



The UK's future skills based immigration system

AoC comments

1. The Immigration White Paper published on 18 December 2018 outlines proposals for a new skills-based system to take effect in 2021 once the UK is fully out of the EU. This note covers some data and then looks at several points:
 - Sponsorship
 - The skilled worker route
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Colleges and the UK immigration system

2. There are 251 colleges in England and another 45 in the rest of the UK. The education system varies in each of the four nations. Most of the figures and rules described in this note are specifically about England but the issues are very similar in the rest of the UK.
3. Colleges educate and train 2.2 million students and have a key role in the education of young people aged 16 to 18, in apprenticeship training, in adult education, in part-time and local higher education and in government's plans to develop a world-class technical education system.
4. DfE stopped collecting data on nationality of college students five years ago. AoC survey data¹ suggests that:
 - 40,000 students (2%) are EU nationals.
 - 20,000 (1%) studying either on Tier 4 visa or short-term visitor visas.
5. Colleges employ around 170,000 staff (116,000 FTE) of whom half are teachers. There has never been national collection of data on nationality but AoC survey data² suggests:
 - 7,000 staff (4%) are EU nationals
 - fewer than 500 are non-EU nationals on work (Tier 2) visas.

¹ AoC International student survey, 2018

² AoC College workforce survey, 2019

6. 85% of colleges in England report employing 1 or more EU national while only 40% report employing staff on work visas. A review of the Tier 2 sponsor list³ suggests that only 30% have active Tier 2 licences.

Education organisations and sponsorship

7. The extension of the immigration sponsorship to cover EU nationals will be a big change for colleges. More than 100 institutions who do not currently have sponsorship licences may need them in future to recruit and retain teachers. This same issue will arise in state-funded schools. DfE and schools organisations publish no data or estimates on the number of non-UK national teachers but anecdotal evidence suggests there are many teachers from the EU or English-speaking countries (USA, Australia, other commonwealth) but that a minority have Tier 2 licences. There are 3,000 state secondary schools and 20,000 primaries. The FBIS will, potentially, require thousands of schools to acquire sponsorship licences.
8. The situation is different for universities who are already well-versed in how the system works. It is widely known that universities enrol large numbers of international and employ large numbers of international staff. Comparable figures for UK universities are that 20% of their students and 25% of their staff are non-UK nationals (students: 6% EU, 14% non-EU; staff: 18% EU, 7% non-EU). As a result 99% of UK universities have both Tier 2 and Tier 4 licences⁴.
9. Recommendation: The improvements to processes and systems should make it easier for colleges and schools to deal with new obligations but the extension of controls to EU workers will bring thousands of institutions into the sponsorship regime so the Home Office should work on this as a specific project with DfE and other national education organisations, including consideration of the case for umbrella arrangements.

Skilled worker route and colleges

10. The Migration Advisory Committee (MAC) reviewed education occupations in its recent Shortage Occupation List review⁵. MAC recommended including certain secondary teaching roles (maths, physics, computer science and Mandarin) on the list but no other education profession. The MAC report notes the projection that there will be 0.5 million (15%) more secondary pupils in the next 10 years (2017-8 to 2027-28) but does not draw the obvious additional point that these pupils will move into post-16 education, including colleges and universities. The college sector reduced its headcount in the 2010s but is likely to expand in the 2020s. The sector already has a 3% vacancy rate for teachers (compared to a 1% rate in

³ Home office has made available the Tier 2 list as a spreadsheet in response to FOI requests. The list categorise employers by sector and lists 3,000 education organisations, including private schools, universities and language schools

⁴ Information from Universities UK

⁵ MAC Full review of shortage occupation list, May 2019

secondary schools)⁶ with specific challenges recruiting staff with engineering, construction, maths and digital/IT specialisms.

11. The proposals to remove the cap on skilled workers and to remove Resident Labour Market Test will both be helpful in recruiting necessary teaching staff but a £30,000 salary threshold will be a significant challenge for the following reasons:
 - colleges recruit many staff in their 20s and 30s to roles with salaries below £30,000. Benefits associated with teaching including longer holidays, pensions and a chance to practice a profession but pay levels have been held down as a result of public spending restraint.
 - teaching is a long-term commitment. Education institutions are likely to recruit staff on one-year post-Tier 4 work visas, on the one-year temporary work route and on any youth mobility arrangements agreed with the EU or that continue from current rules. However many courses run for two or more years so it would be disruptive and wasteful to lose people after one year. The rules should allow in-country switching from these shorter term visas into the education skilled worker route
12. Recommendation: There should be a different/lower skilled worker route salary threshold for teaching roles and appropriate switching arrangements from the short-term routes.

Access to education

13. The Immigration white paper raises some issues for the education system in terms of access for children and young people. The proposal on skilled worker visas is that individuals will only have access to “non-contributory public funds if they are settled”; that they will be “entitled to bring dependents, who will be allowed to work” while their sponsors will be required to pay the immigration skills charge⁷. Two questions which arise are:
 - Whether individuals and dependents on this route have access to ESFA apprenticeship training funds, given that these funds are provided via the apprenticeship levy which is charged on UK payrolls (making no distinction between nationality of employees).
 - What rules apply in terms of dependants under the age of 18. DfE information for schools says that “access to school places is open to any child “living in the UK irrespective of migration status”⁸ whereas DfE information for colleges (who educate the majority of 16-18 year olds)

⁶ Comparison of AoC’s College Workforce Survey and DfE evidence to School Teacher Pay Review Body

⁷ Immigration white paper, para 6.22

⁸ DfE no deal notice for schools, 2019

suggests a more restrictive set of access arrangements requiring 3 year's ordinary residence in the UK for non-UK nationals.

14. The full implementation of FBIS is likely to result in an increase in the number of people on the skilled worker route (both EU and non-EU nationals) and, as a result, an increase in the number of dependant children. There are no arrangements in state-funded schools to charge parents for education and any move to do so risks the UK contravening UN obligations (written into UK law via the 2009 Border Citizenship and Immigration Act).
15. Recommendation: All young people resident in the UK up to their 18th birthday should continue to be eligible for publicly funded education whether they attend school or college.

Immigration skills charge

16. The Home Office has collected an immigration skills charge since April 2017 from employers every time they sponsor a skilled worker under Tier 2. The Immigration white paper proposes that this charge will be paid under the new route by all employers of non-EU and EU skilled workers. In the first year of operation, the Home Office collected £100 million in income which it passed to the Treasury. There is no sign of this money being used to increase the education or skilled budget. Meanwhile the introduction of the apprenticeship levy, new standards and a new funding system has seen an increase in numbers of apprentices in large companies taking higher level programmes but a fall in the numbers taking Level 2 skills in small companies in technical areas.
17. Recommendation: Treasury should allocate the immigration skills charge in England for 16-24 apprentices taking Level 2 programmes (care, construction).

International education strategy

18. UK's international education strategy jointly published by the Department for International Trade and DfE. The strategy aims to increase the value of UK education exports to £35 billion a year by 2030 while highlighting the benefits of international education and cooperation to the UK.

Insert some facts

Home office asks,

eg about OFS and Tier 4

making it easier for colleges to get new CASSs?

Comments and questions

Any queries or comments, please contact Julian Gravatt, deputy chief executive on Julian.gravatt@aac.co.uk or Emma Meredith, international director emma.meredith@aac.co.uk

Association of Colleges
3 June 2019