Brexit White Paper: Summary



Following the conference at Chequers, the Government has published its <u>White Paper</u>, detailing their new vision of Brexit.

Key announcements for the Heritage Sector include the proposal for 'Cooperative Accords' in 5 areas, which would provide strategic approaches to continued cooperation between the UK and the EU. The proposed 'Accords' include 'Culture and Education' and 'Science and Innovation'.

On 'Culture and Education', they wish to see an accord that:

- 'a. provides for UK participation in EU programmes, and allows UK institutions to be partners, associates, or advisers to EU projects and vice versa;
- b. facilitates continued UK membership of EU cultural groups and networks;
- c. supports the restitution of cultural objects where these have been unlawfully removed; and
- d. allows for the temporary movement of goods for major events.'

Within this, they have stated that they are interested in participating in the successor scheme to Erasmus+, as well as continued involvement in Creative Europe. The Government also recognised that 'The UK is a world leader in cultural protection' and suggested a continued affiliation with the 'cultural object restitution regime system' to underpin efforts to limit unlawful trading of cultural objects. Moreover, the Government acknowledged that 'The temporary movement of goods and equipment is a priority for cultural, creative and sports sectors', specifically referencing 'objects and collections loaned between museums'.

On **'Science and Innovation'**, the Government states that 'The UK will continue to be an open and tolerant nation, and will want to continue to attract the brightest and best, from the EU and elsewhere.' They envision an accord, therefore, that:

- 'a. provides for UK participation in EU research funding programmes;
- b. enables continued cooperation through joint participation in networks, infrastructure, policies and agencies which are to the UK's and the EU's joint benefit; and
- c. establishes channels for regular dialogue between regulators, researchers and experts.'

Within this, the Government states that 'the UK wishes to explore possible associations in research and innovation programmes, including Horizon Europe' and that any accord should 'allow the UK and the EU to discuss and agree the UK's participation in other programmes in the future'. The Government also expresses a desire to participate in policies and networks 'which benefit businesses, researchers, citizens and patients' and highlights the need for 'regular dialogue'.

If achieved, these culture and education, and science and innovation cooperative accords will be good news for the Heritage sector, provided that heritage (which spans both of these) is included squarely in both and not inadvertently lost between the two. Heritage must be included in the definitions of culture and science.

A key commitment in these accords should be for the UK to, at the very least, match existing EU funding for culture and heritage. Heritage focused or related projects received a minimum of £450m in EU funding in the period from 2007-2016, and this is likely to be an underestimate. This EU funding currently comes from CAP Funding, Horizon 2020/ Research Funding, Regional Development Funding and a number of other sources set out in this paper. Horizon2020 is very important for heritage science research and collaboration; it and its predecessor schemes have invested significant sums of money in transnational historic environment research. This research has delivered positive outcomes for heritage science and also helped us understand and develop community engagement in heritage. The UK should buy into Horizon2020 and other funds including Creative Europe, Erasmus +, ESIF etc... in the future.

The European Regional Development Fund is an important source of match funding for heritage projects, particularly in former industrial and urban areas in need of regeneration. With loss of this funding we risk a disproportionate impact from Brexit on deprived areas, and additional damage as this funding at present levers in funding from other sources, particularly the HLF. We don't (yet) have an accurate figure for the amount invested in heritage projects over the last ten years but we know that it is substantial and certainly well in excess of the £56m that we have been able to identify thus far. Government should consider how to make equivalent resources available post-withdrawal, delivered in a focussed and efficient way. Heritage should be a key component in the UK Shared Prosperity Fund.

Other sources of funding benefit museums, cultural and academic institutions aside from the specific ones mentioned here. These may not come up in heritage calculations such as the Euclid report, so figures are always likely to be an under rather than over-estimation. These other important funds shouldn't be forgotten. Other important funding includes larger infrastructure flood relief, small business and household resilience funding.

The Cultural Accord will require decisions such as a reversal of a <u>bar the UK from involvement in the European City of Culture</u>. Furthermore, as the recent case of Egyptian academics being refused visas to attend a conference has highlighted it is not only challenges around the movement of goods and collections in the future but also people - which are vital to the ongoing success of the sector in relation to culture and education. Having visas based on arbitrary salary levels is inappropriate for a highly skilled but low paid sector.

Further detail on this area can be seen in the paper Heritage and Brexit here.

Other important points from the paper include a proposal for a free trade area for goods, which would include a new 'Facilitated Customs Arrangement', to remove the need for checks and controls, the elimination of tariffs, quotas and routine requirements for rules of origin for goods, and common rulebooks for manufactured goods and agriculture, food and fisheries products. To ensure that new declarations and border checks are not needed, the government proposes cross-border procedures for VAT and Excise.

We support the proposal for a free trade area of goods.

Materials: Hydraulic limes are imported from EU countries in small amounts but it is an important material when required. Many timber products are imported from EU countries, as are some brick and stone products and some clay plasters. If tariffs are charged prices will rise, but the level of impact will depend on the terms of our withdrawal from the EU.

Equipment: Very little scientific equipment or consumables are produced in the UK. Well over half the spend is non UK as many things are not available here – so the potential here is for costs to rise dramatically.

On the **ending of the Free Movement of People,** the Government is proposing making 'reciprocal mobility arrangements' with the EU in a number of areas. They hope that any new framework will support businesses, allow citizens to travel freely, without a visa, for tourism and temporary business activity, facilitate mobility for students and young people, be streamlined but secure, as well as provide for other defined mobility provisions.

Within this, the Government has proposed 'reciprocal visa-free travel arrangement' to allow UK and Eu citizens to travel freely for tourism and for short term business reasons. The report also states the UK will discuss how to support the temporary movement of scientists and researchers, service employees and investors.

The Government has also suggested a 'UK-EU youth mobility scheme', to allow young people to continue to benefit socially, culturally and educationally from living, studying and visiting each other's countries. Within this, Government stated that it wished to see the continuation of cultural exchanges, mentioning Erasmus+.

The paper proposes a system for the 'mutual recognition of professional qualifications'. The Government proposals outline a system that covers the same range of professionals as the 'Mutual Recognition of Qualifications Directive', includes those operating across borders, is 'predictable and proportionate' in its assessment of qualifications and 'provides transparency'.

There are significant numbers of non-UK EU citizens that work in the heritage sector in England in a variety of capacities, and also UK companies and citizens who work in heritage in other EU countries. This two-way exchange of expertise and labour is extremely important to the sector. If a visa system were developed in the future, it would need to work both ways. Exemptions for accredited experts and academics in the field should be considered. A system that required a salary-based visa system would be damaging for our highly-skilled and low-paid sector. (See the second section of this briefing in relation to the damaging Migration Advisory Committee proposals in this area).

We will continue to need to draw on skilled labour from EU countries. Developing training measures and apprenticeships within the UK is another way to meet this need but this would require both a commitment to investment and time for the skills to be developed. It is important that archaeology, which is recognised as a construction skill, is included in the definition of construction for the purposes of the Shortage Occupation List and that heritage skills also join the List in future. Archaeological and other specialist heritage projects that do not constitute permanent employment should be included in the definition of short-term business activity as it is developed.

We need an appropriate system in place to ensure that mutual recognition of heritage qualifications can be achieved. A system to facilitate the temporary mobility of scientists and researchers is to be welcomed.

Free movement of archaeologists and other heritage specialists across the Irish Border is of particular importance as cross-border working is the norm.

Proposals to allow citizens to travel freely without a visa for tourism and temporary business activity is to be welcomed. Heritage tourism generates around £16.4bn per annum.

Further detail and evidence on the movement of heritage workers is set out in this paper.

On the **Common Agricultural Policy** and the **Common Fisheries Policy**, the Government states clearly that the UK will leave these two agreements. The paper states that the replacement for CAP will seek to 'deliver improved environmental outcomes' and that the UK is still committed to working with our neighbours to maintain 'the wider marine environment'.

The Government, in the Executive Summary, proposes 'new independent policies to support framing and fishing communities' as well as using the Shared Prosperity Fund to 'spark a new wave of regeneration in the UK's towns and cities'.

More generally, the Government supports a commitment to 'high regulatory environmental standards' and to 'maintaining high standards on climate change'. The paper suggests that both the EU and the UK commit to a 'non-regression of environmental standards'.

We support the principle of non-regression of environmental standards and welcome the Agriculture Bill's references to cultural heritage. Further detail on the specifics of our approach to public money for public goods and the future of heritage protection as part of the successor to CAP can be read here.

Our paper on Heritage and Brexit also goes into detail on environmental standards. For heritage, the crucial measures for retention are Environmental Impact Assessment (EIA) and Strategic Environmental Assessment (SEA). These derive from an EU Directive and are not formally set out in UK primary legislation. They are implemented through regulations and policy, which could make them vulnerable, particularly in the longer term and we need to ensure that this does not happen. Any potential future EIA review should ensure that EIAs are not restructured to more closely follow an 'ecosystem services' approach. This approach would not provide adequate consideration of the historic environment. EIAs and SEAs are key to ensuring that the impact of development proposals on the historic environment are considered at an early stage of the planning process. This enables schemes to be designed in a way that mitigates adverse heritage impacts and draws inspiration from the archaeological and historic character of the area where development is taking place. EIA and SEA also help to prevent environmental issues being identified only at a late stage of the planning process, causing uncertainty and costly delays.

The Fisheries Bill provides an opportunity to address not only fishing heritage but the broader maritime heritage of UK coasts and seas, including some unhelpful attributes of EU environmental regulation in the marine sphere. In particular, the Bill presents an opportunity to recalibrate definitions of the marine environment that currently ignore the human, cultural and historic dimension of the seas around us. The principal request of the Heritage Alliance with respect to the Fisheries Bill is that it defines the marine environment to encompass cultural heritage rather than excluding it. Our paper on Heritage and the Marine Environment is here.

On **State Aid**, the UK proposes committing to a common rulebook, monitored and enforced in the UK by the Competition and Markets Authority (CMA).

When we leave the EU, there may be an opportunity for relaxations on state aid. We also need to ensure that the current heritage exemption is not lost in any discussions. Potential future changes to the VAT regime, although not covered in this White Paper, present an important opportunity to rectify the perverse disparity between the VAT charged on new build versus repair and maintenance.

The Paper also proposes an **Air Transport Agreement**, to maintain 'reciprocal liberalised aviation access' between the UK and the EU.

The Government has also suggested **data protection arrangements** that support 'the continued exchange and protection of personal data between the UK and the EU'.

In addition, on the question of **Intellectual Property**, the paper recognises the importance of IP, and states that it intends to explore staying in the Unified Patent Court and the unitary patent system after Brexit. It states clearly that any cooperative arrangements on IP would provide protections for rights holders, 'giving them a confident and secure basis from which to operate in and between the UK and the EU'.

Other important announcements include avoiding a hard border between Ireland and Northern Ireland and special status for Irish citizens.

Free movement of archaeologists and other heritage specialists across the Irish Border is of particular importance as cross-border working is the norm. We support the proposal of no hard border.

Implications of the Migration Advisory Committee's final report on EEA migration in the UK

The Heritage Alliance

3 October 2018

Analysis of the <u>recent report</u> from the Migration Advisory Committee released on 18th September has highlighted significant concerns for the heritage sector's ability to access skilled and seasonal workers following our departure from the EU. While the terms of a final deal (or no deal) with the EU cannot be predicted, the report puts forward a number of policy recommendations for the Government. Those most relevant to the heritage sector are below.

The Heritage Alliance had submitted detailed <u>evidence</u> to the committee but despite the size and significance of our sector, there is no reference to the impacts of their proposals on our predominantly highly skilled but low paid heritage sector in the final report. The MAC's recommendations, if adopted, would bring in a £30k minimum salary for visas. We also understand that if there is high demand, this cap could also rise. Our research shows that this £30k level would exclude many essential professional skilled roles in areas such as conservation, archaeology and academia. We have skills gaps in this country and these are filled by colleagues from abroad (mainly Europe). These skills gaps would require time and investment from Government to plug. If we are unable to fill these roles major infrastructure and conservation projects will be jeopardised. If reciprocally our experts cannot travel, we will lose our edge as world leading experts. Our international report explores this in more detail.

Key findings of our research include:

- 22% of respondents have a workforce comprised of over 60% of non-UK EU nationals;
- if a salary level of £30,000 were required as minimum for a visa for EU nationals, over half of respondents report that over 50% of the jobs in their organization would not meet this criterion;
- 46 % say that this salary requirement would affect over 60% of their job roles.

The MAC Recommendations:

Proposal 1. General principle behind migration policy changes should be to make it easier for higher-skilled workers to migrate to the UK than lower-skilled workers.

MAC takes a cross-economy approach rather than a sector-by-sector approach which does not cater to the unique challenges found within the heritage sector. While a skills-based approach may initially appear beneficial, the issue of salary thresholds (discussed below) would be prohibitive for many in the sector.

The wording of paragraph 7.2 "the UK may therefore be able to trade-off some preferential access for EU citizens to the UK in return for benefits in other areas of the negotiations, such as trade" would imply migration policy is being used simply a bargaining chip.

Proposal 4. Tier 2 (General) to be open to all jobs at RQF3 and above. Shortage Occupation List will be fully reviewed in our next report in response to the SOL Commission.

It is important that archaeology, which is recognised as a construction skill, is included in the definition of construction for the purposes of the Shortage Occupation List and that heritage skills also join the List in future. However, the MAC report notes in paragraph 7.44 that if, "the Tier 2 cap and RLMT are abolished two of the main advantages of being on the SOL would disappear." Moreover, the inclusion of an occupation in the SOL would only be possible, "as long as they meet an appropriate salary threshold" (Paragraph 7.45). Our point about salaries therefore becomes even more important.

Proposal 5. Maintain existing salary thresholds for all migrants in Tier 2

The Tier 2 system in general is primarily set up with multinational corporations in mind to move employees into the UK. As such, this system does not easily map on to the domestic heritage sector which is made up of many small organisations, businesses and charities. If the current salary thresholds of £30,000 and £20,800 for new entrants (a term which has not yet been fully explained in the paper) are to be maintained then this will almost certainly prevent many EEA heritage workers coming to the UK. Traditionally we have significantly more EEA workers than from elsewhere in the world. The fundamental issue with the MAC's proposals is that it fails to appreciate that skill and salary do not equate in all sectors, especially heritage.

Proposal 10. For lower-skilled workers avoid Sector-Based Schemes (with the potential exception of a Seasonal Agricultural Workers scheme)

Though 'lower-skilled' work is not as critical to the heritage sector in areas such as conservation and archaeology there is a question about how skill is defined, furthermore the mention of seasonal agricultural work is important for two reasons. Firstly, much of the skills exchange between the UK and EEA is done on a project by project basis which means such work is either seasonal and/or temporary. A Historic Houses survey showed that 25% of their members indicated that they employed 5 or more EU nationals in the businesses on their properties, some of which will be for seasonal tourism. Secondly, with the MAC seeing potential for the Seasonal Agricultural Workers scheme to continue as an exemption may suggest the viability of a similar scheme for seasonal heritage and tourism workers. It is unreasonable for the MAC to arbitrarily limit the potential for sector-based schemes without analysing the need in respective sectors. We would welcome a potential for such schemes to be explored.

Overall, the proposals within the MAC report suggest a highly negative impact on heritage related migration from the EEA to the UK. There would appear to be a distinct lack of appreciation that skill and salary are not always proportional which is especially true in the heritage sector. The proposal to lower the skills requirement from RQF 6 (Degree equivalent) to RQF 3 (A-level equivalent) while still maintaining a £30,000 salary threshold seems both paradoxical and short sighted. Illustrative figures from archaeology demonstrate this clearly as a wider issue:

- Education levels: 93% hold Bachelor degrees (RQF 6), 47% Masters, 20% PhD (RQF-9);
- Average salary: £27,814 (2012/13 data);
- Median salary: £26,000.

Clarity is also needed on whether apprentices would be students or workers. In mobile heritage it is common for people to come from EU to train on the job as, for instance, boat-builders, who certainly would not reach the specified wage threshold. With the introduction of Heritage Apprenticeships in UK which may not have been replicated elsewhere, the flow may well increase.

We consider it crucial that some form of exemption is applied for heritage workers along the lines of the seasonal agricultural scheme, or exemptions from a salary threshold as with teachers and wonder whether a good solution might be to apply exemptions for those sectors captured by the cooperative accords. Heritage should be squarely included in both the culture and education, and science and innovation accords and perhaps this might provide a clear way through a salary issue which affects many of our cultural and creative colleagues.

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Full Brexit Briefing: http://www.theheritagealliance.org.uk/tha-

website/wpcontent/uploads/2017/07/Brexit-and-Heritage-Briefing-FINAL-with-Royal-Society-

Report.pdf