# Members' briefing



# Home Office policy statement on the UK's pointsbased immigration system



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# **Suggested distribution**

PVCs International, Registrars, HR Directors, Heads of International and Heads of Strategy and Planning

# **Executive summary**

This briefing provides an overview of the Home Office policy on the UK's points-based immigration system, to be introduced from January 2021. It provides UUK's response to the proposals and next steps.

#### **Attachments and links**

The UK's points-based immigration system: policy statement (2020).

# Summary of the Home Office policy statement on the UK's pointsbased immigration system

# Overview

This week (19 February 2020), the Home Office published its policy statement on the UK's points-based immigration system. This outlines the government's approach to the immigration system from 1 January 2021, once freedom of movement with the EU has ended. It represents the first phase in a multi-year programme of change relating to the border and immigration system.

This statement was informed by the Migration Advisory Committee (MAC) report in January 2020 on a points-based immigration system and salary thresholds. UUK submitted a response to the MAC's consultation in November 2019.

Now that the UK has left the EU, the government will legislate to remove free movement and replace it with a points-based immigration system for skilled workers, students, and other specialist work routes. The new system will treat EU and non-EU citizens equally. Overall, the government states that the new system will reduce total levels of migration but give priority to individuals with the highest skills – including many working in the higher education sector. There will be no route for low-skilled or temporary workers. These changes will also be accompanied by improvements to the employer sponsorship management system. Further changes are likely to be phased in from late next year as the government seeks to make the points-based system more sophisticated.

A summary of the Home Office proposals are as follows:

#### **Highly skilled workers**

- The general salary threshold will be lowered to £25,600, although migrants will still need to be paid the higher of the general threshold or an occupation-specific salary threshold ('going rate'). This is in line with the MAC's recommendations.
- The skills threshold will be lowered to **RQF3** (A-level equivalent).
- All applicants will need to have a **job offer at the required skill threshold** and speak sufficient English.
- They will then gain enough points to be eligible by earning more than the salary threshold. If they do not, they can 'trade' this by either having a **relevant PhD** or working in a **shortage occupation** (see Figure 1).
- There will be **no cap** on the number of skilled workers.
- The resident labour market test will be abolished.
- The salary threshold for **new entrants** will be set at **30% lower** than the usual rate.
- There will be **no regional variation** in the system, including in the devolved nations.
- There will be **no pro-rating** of salary thresholds for part time work.

- The shortage occupation list will be updated, and then kept under regular review by the MAC.
- Settlement rules will continue to operate as now and extended to apply to EU citizens arriving from January 2021.

The government states that its points-based system will provide simple, effective and flexible arrangement for skilled workers to come to the UK through an employer-led system.

The table below outlines how points will be allocated under the new system:

Characteristics	Tradeable	Points
Offer of job by approved sponsor	No	20
Job at appropriate skill level	No	20
Speaks English at required level	No	10
Salary of £20,480 (minimum) – £23,039	Yes	0
Salary of £23,040 - £25,999	Yes	10
Salary of £25,600 or above	Yes	20
Job in a shortage occupation (as designated by the MAC)	Yes	20
Education qualification: PhD in subject relevant to the job	Yes	10
Education qualification: PhD in a STEM subject relevant to the job	Yes	20

A total of 70 points is required to be eligible to apply; some characteristics are tradeable.

**Figure 1:** Characteristics of migrants and associated points in the UK's points-based immigration system. *The UK's points-based immigration system: policy statement*, Home Office, 2020.

In short, provided they have a job offer at the appropriate skill threshold and speak English, migrants will either need to earn above the minimum salary threshold, have a relevant PhD, or work in an occupation designated as being in shortage. They will also need to earn no less than £20,480.

For higher paid occupations where the 'going rate' will be above the general salary threshold, migrants will still be awarded points for holding a relevant PhD or working in a shortage occupation. These can be traded against a salary lower than the 'going rate' if necessary: 10% lower if they have a relevant PhD in a non-STEM subject, or 20% lower if they have a relevant PhD in a STEM subject or work in a shortage occupation.

As now, skilled workers will be able to be accompanied by their dependants.

The Home Office has committed to publishing further detail on the points-based system in due course, including detailed guidance regarding the points tables, shortage occupations and qualifications. Once implemented, the Home Office will refine the points-based system in light of experience and will consider making the system more sophisticated: this could include factors such as a greater range of qualifications, experience studying in the UK, or age.

The Global Talent visa, for highly skilled workers without a job offer, will be extended to EU citizens from January 2021. This scheme has recently been expanded to be more accessible to those with STEM backgrounds and is now open for applications from non-EU citizens.

#### **Students**

Students, both EU and non-EU, will be covered by the new points-based system.

To earn the required points, students will need to demonstrate they have an offer from an approved educational institution, speak English, and be able to support themselves during their studies in the UK. Home Office officials have confirmed that points will be awarded on a pass/fail basis. In practice, this means the policy will operate essentially as it does now, only extended to apply to EU as well as non-EU citizens. Requirements around evidencing English-language ability will remain unchanged.

The same approach of opening existing visa routes to EU citizens will apply for other specialist immigration routes, such as those for sportspeople.

#### Lower skilled workers

The government will not be implementing a route for lower skilled workers. The government acknowledges this will be a change for many employers, but states that businesses will need to adapt and adjust in order to reduce their reliance on low-skilled migration.

#### The visa process

The government intends to open key routes from the autumn of this year, so that migrants can apply ahead of the system taking effect in January 2021.

All individuals coming to the UK for work or study (with the exception of some short-term visitors) will need a visa and will be required to pay a fee for this, as well as for each of their dependants. The government will continue to levy the Immigration Skills Surcharge on employers and the Immigration Health Surcharge on the same basis as now.

Migrants will make their application online. The application processes and type of visa issued will initially be slightly different for EU and non-EU citizens.

For employers sponsoring skilled migrants, the process will be streamlined to reduce the time it takes to bring a migrant to the UK by up to eight weeks. Employers not currently approved by the Home Office to be a sponsor (for example, if they only employ EU citizens cur-

rently) should consider doing so now if they think they will want to sponsor skilled migrants from early 2021.

# **Universities UK response**

UUK broadly welcomes the Home Office's policy statement on skilled workers. In particular, we welcome the fact that the system will remain employer-led, with having a job offer being an essential criterion. This will continue to benefit the higher education sector and ensure employers are able to select the best person for the job. The reduction in the salary threshold, whilst not as low as recommended by UUK, is clearly a positive direction for the sector. The ability to trade salary against holding a relevant PhD will make it easier for a greater number of highly skilled academics and researchers to enter the UK. Furthermore, UUK also supports the lowering of the new entrant salary threshold, the abolition of the resident labour market test, and the fact that there will be no cap on skilled workers. These policies will all ensure the higher education sector is able to welcome skilled workers and benefit from their contributions.

However, UUK believes it is important to ensure the new immigration system will allow universities to recruit from overseas in a range of specialist roles, including lab technicians and language assistants. These staff are essential to the success of universities but are likely to be lower paid and, although skilled, in many cases will not be able to trade a lower salary against having a PhD.

UUK also has some concerns that the government plans to accept the MAC's recommendation that higher education teaching professionals should be brought within the general framework for setting salary thresholds rather than using sector specific data. While this will be mitigated to an extent by the ability to trade salary against holding a relevant PhD, this will not necessarily apply to all staff.

Finally, it is vital that the new system is fit for purpose for the 2021 recruitment cycle, including for January applications. We will continue to engage with government on the implementation of the scheme.

UUK released the public statement below:

Responding to the Government announcement on a new points-based immigration system, Vivienne Stern, Director of Universities UK International, said:

"I welcome the fact that academics and researchers are being recognised for their high skill level and their contribution to the UK economy and society. We know that the British public agrees that the UK immigration system should be designed so that scientists, academics and their support staff can work in the UK and we have recommended that holding a job offer should give university staff priority status.

While we welcome the recognition that the salary threshold of £30K was too high, we still need to ensure that all university staff will be able to work in the UK, including lab technicians and language assistants, who are vital to supporting the success of our universities.

The Government must ensure that new immigration arrangements avoid potential unintended negative consequences for the ability of universities to attract all the talented staff they need with minimal barriers and to continue our world leading research and teaching."

# **Next steps**

It is expected that the government will introduce the Immigration Bill in the coming weeks, which will be followed by secondary legislation in the autumn to bring detailed immigration rules into effect.

UUK's Chief Executive, Alistair Jarvis, has written to the Home Secretary outlining UUK's position. UUK will work closely with policy makers in the Home Office and other relevant government departments, including the Department for Education and Department for Business, Energy and Industrial Strategy, to ensure the sector's interests are represented in implementing the new immigration system.

We will also work closely with stakeholders, such as UCEA and mission groups, to ensure we are able to lobby government with a unified voice across the sector.

We will also continue to keep members updated on changes to the immigration system to support them with implementing the new system and making any necessary changes. We will also continue to engage our International Policy Network on immigration issues to ensure we are fully reflecting the views and concerns of members.

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