

Committee(s)	Dated:
Public Relations and Economic Development Sub Committee – For Information	12 December 2018
Policy and Resources Committee – For Information	13 December 2018
Subject: Corporation engagement on visas and immigration	Public
Report of: Director of Economic Development	For Information
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Summary

The UK's financial and professional services sector is highly dependent on international talent. Flexible access to international talent is therefore critical to individual businesses' location decisions and maintaining London and the UK's competitiveness as a global financial centre. Impacts of Brexit on the UK's status as a global financial centre, as well as changing government immigration policy, could have a dampening effect on the City's ability to attract international talent.

The City Corporation is carrying out a range of activities on visas and immigration. EDO recently published its report, "Streamlining Success: Building a world-class visa process for the UK". "Streamlining Success" was developed in collaboration with EY and sets out practical recommendations for creating a world class visa application process for the UK.

This report informs Members about the work on visas and some of the City Corporation's other activities on visas/immigration. Work specifically on Brexit eg in relation to EU nationals working for the Corporation will be taken to the appropriate service committee.

Recommendation(s)

Members are asked to note the report.

Main Report

Background

1. Political context

The UK government is expected to publish a White Paper on immigration reform in late November, in which it will respond to recommendations by the independent Migration Advisory Committee (MAC). The MAC, which provides the UK government with independent advice on migration issues, published its recommendations for the

UK's post-Brexit immigration system on 18 September. The key recommendations are:

- EU citizens should be required to qualify under the same immigration categories (e.g. Tier 2) as non-EU citizens and should not receive preferential treatment.
 - Migration policy should be based on skills rather than nationality
 - The annual limit (the 'cap') should be abolished and the advertising requirement (the 'Resident Labour Market Test') should be eliminated or reserved for jobs with lower salaries, e.g. below £50k.
 - The salary threshold at £30,000 should be retained but the list of eligible occupations should be expanded.
2. If adopted, these recommendations will mean that the numbers of employers using the visa system (particularly for the first time) and individuals applying for work visas will increase significantly. It is thus crucial to have a streamlined, reliable system that works for employers of all sizes in all sectors.
3. The Prime Minister spoke about immigration in her speech at the CBI's annual conference on 19 November 2018. She said her Brexit plans will stop EU citizens being able to "jump the queue" into Britain, and that under the new system, people will be given the right to live in the UK based on skills instead of where they come from.

Corporation engagement on the immigration/visa process

4. The UK needs a world-class visa system which works reliably, efficiently and robustly, for employers as well as eligible employees. Regardless of the overall immigration policy the Government chooses to adopt, we should be aiming to make the process of applying to come to work in the UK as smooth and efficient as possible. The City Corporation therefore asked EY to write a report to look at how the UK's visa system operates in practice, for international workers coming to the UK to work in financial and related professional services and their prospective employers.
5. This report was published on 20 November and its recommendations identify 'quick wins' and practical medium-term recommendations, as well as a vision for the long-term. Acting on these recommendations would deliver an effective and efficient 'best-in-class' visa system, enabling the access to global talent that businesses need and reinforcing the UK's global competitiveness.
6. The report's top line recommendations are that a future system should:
- reduce the administrative burden and uncertainty associated with visa applications.
 - rely on an entirely digital immigration status so that applicants no longer need to surrender their passport or update physical status documents.
 - avoid duplicative processes associated with extending a visa inside the UK.

- use technology and guidance to provide tailored support to employers/sponsors of different sizes and in different sectors to encourage investment and growth in the UK.
7. The report was successfully launched at the Guildhall's Old Library on 20 November. EDO and EY have engaged with the Home Office during the drafting of the report and have had positive feedback. EDO, together with the Remembrancer's and the Communications department, are also working on a wider engagement programme with Whitehall and Westminster.

Additional engagement

8. The Barbican and Community Libraries are assisting people with making online applications for UK visas and Citizenship via library computers and library staff. The service started in October 2017 and to date, the three lending libraries have accommodated 100 appointments. As from next year, the libraries will assist citizens with registering for Settled Status.
9. Work on visas is complemented by our domestic skills projects. EDO is actively supporting the review of skills in financial services: The Financial Services Skills Taskforce, chaired by Mark Hoban and supported by TheCityUK. This essential work will look at routes into the industry, future skills needs, leadership and skills changes for the current 1m employees in FS UK wide. The City Corporation is seconding a member of staff to specifically support the work of the FSST.

Next steps

10. In terms of follow up to the Visa Report, we will be discussing with the Home Office how to take forward the recommendations in the report. EDO will work to understand what collaboration with the Home Office would look like and any resourcing needs this entails.
11. In the future, there is the opportunity for the City Corporation to have a stronger role, working closely with partners across London and the UK. This could focus on policy, as well as process, amplifying the messages being advocated across the industry in reports from TCUK, CBI and others. This would raise questions, such as the City Corporation's position on lower-skilled workers who are important for hospitality and retail in the City. Other possible interventions look overly challenging – the City Corporation itself acting as a visa agent would require a substantial investment of time and expert resource, and would carry a significant level of corporate risk.

Conclusion

12. Following the launch of the report on the UK visa process, the City Corporation will work with the Home Office and wider stakeholders on the adoption of the recommendations. There is also the opportunity for the City Corporation to play a stronger role in a critical area for the future of the industry by amplifying important messages on visas/immigration.

Appendix A – City of London report on “Streamlining success: Building a world-class visa system for the UK”

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