# **Heritage and Immigration**

#### November 2020

The Heritage Alliance is England's coalition of independent heritage interests. We unite more than 150 organisations which together have over seven million members, volunteers, trustees and staff. We sit on the Government's Heritage Council and on the sector's Historic Environment Forum.

# The Heritage Alliance

5-11 Lavington Street, London SE1 ONZ

T: 0207 233 0700 F: 0207 233 0700 policy@theheritagealliance.org.uk

On 31 January 2020, the UK left the European Union. At the end of the transition period, the UK Government will end free movement between the EU and the UK, and institute a new Australian-style points-based immigration system.

The two-way exchange of expertise and labour between the EU and the UK is extremely important to the heritage sector. The heritage sector will be greatly affected by restrictions on skilled EU workers entering the UK. Heritage organisations and companies rely upon skilled EU labour and, while the sector invests in domestic training and retention programmes as much as possible, we need EU staff to supplement current demand. In light of the Covid-19 crisis, the financial capacity of the sector to train new skilled labour is diminished further. The new visa system should recognise the demand for these specialist skills and contribute additional 'points' to the Points-Based System to recognise this. This briefing sets out how the new immigration system can maximise the productivity of the heritage sector.

#### **Contents**

- 1. Why Does Thinking About Heritage In Relation To Immigration Matter?
- 2. Our Progress So Far
- 3. Key Challenges & Recommendations To Government
- 4. Background & Key Data
- 5. Highly Skilled Labour Tier 1 Visas
- 6. Unsponsored Route Visa
- 7. Skilled Labour Tier 2 Visas
- 8. Required Minimum Salaries
- 9. Specific Heritage Concerns
- 10. Student Visas Tier 4
- 11. Short Term Visas Tier 5
- 12. <u>Seasonal Labour</u>
- 13. Skills Exchange
- 14. Academic Research & Funding
- 15. Cost of the Points-Based System to Employers and Employees

# Why Does Thinking About Heritage In Relation To Immigration Matter?

- The historic environment is geographically diverse, providing the opportunity to level up all
  parts of the UK by spreading the benefits of skills, jobs, investment, in both rural and urban
  environments.
- Heritage creates economic value through skills and products exchange as well as through its contribution to inbound tourism.
- Heritage is not a barrier to growth. Regeneration that embraces our nation's unique character drives positive economic and environmental outcomes.
- Our collaboration with EU Member States has provided huge **cultural and societal benefits**, and our sector must continue to flourish.
- There are **shortages of heritage skills** in the UK. Arrangements are needed to ensure continued access to key skills from other parts of the world.

# **Our Progress So Far**

In our 2019 Immigration Briefing, we highlighted some of the key issues with access to labour from across the EU post-Brexit. We stressed the need for skilled archaeologists from across the continent, and we are pleased that the Migration Advisory Committee's recommendation for archaeology to be added to the Shortage Occupation List has been taken up by the Government. We are also pleased that the Government has made a Graduate Visa available since our last briefing. Elsewhere, we have produced an updated version of our Brexit briefing, which considers the opportunities our new future relationship with the EU will bring, as well as more specific briefings on the Fisheries, Agriculture, and Environment Bills. The new immigration system should allow the UK to export its expertise and, where necessary, import skills from the EEA where they are not available in the UK.

# **Key Challenges & Recommendations To Government**

| Challenge  | Recommendation(s)  |
|--|--|
| A shortage of UK heritage experts and academics and a decrease in skilled EU workers would mean a huge loss of knowledge and expertise for the heritage sector.      | The Government commits to supporting training and apprenticeships specific to the heritage sector in the UK recognising that the financial capacity of the sector to train new skilled labour has particularly been affected by COVID-19.  Accredited and talented heritage experts and academics are welcomed to the UK through a balanced and fair immigration system. |
| The lack of flexibility in the current points-<br>based system will disadvantage freelancers,<br>who form a third of the creative industries<br>workforce in the UK. | The Government works with the creative and cultural sectors to ensure that a wide range of professional qualifications and creative skill sets are accounted for through the points awarded in the unsponsored route.  |
| The lengthy application processes for researchers to obtain visas is off-putting and can delay crucial work.   | The Government provides swift access to visas for researchers, or the research equivalent of a diplomatic passport.  |

| Many tourism-based heritage organisations rely on some form of foreign seasonal staff, with a significant amount of them from the EU.   | The Government should create easy access to simple short-term visas for overseas professionals doing short-term placements of work in the UK.  |
|---|--|
| Many EU students come to the UK to train in heritage skills and later become valuable assets to our sector's workforce. The rise in EU student fees to international fees will mean a loss of EU university students.                                   | We ask for continued support from the Government for EU students seeking to train in heritage in the UK and we welcome the Government's new Graduate Visa which provides the opportunity for these students to remain in the UK after their degree and contribute to the UK heritage sector.                                       |
| Significant costs of hiring non-UK labour causes barriers to entry for sufficiently skilled workers and hits SMEs the hardest.  | Review and address the multiple hidden costs associated with the new immigration system, including the Immigration Skills Charge, sponsorship certificate costs, health surcharge and licence fees.  |
| Required minimum salaries do not account for the fact that in the heritage sector high skill levels do not always translate into high pay.  | Construction-related occupations facing high demand, including heritage craft and building skills (e.g. stonemasonry), should be placed on the UK Shortage Occupation List.  The Government should create exemptions for heritage occupations where designated 'appropriate rates' are below the general minimum salary threshold. |
| We face a shortage of academic and expert research skills, as well as shortages of expertise in conservation, traditional craft and archaeology.  A new immigration system threatens the export of our heritage expertise across the EU, and the world. | The creation of a Skills Exchange programme, allowing experts to come to the UK bringing their essential heritage skills, in exchange for the movement of UK experts into other countries, sharing our knowledge and cultural capital.   |

# **Background & Key Data**

Under the new skilled worker system, anyone coming to the UK to work will need to demonstrate that they have a job offer from a Home Office licensed sponsor, the job offer is at the required skill level – RQF 3 or above (A Level and equivalent), and they speak English to the required standard. Job offers must meet the applicable minimum salary threshold set by the Government - either £25,600 or the specific salary requirement for the individual's occupation (known as the 'going rate').

All applicants will be able to trade characteristics, such as their qualifications, against a lower salary to get the required number of points. If the job offer is less than the minimum salary requirement, but no less than £20,480, an applicant may still be eligible if they have a job offer in a specific shortage

occupation, a PhD relevant to the job or a PhD in a STEM subject relevant to the job. This could minimise some of the negative impacts on the heritage sector, although as has been shown below in the archaeology sector an entrant trainee's salary is set below this amount at £20,000.

The latest MAC report from January 2020 sets some key recommendations for the new points-based system, many of these recommendations have been accepted by the Government which is evident in the February 2020 policy paper and are detailed below for each visa route. Some of these recommendations help mitigate negative impacts on the heritage sector, but there is still more that can be done.

Between 2018 and the beginning of March 2019, The Heritage Alliance carried out a brief survey to add to the evidence we already hold on how immigration restrictions might affect the heritage sector. 66 organisational responses were received, which highlighted rather starkly the potentially damaging effect of a visa regime based on salary levels as recommended by the Migration Advisory Committee. Respondents were from both inside and outside the Heritage Alliance's membership and ranged from local groups and businesses through to charities, and commercial units to museums and national organisations. Most responses came from buildings, architecture and archaeology. The major findings include:

- Nearly 29% of respondents employ over 20% of non-UK EU nationals;
- Over 15% of respondents employ over 50% non-UK EU nationals. Respondents also noted that they employ additional EU nationals as subcontractors;
- In contrast to the figures for EU nationals, 83% of respondents employ less than 10% non-UK nationals from **outside** the EU;
- Well over 50% of respondents say that a restriction on access to EU workers would negatively affect their organisation. One respondent noted that posts in their organisation might have otherwise remained unfilled;
- Nearly three-quarters of respondents anticipate their workload increasing in the future, exacerbating an existing skills gap, with half of the respondents believing that the UK does not have enough labour at present to meet this increased need without access to EU nationals.
- Some respondents working in Museums and Conservation said that the loss of skilled EU
  workers would mean a huge loss of knowledge and expertise. They also noted that it
  would take extra time and money to train new members of staff from scratch, which
  would put a huge strain on already limited resources for small organisations.
- Many tourism-based heritage organisations rely on some form of foreign seasonal staff.
   An ONS report published in August 2019 showed that c.16% of workers in the tourism industry are non-UK nationals and of them, 64% are EU nationals. In London, the percentage of EU nationals is higher, reaching nearly one in every five workers.
- A recent provisional Historic Houses survey showed that 25% of their members indicated that they employed five or more EU nationals in the businesses on their properties. For over 17% of respondents to their survey, seasonal workers made up 10-40% of their total workforce in peak seasons.

A further survey carried out by The Heritage Alliance in June 2019 collected an additional 17 responses. The major findings include:

- The sectors that are more likely to be affected by restricted movement of people between the UK and the EU are, in the opinion and experience of the respondents, Archaeology (c.63% of responses), Building conservation (c.36%), Heritage advocacy and education (c.27%).
- The average salary for the main occupation in the surveyed organisations is £25,700. While this is above the £25,600 general minimum salary threshold, a significant number of employees earn below this level.

- Specific skill gaps were identified particularly in the archaeological sector, where trainees are
  often paid below the absolute minimum salary threshold of £20,480. The sector also employs
  temporary workers and large infrastructure projects can have a high rate of migrant labour to
  supplement the UK workforce.
- More than half of the respondents indicated interest in a Tier 1 Visa to attract employees/workers. One of the respondents suggested using, for the archaeological sector, the grades of accreditation set by the Chartered Institute for Archaeologists (CIfA).

A report by <u>CEBR for Historic England</u> on skills needs in the heritage sector (April 2019) came to the following conclusions:

- In 2016, it is estimated that 14,593 employees in the Heritage Sector were EU nationals. This represents around 7.4% of the total heritage workforce.
- An estimated 48% of heritage firms that attempted to recruit non-UK nationals to fill hard-to-fill vacancies considered solely EU nationals. Only 6% considered solely non-EU nationals.

# **Highly Skilled Labour – Tier 1 Visas**

The Tier 1 Visa has been changed. It is now a Global Talent visa for talented and promising individuals in specific sectors wishing to work in the UK. The MAC report from <u>January 2020</u> recommended reforms to a Tier 1 (Exceptional Talent) visa which would require 'no job offer, to focus more on those with exceptional promise than an established track record'. The <u>global talent scheme</u> aims to deliver this recommendation and will be opened up to EU, EEA and Swiss citizens in 2021. This will allow highly-skilled individuals in science, humanities, engineering, the arts (including film, fashion design and architecture) and digital technology to come to the UK without a job offer. Applicants must be endorsed by a recognised UK body, such as The Royal Society or Arts Council England, as approved by the Home Office. A Tier 1 Visa currently does not exist for the heritage sector, but the Government should consider this option in the future.

#### **Unsponsored Route Visa**

The Home Office has also announced in its Policy Paper published in February 2020 that a broader unsponsored route will be created in addition to the points-based system, though more information on this is set to come out in the coming year. The route will not open on 1 January 2021 but a pilot is planned in 2022. The Home Office has said that this route would be capped and monitored carefully during its implementation phase.

The Government outlined in its February policy paper that it will not be creating a dedicated visa route for self-employed people. Instead freelance workers are encouraged to apply through this new unsponsored route and the <u>innovator route</u>. We advise that the Government works with the creative and cultural sectors to ensure that a wide range of professional qualifications and creative skill sets are accounted for through the points awarded in the Unsponsored Route. It is vital that freelancers, forming a third of the creative industries workforce in the UK, can be attracted to the UK to ensure the future talent pipeline and growth of the creative and cultural sectors.

#### Skilled Labour – Tier 2 Visas

The government will implement 'tradeable points' to the skilled workers visa (Tier 2). The graph below illustrates what counts as a tradeable characteristic, and a total of 70 points is required to be eligible to apply.

| Characteristics   | Mandatory/Tradeable | Points |
|---|---------------------|--------|
| Offer of job by approved sponsor                          | Mandatory           | 20     |
| Job at appropriate skill level                            | Mandatory           | 20     |
| Speaks English at required level                          | Mandatory           | 10     |
| Salary of £20,480 to £23,039 or at least 80% of the       | Tradeable           | 0      |
| going rate for the profession (whichever is higher)       |                     |        |
| Salary of £23,040 to £25,599 or at least 90% of the       | Tradeable           | 10     |
| going rate for the profession (whichever is higher)       |                     |        |
| Salary of £25,600 or above or at least the going rate for | Tradeable           | 20     |
| the profession (whichever is higher)                      |                     |        |
| Job in a shortage occupation as designated by the         | Tradeable           | 20     |
| Migration Advisory Committee                              |                     |        |
| Education qualification: PhD in a subject relevant to the | Tradeable           | 10     |
| job   |                     |        |
| Education qualification: PhD in a STEM subject relevant   | Tradeable           | 20     |
| to the job  |                     |        |

#### **Required Minimum Salaries**

The requirement that migrants will need to be paid the higher of either the specific salary threshold for their occupation, known as the 'going rate', or the general salary threshold of £25,600 is highly problematic for many heritage organisations that rely on the labour of non-UK nationals. In <a href="mailto:lmmigration Rules Appendix J">lmmigration Rules Appendix J</a> it is acknowledged that the 'going rate' for many heritage jobs is lower than £25,600.

Therefore, the current appropriate salary threshold for many heritage professionals prevents the recruitment of international talent in many essential lower-paid roles. If highly-skilled but poorly-paid roles are not included in the Shortage Occupation List, such as specialist craftspeople and conservators, these essential roles will become much harder to fill.

# **Specific Heritage Concerns**

#### Archaeology

- The Chartered Institute for Archaeologists (CIfA) and the Migration Advisory Committee (MAC) highlight that shortages reveal generally that wages are below market-clearing levels, which makes the Government's new lower salary thresholds¹ an issue as it perpetuates the shortage of labour. In the short term, these lower thresholds are helpful at preventing delays to construction and infrastructure projects, yet longer term solutions need to take into account this problem. CIfA is helping to establish employer-based training programmes, apprenticeships and vocational training schemes in order to continue developing the UK's strength in archaeological markets.²
- EEA workers make up 13% of the archaeological workforce and the Government's emphasis
  on 'Build, Build, Build' and planning reform will further increase the demand for
  archaeological services. CIfA emphasised the need to create a visa system which will
  recognise the current high demand for archaeological labour. We welcome archaeology

<sup>&</sup>lt;sup>1</sup> A reduced salary cap (£25,600) threshold and the 30% lower requirement for new entrants (£20,480).

<sup>&</sup>lt;sup>2</sup> See CIfA's full Archaeology and Immigration Briefing for more detail.

being added to the Shortage Occupation List. Further policies that CIfA supports can be found <u>here</u>.

• There is some concern over UK archaeologists accessing EU labour markets where they are often seen as leaders. This will need to be monitored further as the UK-EU deal is finalised.

#### Construction

- Data from the Migrant Labour Force within the UK's Construction Industry report revealed that non-UK nationals accounted for 13% of workers in the UK's construction of buildings sub-sector: 8% were born in EU countries (excluding the UK). In London and the South East, the percentage of the workforce made up of EU nationals is considerably higher. Given the severity of the skills shortages we already face, the retention of these workers is a critical concern for the industry. £7.1bn³ in GVA was generated by heritage-related construction activities in England in 2018. Further developing training measures and apprenticeships within the UK is another way to help meet this need, but this would require both a commitment to investment and time for the skills to be developed. Construction, including heritage craft skills, should be placed on the UK Shortage Occupation List alongside archaeology. The jobs that we highlighted in our response to the MAC Review of the Shortage Occupation List are set out in the Annex to our previous briefing found here.
- Historic/traditional (pre-1919) buildings require a labour force with traditional skills. English Heritage, Historic Scotland and Construction Industry Training Board's Skills Needs Analysis shows that the 2012 spend on traditional buildings in England was £3.8billion, down from £5.3 billion in 2008. In addition, since 2007 the workforce required to undertake work on traditional (pre-1919) buildings to meet demand has ranged from about 85,000 to 110,000, with a significant proportion of this skills gap related to contractors using traditional materials<sup>4</sup>. There is an ageing demographic in the traditional heritage skills workforce. Difficulty in accessing EU labour in the future will cause delays and cost issues. Further developing training measures and apprenticeships within the UK is another way to help meet this need, but this would require both a commitment to investment and time for the skills to be developed.

# Conservation

- The Home Office has set the 'appropriate salary' levels for conservation jobs at £21,000 for new entrants, and £24,900 for experienced workers. This is below the £25,600 salary threshold for Tier 2 visa applications, which means that many professional conservators would not qualify for enough points under the new immigration system to work in the UK. This is a concern as this skilled field relies heavily on the labour of non-UK nationals. In the case of one Heritage Alliance member, all six of their recent specialist painting restorers were Italian; professionals with conservation skills are plentiful in Italy, where fewer jobs are available and the UK benefits from this surplus.
- The inability to source conservators from the EU could create skills shortages in conservation and exacerbate existing ones, which have been reported in specialist areas including the

<sup>&</sup>lt;sup>3</sup> This figure only includes SICs directly pertaining to construction and specialised construction activities (compared with previous heritage counts figures). Further information can be found in <u>CEBR's April 2019</u> report for Historic England on the skills gaps and shortages that exist within the Heritage Sector.

<sup>&</sup>lt;sup>4</sup> As assessed in 2018. See the <u>Skills Needs Analysis 2013: Repair, Maintenance and Energy Efficiency Retrofit of Traditional (pre-1919) Buildings in England and Scotland for more detail.</u>

conservation of paintings, metals, wood, clocks and scientific instruments. However, conservation is not recognised on the Shortage Occupation List.

Other organisations cite the fact that crucial members of staff who are EU nationals are intimately acquainted with our planning system – which takes time to develop – making them indispensable and difficult to replace. Any future restriction in the number of EEA workers must consider forthcoming large heritage and infrastructure projects supported by the Government, which will further increase the UK's shortage of skills. These not only include archaeology projects, such as HS2, road building projects including upgrades to the A303 at Stonehenge and the Government's drive for more housebuilding, but also large conservation projects such as the restoration of Buckingham Palace, Westminster Palace, Wentworth Woodhouse and Clandon Park, which will increase demand for already scarce heritage skills.

#### Student Visas - Tier 4

The Government's policy paper from February 2020 states that students will be covered under the points system. The current <u>Tier 4 student visa</u> will be extended to EU-EEA students. It costs £348 to apply for this visa from outside the UK. In addition, there are healthcare surcharges for students to pay.

The Heritage Alliance warmly welcomes the Government introducing a Graduate Visa which will provide an unsponsored route to international students who have completed a degree in the UK from summer 2021. Undergraduate and Master's degree students will be able to stay for two years under the route, whilst PhD students will be able to stay for three years.

However, from August 2021 EU and EEA students will no longer be eligible for home fee status for undergraduate, postgraduate and further educational financial support from Student Finance England. This creates a potential issue for the heritage sector as international fees are often well above average earnings in many EU countries and so we will expect to see a loss of EU university students.

#### **Short Term Visas – Tier 5**

The Temporary-worker Government Authorised Exchange visa (Tier 5) will open to EU citizens from January 2021. Typically, Tier 5 visas take 3 weeks to process. The Creative Industries Federation has highlighted that this process would be prohibitively lengthy for many UK businesses employing creative workers from the EU, such as for a festival or events programme.

#### **Seasonal Labour**

Many tourism-based heritage organisations rely on some form of foreign seasonal staff, who should be considered under the new immigration system. The August 2019 ONS report on migrant labour force within the tourism industry estimated 238,000 temporary workers in the tourism sector (and this is likely to be an underestimation), and 11% of them are non-UK nationals.

A recent provisional Historic Houses survey showed that 25% of their members indicated that they employed 5 or more EU nationals in the businesses on their properties. For over 17% of respondents to the survey, seasonal workers made up 10-40% of their total workforce in peak seasons.

<sup>&</sup>lt;sup>5</sup> See the Institute of Conservation's latest <u>Labour Market Intelligence</u> for more detail.

# **Skills Exchange**

We support the creation of a skills exchange which would aid professionals coming to the UK as well as those looking to work in the EU. It could allow exemptions for accredited experts and academics and would allow our archaeological, buildings conservation, and museum expertise to be exported abroad, building relationships overseas. The UK demonstrates world-leading heritage expertise, and our professionals are sought on projects all over the world.

The UK is also home to world-leading conservation and heritage science skills. Access to heritage science specialists and researchers will be an important issue for the UK post Transition period. Swift access to visas or the research equivalent of a diplomatic passport would help. Bilateral agreements between countries are of limited value as it would be difficult to identify any one country in preference to another in the European context. A sectoral approach to free movement is what is needed to support heritage science.

There is a need to ensure UK creative workers can travel to mainland Europe to work quickly. The Creative Industries Federation states that the 'UK currently exports £18.8bn of creative services to Europe which accounts for over half of our creative service exports'. Therefore, the speed with which creative workers from the UK and EU can enter and leave the country is crucial to the creative sector. CIF has called for a touring visa for UK, EU and EEA citizens who intend to carry out a series of temporary creative engagements without residing long-term outside of their country of residence.

There is also the need to import significant training from Europe. In the past, UK organisations have needed expertise in electrochemistry, acoustic emission and reflectance FTIR, as it applies to cultural heritage, when the knowledge was absent in the UK. As mentioned above, conservation and archaeological expertise are not necessarily highly paid but are highly skilled, and we require this expertise to deliver world-class heritage projects in the UK.

# **Academic Research & Funding**

Loss of funding for domestic researchers in the heritage sector should be taken into account when considering potential imminent skills shortages in this sector. A leading English academic institution within our membership has reported a decrease in the awarding of Marie Sklodowska-Curie Individual Fellowships (from the European Commission) to support young researchers in archaeology and heritage from around the world, with no fellowships awarded to UK researchers in 2018. Previous award holders have been recruited to lectureships in departments of archaeology and heritage across the UK, and this source of highly trained specialist researchers and educators is now at risk of being permanently lost. Approximately 75% of the overall grant income for archaeology and heritage at this institution comes from Europe. These concerns are corroborated by other academic institutions in the UK.

#### Cost of the Points-Based System to Employers and Employees

The new immigration system burdens both UK employers and non-UK employees with a range of hidden fees. We advocate on behalf of the heritage sector that the Home Office urgently addresses the significant cost of hiring non-UK labour, taking into account the overall benefit of the skills that non-UK workers bring to the heritage sector which do not always translate into high salaries.

#### Costs to Employers:

- **Sponsor licences** with fees ranging between £536 and £1,476.
- Certificate of Sponsorships at £199 for each foreign employee's Tier 2 Visa.
- Immigration Skills Charges at a maximum of £5,000 per foreign employee.

# Costs to Employees:

- Tier 2 work visa application fee, with separate costs for individual workers and each
  dependent, provides a financial barrier to non-UK workers being able to accept an offer of
  employment from a licenced sponsor.
- Immigration Healthcare Surcharge (IHS), which increases on 27 October 2020 by 56%, presents another financial cost to staff from overseas and will deter many from even applying for a Tier 2 Visa.

We appreciate that some employers can choose to pay these to remove the financial burden on their new employee, but many independent heritage organisations with limited resources would struggle to afford the mandatory employer fees, let alone support employees with their Tier 2 Visa and IHS costs.

# For more information, please contact The Heritage Alliance.

Dr Hannah Shimko, Head of Policy and Communications

policy@theheritagealliance.org.uk; 0207 233 0700