

Learner Outcomes and Employability

Question 1: What are the potential challenges to learner success and employability post-Brexit, and what is and could be done to meet these?

Mobility of our graduates could be affected, since there will be barriers to employment in EU countries. The 'four freedoms' of the EU include the right to live and work across EU countries, with recognition of each other's qualifications and seamless access to each other's healthcare systems and other benefits. In several major population centres across the EU such as Amsterdam there are multinational corporations which currently employ significant numbers of native English speakers, and this may not be as straightforward in the future (for instance, UK nationals may lose out to Irish nationals).

Clearly there are concerns about a slowdown of the economy, which has already happened since the referendum. It remains to be seen what the longer term impact will be on the economy post Brexit, depending on whether there are sensible transition arrangements and to what extent access to the single market of the EU can be safeguarded. This will have a knock-on effect on graduate employability prospects. In addition, it is possible that the mix of economic sectors may change; in NE Wales there are several advanced manufacturing companies which are part of supply chains that operate across borders within the EU; if this becomes overly complicated other solutions will be sought by these companies. I have heard people expressing the expectation that the supply chain will be 'brought home', i.e. fully relocated to the UK and create new employment – this would clearly only happen if the majority of the customer base is also in the UK. Sadly, I do not believe that is the case for many of the multinational businesses operating in our region.

To what extent would loss of the EU Erasmus+ mobility scheme impact on the sector and what are the opportunities for alternative schemes?

Student exchange programmes will be affected. For instance, our School of Creative Arts attracts a number of Erasmus students every year and they contribute a great deal to the learning experience of our domestic students. It is particularly the creative industries where multicultural and multilingual influences can really enrich the curriculum and support community engagement activity; for instance, we currently have Welsh, English, Polish, Greek and Spanish arts students collaborating on an Erasmus-funded project "Alien", in conjunction with Ty Pawb and the Enterprise Hub in regenerated parts of Wrexham town centre.

IF the UK chooses not to participate in Erasmus+ as a third country and pay a contribution, a solution to loss of access to Erasmus+ schemes could be bilateral agreements with partner universities for 'closed pocket' arrangements (no fees charged for exchange programmes). However, with our profile as a widening participation university, our students would need support grants and have their travelling expenses covered. This would require alternative public funding.

Financial Sustainability and Investment

What potential challenges might Brexit pose to the financial sustainability of FE and HE institutions?

Loss of EU enrolments; already, our applications from EU markets are down by approximately 30% compared with 17/18. Given the demographic downturn and the strong competition in the sector, it is unlikely that this shortfall will be made up by UK students.

It is possible that negative perceptions of Brexit, and doubts whether the UK is still a welcoming place for international students, are playing a part. It is acknowledged that several government departments and the British Council, as well as UUK and Universities Wales, are attempting to counteract these negative perceptions and support the universities with their marketing efforts.

Specifically for Welsh universities and our communication with prospective EU students or partners, we have discovered that there is a huge challenge in explaining the tuition fee increase associated with the implementation of Diamond for 2018/19, which gets conflated with Brexit even though there is no connection. The reality is that in the space of 3 years we will have three different funding regimes for EU students as follows:

- a) 2017/18 cohort: Welsh/EU students pay £4296 tuition fee, with access to the SLC.
- b) 2018/19 cohort: Welsh/EU students pay £9K tuition fee, with access to the SLC.
- c) 2019/20 cohort: Welsh/EU students will pay £9K tuition fee, but EU students will no longer have access to the SLC so will have to pay their full fees upfront.

It is extremely unlikely that there will be many EU students from 2019/20 who will be attracted to come and study here on that basis, and this will cause huge damage to the sustainability of many university programmes, which in turn will reduce the choices available to domestic students. For instance, 50% of the final year of some of our Engineering programmes is currently made up of intake from a German group of colleges on an articulation route and this partnership is in serious jeopardy.

We would advocate continued access for EU students to the SLC, possibly on a targeted scholarship basis, on the grounds that the wider positive impact on the economy brought by international students would far exceed the potential cost of such a scheme.

How dependent are HE investment plans on EU funding and what are the alternatives?

There is an indirect but significant link between the perceived risks posed by Brexit to the sector and appetite from lenders to support capital investment. Downgrades of some of the elite universities by Moody has hit the headlines, but

it must be understood that there is an impact on all institutions which has not been publicised. For instance, loans and other financing arrangements are now being offered to universities across the 'league table' spectrum at less attractive rates (if at all), e.g. by a couple of percentage points.

Obviously, the concern is that there will be overcapacity in student accommodation or teaching space due to falling enrolments, and universities unable to service their capital debt.

Research and Innovation Funding and Collaboration

To what extent do FE and HE institutions rely on future EU research and innovation funding?

Currently, we avail of significant EU funding streams for initiatives such as Go Wales, WEFO projects, the Youth Enterprise Scheme and the North Wales Business Academy (the latter two are joint FE-HE projects). Much of this work has a strong regional focus and is embedded with partners such as the Regional Skills Partnerships, PSBs, local authorities and schools, and of course industry partners. We would expect that similar funding will be available post- Brexit under the UK Shared Prosperity Fund, so that this valuable work can continue.

What might be done to safeguard EU research collaborations and networks?

Personal relationships will be important, such as between individual academics and institutional leaders. However, at the system level this must be backed up by funding. The best possible scenario, short of Brexit not proceeding, would be for the UK to opt into the future equivalents of Horizon 2020 and the FP programmes as a third country member.