to 632,000 additional international entrants over the five-year period from 2019 to 2024. They say that this was equivalent to an additional

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<sup>140</sup> London Economics, [The benefits and costs of international higher education students to the UK economy: Analysis for the 2021-22 cohort – May 2023](#)

<sup>141</sup> London Economics, [The benefits and costs of international higher education students to the UK economy: Analysis for the 2021-22 cohort – May 2023](#)

<sup>142</sup> All figures are in 2021/22 present value terms

<sup>143</sup> Home Office, [Impact Assessment for the Graduate Route \(PDF\)](#), 4 March 2021

<sup>144</sup> Home Office, [Impact Assessment for the Graduate Route \(PDF\)](#), 4 March 2021

net economic contribution to the UK economy of £62.6 billion.<sup>145</sup> The economic contribution figure is based on the per-student estimates produced by [London Economics](#) and mentioned in the previous section.<sup>146</sup>

In early May 2024 a [report by London Economics for a group of higher education organisations](#) estimated that the net fiscal benefit of the graduate route in financial year 2022-23 was around £70 million. This estimate only looks at the direct impact on the public finances, not on the wider economy. The gross benefit, from taxes, visa fees and the immigration healthcare surcharge, was estimated at £588. The gross costs to the public sector to those on the graduate route and any dependants was put at £517 million. Only around one-sixth of this was thought to be for health and education. Most of the costs were for general public services provision.<sup>147</sup>

The average net benefit per graduate route visa holder was around £1,200 and thought to be highest for those with a postgraduate research qualification (£4,400) because of their higher earnings. The aggregate net benefit is expected to increase over time due to the increase in the numbers on the graduate route in 2023-24 and forecast for future years.<sup>148</sup>

## 4.2

## Non-economic

### What do international students contribute to the UK higher education experience?

In February 2019, the House of Lords European Union Committee detailed a number of the benefits that Erasmus+ participants brought to the UK, including a “global, outward-looking culture” on campuses and a higher standard of UK education and training through international collaboration, and the sharing of innovation and best practice.<sup>149</sup>

In August 2024, a report for Universities UK on the contribution of international postgraduate research students to the UK’s Research and

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<sup>145</sup> Universities UK International, [The economic impact of the expansion of post study work rights and the Graduate route](#), 29 February 2024

<sup>146</sup> London Economics, [The Exchequer benefits and costs associated with the Graduate Route visa. Report for the Higher Education Policy Institute, Kaplan International Pathways, and the National Union of Students](#), May 2024

<sup>147</sup> Includes include housing and community amenities, public order, defence, transport and other and general public services

<sup>148</sup> London Economics, [The Exchequer benefits and costs associated with the Graduate Route visa. Report for the Higher Education Policy Institute, Kaplan International Pathways, and the National Union of Students](#), May 2024

<sup>149</sup> House of Lords European Union Committee, [Brexit: The Erasmus and Horizon programmes](#) (PDF), 12 February 2019, HL 283 2017-19, pp19-20.

Development performance found they delivered positive outcomes for universities as teachers, researchers, and collaborators.<sup>150</sup>

A study by researchers at University College London and the Universities of Surrey and Essex, published in November 2023, found international students do not have a detrimental impact on the educational performances and early labour market outcomes of domestic students.<sup>151</sup>

A 2015 survey by the Higher Education Policy Institute (HEPI), '[What do home students think of studying with international students?](#)', asked students studying in the UK for their views on international students.

- 76% of students surveyed said studying alongside their peers from overseas would give them a better world view;
- 85% said it would be useful preparation for working in a global environment;
- 63% said it will help them develop a global network.<sup>152</sup>

Alongside these benefits, however:

- 25% of students felt including students who did not have English as their first language slowed down the class;
- 12% felt academic discussions were of a lower quality due to the presence of international students in UK higher education.<sup>153</sup>

The issue of international students not having adequate English language skills was raised in an anonymous blogpost written by two Russell Group professors and published by HEPI in August 2024.<sup>154</sup>

## How many world leaders were educated in the UK?

Since 2017, the Higher Education Policy Institute has published an annual 'Soft Power Index', which measures the number of serving United Nations world leaders (monarchs, presidents, and prime ministers) educated at a higher level in countries other than their own.

In 2023, over one-quarter of the world's countries (58) are headed by someone educated in the UK, which is second only to the USA (65).<sup>155</sup> France is third having educated 30 current world leaders to a higher level.

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<sup>150</sup> Universities UK, [Powering the engine: The non-financial contribution of international postgraduate students to the UK](#), September 2024

<sup>151</sup> Julián Costas-Fernández and others, [The effect of foreign students in higher education on native students' outcomes](#), European Economic Review vol. 160, November 2023

<sup>152</sup> HEPI, [What do home students think of studying with international students?](#), July 2015.

<sup>153</sup> HEPI, [What do home students think of studying with international students?](#), July 2015.

<sup>154</sup> HEPI blogpost, [Hidden in Plain Sight: The Real International Student Scandal](#), 23 August 2024

<sup>155</sup> Higher Education Policy Institute, [HEPI'S 2023 Soft-Power Index](#), 22 August 2023

These personal connections are likely to be an important contributor to the UK's 'soft power' (the ability to influence the behaviour of others to achieve preferential outcomes), and help to build long-term social, political, and trade links with other countries.<sup>156</sup>

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<sup>156</sup> Institute for Public Policy Research, [Destination Education. Reforming Migration Policy in International Students to Grow the UK's Vital Education Exports \(PDF\)](#), September 2016, p8

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