

c /o Claire Griffiths, Deputy Clerk
Finance Committee
National Assembly for Wales
Cardiff Bay, CF99 1NA.

10 December 2013

Dear Claire

Higher Education Funding Inquiry – further information

Further to our evidence giving to the the Finance Committee on 27 November 2013, please find the additional information on the following areas as requested.

Data on regional comparisons

The Committee requested data comparing Research Council funding between different regions of the UK. Higher Education Statistics Agency (HESA) data indicates that in 2011/12 universities in Wales had 3.4% (£51.8 million) of BIS Research Council funding (including the Royal Society, the British Academy, and Royal Society of Edinburgh). HESA figures are not yet available for 2012/13. More recent data was published by the Research Councils UK on research funding to HEIs by country at: <http://www.rcuk.ac.uk/about/Aboutrcs/Pages/FundingacrosstheUK.aspx>. The recent figures need to be interpreted with caution, however, as they are not directly comparable to the HESA figures. For discussion of the Research Council income figures in our HE Funding Inquiry submission, see paragraphs 4.3-4.5 and 5.3 in particular.¹

The number of ABB or better students studying higher education

The information on the number of ABB or better students studying in higher education at an individual university level is not available from public sources as initially hoped, and we are therefore mindful of the potential commercial sensitivity of this information for individual institutions. However, we note that the Universities and Colleges Admissions Service (UCAS) reported that students with ABB+ entry qualifications comprised 33% (111,010) of total UK/EU acceptances (334,860) to HEFCE funded institutions in England for courses subject to student number control arrangements in 2013/14.² We would be able to provide further information on tariff point scores at entry for the sector, if this is viewed as helpful, but this is not directly comparable.

¹ <http://www.senedd.assemblywales.org/documents/s21846/FIN4-21-13%20p1.pdf>

² UCAS, Interim assessment of UCAS acceptances by intended entry year, country of institution and qualifications held, Sept 2013, Table 2a. See: <http://www.ucas.com/system/files/ucas-interim-assesement-entry-year-report-2013.pdf>

Number of decline of students studying through the medium of Welsh

We understand that the Higher Education Funding Council for Wales (HEFCW) will be providing this information in their follow-up letter to the Finance Committee.

Data on VFM of students studying in Wales

As highlighted in our submission (paragraph 15.1) Wales already appears to be one of the most successful countries in the world for the recruitment of overseas students. The sector attracted 25,270 students from outside the UK in 2011/12. The UK's market share of international students is second only to the US (9.9%),³ and Wales has a comparatively large share (5.7% in 2011/12) of overseas enrolments in the UK⁴.

According to recent research commissioned by Higher Education Wales (HEW) based on the 2011/12 student data,⁵ international students' off-campus personal expenditure (e.g. spend on rent, food and other living expenses) amounted to an estimated £195 million much of which accrued to the local area. In addition, the sector attracted nearly 39,000 students from outside Wales, who spent an estimated £301 million on living and personal expenses. The expenditure of these students from outside Wales can be regarded as an injection into the Welsh economy.

A detailed analysis of the economic impact of international and EU students has also been prepared by Oxford Economics on behalf of the Wales International Consortium (WIC), HEW and HEFCW.⁶ Based on an analysis of 2009/10 data, this also points to a number of further economic impacts such as an estimated £23 million spent by friends and relatives visiting international/EU students. The report concluded that in total the contribution from Wales' international and EU students was equivalent to 0.5% of the Welsh economy – a larger share than agriculture, and on a par with Cardiff's hotel and restaurant sector, supporting 9,230 jobs in Wales. It also highlighted the continuing importance to the Welsh economy of such students after they complete their study including, for instance, starting and actively working with Welsh businesses, boosting Wales' tourism and raising the profile of Wales and its universities.

³ Universities UK, Higher Education in Focus: Driving Economic Growth - Higher Education a core strategic asset to the UK, 2011. See: <http://www.universitiesuk.ac.uk/highereducation/Documents/2011/DrivingEconomicGrowth.pdf>

⁴ HESA, HE students 2011-12, HEIDI Report 2013.

⁵ Kelly, McNicoll et al., The Economic Impact of Higher Education in Wales, June 2013, commissioned by HEW. See: <http://www.thinkwales.ac.uk/The%20Economic%20Impact%20of%20Higher%20Education%20in%20Wales.pdf>

⁶ Oxford Economics, The Impact of International and EU students in Wales, March 2011. See: <http://www.thinkwales.ac.uk/pdf/2011%20March%20The%20Impact%20of%20International%20and%20EU%20Students%20in%20Wales.pdf>

Universities also play an extremely important role in leveraging additional resource into Wales more generally, currently earning over £400m in much-needed export earnings through overseas revenue and international students coming to study in Wales. With a total turnover of over £1.3bn, universities have an estimated impact of almost £2.6bn on Wales' economy, with this figure reaching £3.6bn once total off-campus spending by students is taken into account. Based purely on patterns of expenditure, for every £100m that is invested in higher education £103m is generated to the Welsh economy (a high 'multiplier effect').⁷

We hope that this further information is of help to your Inquiry.

Yours sincerely

Ben Arnold
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⁷ Kelly, McNicoll et al., as above.