

**The House of Lords European Union Committee:
Social Policies and Consumer Protection Sub-Committee**

**Inquiry into the Modernisation of Higher Education in Europe:
the EU Contribution**

Evidence from the Russell Group of Universities

1. Introduction

- 1.1 The Russell Group is pleased to have the opportunity to contribute evidence to the Sub-Committee's inquiry. The topic of the EU contribution to the modernisation of higher education in Europe is important to the UK's higher education sector, students and the economy, and to European ambitions for growth and jobs.

2. The Russell Group and Europe

- 2.1 The Russell Group is an association of 20 major UK research-intensive universities.¹ Russell Group universities are highly involved in Europe, with 33,000 non-UK EU students (22% of the UK's undergraduate students and 55% of the UK's PhD students from the rest of the EU) and over 14,000 EU staff (46% of UK higher education staff and 70% of research-only staff from the rest of the EU).² Our universities also contribute significantly to the UK's success in securing EU research and innovation funding: 13 of the top 50 higher education recipients of Framework Programme 7 funding, and all the UK institutions in the top 50, are Russell Group universities.³
- 2.2 Russell Group universities are leading contributors to Europe's strengths in higher education and research. They are world-class and globally connected collaborators for many European research partners. The combination of teaching and research excellence in Russell Group universities creates an ideal learning environment for students and the next generation of researchers from across the EU and beyond.

3. Context

- 3.1 Within the EU, the main responsibility for higher education rests with member states and with universities themselves. We note that the Committee's inquiry will not address domestic higher education issues. However, the contribution of EU proposals to growth and the international competitiveness of the EU and UK through our leading universities needs to be understood within the context of domestic policy and funding

¹ For more information about the Russell Group see www.russellgroup.ac.uk

² Higher Education Statistics Agency 2009-10.

³ Fourth FP7 Monitoring Report 2010, published August 2011.

and the increasingly global higher education environment. Russell Group academics collaborate daily with researchers around the world and thousands of students benefit each year from exchanges to and from our universities. Russell Group universities are engaged in partnerships for education and research with universities and public research institutions across the globe and attract international investment from multi-national research-intensive companies. But Russell Group universities face increasing international competition from China, India and other European countries. Countries like the US, China, France and Germany are investing massively in their best institutions. It is vital to the UK that our institutions are able to stay competitive.

- 3.2 However, it is also worth noting that the best institutions in the rest of the EU are increasingly competing as well as collaborating with our universities in attracting international students and research prestige. Other governments are actively promoting international student recruitment. France and Germany in particular are increasing resources and concentrating them in a small number of their institutions to enable them to compete with the best in the world.⁴
- 3.3 The Commission has set out a number of key issues for member states and higher education institutions, including the quality and relevance of higher education, mobility, and linking higher education, research and business for excellence and development.⁵ Russell Group institutions are recognised as world-leaders in many of these areas and may provide positive models for the modernisation of higher education in other parts of the EU.
- (a) They are all highly international, with 84,000 non-EU students and nearly 13,000 non-EU staff.
 - (b) Russell Group universities work hard to ensure that they continue to have high levels of student satisfaction and the lowest drop-out rates.⁶
 - (c) Russell Group graduates are highly sought after by employers around the world, with an approximate average wage premium of up to 10% for a graduate from a Russell Group university compared to a graduate from a modern university in the UK.
 - (d) They work extensively with industry and public services. With just 12% of all UK higher education institutions in the Russell Group, we generate 68% of all business and charity income in the UK sector.
 - (e) Our universities are committed to ensuring that every student with the qualifications, potential and determination to succeed at a Russell Group university has the chance to do so. We spend millions on financial support and outreach activities aimed at widening access to our universities.⁷

⁴ The German Government is implementing an 'Excellence Initiative' to make Germany a more attractive research location and increase its international competitiveness by focussing attention on a small number of outstanding universities. The initiative will invest €2.5bn over 2012-17, in addition to €1.9bn already invested. The French higher education sector is benefiting significantly from their stimulus spending plan, and will receive €7.7bn through an "Excellence Initiative" (IDEX). Ten campuses will be created, bringing together France's leading institutions to compete with the best universities in the world. France's Budget for 2012 is set to increase higher education funding by 2.5% (€373m). In the same year universities will benefit from €167m additional investment as part of a €5bn "operation campus" to invest in the top university campuses.

⁵ Supporting growth and jobs – an agenda for the modernisation of Europe's higher education systems, 2011, September 2011.

⁶ The average drop-out rate for Russell Group universities is 4.2%, compared with the UK sector average of 7.9%.

⁷ In 2009-10 alone English Russell Group universities spent £82.2 million of their extra fee income on bursaries. By 2015-16 Russell Group universities in England plan to spend £153.7million of their additional fee income on financial support for students. This represents an average per institution of £9.6million with some of our universities spending as much as £17million. Overall, this amounts to over £5.9million more per institution than the sector average of £3.7million.

- 3.4 There are many aspects of the EU's policy recommendations with which we would agree. For example, the Commission highlights the importance of institutional autonomy and reducing restrictions in order to enhance the effectiveness of public investment in universities. It also notes the need for diversity, with not every institution able to compete for world-class research ranking, and the importance of an environment with critical mass and research excellence in doctoral training. Other EU member states have understandably chosen to concentrate their resources in leading institutions in order to compete with the best universities globally. World-class universities, with their heavy concentration of brainpower, established excellence, and the sheer numbers and facilities to achieve global impact, are best placed to attract investment by leading global companies.
- 3.5 The continued success and ability of Russell Group institutions to engage fruitfully with Europe will be important to achieving the ambitions of Europe 2020, growth and jobs. EU and UK policy makers should champion the role of leading research-intensive universities in contributing to the further development of EU proposals and the Bologna process.

4. Europe 2020

- 4.1 From the Russell Group's perspective, EU intervention in higher education has contributed most to growth and jobs where it has provided resources to support the mobility of students and through targeted funding for research on the basis of excellence. To help higher education most effectively contribute to the strategic objectives of growth and innovation, the EU should increase these targeted resources.

5. Bologna process and European Higher Education Area

- 5.1 The EU adds most value through its support for mobility, for example through Erasmus and through the Marie Curie actions, which supports mobile researchers. We welcome the Commission's proposal that such funding should increase under Education Europe.
- 5.2 It is essential that the Bologna process should remain separate from and complementary to the EU's policy development. The notable achievements through the Bologna process have been achieved because it is a voluntary agreement of many nations, including non-EU participants; member states rightly have the competency over education. It will be important that the consolidation of the Bologna process maintains flexibility to accommodate the wide range of qualifications and HE systems operating across the EHEA and the autonomy of higher education institutions.
- 5.3 The UK's representatives will need to pay close attention to the perception of UK's one year second cycle (Masters) qualifications in Europe, and make clear that their value is demonstrated by learning outcomes and quality alongside hours and workload. Improved mutual understanding of the nature of PhDs in different countries could also help wider collaboration and international experience – PhDs are broadly treated as research students in the UK, whereas in other countries they are treated as academic staff. However, doctoral education itself should not be over regulated. The focus should remain on the outcome of the advancement of knowledge through research.

6. Funding instruments

- 6.1 The pursuit of excellence in research funding arrangements under Horizon 2020 will be a vital investment in Europe's economic and social future. We strongly support EU ambitions for smart growth through an increased proportion of EU funding dedicated to research, education and innovation, which should place a higher priority on funding for the very best frontier research and the next generation of mobile researchers. Investment in basic, curiosity-driven research is essential, to drive economic growth and innovation across the EU, and funding from the European Research Council should be increased to reflect this priority. Russell Group universities have been some of the most active contributors in the development of research and innovation in Europe through the current Framework Programme, especially the Ideas (ERC) and People (Marie Curie actions) elements. These programmes are particularly welcome to institutions such as ours because they support basic research and focus on excellence at a European level.
- 6.2 The effectiveness of the EU's overall contribution could be enhanced by a greater use of Cohesion funding to support learning, research and innovation. This could help to develop new connections and centres of excellence across Europe's nations and regions. Horizon 2020 and Education Europe will add most value by focussing on excellence in allocating limited resources rather than geographic cohesion.

7. Targets and League Table

- 7.1 The Committee has asked for views on the EU's target for 40% of young people to be completing higher education by 2020. Ultimately, whether or not such a target is desirable depends on whether national higher education systems are able to ensure high standards and sustain a quality learning and student experience for an increased number of students. In some contexts, including the UK, where the HE participation rate is already close to 40%, maintaining quality is more important than increasing overall student numbers. Expansion of participation at the expense of quality may not deliver the economic and social benefits that the EU is seeking.
- 7.2 The Committee has also invited views on the 'U-Multirank' tool. Transparent and robust data about higher education is undeniably important to students, researchers, and other stakeholders and some Russell Group universities have participated in the piloting of U-Multirank. However, ranking universities is fraught with difficulties and we have many concerns about the accuracy of any ranking. It is very difficult to capture fully in numerical terms the performance of universities and their contribution to knowledge, to the world economy and to society.⁸ Making meaningful comparisons of universities both within, and across, national borders is a tough and complex challenge, not least because of issues relating to the robustness and comparability of data. The fact that an individual institution can fare quite differently in the various league tables illustrates these problems very clearly. League tables which rely on data provided by individual universities also generate additional burden and costs for institutions wishing to participate. For these reasons, it is questionable whether investing in another ranking system is the best use of the EC's resources.

⁸ A European University Association report (*Global University Rankings and their Impact*, 2011) and a European Commission report (*Assessing Europe's University-based research*, 2010) express serious doubts about the feasibility of comparing universities, and an earlier report by HEFCE (*Counting what is measured or measuring what counts?* 2008) found that constraints on available data mean that league tables tend to simply 'count what can be measured rather than measuring what counts'.

8. Mobility

- 8.1 The mobility of students and researchers, for part or all of a programme of study or research, is highly valuable to the individual and the institutions and countries that participate. The Commission's proposal to increase EU resources through Education Europe and Horizon 2020 to support the costs of mobility for students and funding for early career researchers is welcome. European mobility and Marie Curie funding in particular provide very valuable support to our universities' efforts to continue to increase their global engagement and to provide students and young researchers with an excellent, truly international education, which prepares them best to contribute to the economic and cultural prosperity of the EU and beyond.
- 8.2 The combination of teaching and research excellence in Russell Group universities creates an ideal learning environment, and attracts many EU students, both for full programmes, and on exchange schemes. With the recent changes in the fees and funding arrangements for undergraduate students in the UK, it will be important that appropriate policies are put in place for incoming Erasmus students to ensure that our institutions are able to continue to welcome such students in the future.⁹
- 8.3 Postgraduate education is a great opportunity and a good investment for many students. Postgraduates will be increasingly important for the EU to create a more skilled and highly qualified workforce and drive growth in the economy. Taught postgraduate study empowers people of all ages to gain additional skills and knowledge to give them an edge in an increasingly competitive jobs market but also to provide the innovation and knowledge which is vital in a 21st century economy. It can also lead the way to postgraduate research which develops highly valued skills, is usually required for a research career, and often involves being a vital member of a team producing ground-breaking research. Attracting the brightest postgraduates from around the world is a critical priority for Russell Group universities, because these students bring a huge range of benefits to our universities, and also to the wider UK and EU economy.
- 8.4 The Commission is exploring the possibility of a European-wide Masters loan guarantee scheme. We have not yet seen the details of how such a scheme might operate, and therefore at this stage it is difficult to form a clear view as to the potential benefits. Whether the guarantee could significantly increase mobility would depend on the terms and level of loans available and how they complement member states' provision domestically. In principle, however, increasing financial support for postgraduate students is something we do see as a priority. In the UK, borrowing to fund postgraduate study is not as easy as accessing student loans for undergraduate study. We have raised concerns that financial considerations could increasingly deter talented home and EU students from pursuing postgraduate study.¹⁰
- 8.5 We support the EU's call in the Principles on Innovative Doctoral Training, for research excellence and "an attractive institutional environment with critical mass". We have recently welcomed HEFCE's recognition that support for home and EU postgraduate research should be prioritised and funding better targeted towards excellent provision.

⁹ Currently, the funding councils provide universities with Erasmus fee compensation for incoming Erasmus students who do not pay fees in the UK. This funding is currently under review.

¹⁰ Russell Group response to consultation on the Government's White Paper, *Students at the Heart of the System*, September 2011.

9. International dimension

- 9.1 Higher education is one of the UK's most successful export industries and this should be celebrated and supported. The Commission recommends urgently addressing problems in obtaining visas to study and work to enhance Europe's attractiveness. This reflects our advice to the UK Government, that if we are to maintain our place as a global leader in higher education, immigration policies must not prevent universities from attracting the best staff and students from outside the EU.
- 9.2 Research and higher education are increasingly international activities. Russell Group universities benefit from numerous partnerships in research and teaching with institutions around the world. The scale and diversity of these links is huge, ranging from links between individual academics to overseas campuses and large-scale research and education partnerships. Such collaborations support staff and student mobility and exchange, and enhance excellence in higher education and research for the benefit of students and communities in the UK and beyond.
- 9.3 The Council and Commission propose designing a strategy for the internationalisation of higher education, working with member states, and including both EU and national level dimensions. It is not yet clear what such a strategy might entail, or how it might be developed. The EU already provides welcome support for cooperation with non-EU higher education systems, notably through programmes such as TEMPUS and Erasmus Mundus. International collaborations add most value when the partners themselves select the institutions, researchers and organisations with which they wish to cooperate. We would be very concerned to ensure that any common EU strategy for the internationalisation of higher education adds benefit to, and certainly does not impede, the international activities and partnerships of institutions such as ours which are already highly internationalised.

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