

A submission from the British Academy to the House of Commons Education Select Committee inquiry on the impact of exiting the European Union on higher education

1. The British Academy, the UK's national academy for the social sciences and humanities, welcomes the opportunity to submit evidence to the House of Commons Education Select Committee inquiry on the impact of exiting the European Union on higher education. The British Academy's previous response to the House of Commons Science & Technology Select Committee inquiry on Leaving the EU: implications and opportunities for science and research may also be of interest to the Education Select Committee.¹

Summary

2. The UK faces a challenge now in terms of growth, since we have to manage disruption and change, redefine our role in the world and look again at our comparative advantages and key relationships. Research and higher education lie at the heart of the growth opportunities in the UK. Universities, research institutions and researchers based in the UK are special sources of comparative advantage. Investment in scholarship, research and innovation will have very high returns and can underpin a revival of growth in productivity. We must also remember the potential contribution of the social sciences and humanities in an economy that is more than three-quarters services-oriented. We recommend an initial target to raise publicly financed GERD (gross domestic expenditure on research & development) to the OECD average. The referendum result thus offers an opportunity: an opportunity for the UK to place higher education and research at the heart of the UK's international relationships, and its strategy for economic growth, as well as its cultural and social well-being (paragraph 5).
3. Funding from the EU is important but this is not the only issue at stake. The EU provides forms of collaboration and funding that the UK does not replicate, such as the European Research Council, the Marie Skłodowska-Curie Actions, and the Erasmus+ programme. Either full access to such instruments should be maintained or new UK-based instruments should be created that are resourced competitively. This is why the British Academy's preferred outcome is for a future arrangement with the characteristics of the European Economic Area (EEA), combined with opportunities to influence the development of research and higher education policies and practices (paragraph 8).
4. The reputation of UK universities and the UK itself to those overseas and to those already in the UK is in danger of being tarnished. The importance of this reputation is fundamental to the success of the UK higher education sector, which in turn will be a cornerstone to the UK's efforts to build its international relations anew. To thrive in the future, the UK higher education sector requires a favourable transitional arrangement and settlement with the EU as well as positive domestic change in order that UK universities, their staff and students can contribute most fully to the UK's economic success and global influence (paragraph 10).

¹ British Academy, Written Evidence to House of Commons Science & Technology Select Committee inquiry on 'Leaving the EU: implications for science and research', 19 August 2016, <http://www.britac.ac.uk/sites/default/files/2016-08-16%20BA%20Response%20-%20HoC%20ST%20SC%20Inquiry%20-%20Leaving%20EU%20Questions%20Final.pdf>

How to ensure UK universities remain competitive after the withdrawal of the UK from the EU and what steps the Government should take to mitigate any possible risks and take advantage of any opportunities.

5. The UK faces a challenge now in terms of growth, since we have to manage disruption and change, redefine our role in the world and look again at our comparative advantages and key relationships. Research and higher education lie at the heart of the growth opportunities in the UK. Universities, research institutions and researchers based in the UK are special sources of comparative advantage. Investment in scholarship, research and innovation will have very high returns and can underpin a revival of growth in productivity. We must also remember the potential contribution of the social sciences and humanities in an economy that is more than three-quarters services-oriented. **We recommend an initial target to raise publicly financed GERD to the OECD average, which currently stands at 0.77% whilst the UK is at 0.52%. This is still well below France and Germany, but it would be a start. The referendum result thus offers an opportunity: an opportunity for the UK to place higher education and research at the heart of the UK's international relationships, and its strategy for economic growth, as well as its cultural and social well-being.** This is public investment in R&D, there is also a question here about the readiness or not of the private sector to invest in R&D following the referendum.
6. HESA data that collects funding from 'EU sources' (which includes funding not from the EU but any funding within the area of the EU) shows that the humanities and social sciences receive the highest proportion of its external research funding from such sources.² A tighter definition of 'EU Government Bodies' (although this includes both funding from the EU as well as national bodies) illustrates that seven out of the top nine disciplines in these terms are from the humanities and social sciences.³
7. This illustrates the success of those disciplines in gaining funding from a wide range of sources and in international competitions. This is in a context where the UK is currently underinvesting in research and innovation compared to its main competitors and funding from the EU makes a significant contribution to UK research and development.⁴ **This success is particularly the case in the humanities and the social sciences. From 2007-2015 UK-based researchers in the humanities and social sciences won just over €626 million from Starting, Consolidator and Advanced Grants from the European Research Council (ERC).**⁵ **This is just over a third of all total funding that was available in the humanities and social**

² Higher Education Funding Council for England, Written evidence to House of Commons Science & Technology Select Committee inquiry on 'Leaving the EU: implications and opportunities for science and research', p.2, p.8, 7 September 2016
<http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/science-and-technology-committee/leaving-the-eu-implications-and-opportunities-for-science-and-research/written/36026.pdf>

³ Research Councils UK, Written evidence to House of Commons Science & Technology Select Committee inquiry on 'Leaving the EU: implications and opportunities for science and research', p.8, 7 September 2016
<http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/science-and-technology-committee/leaving-the-eu-implications-and-opportunities-for-science-and-research/written/36037.pdf>

⁴ British Academy, 'A submission from the British Academy to the House of Lords Select Committee on Science and Technology on the relationship between EU membership and the effectiveness of science, research and innovation in the UK', November 2015, p.3-4, <http://www.britac.ac.uk/sites/default/files/2015-11-19%20British%20Academy%20Submission%20to%20HoL%20ST%20Committee%20Inquiry.pdf>

⁵ Aggregate data regarding ERC-funded projects provided by the ERC Executive Agency

sciences. This is a clear sign of UK-based humanities and social science excellence, which the Academy recommends should continue to be supported once the UK has left the EU.

8. **Funding from the EU is very important, and the Government should ensure that at least the same level of funding is available to the UK higher education sector. This importantly includes funding from the European Investment Bank.⁶ This, however, is not the only issue at stake. The EU provides forms of funding that the UK does not replicate, such as the European Research Council, the Marie Skłodowska-Curie Actions, and the Erasmus+ programme. Either access to such forms of funding should be maintained or new UK-based instruments should be created that are resourced competitively.** For example, if the UK were to adopt a third country arrangement, the British Academy would recommend the Government should establish its own body similar to the European Research Council with an international outlook that would require significant funding to attract the very best globally to come to the UK. This frontier research funding for the very best would naturally sit well within the national academies' current research funding portfolio and could be described as a 'Global Frontier Research Programme'.
9. The Government should thus also be aware and acknowledge that certain institutions, disciplines, such as the humanities and social sciences, and regions do particularly well in terms of winning EU research funding and in attracting non-UK EU and EEA students to enrol for their degrees. This pattern should not act as a penalty now but be seen as the excellence it is. For example, Horizon 2020 funds and structural funding have been important in areas such as Northern Ireland.⁷ **The British Academy recommends that the Government pays particularly close attention to the situation in Northern Ireland and works very closely with its Irish counterparts.**
10. Developing in part from the referendum debate has been a negative rhetoric towards 'expertise' in one shape or another and from various quarters. Such rhetoric can create an environment that is understandably perceived as less conducive, less welcoming and more restrictive to academic freedom, enterprise and endeavour. As the UK withdraws from the EU, the higher education sector can ill afford a growing reputation, whether real or perceived, as one that does not acknowledge positively, respect and support academic expertise and scholarship. The British Academy regrets that such rhetoric risks the higher education sector's ability to respond to the challenges posed by leaving the EU. In our previous submission to the Commons Science & Technology Select Committee inquiry we mentioned anecdotal instances of non-UK EU nationals not taking up positions and other such responses to some of the sentiments engendered by the referendum result. The

⁶ The European Investment Bank has signed 67 projects related to 'education' since 200. Many of these are to help infrastructure programmes at UK universities including an almost €257 million loan with the University of Edinburgh in February 2016 and an almost €279 million loan with the University of Oxford in July 2015,

<http://www.eib.org/projects/loan/list/?from=2000®ion=1§or=5001&to=2016&country=GB>; Royal Academy of Engineering, 'Engineering a future outside the EU: Securing the best outcome for the UK', October 2016, p.16,

<http://www.raeng.org.uk/news/news-releases/2016/october/engineering-industry-says-renewed-focus-on-industry>; UK EU Life Sciences Transition Programme Report for the UK EU Life Sciences Steering Committee, 'Maintaining and growing the UK's world leading Life Sciences sector in the context of leaving the EU', 6 September 2016, p.7-8, <http://www.abpi.org.uk/our-work/library/industry/Documents/UK-EU-Steering-Group-Report.pdf>

⁷ British Academy and Royal Irish Academy, 'The UK and Ireland: The UK's Referendum on EU Membership – The Implications for Northern Ireland's Higher Education Sector', May 2016,

[http://www.britac.ac.uk/sites/default/files/British%20and%20Royal%20Irish%20Academy%20roundtable%20note%20The%20Implications%20for%20Northern%20Ireland's%20High%20\(2\).pdf](http://www.britac.ac.uk/sites/default/files/British%20and%20Royal%20Irish%20Academy%20roundtable%20note%20The%20Implications%20for%20Northern%20Ireland's%20High%20(2).pdf)

Academy knows that stakeholders are aiming to firm up such accounts. We are also aware of the concerns felt by some Fellows of the British Academy who are nationals of other countries in this context and the potential for such rhetoric to reduce the attraction of the UK as a site of higher education excellence. **The reputation of UK universities and the UK itself to those overseas and to those already in the UK is in danger of being tarnished. The importance of this reputation is fundamental to the success of the UK higher education sector and we strongly recommend that the Government considered this in its policy development and messaging to domestic constituencies and our international partners.**⁸

11. International collaborations are fundamental to the success of UK higher education institutions.⁹ Almost 50% of UK academic papers are written with an international partner, of which currently 60% are with EU partners, and international co-authorship is associated with a field-weighted citation impact (FWCI) 62% more than institutional co-authorship and 41% more than national co-authorship.¹⁰
12. The Treasury's announcement that it will underwrite the payment of funds won from the EU on a competitive basis even when specific projects continue beyond the UK's departure from the EU, such as through Horizon 2020, is welcome.¹¹ **We would, however, welcome clarification on how this guarantee will work in practice, as well as the formal financial and legal basis on which it stands.** Currently the legal basis is that of one Minister writing to another. Although this is an important act in a UK political context. It is not the most watertight legal basis from a non-UK perspective or from that of a research office from a non-UK European university. It is not, for example, the same underwriting that UK Export Finance provides despite the same language being used. On the financial basis, we would welcome the Government confirming that the guarantee provided would make use of additional funds, not funds already set aside for research.
13. This collaborative element at an EU level is particularly crucial as seven of the UK's top ten and thirteen of our top twenty most collaborated with nations are other EU Member States.¹² In addition, bilateral programmes with other EU Member States have compared poorly with existing EU arrangements in the past thus being able to continue to participate fully in a major multilateral research programme such as Horizon 2020 is of critical importance.¹³ Furthermore, the UK's current leadership of European Research Infrastructure

⁸ Christopher Hill and Sarah Beadle, *The Art of the Attraction: Soft Power and the UK's Role in the World*, The British Academy, p.43-44, <http://www.britac.ac.uk/publications/art-attraction-soft-power-and-uks-role-world>

⁹ HEFCE, Evidence to Commons Science & Technology Committee inquiry on 'Leaving the EU', p.1, 7 September 2016; Universities UK, Written evidence to House of Commons Science & Technology Select Committee inquiry on 'Leaving the EU: implications and opportunities for science and research', p.3, 7 September 2016,

<http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/science-and-technology-committee/leaving-the-eu-implications-and-opportunities-for-science-and-research/written/36378.pdf>; RCUK, Evidence to Commons Science & Technology Committee inquiry on 'Leaving the EU', p.3-4, 7 September 2016.

¹⁰ HEFCE, Evidence to Commons Science & Technology Committee inquiry on 'Leaving the EU', p.1, 7 September 2016; UUK, Evidence to Commons Science & Technology Committee inquiry on 'Leaving the EU', p.3, 7 September 2016; British Academy, Evidence to Commons Science & Technology Committee inquiry on 'Leaving the EU', p.12-13, 19 August 2016.

¹¹ Her Majesty's Treasury, 'Chancellor Philip Hammond guarantees EU funding beyond date UK leaves the EU', 13 August 2016, <https://www.gov.uk/government/news/chancellor-philip-hammond-guarantees-eu-funding-beyond-date-uk-leaves-the-eu>

¹² UUK, Evidence to Commons Science & Technology Committee inquiry on 'Leaving the EU', p.3, 7 September 2016.

¹³ HEFCE, Evidence to Commons Science & Technology Committee inquiry on 'Leaving the EU', p.3, 7 September 2016.

Consortium's, such as the European Social Survey, is now in jeopardy.¹⁴ **This is why the British Academy's preferred outcome is for a future arrangement with the characteristics of the European Economic Area (EEA), combined with opportunities to influence the development of research and higher education policies and practices.**

What protections should be in place for existing EU students and staff.

14. The UK higher education sector employs significant numbers of non-UK EU nationals. Non-UK EU nationals make up 16% of the UK-based academic workforce.¹⁵ In addition, the ten higher education institutions that perform best in the Research Excellence Framework, the system which assesses the quality of research at UK universities, employ 125% more researchers from non-UK EU countries than the next best ten institutions.¹⁶ This indicates the importance of non-EU academic staff and their excellence, which helps propel the success of UK higher education. The uncertainty they now face needs to be resolved quickly. **The British Academy recommends that the Government should take immediate steps to support UK-based EU staff in UK universities by granting a right to remain and work indefinitely to those non-UK EU and European Free Trade Association (EFTA) staff currently residing in the UK through significantly simplified procedures as well as those who accept employment here as long as the UK remains within the EU.**

15. In addition, non-UK EU nationals make up 5.5% of the entire student body or in total 124,575 students. The percentage is far higher in certain universities and on certain courses. For example, postgraduate research students from non-UK EU countries account for 13.7% of all such students at UK institutions and 47.2% of UK institutions draw from 10% to 100% of their postgraduate research students from non-UK EU countries.¹⁷ The British Academy welcomes the commitments the UK, Scottish and Welsh Governments have made that non-UK EU students applying for a place at an English university in the 2017 to 2018 academic year will continue to be eligible for student loans and grants for the duration of their course even if the UK exits the European Union during that period.¹⁸ We do not, however, believe this goes far enough. **We would like to see this extended as we recommended in our response to the House of Commons Science & Technology Select Committee to cover all non-UK EU and EEA students who enrol at UK universities for the duration of their degree until the UK formally leaves the EU. We would like to see this commitment include students who are planning to enrol in the 2018-19 and 2019-20 academic years.**

¹⁴ European Social Survey, Written evidence to House of Commons Science & Technology Select Committee inquiry on 'Leaving the EU: implications and opportunities for science and research', p.1-2, 5 July 2016,

<http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/science-and-technology-committee/leaving-the-eu-implications-and-opportunities-for-science-and-research/written/34774.pdf>

¹⁵ Royal Society, 'UK research and the European Union: The role of the EU in international research collaboration and researcher mobility', May 2016, p.8, <https://royalsociety.org/~media/policy/projects/eu-uk-funding/phase-2/EU-role-in-international-research-collaboration-and-researcher-mobility.pdf>

¹⁶ HEFCE, Evidence to Commons Science & Technology Committee inquiry on 'Leaving the EU', p.2-3, 7 September 2016.

¹⁷ HEFCE, Evidence to Commons Science & Technology Committee inquiry on 'Leaving the EU', p.3, 7 September 2016.

¹⁸ Department for Education, 'Funding Support for EU Students', <https://www.gov.uk/government/news/funding-support-for-eu-students>; Universities Wales, 'EU Student Funding Guarantee for Welsh universities extended', <http://www.uniswales.ac.uk/eu-student-funding-guarantee-for-welsh-universities-extended/>; Scottish Government, 'Swinney demands student immigration guarantee', <http://news.scotland.gov.uk/News/Swinney-demands-student-immigration-guarantee-2d27.aspx>; 'British Academy welcomes Government announcement on funding support for EU students', 11 October 2016, <http://www.britac.ac.uk/news/british-academy-welcomes-government-announcement-funding-support-eu-students>

16. In terms of long-term planning for maintaining UK universities international reputation, attractiveness and excellence, the next three academic years is not a sufficiently long a period to do this. Universities will need assurance and clarity about non-UK EU students and international students more broadly in the very near future. **We recommend this is done before Article 50 is invoked. This announcement by the Government should include the plan for a clear transitional arrangement following the UK's departure from the EU, which allows for full participation to Erasmus+ and Horizon 2020.** This will give time for the future relationship between the UK and the EU to be configured whilst allowing some stability in the sector.
17. International students make a significant contribution to the academic, intellectual and cultural vibrancy of UK universities and UK students benefit from such a cosmopolitan atmosphere¹⁹, however, the rhetoric on international students has become increasingly divisive and self-defeating for the UK's position in the world, its ability to maximise opportunities for able students and staff in the world, and for UK's universities to retain their reputation as sites of creative learning, ground-breaking study and a welcoming and cosmopolitan atmosphere attractive to overseas students from within the rest of the EU and wider afield. **We strongly urge the Government, as we have done previously and has the House of Lords Science & Technology Select Committee, to remove students from the UK's net migration figures.**

The future of the Erasmus+ programme following the withdrawal of the UK from the EU

18. **The British Academy believes that the UK should continue to fully participate in the Erasmus+ programme. The Academy notes that currently under Article 24 of the Regulation establishing the Erasmus+ programme there is no stated criterion for freedom of movement. We strongly encourage the Government as a priority to explore options that would enable the UK to fulfil all the obligations of the Erasmus+ programme so that the UK could participate as a non-EU Programme Country.**
19. If the UK does not fully participate in Erasmus+ then the Government should investigate introducing alternative arrangements that provide equivalent opportunities for students and staff to travel, study and work elsewhere in Europe. From a practical and financial standpoint, it would make most sense to remain part of the Erasmus+ programme rather than have to set up a new programme that would inevitably model this successful programme and would most likely require more UK resource to be equally effective and to achieve scale.

How changes to freedom of movement rules may affect students and academics in English higher education institutions

20. Outside the EU and without an agreement on freedom of movement as a third country, the UK would not have full access to Horizon 2020 or Erasmus+. This is a double problem for UK higher education and research. It would mean (1) that UK-based researchers could not

¹⁹ Higher Education Policy Institute and Kaplan International, 'What do prospective students think about international students?', HEPI Report 74, March 2015, <http://www.hepi.ac.uk/wp-content/uploads/2015/03/What-do-prospective-students-think-about-international-students.pdf>

access the premier European frontier research mechanism that is a flagship instrument on which careers can be built and UK students would be cut adrift from the major student mobility programme across Europe, and (2) the UK would have on its door step these very instruments. **The ERC would be a considerable attraction for UK-based researchers to bid for and if successful leave the UK to somewhere within the EU or an associated country.** The lost ability to compete fully against the very best in the EU would be damaging, but the attraction for the best researchers in the UK to compete would still be there, and it would lead to a major loss of research talent considering how successful UK-based researchers have been in gaining ERC awards. Whilst non-UK EU students would have access to the Erasmus+ programme with which to study at EU higher education institutions but not UK students thus cutting those students off from the UK and losing the many advantages such exchange now provides for the UK.

21. If the UK came to an agreement with the rest of the EU on EEA status, much of this would be mitigated. The crux of this, however, depends on freedom of movement, which in the current climate appears at best far from certain. Depending on the future relationship between the UK and the EU, it is likely that a thorough review of current immigration rules will be necessary. **The Government's guiding principle should be that it does not create any additional bureaucracy, paperwork, time lost or cost above the current framework for the retention and employment of non-UK EU and EFTA national researchers and the application and attendance of students either already based in the UK or coming here from elsewhere. In addition, if necessary the Government should ensure that there are routes for such students to remain in the UK following their degrees in order to find employment, such as the current Tier 4 Doctorate Extension Scheme.**
22. Restrictions of some sort would apply for researchers, university staff and students alike in a scenario without freedom of movement. For example, this could include applications for residence permits and paying fees for such applications. It could also potentially include the introduction of short-term visas which would also likely have an application fee. This would very likely restrict the ability to make visits that were not planned out well in advance as applicants would have to wait several days for their visa to be approved. Young people, such as students without a job, would be more likely to not receive a visa, which would of course be recorded, increasing the chance of further refusals.
23. **The uncertainty and disruption such possibilities would cause is (i) why the Academy has recommended above a transitional arrangement, and (ii) why, as expressed above, the Academy's preference is for an EEA-style agreement where such additional costs, bureaucracy, time lost and paperwork would not be brought into being.**