

Making immigration work better

The biggest single issue for businesses in the last two years has been a lack of talent to recruit from. But just what hope might legal overseas workers offer?

While there's a push to get over-50s back into work, there's also little doubt that legal foreign workers may offer a solution to labour shortages too.

Migrant workers cannot be recruited into what is considered to be non-skilled work. That has included sectors such as manufacturing, hospitality and food production – and it is these industries where employers continue to see significant shortages in workforce numbers.

Suzanne Treen, legal director in the business immigration team at Clarion Solicitors in Leeds, says many businesses would say that the UK's system for recruiting migrants is not working adequately.

She says: "There is no escaping the fact that since we left the European Union and no longer have unrestricted access to both a skilled and unskilled European workforce, many employers have found it difficult to recruit workers with the right skills."

Employers are now required to become sponsors and use the points-based immigration system (PBS) to recruit skilled overseas workers from both Europe and the rest of the world.

Some aspects of the PBS have been improved. The skilled worker route has been broadened to include a wider range of roles with lower salaries and skill levels meaning that employers have the opportunity to fill more roles.

Treen says that becoming a sponsor and using the PBS is complex, particularly for a first-time user, but the benefits make it worth the effort and once a business has obtained a sponsor licence, it can give them a competitive edge.

She adds: "While the end of freedom of movement has resulted in challenges, it also offers opportunities to source vital skills and British businesses shouldn't be discouraged by the task of navigating the PBS.

"Our advice is to plan ahead – look at the list of jobs eligible for sponsorship, think about what skills you are likely to need in the short to medium term and apply for a sponsor licence now. Businesses don't



Czajka Care Group

need to have identified a candidate when applying, they just need to identify the roles they need to fill and why they need to recruit from overseas."

Nick Wilson, employment partner at law firm Andrew Jackson Solicitors, warns that employers need to manage their responsibilities carefully.

"The employer must designate specific individuals who have responsibility for managing the sponsorship process and making the required reports," he says.

"Employers also need to be mindful of the serious responsibilities they hold as sponsors and what they are required to do in the event that the worker leaves their employment, or is otherwise in breach of any visa requirements relating to their stay or employment in the UK.

"In order to obtain and keep a sponsor licence, the employer will need to demonstrate meeting the relevant responsibilities, which include:

- Checking that migrant workers have the necessary skills and qualifications for the role they are recruited to.

- Only assigning Certificates of Sponsorship to workers where the job is suitable for sponsorship.
- Informing UK Visas and Immigration (UKVI) if the sponsored worker is not complying with the conditions of sponsorship.
- Having HR systems in place that enable the employer to keep relevant information and make necessary reports.
- Report significant changes in the employer's business to UKVI.



Ian Anfield

EU AND NON-EU CHANGE IN EMPLOYMENT

SECTOR	GAIN/LOSS OF WORKERS	
Health and social work	EU	-1,700
	Non-EU	74,000
Education	EU	42,000
	Non-EU	58,000
Public admin and defence	EU	-5,800
	Non-EU	25,000
Admin and support	EU	-32,000
	Non-EU	-22,000
Finance and insurance	EU	-12,000
	Non-EU	-5,500
Info and communication	EU	-9,000
	Non-EU	20,000
Accommodation and food	EU	-67,000
	Non-EU	-31,000
Transportation and storage	EU	-128,000
	Non-EU	-3,100
Construction	EU	-46,000
	Non-EU	-6,600
Manufacturing	EU	-47,000
	Non-EU	-7,900
Wholesale, retail, repair of motor vehicles	EU	-103,000
	Non-EU	-17,000
Professional, scientific, technical	EU	-48,000
	Non-EU	23,000

Source: ONS, Annual Population Survey 2020-2022

■ Insider heard about the experiences of three industry sectors in recruiting migrant workers:

HEALTH AND CARE

Saltaire's Czajka Care Group once had a rich seam of quality registered nurses and senior carers it could call on from the Philippines. Czajka's managing director, Konrad Czajka says they were often referred to as a 'breath of fresh air' by its care home residents. But it later saw many leave to work in the NHS.

Konrad Czajka tells *Insider*: "It takes up to two-and-a-half months to get a new team member to the UK, so we have tended to over-recruit for positions, assuming that there will be some staff turnover."

So the business started to recruit registered nurses and senior carers from India and Africa because it was using agency workers to fill shifts which was unsustainable in the long run. But Czajka is seeing history repeat itself: "We now have a similar situation developing, where many of the Indian and African staff leave to join the NHS."

The family-run business, established in 1983, currently offers care for more than 250 retired and disabled people in three homes near Shipley, one in Steeton and another in Cross Hills. It also offers a range of purpose-built retirement houses and apartments in Steeton and Saltaire, West Yorkshire.

It works with a recruitment agency which sources overseas candidates and arranges flights to Britain and local accommodation. Czajka's own HR team is especially knowledgeable in recruiting foreign staff too.

Konrad Czajka says: "Our in-house admin team pick up the new staff members when they arrive, settle them in to the accommodation, help them set up bank accounts, and always go the extra mile to welcome them into the Czajka Care Group family. We have always taken the responsibility of recruiting from overseas very seriously."

He says the experience of having overseas staff has been a positive one and has seen staff bring families here too. But he adds: "The immigration process is a challenge when recruiting from overseas. The cost has now become prohibitive. The recruitment agency does not charge Czajka Care Group for the senior carers, but the cost for recruiting registered nurses works out at approximately £9,000 each. There is no way of reclaiming any of this cost, whereas the NHS can reclaim all its costs, which doesn't make sense. We have no plans to recruit more overseas staff at the moment, but we wouldn't rule it out in the future if more support is available."

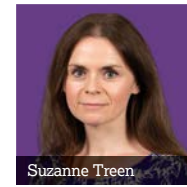
CONSTRUCTION

Construction is another industry which has found workers hard to come by. The £2bn-turnover Bridlington company Hudson Contract manages the payroll on behalf of 2,600 SMEs.

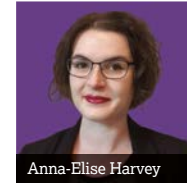
It has called for a new route for self-employed tradespeople to enter the UK labour market and help ease the industry's skills crisis in the wake of Brexit and an ageing workforce.

Managing director Ian Anfield says skilled freelancers from the EU could be taxed at a higher rate under the Construction Industry Scheme (CIS) where contractors deduct money from a subcontractor's payments and rebates could be issued after demonstrating visa requirements have been complied with. Anfield says many construction SMEs are failing to overcome

Helping a growing business to sponsor an overseas technician



Suzanne Treen



Anna-Elise Harvey

Founded in 1971, Leeds-based family business Stocks Sewing Machines is one of the UK's leading suppliers of industrial sewing equipment, industrial pressing equipment and commercial and industrial embroidery machinery.

In August 2022, having been unable to fill a senior technician role from within the UK to boost its ten-strong team, the company turned to Clarion for specialist business immigration support.

Clarion's Business Immigration Team, which includes Legal Director, Suzanne Treen, and Associate, Anna-Elise Harvey, helped the company to obtain a sponsor licence to bring over a candidate from Macedonia, putting forward the business case to explain why the particular individual had been identified and why Stocks had been unable to recruit from within its home market.

Andrea Todd, Director of Stocks Sewing Machines, comments: "I knew I could rely on Clarion for friendly, informed advice and great service. Right from the start when I was introduced to Suzanne Treen in the Business Immigration Team, I was given a really clear idea of what was involved and the support that they would provide."

"Having found it extremely difficult to recruit a sewing or embroidery engineer in the UK when we needed to expand the team, a candidate from Macedonia was recommended to us. We had no idea where to start with the complex sponsorship process, it was a big step into the unknown for us. Fortunately, Clarion was able to provide the specialist business immigration expertise we needed to navigate the requirements."

"Anna-Elise was brilliant in all aspects; she helped us every step of the way, from beginning to end. It was so reassuring to have an expert supporting us. Our new recruit has now joined the team and we would certainly use Clarion's help again to recruit overseas if needed."

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Clarion

Employing overseas staff

PEOPLE

the hurdles of the skilled worker visa regime and are finding the costs and complexity too difficult to justify for low-margin businesses. Typical problems include meeting the criteria as sponsor companies, proving the skills of potential overseas recruits and providing guarantees that foreign workers will not overstay their visas. The skilled worker approach rules out a self-employed relationship, despite the construction industry being project-based and almost entirely reliant on subcontractors.

Anfield says: "What's needed is a more flexible route, potentially using CIS as a model which has already got a 20 per cent rate for people with a clean tax record and 30 per cent for the newly registered and those with tax issues. The government could introduce a new rate for temporary international workers at 35 or 40 per cent with a rebate once they have complied with their visas. Australia had a similar scheme for overtaxing working visitors while they were Down Under and repaying them once they got home and filled in the paperwork."

Anfield says the risk of self-employed tradespeople from the EU going missing in Britain is relatively low because they could only earn on the black market and skilled freelancers from places like Eastern Europe don't need to do that because they can find good work at home.

How long to get a decision

Most applications are dealt with in less than eight weeks. UKVI may need to visit your business. You may be able to pay an extra £500 to get a decision within ten working days. This service is limited to a small number of applications. Faster decisions are allocated in the order requests arrive (first come, first served).

MANUFACTURING

In manufacturing, businesses have been urged to explore two new dedicated work permit routes that allow employees of overseas businesses to work here.

The Global Mobility Service Supplier route opens the door for UK manufacturers to bring workers from international businesses to help fulfil contract requirements for services covered by an international trade agreement, such as the UK-EU Trade and Co-operation Agreement. This route does not require the employee to have any current employment relationship with the UK company.

The second option, the Global Mobility Secondment Worker route, is a little more restrictive but allows a UK manufacturer to

sponsor an individual to come to the UK to help deliver high-value contracts, which the government defines as valued over £50m. However, there is no requirement for the services to be covered by a trade agreement under this route.

Bye Bye Bed from Birstall, West Yorkshire, is an industry leader in mattress recycling, manually separating each one for re-use and new products. Founder Paul Beckett brought in four process operatives from Hungary and Romania when he had difficulty recruiting locally.

He says: "The nature of opening up and recycling post-consumer mattresses is not the easiest, nor cleanest, of jobs. Of the 12 English workers we have tried, whether that be via agency or employed directly, we have managed to keep just one.

"Generally, the English worker finds it too difficult, too much like hard work or too dirty for them. We find the European workers are simply keen to just be earning what they say is the equivalent to a month's wage in just a week.

"Often they are recommended by an existing or past employee. I don't entertain anyone without a share code.

"If they have a share code it is very simple administration process and we have seen the authorisation for them to work for six months be turned around in a day or two." ■

Emma Robinson



Recruiter's view

Emma Robinson, founder of executive search firm Red Diamond Executive Headhunters has been through the sponsorship programme herself.

Her Huddersfield company relocated Brent Natoli from Australia to the UK. The sponsored licence and legal fees cost £20,000 but she believes that's a calculated risk and more effort must be made to help employers recruit from abroad.

"Other parts of the world – such as Australia and the Middle East – are very good at attracting British people to their economies," she says. "This, in turn, creates a drain of knowledge and expertise in the UK.

"There is no denying the labour shortages in the UK, particularly within sectors such as FinTech. As we all know, this scarcity of people is what often creates sky-high salaries within certain sectors so, we must do more to attract the best talent from around the world. For more than a decade, I've seen first-hand, companies' reluctance to do so, and more often than not it has come down to red tape, bureaucracy and the costs associated with sponsoring someone.

"The cost is a huge factor. If you're looking for someone on a £40k salary, then a £20k sponsorship may make the hire untenable. But if you're recruiting at board level – where salaries are usually £80k upwards – then in relative terms, the fee is worth it to get the best talent."