

# **An immigration system that supports the UK tech sector**

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The tech sector's desired post-Brexit immigration system



In anticipation of the Government's White Paper on Immigration, techUK has developed a set of proposals based on principles that we believe would create an immigration system that will support the UK's thriving tech sector.

techUK's migration policy is crafted around four guiding principles which we believe should steer the Government's thinking when developing the UK's post-Brexit immigration system. These are:

- 1. The need for an effective system.** Underpinning any immigration system is the need for trust and public confidence. We believe that this will be delivered by a high-quality system that works and is well understood.
- 2. A system that is easy to navigate for the individual and employers.** For non-European Economic Area (EEA) citizens, and their prospective employers, applying for a UK visa can be confusing and overwhelming. The current system is fragmented and there are a plethora of charges and add-ons which are bolted on to the core cost. Any new system should be streamlined and easy to navigate.
- 3. Global Britain.** Attracting and retaining the brightest and best from across the world ensures we remain a global leader in research, innovation and technology. Global Britain relies on the ability to move people at short notice and for short time periods with relative ease.
- 4. Acknowledge the value of our deep cultural, economic and scientific relationship with the European Union which has supported the UK in becoming a 'Global Britain'.** Britain's tech sector has a competitive edge at present as UK domiciled companies have a springboard into the EU for both trade and research. This springboard should be the foundation for the aspired 'Global Britain' model. The UK should continue to utilise our position as a door into the EU for non-EU companies and vice versa for EU companies seeking to trade with the rest of the world.

This report fleshes out these principles into concrete proposals the tech sector wants to see from a new post-Brexit Immigration system. techUK will use these steps as a scorecard to judge the White Paper's proposed migration system's ability to support the UK's thriving tech sector.

## At a glance: 10 steps to achieve a migration system that supports the UK tech sector

<b>1</b>	<b>EEA and rest of the world.</b> There is a need to recognise the UK's relationship with the EU, and the benefits it has brought to the UK in trade and R&D. A preferential immigration system should be offered to EEA nationals. However, as the UK begins negotiating trade deals, preferential migration systems with reciprocity clauses should be explored.
<b>2</b>	<b>Immigration and mobility.</b> There should be clear differentiation between long-term migration and short-term business-necessary mobility. This should be reflected in separate processes as well as rhetoric.
<b>3</b>	<b>Removal of arbitrary caps for skilled workers.</b> Government must shift the narrative from arbitrary caps to a narrative of the best person for the job.
<b>4</b>	<b>Supporting documentation.</b> The EU Settlement Scheme demonstrates that a simple and streamlined process is possible. Any new post-Brexit system should be designed with the Settlement Scheme process being held up as the gold standard.
<b>5</b>	<b>Simplification of fees and processes for employer and individual.</b> The future fee system is made transparent and easy to understand for both businesses and individuals.
<b>6</b>	<b>Redefining skills.</b> It is clear in all sectors that salary is not a proxy for skill level and any use of 'skills' as a determination of entry into the UK must acknowledge skilled jobs that are either not highly paid or require special academic qualifications.
<b>7</b>	<b>Continuous residency.</b> Exemptions in continuous residency requirements should be created for travel for research and business purposes to the EU and other countries with which the UK has strong trade, research and business links.
<b>8</b>	<b>Short-term mobility and review of the Tier 5 visa system.</b> Now that the UK is exiting the EU, there is a clear need to review the Tier 5 visa and government must consider measures, including an extension of the EU-UK Youth Mobility Scheme to workers in certain sectors and professions.
<b>9</b>	<b>Review and rebrand the Tier 1 visa route.</b> Whilst Tier 2 is undeniably the most commonly used route for tech professionals, there is a need to reform and review Tier 1. Both in terms of reviewing the Tier 1 (Exceptional Talent) visa application process and reintroducing the Tier 1 (Post-Study) Work visa.
<b>10</b>	<b>Consulting employers and industry.</b> Government must fully consult industry before rolling out new processes, procedures and reforms to the UK's immigration system.

For more detail, please see over.

## Into the detail: Creating an immigration system that supports the UK's tech sector

### Overarching recommendations

- 1. EEA and rest of the world.** There is a clear need to recognise the strong historic, research and geographical links to the EU and preferential immigration access should be offered to EEA nationals for immigration to the UK once the EU Settlement Scheme applications close in June 2021. However, this does not mean the preferential access should remain exclusively for citizens of the EU; as the UK begins negotiating trade deals, preferential migration access with reciprocity clauses should be tabled. Trade deals often take years to negotiate, in which time we can use the new EEA system as a pilot for other agreements.
- 2. Immigration and mobility.** There should be clear differentiation between long-term migration and short-term business-necessary mobility. This should be reflected in separate processes as well as rhetoric. We believe the public is probably less concerned about the latter but at the moment there is no clear distinction resulting in an often confused and unhelpful public debate.
- 3. Removal of arbitrary caps for skilled workers.** techUK commends the Home Secretary for his commitments to remove NHS workers from the Tier 2 shortage occupation list and techUK members have directly benefited from the policy change. For example, a techUK member and large mobile games developer with a significant presence in the UK had an employee working in London on a Tier 5 (Youth Mobility Scheme) visa. They sought to move her onto a Tier 2 visa when her Tier 5 visa was approaching expiration. However, in the month they applied, the effective threshold for Tier 2 was a minimum salary of £55,000, which was not feasible for the role and she went to work in another European capital instead. Since NHS hiring was removed from the Tier 2 quota, the system has eased considerably. The employee mentioned above, for example, has now moved back to the London studio as the techUK member was able to secure a visa for her under the lower effective salary threshold that this change brought about. However, this is only a temporary solution and the problem will likely compound again soon, the UK Government must shift the narrative from arbitrary caps to a narrative of the best person for the job. This could be achieved through the removal of caps for Tier 2 (and above) visa applicants who have guaranteed employment on arrival. Furthermore, given that ICT workers make up the largest proportion of Tier 2 visas by sector<sup>1</sup>, we suggest the Government considers reintroducing the Tier 2 ICT (Short term staff) visa or similar to cope with the clear demand for skilled workers in our sector.

### *Creating an efficient and streamlined application process*

- 4. Supporting documentation.** The EU Settlement Scheme demonstrates that a simple and streamlined process is possible. Any new post-Brexit system should be designed with the Settlement Scheme process as the gold standard. The 'Rest of World' – Tier 1 to Tier 5 - documentary requirements are currently overly prescriptive. The EU Settlement Scheme does not require original copies of supporting documentation. techUK supports a similar online application process for all visas for work. The deployment of efficient technology to do this would reduce waiting times for visas for those coming to the UK for work and ensure the UK remains an attractive location for work and business investment.
- 5. Simplification of fees and processes for employer and individual.** At present, the Rest of World migration system consist of a plethora of fees which are difficult to navigate for both the employer and individual, including for example the NHS surcharge and employer need for a resident labour market test. techUK suggests the future fee system is made transparent, through a one-off payment which covers all of the necessary payments. We also hope that, much like the EU Settlement Scheme, individuals on the Rest of World migration system will be able to transfer across visa types as necessary for a relatively low fee.

<sup>1</sup> techUK, [The UK Digital Sectors after Brexit](#), 24 January 2017

- 6. Redefining skills.** It is clear in all sectors that salary is not a proxy for skill level and any use of ‘skills’ as a determination of entry into the UK must acknowledge skilled jobs that are either not highly paid or require special academic qualifications. Salary as a proxy for skill is particularly damaging for the UK tech start-up sector in particular, where remuneration can often take the form of equity shares in the business. Furthermore, many workers in the tech sector who are ensuring the UK tech sector thrives are not considered specialist based on current migration frameworks because the requirements are overly prescriptive. A good example of individuals who possess specialist skills but are not considered ‘skilled’ in academic terms in the tech sector are the engineers who lay broadband cables across the UK, these individuals are doing essential working in ensuring communities will benefit from the broadband and fibre connectivity. The tech sector is unique in terms of skill sets required and the different forms of remuneration and the current framework does not meet our sector’s needs.
- 7. Continuous residency.** We are pleased to have seen an acknowledgement of our close ties to the EU through the relaxation of continuous residency requirements in the EU settlement scheme. We hope the UK Government creates exemptions in continuous residency requirements for travel for research and business purposes to the EU and other countries with which the UK has strong trade, research and business links.

#### *Improvements to ‘Rest of World’*

- 8. Short-term mobility and review of the Tier 5 visa system.** Given the EU’s commitments to freedom of movement, there has been little use of the Tier 5 (Temporary Workers) visa as UK employers chose instead to use EEA nationals who did not require visas to work in the UK. Now that the UK is exiting the EU, there is a need to review the Tier 5 visa and government must consider measures, including an extension of the EU-UK Youth Mobility Scheme to workers in certain sectors and professions. Please see the Annex to review a typical month in the life of a mid-senior level tech sector employee based in the UK.
- 9. Review and rebrand the Tier 1 visa route.** Whilst Tier 2 is undeniably the most commonly used route for tech professionals, there is a need to reform and review Tier 1. Both in terms of reviewing the Tier 1 (Exceptional Talent) route and reintroducing the Tier 1 (Post-Study Work) visa for STEM professionals.

**a)** Tier 1 (Exceptional Talent) visa. The UK Government has made promising steps by doubling the number of Tier 1 (Exceptional Talent) visa in November 2017. These visas are however often underused as employers and individuals, many of whom default to the Tier 2 route as it is the most commonly used. For these visas, employers and individuals must also have clear guidance on what constitutes as exceptional talent as techUK members have flagged Tier 1 (Exceptional Talent) visa applications that have been declined. Moreover, the Government’s small expansion of Tier 1 (Exceptional Talent) visa is not a means of remedying the wider problem with Tier 2 caps, more must be done to educate employers on Tier 1 as an alternate route to supporting specialist talent into the UK.

**b)** Reintroduce Tier 1 (Post-Study Work) visa. If an individual is educated at a leading higher education institution in the UK, they should be encouraged to remain in UK to contribute to our workforce. techUK understands the political need for control of immigration flows and suggests the Tier 1 (Post-Study Work) Visa is reintroduced if a candidate meets certain criteria, e.g. for those who completed a bachelors, masters or PhD in certain subjects from accredited institutions in the same vein as the previous STEM Post-Study Work visas.

#### *Process and consultation*

- 10. Consulting employers and industry.** We hope that Government will consider our recommendations, much as Parliamentary committees have, and fully consult industry before rolling out new processes, procedures and reforms to the UK’s immigration system.

# Annex: A month in the life of a tech worker based in the UK

Week day					Weekend	
1st of the month Working in company's Reading office	2nd of the month Working in company's Reading office	3rd of the month Crash at company's data centre. Travel to Luxembourg data centre	4th of the month Working in the Luxembourg data centre	5th of the month Working in the Luxembourg data centre	6th of the month Working in the Luxembourg data centre	7th of the month Working in the Luxembourg data centre
8th of the month Fixed the problem in data centre. Travel back to UK and work in Reading office	9th of the month Working in the Reading office	10th of the month Working in the Reading office	11th of the month Working in the Reading office	12th of the month Visit family members in Italy	13th of the month Visit family members in Italy	14th of the month Visit family members in Italy
15th of the month Visit family members in Italy	16th of the month Work in Reading office	17th of the month Work in Reading office	18th of the month Day trip to Brussels for conference & meetings	19th of the month Working from home	20th of the month	21st of the month
22nd of the month Working in London head office	23rd of the month Working in London head office	24th of the month Day trip to The Netherlands to meet with European HQ	25th of the month Working in London head office	26th of the month Working in London head office	28th of the month	29th of the month
30th of the month Working in Reading office	31st of the month Working in Reading office					



**techUK represents the companies and technologies that are defining today the world that we will live in tomorrow.**

950 companies are members of techUK. Collectively they employ more than 700,000 people, about half of all tech sector jobs in the UK.

These companies range from leading FTSE 100 companies to new innovative start-ups. The majority of our members are small and medium sized businesses.

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