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Home Secretary

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Professor Alan Manning
Chair of Migration Advisory Committee
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24 August 2017

Dear Professor Manning,

I am writing to commission the Migration Advisory Committee (MAC) to assess the impact of international students in the UK. The text of the commission is attached.

This letter provides you with some context to this commission, which I hope you find helpful. It reflects close collaboration with the Department for Education, which like my Department, clearly has an interest in the outcome of this work.

The Government strongly wishes to continue to attract international students to study in the UK. We recognise that they enhance our educational institutions both financially and culturally; they enrich the experience of domestic students; and they become important ambassadors for the United Kingdom in later life. This is evidenced by the fact that we remain the second most popular destination globally for international higher education students, with four UK universities in the world's top 10 and 16 in the top 100 and international student satisfaction at 91% for undergraduates.

The Government is committed to reducing net migration to sustainable levels. Including students in the net migration target does not act to students' detriment or to the detriment of the education sector. There is no limit on the number of genuine international students which educational institutions in the UK can recruit, and, equally importantly, the Government has consistently made clear that it has no plans to limit any institution's ability to recruit international students. As long as students leave at the end of their studies, they should not be significantly contributing to net migration, and therefore there is no conflict between our commitment to reduce net migration and to attract international students. As Home Office analysis published today shows, it is clear that wide scale reform pursued since 2010 to tackle

immigration abuse in the higher education sector is working, and that students are indeed now very largely compliant with immigration rules.

The Government welcomes the work which the Office for National Statistics (ONS) has been doing to improve the quality of statistics relating to international students. The Digital Economy Act provides a unique opportunity to improve understanding of the migration data and as part of this work the Home Office will be working with the ONS and other Government departments to improve the use of administrative data. This will lead to a greater understanding of how many migrants are in the UK, how long they stay for, and what they are currently doing. The ONS will be publishing an article in September setting out this fuller work plan and the timetable for moving towards this landscape for administrative data usage.

The student migration system we inherited in 2010 was too weak, and open to widespread abuse, damaging the UK's reputation as a provider of world-class education. The National Audit Office reported that in 2009/10 up to 50,000 students may have come to work, not study. Student visa extensions were running at over 100,000 a year, with some serial students renewing their leave repeatedly for many years.

Since then, we have overhauled the student visa route with a package of measures to clamp down on immigration abuse from poor quality institutions selling immigration rather than education: since 2010 more than 920 institutions have been struck off from being sponsors of international students. We have also taken necessary action to make sure that students who want to come to Britain really are students. Those applying must now speak adequate English, be able to support themselves financially, and be sponsored by a genuine college or university. These are important safeguards to help prevent immigration abuse which this Government was right to introduce.

The analysis of [exit checks data](#) published today shows that the overwhelming majority of students whose visa expired in 2016/17 were recorded as having left in-time.

At the same time as overhauling the student route to eradicate previous abuse, we have also maintained a highly competitive offer for genuine international students who would like to study in the UK at our world-class institutions and the visa process remains straightforward. Visa applications sponsored by universities are 17% higher than they were in 2010, 99% of entry clearance applications are decided within the target of 15 days and the grant rate for Tier 4 (General) visa entry clearance applications has increased every year since 2010, with 96 per cent of such applications granted in 2016.

We also have a highly competitive post-study work offer for graduates seeking to undertake skilled work after their studies. There is no limit on the number of students eligible to switch into Tier 2 skilled work and students are exempt from the resident labour market test. Any post-study provisions must strike a

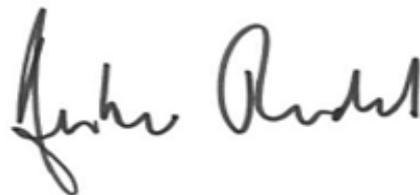
careful balance between providing competitive options for the brightest graduates from around the globe to remain in the UK to work, whilst also maintaining safeguards against the type of widespread abuse that was seen under former post-study work schemes. We therefore have no plans to re-introduce a post-study work route that does not lead to skilled work.

The Tier 4 visa pilot, which was launched a year ago, reflects our ambition to explore whether we could make our offer to international students even more attractive, without increasing the risk of immigration abuse. The pilot aims to simplify the visa application process for international students and help to support students who wish to switch into a work route and take up a graduate role by extending the leave period following the end of their study to up to six months. The pilot is being carefully evaluated and, if successful, could be rolled out more widely.

As we look to leave the EU, the UK will remain open to the talent we need from Europe and the rest of the world, which includes both EU and non-EU students. To help provide certainty for EU students starting courses as we implement the UK's exit (including those who are not currently living in the UK), we have already confirmed that current EU students, and those starting courses at a university or Further Education institution in the 2017/18 and 2018/19 academic years, will continue to be eligible for student support and home fee status for the duration of their course. We will also ensure that these students have a parallel right to remain in the UK to complete their course.

The MAC has never undertaken a full assessment of the impact of international students, and given the new exit checks data, we would like to have an objective assessment of the impact of international students which includes consideration of both EU and non-EU students at all levels of education. This assessment should go beyond the direct impact of students in the form of tuition fees and spending, including consideration of their impact on the labour market and the provision and quality of education provided to domestic students. This should give the Government an improved evidence base for any future decisions whilst the ONS goes through the process of reviewing the contribution it thinks students are making to net migration.

I trust this is helpful in outlining the Government's position. I am grateful to the MAC for taking on this commission and would be grateful if the MAC could report by September 2018. I shall be publishing this letter.

A handwritten signature in black ink, appearing to read 'Amber Rudd', written in a cursive style.

Rt Hon Amber Rudd MP

Annex

MAC Commission on international students

The UK is the second most popular destination in the world for international students. Last year we granted over 200,000 student visas to those wishing to study in the UK. The MAC is asked to evaluate the impact made by international students. In particular, what are the economic and social impacts of international students in the UK? As well as considering the overall impact, this should include advice on the following:

- The impact of tuition fees and other spending by international students on the national, regional, and local economy and on the education sector;
- The economic and social impacts beyond education, including on the labour market, housing, transport and other services, in particular, the role they play in contributing to local economic growth;
- Some breakdown of impacts by type and level of course, and institution;
- The impact the recruitment of international students has on the provision and quality of education provided to domestic students.

The MAC should look at the whole of the UK, including its constituent nations and regions.

The MAC is asked to report by September 2018.