

Colleges Scotland Briefing – Impact of Brexit

This briefing provides an initial overview of the most significant ways in which colleges relate to the European Union (EU) and the other EU countries. Since the UK has been part of the EU for over forty years, the relationships and impacts are both deep and extensive. Colleges Scotland will be developing more detailed analyses of these issues and working up options for different approaches that might be taken.

This briefing is divided into the following sections:

- Income from the European Union
- Students from other European countries
- Other current major European-funded projects
- Staff in colleges.

Income from European Union

There are two main college projects which are significantly funded by the European Union and which make up the bulk of college income derived from the European Union:

- Developing Scotland's Workforce (DSW), within which there is transitional funding for the Highlands and Islands; and
- Youth Employment Initiative (YEI).

£M	2015-16	2016-17	2017-18
YEI	8.7	9.3	9.9
DSW	2.9	4.3	5.2
Total	11.6	13.6	15.1
SFC Match	8.4	10.1	11.3

The funding provides additional student places of around 63,000 credits (4,200 Full-time Equivalent (FTE) students). YEI is very significant for Glasgow (around £4.1m) and Lanarkshire (around £3m).

Students from other European Union Countries

The number of students attending further education colleges who are from other EU countries is set out in the table below. Whilst small in number, these are still significant for the relevant colleges.

	2012-13	2013-14	2014-15
FTEs	234	240	131

The Status of, and Tuition Fees for, Students from Other EU Countries

Most immediately, there is some uncertainty about the status of students from other European countries who are due to commence their studies in the autumn. Since the formal process for the UK to leave the EU has not yet commenced, it is thought likely that they will be able to start their courses as planned. However, this situation needs to be clarified urgently.

In relation to students currently in the system, until the UK leaves the EU, EU students can rely on current arrangements. Therefore, undergraduate students entering their third or later years in 2016/17 should be able to complete their studies with their current fee status. It may also be the case that all current students could rely on rights 'acquired' before the termination of the treaty. Also, when taking account of the framework for the UK's future relationship with the EU, the EU/European Parliament may seek to specify that any EU-students already enrolled at the time of the UK's departure from the EU would be covered by some form of transitional arrangements that would mean they could complete their course on the same basis in terms of fees as when they first enrolled. Furthermore, a new relationship between the UK and the EU might include membership of the EEA with a requirement for free movement and therefore fee status could be protected.

Other Current Major European-funded Projects

Erasmus

1,600 Scots go abroad to European countries with Erasmus every year. Erasmus is an EU student exchange programme and the single largest source of funding for Scottish/UK students wanting to study or work abroad.

Numbers of Scottish students taking up opportunities for outward mobility through Erasmus are going up. They have increased by 50% over the last seven years. The opportunity for student exchange within Europe enriches the learning experience, enhances employability and promotes greater understanding and respect of different people and cultures.

Capital Projects

Our capital programme in the last 10 years or so invested approximately £500m in the college sector towards a total of about £1bn. Typically European Regional Development Fund (ERDF) funding for a college capital project would be about 20-25%, but considerably higher in the more deprived areas like Lanarkshire and Glasgow. So a conservative estimate would be approximately £200-250m of European funding has been provided towards historic capital projects.

Staff in Colleges

Further and higher education has benefitted from freedom of movement as a result of membership of the EU. The UK has benefitted from access to a pool of international talent and ease of travel has provided opportunities for collaboration and business development.

Looking ahead, there is a question of whether any negotiated settlement would, like Norway's, allow continued participation in programmes like Erasmus+ for our students to be able to study abroad, and to facilitate EU students to continue to study in the UK.

In a global labour market, colleges will still want to hire the best talent to teach and work in our institutions. Post-referendum immigration policy will need to consider safeguards to permit hiring of the strongest possible talent for UK positions. Providing new and additional safeguards to protect a withdrawal of EU talent from the UK may also be needed, including a similar exemption for other skilled educators and highly-skilled staff.

Colleges Scotland
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