



Department
for Business
Innovation & Skills

**EVALUATION OF THE VALUE OF
TIER 4 INTERNATIONAL
STUDENTS TO FE COLLEGES
AND THE UK ECONOMY**

APRIL 2013

The views expressed in this report are the authors' and do not necessarily reflect those of the Department for Business, Innovation and Skills.

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Glossary

| Acronym / term | Definition |
|----------------------------|---|
| AoC | Association of Colleges |
| B2 level of English | B2 level of English may be referred to as an intermediate stage of proficiency. It is equivalent to band 5-6 on the IELTS (International English Language Testing System) scale. Users at this level are expected to be able to handle the main structures of the language with some confidence, demonstrate knowledge of a wide range of vocabulary and use appropriate communicative strategies in a variety of social situations. Their understanding of spoken language and written texts should go beyond being able to pick out items of factual information, and they should be able to distinguish between main and subsidiary points and between the general topic of a text and specific detail. They should be able to produce written texts of various types, showing the ability to develop an argument as well as describe or recount events. ¹ |
| CAS | Confirmation of Acceptance for Studies. Before a learner can apply for permission to enter or remain in the UK under Tier 4 (General), their education provider must assign them a confirmation of acceptance for studies (CAS). This confirms that they have been given an unconditional offer of a place on a course of study with a licensed Tier 4 sponsor. |
| EEA | European Economic Area |
| FE | Further Education |
| Tier 4 | The Tier 4 (General) category is for adult students who want to come to or remain in the UK for their post-16 education. |
| UKBA | UK Border Agency |

¹ The Common European Framework of Reference (CEFR)

Executive summary

Introduction

The Tier 4 points-based category for non-EEA adult students who want to come to or remain in the UK for their post-16 education was introduced in March 2009 in order to address problems of 'bogus' colleges and students. However, there is a continuing fear that student status can be, and is, used as a 'backdoor' route to long term immigration by non-bona fide students who would not otherwise be admitted to the UK. Rules which introduced further restrictions and regulations for Tier 4 learners wishing to study in FE colleges were introduced in 2011.

This research has been commissioned by the Department for Business, Innovation and Skills (BIS) in order to gain a better understanding of the value of Tier 4 learners to FE colleges and the UK economy, and to inform the BIS response to Home Office policy development on controlling non-EU migration. Specifically, the research aims to support BIS in this by:

- Exploring and estimating where possible the levels of participation by Tier 4 international students in general FE colleges in the UK.
- Exploring and estimating where possible the amount of tuition fee income that general FE colleges in the UK derive from Tier 4 students; and
- Qualitatively exploring the benefits of Tier 4 student participation in FE colleges in the UK in order to understand its effect on FE colleges and their local communities, the impact of Tier 4 changes, and the reputation of the UK in terms of exporting education abroad if the numbers of Tier 4 students were restricted.

Method

BMG has conducted both a quantitative survey and qualitative research with colleges in the UK to collect data that would both measure the direct financial impact which Tier 4 learners have on colleges through tuition fees and the wider economic and social impacts they have on colleges and the local area. Fieldwork was conducted from the 4th October 2012 – 4th December 2012.

A survey was disseminated online to all colleges in the UK which explored the actual and estimated total number of and tuition fee income from Tier 4 learners in 2010/11, 2011/12, 2012/13, and 2013/14. A response rate of 49 per cent of colleges in the UK was received.

In-depth case study interviews were undertaken with 18 staff in seven FE colleges in England in order to explore: the impact of Tier 4 learners on both the college and their local community; the impact of changes to Tier 4 on the college; and the anticipated impact of any further restrictions to Tier 4 learners.

Survey findings

Key findings from the survey of colleges include:²

- Results from 155 colleges show that two-thirds (66%) have Tier 4 students whilst only one-third (34%) do not.
- There has been a steady overall decrease in Tier 4 learner numbers in FE colleges from 2010/11 to 2012/13. Anticipated numbers of Tier 4 students are expected to increase slightly in 2013/14. However, this is still a lower number than in 2010/11
- Overall, there a decrease in income for colleges between 2010/11 and 2011/12 from Tier 4 tuition fees. However, an increase in individual fees for Tier 4 students has led to an expected increase in tuition fee income between 2011/12 and 2012/13.
- A total of 87 of the survey respondents reported that they had Tier 4 students in 2010/11. The number of Tier 4 students studying at colleges in that academic year ranged from 1 to 1,300 with **8,171** in total. It is estimated that there was a total of **13,333** Tier 4 learners in England in 2010/11.
- On average, colleges that responded to the survey charged £4,823 per Tier 4 student in 2010/11. The total income generated from Tier 4 students by colleges that took part in the survey was £39,406,476 in 2010/11. It is estimated that colleges in England received a total income of £52,699,986 from Tier 4 tuition fees in 2010/11.
- A total of 93 of the survey respondents reported that they had Tier 4 students in 2011/12. The number of Tier 4 students varied between colleges and ranged from 1 to 1,200, and was **7,545** in total. It is estimated that there was a total of **10,601** Tier 4 learners in England 2011/12.
- On average, colleges that responded to the survey charged £4,079 per Tier 4 student. Overall income per college in 2011/12 ranged from £2,386 to £3 million. The total income generated from Tier 4 students for colleges that took part in the survey was £30,781,401 in 2011/12. It is estimated that colleges in England received a total income of £41,632,989 from Tier 4 tuition fees in 2011/12.
- A total of 80 of the survey respondents reported that they anticipate having Tier 4 students in 2012/13. The number of Tier 4 students whom surveyed colleges anticipate recruiting in this academic year ranges from 1 to 900 with **5,958** anticipated in total. It is estimated that there will be a total of **9,494** Tier 4 learners in England in 2012/13.

² All estimates in the section as based on all responding colleges in the UK and including non-responding colleges in England. Non responding colleges in Scotland, Wales and Northern Ireland are not included due to data unavailability.

- On average, colleges that responded to the survey will charge £5,804 per Tier 4 student in 2012/13. The total anticipated income for colleges that took part in the survey is expected to be £34,581,056 in 2012/13. It is estimated that colleges in England will receive a total income of £46,212,618 from Tier 4 tuition fees in 2012/13.
- A total of 79 of the survey respondents reported that they anticipate receiving applications from Tier 4 students in 2013/14. The number of Tier 4 students from whom colleges anticipate receiving applications in 2013/14 ranges from 1 to 2,000 with **10,165** anticipated in total. However, colleges responding to the survey expect to receive a total of **6,774** CASs, suggesting there will be a shortfall of 3,391 between applications and CASs.

Qualitative research findings

Findings from the qualitative research include:

- Tier 4 learners have a range of impacts on the colleges and communities they attend; these are primarily economic, educational and cultural.
- Additional income from Tier 4 learners is perceived as highly valuable in supporting the college's financial viability, and can also help fund further activities in the college such as building projects and further international projects.
- Colleges estimate that Tier 4 students will spend approximately twice the value of their tuition fees on subsistence in the local area. This may include spending on college owned accommodation, rent for local host families, and spending at local shops. This additional income is perceived as very beneficial for local areas.
- There are numerous educational benefits reported by colleges which have Tier 4 learners including enabling them to offer courses they may not be able to otherwise through increased demand and additional student numbers; helping staff develop new teaching styles and skills to accommodate learners from different cultural backgrounds; and enriching the overall learning environment.
- Many colleges emphasised the value that Tier 4 students have by adding diversity to more homogenous areas and increasing UK learners' awareness of other cultures which will be useful for future employment.
- Changes to the Tier 4 regulations have led to a decrease in Tier 4 learners in nearly all the colleges consulted. In many instances this is due to increased competition from other learning providers both domestically and internationally and making the visa application process difficult in some countries that colleges traditionally have learners from.
- The decrease in Tier 4 learners have led to staff changes at nearly all the colleges consulted. Changes have included redundancies in some instances and the creation of compliance posts in others. In addition, some colleges have reduced their overall course offer.

- Colleges reported concerns about the reputational impacts any further restrictions to Tier 4 learners would have, with the UK being perceived as 'unwelcoming' to Tier 4 learners. Colleges believed this would be off-putting to genuine learners which would lead to further reductions in Tier 4 learners.
- Colleges also reported that further restrictions could lead to potentially negative 'knock-on' impacts on future business opportunities for the UK, as future entrepreneurs may be studying and developing relationships in other countries where they may choose to have business relations rather than the UK.

Summary points

- The increased restrictions to Tier 4 learners introduced in 2011 have led to an overall decrease in the number of Tier 4 learners between 2010/11 and 2012/13. This has led to a loss of a significant amount of income for colleges from tuition fees (somewhat mitigated by rising fees per student), with a potential for further loss of income associated with learner's subsistence costs. Predicted figures for student numbers in 2013/14 show some gain on 2012/13 though not a recovery to the 2010/11 level.
- There are a range of positive benefits for colleges and their local communities from having Tier 4 learners. These included financial benefits from tuition fee income and subsistence costs which could be used to fund other projects that were of benefit to the college and local community. In addition there are equally important educational and social impacts of colleges having Tier 4 learners which are crucial to the ethos and diversity of colleges. In particular, the 'enriching' effect Tier 4 students can have in a classroom setting can lead to better experiences for staff and students alike. In addition, the presence of Tier 4 students has helped to diversify the range of courses on offer to local students.
- Level of course offered appears to be one of the main influencers on how much numbers of Tier 4 learners change. Where colleges have previously offered courses at Level 6 and above, the numbers of Tier 4 learners have reduced significantly due to increased competition from Universities which are perceived, by colleges, to be a more trusted by Government and the UKBA as providers (as Universities are allowed to offer their own language tests and allowing their students a higher number of working hours). As a result some colleges have reduced their overall course offer as they no longer have sufficient numbers to run these. This can negatively impact on individuals in their local communities that may want to take these courses.
- In most instances organisations examined in case studies had undertaken a review of their curriculum offer and responded flexibly to ensure they are offering courses that are in demand from genuine learners.
- Colleges remain concerned about the wider impacts of the changes to Tier 4 regulations and of any future restrictions. Despite an estimated increase in Tier 4 numbers in 2013/14 as a result of measures put in place by colleges to address shortfalls they believe any further restrictions have the potential to reduce anticipated Tier 4 numbers in 2013/14 onwards and negatively impact upon the

reputation of the UK as a provider of FE in an increasingly competitive market place.

1. Introduction

1.1 Background and objectives

Since 2010 the FE sector has been through a period of rapid change and increased competition. The recruitment of international students has been seen by many colleges as a key mechanism for supplementing overall college income in times of reduced Government funding for FE.

However, recruitment of international students from outside of the European Union must also fit with Home Office policy on immigration.³ The Tier 4 points-based category for non-EEA adult students who want to come to or remain in the UK for their post-16 education was introduced in March 2009 in order to better address problems of 'bogus' colleges and students. However, there has been a continued fear is that student status can be, and is, used as a 'backdoor' route to long term immigration by non-bona fide students who would not otherwise be admitted to the UK. Rules were tightened in July 2011 and key changes for the FE sector included:⁴

- Institutions wanting to sponsor students need to be classed as a Highly Trusted sponsor (from April 2012), and become accredited by a statutory education inspection body by the end of 2012.
- UK Border Agency staff are able to refuse entry to students who cannot speak English without an interpreter, and who therefore clearly do not meet the minimum standard. UKBA intends to introduce 100,000 in-country, face-to-face interviews for visa applicants in order to determine more accurately their suitability for Tier 4.
- Students at publicly-funded FE colleges are now able to work 10 hours a week (full-time in vacations); students at Higher Education Institutions are able to work 20 hours a week (full-time in vacations); students at privately-funded education providers are not able to work at all. The study:work ratio for courses requiring work placements is now 66:33 for FE colleges and 50:50 for universities.
- Only postgraduate students at universities and government-sponsored students will be able to bring their dependants to the UK, or apply for MBA visa extensions or entrepreneur visas.
- The overall time that can be spent on a student visa is limited to 3 years at lower levels (as previously) and 5 years at higher levels.
- The Tier 1 (Post-study work) route, which allows students 2 years to seek employment after their course ends has been closed. Only graduates who have an

³ <http://www.ukba.homeoffice.gov.uk/visas-immigration/studying/adult-students/> - accessed January 2013

⁴ <http://www.ukba.homeoffice.gov.uk/sitecontent/newsarticles/2011/march/54-student-visas> - accessed January 2013

offer of a skilled job from a sponsoring employer under Tier 2 of the points-based system will be able to stay to work.

Further to this, in July 2012 a new “Credibility Interview” was introduced to allow Entry Clearance Officers to request an interview with students to ascertain that the student’s intentions to study in the UK are genuine if they have concerns over a student’s intentions to study or any of the supporting documentation and information submitted with the visa application.⁵

These measures have, however, been subject to criticism that efforts to prevent entry of ‘fake’ students have disproportionate negative consequences on the market for genuine ones. This has led to the extension of the Student Visitor visa from six to eleven months for English language courses, allowing students to enter the country on a short-term basis. However, concerns persist and further policy initiatives are in development to address continuing issues.⁶

In this context a much more robust evidence base is required, essentially to establish the scale and cash value of Tier 4 students’ participation in the UK, the wider costs and benefits of their participation, and the market impact of Tier 4 restriction thus far.

This research has been commissioned by the Department for Business, Innovation and Skills (BIS) in order to inform BIS’s response to Home Office policy development on controlling non-EU migration. Specifically, the research aims to support BIS in this by:

- Exploring and estimating where possible the levels of participation by Tier 4 international students in general FE colleges in the UK.
- Exploring and estimating where possible the amount of tuition fee income that general FE colleges in the UK derive from Tier 4 students; and
- Qualitatively exploring the benefits of Tier 4 student participation in FE colleges in England in order to understand the potential impacts on: FE colleges; their local communities; the impact of Tier 4 changes and the reputation of the UK in terms of exporting education abroad if the numbers of Tier 4 students were restricted.

1.2 Method

In order to meet the research aims and objectives BMG has conducted both quantitative and qualitative research with colleges in the UK. These elements were discussed and agreed with BIS upon commissioning to ensure the evaluation collected sufficient data that would both measure the direct financial impact which Tier 4 learners have on colleges through tuition fees and the wider economic and social impacts they have on colleges and the local area.

⁵<http://www.ukba.homeoffice.gov.uk/sitecontent/documents/policyandlaw/statementsofchanges/2012/hc514.pdf?view=Binary> – accessed January 2013

⁶<http://www.immigrationmatters.co.uk/500-uk-private-colleges-close-in-18-months.html> - accessed January 2013

1.2.1 Online survey

Design and dissemination

Due to challenges in identifying and accessing 6th Form Colleges that have Tier 4 learners, it was agreed with BIS that, for the purposes of this research, the sample would include only *FE colleges* in the UK. A total of 279 unique FE college contacts were received from BIS, Colegau Cymru and Colleges Northern Ireland. Scotlands' Colleges facilitated access to the 36 FE colleges in Scotland. This provided the research with a total survey population of 315 FE colleges.

A 'pre-mailer' was sent to all FE colleges in England, Wales and Northern Ireland by their respective national association for colleges (the Association of Colleges, Colegau Cymru, Colleges Northern Ireland) in October 2012. The pre-mailer aimed to raise awareness of the research amongst colleges ahead of them receiving the survey and encouraged colleges to take part.

The survey was designed and hosted online by BMG Research using Confirmat software. Unique secure links were created and emailed to the Principals of 279 colleges following the survey launch on 4th October 2012. Participants were encouraged to utilise the save function in the online survey so they could circulate it to relevant colleagues. Feedback from some colleges indicates that the survey was mainly completed by members of the International Department.

Following discussions with Scotlands' Colleges it was agreed that due to concerns of over-consultation the survey would be disseminated by them to the 36 colleges in Scotland in word format with instructions to return completed surveys to BMG.

The survey was split into 2 sections in order to collect core data identified by BIS as a priority for an interim report and additional information to be included for analysis in the final report. Colleges were initially given until the 19th October 2012 to complete the core information section of the survey. The deadline for colleges submitting additional information was initially provided as the 16th November 2012; however, following feedback from colleges requiring further time to complete the survey, this was later extended to Monday 26th November.

Core data included:

- The number of Tier 4 international students colleges had registered on courses for the 2011/12 academic year
- The total fee income from Tier 4 students for the 2011/12 academic year

Additional information included:

- The number of Tier 4 international students which colleges had in the 2010/11 academic year and anticipate having in the 2012/13 academic year
- The number of Tier 4 student applications which colleges have for 2013/14
- The level of Tier 4 income in 2010/11 and anticipated fee income from Tier 4 students in 2012/13

- A breakdown of the 2012/13 Tier 4 student population by course type and level of study
- A breakdown of the 2012/13 Tier 4 student population by country of origin

Respondents were instructed to only provide for Tier 4 learners and not other types of international learners such as those on Student Visitor visas.

Prior to dissemination the survey was piloted with six colleges. Colleges participating in the pilot were emailed a paper copy of the survey and were asked to complete and review the questions whilst considering:

- Were the questions appropriate to the type of data held by the college and was this readily available?
- Did they anticipate any challenges for colleges accessing this information?
- Were there any wording issues in the questions that may result in confusion or inconsistencies in the data returned?
- Was sign-off needed from the college principal for this data to be provided?

Feedback was provided both over the telephone and via email which was subsequently reflected in the survey prior to sign off by BIS.

Fieldwork process

Throughout the fieldwork process, support was provided by BMG Research's call centre in order to raise awareness and encourage completion of the survey. Colleges were contacted in the 2 days following the initial email to confirm they had received the survey link, to identify who would be completing the survey and when they intended to complete it by, and to offer support if required.

Colleges were subsequently contacted every week during the fieldwork period or at a time and date agreed with the college to follow up on progress until a completed survey was received or a refusal given.

In order to limit response bias all colleges were encouraged to feedback either by completing the survey or by informing BMG if they did not intend to respond as they did not have any Tier 4 learners.

Responses

Due to the design of the survey allowing respondents to submit either core data or a fully complete survey, and as records were not held by BIS as to which FE colleges had Tier 4 learners, a variety of response types were received that can be categorised as follows:

- No response (149 colleges): College did not complete the survey and did not provide any further response to BMG.
- Standard refusal (11 colleges): College declined to take part in the survey and did not provide any further information on their Tier 4 activity (if any). Standard refusals mainly related to a lack of time to complete the survey.

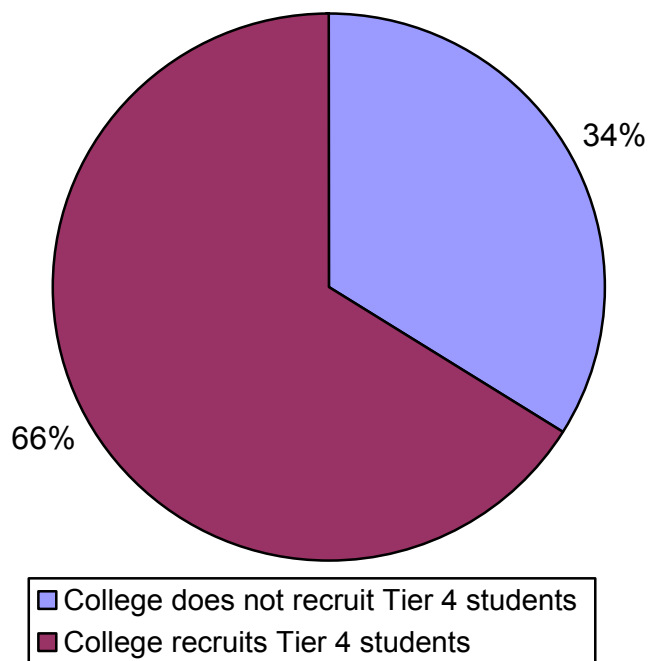
- No Tier 4 refusal (40 colleges): Colleges declined to take part in the survey as they do not have Tier 4 learners.
- No Tier 4 complete (13 colleges): College completed the survey but recorded learner numbers of '0' in each year covered.
- Core complete (5 colleges): College only completed the questions in the 'Core Data' section of the survey and consented for their information to be used.
- Fully complete (97 colleges): College completed the questions in both the 'Core Data' and 'Additional Information' sections and consented for their information to be used.

This provides an overall response rate of 49 per cent of all FE colleges in the UK (including No Tier 4 refusal, No Tier 4 complete, Core complete and Full complete).

For the purposes of this research, analysis has been undertaken only on those colleges that have submitted either 'Full Complete' or 'Core Complete' responses. However, 'No Tier 4 refusals' and 'No Tier 4 completes' have been combined to allow us to estimate the proportion of colleges that have Tier 4 learners.

Results from 155 colleges (including No Tier 4 refusal, No Tier 4 complete, Core complete and Full complete), show that two-thirds (66%) have Tier 4 students whilst only one-third (34%) do not.

Figure 1: Proportion of colleges that have Tier 4 students (Base=155 colleges. Source: Online survey of colleges)



It is important to note that BIS was not able to provide the exact number and population of FE colleges that have Tier 4 learners for this research. Therefore analysis comparing the profile and experience of our sample to that of *all FE colleges with Tier 4 learners* is not possible in this report.

1.2.2 In-depth case studies

Seven in-depth case study visits have taken place with FE colleges. The colleges were selected in consultation with BIS, based on the recommendations of the AoC, ensuring a regional distribution, and a variety of numbers of Tier 4 students.

Structure of the case study interviews

The case studies are based on interviews with a range of representatives from each college (as agreed with the participating college). Interviewees included Principals, International Directors, and other staff in the international department. Interviews were conducted face-to-face and have lasted approximately 90 minutes each.

The interviews explored:

- The benefits of, and challenges faced in, recruiting Tier 4 students. Within this, we explored the wider (i.e. beyond college) economic and social benefits of recruiting Tier 4 students, as well as the barriers faced by Tier 4 students in coming to study in the UK.
- The impacts of recent policy changes on Tier 4 student numbers and FE college income.
- The consequences and impacts on college activity (both local and international) and reputational impacts on UK education exports if participation and income from Tier 4 students were to be restricted.

The interviews were conducted using a semi-structured topic guide ensuring answers to specific questions but also allowing interviewee's scope to make wider comments and observations beyond those required by the discussion guide.

Following the provision of an interim report it was agreed that in one of the final case studies a focus group would also be undertaken with Tier 4 learners to understand their experiences and perceptions of applying and enrolling in colleges in the UK. Subsequently a small focus group was undertaken with learners at one of the case study colleges. Findings from this group are included in the case study for Chichester College; however, they are not included in the wider qualitative analysis as they may not be applicable across other colleges.

1.3 Analytical approach

This report provides analysis from both the quantitative and qualitative strands of the research. It reports the total number of Tier 4 students in the colleges which responded and the value of tuition fees.

Where total numbers of Tier 4 students and tuition fee incomes could not be provided banded scales were completed by colleges. To inform detailed analysis mid-points were

generated from each of these to enable calculations of total income and average fees per learner to be undertaken.

Where possible, data is provided for all colleges that have completed the survey to date. However, where we present year-on-year comparisons these are based only on the 72 colleges that have provided data for all years to ensure that data is comparable.

Separate analysis has not been undertaken on responses received from Scotland, Wales and Northern Ireland due to the number of returns from these areas not being large enough for standalone analysis. Therefore unless otherwise stated all analysis is undertaken on a UK-wide basis.

1.3.1 Estimating total numbers of Tier 4 learners and the income generated by them

All estimates of the number of Tier 4 learners and tuition fee income are based on the assumption that approximately 66 per cent of all FE colleges have Tier 4 learners.

In order to provide an accurate estimate of the total number of Tier 4 learners in FE and the total income generated from their tuition fees, it was agreed segmentation would be undertaken in order to impute totals for non-responding colleges.

Total income data for all colleges in England in 2011/12 was provided by BIS which was used to ascertain the proportion of total income that Tier 4 tuition fees in 2011/12 represented in individual responding colleges.

From this, means were generated for responding colleges within total income bands of £5,000,000 intervals (e.g., colleges with total incomes of between a and b had a mean of x per cent of their income from Tier 4 learners). The relevant mean for each banding was then applied to the total income for each of the non-responding colleges for which there was income data, thus generating an estimated Tier 4 income for each individual college. The imputed Tier 4 incomes for non-responding colleges were subsequently totalled and finally we calculated a 66 per cent proportion of this total which was added to the overall total for responding colleges.

Total college income data was not available for the other academic years considered in this report. Therefore, using estimated proportions of increase and decrease in tuition fee income between years we calculated the overall rate of decline or increase between 2010/11 and 2011/12, and between 2011/12 and 2012/13.

In order to estimate the number of students in we have divided the total income figure for non-responding colleges by the average tuition fee in each year of interest.

It is important to note that income data for colleges was only available for England and therefore analysis in this section includes colleges in England only.

1.4 Report structure

Following this introduction the report is structured as follows: Chapter 2 provides an overview of the findings from the survey of colleges; Chapter 3 provides analysis of the qualitative interviews; and Chapter 4 draws conclusions from the combined analysis of findings from both the quantitative and qualitative research.

2. Survey findings

2.1 Respondent profile

Core and additional survey responses were received for a total of *102 colleges that have Tier 4 learners* providing a 49 per cent response rate for the 66 per cent of colleges in the UK thought to be in scope. This report is based on the findings for these.

Responses reflect all the UK nations and English regions. Table 1 shows the distribution of these.

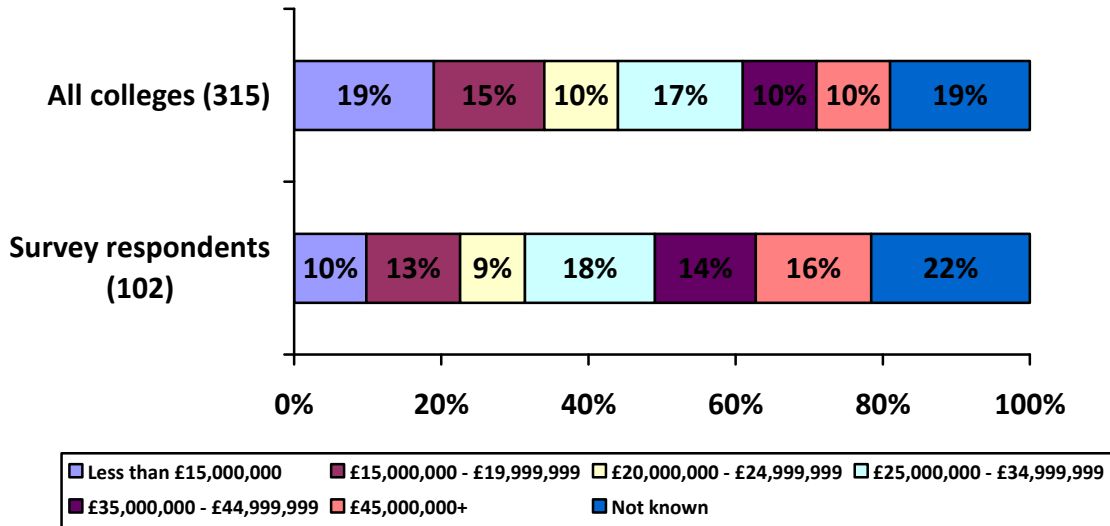
Table 1: Respondent region (Base=102. Source: Online survey of colleges)

| Region | Number of respondents | % |
|----------------------|-----------------------|------------|
| East of England | 4 | 4 |
| East Midlands | 11 | 11 |
| North East | 7 | 7 |
| North West | 8 | 8 |
| West Midlands | 11 | 11 |
| Yorkshire and Humber | 6 | 6 |
| South East | 13 | 13 |
| South West | 9 | 9 |
| London | 11 | 11 |
| Wales | 10 | 10 |
| Scotland | 8 | 8 |
| Northern Ireland | 4 | 4 |
| Total | 102 | 100 |

Colleges that responded were of a range of sizes and had a range of total college incomes as shown in Figure 2. However, due to a high number of 'unknown' college incomes (primarily from Scotland, Wales and Northern Ireland) the *exact* representativeness of this

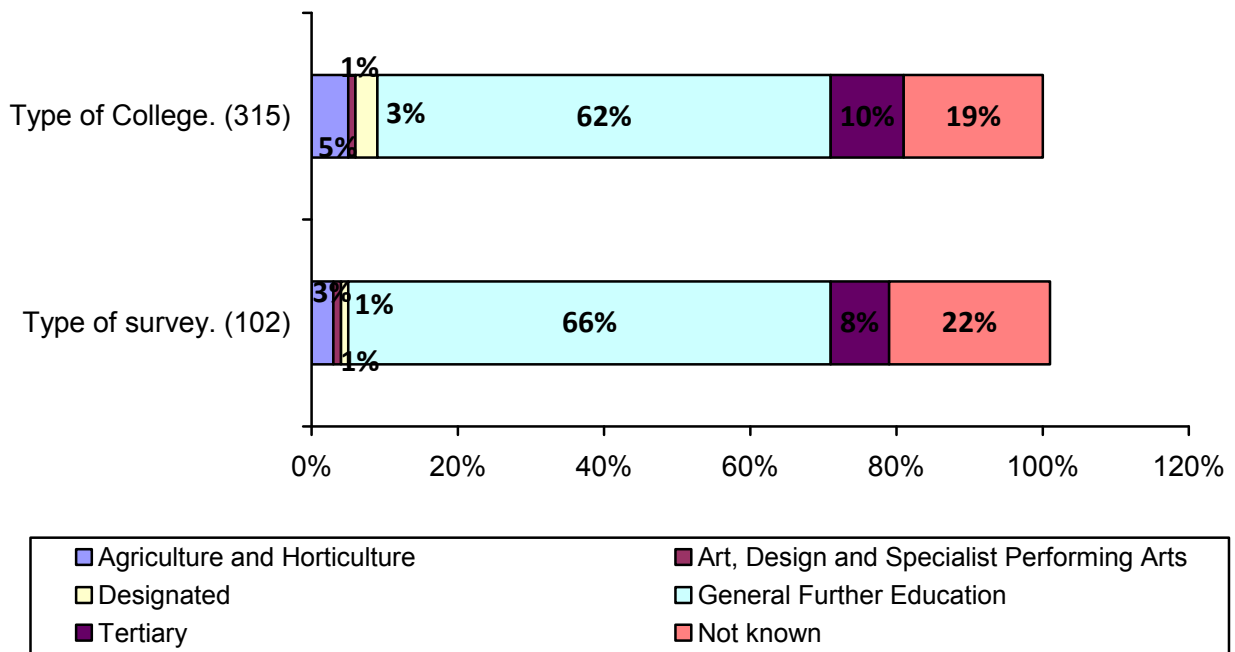
is currently unknown, although the survey does appear to have obtained a *broadly* representative sample.

Figure 2: Respondent and all colleges' total incomes (Base=variable [see labels on chart]. Source: Colleges Income Data - FR2011 - SFA)



In addition, a range of types of college completed the survey. Figure 3 shows that, again, the achieved sample appears to be broadly representative of the population (and, further, the survey was completed by a range of both urban and rural colleges).

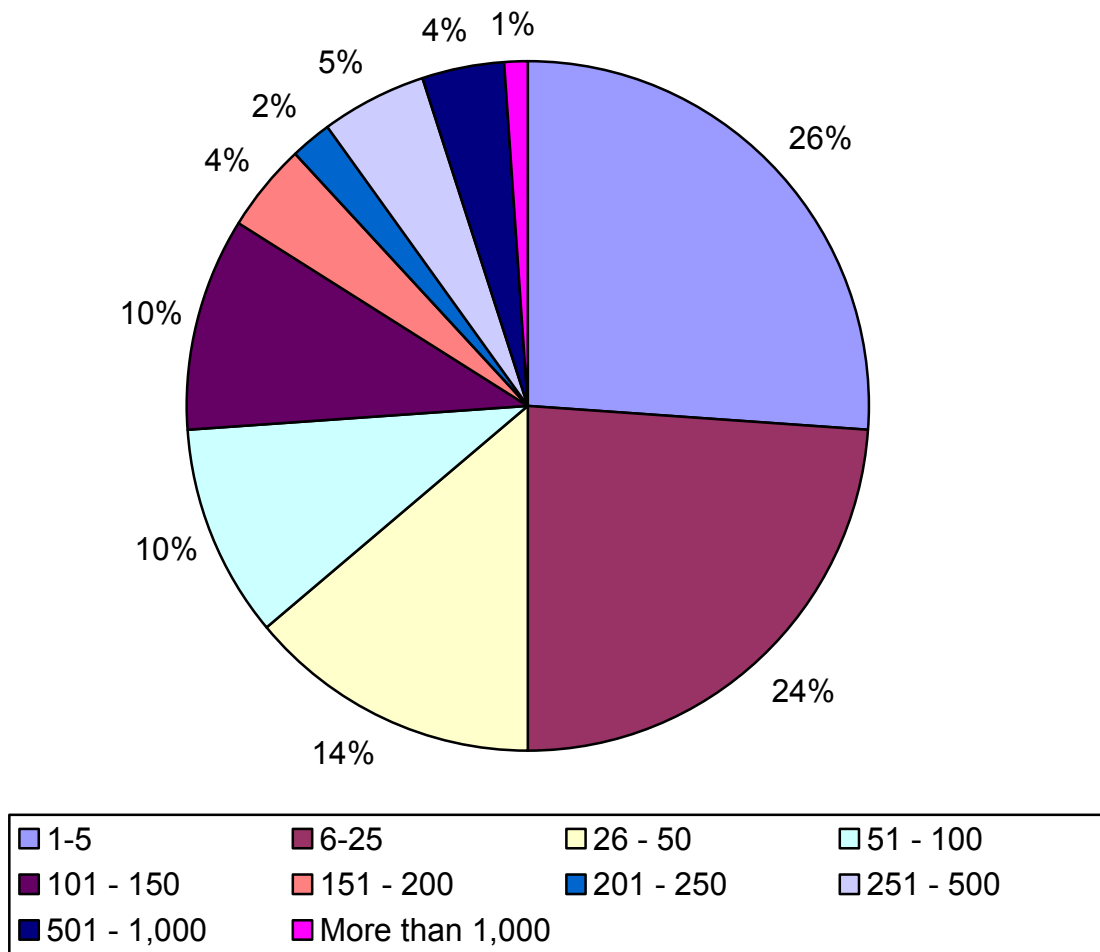
Figure 3: Respondent and all colleges' type (Base=variable [see labels on chart]. Source: Colleges Income Data - FR2011 - SFA)



2.2 Tier 4 students in 2010/11

A total of 87 of the survey respondents reported that they had Tier 4 students in 2010/11. The number of Tier 4 students studying in colleges in that academic year ranged from 1 to 1,300 with **8,171** in total. Of the colleges that had Tier 4 learners in 2010/11, one-half (51%) had 25 or fewer, one-quarter (24%) had between 26 and 100, and a further quarter (25%) had more than 100.

Figure 4: Number of Tier 4 learners studying at FE colleges in 2010/11 (Base= 87. Source: Online survey of colleges)



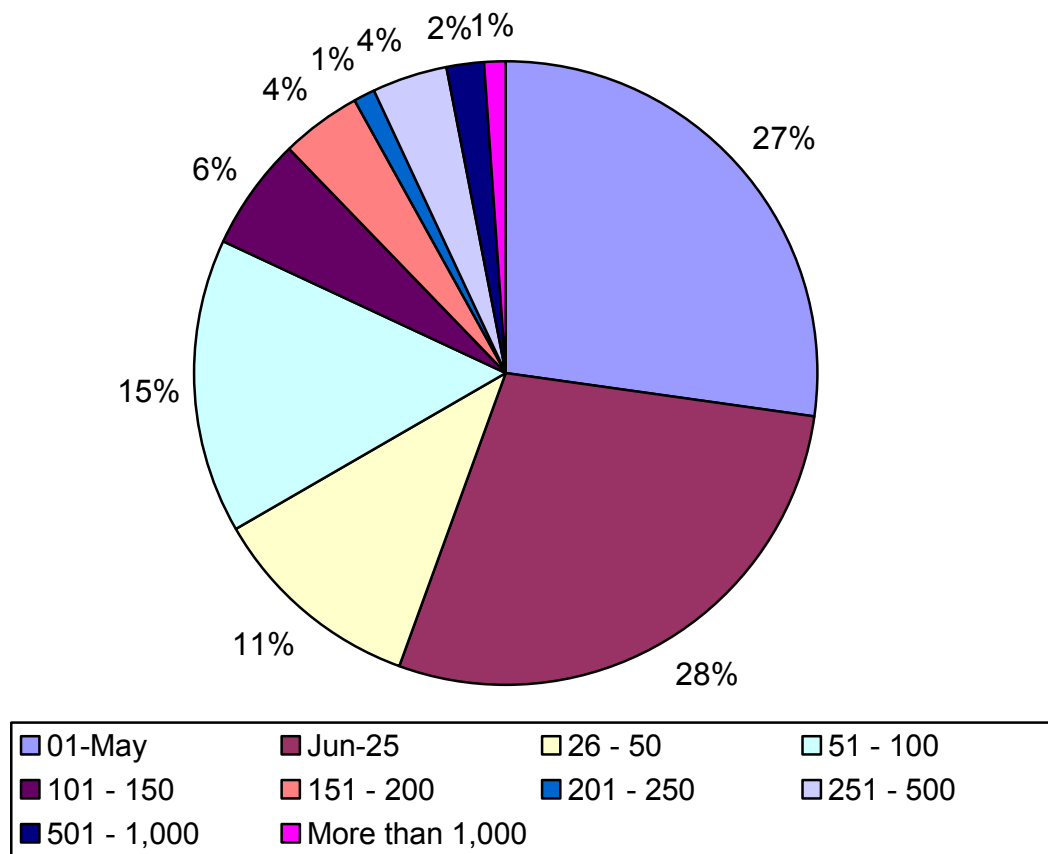
Average tuition fee income generated per Tier 4 student ranged between colleges from £1,190 to £13,043. However, on average, colleges charged £4,823 per Tier 4 student. Overall income per college in 2010/11 ranged from £1,190 to £3.2 million. The total income generated by all colleges that took part in the survey was £39,406,476 in 2010/11.⁷

⁷ Based upon 84 survey respondents providing fee data for 2010/11

2.3 Tier 4 students in 2011/12

A total of 93 of the survey respondents reported that they had Tier 4 students in 2011/12. The number of Tier 4 students varied between colleges and ranged from 1 to 1,200, and was **7,545** in total. Of the colleges that had Tier 4 learners in 2011/12 over half (55%) had 25 or fewer, over one-quarter (26%) had between 26 and 100, and 19 per cent had more than 100.

Figure 5: Number of Tier 4 learners studying in FE colleges in 2011/12 (Base= 93. Source: Online survey of colleges)



Average tuition fee income generated per Tier 4 student ranged between colleges from £2,000 to £22,727. However, on average, colleges charged £4,079 per Tier 4 student. Overall income per college in 2011/12 ranged from £2,386 to £3 million. The total income generated for all colleges that took part in the survey was £30,781,401 in 2011/12.⁸

2.3.1 Proportion of college income

Using the total income data for 2011/12 provided by BIS the proportion of the college's total income that is generated by Tier 4 tuition fees was examined. The proportions of college's total income made up by Tier 4 tuition fees in 2011/12 ranged from less than 0.1% to 6% with a mean of 1%. Total income data for 2010/11 was not available to enable a comparison of how this has changed since 2010/11.

⁸ Based upon 89 survey respondents providing fee data for 2011/12

2.3.2 Changes in Tier 4 student numbers and fee income between 2010/11 and 2011/12

Analysis was undertaken on the 72 colleges which responded to every question in the survey allowing findings to be compared year-on-year. Between 2010/11 and 2011/12 there was an overall decrease of 544 (8%) in the total number of Tier 4 students in these colleges, from 6,641 to 6,097.

Between 2010/11 and 2011/12 nearly one-half (56%) of the colleges had an overall reduction in the number of Tier 4 learners. Reductions in numbers ranged from 1 to 400 fewer Tier 4 students.

13 colleges saw no difference in the number of Tier 4 students between 2010/11 and 2011/12 and 19 colleges increased the number of Tier 4 students. Increases in numbers ranged from 1 more to 200 more Tier 4 students.

This overall reduction in Tier 4 student numbers led to a decrease in overall tuition fee funding received from this group of £6,696,723 (21%). Nearly one-half (49%) of the colleges reported a reduction in their tuition fee income from Tier 4 students. Reductions in overall income ranged from £3,685 to £585,495.

2.4 Estimated total income from and number of Tier 4 students in 2010/11 and 2011/12

Due to the large range of numbers and income provided by colleges, it was agreed that the most reliable method of estimating total income to all UK colleges from Tier 4 tuition fees was by undertaking segmentation of colleges based on size and proportion of Tier 4 students as outlined in Section 1.3.1.

Based on the responses to our survey (including No Tier 4 refusal, No Tier 4 complete, Core complete and Full complete) it is estimated that of the 255 FE colleges in England a total of 168 (66%) colleges had Tier 4 students in 2010/11 and 2011/12.

Using college total income data for 2011/12 provided by BIS we calculated for each responding college the proportion of total college income generated by Tier 4 tuition fees. We then produced an overall mean for responding colleges within total income bandings using £5,000,000 intervals. This mean proportion was then applied to the total income for each of the 85 non-responding colleges for which there was income data to generate an individual indicative Tier 4 income. The indicative Tier 4 incomes for non-responding colleges were totalled. Finally we calculated a 66% proportion of this total which was added to the overall total for responding colleges.

Overall this process leads us to estimate that in 2011/12 the overall income from tuition fees from Tier 4 learners in 2011/12 in England was £41,632,989.

Total income data for 2010/11 was not available for an imputation process to be applied to enable an exact comparison of changes between these years. However, if we assume (based on our earlier findings of changes between 2010/11 and 2011/12) that the rate of decline for all colleges was the same as in our sample (21%), then we can estimate that the overall income for colleges in England from Tier 4 tuition fees in 2010/11 was

approximately £52,699,986 and that there was an overall decrease of £11,066,997 in college income from Tier 4 learners' tuition fees between 2010/11 and 2011/12.

In order to estimate the number of students this would represent we have divided the figure for non-responding colleges by the average tuition fee for the respective. These are then added to the known number of Tier 4 students from responding colleges to generate our estimated total for England.

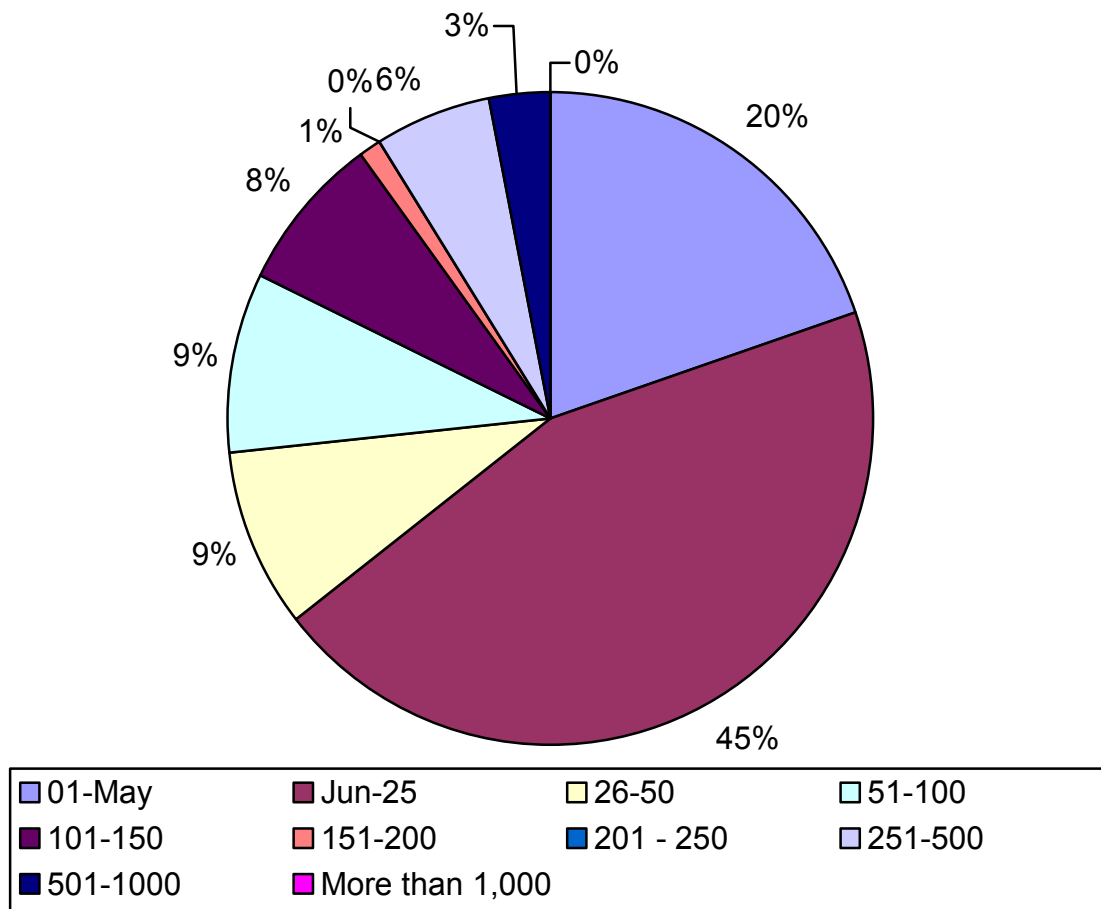
Table 2: Estimated total number of Tier 4 students in 2010/11 and 2011/12

| Year | A. Estimated total Tier 4 income for non-responding colleges in England (£) | B. Mean income per Tier 4 student in England (£) | C. Estimated total number of Tier 4 students in non-responding colleges in England (A/B) | D. Total number of Tier 4 students in responding colleges in England | E. Estimated total number of Tier 4 students in England (C+D) |
|---------|---|--|--|--|---|
| 2010/11 | 18,749,713 | 3,002 | 6,246 | 7,087 | 13,333 |
| 2011/12 | 15,161,988 | 3,927 | 3,861 | 6,740 | 10,601 |

2.5 Tier 4 students in 2012/13

A total of 80 of the survey respondents reported that they anticipate having Tier 4 students in 2012/13. The number of Tier 4 students whom colleges anticipate having in this academic year ranges from 1 to 900 with **5,958** anticipated in total. Of the colleges that anticipate having Tier 4 learners in 2012/13, nearly two-thirds (65%) expected to have 25 or fewer, 18 per cent expected to have between 26 and 100, and 18 per cent expected to have more than 100.

Figure 6: Number of Tier 4 learners colleges anticipate having in 2012/13 (Base= 80. Source: Online survey of colleges)



Anticipated average tuition fee income generated per Tier 4 student is expected to range from £2,000 to £22,727. However, on average, colleges will charge £5,804 per Tier 4 student. Overall anticipated income per college in 2012/13 ranges from £5,080 to £4.5 million. The total anticipated income for all colleges that took part in the survey is expected to be £34,581,056 in 2012/13.⁹

Further profile information for college’s anticipated Tier 4 students in 2012/13 including level of study, course type, and country of origin was also collected by the survey. Full tables for these are included Appendix 1 of this report.

Tier 4 students were found to be undertaking a range of levels of study in 2012/13. The majority were studying Level 5 courses or lower. The largest group were undertaking Level 3 courses (1,494 learners), with over 1,000 studying Level 5 courses (1,316 learners).

High numbers of learners also studied English language courses at B2 level (799 learners) or Level 4 courses (736 learners).

⁹ Based upon 80 survey respondents providing anticipated fee data for 2012/13

Tier 4 students are undertaking a range of courses in 2012/13. However, the courses that attract the highest number of Tier 4 students include Business (1,455 learners), English Language (757 learners), Engineering (584 learners), A-Levels (369 learners), and Health, Community and Social Care (350 learners).

Tier 4 students in 2012/13 are from a range of countries. However, the highest numbers of students are from India (1,076 learners), China (521 learners), Bangladesh (368 learners), and Colombia (178 learners).

2.5.1 Changes in Tier 4 student numbers and fee income between 2011/12 and 2012/13

The year-on-year analysis undertaken on the 72 colleges that responded in full to the survey shows that between 2011/12 and 2012/13 there is an expected overall decrease of 1,120 (18%) in the total number of Tier 4 students, from 6,097 to 4,977.

Between 2011/12 and 2012/13 over one-half (53%) of the respondents expect an overall reduction in the number of Tier 4 learners studying at their college. Expected reductions in numbers range from 1 to 327 fewer Tier 4 students.

Eight colleges anticipate no difference in the number of Tier 4 students between 2011/12 and 2012/13 and 26 (36%) colleges expect an increase in the number of Tier 4 students. Expected increases in numbers range from 1 to 148 more Tier 4 students.

However, despite this anticipated reduction in Tier 4 student numbers 28 colleges (39%) reported an expected increase in their tuition fee income from this group.

Overall, colleges predict an increase in tuition fee funding received from this group of £2,199,688 (11%). This increase, despite the decrease in numbers of Tier 4 learners, can be explained by the overall increase in average tuition fees charged this year.

2.6 Estimated total income from and number of Tier 4 students in 2012/13

Total income data for 2010/11 was not available for an imputation process to be applied to enable an exact comparison of changes between these years. However, if we assume (based on our earlier findings of changes between 2011/12 and 2012/13) that the rate of increase for all colleges in England was the same as in our sample (11%), then we can estimate that the overall income for all colleges in England from Tier 4 tuition fees in 2012/13 was approximately £46,212,618.

In order to estimate the number of students this would represent we have divided the figure for non-responding colleges by the average tuition fee for the respective. These are then added to the known number of Tier 4 students from responding colleges to generate our estimated total for England.

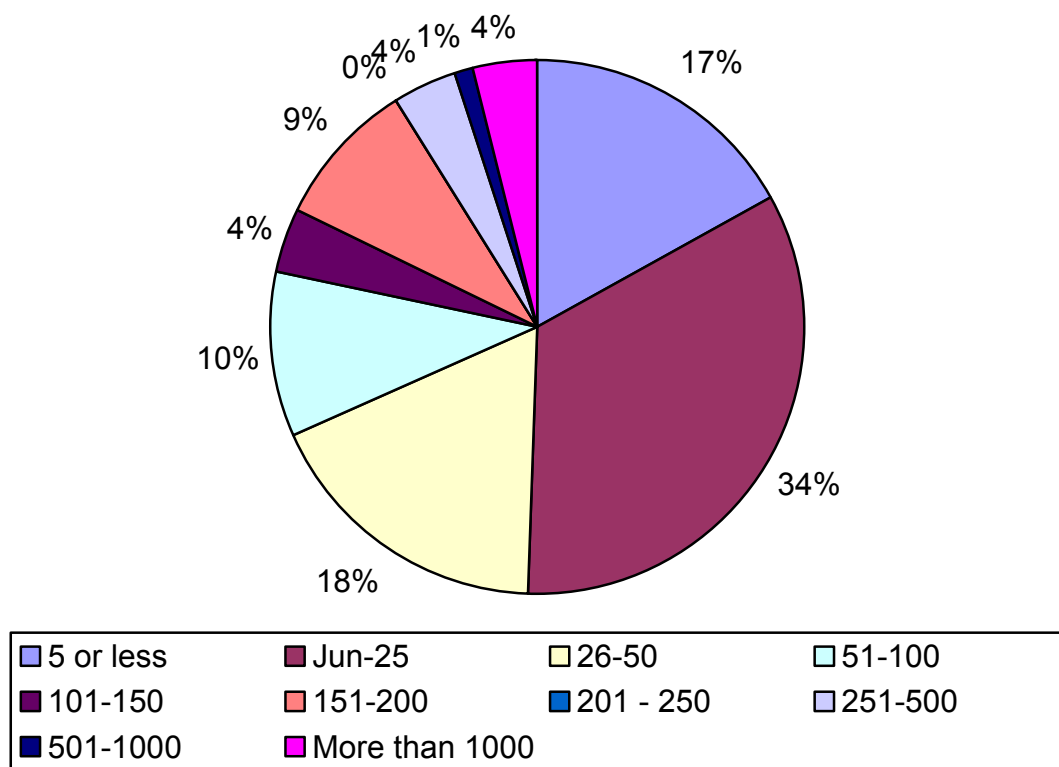
Table 3: Estimated total number of Tier 4 students in 2011/12 and 2012/13 in England (Source: Online survey of colleges)

| Year | A. Estimated total Tier 4 income for non-responding colleges in England (£) | B. Mean income per Tier 4 student in England (£) | C. Estimated total number of Tier 4 students in non-responding colleges in England (A/B) | D. Total number of Tier 4 students in responding colleges in England | E. Estimated total number of Tier 4 students in England (C+D) |
|----------------|---|--|--|--|---|
| 2011/12 | 15,161,988 | 3,927 | 3,861 | 6,740 | 10,601 |
| 2012/13 | 16,416,106 | 4,074 | 4,030 | 5,464 | 9,494 |

2.7 Tier 4 students in 2013/14

A total of 79 of the survey respondents reported that they anticipate receiving applications from Tier 4 students in 2013/14. The number of Tier 4 students from whom colleges anticipate receiving applications in 2013/14 ranges from 1 to 2,000 with **10,165** anticipated in total. Of the colleges that anticipate receiving applications from Tier 4 learners in 2013/14 over half (51%) expect 25 or fewer, over one-quarter (28%) expect between 26 and 100, and 22 per cent expect more than 100.

Figure 7: Number of Tier 4 learners colleges anticipate having in 2013/14 (Base= 79. Source: Online survey of colleges)



However, further to this, a total of 73 colleges reported that they expect to be allocated Confirmations of Acceptance (CAS) in 2013/14. Colleges expected to receive 75 and 650 CASs and in total they expect to receive a total of **6,774**, suggesting there will be a shortfall of 3,391 between applications and CASs.

2.7.1 Changes in Tier 4 students between 2012/13 and 2013/14

The year-on-year analysis undertaken on the 72 colleges that responded in full to the survey shows that between 2012/13 and 2013/14 there is an expected increase of 285 in the total number of Tier 4 students that will be issued CASs, from 4,977 to 5,262.

Between 2012/13 and 2013/14 43 (60%) of the colleges expect an overall increase in the number of Tier 4 learners to be issued CASs. Expected increases in numbers range from 1 to 149 more Tier 4 students.

10 colleges anticipate no difference in the number of Tier 4 students between 2012/13 and 2013/14 and 12 colleges expect a decrease in the number of Tier 4 students. Expected decreases in numbers range from 1 to 370 fewer Tier 4 students. 9 colleges were did not know how many CASs they would be allocated.

2.8 Change from 2010/11 to 2013/14

The year by year analysis undertaken on the 72 colleges that responded in full to the survey and the overall estimates developed in this research show that between 2010/11 and 2013/14 there will have been a high level of change in the number of Tier 4 students at UK colleges.

As Table 4 shows, after a steady overall decrease in numbers from 2010/11 to 2012/13, anticipated numbers of Tier 4 students are expected to increase slightly in 2013/14. However, this is still a lower number than in 2010/11.

Due to uncertainty over learner numbers in 2013/14 an overall estimate is not provided for this year.

Table 4: Changes in number of Tier 4 students between 2010/11 and 2013/14
(Source: Online survey of colleges)

| Year | Total number of Tier 4 Students (survey respondents) | Total number of Tier 4 Students (England only estimate) | Increase or decrease since 2010/11 | Increase or decrease since previous academic year |
|---------|--|---|------------------------------------|---|
| 2010/11 | 6,641 | 13,333 | ↔ | ↔ |
| 2011/12 | 6,097 | 10,601 | ↓ | ↓ |
| 2012/13 | 4,977 | 9,494 | ↓ | ↓ |
| 2013/14 | 5,262 | NA | ↓ | ↑ |

Similarly, there have been fluctuations in the overall value of Tier 4 student's tuition fees to colleges as shown in Table 5. There has been an overall decrease in income for colleges between 2010/11 and 2011/12. However, an increase in individual fees for Tier 4 students has led to an expected increase in tuition fee income between 2011/12 and 2012/13.

Colleges that took part in the survey were not asked to provide estimated income from Tier 4 students in 2013/14 and therefore changes in tuition fee income are only provided for 2010/11 to 2012/13.

Table 5: Changes in total tuition fee for Tier 4 students between 2010/11 and 2012/13
 (Source: Online survey of colleges)

| Year | Total tuition fee income from Tier 4 Students | Total tuition fee income from Tier 4 Students (England only estimate) | Increase or decrease since 2010/11 | Increase or decrease since previous academic year |
|---------|---|---|------------------------------------|---|
| 2010/11 | £31,472,160 | 52,699,986 | ↔ | ↔ |
| 2011/12 | £24,775,437 | 41,632,989 | ↓ | ↓ |
| 2012/13 | £26,975,125 | 46,212,618 | ↓ | ↑ |

3. Qualitative research findings

3.1 Introduction

In-depth case study consultations were undertaken in seven FE colleges with a total of 18 staff across these. Interviews explored: the impact of Tier 4 learners on both the college and their local community; the impact of changes to Tier 4 on the college; and the anticipated impact of any further restrictions to Tier 4 learners. The following section summarises the findings from these discussions.

3.2 Impact of Tier 4 students on FE colleges

Overall, case study colleges reported a range of impacts that Tier 4 students have on the college. In some instances direct economic values can be attributed to these whilst in other instances colleges are able to provide an estimate of what this may be. Both of these are included in this section. Wider educational and cultural impacts of Tier 4 learners have also been identified by respondents which are discussed in this chapter, although not quantified.

3.2.1 Economic impact

All case study colleges reported that Tier 4 students had a significant financial impact on them. The overall proportions of income that come from Tier 4 learners' tuition fees was estimated by case study colleges to range from approximately 0.5% to 12%. These proportions varied dependent on how the college saw the role of Tier 4 students within the overall college strategy; for one college they were a central element of their income whilst another college saw the additional income generated by Tier 4 students as a good way to supplement their budgets.

'In the past they've been the icing on the cake. In the future, they'll be part of the cake, or the income derived by them will be part of the cake, and that, I think, will apply to many colleges, because of the domestic grant income situation.'

International Director

All the colleges interviewed noted that the recruitment of Tier 4 students had become a vital part of their response to the changes in the way FE is funded by Government and, although there were wider social benefits to having these students, the income that could be generated remained one of the most crucial reasons at present. However, all the colleges noted that maintaining and expanding the number of Tier 4 students was now being made increasingly challenging by the Home Office, seemingly in contradiction to BIS policy of encouraging FE colleges to increase commercial income streams.

'It would be ridiculous not to say it was a fee income strand, but also it's now evolved that FE colleges all have to remove their dependency on central funding. So, it's actually now following the government policy. So, one government policy is telling colleges find other ways of bringing in income...the other one is stop bringing them in.' **International Director**

Whilst tuition fees were the primary source of additional income for colleges from Tier 4 students, in addition, three of the case study colleges also highlighted that they also receive income from Tier 4 learners if they chose to reside in college-owned halls of residence. One college reported that in this way they were potentially able to generate an additional £3,000 in income per student, bringing the overall income from Tier 4 students in the college to approximately £20,000 each.

However, one college highlighted that following a decrease in the number of Tier 4 students since 2010/11 they no longer have sufficient student numbers to fill all their accommodation and as such one building had been 'mothballed' and was effectively costing the college money to maintain it.

The direct impact of the additional tuition fees was measured in different ways by the colleges consulted. Two colleges noted that the additional income from Tier 4 students was important in helping to support funding for on-going building and maintenance work at the college which in turn would benefit overall recruitment and income. Another college reported that the additional income from Tier 4 students had been invested in their learning centres which would be of benefit to all their learners.

'What it's done for our college is brought in a huge amount of income that has been reinvested into our learning centres.' **International Director**

Other colleges were less able to pinpoint specific projects or activities that had benefitted from Tier 4 income due to college budgeting methods. However, they were confident that it had contributed to the overall success of their college in a challenging economic environment. One college also highlighted that Tier 4 income allowed them to 'pump prime' and prepare the ground for other international projects.

3.2.2 Educational impact

All of the colleges consulted highlighted a range of educational impacts that Tier 4 students had on the college, whilst acknowledging that these were hard to quantify. However, the impacts tended to relate to either the range of courses that were now offered as a result of Tier 4 students or the high quality of classroom environment (and learning and teaching) that they enabled.

Four of the seven colleges interviewed noted that having Tier 4 students had enabled them to offer courses that they would not have been able to offer otherwise. The colleges perceived the benefits of this to be twofold: firstly, college staff were able to expand their provision and benefit intellectually from this, which increased staff satisfaction; and secondly, it provided increased opportunities and choice for local students.

'Certainly in the early days we would never have offered the range of A-levels if we'd not had international students to make the classes viable. Nowadays, actually we've become a much bigger A-level provider because our quality of A-level provision is really good, so we attract people from the local area. In the earlier days we would never have been able to offer some of our A-levels without the addition of international students.' **College Principal**

In most instances, colleges reported that, where possible, Tier 4 students were mixed into classes with learners from the UK and other countries. In some instances colleges identified that some courses had been developed exclusively for International Students.

However, these tended to be courses which would not be of interest to UK students such as Foundation Degrees to prepare them for progression to an English university and English Language courses. Alternatively, these included vocational courses that had been specifically funded by international partner employers and were specifically related to their needs.

'There are some courses we have developed exclusively for the international student market if you like. Some that were already in existence so for example we've got a year-long international foundation course which is a pre-university prep year and students progress onto first year of any university from that.' **International Director**

All the colleges interviewed reported that the presence of Tier 4 international students on courses was important in 'enriching' the overall learning experience for both staff and students by allowing people with different perspectives and cultures to exchange ideas in a learning context. This was seen to be particularly important areas where there was not a high level of diversity.

'It is so insular that many young people and adults haven't been out of this region and therefore are quite disadvantaged when it comes to being more creative and innovative in their skills. Really I think having an international dimension gives them something that they wouldn't naturally get.' **College Principal**

Further to this, several colleges also emphasised that they felt that the presence of international students in the classroom was important to help UK learners increase the skills they need for future employment by developing skills that can be applied when working in a wider international market. These skills included being able to think about how scenarios may apply in different countries, improving their general understanding of other cultures that they may work with in the future, and communicating effectively with individuals with English as a second language,

'If we couldn't get our students to go out there and experience a global environment, then we were going to do our damndest to make sure that we actually brought that global environment back into the college.... a holistic approach to getting students prepared for working in a much more global environment.' **College Principal**

Most of the colleges consulted also highlighted that they felt the presence of Tier 4 international students had a positive impact on staffs' skills and development. This positive impact was related to a variety of factors including: enabling them to teach courses they may not get the opportunity to otherwise; opening up opportunities for staff to travel and teach abroad; and allowing them to utilise and learn different teaching styles to reflect the needs of a wider range of students from different cultural backgrounds. One college also reported that they provide specific training to new staff on induction to the college to ensure they are best prepared to work with Tier 4 students.

'I think one of the really, really big impacts has been the development of staff. Their exposure to international students here and some of the challenges and the benefits that that brings to teaching staff and the support staff as well actually. I think there's been some tangible things that you will have seen in terms of staff from here going abroad to either teach or to engage in international student recruitment or indeed, engaging in research or projects overseas and being able to bring all of

that development back into the classroom has been absolutely critical. **College Principal**

These impacts on staff also had a positive effect on staff recruitment and retention and most colleges reported that they found it beneficial when recruiting staff to highlight the international opportunities and diversity they provide.

'They act as a magnet for people across the FE sector and people know that we're active in the international arena and that can be an opportunity to attract staff. It's a very powerful motivator for staff and, therefore, supports staff retention. It makes for a more vibrant, interesting and challenging place to work and characterised, if you like, by opportunity really.' **College Principal**

In addition, several colleges noted that the high quality of the overall educational environment was beneficial in continually developing the college's reputation locally and nationally.

'We are known locally as a college which is actively engaged in international student recruitment. Employers know that, city stakeholders and opinion formers know that, other education providers know that. That gives us a status that is very, very valuable and it gets us involved in all sorts of activities of an international nature at a citywide level.' **College Principal**

3.2.3 Cultural impact

All the colleges consulted reported that the presence of Tier 4 learners has had a positive impact on the culture of the college. Nearly all had held cultural events such as food tastings and national costume days in order to highlight the diversity of the college and facilitate cultural learning opportunities which were reported to have been highly successful. Further details of the types of events can be found in the case studies in Appendix 2.

Several of the case study colleges reported that they that the presence of individuals from other cultures was particularly important due to a relative lack of diversity in their local area.

Several of the colleges noted the aspirational impact which Tier 4 learners had on their local and potential students.

'Local Indian students are, actually, seeing immigrant Indians go straight up to MBA, so it's been more aspirational.' **International Director**

3.3 Impact of Tier 4 learners on the college's local area

All of the colleges interviewed felt that their Tier 4 international students had a high economic impact on their local area. Estimates ranged as to the overall contribution but most were able to quantify this in some way by estimating average spend on accommodation, food and other products as at least £6,000 per student (or twice the value of their tuition fees).

Whilst the exact financial impact could not be quantified by the colleges, two colleges interviewed reported that they had received the Queen's Award for international work which took into account the impact the respective colleges and international departments had on the local economy.

Another key source of income for the local economy was through accommodation for Tier 4 students. Where colleges did not provide accommodation for students they noted that this money would go directly to local private accommodation providers or to local 'host' families for whom the additional income would be significant.

'We use local host families for accommodation so, there's money coming in to the local community. It doesn't necessarily come into us.' **International Director**

'We don't have our own, but we have some contracts with some local private providers and we negotiate to buy a certain number of beds, if you like per year and then slot our students into them or we arrange host families for them if they want to actually go and live within a family.' **International Director**

In addition, some colleges highlighted that the presence of Tier 4 learners was beneficial to local employers who may have the opportunity to work with them.

'The foundation degree students, when they're going out and doing their work-based projects and so on, I mean it's fantastic for local employers to have access to a broad range of cultural and other experiences that they wouldn't ordinarily have if they were simply taking our home-based students.' **College Principal**

Two colleges also reported that some of their Tier 4 learners undertook voluntary work in the local community as a way to take part as well as improving their English.

3.4 Impact of restrictions to Tier 4 recruitment

The primary impact reported by colleges following the changes in regulations for recruiting Tier 4 students has been the decline of overall student numbers and therefore subsequent loss of income for the college. All of the colleges noted that this would have the knock-on effect of constraining the positive impacts for the college and local community which were discussed in the previous section.

'What we're doing on the international stage, is supporting one hundred per cent, what's happening locally and regionally. So as far as I'm concerned, we're bang smack on message about the priorities for further education, but it's not helped when the Government places all sorts of hurdles in FE colleges' way.' **College Principal**

In addition, as a result of the loss of income and the decreased number of Tier 4 students several of the colleges reported having lost staff in their international departments. However, in one instance the college had created a role in order to ensure compliance with UKBA policies and another college was also considering creating such a post.

Income from Tier 4 students had reduced significantly across most colleges interviewed. Primarily, colleges reported that the loss was due to the loss of tuition fees. However, as noted previously, one college also reported that they were effectively losing money from their halls of residence as it was no longer in use, but the college was continuing to have

to pay maintenance on the building. However, two colleges reported they had not seen much impact on their learner numbers that was believed to be related to the Tier 4 changes.

As a result of decreased income, some of the college's senior management teams were considering reducing the overall number of course types offered which would be detrimental to local learners and college staff.

'Some of the decisions that the management team have had to make have been fairly brutal in terms of class sizes to get the economics right. International students have helped us to keep a lot of those classes going, thereby preserving jobs, and keeping those specialist pathways open.' **International Director**

One of the wider impacts reported by all the colleges consulted was the increased international competition for Tier 4 students. Although colleges noted that most Tier 4 students perceived the overall worth and value of a qualification from the UK to be higher than of qualifications from elsewhere (which was supported by interviews with learners as described in Case Study 5), many were being put off by the increasingly difficult recruitment process and the perception that they 'were not welcome' in the UK. As such other countries such as Australia and Canada were benefitting from increased learner numbers.

'International students I speak to say, "It is getting harder to get my visa. It's obvious that the British Government doesn't want us. If the British Government doesn't want us, we'll go somewhere else." That is madness, for me, it's madness, because, I mean, having them as students is easy. They're coming, they're paying a lot of money, they're a net contributor to the economy, and then, most of them will go home at the end of it.' **International Director**

The perceived reasons for the decrease in overall learner numbers varied between the colleges and it is apparent that learner numbers were more likely to have decreased depending on the college's approach to Tier 4. For example, colleges which traditionally had Tier 4 students studying higher level courses had seen their numbers reduce due to increased competition from Universities following the changes to language testing requirements and working hours which have not affected Universities in the same way. Further to this, colleges which may have previously recruited learners from countries which are no longer deemed 'safe' have seen their learner numbers decrease due to the challenges for these individuals in acquiring visas. Some colleges reported that they were frustrated with this perceived lack of parity with universities despite having Highly Trusted Status.

'The absence of parity means that in the eyes of the student, one is more valued than the other by the UK Government, because they are the ones that set the rules. So you've got that relationship. Now UK universities already have a significant advantage over FE institutions, very often because being a UK university carries with it a significant amount of cachet still overseas despite the differential between universities, there's still a lot of cachet out there.' **College Principal**

In some instances Tier 4 provision was focussed on providing A-levels, Foundation Degrees, or pre-university support to enable Tier 4 learners to eventually progress into higher education and some colleges had developed partnership relationships with local universities to facilitate this. However, changes to the number of years for which Tier 4

learners can study in the UK was starting to impact negatively as some learners were choosing to miss this preparatory education and go straight to university, even though they may not be adequately prepared.

Colleges that have seen little or no decrease in their learner numbers as a result of the Tier 4 changes reported that they mainly offered Level 3-Level 5 courses, had historically recruited from 'safe' countries, and had strong partnerships with overseas education providers and recruiters providing them with a steady intake of Tier 4 learners.

Most colleges did note that they welcomed the Tier 4 changes in that they had successfully reduced the number of 'cowboy' private colleges which were not rigorous when admitting Tier 4 learners. However, there was a feeling that the changes had now gone too far in the opposite direction and were preventing genuine students from entering the UK.

'I'm not opposed to Tier 4 because I think it has helped to differentiate genuine proper colleges who are doing things correctly, from all the others who call themselves colleges and weren't doing things correctly.' **International Director**

3.4.1 Mitigation strategies implemented by colleges

All of the case study colleges reported that they had implemented one or more of a range of different strategy to mitigate the reduction of income following the restrictions to Tier 4 recruitment. Broadly these strategies included one or more of the following approaches:

1. Reviewing existing provision and marketing strategies to ensure eligible Tier 4 students are encouraged to enrol at the college.
2. Reducing overall 'import' of Tier 4 students and focussing on 'exporting' knowledge through the establishment of an international campus.
3. Increasing the number and frequency of short courses for students with short stay student visitor visas.
4. Strong partnership building with international employers and learning providers to ensure a steady supply of learners

1. The colleges reported various benefits of, and challenges to, these strategies which are explored in detail in the accompanying case studies. In summary, however, all reported that they felt these strategies could potentially fully address the shortfall in income but establishing them had involved the investment of significant additional funding and resource. This was particularly true of the college establishing an international campus although they reported that they felt this would have the highest overall impact.
2. It is also important to note that some colleges felt that without the restrictions to Tier 4, the strategies would have led to an overall increase in genuine Tier 4 student numbers and would have further supported the college in the current challenging economic environment.

'If nothing had happened, we would have grown substantially. If we look at four years' worth of income, our income has basically, stayed still. We've worked

incredibly hard to keep it still. If the visa things hadn't come in, we would still have the students from India and whatever, and the extra bits would have been on top of, not instead of.' **Deputy Principal**

3.5 Potential impact of further restrictions to Tier 4 recruitment

Overall, colleges found it difficult to say what impact further restrictions on Tier 4 recruitment would have without knowing exactly what the potential restrictions would be. One respondent highlighted that they were not sure what else could be done to restrict Tier 4 recruitment further than the changes already made.

'It would be disastrous. Disastrous. Certainly in our strategic plan, which is eighteen months, you see very clearly the internationals are a very important agenda for us and we've invested in it. It's, kind of, not something that's, well, you know, because we've been involved for all these nearly ten years, it's something integral to who we are. So, you know, it would be quite a shock to the system, really.' **College Principal**

However, areas of particular concern that were perceived to most likely lead to larger reductions to learner numbers included:

- Further reduction or removal of permitted working hours
- Restrictions on offering short courses on student visitor visas
- Restrictions of offering level 3 courses to Tier 4 learners
- Restrictions on offering higher level courses to Tier 4 learners

All colleges noted that any loss or further reduction in income would be detrimental to their financial stability and further work would need to take place to address the shortfall or, alternatively, there would be job losses due to a lack of need for international team staff. Some colleges expressed concern that further restrictions would lessen their ability to manage impacts as they are doing so far, particularly if the types of qualification they can offer or the number of international students from outside of the EU on short term student visas are restricted further. One college reported that if this happened then they would no longer be able to offer international provision of any kind to students outside of the EU.

One college also noted that any further restrictions would negatively impact on partnership working between FE colleges which has historically been a valuable way of generating income.

'I think possibly less collaboration between colleges, because they're competing for the students. I know a lot of the international directors in this area, and in the region, and it's less likely now that you're going to get a phone call from one of them saying, 'I've got a student,' or, 'I've got five or six students. We can't place them. Can you?' It's less likely, where it becomes harder and harder to recruit.' **International Director**

All the colleges interviewed expressed concern that further restrictions would negatively impact on the UK FE sectors reputation internationally if they were perceived as not wanting international students, particularly in the context of increased international competition.

'We're already noticing that students, when I go to India, all of a sudden, Australia's gone from being a pariah, you know, "Indian students get duffed up in Sydney", which is what happened a couple of years ago. Countries like Canada, Australia and other Asian countries are now getting in on the act. They are starting to recruit students from other countries, so Malaysia, Singapore, countries like that, they're muscling in.' **International Director**

Overall, it was felt that this would lead to damage to the UK's reputation as an FE provider that would have long term consequence for business and development in the UK: individuals who chose to go to other countries to study may be more likely to invest in those areas in later life on entering the business world.

'I think also, a broader risk is that, you asked about the longer term impact, is the people who come and study here are the people who often go and work for big corporates, and they're going to be at the end of their education. They are confident in multiple languages in multiple countries, they're likely to be influential, successful people, or a good proportion of them will be. We're reducing our percentage of that as a country. So when people are deciding, 'Where shall I have my HQ?' or, 'Do I want to do business in the UK?' or, 'Would I rather do it elsewhere?' That's a very unquantifiable thing, but I think it's a substantial risk in terms of the perception of the UK.' **Deputy Principal**

3.5.1 Areas for further consideration

During the consultations, many colleges reported a variety of changes they felt would help to support them in recruiting more Tier 4 learners whilst still ensuring that only genuine learners were entering the UK. These included:

- Removing Tier 4 learners from the net migration figures and replacing this with a 'count out' system

'If we look at it the other way around, my wish list would be, re-establish exit controls so they're counting students out and then taking students out of net migration figures, which is quite common in other countries.' **Deputy Principal**

- Changing restrictions to the number of years Tier 4 learners can study within FE

'There's a five year rule at undergraduate level and three years at sub-degree level. If they could just amend that to four years, it would allow for sensible legitimate routes to be followed by international students, many of whom didn't understand why we couldn't offer them a place.' **International Director**

- Ensuring consistency relating to visa issuing or rejection decisions at Border Control

'Another issue I suppose, is that the introduction of the points based system was meant to take any subjectivity out of a visa issuing or rejection decision, but they've now reserved the right to interview students again in certain countries and make

*subjective judgements on their English ability or their academic suitability for the programme they've applied for, which was meant to have all been taken right out by the points based system and I know that quite a lot of, we haven't had any, but there have been a lot of visa rejections where a decision has been made by an entry clearance officer instead of looking at the offer letter which gives them their 40 points'. **International Director***

- Restore parity between the English testing requirements and maximum working hours for HE and FE

*'I think it's just the lack of parity that if we're all deemed to be HTS and very highly trusted, why should there be a difference between the FE sector and the HE sector on some of these small aspects like at the university, they can assess the students' English Language ability whereas we can't. Students coming to study with us, even if they're on an HE course, can only work ten hours a week whereas they can work twenty at a university. Pre-sessional courses are managed differently in terms of what you can issue CASs for. It's aspects like that, that make us appear to be slightly less highly trusted than our university colleagues.' **International Director***

4. Summary points

For a majority of colleges the increased restrictions to Tier 4 learners introduced in 2011 have led to a decrease in the number of Tier 4 learners between 2010/11 and 2012/13. Overall, this has led to a loss of a significant amount of income for colleges from tuition fees (somewhat mitigated by rising fees per student), with a potential for further loss of income associated with learner's subsistence costs. Predicted figures for student numbers in 2013/14 show some anticipated gain on 2012/13 though not a recovery to the 2010/11 level. Qualitative interviews showed that this anticipated gain is due to the measures colleges have put in place over the last year to address shortfalls taking effect; however, there is some level of uncertainty as to whether the predicted numbers will actually materialise if further restrictions on Tier 4 are introduced.

The proportion of their total income that colleges generate from Tier 4 learners varies significantly but appears to average around 1%. For some colleges the proportion is much higher. All the colleges interviewed as part of our case studies valued highly the additional income that Tier 4 income provides, particularly in the current economic environment. Colleges reported a very positive picture of the range of impacts both for colleges and their local communities from having Tier 4 learners. These included financial benefits from tuition fee income used to contribute to the college's overall income and fund special projects, financial benefits for individuals offering accommodation for learners, and economic benefits for local businesses where learners spend money.

However, colleges were keen to stress that the value of Tier 4 students is not solely financial and the educational and social impacts of these learners is very important to the ethos and diversity of colleges. In particular, the 'enriching' effect Tier 4 students can have in a classroom setting can lead to better experiences for staff and students alike. In addition, the presence of Tier 4 students has helped to diversify the range of courses on offer to local students consequent on high demand from international students. Equally significant is the view that Tier 4 students can help to increase the overall diversity of more isolated areas that are traditionally 'White British' in character. Colleges held the view that this can help to increase aspiration and improve future employment skills.

Findings from case study visits also indicate that the extent to which colleges have been impacted by the changes to Tier 4 regulations has been dependent on a number of factors. However, the level of course offered appears to be one of the main influencers on how much numbers of Tier 4 learners change. Where colleges have previously offered courses at Level 6 and above, the numbers of Tier 4 learners have reduced significantly due to increased competition from Universities which are perceived, by colleges, to be a more trusted as providers, allowed to offer their own language tests and allowing their students a higher number of working hours. It may also be noted that this increased competition between providers also runs counter to the Governments ambition for an FE Global Strategy and more joined up international approach from the sector.

In order to address the decrease in Tier 4 learner numbers, colleges have acted quickly to mitigate negative impacts of changes to Tier 4 regulations. Whilst there is no one strategy that colleges have all followed, in most instances organisations examined in case studies had undertaken a review of their curriculum offer and responded flexibly to ensure they are offering courses that are in demand from genuine learners.

However, colleges remain concerned about the wider impacts of the changes to Tier 4 regulations and of any future restrictions. Despite an anticipated increase in Tier 4 numbers in 2013/14, they believe any further restrictions would have the potential to reduce these. In particular, their concerns relate to the reputational impact on the UK as a provider of FE in an increasingly competitive market place, with learners perhaps preferring to go to Australia or Canada which are perceived as more welcoming. The potential wider impact of this on the UK's future business opportunities, business environment, and stocks of high level skills was widely made by our respondents.

Appendix 1: Profile of Tier 4 students in 2012/13

Additional profile information was collected for college's anticipated Tier 4 students in 2012/13 including level of study, course type and country of origin. The full findings from this section of the survey are presented here. It is important to note that the total numbers of learners in this section may not exactly match the overall number of learners cited for 2012/13 as some colleges could not provide exact data as they had not yet completed enrolment, which in some cases was ongoing throughout the year.

Table 6: Level of course students are studying in 2012/13 (Base=80. Source: Online survey of colleges)

| Level of study | Number of learners in 2012/13 |
|--|-------------------------------|
| Level 3 courses (L6 in Scotland) | 1,494 |
| Level 4 courses (L7 in Scotland) | 736 |
| Level 5 courses (L8 in Scotland) | 1,316 |
| Level 6 courses (L9 in Scotland) | 354 |
| Level 7 courses (L10 in Scotland) | 306 |
| Level 8 courses (L11 in Scotland) | 0 |
| Level 12 courses (Scotland only) | 0 |
| Short term Study Abroad programme as part of qualification at an overseas university | 70 |
| English language course at B2 or above | 799 |
| Other | 50 |

Table 7: Types of courses students are studying in 2012/13 (Base=80. Source: Online survey of colleges)

| Course type | Number of learners in 2012/13 |
|---|--------------------------------------|
| Business | 1,455 |
| English language | 757 |
| Engineering | 584 |
| A-levels | 369 |
| Health, Community and Social Care | 350 |
| Nautical science/Maritime | 231 |
| Hospitality/Hotel management | 211 |
| ICT | 142 |
| Sport | 68 |
| International foundation programme | 63 |
| Art & Design | 57 |
| Travel & Tourism | 53 |
| Catering | 49 |
| Biomedical and maths/economics | 38 |
| Law | 38 |
| Beauty Therapy | 32 |
| Media | 24 |
| Early Years | 21 |
| Horse care | 19 |
| Construction | 19 |
| Accounting | 12 |
| Education and teaching | 9 |
| Animal Care | 8 |

| | |
|------------------------|---|
| Music | 5 |
| Agriculture | 4 |
| Humanities | 4 |
| Performing Arts | 4 |
| CGI | 3 |
| Horticulture | 2 |
| Photography | 2 |
| Motor vehicle | 2 |
| Hairdressing | 2 |
| Other | 6 |

Table 8: Student's country of origin in 2012/13 (Base=80. Source: Online survey of colleges)

| Country of origin | Number of learners in 2012/13 |
|--------------------------|--------------------------------------|
| India | 1,076 |
| China | 521 |
| Bangladesh | 368 |
| Colombia | 178 |
| Pakistan | 354 |
| Japan | 192 |
| Hong Kong | 184 |
| Nigeria | 154 |
| UAE | 131 |
| Philippines | 130 |
| Thailand | 102 |
| Sri Lanka | 76 |
| Qatar | 76 |

| Country of origin | Number of learners in 2012/13 |
|--------------------------|--------------------------------------|
| South Korea | 71 |
| Nepal | 65 |
| Saudi Arabia | 56 |
| Malaysia | 56 |
| Brazil | 51 |
| Oman | 47 |
| Central Asia | 40 |
| Kuwait | 34 |
| Bahrain | 32 |
| Taiwan | 25 |
| Libya | 25 |
| Indonesia | 24 |
| Iran | 23 |
| Canada | 16 |
| Kazakhstan | 16 |
| USA | 16 |
| Myanmar | 15 |
| Uzbekistan | 15 |
| Zimbabwe | 13 |
| Morocco | 11 |
| South Africa | 10 |
| Russia | 10 |
| Jordan | 9 |
| Brunei | 7 |
| Venezuela | 6 |
| Peru | 6 |

| Country of origin | Number of learners in 2012/13 |
|---|--------------------------------------|
| Zambia | 6 |
| Kenya | 6 |
| Syria | 5 |
| Tanzania | 5 |
| Turkey | 5 |
| Cameroon | 5 |
| Moldova | 4 |
| Botswana | 4 |
| Argentina | 3 |
| Georgia | 3 |
| The Caribbean | 3 |
| Gambia | 3 |
| Malawi | 3 |
| Mexico | 3 |
| Afghanistan | 3 |
| Singapore | 2 |
| Albania | 2 |
| Burma | 2 |
| Ghana | 2 |
| Israel & Occupied Palestinian Territories | 2 |
| Congo | 2 |
| Nepal | 2 |
| Namibia | 2 |
| Ecuador | 2 |
| Algeria | 1 |

| Country of origin | Number of learners in 2012/13 |
|------------------------------|--------------------------------------|
| Australia | 1 |
| Belarus | 1 |
| Cotê d'Ivoire | 1 |
| Canada | 1 |
| Azerbaijan | 1 |
| St Vincent and Greece | 1 |
| Uzbekistan | 1 |
| Ukraine | 1 |
| New Zealand | 1 |
| Sierra Leone | 1 |
| Tunisia | 1 |
| Mauritius | 1 |
| Mauritania | 1 |
| South Africa | 1 |
| Turkmenistan | 1 |

Appendix 2: Case studies¹⁰¹¹

Case study 1: Ealing, Hammersmith and West London College

Overview of Tier 4 activity

The college is a UK market leader in Tier 4 recruitment in the UK with 1,300 Tier 4 students in 2010/11. The college has had Tier 4 students for eight years and have grown from 3 staff to 101 staff to support this (including office staff, welfare staff and tutors hired specifically for the programmes the college has developed for international students and the IELTS Test Centre).

In order to ensure Tier 4 learners have access to a variety of courses they are eligible to undertake any course from Level 3 and above within the college's prospectus; however, the college has focussed on delivering bespoke vocational courses for the Health and Social Care, Hospitality and Hotel Management, and Chef sectors which include work placements for students, as such, approximately 200 Tier 4 students are currently undertaking hospitality courses.

Impact of Tier 4 students

The development of the college's expertise in hospitality and hotel management and the resulting increased links with local employers has been a particular impact of Tier 4 students at the college. As a result of their increased specialism in this area the college now offers an MBA in Hospitality Management. The college believes that the presence of Tier 4 international students altered employer's perceptions of the college meaning they are more likely to send their own domestic staff to the college for training.

'We developed work placement programmes in conjunction with employers such as Gordon Ramsey, Marriott, now there are 350 employers taking our students. They are happy with students, so they're now willing to take our local students. So, that's a huge impact. As a college we'd have never got to work with those employers, had not the international students made that link for us.'

In addition, the college believes the presence of Tier 4 students on their courses has enabled the enhancement of the overall quality of experience on the course both for employers, tutors and other learners.

'It's also a better experience in the classroom, because if you think of health and social care, for example, all the students came from two or three postcodes in the borough of Acton. They're now sat in the classroom with young women from all around the world.'

The college also believes the presence of Tier 4 students has protected some courses from being stopped as they contribute to overall numbers. This protects tutor's jobs at the college and ensures a wider range of courses are available for

¹⁰ The case study organisations included have provided their informed consent to their named inclusion in this report

¹¹ Six of the seven case studies are presented in this section as one was unable to be signed off by the college in the time available due to staffing changes

Case study 1: Ealing, Hammersmith and West London College

domestic students.

The college has found that Tier 4 students have a positive impact on the local economy, this is demonstrated by the College's receipt of the Queens Award for Enterprise in International Trade which indicates that international work at the college has contributed annually approximately £20 million+ to the local economy. The International Student Centre is the first ever further education college to win the Queen's Award in this category.

'The award recognised that our students probably contribute in excess of £20 million into the poorest boroughs in west London, Acton, Hounslow, Southall, Wembley, probably nearer £30 million now, in basic living costs, accommodation, utility bills and food.'

Tier 4 international students have also taken a wider role in the college through volunteering and many took part as Olympic and Paralympic Games as stewards, hosts and chefs. The college offers a range of wider cultural and fundraising events as a result of their high number of Tier 4 international students including raising awareness of national issues relevant to the different groups of students. In addition, through international students the college is currently taking part in a television programme for Channel Four which focuses on the experience of offenders who have recently been released from prison. The international students are supporting this through working with some of the offenders and also hosting and catering for a football event aimed at raising awareness.

The commitment to Tier 4 international students has a significant financial impact on the college overall, with student fees accounting for 12% of the college's income; therefore, the growth of international work continues to be central to their future plans.

Impact of policy changes

The changes in policy in 2011 have impacted greatly on the college which has had a large reduction in the number of its Tier 4 international students. Overall there has been a decrease to 900 Tier 4 students in 2011/12 and 870 in 2012/13. In particular recruitment from specific countries has been affected with recruitment from India particularly low in comparison to previous years (previously the college had approximately 650 students from Mumbai per year and now only have 250). In addition, demand from Tier 4 students to undertake A-levels has decreased to 9 students undertaking these courses this year compared to around 30 in previous years.

The college feels the immediate impact of this is mainly economic and is felt both within the college and the community as overall tuition fees and expenditure in the local community will be reduced.

Another impact the college has observed since the changes in policy has been the increased level of monitoring required from the UK Border Agency which is perceived to be very high particularly when compared to other learning institutions. The college reports that this is detrimental to staff morale and potentially retention as staff now feel they are 'policing' students more than previously. Although the college recognises tracking Tier 4 students is important they report that this may be out of proportion as they have not experienced many problems with their Tier 4 students previously.

Case study 1: Ealing, Hammersmith and West London College

In order to mitigate against the reduction in Tier 4 student numbers the college is working to ensure their curriculum and offer to Tier 4 students continues to improve, and has been thinking in more detail about the courses and levels they offer and ensuring partners in industry continue to be of high quality to encourage Tier 4 students to come to the college. Without these changes the college feels many jobs would have been lost both in the international department and within the wider faculty.

Potential impact of further restrictions to Tier 4 recruitment

As a result of their increased work in the development of courses the college anticipates it would have 1,500 Tier 4 students in 2013/14; however, this would be dependent on the nature of any further restrictions to their recruitment.

The college are concerned that any further changes to the rules and regulations for Tier 4 students would have a very negative impact on the college and local area. In particular the college is concerned that a reduction or removal of the number of part time working hours Tier 4 students can undertake will prevent many students from even applying. This would have a knock-on impact on student numbers and potentially the range of courses the college would be able to offer which would have a negative impact on opportunities for local students and relationships with local employers.

In addition, the college is concerned that further regulation and restriction of the type of courses FE colleges can offer to Tier 4 students e.g. the removal of the option to offer higher level courses, would remove their ability to offer the MBA. This would be very detrimental to the college as this course is a key selling point both for students and employers. The college expressed concern that if they could not offer this the overall perception of the quality of their provision may be adversely affected.

'The Taj group of hotels in India said they prefer EHWLC MBA graduates than university MBA, because they have vocational skills as well the actual qualification. If there are further visa changes, such as FE colleges can't offer university (HE level) courses, which was mooted at one point, enrolment figures would plummet putting jobs at risk.'

Case study 2: New College Nottingham

Overview of Tier 4 activity

New College Nottingham has historically had a relatively high level of Tier 4 international students (up to 150 per year). Tier 4 students come from a range of countries including India, Saudi Arabia, and Hong Kong, and study a range of qualifications including hospitality, travel, tourism and aviation and more traditional 'A' levels.

Impact of Tier 4 students

The financial value of Tier 4 international students is significant for the college, with each paying up to £7,000 in tuition fees per year. This income is important to the college; however, it is currently not central to their financial security as it only equates to a relatively small proportion of their overall income.

The college note that Tier 4 international students can also have a very positive impact on the local economy as often particular nationalities of students will have a high level of disposable income that they will spend in local shops on food and other goods.

'Some of our students, particularly our Arab students, have plenty of disposable income... They'll buy goods and services during their stays, clothing and occasionally even cars. We have had in the past students giving away surplus clothing when they leave to whoever wants it because they have too many to fit into their luggage allowance.'

Further to this the college does not currently offer its own accommodation for their international students; therefore, local families host them for approximately £115 per week which makes a positive impact on the families' overall income.

In addition the college has found that the social impact of Tier 4 Students can be considerable in 'enriching' the overall college environment, although they recognise this would be hard to quantify.

'International students enrich a college, in my opinion, and we organise social events like the International Students Day, and international students' tea parties as part of our social programme'

The college also recognises that international students may broaden the horizons of other learners who may have not had the opportunity to leave the local area and that this interaction can help these home grown students get more from their college experience and prepare better for the world of work.

'in some ways, Nottingham can be a little parochial as some students in Nottingham haven't had the chance to travel or even to get out of their locality. Therefore, to have for example, an Arab student on our International Students' Day wearing traditional costume is very colourful, very attractive. This is not a tangible impact, if we want to prepare students for the international world of work, then, having international students here adds to that'.

Impact of policy changes

Since the policy changes in 2011 the number of Tier 4 students at the college has reduced by around 50% because of the loss of Level one and two learners and regulations restricting student who study below degree level. This has had an

Case study 2: New College Nottingham

immediate impact upon the tuition fee income the college receives. Therefore the college has decided to address any shortfall and facilitate future growth by expanding their 'knowledge export' provision overseas and open an international campus in India.

'The new College Nottingham International Lifestyles Academy will be offering media, fashion, hospitality management and retail, with some teacher education. Those are popular courses, particularly for the Indian market, and particularly for domestic consumption in India.'

The college also noted that the reduction in Tier 4 students would also have a knock-on effect on the local economy with less students using local amenities and host families not receiving the additional income the students provide.

'One of the interesting effects of having fewer Tier 4 students is on our Homestay families. We have a network of homestay hosts, and basically they can earn £115 a week by hosting an international student. For that, they give them food and lodging for the duration of their stay. It's only £115 a week. Relatively speaking, it's a bargain for our international students, but, of course, for those host families, that £115 for the use of a spare room is a material amount of money.'

As a result of the decrease in Tier 4 students the college has had to reduce their overall staffing numbers in the International Department.

'We employ the equivalent of 3.7 full-time equivalent staff who are dedicated to supporting and monitoring our international students. So, again, fewer international students, reduces our requirement for them. This means fewer salaries paid, and that, again, has its own impact, doesn't it, on a tiny bit of the local economy.'

Overall the impact in the reduction of Tier 4 students has not adversely affected the college's overall offer as international students did not make up the majority number in any one class. However, to ensure they are still able to maintain the current level of Tier 4 students the college has invested in external marketing to ensure they do not lose potential students to other learning institutions.

'We've had to spend more money on marketing. Of course, if it's harder to get students, you have to try harder to get them. Often that means you have to spend more money, so we've just contracted with a marketing company to help us recruit international students.'

Potential impact of further restrictions to Tier 4 recruitment

The college felt that any further restrictions to Tier 4 students would have an immediate impact on the income they would be able to generate from these learners.

'We are planning to expand our international development activities, including student recruitment, so we would not welcome further restrictions. As our Government grants reduce for home students, so the importance of generating income from international students increases. Whichever way you look at it, this income stream is becoming increasingly important to the college as it supports a range of college activities and initiatives. Any way you look at it, restrictions to our capacity to recruit from overseas are not welcome to the college nor to our local economy.'

Case study 3: Grimsby College

Overview of Tier 4 activity

The college has had Tier 4 students since 2003 primarily from China through the development of a partnership with Beijing Geely University for business management, tourism, media students.

At its peak the college had approximately 100 students per year which would have generated around £1million overall in income for the college on an annual basis.

Impact of Tier 4 students

The college reported a range of impacts that the recruitment of Tier 4 students has had both on the college itself and the wider community. In addition to the income from tuition fees of £10,000-£15,000 per student, the college generated income from students staying in college-owned halls of residence (costing approximately £3,000 per student per year) and student spend in college refectories and shops.

The additional income from Tier 4 students is seen as vital to supporting the college to fund a programme of capital expenditure. Any further reduction in income from this strand may affect the progress of this project which the college see as central to recruiting more domestic students and expanding their income through this market.

The college also reported that students would also use local facilities, shops and takeaways which was beneficial to the overall economy.

'So [students spend] is nearly £20,000 each over the course of their life cycle here, and then of course they were in and out of Tesco every week. So the community very much benefitted from having 100 international students spending quite freely.'

The college feels that the local community benefitted from the increased diversity Tier 4 students brought to the area. The college Principal noted that Grimsby is not a particularly diverse area and therefore it provided a good opportunity to mix with people they would not normally get the chance to.

'We have a very big diversity agenda-, equality and diversity agenda, and we try to include the international students and get them to exchange their cultural values with local students. So yes the impact is significant.'

The college encourages this integration by hosting celebrations for cultural events such as the Chinese New Year and Diwali which helped increased understanding of other cultures.

'You know, for Chinese New Year we will ask students to come in and explain to English students what Chinese New Year's all about. Diwali next week will be very visible, you know, with the Indian community explaining to home students what it's all about. So we do spend a lot of time and effort on cultural education.'

The college has also found that although Tier 4 international students mainly provide infill to their existing courses, in some instances their presence and tuition fees on newer courses is crucial in sustaining these and therefore creating new opportunities for local students.

'Otherwise I think some of these specialist areas, like animation and some of the creative art subjects may have been lost were it not for international income.'

It was also noted that the presence of Tier 4 international students was important to enrich the overall learning experience for all students in a mutually beneficial way.

'Grimsby is not the most culturally aware town in the UK I would say, so I think it is an

Case study 3: Grimsby College

absolute benefit for local students to be learning alongside international students, and vice versa. Addressing the reverse situation, we've had lots of very good feedback from Chinese families who say that the change in their children when they've gone back to China, in terms of their open-mindedness, their language abilities, even in a three month period has been amazing. We've actually had that information volunteered to us. So yes I think that sitting alongside Chinese media students, there's an exchange of ideas, it's got to be good rather than everybody being from the same town, with potentially the same mindset.'

Impact of policy changes

Since the policy changes in 2011 the overall number of Tier 4 students has reduced from 105 in 2010/11, to 75 in 2011/12, and 7 in 2012/13.

'It kind of decimated our international market and we had a really successful market for Tier 4 and other degree programmes that we were developing and looking at developing and growing. Obviously, that's all just gone.'

In order to address this shortfall in income and protect the jobs of the staff within the international department the college has increased its offer of short courses for international students which do not require Tier 4 visas and the college is looking to continue to build this up over time.

So far the college has not reduced its international staff; however, they are not currently replacing any vacancies that emerge as there are not sufficient Tier 4 students to justify this.

The college has also lost a source of income in their halls of residence which is currently standing empty whilst the college still have to pay for its overall maintenance.

'We also invested in a significant number of halls of residence but we've had to mothball one of our halls because we just haven't got the students.'

The significant reduction in the number of Tier 4 students is perceived to be very detrimental to the college and the local area; as such the college's local MP has been supportive in raising the college's concerns with both BIS and the Home Office. The college's primary concern that the change in regulations to how student's English language skills are assessed means that more students are not even considering FE as an option and going straight into HE where it is perceived as easier to get accepted on higher level courses. Therefore they seek a 'level playing field' in terms of language assessment to help rectify this.

Potential impact of further restrictions to Tier 4 recruitment

The college is concerned about any further restrictions in Tier 4 activity, as given the impact the policy changes have already had they feel that further change would remove their non-EU international provision completely.

'I don't know what else they can do.'

In particular the college is concerned that any restrictions on their ability to offer short courses of non Tier 4 visas will be removed which may lead to the college abandoning its non-EU international offer altogether.

The knock on effects of this would be significant both for the college and the local area in terms of overall financial benefits of Tier 4 students as well as the social

Case study 3: Grimsby College

benefits of having these learners in classes.

Case study 4: City College Plymouth

Overview of Tier 4 activity

The college first established their international office in 2003 in order to establish effective processes and procedures that would enable the efficient administration of issues related to international students. Tier 4 provision has subsequently grown steadily out of strong partnership relationships with foreign providers.

The college has over 150 Tier 4 students per year and the majority of students are studying Level 5 courses. Tier 4 students study a range of course types at the college; however, the majority are undertaking business related subjects.

The college aims to support consistent progression amongst their students and as such strong partnerships with Plymouth University have also led to many Tier 4 students progressing from the college to the university.

'Students will spend two years with us before going on to the third and final year of a degree usually, although not exclusively, at Plymouth University.'

Initially the college aimed to recruit Tier 4 students in order to create a more multicultural environment for students, staff and the local area. The majority of the college's Tier 4 students are from China but there are also students from a range of other countries including Oman, Central and South East Asia.

The college employs 3.5 full time equivalent staff to recruit and support Tier 4 and other international students, with one part-time post being responsible for compliance issues, these are supported by wider staff at the college. The college sees Tier 4 for students as important to their ongoing strategy and diversity and this was an important factor in it achieving the AoC Charter for Excellence in International Education and Training.

Impact of Tier 4 students

The college reported a range of benefits that Tier 4 students can bring both for the college and the local area. The college believes the financial and educational impacts of Tier 4 students to be of equal value to the college by providing additional income and increasing the overall diversity of the college which is located in a relatively monocultural area.

'The income that we're able to make from international student recruitment does help to support other activities within the college and just contributes generally towards the college's revenue and income. Besides that, and probably of equal importance, was that the college is in a very monocultural part of the UK, the college itself at that stage was not particularly culturally diverse, lots of our students don't travel very far out of this part of the country and I think we felt that it was just part of the bigger education that we give to students that we should be trying to give them some sort of cultural education as well.'

The college reported that tuition fee income from Tier 4 students helped contribute to the overall budget of the college; however, it could also be used to pump-prime

Case study 4: City College Plymouth

further projects internationally, for example establishing partnerships with overseas colleges.

The college offers a range of cultural awareness raising and sharing events to ensure that their students are able to learn from each other whilst utilising the skills they develop on their courses.

'We have whole college cultural celebrations, for example we have a huge Chinese New Year party every year which involves our hair and beauty students in doing hair and makeup, lighting students, and hospitality students help with all the serving of the food, that sort of thing. I think that has enabled the college to embrace and celebrate different cultures because you've got students here to actually do that with you.'

The presence of Tier 4 students, particularly from China, has led to the development of courses that were not offered previously which are now available to domestic students helping to ensure the widening of the curriculum at the college.

'It's had a significant impact on the way in which our curriculum has developed, so one of the things that we have just recently done is develop a foundation degree in business with Mandarin. That's emerged out of some of the dialogue that we've been having with local businesses and our international students and our home students. There's no way we would have been having that conversation had we not had that international student cohort to perhaps prompt some of those discussions.'

Further to this the colleges reported that it felt these types of opportunities were important to help continuously improve staff skills and development as it also provided them opportunities to teach abroad.

The college also feels that this curriculum development and the increased skills of all their students help support local employers and local economy by providing a high skilled mix of students into the labour market.

'We know that employers are looking for well rounded individuals who have got a broad range of employability and enterprise skills. By giving them that exposure to a range of international students in a learning, as well as a social setting, supports the development of all of those skills that we know that employers are looking for.'

Further to this the college noted that Tier 4 students also positively impacted on the local economy through their subsistence and accommodation costs, although this could not necessarily be quantified. They also felt that they helped raise cultural awareness further in the city, particularly amongst host families.

'All the goods and services that they're buying into, living with host families, some of them living in student accommodation. Then with those particular host families, obviously they're then having students from different countries, cultures and that then should reverberate through the local community too.'

Impact of policy changes

To date, the college has been able to maintain a high number of Tier 4 students following the changes to the regulations; however, it has found some elements of Tier 4 to be quite challenging. In particular student progression and the future impact this will have on the number of Tier 4 students has been a concern for the college, with many of their Tier 4 students taking more academic paths that may lead to over the 3 years of study cap in the UK at sub-degree level.

'Certainly this year, the biggest impact for us was the introduction of the three year

Case study 4: City College Plymouth

capped sub-degree number of years that you can study, which has meant that we have had to reject students who would be perfectly qualified for our foundation degrees. If they've done A levels here or they've done an English Language programme followed by a foundation programme and they want to do a two year foundation degree which is a perfectly legitimate route, they are not able to do so.'

In addition, the changes to language assessment and working hours for Tier 4 students have proved challenging for the college as they are now competing with Universities for students.

'The English Language changes have hit us badly because we compete head to head with universities for our HE students, it's outrageous. If you look at work experience for instance, it doesn't make any sense that there should be any differentiation. If anything, given that we're a vocational institution with all the fantastic links with employers, denying international students those opportunities, seems to me just crackers.'

The college believes that to date it has been able to limit the impact of Tier 4 changes through ensuring compliance and using trusted agents, and the strong relationships they have developed with international partners and the type of courses they offer.

'Partnerships. It's about a strategy that doesn't rely exclusively on one to one student recruitment through agency recruitment fairs or whatever. It's about building long lasting partnerships with education providers overseas. If they are high quality private providers and you've done your due diligence and all the rest of it, then fine, but it's about building partnerships, building relationships and that's how we will overcome some of the challenges that Tier 4 poses for us.'

Potential impact of further restrictions to Tier 4 recruitment

The college reported that they felt that further changes to their ability to offer HE programmes to international students would have the highest negative impact on them and would likely result in redundancies in the international department.

'If we weren't able to offer HE programmes to international students, that would decimate our international student population and destroy most of the partnerships and relationships that we've developed up till now. I couldn't understand any rationale as to why that would happen, but if it did, I think I would be out of a job and my whole team.'

The college also believes that removal of all working hours for Tier 4 students would have a negative short term impact on them; however, they did not feel this would necessarily be a sustained impact as working was not the key motivator for most their students.

'I think if they were to take away the work entitlement altogether for students say in colleges as opposed to universities, it might have a short term impact, but I think perhaps that would then just settle, I think generally most of our students, as it should be, are here to study and because they have to show evidence of their financial support to get their visa in the first place, they don't need or shouldn't need to be working to support themselves while they're here.'

Case study 5: Chichester College

Overview of Tier 4 activity

The college has recruited international students since the 1990s and has one of the largest numbers of Tier 4 learners in the UK. It is reported that the college also has the largest 'other' budget stream amongst FE colleges in the UK, which is related to their international income.

The college offers a range of course levels and types including A-levels and Foundation Degrees, as such there is a focus on supporting learners to progress into Higher Education. In addition the college also offers vocational courses and discrete courses for international students in partnership with employers.

Impact of Tier 4 students

The college reported many benefits of having Tier 4 learners. They highlighted that Tier 4 learners provide a valuable income stream for them at a time of reducing public funding. In particular, the additional income from Tier 4 learners has supported the college in completing a programme of building, including a new building for their construction department.

'We would be foolish if we didn't say it's an income stream. We are experiencing significant cuts in our public funding, and I'm sure we'll continue to see it reduce. The surplus that we make from International has allowed us to subsidise what we're doing for British students and undertake a building programme with no government support.'

The college also reported that additional income is generated for the college through providing accommodation for Tier 4 learners which generates approximately £2 million a year.

Another important benefit is the cultural effect of having a mixture of nationalities and how this impacts on British learners' experiences.

'One of the huge benefits to our students has been bringing in people from other countries who mix with students from here. We do international days, fairs and things like that. They get to know the culture of the students here, but also the students here learn to work with different nationalities, some people who speak very good English, some people who speak poor English.'

To facilitate this, the college offers a range of cultural events designed to encourage students to engage in mutual learning such as food events where Tier 4 students prepare dishes from their home countries which other learners can try, and international costume days where students provide stands with their national costume.

'It's those sorts of things that, you know, bring a diversity that you just wouldn't get if you were in a college that didn't have that.'

The college also felt that the presence of Tier 4 learners in mixed classes can help to improve the overall aspiration and performance of domestic students.

'Let's take maths for example. We have a lot of bright Tier 4 students. They undoubtedly raise the potential of the other students who are in that classroom because they see the art of the possible and they see some very clever mathematicians. They suddenly realise that they could equally be as good as this.'

Further to this, at induction staff are provided with training to ensure they are able to

Case study 5: Chichester College

best reflect the multicultural nature of their class groups and identify ways in which they can diversify their teaching using international examples and case studies.

In addition, the partnership relationships developed with international providers through Tier 4 has enabled the development of a scholarship programme which provides UK students with the opportunity to study in Japan.

'That would never have occurred if we hadn't had the international strategy. So there are huge benefits to the student community.'

The college is also confident that the presence of Tier 4 learners has been of benefit for the local area, both economically and culturally. In particular the college highlighted that they had won the Queen's Award for international work which took into consideration the impact (including financial impact) the college had on the local community.

'Even though we have halls of residence, we've still got hundreds of students per year who stay in home-stay families, pay those families directly, and spend their money in the local community.'

Impact of policy changes

The changes to Tier 4 regulations have had a negative impact on the college's number of Tier 4 students; in particular courses that included work experience elements which have previously had a high number of Tier 4 learners are no longer viable and are no longer offered.

'We had a really valuable programme with Indian students where they would come over here, we would train them in customer and call centre management, we had a specific course for them. Then they would go out to local call centres and get work experience. It worked very well for the call centres and it worked very well for us. When the changes came into place we could no longer do that because we weren't allowed to give them work experience. We have virtually no Indian students now because they can't get the visas and they can't work when they come here.'

In addition the college has found that individuals in certain countries, from where they may have previously had a high number of students, are now finding it more difficult to apply. Due to need for colleges to be careful about the percentage of visa rejections they have, they are now less likely to work with such countries which may impact negatively on genuine learners.

'There are some countries, or parts of countries, that we just can't market in any more for that reason. You can't get them the visas.'

The college has had to add recruit further staff for their international department to ensure they are complying with UKBA rules out of a concern that a minor error or issue could impact upon their Highly Trusted Status, despite being confident in their systems and processes.

'We've had to be tighter just because there are suddenly colleges losing their HTS, that we haven't dared to risk not investing in those systems.... You get scared as an institution. It would be a huge hole if we lost our Highly Trusted Status. We can't afford to do that, so we have had to invest money that we would otherwise be spending on the student experience in some of this extra staffing and extra systems.'

However the college did stress that Highly Trusted Status is important in order to ensure false students are not entering the country, but they feel there are issues with the current system that need to be resolved.

Case study 5: Chichester College

'I do feel that HTS is a benefit. I do think that there were bogus colleges. Anybody can go and set up in Chichester, London or anywhere else, and call themselves Chichester College of Language, not follow any particular procedure and not provide great quality. I think, that there were advantages to introducing HTS but I think there is a case to be made for relaxing some of the regulations for colleges who have HTS.'

Despite increasing staff to support compliance it was noted that due to reduced learner numbers some curriculum staff had been made redundant.

'In English as a Foreign Language area this year, we were five groups down. That meant we didn't take five members of staff forward. In certain of our A-level subjects we have had two groups in the past. We may be now down to one group, and that's cut the hours of the teachers. Yes, there have been staff implications.'

The reduction in numbers has also led to a decrease in the income generated through college accommodation which is currently not full.

In order to mitigate the impacts of the changes in regulations the college is investing more in its marketing across all their partner countries and maintaining strong partnership relationships with providers. The college believes this is important as even in countries where learner numbers have remained steady, achieving these numbers has been more challenging due to a perception that the UK is not welcoming to international students. In addition, the college has focussed on viable areas of provision such as A-levels and the types of provision they are offering. However the college believes that without the changes to Tier 4 regulations these changes would have allowed them to grow their provision and increase their overall income.

'Basically, what we had to do, is we had to concentrate in other areas, because certain things we could no longer do. So there would have been growth if the visa just stayed the same, we definitely would have had growth rather than staying the same.'

Potential impact of further restrictions to Tier 4 recruitment

The college believes that further restrictions to Tier 4 recruitment would be highly damaging to the UK's reputation as a provider of FE, as there is already a view internationally that the UK is not welcoming to international students which has enabled competitor countries to increase their learner numbers.

'Even those countries where the visa situation has remained fairly static, there has been a view in those countries that Britain is not welcoming international students. Undoubtedly, that has put some people off. That's allowed some of our competitors, such as Canada, Australia and the US to gain from that. I think that's been incredibly unhelpful. There are still international learners that still feel that England is the place they want to come to, as opposed to elsewhere, but it's undoubtedly been deterred.'

The college is aware that in Canada and Australia policy demonstrates that international education is clearly recognised by government as a valuable contributor to the national economy and so it is nurtured and supported. The college believe this does not appear to be the case in the UK, as government comments about students seem to be solely about immigration.

The college believes further reduction in the allowed working hours would be damaging for some students who may want to 'cover costs' whilst they are studying.

The college also feels that any further restriction to Level 3 qualifications would be

Case study 5: Chichester College

devastating for the FE and HE markets. This would remove the ability to offer students, from countries with an education system which finish at 17, the ability to study a foundation year in the UK and then move into UK higher education.

'That progression from FE to HE with international students is a large percentage of the international students they recruit.'

Tier 4 student's views

Following discussions with BIS it was agreed that this case study would include the views of Tier 4 international students based on their experience of applying and enrolling in FE in the UK. The views of students were gathered during a group discussion with 3 Tier 4 learners. The learners consulted included: one female learner aged 17 from Japan; one male learner aged 20 from Qatar; and one male learner aged 18 from India.

Reasons for choosing to study in the UK

All the Tier 4 learners reported that they felt it was valuable to study in the UK as the way to best improve their English. Two of the learners observed that whilst some competitor countries may also offer good courses they felt it was best to improve their English in England.

'I thought Canada is good, but English in England is the best for learning pronunciation. I want to learn good pronunciation, so I chose England.'

Another learner noted that they had heard positive things about studying in the UK from family members.

Two of the learners interviewed were also influenced by the fact that their ultimate objective was to attend a UK university and felt that it was best to study in a UK FE college prior to this to gain the relevant qualifications and experience of learning in the UK environment.

'It might have been difficult for me to study at university if I hadn't done this because the system of studying here is quite different from in India. In India we just focus on the theory of the subject. We don't focus on the practical. Here it's more practical than theory. So it's a bit different.'

One learner also noted that they believed the quality of their preferred course in the UK was better than in competitor countries which had made them want to study here.

'I'm doing the course of accounting and finance, and I think for business or accounts the UK universities are better than America or other countries.'

Experience of studying in the UK

The learners were all very positive about their experiences studying in the UK and felt that it was valuable both to them and to other learners (both international and domestic) as it helped them quickly improve their overall English skills and become used to speaking with other individuals who did not speak their language.

Two of the learners had taken part in cultural sharing events and had found it very interesting to share their knowledge and find out about other cultures.

'International Day was very funny and exciting because we can test the other country's culture and personality. The speech, you know, the dance and singing, I think, the personality is totally different, each country's.'

Two of the learners also observed that it was particularly interesting to them to mix

Case study 5: Chichester College

with other international learners as well as domestic students as it allowed them to learn more about additional cultures and practice their English with each other.

'There are many international students in our class, so we can share our culture. Sometimes we speak different pronunciations, so it's quite difficult to understand, but I think it's okay. It's very interesting for me.'

The learners felt they were offered a lot of support from the college since enrolling and had valued staying in Halls of Residence and with host families.

Since being in the UK the learners reported that they had developed a variety of technical and personal skills. One learner reported that their self confidence had improved; and one felt they had improved working in different learning styles (using a combination of exams and coursework).

Views on changes to Tier 4 regulations

All of the learners were aware that changes had been made to applications for visas. One learner observed that they felt it made it more difficult for learners to come to the UK as the costs of applying had increased.

'They raised the fees of the visa application, so some people can't afford to apply for the visa. That's why the number of people coming here is decreasing.'

The learners all felt that it would potentially discourage learners from coming to the UK due to the cost and difficulties associated with applying for a visa.

Case study 6: Sussex Downs College

Overview of Tier 4 activity

The college has a long tradition of recruiting international students and has been delivering international programmes for over 20 years. The college mainly offers A-levels and English language courses to Tier 4 learners who are primarily recruited from Hong Kong, Japan and China.

The reputation of the college in delivering A-levels to Tier 4 learners is very high with a 100% pass rate for international students in three of the past four years. A smaller number of learners undertake vocational qualifications and foundation degrees as well as international foundation years. The college also attracts large numbers of learners from Europe onto a wide range of English language programmes.

Impact of Tier 4 students

The college highlighted that one of the main benefits of having Tier 4 learners is the financial impact that tuition fee income has on its overall budget in the context of declining public funding for FE colleges.

'Tier 4 student tuition fees provide a different income stream which is not directly affected by funding changes relating to Government policy (delivered by the EFA or SFA). As a business, it is very useful for the college to be able to diversify its income streams.'

In addition the college noted that Tier 4 learners are central to developing and

Case study 6: Sussex Downs College

improving the college's approach to equality and diversity. It was noted that the local population was not as diverse as other areas in England, and therefore by integrating Tier 4 learners with domestic students they all had the opportunity to share knowledge with people from cultures that may be different to theirs.

'It benefits us greatly having a rich mix of students from diverse backgrounds. This provides opportunities for our local students to experience cultures from across the world.'

In order to share different cultures and traditions and help integrate Tier 4 learners the college has international days, events, and an enrichment programme to celebrate diversity.

'Last week we had an international day at which students from different countries had an opportunity to show aspects of their own culture. So we had calligraphy demonstrations, food from around the world, local hair and beauty students doing face painting of flags. We also had a dance collaboration between British and Japanese students.'

The college observed that Tier 4 learners also add more widely to the income of the college and the local community through accommodation and subsistence.

'As a rough guide, if you take the tuition fees of an international student and double it, that's approximately the contribution they are making to the local economy. They have got to live somewhere so they need to pay rent. We have an international residence but most students live with local families. Then of course the students buy food as well as other goods and services from local shops. Furthermore they may have their families or friends over to the UK to visit and stay in local hotels. So they contribute a lot to the local economy.'

Host families are offered up to £110 per week to host a Tier 4 learner which benefits them financially; however, in addition the college believe the families also benefit culturally.

'I think the cultural experience is important to our host families. A lot of our hosts have children so it provides the children with an opportunity to experience a different language. I think it offers financial as well as social and cultural benefits.'

In addition the college believes that the presence of Tier 4 students offers value educationally as it allows lecturers to benefit from learners' different backgrounds and reflect different perspectives and approaches in their teaching.

The college has also found that they are better able to sustain a wider range of courses due to the high levels of interest from Tier 4 learners, for example in the areas of Pure Maths, Economics and Accounting. This supports the continued employment of staff in particular subject areas.

'We tend to have quite a few Tier 4 students following Accounting, Economics and Maths courses. So, sometimes it's Tier 4 students that enable a particular curriculum to continue.'

Impact of policy changes

The number of Tier 4 learners in the college has remained broadly similar since the changes to Tier 4 regulations in April 2012; however, the college attributes this to the type of courses they offer as well as the countries they have traditionally worked with

Case study 6: Sussex Downs College

being perceived as 'safer' in terms of issuing visas.

'We have been very fortunate, in that the areas of the world we already had a reputation in, and the kind of curriculum that we were offering, was at the 'safer' end of Tier 4.'

However, overall the college feels that the introduction of the changes has led to a more pressurised and challenging environment for colleges to operate in to maintain the number of learners. The main reason for this is perceived to be that learners often don't see the UK as a welcoming country in which to study and the constant changes to student visa policy leads to concerns about the stability of the immigration system.

'If you are interested in a particular course and to come to the UK you experience tighter restrictions than other countries, then you may feel more comfortable investing your time and money in elsewhere and not in the UK.'

In addition the changes in regulations have led the college to appoint a new Immigration Compliance Officer to ensure they are meeting all the UKBA's requirements, which are perceived to have increased the overall bureaucracy associated with Tier 4.

'Our aim is not just to meet the minimum requirements of Tier 4 policy, but to be an exemplar of best practice. Having a full time Compliance Officer has allowed us to achieve that.'

The college emphasised that the restrictions to Tier 4 regulations were potentially leading to genuine learners not being allowed entry to the UK, which was sending those students to competitor countries.

'The competition for each international student is both global and intense - and it is not just from native English speaking countries such as Canada and the US. There are an increasing number of non-English speaking countries such as Holland, Denmark, Finland, Spain, etc who are offering programmes taught in English in order to compete in the international student market. When those other countries have simpler, cheaper or more stable student immigration policies, then they can be very attractive options. So, we, as a country, are closing the door on a lot of fantastic students and appear to be tarnishing all students with the same lack of trust.'

The college has also noticed an increase in its learners progressing into Higher Education in a different country due to the perceived difficulties of gaining a visa, whereas they may have previously progressed to a UK institution. The college feels this impacts negatively on the UK economy.

'We have seen an increase in the number of students who want to come to us and then go to a university but in another country. That used to be a handful of students, but now it is quite a significant number. If you ask them why they do not want to continue their studies in the UK, they all say that it is because of the immigration system – its costs and perceived unreliability. This is a significant loss of income from the UK. For example, they might be paying £15,000 a year for the university degree; that's £45,000 for three years. Double that per year for their income into the local community, and that is £90,000 lost to the UK economy for each student which has been diverted to benefiting Germany, Canada, Hong Kong, or wherever.'

Potential impact of further restrictions to Tier 4 recruitment

One of the college's primary concerns was that further restrictions would lead to the

Case study 6: Sussex Downs College

retraction of the student visitor visa which would further reduce the number of learners and reduce overall income to FE colleges in the UK.

The college was also concerned that further reductions in the number of hours Tier 4 learners could work would also further reduce levels of interest in the UK as a study destination.

'If the allowance on work changed that would be hugely damaging. Shutting off post-study work was damaging enough, but saying to somebody, 'You're going to be paying a fortune to come here and we are not even going to let you work part time, to experience a bit of culture, and to earn a bit of pocket money' would be equally damaging.'

The college also expressed concern that procedural challenges working with the UKBA were causing some issues for learners. For example, one student is currently in the process of making an application for a Tier 4 visa and has been waiting for over three months for a response from the UKBA. During this time the student has had to leave their passport with the UKBA, resulting in them not being able to go home at Christmas or more importantly to not be able to sit exams which require passport ID.

The college was concerned that the changes to Tier 4 regulations were already making it appear that the UK was unwelcoming to international students and additional restrictions would compound this. The college also highlighted that further restrictions to Tier 4 could have a long lasting impact on the UK economy by reducing the number of business opportunities that may otherwise have been created by Tier 4 learners once they complete their studies and return back to their home country.

'The brightest and the best students that come through colleges like ours go back to their home country and want to be a senior person in a company, work for local government, or even their national government. If they begin work which has an international dimension, then they will often be well-disposed to the UK as they already have cultural capital in the UK. That is what is at risk – the long term business interests of the UK.'

Appendix 3: Census survey

Evaluating the value of Tier 4 international students to FE Colleges and the UK economy:

Survey of colleges

Many thanks for your interest in this research into the value of Tier 4 international students to FE Colleges and the UK economy. This research is being undertaken by BMG Research on behalf of the Department for Business, Innovation and Skills.

The following survey seeks to collect information on the following areas:

- the number of Tier 4 international students they have registered on courses for the 2011/12 academic year.
- the college's total fee income from Tier 4 students for the 2011/12 academic year.
- the number of Tier 4 international students they had in the 2010/11 academic year and anticipated numbers for the 2012/13 academic year.
- the anticipated number of Tier 4 applications for 2013/14.
- the level of Tier 4 income in 2010/11 and anticipated fee income from Tier 4 students in 2012/13.
- a breakdown of the 2012/13 Tier 4 student population by course type, level and country of origin.

Please note, this survey seeks to collect data relating to Tier 4 international students only and not other types of international students. If you are unable to provide separate data for Tier 4 learners please provide what you can and use the comments boxes provided to explain any challenges providing this data.

You may choose to consult with colleagues in order to answer the questions in this survey, the link you have been provided can be forwarded to them. The link is a **unique secure link** so the responses you provide cannot be seen by anyone other than yourselves and the research team. You can also be provided with a PDF copy of the survey, if requested, which can be shared with colleagues for information. **A dataset summarising the data provided by colleges will be supplied to BIS; however, individual college-level data will not be included in the published research findings.**

If you need to consult with more than one colleague to complete this we recommend one person is nominated to ensure all parts have been completed before pressing the 'submit' button at the end.

You can return to the survey at any time using the link we have provided. If you would like to save your responses and return at a later time please ensure you press the 'Next' button before exiting the survey.

Please answer the questions to the best of your knowledge, **if following consultation with colleagues you are still unsure about any of the information please tell us why in the comments boxes provided.**

Use the arrow buttons to navigate through this survey and view the type of information we are requesting for you college. On completing the survey please press the 'submit' button on the final page.

We appreciate for some colleges it may currently be too early to be confirm anticipated student numbers for 2012/13, therefore, we would greatly appreciate it if you can provide responses for Part 1 of the survey by Friday 19th October and for Part 2 of the survey by Friday 16th November.

If you have any queries whilst completing this survey please contact Elizabeth Davies at BMG Research on 0121 333 6006 or Elizabeth.davies@bmgresearch.co.uk.

Part 1: 2011/2012

- 1A. ASK ALL
How many Tier 4 international students did the college have registered on courses for the 2011/12 academic year? *Please enter the number into the box provided.*

| | |
|------------------|---|
| NUMERIC RESPONSE | 1 |
|------------------|---|

- 2A. ASK ALL
What was the college's total fee income from Tier 4 international students for the 2011/12 academic year? *Please enter the figure into the box provided or select 'college cannot provide this data'*

| |
|--|
| NUMERIC RESPONSE (£) |
| TICK BOX: College cannot provide this data |

- 2B. ASK IF Q2A=College cannot provide this data
If possible, please can you indicate what the college's total fee income from Tier 4 international students was for the 2011/12 academic year within the following bandings?

| | |
|----------------------------------|----|
| Less than £500 | 1 |
| £500-£999 | 2 |
| £1,000-£4,999 | 3 |
| £5,000-£9,999 | 4 |
| £10,000-£49,999 | 5 |
| £50,000-£99,999 | 6 |
| £100,000-£499,999 | 7 |
| £500,000-£999,999 | 8 |
| £1,000,000-£4,999,999 | 9 |
| £5,000,000-£9,999,999 | 10 |
| £10,000,000 or more | 11 |
| College cannot provide this data | 12 |

- 2C. ASK IF Q2B=12
To inform our understanding of how information relating to Tier 4 international students is held by colleges, please can you describe in the box below why the college is unable to provide this data?

| | |
|-------------------|---|
| OPEN RESPONSE | 1 |
| Prefer not to say | 2 |

Part 2: 2010/11

The following questions relate to Tier 4 activity in the 2010/11 academic year

- 3A. ASK ALL
How many Tier 4 international students did the college have registered on courses in the 2010/11 academic year? *Please enter the number into the box provided*

| | |
|------------------|---|
| NUMERIC RESPONSE | 1 |
|------------------|---|

- 3B. ASK ALL
What was the college's total fee income from Tier 4 international students in the 2010/11 academic year? *Please enter the figure into the box provided or select 'college cannot provide this data'*

| |
|--|
| NUMERIC RESPONSE (£) |
| TICK BOX: College cannot provide this data |

- 3C. ASK IF Q3B= COLLEGE CANNOT PROVIDE THIS DATA
If possible, please can you indicate what the college's total fee income from Tier 4 international students was for the 2010/11 academic year within the following bands?

| | |
|----------------------------------|----|
| Less than £500 | 1 |
| £500-£999 | 2 |
| £1,000-£4,999 | 3 |
| £5,000-£9,999 | 4 |
| £10,000-£49,999 | 5 |
| £50,000-£99,999 | 6 |
| £100,000-£499,999 | 7 |
| £500,000-£999,999 | 8 |
| £1,000,000-£4,999,999 | 9 |
| £5,000,000-£9,999,999 | 10 |
| £10,000,000 or more | 11 |
| College cannot provide this data | 12 |

- 3D. ASK IF Q3C=12
To inform our understanding of how information relating to Tier 4 international students is held by colleges, please can you describe in the box below why the college is unable to provide this data?

| | |
|-------------------|---|
| OPEN RESPONSE | 1 |
| Prefer not to say | 2 |

Part 3: 2012/13

The following questions relate to Tier 4 activity in the 2012/13 academic year

- 4A. ASK ALL
How many Tier 4 international students does the college *anticipate* having registered on courses in the 2012/13 academic year? *Please enter the number into the box provided*

| |
|--|
| NUMERIC RESPONSE |
| TICK BOX: College cannot provide this data |

- 4B. ASK IF Q4A=College cannot provide this data
If possible, please can you indicate how many Tier 4 international students the college *anticipates* having registered on courses in the 2012/13 academic year within the following bandings?

| | |
|----------------------------------|----|
| 5 or less | 1 |
| 6-25 | 2 |
| 26-50 | 3 |
| 51-100 | 4 |
| 101-150 | 5 |
| 151- 200 | 6 |
| 201- 250 | 7 |
| 251 – 500 | 8 |
| 501-1000 | 9 |
| More than 1000 | 10 |
| College cannot provide this data | 11 |

- 4C. ASK ALL
What is the college's *anticipated* total fee income from Tier 4 international students in the 2012/13 academic year? *Please enter the figure into the box provided or select 'college cannot provide this data'*

| |
|--|
| NUMERIC RESPONSE (£) |
| TICK BOX: College cannot provide this data |

- 4D. ASK IF Q4C= COLLEGE CANNOT PROVIDE THS DATA
If possible, please can you indicate what the college's *anticipated* total fee income from Tier 4 international students is in the 2012/13 academic year within the following bands?

| | |
|----------------------------------|----|
| Less than £500 | 1 |
| £500-£999 | 2 |
| £1,000-£4,999 | 3 |
| £5,000-£9,999 | 4 |
| £10,000-£49,999 | 5 |
| £50,000-£99,999 | 6 |
| £100,000-£499,999 | 7 |
| £500,000-£999,999 | 8 |
| £1,000,000-£4,999,999 | 9 |
| £5,000,000-£9,999,999 | 10 |
| £10,000,000 or more | 11 |
| College cannot provide this data | 12 |

- 4E. ASK IF Q4D=12
To inform our understanding of how information relating to Tier 4 international students is held by colleges, please can you describe in the box below why the college is unable to provide this data?

| | |
|-------------------|---|
| OPEN RESPONSE | 1 |
| Prefer not to say | 2 |

- 4F. ASK ALL
How many of the 2012/13 Tier 4 student population do you *anticipate* to have registered on the following levels of study?

| USE FOLLOWING OPTIONS FOR ENGLAND, NORTHERN IRELAND AND WALES | 2012/13 NUMERIC RESPONSE |
|---|--------------------------|
| Level 3 courses (e.g. A levels, GCE in applied subjects, International Baccalaureate, Key Skills level 3, BTEC Awards, Certificates, and Diplomas at level 3, BTEC Nationals, OCR Nationals, NVQs at level 3) IF WELSH COLLEGE INCLUDE: ESW, WKS, Welsh Baccalaureate Qualification Advanced | |
| Level 4 courses (e.g. Certificates of Higher Education, BTEC Professional Diplomas Certificates and Awards, HNCs, NVQs at level 4) IF WELSH COLLEGE INCLUDE: Essential Skills Wales (ESW), Wider Key Skills (WKS) | |
| Level 5 courses (e.g. HNCs and HNDs, Other higher diplomas, HNDs, BTEC Professional Diplomas, Certificates and Awards) | |
| Level 6 courses (e.g. National Diploma in Professional Production Skills, BTEC Advanced Professional Diplomas, Certificates and Awards) | |
| Level 7 courses (e.g. Diploma in Translation, BTEC Advanced Professional Diplomas, Certificates and Awards, NVQs at level 5 in the QCF framework) | |
| Level 8 courses (e.g. specialist awards, Award, Certificate and Diploma in strategic direction) | |
| Short-term Study Abroad programme as part of qualification at an overseas university (as long as the qualification is confirmed as being at the same level as a UK degree by UK NARIC) | |
| English language course at level B2 or above of the Common European Framework of Reference for Languages | |
| Other, please specify | OPEN RESPONSE |
| College cannot provide this data | TICK BOX |

| USE FOLLOWING OPTIONS FOR SCOTLAND | 2012/13 NUMERIC RESPONSE |
|--|--------------------------------|
| Level 6 courses (e.g. <i>Highers, SVQ Level 3, Professional Development Awards, National Progression Awards, National Certificates</i>) | |
| Level 7 courses (e.g. <i>Professional Development Awards, Higher National Certificates, Certificates of Higher Education, (CertHE), SVQ Level 3, Scottish Baccalaureate, Advanced Highers</i>) | |
| Level 8 courses (e.g. <i>Higher National Diplomas, SVQ Level 4, Professional Development Awards, Diplomas of Higher Education (DipHE)</i>) | |
| Level 9 courses (e.g. <i>Bachelor's/Ordinary Degrees, Professional Development Awards, SVQ Level 4, Graduate Diplomas, Graduate Certificates</i>) | |
| Level 10 courses (e.g. <i>Bachelor's Degrees with Honours, Professional Development Awards, Graduate Diplomas, Graduate Certificates</i>) | |
| Level 11 courses (SVQ Level 5, <i>Professional Development Awards, Postgraduate Diplomas, Master's Degrees, Integrated Master's Degrees, Postgraduate Certificates</i>) | |
| Level 12 courses (e.g. <i>Professional Development Awards, Doctoral Degrees</i>) | |
| Short-term Study Abroad programme as part of qualification at an overseas university (as long as the qualification is confirmed as being at the same level as a UK degree by UK NARIC) | |
| English language course at level B2 or above of the Common European Framework of Reference for Languages | |
| Other, please specify | OPEN RESPONSE |
| College cannot provide this data | TICK BOX |

- 4G. ASK IF Q4F= College cannot provide this data
To inform our understanding of how information relating to Tier 4 international students is held by colleges, please can you describe in the box below why the college is unable to provide this data?

| | |
|-------------------|---|
| OPEN RESPONSE | |
| Prefer not to say | 2 |

- 4H. ASK ALL
How many of the 2012/13 Tier 4 student population do you *anticipate* to have registered on the following course types?

| | 2012/13 NUMERIC RESPONSE |
|-----------------------------------|--------------------------------|
| A-levels | |
| Agriculture | |
| Animal Care | |
| Art & Design | |
| Beauty Therapy | |
| Business | |
| Health, Community and Social Care | |
| Catering | |
| Conservation | |
| Construction | |

| | |
|---|------------------|
| Early Years | |
| Education and teaching | |
| Engineering | |
| English language | |
| Floristry | |
| Hairdressing | |
| Horse care | |
| Horticulture | |
| ICT | |
| Law | |
| Media | |
| Motor Vehicle | |
| Music | |
| Performing Arts | |
| Public Services | |
| Retail | |
| Sport | |
| Travel & Tourism | |
| Other (Please specify) | OPEN RESPONSE |
| College cannot provide this information | TICK BOC |

- 4I. ASK IF Q4H= College cannot provide this data
To inform our understanding of how information relating to Tier 4 international students is held by colleges, please can you describe in the box below why the college is unable to provide this data?

| | |
|-------------------|---|
| OPEN RESPONSE | 1 |
| Prefer not to say | 2 |

- 4J. ASK ALL

How many of the college's 2012/13 Tier 4 student population do you *anticipate* to have from the following countries of origin?

| | 2012/13 NUMERIC RESPONSE | | 2012/13 NUMERIC RESPONSE |
|---|--------------------------------|--------------|--------------------------------|
| Algeria | | Mauritania | |
| Bahrain | | Morocco | |
| Bangladesh | | Nepal | |
| Bolivia | | Nigeria | |
| Brazil | | Oman | |
| Canada | | Pakistan | |
| The Caribbean | | Peru | |
| Central Asia | | Philippines | |
| China | | Qatar | |
| Colombia | | Saudi Arabia | |
| Egypt | | South Africa | |
| Ghana | | Sri Lanka | |
| Hong Kong | | Syria | |
| India | | Taiwan | |
| Indonesia | | Tajikistan | |
| Iran | | Thailand | |
| Iraq | | Tunisia | |
| Israel & Occupied Palestinian Territories | | UAE | |

| | | | |
|------------|--|--------------------------------------|---------------|
| Japan | | Uruguay | |
| Jordan | | USA | |
| Kazakhstan | | Uzbekistan | |
| Kuwait | | Venezuela | |
| Kyrgyzstan | | Yemen | |
| Lebanon | | Other Africa (please specify) | OPEN RESPONSE |
| Libya | | Other South America (please specify) | OPEN RESPONSE |
| Magreb | | Other Asia (please specify) | OPEN RESPONSE |
| Malaysia | | Other (please specify) | OPEN RESPONSE |
| Maldives | | College cannot provide this data | TICK BOX |

- 4K. ASK IF Q4J= College cannot provide this data
To inform our understanding of how information relating to Tier 4 international students is held by colleges, please can you describe in the box below why the college is unable to provide this data?

| | |
|-------------------|---|
| OPEN RESPONSE | 1 |
| Prefer not to say | 2 |

Part 4: 2013/14

The following questions relate to Tier 4 activity in the 2013/14 academic year

- 5A. ASK ALL
How many Tier 4 student applications does the college *anticipate* it will have for the forthcoming academic year 2013/14?

| | |
|----------------------------------|---|
| NUMERIC RESPONSE | |
| College cannot provide this data | 2 |

- 5B. ASK IF Q5A=2
If possible, please can you indicate how many Tier 4 student applications the college *anticipates* it will have for the 2013/14 academic year within the following bandings?

| | |
|----------------------------------|----|
| 5 or less | 1 |
| 6-25 | 2 |
| 26-50 | 3 |
| 51-100 | 4 |
| 101-150 | 5 |
| 151- 200 | 6 |
| 201- 250 | 7 |
| 251 – 500 | 8 |
| 501-1000 | 9 |
| More than 1000 | 10 |
| College cannot provide this data | 11 |

- 5C. ASK IF Q5B=10
To inform our understanding of how information relating to Tier 4 international students is held by colleges, please can you describe in the box below why the college is unable to provide this data?

| | |
|---------------|---|
| OPEN RESPONSE | 1 |
|---------------|---|

| | |
|-------------------|---|
| Prefer not to say | 2 |
|-------------------|---|

- 5D. ASK ALL
How many Confirmations of Acceptance to Study (CAS) does the college believe it will be allocated for the forthcoming academic year 2013/14?

| | |
|----------------------------------|---|
| NUMERIC RESPONSE | 1 |
| College cannot provide this data | 2 |

- 5E. ASK IF Q5D=2
If possible, please can you indicate how many Confirmations of Acceptance to Study (CAS) the college believes it will be allocated for the forthcoming academic year 2013/14 within the following bandings?

| | |
|----------------------------------|----|
| 5 or less | 1 |
| 6-25 | 2 |
| 26-50 | 3 |
| 51-100 | 4 |
| 101-150 | 5 |
| 151- 200 | 6 |
| 201- 250 | 7 |
| 251 – 500 | 8 |
| More than 500 | 9 |
| College cannot provide this data | 10 |

IF YOU ARE HAPPY THAT THE INFORMATION YOU HAVE PROVIDED IS ACCURATE TO THE BEST OF YOUR KNOWLEDGE AND YOU ARE NOT WAITING FOR FURTHER INFORMATION OR SIGN-OFF FROM COLLEAGUES PLEASE PRESS 'SUBMIT'

Many thanks for taking the time to complete this form. If you have any queries then please contact Elizabeth Davies on 0121 333 6006 or

Elizabeth.davies@bmgresearch.co.uk

Appendix 4: Case study topic guide

Evaluation of the impact of Tier 4 international students on FE Colleges and the UK economy

Department for Business, Innovation and Skills (BIS)

Researcher notes

The Department for Business, Innovation and Skills (BIS) has commissioned this research to evaluate the impact Tier 4 international students have both to FE colleges and to the wider UK economy. These interviews will explore the wider impacts of Tier 4 students that may not have been captured in the online survey, they will explore:

- FE colleges' views on the benefits and difficulties faced in recruiting Tier 4 students;
- the wider economic and social benefits of recruiting Tier 4 students, as well as the barriers faced by Tier 4 students in coming to study in the UK;
- the impacts of recent policy changes on Tier 4 student numbers and FE college income; and
- the consequences and impacts on college activity (both local and international) and reputational impacts on UK education exports if the participation and income from Tier 4 students were to be restricted.

This interview is to be undertaken in an open-ended way to allow the research to capture information key to the research objectives, whilst reflecting the experiences of the respondent and enabling flexibility to pursue lines of enquiry based on interviewee's responses.

Introduction and background questions

Introduce self and BMG Research; inform the respondent that we have been commissioned by BIS to undertake research to evaluate the impact of Tier 4 international students on FE colleges and the wider UK economy. At this stage we are working with seven colleges to explore the wider impacts of Tier 4 students, the potential impact of recent policy changes and the barriers faced by Tier 4 students in coming to study in the UK. This research will inform BIS's response to Home Office policy development on controlling non-EU migration, particularly student migration.

Interviewer to discuss college anonymity with the lead contact. However, interviewer should stress that the information gathered through this discussion will not be reported at an individual level without permission and individuals will not be identified in final reporting. The discussion will last approx 1 hour.

Seek to record the discussion, reassuring participant about individual confidentiality.

We will start the interview with some questions to understand the activities of the college and your role to get some initial context on the college environment and the nature of involvement with Tier

4 international students. *Where possible interviewer should review the college's online survey submission prior to visiting college.*

1. To start off with, can you please give me an overview of your role and how this relates to Tier 4 international students?
2. How long has the college had Tier 4 international students registered on college courses?
3. Where do the college's Tier 4 students tend to originate from?
4. Approximately what proportion of the college's income comes from Tier 4 international students?

Impact of Tier 4 international students

5. For what reasons did the senior management team decide to recruit Tier 4 international students to study at the college? What did they perceive/expect to be the main benefits of this? *Interviewer to explore reasons e.g. financial; increasing international cooperation; increased social awareness; demand from local employers; and contribution to regeneration or local authority strategy.*
6. What, if any, barriers or challenges were perceived or experienced by the college with regards to recruiting Tier 4 international students? *Interviewer to explore barriers relating to achieving Highly Trusted Status as well as any other area/college specific challenges.*
7. What types of courses do Tier 4 international students tend to register for, why do you think this is? *Interviewer to explore course level and type, does this relate to particular local industry?*
8. What, if any, barriers or challenges have been experienced by Tier 4 international students when coming to study at the college?
9. What support is provided by the college for Tier 4 international students at: 1) pre-application, 2) application, 3) enrolment, 4) whilst studying, and 5) following completion of course? *Interviewer to explore who provides this support and any resource or budget implications this has.*
10. What challenges does this support aim to address? *Interviewer to explore for each type of support.*
11. What do you perceive to be the main economic impacts of recruiting Tier 4 international students? *Interviewer to explore both impacts for the following:*
 - faculties within the college
 - the college as a whole
 - the local economy
 - local employers
 - any wider groups (any national impacts or impacts for specific local groups)

12. What do you perceive to be the main social impacts of recruiting Tier 4 international students? *Interviewer to explore social impacts on the college and the wider community.*
13. In what ways have these impacts benefitted or conversely negatively impacted on the college or community? *Interviewer to explore for each economic and social impact mentioned previously.*
14. Has the college been able to undertake any further projects or activities that it would not have been able to otherwise as a result of recruiting Tier 4 international students? *Interviewer to explore fully.*
15. Have there been any unexpected benefits or challenges as a result of recruiting Tier 4 international students?
16. Overall, what would you say the main value of recruiting Tier 4 international students has been: 1) for the college, 2) for the community, 3) nationally?

Impact of policy change

17. How aware are you of the recent policy changes with regards to Tier 4 students?

Further information – if required:

The Government has introduced changes from April 2011 including the right to refuse entry to students who fail to demonstrate a competent level of English upon arrival at UK ports; and sponsors who do not meet the new requirements as regards educational accreditation and Highly Trusted Sponsor status will be subject to a limit on their allocation of Confirmations of Acceptance for Studies (CAS) until such time as they meet the new requirements.

18. What, if any, changes to the way in which it recruits and works with Tier 4 international students has the college made as a result of the recent policy changes? *Interviewer to fully explore all changes and the reasons for these.*
19. What would the impact have been on the college's recruitment of Tier 4 international students if these changes had not been made following policy changes in April 2011?
20. In what ways have the policy changes impacted on the number of Tier 4 international students recruited by the college since April 2011? *Interviewer to explore the reasons for this.*
21. What has been the impact of the policy changes on the college's income? *Interviewer to explore how any decrease or potential decrease in income has been addressed by the college.*
22. What has been the wider impact of these changes? *Interviewer to explore impact on the college and the local area, in particular any social impacts.*
23. What, if any, additional challenges have Tier 4 international students applying to the college faced as a result of the policy changes? *Interviewer to explore fully.*
24. In what ways, if any, have the policy changes impacted on the nature of the Tier 4 international students recruited (or not recruited)? *Interviewer to explore fully.*

25. In what ways, if any, have the policy changes impacted on the college's commitment to recruiting Tier 4 international students in the future?
26. Has there been any unexpected impacts following the introduction of policy changes in April 2011? What are these?

Potential impact of future policy change

The following questions are aimed at exploring your perceptions of the potential consequence and impacts that further restrictions on participation and income from Tier 4 students would have on college activity (both local and international):

27. What do you think the main challenges would be for the college if there was further restriction on participation and income from Tier 4 students? *Interviewer to explore impacts on both their local and international provision.*
28. In what ways do you believe further restriction on participation and income from Tier 4 students would impact on the college's activity (both local and international)? Why do you think this is? *Interviewer to explore fully for impact on:*
- college finances
 - the local economy
 - the reputation of UK education exports
 - any wider impacts
29. In what ways would the college consider addressing any negative impacts to their institution as a result of further restrictions? *Interviewer to explore fully.*
30. Would the college be able to offer the range of courses or other activities that it currently does if faced with further restrictions to Tier 4 international student numbers or income? *Interviewer to explore fully.*
31. In what ways, if any, would further restrictions to Tier 4 international student numbers or income impact on the college's commitment to recruiting Tier 4 international students in the future? *Interviewer to explore fully.*

Close

32. Thank you very much for your time; is there anything else that you would like to add:
- On the issues we have discussed today?
 - Anything else you wish to feedback to BIS?
33. Do you have any final questions about this research?

Researcher to ensure the interviewee has their contact details if they have any further information to send or have any queries about this research in the future

Thank and close

Appendix 5: Focus group topic guide

Evaluation of the impact of Tier 4 international students on FE Colleges and the UK economy

Department for Business, Innovation and Skills (BIS)

Researcher notes

The Department for Business, Innovation and Skills (BIS) has commissioned this research to explore the impact Tier 4 international students have both to FE colleges and to the wider UK. These discussions will explore the experiences of Tier 4 learners and their motivations for attending colleges and courses in the UK. In particular they will explore:

- the learner's motivations for undertaking and perceptions of the courses and qualifications offered by FE colleges in the UK;
- their experiences of applying for and attending FE colleges in the UK;
- whether their experience of applying to FE colleges in the UK was different to what they had expected or any previous experiences;
- their involvement in college or local activity and the benefits this provides; and
- any future plans to progress to other courses offered by UK learning institutions.

This interview is to be undertaken in an open-ended way to allow the research to capture information key to the research objectives, whilst reflecting the experiences of the respondent and enabling flexibility to pursue lines of enquiry based on interviewee's responses.

Introduction and background questions

Introduce self and BMG Research; inform the respondent that we have been commissioned by BIS to undertake research to evaluate the impact of Tier 4 international students on FE colleges and the wider UK. At this stage we are working with seven colleges to explore the experiences of Tier 4 students.

Interviewer should stress that the information gathered through this discussion will be anonymous. The discussion will last approx 20mins.

Seek to record the discussion, reassuring participant about individual confidentiality.

1. To start off with, can you please confirm your age and country of origin?
2. Can you please tell me about the course you are undertaking? *Interviewer to explore course level, type, duration, any previous courses undertaken in the UK prior to this.*

Motivations of Tier 4 students

3. For what reasons did you choose to undertake the course you are currently studying?
4. What were your reasons for deciding to come to a UK-based college to undertake your studies? What influenced your decision?
5. What do you perceive to be the main benefits of undertaking a qualification in the UK?
6. Did you consider applying to undertake courses at different UK learning institution than your current college? *If yes: For what reason(s) was this?*
7. Did you consider applying to undertake courses at an FE college in another country? *If yes: For what reason(s) was this?*

Experience applying to and attending UK FE colleges

8. In what ways has the college supported you through the different stages of your application and learning experience? *Interviewer to explore application, enrolment, and post-enrolment support.*
9. Are you on a course with other international students or is there a combination of international and UK students?
10. What, if any, challenges or difficulties have you experienced during your application and learning experience? *Interviewer to explore challenges at application, enrolment, and post-enrolment.*
11. Is there any additional support or information that you would have liked or would have been useful to you?
12. Do you have any plans to continue your education in the UK following your completion of your current course of study? Ideally, what type of course or qualification would this be?

Impact of Tier 4 learners

13. What do you perceive to be the main impacts of your studying at the college? *Interviewer to explore:*
 - Impact on their academic achievements
 - Impact on their personal skills
 - Any impact of individuals they have met or worked with
14. Have you been involved with any extracurricular college or local activities since you have been at the college such as volunteering or taking part in cultural events? *Interviewer to explore social impacts on the college and the wider community.*

15. How, if at all, do you think your qualification and experience you have achieved at the college will impact on your future employment and opportunities?

Impact of policy change

How aware are you of the recent policy changes with regards to international learners studying in FE from outside of the EU?

16. In what ways, if at all, did these changes impact upon your experience of applying and enrolling at the college?

17. Did these changes discourage you at all from your application? *Interviewer to explore working hours etc*

18. How, if at all, have these changes impacted on your perceptions of the UK as a place to study? *Interviewer to explore whether they feel that the UK welcomes international students and will continue to do so?*

Close

19. Thank you very much for your time; is there anything else that you would like to add:

- On the issues we have discussed today?
- Anything else you wish to feedback to BIS?

20. Do you have any final questions about this research?

Researcher to ensure the interviewee has their contact details if they have any further information to send or have any queries about this research in the future

Thank and close

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