## National Assembly for Wales External Affairs and Additional Legislation Committee

Changes to freedom of movement after Brexit - implications for Wales

EAAL(5) FOM09 Evidence from Cardiff University

## Overview

- i. Cardiff University is an ambitious and innovative university with a bold and strategic vision. Our world-leading research was ranked 5th for quality and 2nd for impact amongst UK universities in the 2014 Research Excellence Framework. We provide an educationally outstanding experience for our students. Driven by creativity and curiosity, we strive to fulfil our social, cultural and economic obligations to Cardiff, Wales, the UK and wider world.
- ii. We are an international community. Students and staff from the EU and beyond create a beneficial and diverse learning environment: 16% of our academic staff and 5% of our students are non-UK EU nationals (10% of our research students are non-UK EU nationals). Circa 7% of tuition fee income for the University is from non-UK EU domiciled students.
- iii. Freedom of movement after Brexit is a serious issue for Wales, the higher education sector and Cardiff University: 7.5% of students in Welsh HEIs are from the EU (2017/18 HESA student return); 7.3 % of staff are from the EU (2017/18 HESA staff return) and 5% of fees received by Welsh universities are from EU domiciled students (2017/18 HESA finance return).
- iv. We would be very concerned if free movement were to be curtailed with little or no notice in the event of a no-deal Brexit.
- v. In the event of a no-deal Brexit, the UK and Welsh Government should do everything possible to facilitate the mobility of students. The priority should be to maintain the UK's full participation in the Erasmus+ scheme after Brexit (on an associated basis as a full Programme country) as well as the successor programme. Failing this, a replacement scheme must be established.
- vi. We urge the Committee to reiterate and amplify all recommendations of the Children, Young People and Education Committee in its report on the impact of Brexit on higher and further education.<sup>1</sup> All of these recommendations were

<sup>&</sup>lt;sup>1</sup> National Assembly for Wales Children, Young People and Education Committee, Degrees of Separation? The Impact of Brexit on Higher and Further Education (Cardiff: National Assembly for Wales, 2018)

<sup>&</sup>lt;a href="http://www.assembly.wales/laid%20documents/cr-ld11939/cr-ld11939-e.pdf">http://www.assembly.wales/laid%20documents/cr-ld11939/cr-ld11939-e.pdf</a> (Accessed: 22 August 2019).

accepted in full, principle or part by the Welsh Government.<sup>2</sup> We also urge the Committee to reiterate and amplify the recommendations of its own report on Wales' future relationship with the EU.<sup>3</sup> Specifically, we would draw attention to recommendations 6, 10, 11, 12, 13, 14 and 17. These recommendations were accepted in full or in principle by the Welsh Government.<sup>4</sup>

vii. Although we welcome the UK government's decision to allow a period of post-study work (one year for PhD students and six months for others), we would advocate a period of at least two years for all students. We would also advocate a sponsorship process of as little administrative burden as possible.

## Consultation questions

- 1. What is your assessment of the implications for Wales of the UK Government's White Paper proposals on immigration after Brexit?
- 1.1 We welcome the decision not to restrict the numbers of international students who choose the UK as a place to study and share the view that "international students enhance our educational institutions financially and culturally; enrich the experience of domestic students and become important ambassadors for the UK in later life". We welcome the intention not to restrict numbers of skilled and highly skilled workers.
- 1.2 Although we welcome the decision to allow a period of post-study work (one year for PhD students and six months for others), we would advocate a period of **at least two years for all students**. We agree with our Universities UK colleagues on this position.<sup>6</sup> We also have concerns regarding the £30,000 salary threshold (discussed in more detail in section 5).
- 1.3 We urge the UK Government to create a sponsorship process of as little administrative burden as possible, thereby avoiding unnecessary delays to

<sup>&</sup>lt;sup>2</sup> National Assembly for Wales Children, Young People and Education Committee, *The Welsh Government response to the Committee's report* (Cardiff: National Assembly for Wales, 2019) <a href="http://senedd.assembly.wales/documents/s83987/The%20Welsh%20Government%20response%20to%20the%20Committees%20report.pdf">http://senedd.assembly.wales/documents/s83987/The%20Welsh%20Government%20response%20to%20the%20Committees%20report.pdf</a> (Accessed: 22 August 2019).

<sup>&</sup>lt;sup>3</sup> National Assembly for Wales External Affairs and Additional Legislation Committee, *Wales' Future Relationship with Europe:* part one – a view from Wales (Cardiff: National Assembly for Wales, 2018) < <a href="http://www.assembly.wales/laid%20documents/cr-ld11491/cr-ld11491-e.pdf">http://www.assembly.wales/laid%20documents/cr-ld11491-e.pdf</a> (Accessed: 22 August 2019).

<sup>&</sup>lt;sup>4</sup> National Assembly for Wales External Affairs and Additional Legislation Committee, Welsh Government Response to Recommendations from the External Affairs and Additional Legislation Committee Report: Wales' Future

<sup>&</sup>lt;sup>5</sup> HM Government, The UK's future skills-based immigration system (2018)

<sup>&</sup>lt;a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/766465/The-UKs-future-skills-based-immigration-system-print-ready.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/766465/The-UKs-future-skills-based-immigration-system-print-ready.pdf</a> (Accessed: 27 August 2019).

<sup>&</sup>lt;sup>6</sup> Universities UK, *Parliamentary briefing: An improved post-study work system* (2018) <a href="https://www.universitiesuk.ac.uk/policy-and-analysis/reports/Documents/2018/uuk-parliamentary-briefing-post-study-work.pdf">https://www.universitiesuk.ac.uk/policy-and-analysis/reports/Documents/2018/uuk-parliamentary-briefing-post-study-work.pdf</a> (Accessed: 27 August 2019).

appointments and income for applicants. We would like to draw attention to the wholly unsatisfactory way the Home Office changed the processing of the biometrics element of visa and immigration applications for overseas students. This processing was, until 2019, conducted by a large network of Post Offices. Students now must go through a much smaller network of centres run by Sopra Steria. This was a result of the Home Office's decision to change its biometrics partner for UK Visa & Immigration services.

In September and October, around 1,000 students will be enrolled in presessional English language courses at Cardiff University. These students will all require an appointment with Sopra Steria over a period of four weeks. Sopra Steria will be unable to meet this demand with the existing total of 48 free-of-charge appointments per day in Cardiff to cover all UK Visa and Immigration tiers. This means international students will not receive the required visa until late into their studies unless they pay to upgrade their applications, or the institution engages a separate outsource company at significant cost. This is a serious service failure by the Home Office and Sopra Steria which needs immediate attention to rectify.

- 2. Is there a case for allowing the devolved nations to do things differently in relation to immigration policy after Brexit?
- 2.1 Yes. Wales has specific challenges and incentives that differ to the rest of the UK. The migrant population in Wales is lower than the rest of the UK (5.8% compared to 13.7%), with 2.6% of the total population being from the EU (5.2% for the UK). EU migrants in Wales are also more likely to be in work and contributing to the economy than the working age population as a whole—79% of working age migrants are in employment compared to 71.3% of the total working age population.<sup>7</sup> In addition, there would be an estimated hit to GDP in Wales of between 1–1.5% over 10 years if the proposed immigration rules were to be followed. Although Wales has lower levels of migration than the UK average, we have a faster growing older population than the rest of the UK, meaning there will be less people of working age to fill roles and more demand on services such as the NHS and social care.<sup>8</sup> One approach for the whole of the UK is therefore not appropriate.
- 2.2 The Welsh Government recognises that migrants make a positive contribution to Wales' economy and to society more widely.<sup>9</sup> It is vital that the many sectors that rely on these skills can meet their recruitment needs where the

<sup>&</sup>lt;sup>7</sup> Welsh Government, *Brexit and Fair Movement of People* (2017) <a href="https://gov.wales/sites/default/files/publications/2018-10/brexit-and-fair-movement-of-people.pdf">https://gov.wales/sites/default/files/publications/2018-10/brexit-and-fair-movement-of-people.pdf</a> (Accessed: 27 August 2019).

<sup>&</sup>lt;sup>8</sup> J. Portes and G. Forte, *Migration in Wales: The impact of post-Brexit policy changes* (Cardiff: Wales Centre for Public Policy, 2019) <a href="https://www.wcpp.org.uk/wp-content/uploads/2019/03/FINAL-WCPP-report\_Immigration-in-Wales-post-Brexit.pdf">https://www.wcpp.org.uk/wp-content/uploads/2019/03/FINAL-WCPP-report\_Immigration-in-Wales-post-Brexit.pdf</a> (Accessed: 27 August 2019).

<sup>&</sup>lt;sup>9</sup> L. Stone, *Life after free movement: Making future immigration policy work for Wale*s (Merthyr Tydfil: Bevan Foundation, 2019) <a href="https://41ydvd1cuyvlonsm03mpf21pub-wpengine.netdna-ssl.com/wp-content/uploads/2019/01/Discussion-paper-FINAL-Jan-2019.pdf">https://41ydvd1cuyvlonsm03mpf21pub-wpengine.netdna-ssl.com/wp-content/uploads/2019/01/Discussion-paper-FINAL-Jan-2019.pdf</a> (Accessed: 21 August 2019).

local labour market cannot, including the higher education (HE) sector. The Bevan Foundation has recognised the reliance of the Welsh higher education (HE) sector on international mobility, seeing a "strong case for a [...] Welsh student visa and rights to work after graduation". Overseas staff in the HE sector are essential to ensuring research and teaching quality as well as facilitating international research collaborations. International collaborations are vital for the strength of universities, with the leading edge of science, research and innovation found at the international level. International research also allows for the sharing of resources not readily available within a single nation. 11

2.3 We would like the Committee to note that international students are of enormous value to the Welsh economy. A 2018 study by London Economics, on behalf of the Higher Education Policy Institute and Kaplan Pathways, measured the economic impact of international students in the UK in each parliamentary constituency.<sup>12</sup> It showed that the:

international students of Welsh provided a net benefit of £900.7m to the economy

cohort from the Cardiff Central constituency contributed £151.4m, which was the highest of any Welsh constituency and the thirteenth highest in the UK

3,225 international students of the four constituencies in Cardiff and Penarth contributed a combined £244.7m

2.4 Similarly, a 2017 report by Viewforth Consulting for Universities Wales evidenced the positive effect on the Welsh economy created by international students.<sup>13</sup> Analysing the economic impact on Wales of the 22,190 international students studying at the eight universities in Wales during 2015/16, it showed the students and their visitors generated:

£487m of export earnings (equivalent to 3.7% of all 2015 Welsh exports)

£716m of Welsh output

£372m of Welsh Gross Value Added (GVA).

2.5 Involvement with Erasmus+ provides tangible benefits to students who take part: students who go abroad are 9% more likely to gain a 1st or 2:1 degree, 24%

<sup>11</sup> J. Adams and K. A. Gurney, *The Implications of International Research Collaboration for UK Universities* (London: Digital Science, 2016) <a href="https://www.universitiesuk.ac.uk/policy-and-analysis/reports/Documents/International/implications-research-digital-collaboration-uk-universities.pdf">https://www.universitiesuk.ac.uk/policy-and-analysis/reports/Documents/International/implications-research-digital-collaboration-uk-universities.pdf</a> (Accessed: 29 March 2019).

<sup>&</sup>lt;sup>10</sup> Ibid, p. 27.

<sup>&</sup>lt;sup>12</sup> G. Conlon, M. Halterbeck and J. Julius, *The costs and benefits of international students by parliamentary constituency* (London: London Economics, 2018) <a href="https://www.hepi.ac.uk/wp-content/uploads/2018/01/Economic-benefits-of-international-students-by-constituency-Final-11-01-2018.pdf">https://www.hepi.ac.uk/wp-content/uploads/2018/01/Economic-benefits-of-international-students-by-constituency-Final-11-01-2018.pdf</a> (Accessed: 21 August 2019).

<sup>&</sup>lt;sup>13</sup> U. Kelly and I. McNicoll, *The Economic Impact of International Students in Wales* (Cardiff: Universities Wales, 2017) <a href="http://uniswales.ac.uk/media/Unis-Wales-international-student-research.pdf">http://uniswales.ac.uk/media/Unis-Wales-international-student-research.pdf</a> (Accessed: 21 August 2019).

less likely to be unemployed and 9% more likely to be in graduate jobs six months after graduation. However, time is running out for the UK to maintain full and uninterrupted membership of Erasmus+ or its successor scheme. If we are to avoid a gap for participating students, the matter must be resolved 18 months ahead of effective full withdrawal. Any replacement scheme for Erasmus+ would need to allow us to continue valuable collaboration with EU partners and support compulsory periods abroad for modern language students, as well as support the wider internationalisation of HE in Wales.

- 2.6 In the event of a no-deal Brexit, the UK and Welsh Government should do everything possible to facilitate the mobility of students. The priority should be to maintain the UK's full participation in the Erasmus+ scheme after Brexit (on an associated basis as a full Programme country) as well as the successor programme. Failing this, a replacement scheme must be established.
- 3. What are your views on the proposal for a Wales-specific Shortage Occupation List ("SOL")?
- 3.1 A Wales-specific Shortage Occupation List would be welcome, although is unlikely to make a dramatic difference. For most occupations the SOL is likely to be similar in England and Wales. Manufacturing, social care, health and education will be the most affected sectors, although this is the same across the UK.<sup>15</sup>
- 4. What are your views on the proposal to bring EU nationals into an expanded Tier 2, and ending any distinction between EU and non-EU workers?
- 4.1 As an 'A-rated' licence holder (granted by the Home Office), the University has been able to engage non-EEA/Swiss nationals under Tier 2 of the current points-based system since 2008. The current system is onerous and costly for employers due to the significant responsibilities associated with recording and reporting information in relation to Tier 2 sponsored workers; a breach of these responsibilities can result in the downgrading or loss of the sponsorship licence. In addition, the system is extremely complex for applicants to navigate. The Immigration White Paper acknowledged the shortcoming of the current sponsor licencing system and referred to the implementation of a "reformed lighter-touch, risk-based approach, such as seeking to share and utilise data already held across government, reducing the administrative burden on employers". This intent was very much welcomed by the University.

However, the lead-time to develop such a system would be significant. This must be addressed before the expansion of Tier 2 to EEA/Swiss nationals and it seems unlikely that such ambitious reforms would be achievable by January 2021. There

<sup>&</sup>lt;sup>14</sup> Universities UK, Gone International: mobility works (2017) <a href="https://www.universitiesuk.ac.uk/policy-and-analysis/reports/Documents/International/GoneInternational2017\_A4.pdf">https://www.universitiesuk.ac.uk/policy-and-analysis/reports/Documents/International/GoneInternational2017\_A4.pdf</a> (Accessed: 4 September 2019).

<sup>15</sup> J. Portes and G. Forte, Migration in Wales, p. 4.

<sup>&</sup>lt;sup>16</sup> HM Government, The UK's future skills-based immigration system (2018).

would also need to be a significant transition period in order to move effectively to an expanded system; as we move closer to the planned implementation, this seems less likely.

4.2 In addition, a Home Office fact sheet of 19 August 2019 stated:

"Details of other changes immediately after 31 October and improvements to the previous government's plans for a new immigration system are being developed and the government will set out its plans shortly. The Prime Minister has been clear that he wants to introduce an Australian style points-based immigration system. The Home Secretary is commissioning the independent Migration Advisory Committee (MAC) to examine this."<sup>17</sup>

Without any real clarity as to the how the new immigration system will operate, it is difficult to comment further at this stage.

- 5. What are your views on the salary threshold of £30,000 for Tier 2 immigration and its implications for Wales?
- 5.1 The salary threshold is too high, with £30,000 more than the starting salary for a range of important skilled work in short supply, e.g. nursing and allied health professionals, social workers, care workers, lecturers, technicians, research assistants and teachers. In Wales, average earnings are significantly below £30,000, meaning this rule would have a disproportionate affect. A serious, evidence-based re-appraisal is needed on this matter to prevent a detrimental effect on the lives of people that rely on these professional roles.
- 5.2 We are part of the Russell Group of the UK's leading research-intensive universities. A policy briefing from the Russell Group has made clear the extent to which the current proposals could damage research intensive institutions:
  - At Russell Group universities, nearly 59,000 positions (a third of all roles) would not qualify for sponsorship under the proposed thresholds, with 10% of these positions currently filled by EU nationals.
  - Most academics earning less than £30,000 at Russell Group universities are aged 34 years and below, indicating early career researchers and teaching staff would be hit hardest.
  - A £30,000 threshold would hinder the ability to recruit part-time staff, as the current rules require actual salary rather than full-time equivalent salary.

<sup>&</sup>lt;sup>17</sup> HM Government, *Media factsheet: EU citizens and freedom of movement* (2019) < <a href="https://homeofficemedia.blog.gov.uk/2019/08/19/media-factsheet-eu-citizens-and-freedom-of-movement/">https://homeofficemedia.blog.gov.uk/2019/08/19/media-factsheet-eu-citizens-and-freedom-of-movement/</a> (Accessed: 3 September 2019).

<sup>&</sup>lt;sup>18</sup> L. Stone, *Immigration after Brexit* (2018) < <a href="https://seneddresearch.blog/2018/11/19/immigration-after-brexit/">https://seneddresearch.blog/2018/11/19/immigration-after-brexit/</a> (Accessed: 27 August 2019).

Part-time staff make up 26% of the Russell Group workforce, with women accounting for 70% of the part-time workforce.<sup>19</sup>

- 5.3 We would encourage the Committee to **consult the Russell Group's policy** briefing in full.
- 6. How well is the EU Settlement Scheme operating? Is there more that the Welsh Government could be doing to ensure that EU nationals resident in Wales are registering under the scheme?
- 6.1 As an employer, we have no concrete information as to how well or otherwise the EU Settlement Scheme is working. The University has issued repeat communications to staff in order to encourage them to register for settled of presettled status. However, we do not know how many have done so and how many have been successful as the Home Office has stated that it is the responsibility of the individual to make an application to the scheme. There is no requirement for applicants to inform their employer (in this case the University) that they have applied or of the outcome of their application and the employer is not required to check that an employee has applied. From its inception the Scheme's uptake was going to be difficult for the University to gauge.
- 6.2 The Welsh Government might want to consider a media campaign, although it should heed lessons from the Advertising Standards Agency recent ban on a Home Office radio advert regarding the scheme.<sup>20</sup>
- 7. Are there any other issues relating to immigration policy after Brexit that you would like to bring to the attention of the Committee?
- 7.1 We would like to highlight the particular impact any changes will have on the city of Cardiff. A 2018 study by the Centre for Cities analysed the importance of migrants in the city economies of the UK, noting that cities account for more than two-thirds of the non-UK EU nationals. <sup>21</sup> Crucially, the study also noted that migrants are particularly important in the education sectors of three UK cities—Cardiff, Cambridge and Oxford—where they account for 10% of that sector's jobs, and this is due to "the role that the universities play in these economies and their reliance on international talent". <sup>22</sup>

<sup>&</sup>lt;sup>19</sup> Russell Group, *Priorities for a future skills-based immigration system* (2018) <a href="https://russellgroup.ac.uk/media/5785/future-immigration-system-russell-group-briefing-july-2019.pdf">https://russellgroup.ac.uk/media/5785/future-immigration-system-russell-group-briefing-july-2019.pdf</a> (Accessed: 3 September 2019).

<sup>&</sup>lt;sup>20</sup> Advertising Standards Agency, ASA Ruling on Home Office (28 August 2019) < <a href="https://www.asa.org.uk/rulings/home-office-A19-567167.html">https://www.asa.org.uk/rulings/home-office-A19-567167.html</a> (Accessed: 3 September 2019).

<sup>&</sup>lt;sup>21</sup> G. Piazza and N. Clayton, *With or without EU? How changes to European migration will affect cities after Brexit* (London: Centre for Cities, 2018) <a href="https://www.centreforcities.org/wp-content/uploads/2018/08/2018-08-22-With-or-without-EU-web-2018/08/2018-08-22-With-or-with-o

- 7.2 Using opportunities stemming from the UK-EU Mobility Framework, we encourage the Welsh and UK governments to explore options that support flexible mobility arrangements for students and research workers.
- 7.3 The Tier 1 Exceptional Talent visa should be expanded to ensure all PhD-level roles are eligible for this route across all fields of research. Indeed, all charges associated with securing a visa must be reasonable and proportionate and the Immigration Skills Charge exemption for PhD-level roles should be maintained.

**Cardiff University** 

10th September 2019