

Friday 19 February, 2016

To: Jo Johnson MP, Minister for Universities and Science  
cc: James Brokenshire MP, Minister for Immigration

Dear Ministers,

We write with regard to the Migration Advisory Committee's (MAC) recently published report on Tier 2. We understand that the government is now considering the report, and there are matters of concern to the academies that we hope you will be able to take into account whilst developing your response.

The UK is a world leader in research, with strength across the full breadth of disciplines represented by the four UK national academies. At the Spending Review, we were pleased to see the government demonstrate its commitment to research and innovation in the UK. We cannot realise the full potential benefits of such public investment with UK workers alone. Our nation's legacy of excellence was built with the support of talented individuals from across the world, and access to global talent is crucial to the UK's international competitiveness. Today, the research base is truly international; 26% of academics in UK universities are non-UK nationals, with 11% from outside the EU.<sup>1</sup> High-performing institutions have more staff who are from, or have worked, overseas.<sup>2</sup> These individuals help the UK deliver world-leading research outputs and keep us at the heart of the global research endeavour.

The MAC's report reflects much of our advice, and we welcome its recommendations that dependents be able to work, that roles should not be automatically removed from the shortage list and that PhD-level roles continue to be prioritised. However, we are particularly concerned about two areas:

- **Minimum salary thresholds:** many institutions have limited freedom to increase salaries, and if higher thresholds are imposed too quickly it could have a significant impact on the sector.
- **Immigration Skills Charge:** the research base needs global talent to remain internationally competitive. Meeting this cost could limit the funds available for research and teaching.

**We ask that allowances be considered on these two points, in recognition of the importance of skilled researchers working in the UK.** Please see the Annex for more detail on our reasoning and suggestions for how this could be achieved.

Successive governments have introduced policies to support talented researchers to come to the UK, for example prioritising PhD-level roles and creating the Tier 1 (Exceptional Talent) route. The government made clear to the MAC that it should ensure Tier 2 remains open to the "brightest and best workers who will help Britain succeed". As you consider the report's recommendations, we hope you will ensure that any changes do not risk damaging the ability of UK institutions to attract the top researchers they need in order to deliver the fullest possible benefits for the UK economy and society.

We would be happy to provide further information or discuss these issues further.

Yours sincerely,



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Lord Nicholas Stern  
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<sup>1</sup> Higher Education Statistics Agency (2015) Staff in Higher Education 2013/14

<sup>2</sup> Kings College London (2015), Characteristics of high-performing research units, 2015

### **Annex: Preserving routes for researchers in response to the MAC report**

The Academy of Medical Sciences, the British Academy, Royal Academy of Engineering and the Royal Society are working together, with policymakers, industry and broader society, to create the conditions that will secure the UK as the best place in the world to explore, discover and innovate.

Tier 2 is a key route through which researchers come to the UK; in 2014/15, 8,598 scientists and engineers used Tier 2 (General), representing 21% of the visas issued through this route. SOC code 2119 (natural and social science professionals) is the highest user of the Tier 2 (General) route.<sup>3</sup>

The Academies submitted a [joint response to the Migration Advisory Committee's Review of Tier 2](#), and a group of Academy Fellows met with the MAC to discuss the potential implications of the review for UK research.

#### **Minimum salary thresholds**

The recommended increase from £20,800 to £23,000 for new entrants and to £30,000 for experienced workers would affect 27% of applications from 'natural and social science professionals' (SOC code 2119) through Tier 2, or 360 applications annually. We expect that Research Assistant roles would be most commonly affected, although this would vary across employers. These roles are important early-career positions, in which researchers start to build their experience and networks, as well as contributing valuable skillsets to their research groups.

The MAC states that the research sector should be able to meet the proposed thresholds. However, increasing salaries across the board, in the interest of fairness, would represent a substantial cumulative cost for the sector, which would likely have to be met from limited public funds.

It is important to account for the limited ability of universities and research institutes to vary salaries in the short term. There would also be a particular issue for research institutes funded by the Research Councils, such as the MRC Laboratory of Molecular Biology and MRC Clinical Sciences Centre. These institutes conduct world-leading research and attract some of the world's top researchers; the work of LMB scientists has been awarded 10 Nobel prizes. However, as these institutions are considered part of the public sector, they are subject to the current pay freeze and subsequent 1% cap on pay rises in the civil service. They would therefore be unable to increase salaries to meet the new minimums, under the current rules.

*The MAC recommended that the new threshold be phased in for public sector roles, due to the inflexibility of public sector pay structures. If the government chooses to implement the recommended threshold increases, the Academies call for this exemption to be extended to research roles, to allow more time for the sector to adjust and increase salaries where necessary.*

#### **Immigration Skills Charge**

The Immigration Skills Charge (ISC) represents a potentially significant cost to the research sector. A key part of the sector's mission is to educate and train the workforce of tomorrow, and foreign talent helps us to build excellence in our institutions to achieve this. We do not foresee a time that the UK could recruit only home workers and remain world-leading. Levying the ISC on research institutions would not deter recruitment from overseas but would simply increase the costs of doing so.

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<sup>3</sup> Campaign for Science and Engineering (2016) Immigration: Keeping the UK at the heart of global science and engineering.

For example, if the 8,598 scientists and engineers who used Tier 2 (General) in 2014/15 were issued visas with an average length of two years, the ISC would represent a cost to the sector of £25,794,000. At the institutional level, the University of Cambridge issued 411 Tier 2 Certificates of Sponsorship in the year up to August 2015; for an average visa length of two years, the ISC would have cost an additional £822,000.

It is not clear whether the cost of the ISC was considered when public investment in research was set at the November Spending Review. We are concerned that to meet the cost, institutions might have to use funds that would otherwise have supported research. We were pleased to see the MAC recommend that funds raised through the ISC not be limited to Apprenticeships, but we would question whether any move to raise such a levy from research institutions, even if it were eventually reinvested in training, would represent an efficient use of public funds. There is a risk that the cost to the sector would damage the very training infrastructure that will deliver the skills of the future.

*The academies recommended to the MAC that the ISC should not apply to publicly funded research institutions. We now call on government to exempt the sector from this charge. This could be achieved at the institutional level, or by exempting the PhD-level roles that are already prioritised within Tier 2, from the charge.*

For further information, please contact Eleanor Beal ([eleanor.beal@royalsociety.org](mailto:eleanor.beal@royalsociety.org))