

## FURTHER INFORMATION FOR THE NATIONAL ASSEMBLY FOR WALES FINANCE COMMITTEE

### Student Data: Cross-border Flows

The Committee asked for further information on the cross-border flows of undergraduate students in 2012/13 and how much Welsh funding will flow into English universities as a result of the student support policy.

It should be noted that robust institution-specific data on student recruitment of 2012/13 is not yet available so we have used more general UCAS data to provide figures on cross-border flows and to estimate costs. Robust institutional data will become available over the next few weeks and we would be able to provide a more in-depth analysis of Cardiff University's recruitment in 2012/13 by mid-November.

UCAS data on student acceptances published on 14 September 2012 (four weeks after the release of GCE A level results) shows the following:

	2012/13	2011/12	% Difference
Welsh domiciled students accepting a place in an English university	12,835	13,903	-8%
Welsh domiciled students accepting a place in a Welsh university	11,233	11,489	-2%
English domiciled students accepting a place in a Welsh university	9,525	12,501	-24%
EU domiciled students accepting a place in a Welsh university	787	808	-3%

On the basis of these figures, and assuming the maximum tuition fee of £9,000 per student, the following estimations have been made:

- Approximately £69.6M of funding will flow from Wales into English universities in 2012/13 to cover first year undergraduate Welsh domiciled students' tuition fees;
- The tuition fee grant for first year undergraduate Welsh domiciled students studying in Welsh universities will cost approximately £60.9M in 2012/13;
- The tuition fee grant for first year undergraduate EU domiciled students studying in Welsh universities will cost approximately £4.3M in 2012/13;
- English domiciled students studying in Welsh universities will bring approximately £85.7M into Welsh universities in terms of tuition fee income in 2012/13.

### The Economic Impact of International and EU Students in Wales

Oxford Economics produced a report, in March 2011, for the Wales International Consortium, Higher Education Wales and the Higher Education Funding Council for Wales on the economic impact of international and EU student in Wales (which is attached).

The report found that, in total, Wales' international and EU students contributed £237 million to Wales' GDP. This is equivalent to 0.5% of the Welsh economy – a larger share than agriculture, and on a par with Cardiff's hotel and restaurant sector – and supported 9,230 jobs in Wales. The rest of the UK also benefited from Wales's international and EU

students, with UK-based supply chains generating a further £57 million contribution to UK GDP, and supporting an additional 1,910 jobs.

In the 2009/10 academic year, 19,050 students from outside the UK studied at universities in Wales. While studying, these students contributed to both the Welsh and UK economies through the fees they paid for tuition, their spending on day-to-day items, and the spending of their friends and family visiting Wales whilst they were studying. The report estimated that:

- The 19,050 international and EU students studying in Wales in 2009/10 paid £110 million in university tuition fees in 2009/10. This generated a value-added contribution of almost £140 million to Wales's economy, and a further £20 million contribution to the rest of the UK economy.
- International and EU students spent almost £130 million on living costs in 2009/10. This spending led to a value-added contribution of £79 million to Wales's GDP, and a further £32 million to the rest of the UK economy.
- Visiting friends and family spent £23 million while in Wales, generating £20 million of value-added for the Welsh economy. The rest of the UK benefited from these visitors to the tune of a £5.4 million contribution to GDP.

It was also found that the contribution of international and EU students did not end when they completed their studies. International and EU alumni can and do continue to make important contributions to the Welsh economy through a variety of channels.

A survey conducted for this study indicated that 15% of international and EU alumni had been involved in starting a business (of which 5% were located in Wales). This also suggests that Wales's strong performance in the 2008/09 Higher Education – Business and Community Interaction Survey, which saw Wales account for 10% of all UK graduate business start-ups, could be heavily influenced by its international and EU alumni.

The survey also found that:

- 22% of respondents still imported or purchased Welsh products for their own personal use.
- each international and EU alumnus living in Wales receives on average 3 visitors a year, contributing £500 to Wales GDP per alumnus per year.
- 60% of alumni living outside of Wales were 'very likely' to return to Wales for a holiday; another 30% said they were 'likely' to return.
- 89% of all alumni said they were at least 'likely' to promote Wales as a tourist destination to acquaintances.
- 59% of survey participants reported that they were 'very likely' to encourage others to go to university in Wales.