

## Amendment to Higher Education and Research Bill

### After Clause 85

LORD HANNAY OF CHISWICK  
BARONESS ROYALL OF BLAISDON  
BARONESS GARDEN OF FROGNAL  
LORD PATTEN OF BARNES

Insert the following new Clause—

#### **“Students and academic staff at higher education providers**

- (1) The Secretary of State has a duty to encourage international students to attend higher education providers covered by this Act, and UKRI must take every possible opportunity to encourage and facilitate the maximum co-operation between British higher education and research establishments and those based outside the UK, in particular with projects and programmes funded by the European Union.
- (2) The Secretary of State shall ensure that no student, either undergraduate or postgraduate, who has received an offer to study at such a higher education provider, be treated for public policy purposes as a long term migrant to the UK, for the duration of their studies at such an establishment.
- (3) Persons, who are not British citizens, who receive an offer to study as an undergraduate or postgraduate, or who receive an offer of employment as a member of academic staff at a higher education provider, shall not, in respect of that course of study, or that employment, be subject to more restrictive immigration controls or conditions than were in force for a person in their position on the day on which this Act was passed.”

## Introduction

- This amendment to the Higher Education and Research Bill comes at a time when the government is preparing to exit the European Union (EU) and establish an industrial strategy ‘fit for a global Britain’<sup>1</sup>
- Both present potential opportunities to develop policies to leverage the UK’s national and regional strengths more effectively to achieve economic growth and international influence. Any government strategies for economic success should recognise the fundamental importance of international students.
- In 2014-15 the 437,000 international students (125,000 EU students and 312,000 non-EU students) made up 19% of all students registered at UK universities. The income and economic activity of these students resulted in £25.8 billion in output and 206,600 jobs for the UK economy in 2014-15 alone.
- International students are vital for a successful post-Brexit, industrial strategy fit for a global Britain. They make a significant contribution to driving economic growth and engaging the UK’s diplomatic and trade links on the world stage. Further, their contribution to regional economies will be a vital anchor for a successful industrial strategy.
- The contribution of such students extends beyond monetary outcomes, adding value to the experience of UK students and the UK’s global soft power. British students benefit from building international contacts and an understanding of other cultures that equips them for increasingly globalised labour market. A recent survey found that three quarters of domestic students say that studying alongside international students was a useful preparation for working in a global environment, and the same proportion said it gave them a better world view.<sup>2</sup>
- A 2015 report by ComRes, The Soft Power 30: A Global Ranking of Soft Power noted that the ability of a country to attract foreign students, or facilitate exchanges, is a powerful tool of public diplomacy. Further, 55 world leaders from 51 countries

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<sup>1</sup> <https://www.gov.uk/government/news/pm-unveils-plans-for-a-modern-industrial-strategy-fit-for-global-britain>

<sup>2</sup> HEPI (2015) What do home students think of studying with international students?

have studied in the UK. Having heads of state spend part of their most formative years learning about and being part of UK culture highlights how the UK's higher education sector is a long-term asset, not just locally but internationally.<sup>3</sup>

- Public opinion polling (ComRes for Universities UK, 2016) suggests that the public do not even view students as immigrants. Only 23% of Remain voters and 25% of Leave voters view international students as immigrants. Of those that expressed a view, 75% say they would like to see the same number, or more, international students in the UK. Of those who expressed a view, 71% would support a policy to help boost growth by increasing overseas students. This polling suggests that current visa policy is not addressing public concerns. Full results can be found on [the UUK website](#).
- International staff (lab technicians and language assistants, as well as academics and researchers) also make a significant contribution to the UK. Indeed, UK universities depend on the ability to recruit the most talented and productive researchers and teachers from across the world. In 2014–15, 28% of all academic staff were from outside the UK, rising to 31% of academic staff in STEM subjects more broadly, 44% in electrical, electronic and computer engineering and 52% in chemical engineering.
- British universities are world-leading. To retain this enviable position and the economic and social benefits that come with it, it is critical that universities remain able to recruit genuine international students and world-leading academics and researchers from around the world with minimal barriers.

## The economic impact of international students

In March 2017, Universities UK published new figures calculated on its behalf by Oxford Economics for 2014-15 on the economic impact of international students studying in the UK.

In 2014-15:

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<sup>3</sup> HEPI (2015) Now that's what we call soft power: 55 world leaders educated in the UK

- On and off-campus spending by international students and their visitors generated **£25.8bn** in gross output in to the UK economy
- This activity contributed **£13.8bn** gross value added (GVA) to UK GDP
- On and off-campus spending by international students and their visitors supports jobs all over Britain, supporting **206,600** full-time equivalent (FTE) jobs nationally
- International students are good for the British economy as a whole, being responsible for **£10.8bn** of UK export earnings
- Spending by international students outside of universities fees and accommodation (ie 'off-campus') amounted to **£5.4bn**.
- International students also boost other British industries, adding **£750 million to the UK transport industry** and **£690 million to the retail industry**
- The economic activity and employment sustained by international students off-campus spending generated **£1 billion tax revenues**. This is the equivalent to the salaries of 31,700 nurses or 25,000 police officers.

This national impact is mirrored at a regional and local level which provides an important anchor for the government's industrial strategy and contributes to economic growth across the country. For example, in the North West of England, international students' off-campus expenditure was £458 million in 2014-15, generating a £281 million GVA contribution to local GDP and 3,995 full time jobs.

***Figures for all 9 regions of England are outlined in Annex A of this briefing.***

## **Exit data and the classification of international students**

Students coming to the UK for more than a year are included in the government's net migration target: the government aims to cut net migration to the tens of thousands. The government should make a clear distinction between temporary and permanent migration

flows, as is the case in many of the UK's major competitor countries. Making such a distinction would foster a more nuanced public understanding of immigration than the current blunt net migration target and could help promote informed discussions about the benefits temporary migration can bring including the benefits of international students to all regions of the UK.

Universities UK does not argue that the number of students coming to the UK should not be counted; rather they should not be included in a net migration *target*. In other countries, it is widely accepted that international students are temporary citizens whereas in the UK they are categorised alongside those who have a route to staying in the UK permanently. For example, in the USA international students are classified as non-immigrants alongside tourists, business visitors and those on cultural exchange programmes, in Australia they are classified as temporary migrants alongside tourists and visitors and in Canada they are classified as temporary residents.

The main assertion that significant numbers of international students overstay comes from the International Passenger Survey (IPS), which is used to estimate migration trends. This survey suggests that there is a significant gap between the number of students recorded as entering the UK and the number recorded as departing.

However, serious concerns have been raised about the accuracy of the IPS, including the UK Statistics Authority which noted that the “estimates are subject to relatively wide margins of uncertainty” and are ‘dependent on the accuracy of the information provided by those people interviewed.’ Concerns relate to its methodology (a sample survey).

The Public Administration Select Committee concluded in its 2013 review of migration statistics that the IPS is “inadequate for measuring, managing and understanding the levels of migration that are now typical in the UK. The Government must plan to end reliance on the IPS as the primary method of estimating migration: it is not fit for the purposes to which it is put.”

The Home Office's cohort studies (The Migrant Journey) show that the vast majority of international students have left the immigration system five years after entering. In 2017 the

report showed that only 18% of those who entered the UK as a student in 2010 were in the immigration system, or had been granted settlement, five years later.

Exit checks were implemented in April 2015. Recent media coverage suggests that exit check data shows that the number of student over-stayers is around 1% (1,500 per year). This data has not been published and it is not known if, or when, it will be.

## **The contribution of international students to strategically important courses**

International students make a vital contribution to important subject areas like science, technology, engineering and maths – without them certain courses would not be viable and would not be available for domestic students.

Non-EU students make up 29% of postgraduate taught students and 30% of postgraduate research students.

In 2015–16 (the latest data we have) non-EU students make up 25% of all engineering students (48% at PGT level, 45% at PGR level). They also made up 55% of all PGT business students, 45% of all PGT maths students, 41% of PGT computer sciences students, and 36% of PGT creative arts students.

## **The role of international students in sustaining universities**

Feedback from Universities UK member institutions reveals many prominent themes on how international students sustain universities:

### **University of the Arts London (UAL)**

- UAL is a specialist university in art, design, communication and fashion, based in London. It is ranked Top 6 in the QS World University Rankings for Art & Design 2016 – a list almost entirely dominated by wealthier American competitors.

- The income generated by international students cross-subsidises all UK students, as well as generating the additional operating surplus UAL needs to invest in buildings and capital equipment.
- The operating surplus generated by UAL's international success has enabled it to borrow the funds necessary to underpin major new academic buildings in three of London's key regeneration areas (the Olympic Park, Elephant and Castle and Camberwell).

### **University of Glasgow**

- The University of Glasgow has recently confirmed plans to spend £1bn developing our main campus, in what will be one of the biggest educational infrastructure projects ever undertaken in Scotland. This major expansion will allow the university to provide innovative and unrivalled learning, teaching and research facilities across a range of areas and disciplines, but focussed very clearly on ensuring that Glasgow continues to be a truly world leading university.
- Its campus development is very clearly aimed at reviving and regenerating the west end of Glasgow which has suffered from the loss of two major employers in recent years – the relocation of the BBC to another part of the city and the closure of a major hospital. The university can only commit to this exciting and economically important programme because of the income streams that it has nurtured as an international institution.

### **University of Sussex**

- The academic benefits and financial input from international students was a key contributor to the University of Sussex's capital investment which resulted in a transformation of its existing Postgraduate Taught specialist business and management offerings located within a leading research unit, into a full Business and Management department offering mainstream Undergraduate and Postgraduate courses with Sussex specialist options. This compelling offering led to growth of management students from 100 to over 3000 of which over 1600 are International

students from outside the European Union. In 2015/16 international fees in this school alone provided over £20 million of income.

- The uplift in annual income was a critical component of an ambitious £30 million investment into the new Jubilee Building in 2012 with the objective of co-locating all academics working in business, management, economics and science policy.

***More information on these case studies can be found in Annex B of this briefing.***

## Remaining globally competitive: the UK's share of international students

International student numbers around the world are projected to grow significantly in coming years and this affords a significant opportunity to the UK to capitalise on its position. The numbers of university students seeking a higher education experience outside their home country is expected to grow significantly from 4.1m in 2010 to 8m by 2025 ([OECD](#)).

In recent months, the government has frequently cited visa application data as proof that international student numbers at the UK's universities remain buoyant, speaking of a 17% increase in the number of people applying for visas to study at university in the UK since 2010 as a sign of the continued attractiveness of the UK for international students.

Between 2010 and 2016 (the latest annual figures we have for visa applicants), the number of **applicants** for Tier 4 visas for university study did increase by 17% - however this has not resulted in a commensurate increase in international student **enrolments**. In fact, total enrolments of international students only rose by 4% between 2010–11 and 2015–16, and new enrolments – which can be considered more representative of recent trends – decreased by 1%.

Non-EU students and visa applicants, 2010-2016

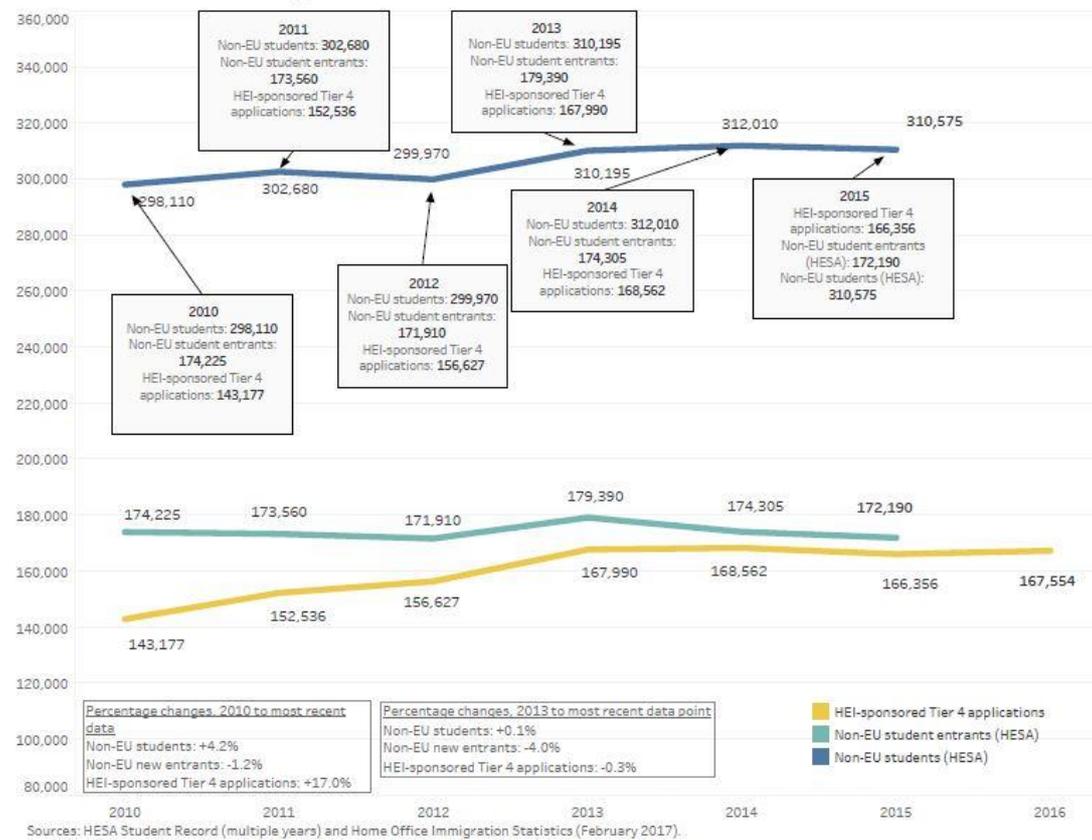


Figure 1: Non-EU students and visa applications 2010-2016

One obvious reason for the different trends in visa applicants and actual enrolments is that applying for a visa is not the same as getting one. Because of the way the Home Office publishes its data we cannot produce a visa application refusal rate for higher education, but there are suggestions that around 3% of all applicants for a higher education study visa have their application refused. Being refused does not mean that an applicant is not a genuine student, and some of those whose initial application is refused go on to apply again, pushing up applicant numbers.

Another reason for the discrepancy are changes in the visa rules. Over the period in question, the Home Office has become increasingly stringent about when a student going from one course to another needs to make a fresh visa application. Whereas many students who were doing pre-sessional courses at a university before taking up a place on a degree course could previously apply for a single visa to cover both courses, most now have to

make separate applications. Some of the growth in visa applicants is likely to be related to this and so will be coming from the same student applying multiple times rather than an actual increase in applicant or student numbers.

A further reason for the discrepancy is that even having been granted a visa, not all applicants will take up their place. A UK Border Agency report in 2010 found that 9% of university students granted a visa for study did not actually enter the UK to take up their place. This might be because their circumstances had changed since they had made their application, or because they had gone on to study elsewhere (some of those applying to study in the UK will also be applying to universities in other, competitor, countries).

The latest figures do show that the UK currently has the second highest share of international students globally (10%), after the United States, which has 19% (2013 OECD). However, we cannot rest on our laurels: our competitors are working hard to attract the increasing number of students looking to study outside their home country. [Australia](#), [Canada](#), [China](#), [Japan](#) and others all have strategies designed to attract more international students, and New Zealand is [developing one](#) rather than including students in a net migration target which aspires to see numbers reduced to the tens of thousands.

Further, many competitor countries are using improvements in post-study work entitlements to attract growing numbers of international students. In the UK the main route for post-study work is Tier 2, a relatively restrictive route which requires new graduates to meet a range of requirements including minimum salary thresholds in order to obtain a visa. They also have a very limited time in which to receive a job offer after their studies finish (four months for most graduating students). In comparison, our competitors offer the following:

- **USA:** Allows students to apply for Optional Practical Training visa of 12 months, or 36 months for STEM graduates, before graduation and in advance of a specific job offer.
- **Canada:** Allows students to remain in the country for the same duration as their length of study, not conditional on a specific job offer
- **New Zealand:** allows for a 12 month 'job search' period after the conclusion of studies

- **Australia:** allows for a Post Study Work Stream of visa, which allows graduates to remain in the country for between 2 and 4 years (depending on the level of their qualification).

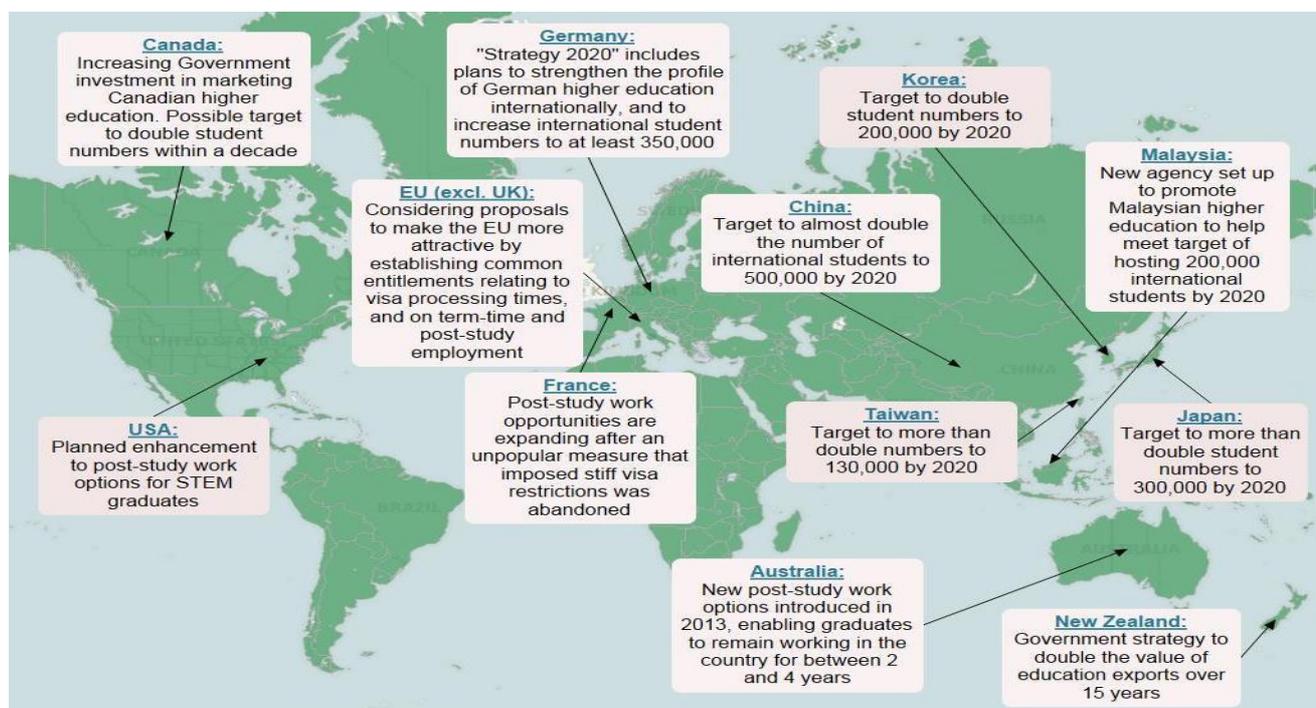


Figure 2: International student policies and strategies in competitor countries

## International staff

International staff (lab technicians and language assistants, as well as academics and researchers) also make a significant contribution to the UK. Indeed, UK universities depend on the ability to recruit the most talented and productive researchers and teachers from across the world. In 2014–15, 28% of all academic staff were from outside the UK, rising to 31% of academic staff in STEM subjects more broadly, 44% in electrical, electronic and computer engineering and 52% in chemical engineering. The proportions are even higher for those on research-only contracts, with 45% from outside the UK, including 66% of mathematics staff and 65% in chemical engineering. Without these staff, the UK's universities would not be able to produce the same levels of world-leading teaching and research in these key subject areas and many others.

International staff play a fundamental role in teaching and upskilling the domestic population, including developing the academics of the future. The number of UK PhD students increased by 20% between 2007–08 and 2014–15, and the number of UK-national junior academic staff has increased by 58% over the same period. International academic staff are committed, along with the universities they work in, to developing the UK's talent base and upskilling the local population at a regional level. Given that the UK's science and innovation system is held back by weaknesses in its STEM talent base<sup>4</sup>, restricting access to the global staff currently required to teach in these areas is likely to make it more difficult to deliver the 'upgrade in our education and training system' that BEIS Secretary Greg Clark called for as part of the government's industrial strategy<sup>5</sup>.

As well as their teaching, international staff at UK universities are world-class researchers. Research is intrinsically international and collaborative in nature and research output is highly correlated with researcher mobility. Researchers who have spent an extended time abroad are likely to have published significantly more than those who have stayed in one place<sup>6</sup>. The proportion of international staff at a university is also used as a metric in international university league table rankings, recognising that the ability to attract and retain world-leading researchers is a vital part of being an internationally-excellent institution<sup>7</sup>.

That world-leading research excellence does not just benefit the universities international staff work at, it also benefits the communities they work in and the UK as a whole. It was international researchers working at the University of Manchester who discovered graphene, the ultra-light miracle material 200 times stronger than steel. Following graphene's isolation in Manchester, the university and others are investing over £355 million in three new institutes based in Manchester, bringing jobs and benefiting local people and businesses<sup>8</sup>.

International staff also contribute to the UK economy. Over 80% of non-UK academic staff were higher rate tax-payers in 2014–15, and in addition to paying tax, these staff spend their wages on consumer goods and services locally and nationally, contributing to GDP.

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<sup>4</sup> BIS (2014), *Insights from the international benchmarking of the UK science and innovation system*.

<sup>5</sup> Speech by Rt Hon Greg Clark MP, Secretary of State for Business, Energy and industrial strategy, to the Institute of Directors (27 September 2016)

<sup>6</sup> BIS (2013), *International Comparative Performance of the UK Research Base*

<sup>7</sup> QS World University Rankings methodology and THE World University Rankings assign 5% and 2.5% respectively to international staff ratios.

<sup>8</sup> [Manchester: A graphene city](#)

This induced impact on the economy contributes to the £37.63 billion knock-on output generated by university spending in the UK in 2011–12<sup>9</sup>.

As with international students, the public hold extremely positive views of highly skilled migrants who contribute to the excellence of our universities and produce valuable research which impacts the whole of society; in a recent poll, 88% of the British public supported maintaining (42%) or increasing (46%) levels of highly-skilled workers<sup>10</sup>.

For more information, contact Political Affairs Manager, Karmjit Kaur:  
[karmjit.kaur@universitiesuk.ac.uk](mailto:karmjit.kaur@universitiesuk.ac.uk) / 0207 419 5411.

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<sup>9</sup> Universities UK (2014), op. cit.

<sup>10</sup> British Future (2016), *What next after Brexit?*

## ANNEX A: Regional economic impact of international students

The spending from international students is a key contributor to regional economies. This impact is particularly significant in the context of the government's industrial strategy and objectives to sustain and grow regional economies.

The data below highlights the key economic benefits from international students for the nine English regions:

### East Midlands

- The region's universities attracted 27,010 students from outside of the UK in 2014-15.
- International revenue in the East Midlands amounted to £394 million which, together with the estimated off-campus expenditure of international students and their visitors, represented a total of £779 million of export earnings. Overall, international student spending on and off campus was responsible for £688 million of this total.
- International students' off-campus expenditure (£353 million) in the East Midlands generated £393 million of gross output, a £207 million GVA contribution to GDP, and 3,093 full-time equivalent jobs in the region alone.

### East of England

- The region's universities attracted 27,980 students from outside of the UK in 2014-15.
- International revenue in the East of England amounted to £586 million which, together with the estimated off-campus expenditure of international students and their visitors, represented a total of £988 million of export earnings. Overall, international student spending on and off campus was responsible for £781 million of this total.
- International students' off-campus expenditure (£368 million) in the East of England generated £419 million of gross output, a £215 million GVA contribution to GDP, and 3,081 full-time equivalent jobs in the region alone.

## **London**

- The region's universities attracted 101,465 students from outside of the UK in 2014-15.
- International revenue in London amounted to £1,884 million which, together with the estimated off-campus expenditure of international students and their visitors, represented a total of £3,333 million of export earnings. Overall, international student spending on and off campus was responsible for £2,739 million of this total.
- International students' off-campus expenditure (£1,327 million) in London generated £1,534 million of gross output, a £750 million GVA contribution to GDP, and 8,855 full-time equivalent jobs in the region alone.

## **North East**

- The region's universities attracted 19,820 students from outside of the UK in 2014-15,
- International revenue in the North East amounted to £315 million which, together with the estimated off-campus expenditure of international students and their visitors, represented a total of £594 million of export earnings. Overall, international student spending on and off campus was responsible for £514 million of this total.
- International students' off-campus expenditure (£256 million) in the North East generated £271 million of gross output, a £139 million GVA contribution to GDP, and 2,032 full-time equivalent jobs in the region alone.

## **North West**

- The region's universities attracted 35,850 students from outside of the UK in 2014-15.
- International revenue in the North West amounted to £636 million which, together with the estimated off-campus expenditure of international students and their visitors, represented a total of £1,136 million of export earnings. Overall, international student spending on and off campus was responsible for £970 million of this total.

- International students' off-campus expenditure (£458 million) in the North West generated £538 million of gross output, a £281 million contribution to GDP, and 3,995 full-time equivalent jobs in the region alone.

### **South East**

- The region's universities attracted 49,995 students from outside of the UK in 2014-15.
- International revenue in the South East amounted to £941 million which, together with the estimated off-campus expenditure of international students and their visitors, represented a total of £1,642 million of export earnings. Overall, international student spending on and off campus was responsible for £1,271 million of this total.
- International students' off-campus expenditure (£641 million) in the South East generated £780 million of gross output, a £394 million GVA contribution to GDP, and 5,247 full-time equivalent jobs in the region alone.

### **South West**

- The region's universities attracted 25,275 students from outside of the UK in 2014-15.
- International revenue in the South West amounted to £372 million which, together with the estimated off-campus expenditure of international students and their visitors, represented a total of £725 million of export earnings. Overall, international student spending on and off campus was responsible for £612 million of this total.
- International students' off-campus expenditure (£323 million) in the South West generated £369 million of gross output, a £191 million GVA contribution to GDP, and 2,832 full-time equivalent jobs in the region alone.

### **West Midlands**

- The region's universities attracted 36,600 students from outside of the UK in 2014-15.
- International revenue in the West Midlands amounted to £537 million which, together with the estimated off-campus expenditure of international students and their visitors,

represented a total of £1,058 million of export earnings. Overall, international student spending on and off campus was responsible for £904 million of this total.

- International students' off-campus expenditure (£478 million) in the West Midlands generated £544 million of gross output, a £268 million GVA contribution to GDP, and 3,916 full-time equivalent jobs in the region alone.

### **Yorkshire and the Humber**

- The region's universities attracted 32,760 students from outside of the UK in 2014-15.
- International revenue in Yorkshire and the Humber amounted to £506 million which, together with the estimated off-campus expenditure of international students and their visitors, represented a total of £973 million of export earnings. Overall, international student spending on and off campus was responsible for £835 million of this total.
- International students' off-campus expenditure (£429 million) in Yorkshire and the Humber generated £483 million of gross output, a £242 million GVA contribution to GDP, and 3,594 full-time equivalent jobs in the region alone.

## **ANNEX B: Case studies**

### **1. UNIVERSITY OF THE ARTS LONDON (UAL)**

UAL is a specialist university in art, design, communication and fashion, based in London. It is ranked Top 6 in the QS World University Rankings for Art & Design 2016 – a list almost entirely dominated by wealthier American competitors.

Its six world-famous colleges are Central Saint Martins, London College of Fashion, London College of Communication, and Camberwell, Chelsea and Wimbledon Colleges of Arts.

#### **The specialist institution funding model differs from the mainstream**

1. Specialist universities make up 15% of the UK higher education sector.

2. Activity at specialist institutions is concentrated in high-cost provision. As with science, this is due to specialist equipment, workspaces, and technicians.
3. The £9,000 fee paid by a UK undergraduate student is not enough to cover this high cost – the UK fee only covered 86% of cost per student at UAL in 2014/15.
4. UAL's Home postgraduate fees have been held down by even more substantial cross-subsidy from international fees than exists at undergraduate level.
5. Because most activity is high cost, specialist institutions are unable to cross-subsidise from low-cost subjects, unlike mainstream multi-faculty universities.

### **UAL and international students**

6. The transition to the tuition fee model, with Home fees capped at significantly less than the cost of delivery, thus poses income problems for specialist institutions. UAL addressed this by expanding its global focus and establishing a network of recruitment and collaborative academic relationships across the world, increasing international student fees by more than 100% over the last eight years.
7. 67,500 international students attended London universities in 2013-14 – nearly 10% of these attended UAL.
8. Nearly half of UAL's student fee income (and far more than its entire operating surplus) derives from international students, who represent just 34% of our student cohort. A further 15% are EU students paying UK fees – this represents a major post-Brexit risk.
9. International students therefore cross-subsidise all UK students, as well as generating the additional operating surplus UAL needs to invest in buildings and capital equipment.
10. The operating surplus generated by UAL's international success has enabled it to borrow the funds necessary to underpin major new academic buildings in three of London's key regeneration areas (the Olympic Park, Elephant and Castle and Camberwell).
11. UAL takes students from a wide range of socioeconomic backgrounds. Its future will be at risk if the Government does not ensure the UK remains a welcoming destination for international students.

## **2. UNIVERSITY OF GLASGOW**

The University of Glasgow has recently confirmed plans to spend £1bn developing our main campus, in what will be one of the biggest educational infrastructure projects ever undertaken in Scotland. This major expansion will allow us to provide innovative and unrivalled learning, teaching and research facilities across a range of areas and disciplines, but focussed very clearly on ensuring that Glasgow continues to be a truly world leading university.

Our campus development is very clearly aimed at reviving and regenerating the west end of Glasgow which has suffered from the loss of two major employers in recent years – the relocation of the BBC to another part of the city and the closure of a major hospital. It is this 14-acre site on the former western infirmary that we will develop over the next few years.

We hope and expect that our buildings and facilities will be used by the local community, and indeed by the wider city. The development will truly open-up the west end, allowing free access for all and creating a cultural corridor that will link the west end through the university and on to art galleries, museums and performance venues.

We can only commit to this exciting and economically important programme because of the income streams that we have nurtured as an international institution.

A fifth of our revenue now comes from international sources.

The University of Glasgow attracts more than 7,000 students from outside the UK - 4,000 international and 3,000 EU based. Not only do they contribute greatly to campus life, the income derived from our international students will be crucial in helping to fund our ambitious plans for campus development. If international student numbers were to fall markedly as a result of student visa restrictions, this capital programme of around £100m per year for the next 5 years would need to be significantly curtailed.

A recent survey which we commissioned showed that the University of Glasgow is responsible for more than £200m in UK export earnings. This is made up of direct international student revenue of £105m plus an additional £82m in off-campus expenditure by international students and a further £17m from business and leisure visitors.

Our international students are vitally important to the continued academic and research success and economic footprint of the University of Glasgow.’

### **3. UNIVERSITY OF SUSSEX**

Case study on capital investment

*Step change in Business Management and Economics at the University of Sussex: A case study on the impact of International fees on campus and infrastructure development*

Ten years ago the University of Sussex embarked on a transformation of its existing Postgraduate Taught specialist business and management offerings located within a leading research unit, into a full Business and Management department offering mainstream Undergraduate and Postgraduate courses with Sussex specialist options. This compelling offering led to growth of management students from 100 to over 3000 of which over 1600 are International students from outside the European Union. In 2015/16 international fees in this school alone provided over £20 million of income.

The uplift in annual income was a critical component of an ambitious £30 million investment into the new Jubilee Building in 2012 with the objective of co-locating all our academics working in business, management, economics and science policy. The resulting synergies and increased cross disciplinary work now provide a unique educational experience for our students and research excellence and innovation such as the longer renowned Science Policy Research Unit (SPRU) and the UK Trade Policy Observatory, currently offering independent advice to assist the UK Government, industry and public in addressing the critical international trade challenges posed by the country's exit from the European Union. The academic benefits and financial input from international students, were crucial in making such a large-scale capital investment, our largest single academic investment in our fiftieth anniversary year, and in underpinning the dynamic growth of our academic staff base.

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