



## 1. Introduction

The twelve West Midlands universities are vital contributors of economic growth and public benefit to our region and their international students bring intellectual, entrepreneurial, financial and cultural value to the universities and to the wider community.

- West Midlands communities benefit from investment by universities in cultural and community facilities made possible by international fees income.
- West Midlands students benefit from an enriched educational experience and cultural capital by being part of diverse, international populations.
- West Midlands businesses benefit from an international perspective and better global relationships.

The net economic impact of international students was worth £1.95 billion to the West Midlands economy in 2015-16<sup>1</sup>. For our universities, fee income from international students is critical to their financial health, allowing them to invest in their estate, in jobs, in courses enjoyed by home students and in cutting-edge teaching and research facilities.

West Midlands universities are operating in an increasingly competitive global market place.

- China and India, our largest non-EU student recruitment markets, have long been investing in their higher education sectors.
- Our universities tell us that higher education institutions in countries such as Australia, Canada, Germany and the Netherlands are increasingly sending out a message to highly mobile international university applicants they too 'want the best' and they want them to stay and make a life in their adopted countries.
- The French President is funding high profile initiatives to tempt international science stars to relocate to France.

In a competitive recruitment market for students, in which other countries are upping their game, there must be a clear welcome from the UK to 'the brightest and the best' and it must be backed by an immigration system that demonstrates this to be real, not rhetoric, and by slick processes that do not discourage our international recruits.

We seek an immigration system that will support the West Midlands global aspirations with the agility to adapt to local needs that catalyse the research, innovation and educational strengths of a region.

We welcome the Migration Advisory Committee's call for evidence and the opportunity to demonstrate the value of international students to the West Midlands.

## 2. Universities role supporting the West Midlands economy

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<sup>1</sup> HEPI, London Economics and Kaplan (2018), The costs and benefits of international students by parliamentary constituency.

Universities West Midlands represents a diverse body of 12 universities, from small to large, from specialist to broad-based, from locally teaching and business focused to world-leading research institutions. Eight of our universities sit within the authorities that constitute the West Midlands Combined Authority and are partners with the combined authority and the elected Mayor in delivering innovation, skills and business growth for the regional economy. The West Midlands Combined Authority Strategic Economic Plan requires our universities, as drivers of innovation, to take on a leading role in the region's economic development. The Midlands Engine has laid out a vision for the Midlands region to look towards the Britain of 2030, and calls on universities as regional partners to transform the provision of skills and education needed to boost productivity and spread prosperity.

To deliver on these ambitions, as we prepare to make the most of the opportunities for a post-Brexit UK and seek to develop a local industrial strategy that is fit for the West Midlands, our region must maintain a global outlook in its leadership, in its businesses and institutions, and in its population.

Our international students come from over 150 countries and can be found across the whole breadth of educational courses with the largest numbers of students found in the subject areas that map to those very same industries that are at the heart of the West Midlands industrial future: engineering and manufacturing, business and professional services. While for some universities specialist areas such as creative arts and design, computer and mathematical sciences and health and life sciences attract large numbers of international students. In other words, our international students are the future innovators, leaders, academic and trading partners that the West Midlands needs to flourish.

### **3. Financial contribution of international students to universities**

International student fees income of over £386 million in 2015-16, 15% of total income to the regions universities, supports areas which are critical to the success of our regional economic prosperity, from the engineers needed by our globally successful advanced manufacturing industries to the creative artists which energise the historic Jewellery Quarter and vibrant musical community of the region's core city.

Universities UK has calculated the benefit of higher education international students to the West Midlands:<sup>2</sup>

- International revenue in the West Midlands amounted to £537 million which, together with the estimated off-campus expenditure of international students and their visitors, represented a total of £1,058 million of export earnings. Overall, international student spending on and off campus was responsible for £904 million of this total.
- International students' off-campus expenditure (£478 million) in the West Midlands generated £544 million of gross output, a £268 million GVA contribution to GDP, and 3,916 full-time equivalent jobs in the region alone.

The University of Birmingham calculates that every eight of its international undergraduates generate £1 million to the economy.<sup>3</sup>

Direct income to our universities from international student fees maintains the financial viability of courses for home students, particularly those that are expensive to run. A number of our universities have told us that their engineering provision relies heavily on international

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<sup>2</sup> Universities UK (2017). The economic impact of universities in 2014-15.

<sup>3</sup> Taken from the University of Birmingham's submission to this consultation.

student fees income while Aston Business School has calculated the value of its international students supports up to 13 of its postgraduate taught programmes.<sup>4</sup>

A recent report found that student fee income, principally from international students, cross-subsidises a deficit in research funding of £3.3 billion across the UK. The report calculates that “on average, over the duration of their degree, each non-EU student contributes over £8,000 to UK research”.<sup>5</sup> In effect, our international students are reducing the burden on the tax-payer of the true costs of maintaining a world-class university sector.

The financial value of international students allows our universities to invest across campus: in upgrading the estate, building new and modern teaching facilities, such as the £100 million transformation of a former brewery into an architecture and built environment super-campus by the University of Wolverhampton which will catalyse economic and social regeneration in the area, and cutting-edge research facilities.<sup>6</sup> The surplus generated by international student fees is allowing the University of Birmingham to commit over £600 million to a five-year capital programme which will benefit both its own future students, research programmes and the community.<sup>7</sup>

We have asked our universities whether international students are a burden to local services. We know that international students now have to make arrangements for any potential medical costs through the visa health surcharge or private insurance. The majority of students live off-campus in private accommodation and accurate data about their impact on local services and communities is difficult to gather. We have heard no evidence that international students are any greater or lesser burden on local services than a home student and it is likely that making a distinction between the two groups is of little value.

#### **4. Universities investment in the community**

The benefits of universities’ investment spreads beyond the campus to the wider West Midlands populations, local and visitor, through a wealth of cultural and community assets. In recent years West Midlands universities have invested in, to name a few:

- Bramall Music Building with its stunning Elgar Concert Hall (University of Birmingham).
- Royal Birmingham Conservatoire (Birmingham City University).
- Hive Library in Worcester, the first joint library build between a university and a local authority (University of Worcester).
- A brand new Sport and Fitness Centre with an Olympic-sized swimming pool (University of Birmingham).
- British Judo Centre of Excellence (University of Wolverhampton).

These and other long-existing jewels across our universities’ estate, such as the Barber Gallery, Warwick Arts Centre, are among the assets that help bring game-changing opportunities like the 2021 City of Culture and 2022 Commonwealth Games to the West Midlands.

#### **5. Value of international students: cultural and social capital for UK students**

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<sup>4</sup> Taken from Aston University’s submission to this consultation.

<sup>5</sup> Higher Education Policy Institute (2017). Cross-subsidies from teaching to research in British Universities.

<sup>6</sup> <https://www.wlv.ac.uk/about-us/developing-our-campus/springfield-campus/>

<sup>7</sup> Taken from University of Birmingham’s submission to this consultation.

Closing the productivity gap is a core challenge for the West Midlands if it is to deliver of inclusive growth across the region. Part of that challenge is to ensure that our students and graduates have the skills, social capital and cultural competence to be work-ready for industries that operate in a global marketplace. Our international students play an invaluable role in developing the social and cultural capital of West Midlands students.

Across all West Midlands universities 40% of home students are from the local area, 34% of home students are from black and ethnic minorities. By becoming members of an international student community, home students are exposed to new perspectives which enhance their social capital.

Research at Aston University shows that tailored interventions aimed at developing intercultural awareness benefits both home and international students. Aston's International Communications workshops ensure that students interact with their peers from other backgrounds and countries with an ethos that integration is a two-way relationship from which both home and international students can learn and grow.

### **Case study - International students providing peer support**

Aston University places a huge value on peer mentoring and brokers more than 2000 mentoring partnerships every year, equating to well over a quarter of the student population. Mentoring partnerships, including those between home and international students, enhance our students' interpersonal skills and intercultural awareness. Developing skills in these areas help ensure Aston graduates are prepared for the world of work. Mentoring is offered from the pre-arrival stage and at every transitional point up until graduation and beyond. Students describe their experience of mentoring another international student as follows:

"Becoming a mentor allowed me to meet many new people and also enhanced my emotional intelligence, team working and listening skills which was good for my personal development and employability."

"Being a mentor has been a great experience and I have learned a lot from it. I have helped to give my mentee a great student experience and developed my own listening and communication skills. There are likenesses to being a mentor and being a supervisor and having this initial experience lets you see where your skills lie and where you need to improve for the future."

International students also play a proactive role in supporting their peers to settle in by taking the role of international student ambassadors. International student ambassadors also have a role to welcome and facilitate successful meetings with incoming international visitors, including potential partners, which is hugely valuable to the University.

The benefits of enhanced social capital are not exclusive to university students, West Midlands' FE Colleges have told us that their international students benefit community cohesion, entrepreneurship, professional development opportunities for local staff, brand recognition for the region, and that the good relationships that are fostered through their

programmes for international students have catalysed opportunities for home students in the local community and with study abroad visits.<sup>8</sup>

## 6. Value of international students: employment and entrepreneurial spirit

The West Midlands boasts fine examples of international students and graduates who have added real value to local businesses through placements and internships, in post-study employment, and setting up their own local enterprises which bring regional assets to international markets.

Though post-study work opportunities are limited for international students, evidence shows that those who do stay in the UK are making valuable contributions to our society and our businesses. A survey by the University of Birmingham found that the majority of its international graduates who are working in the UK are employed in the NHS, in academic and research positions or engineering and business companies.<sup>9</sup>

Employers who have hosted placements for Aston University international students welcome the perspectives these students bring, one company Managing Director saying of one student "...her business acumen and Chinese background have enabled her to explore new markets" and that another "...provided some insights for us into culturally different responses to social media which have altered our practise and added to our bottom line". The following case studies give a flavor of the vibrant small businesses at which the West Midlands excels.

### Case Studies – graduate entrepreneurs

Beibei Wang, a from Shenzhen in China and a graduate of Birmingham Conservatoire, founded the East-West Arts Initiative, which introduces classical musicians to wider audiences, provides a conduit for artists wishing to develop their careers abroad and discovers new markets for UK, European and Chinese musicians. Beibei's successes have taken her performers to the London stage and she was awarded a Tier 1 (Graduate Entrepreneur) visa to set-up and run her business. She says of her time at Birmingham City University "Birmingham Conservatoire is one of the most inspiring institutions I have had the pleasure to be a part of. It has the most friendly atmosphere and I made beautiful memories there. I appreciate Birmingham City University's sincere support to allow me to explore my dream career in the UK."<sup>10</sup>

Chinese undergraduate and postgraduate student Dennis Chen found a perfect home for his passion for antique watches, design and entrepreneurship in the facilities at Birmingham City University. Having successfully applied for a Tier 1 (Graduate Entrepreneur) visa, Dennis set up his company and design studio Blenheim Watch in Birmingham and the company has stockists across the UK.<sup>11</sup>

Indian student Guarav Singhal, another successful Tier 1 (Graduate Entrepreneur) visa recipient and MBA graduate from Aston University, set up Door Ironmongery Ltd (now G Decor Ltd) with the support of the BSEEN network.<sup>12</sup> The business's model applies

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<sup>8</sup> For example, see Dudley College's submission to this consultation.

<sup>9</sup> Taken from University of Birmingham's submission to this consultation.

<sup>10</sup> <http://www.bcu.ac.uk/news-events/news/madama-butterfly>

<sup>11</sup> <http://www.bcu.ac.uk/news-events/news/iconic-wwii-aeroplane-influences-birmingham-watchmaker>

<sup>12</sup> BSEEN (Birmingham Skills for Enterprise and Employability Network) is a partnership of four West Midlands universities which offers start-up support packages for students and graduates.

modern design to traditional manufacturing for which the West Midlands has long been well known, and has plans for expansion into the USA market.

University of Wolverhampton graduate, Agata Wasiewska-Altintzoglou set up her own video production company, AgWa Media, in 2012 in the city. The company provides promotional services both locally and internationally and has undertaken projects across Europe, Asia, and Africa. Agata, a Polish national, was able to benefit from a wide range of support whilst studying, spending a year visiting Spain as part of the Erasmus programme, and a placement opportunity with the BBC. All of which helped Agata succeed and expand her horizons leading to a prominent post at the European Parliament's Press Office in Brussels prior to setting up AgWa Media. She credits her experience of studying in different countries for making her "realise that there is nothing that I cannot do, everything is possible."

## **7. Value of international students: soft power**

A compelling benefit of international students to our universities and to the region is the soft power of the relationships and networks that last a lifetime. West Midlands' universities are educating the next generation of global leaders across industrial and civic spheres, the CEOs who will make transnational trading decisions, and the academics and researchers who become part of international research programmes that tackle global challenges. This soft power does not just happen by accident.

Aston Business School's Professional Development Programme actively enhances the employability of its postgraduate students. By capitalising on the cultural diversity of the student population the programme it helps develop the transferrable skills and develop intercultural competencies required for a global jobs market.

Coventry University's internationalisation strategy creates global graduates by enhancing employability and by creating an international experience for students. Coventry University is well placed to understand how to generate the best value from international students with over 14,000 students taught on its transnational programmes around the world, the university is ranked first in the UK for international student experience.<sup>13</sup> Student mobility, both inwards and outwards, is enhanced by the university's Centre for Global Engagement which promotes international experience for students and staff and contributes to improving employability and language learning for non-EU students.<sup>14</sup>

### **Case studies – soft power**

Ismail Olow graduated from undergraduate and postgraduate degrees at Birmingham City University. He was recently appointed to the role of Director General of the Ministry of Humanitarian Affairs and Disaster Management in his home country, Somalia, he says this of his role and his time at university: "Keen to transfer my knowledge and share experiences to help my country get back on its feet, I became involved in lots of public speaking and engagement opportunities, forging networks among academic colleagues, business leaders, government officials and members of the public. Coupled with the skills

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<sup>13</sup> Economic and Social Impact of Coventry University Group. Coventry University. Not publically available at the time of writing.

<sup>14</sup> Ibid.

I acquired studying at Birmingham City University, these interactions prepared me for the challenges I now face in my new government role."<sup>15</sup>

Mutaru Muqthar is a truly inspirational Masters graduate from Coventry University who was named as 'African of the Year' in 2017 for his work against terrorism. He went on to become a Mandela Washington Fellow, flagship program of President Obama's Young African Leaders Initiative. After returning to Ghana, Mutaru set up the West African Centre for Counter-Extremism, an independent organisation focussed on security and counter terrorism research to support national and regional strategy and policy.

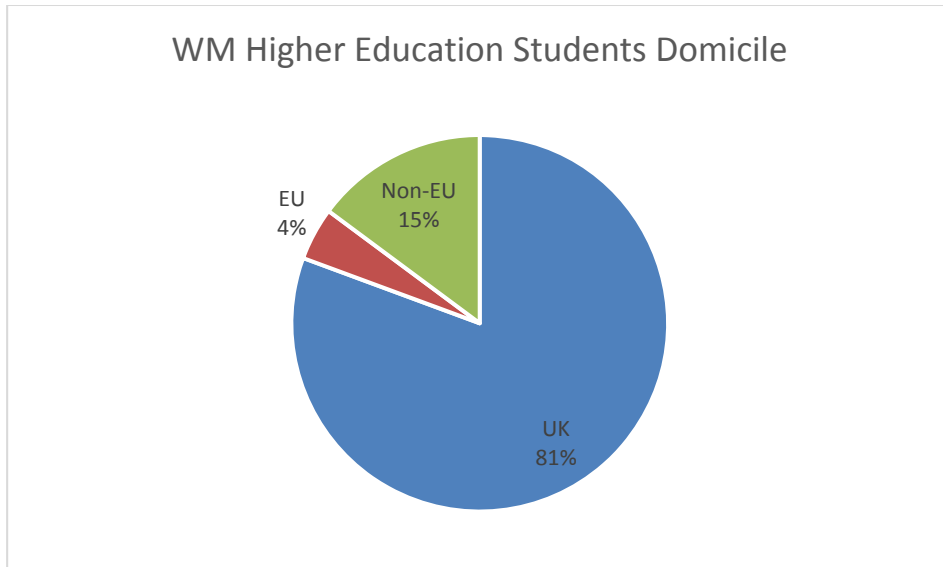
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<sup>15</sup> <http://www.bcu.ac.uk/news-events/news/student-secures-government-role>

**Annex: International and EU Student numbers**

In 2015/16, there were a total of 33,250 International and EU students in West Midlands universities, equivalent to nearly 21% of the student population.

Across the 12 West Midlands universities, **tuition fees from international (non-EU) students raised income of over £386 million.**



Non-UK HE students	2011/12	2012/13	2013/14	2014/15	2015/16
EU	21,590	21,330	22,970	24,080	25,345
International	8,015	7,380	7,305	7,260	7,905
Total	29,605	28,710	30,275	31,340	33,250

