March 2024



[This briefing was updated on March 25th to include new information regarding discounted salary threshold levels for roles requiring a relevant PhD.]

International talent is crucial if the UK is to achieve its research intensity ambitions



The UK needs a competitive immigration policy that attracts international R&D talent to meet its ambitions for a research-intensive economy.

Over the last year the UK immigration and visa system has seen changes that have increased upfront costs and restricted eligibility criteria for overseas workers and their dependents. CaSE have looked closely at the detail of the changes, the impact they are having or are anticipated to have on the R&D sector, and we propose 6 recommendations for a healthier and more productive system.

Summary of Recomendations

- Reduce the upfront cost of UK visas
- Clarify eligibility for the Global
 Talent and Skilled Worker Visas
- 3 Increase visa flexibility

- Support businesses to navigate the visa system
- De-risk visa sponsorship for organisations
- 6 Mitigate the impact of visa changes on students and universities

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Why attract global talent?

The ambition to make the UK a more research-intensive economy is shared by political parties across Parliament. To achieve this goal, <u>R&D-intensive businesses and institutions will need a skilled workforce to support their sustained growth and innovation</u>.

Research is a global endeavour. Migration brings enormous benefits to the UK R&D sector, increasing international collaboration and knowledge exchange. This is in addition to the <u>benefits</u> of <u>diversity in the workplace and the value that different viewpoints and cultural approaches bring</u> to science.

The UK currently also has a shortfall of workers with Science Technology Engineering and Mathematics (STEM) skills. The Institution of Engineering and Technology (IET) has estimated a shortfall of over 173,000 workers in the STEM sector in 2021, an average of 10 unfilled roles per business in the UK. This skills gap will only widen as the UK R&D sector expands and evolves. The government itself has estimated that 380,000 additional researchers will be needed by 2027.

While it is important to increase domestic talent through upskilling the existing workforce and increasing the number of people training in STEM, the emergence of these newly trained workers will take time. In the short term, <u>international talent is needed to fill these skill gaps</u>. Attracting global talent is essential to support a thriving, collaborative UK R&D sector <u>that in turn drives</u> <u>economic growth</u>.

Recent and planned immigration changes

The UK government recently announced changes to its immigration policy, many of which have already come into effect.

Changes that are likely to have direct consequences on recruiting international talent into STEM roles include:

Date Introduced 4th October 2023

Increase to
application fees of
15% across almost
all immigration
routes, including the
Skilled Worker route
and Global Talent
Visa. The main
overseas student
visa also increased
by 35%.

Date Introduced 1st January 2024

Reduced eligibility for dependents of students. Students starting a course on or after this date are only permitted to bring dependents if they are studying a research-based postgraduate degree (PhD or other doctoral qualification) or on a government-funded scholarship.

Date Introduced 6th February 2024

The Immigration
Health Surcharge
increased to £1,035
per adult per year (a
66% increase). The
discounted rate
increased from £470
to £776 per child or
student per year.

Pending 4th April 2024

Increase the minimum salary threshold to access the Skilled Worker Visa from £26,200 to £38,700, but retained a discounted threshold level for roles requiring a relevant PhD.

Pending Mid - Late 2024

The Migration
Advisory Committee
are currently
undertaking a review
of the Graduate Visa
Route, expected to
run throughout 2024.

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Full Recommendations



Reduce the upfront cost of UK visas

Reduce the upfront cost of UK visas in line with international competitors. This includes reversing or mitigating the increases in visa applications costs and Immigration Health Surcharge.

The total upfront costs of visas are substantially higher in the UK compared to other research-intensive countries, such as the US, Canada, France and Germany. This may reduce the attractiveness of the UK as a destination for international applicants bearing the burden of these costs. Evidence gathered by CaSE indicated that visa costs were already prohibitively expensive for researchers. The recent changes will only serve to increase this barrier.



Clarify eligibility for the Global Talent and Skilled Worker Visas

Clarify and communicate eligibility for the Global Talent and Skilled Worker Visas and ensure the visa system has diverse routes to allow recruitment into all research roles.

The average UK research scientist salary typically ranges from £17,688 to £43,000, according to the government's National Careers Service. While the retention of discounted salary thresholds for roles requiring a PhD is welcome, the overall increases to the Skilled Worker Visa thresholds will still negatively impact the sector. The lack of widespread dissemination of the discounted threshold options for PhD holders and the increased baseline threshold to £38,700 for other non-PhD roles will likely still prohibit many talented scientists obtaining a visa through this route. Many researchers may not be aware they are eligible for the alternative, Global Talent Visa route, which does not have salary thresholds.

Global Talent Visa

<u>The Global Talent Visa (GTV)</u> is the Government's specialist route for researchers in science, medicine, engineering, humanities and social science.

Eligibility: The GTV requires an endorsement by an approved UK organisation ('endorsing body') to prove you are a leader or potential leader in your field.

Costs: The GTV costs £716 to apply, with an additional £716 fee for each dependent included in an application. Applicants will also need to pay the Immigration Health Surcharge upfront of £1,035 per year for each person applying.

Advantages: Unlike the Skilled Worker Visa, the GTV has no minimum salary threshold and is not tied to a particular contract or employer. The <u>GTV allows successful applicants to live and work in the UK for up to 5 years at a time</u> and is accessible across a range of research roles and career stages.

Challenges:

- While many research roles are in theory covered by the GTV, the endorsement criteria mean that not all researchers can use this route to come to the UK.
- A lack of awareness and comprehension around eligibility mean that many researchers may not aware they are eligible for this visa route.
- The Home Office evaluation of the GTV in 2022 found relatively positive responses about the cost and
 application process from successful GTV holders. However, this evaluation was limited to successful
 applicants and so did not capture the perspective of individuals that struggled with the system or were
 put off by visa costs.

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Increase visa flexibility

Introduce a short-term mobility route to enable overseas STEM researchers to collaborate with UK scientists on a range of timescales.

Existing immigration routes lack flexibility to support mobility on different timescales, such as for short term projects or conferences. Shorter term visas can offer solutions, but the time required to obtain them is often not commensurate to the length or value of the visit.



Support businesses to navigate the visa system

Improve support for smaller businesses navigating the visa system. The Home Office should develop guidance packs for the visa process, including a step-by-step guide designed specifically for SMEs.

Repeated changes to the visa system make an already difficult to navigate process harder to access, particularly for SMEs who lack the administrative capacity to keep pace with opaque, changing requirements. This administrative burden can also introduce delays to research projects, as issues with recruitment and visa processes increases the time taken to recruit into R&D roles.



De-risk visa sponsorship for organisations

Provide mechanisms to de-risk visa costs for businesses and institutions, such as a process to secure refunds for potential losses, or a payment scheme only activated upon an employee starting.

Organisations sponsoring or covering visa charges face increased hiring costs and risk greater losses if sponsored applicants withdraw. This may result in companies choosing to hire exclusively domestic applicants, reducing the available talent pool, or reducing the amount of research that they can fund to accommodate the higher overheads.



Mitigate the impact of visa changes on students and universities

Promote the UK as an attractive destination to overseas students and mitigate the impact of changes to visa fees and the eligibility of dependents for students.

Universities are a key UK export and international students are a crucial source of talent and knowledge exchange in university research. On top of this, research and teaching at UK universities are reliant on cross-subsidy from the tuition fees of international students. Universities already report a cooling off of international application numbers, with non-EU overseas applications to UK universities growing at the lowest rate since 2018. The combined effect of recent immigration policy changes may serve as a deterrent and embed this trend, diminishing the talent pool and reducing overseas student numbers. If the government intends to restrict the international student population in the UK, then it is imperative that other measures be urgently introduced to mitigate the financial impact on our research-intensive universities.



