

INQUIRY SUBMISSION TO HOUSE OF COMMONS SCIENCE AND TECHNOLOGY SELECT COMMITTEE

Pam Tatlow, Chief Executive 13 July 2016

MillionPlus response to the inquiry into the implications and opportunities for science and research as a result of the UK leaving the EU

MODELS FOR FUTURE RELATIONSHIPS WITH THE EU ON UK SCIENCE AND RESEARCH

While there is much analysis of the reasons why the UK electorate voted to leave the European Union (EU), concerns about immigration and the free movement of EU citizens were undoubtedly key issues. Decisions around the UK government's negotiating position on free movement will therefore be challenging but must be considered alongside access to key markets, including the potential to trade in European markets with no or minimal trade barriers.

The value to the UK economy of higher education exports is significant. The UK's science and research, and UK universities generally, are net contributors to the UK economy and must be considered as a key market which requires equal consideration in negotiations linked with trade.

It is clear from the cases of Switzerland and Norway that, for example, access to EU research funding is influenced by domestic decisions related to free movement. Currently there are five possible models post Brexit. Four of those models are based on the four different existing relationships between Norway, Switzerland, Turkey and South Korea and the EU. The fifth model is often referred to as the World Trade Organisation (WTO) model. There are also two national European trade organisations that stand outside the EU – the European Free Trade Association (EFTA) and the European Economic Area (EEA).

Recommendation:

- The UK government must prioritise UK higher education, science and research as key areas of future trade with the EU. Ministers should liaise with the university sector to explore the merits or otherwise of engaging with the different models that may be available. Future arrangements in relation to the status and mobility of higher education students, staff and researchers need to be considered as part of the UK government's negotiations.

STAFF AND STUDENTS

Staff

The extent of the collaboration and interchange of university staff and the subject areas in which they were engaged in 2014/15 is outlined below:

Total academic staff	198,335
UK Staff	70.2%
Non-EU	11.8%
EU (non-UK)	16.0%

EU Academic Staff across Subject area (by cost centre)

Subject Area	% EU staff	Percentage point increase from 2009-10
Biological, mathematical & physical sciences	22.1%	4.5%
Humanities & language based studies & archaeology	21.0%	2.5%
Engineering & Technology	18.2%	5.6%
Agriculture, forestry & veterinary science	17.1%	5.6%
Social studies	17.1%	3.8%*
Administrative & business studies	15.4%	
Architecture & planning	14.3%	4.5%
Medicine, dentistry & health	14.1%	3.5%
Design, creative & performing arts	8.3%	2.2%
Education	6.8%	1.7%

*until 2012-13 data was given for combined Administrative & business studies and social studies.

Erasmus+ 2014

In 2013/14 2,327 staff trained or taught in Europe through Erasmus+, with 3,597 staff coming to the UK. This is up from 1,580 UK staff going to Europe and 2,048 staff coming to the UK in 2007/08.

Recommendation:

- Ministers should ensure that the principle of reciprocity is applied to the status and mobility of UK and EU staff, students and researchers is agreed and applied as part of the UK government's negotiations.

The status of researchers, scientists and students working and studying in the UK

The relationship between all non-UK EU nationals as a proportion of all students in the UK in the 2014/15 admissions year is shown in the table below:

University Group	Undergraduate		Postgraduate	
	Full-time	Part-time	Full-time	Part-time
UK	5.3%	1.1%	11.6%	4.2%
England	4.9%	1.6%	11.3%	4.4%
Wales	4.1%	0.7%	7.4%	2.6%
Scotland	9.7%	0.9%	16.0%	3.8%
Northern Ireland	3.2%	0.5%	11.8%	5.3%
Modern	4.2%	2.5%	8.1%	3.5%
Pre-92	6.4%	0.6%	13.1%	4.8%
Russell Group	6.0%	2.4%	12.9%	6.0%

Erasmus Students

The number of Erasmus students has increased with Erasmus students studying in the UK far exceeding the number of UK students who study via these programmes in Europe. Between 2007/08 and 2013/14 Erasmus students in the UK increased by 44% and UK Erasmus students studying in other countries as part of Erasmus programme increased by 52%.

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
In UK	19,088	20,850	22,650	24,474	25,760	27,147	27,401
From UK	10,278	10,826	11,723	12,833	13,662	14,572	15,610

Student mobility within the EU is linked with access to student fee and funding systems (within the UK devolved to governments and administrations of England, Scotland, Wales and Northern Ireland). Access to maintenance loans is a matter for Member States and is linked in England to residency which was extended for future EU students from 3 to 5 years prior to the referendum. In addition to the status and mobility of EU students wishing to study in the UK, the issue of access to funding is a key factor. The assurances by Ministers that EU students in England will be able to access student loan funding for the entirety of their

course if they enter university in the 2016-17 admissions year is welcome, as is the Cabinet statement (11 July) on EU residency. However, assurances limited to 2016-17 do not go far enough.

Recommendations:

- Access to the student loan system should be extended to the 2017-18 admissions year (for which recruitment commences in autumn 2016) and the 2018-19 admissions year.
- As part of the UK's negotiations, Ministers should seek to secure student access to funding systems within the EU on the basis of reciprocity. Such arrangements would support future access to science and research funds and collaborations and the HE market more generally.

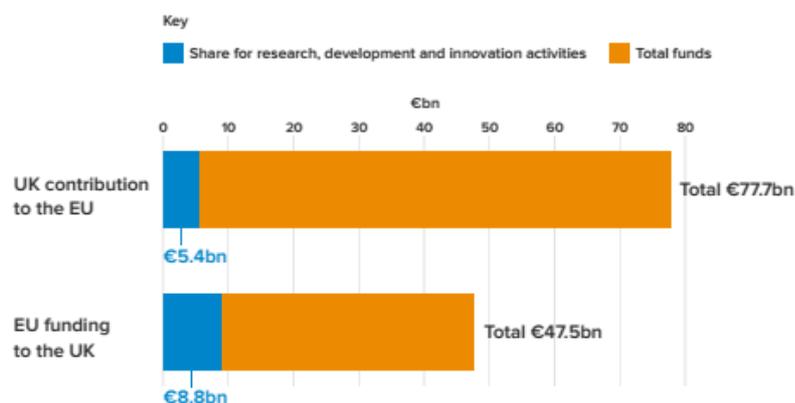
RESEARCH, DEVELOPMENT AND INNOVATION

Flow of Funds between the UK and EU

The UK contributes 5.4bn euros to EU research, development and innovation but receives back 8.8bn in funding.

FIGURE 4

Flow of funds between the UK and EU 2007 – 2013 (€ billion).*



Source: References 1, 8, 28 and 29.

Source: Royal Society *UK research and the European Union: The role of the EU in funding UK research*

The relationship between EU research grants and contracts, the UK and its devolved nations and universities is illustrated in the following table:

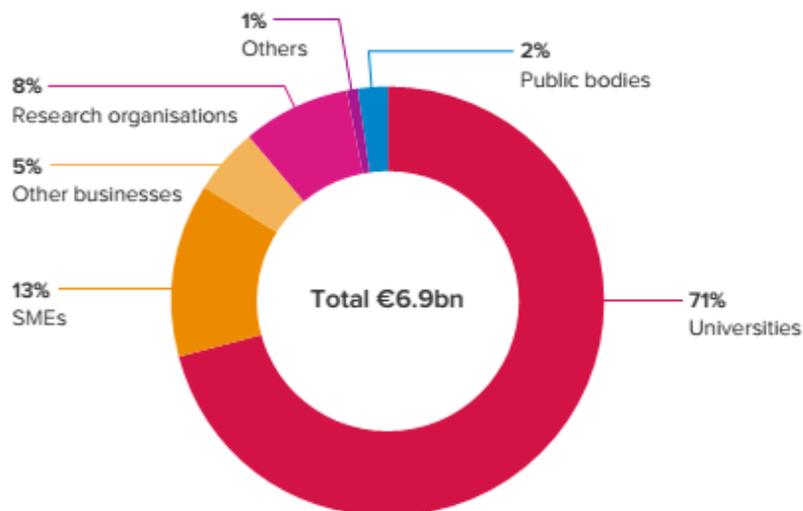
Research Grants and Contracts Income from the EU

	EU total as proportion of all research income total		EU total as proportion of all research income total
UK	14.1%	Modern	22.2%
England	14.2%	Pre-92	13.6%
Wales	18.2%	Russell Group	13.0%
Scotland	12.2%		
Northern Ireland	15.4%		

The Royal Society estimates that 71% of EU research, development and innovation funding in the UK goes to universities.

FIGURE 11

Breakdown of sectors receiving Framework Programme 7 funding in the UK. 2007 – 2013.



Source: Reference 1.
Data are not available about the breakdown by sector of structural funds received by the UK.

Source: Royal Society *UK research and the European Union: The role of the EU in funding UK research*

However it is important to note that the proportion of research income from the EU is significantly higher in modern universities.

Recommendations:

- As an interim measure the UK government should seek to reach an agreement with the European Commission to facilitate the full engagement of UK universities and researchers in Horizon 2020.
- It is vital that the UK government seeks to negotiate a new relationship with the EU that continues to provide access to science and research funding programmes. This is likely to require a funding contribution from the UK to European programmes.

Measures to keep UK science and research on a sound footing with sufficient funding

Currently EU funding makes up 3% of research funding in the UK but, as outlined by the Royal Society, it is heavily concentrated in universities.

As the Science and Technology Committee has consistently pointed out, science and research is under-funded in the UK when compared with the UK's OECD competitors. The loss of EU funding and / or uncertainties about access to EU programmes will undermine and weaken the science and research base in the UK.

Recommendations:

- HMT must increase investment in research funding to meet shortfalls from the EU, particularly in the period of transition. This investment should be additional to any increase in investment to bring the UK in line with OECD competitors.
- The additional investment required to cover shortfalls in EU income in science and research should not be focused solely on the resource available to the research councils. It will be equally important to boost investment in quality-related research funding.

As the Committee has identified there are wider implications of the vote to leave the EU. These include the future of intellectual property generated by universities and facilities which are co-hosted by UK universities. These will require further consideration by the UK government in advance of any negotiations

EU Structural and Investment Funds (2014-2020)

As illustrated below, UK universities have been heavily engaged in European projects linked with these funds.

Region	Population	Funding (£ 2014 prices)	Funding per head (2014)
England	54,786,300	£5.6 billion	£102.12
Wales	3,099,100	£1.9 billion	£617.82
Scotland	5,373,000	£721 million	£134.28
Northern Ireland	1,851,600	£414 million	£223.62

Recommendation:

- The UK government should seek to clarify as a matter of urgency the ongoing management of ESIF projects and the future of funding of projects that have been approved but have not yet been allocated. The future of these projects and the investment associated with them have significant implications for regional economies and the contribution that universities make to these economies.

Non-EU markets – opportunities

The UK's exit from the EU does present opportunities for research collaboration and market access with non-EU countries. However, this should not be limited to the promotion by the government or its stakeholder organisations of the science and research programmes related to a small number of universities or STEM-related subjects. Modern universities have research collaborations throughout the world and support internationally recognised research in the UK. These should be equally promoted particularly since they often offer different disciplines and programmes which are highly valued.

If the role of the Innovate UK is refocused, it is important that it does not simply become the commercialisation arm of the research councils.

Recommendation:

- Any new remit given to Innovate UK must include the promotion of the full offer of excellent research undertaken in universities across the sector.

International Staff and Student Mobility

Research collaborations are supported by the mobility of international staff, researchers and students. The current Home Office visa regime acts as a non-tariff barrier to mobility and the participation of UK universities in the international higher education market.

Any review of regulations and domestic policy undertaken by the UK government following the decision to leave the EU must include a review of policy and the visa regimes currently applied to international students and staff.

Recommendation:

- International students should be taken out of the migration targets.
- New visa regulations which support international staff and student mobility must be an integral part of efforts to expand the UK's universities and their science and research markets outside of the EU.

For more information, please contact our Senior Parliamentary Officer, Adam Haxell, at adamhaxell@millionplus.ac.uk, or call 0207 717 1687