



advice and support for older age

**Independent
Age**

Call for evidence: review of Tier 2 (Migration Advisory Committee)

September 25 2015



About Independent Age

Independent Age is a growing charity helping older people across the UK to live more independent, fulfilling lives.

Founded over 150 years ago, we are an established voice for older people and their families and carers, offering free advice and information and providing services, such as befriending, to promote wellbeing and reduce loneliness.

In addition to this, we use the knowledge and understanding gained from our frontline services to campaign on issues that affect older people, like poverty, loneliness and carers' rights.

For more information, visit our website www.independentage.org

Speak to one of our advisers for free and confidential advice and information. Lines are open Monday to Friday between 10am - 4.30pm. Freephone 0800 319 6789 or email advice@independentage.org

Independent Age is also a member of the Care and Support Alliance: a consortium of over 75 organisations that represent and support older and disabled people campaigning to keep adult care funding and reform on the political agenda.

Independent Age main comments

Wider context

- As a national charity which campaigns to see older people having access to professional care and support, we worry the adult social workforce is under considerable strain.
- Modelling by Skills for Care estimates the social care sector may need an extra 1 million jobs in the next ten years if it is going to effectively meet the increased demand for services brought on by a growing and ageing population¹.
- Worryingly, there are poor rates of retention in key parts of the sector, with an average staff turnover rate of 25%. This means roughly 300,000 people leave adult care jobs each year. The workforce is ageing, with one fifth of current care workers aged over 55².
- Specific issues concerning higher levels of staff turnover have been observed in private sector organisations, the domiciliary care sector and employers in the South East of England. Turnover is particularly high amongst registered nurses, averaging 30%. That means 16,000 nurses leave their roles within social care each year³.
- Skills for Care data shows that two thirds of councils in England reduced the number of posts in their adult social services between 2013 and 2014⁴. In fact, the total number of council-based adult social services jobs has decreased by approximately 10,000 jobs per year since 2011, when the total number of jobs was 159,400. The total decrease in the period 2011-2014 was 18 per cent or 29,300 jobs⁵.
- The data provided by the Health and Social Care Information Centre only looks at jobs in social services departments, but problems regarding recruitment and retention of workers providing direct care have been highlighted in a number of recent reports⁶.

Immigration rules in focus

- For some organisations - for example the Royal College of Nursing – there is a real worry new rules on immigration are intensifying what already feel like serious pressures on an over-stretched workforce.

¹ Skills for Care (January 2014)

² State of the Adult Social Care Sector and Workforce in England, 2014 (Skills for Care)

³ Ibid.

⁴ Personal Social Services: Staff of Social Service Departments, England as at September 2014 (Health and Social Care Information Centre)

⁵ Ibid.

⁶ For example see 'Key to Care: Report of the Burstow Commission on the Future of the Home Care Workforce', 2014 (Local Government Information Unit)

- Nearly 1 in every 5 care workers was born outside of the UK – equating to approximately 265,000 people.
- Non-EU migrants account for the greatest proportion of migrants working in care – some 191,000 people - approximately 1 in every 7 care workers.
- London has a very high concentration of migrant workers, with nearly 6 in 10 of its care workforce born abroad. In fact, 85% of its migrant workers come from outside Europe.
- Forthcoming research from Independent Age and the International Longevity Centre-UK (ILC-UK) will argue that there are good reasons to consider social care and migration as part of the same policy equation. Delivering a sufficiently sized and capable workforce to meet growing demand for care will *at least in part* rely on attracting non-UK born workers.
- Our report, to be published later this autumn⁷, includes headline estimates about the number of care workers who entered the UK through Tier 2 but who might not reach the minimum salary thresholds now being reviewed by the Migration Advisory Committee (MAC).
- Earlier this year the Royal College of Nursing warned that 3365 nurses from outside the EEA will potentially be affected by new salary thresholds. Building on this analysis, Independent Age and ILC-UK estimate a further 1,600 workers in social care may have to leave the UK were the proposed new thresholds to get implemented.
- The care sector's overall vacancy rate of 6% is significantly higher than the vacancy rate for the UK's labour force as a whole, which is 2.4%. The care sector is therefore significantly less able to fill new job openings.
- While we recognise the Tier 3 route covering temporary labour shortages for low skilled workers has never been opened, we do believe there are specific job roles within adult social care which should be included within a revised occupations shortage list for Tier 2.
- Independent Age does not have a background in immigration policy and recognises there are many different issues the MAC will need to consider as it completes its review of Tier 2. We also recognise MAC can only consider the issues set out within the scope of the review and cannot look more broadly at immigration policy and its impacts on the care workforce.
- However, we want to use this opportunity to share our concerns that current proposals affecting Tier 2, including changes to minimum salary thresholds, risk exacerbating already serious problems concerning recruitment and retention of non-EEA migrants in adult social care.
- Ultimately, our main interest is making sure we have the workforce our ageing population needs. With non-EU migrant workers making up such a significant proportion of the overall adult care workforce, it is clearly

⁷ Any findings and estimates reported here remain under embargo until Wednesday November 18th 2015.

important MAC gives regard to the government's proposals and the impact they will have on this vital part of the labour force.

Call for evidence: our detailed comments

- The MAC launched a call for evidence relating to a commission from the government to review the Tier 2 route.
- Tier 2 of the points based system is the route for skilled workers from outside the European Economic Area (EEA) who have an offer of skilled employment in the UK.

The MAC has been asked to look at:

- options to re-focus the route on areas where there are genuine skills shortages
- how to limit the time that sectors can remain on a shortage list
- the implementation of a levy on Tier 2 visas, to fund apprenticeships
- restrictions on the automatic right of Tier 2 dependants to work
- tightening up on the intra-company transfer (ICT) route, including applying the immigration health surcharge to ICTs
- raising the minimum salary levels that migrants have to be paid

There are four routes within Tier 2, including what is known as *Tier 2 (General)*.

We understand the MAC has been asked to advise on changes to Tier 2 to address concerns about the *"rising number of migrants in that route"* and *"reliance on them to fill shortages"*.

Furthermore, we understand MAC has been commissioned to consider restricting Tier 2 (General) recruitment, compared with the current rules, so it covers *"genuine skills shortages and highly specialist experts only"*. The MAC has been commissioned to consider how Tier 2 (General) and the shortage occupation list should be reformed to achieve this objective but with flexibility to include *"high value roles, key public service workers and those which require specialist skills"*.

The MAC has also been asked to provide early advice on the economic rationale for and the impact on net migration of setting new minimum salary thresholds to ensure that Tier 2 migrants are not *"undercutting the resident labour force"*.

Independent Age is keen to share the following observations, which we hope MAC can reflect on as part of its review.

- Migrants are concentrated in key parts of the social care workforce. Nearly 1 in 3 of all care workers employed in high skilled professional roles, such as registered nurses and occupational therapists, are born abroad.
- Skills for Care provides specific figures by country of origin and can account for the number of non-UK born workers who occupy what MAC might consider *"high value roles", plus are employed as key public service workers or require specialist skills"*, and indeed the proportion of these workers from outside the EU. Independent Age and ILC-UK would be

delighted to provide more detail and interrogate the National Minimum Dataset for Care.

- Among foreign born workers in adult care, 72% (191,380 people) were born outside of the EU, while the remaining 28% (75,000 people) were born in the EU.
- About 14% of the non-EU migrants working in adult social care today arrived in the UK between 2011 and 2015; this is equivalent to roughly 27,500 people. During the same five years, 40% of the EU migrants working in adult social care today (approximately 30,000 people) arrived in the UK.

Distribution of UK dates of entry for current migrant care workforce

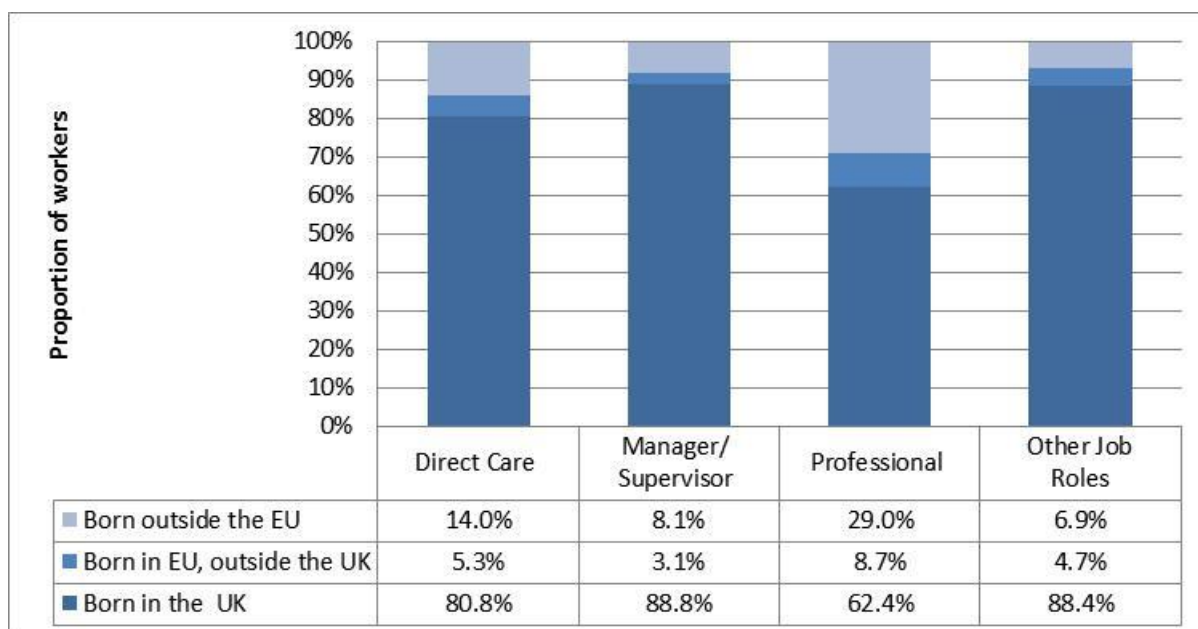
	Born outside the EU	Born in the EU, outside the UK
Arrived before 1990	13%	9%
Arrived between 1991 and 2000	13%	5%
Arrived between 2001 and 2005	28%	15%
Arrived between 2006 and 2010	32%	32%
Arrived between 2011 and 2015	14%	40%
Total migrant workforce	191,380	75,002

- The past five years have therefore seen a significant shift in the mix of migrant workers coming to the UK to work in care, in terms of country of origin and the balance between EU and non-EU migrants.
- The distribution of non-EU workers within different establishments is remarkably uneven: approximately 40% of establishments employ zero workers born outside the EU, while in 10% of the establishments, nearly half of the workforce (45%) was born outside the EU.
- Among migrants who arrived in the UK over the last 8 years (between 2007 and 2014), looking at the list of the top five countries of birth, India (13%), Philippines (11%) and Nigeria (7%) are the top 3 non-EU countries who appear on this list. Although many of the employees from outside the EU will occupy direct care roles - working on the frontline - some are specialists in dementia care or work in other highly skilled roles.
- Further restrictions to Tier 2 (general) risk further destabilising an already stretched care workforce, but there is seemingly little evidence from previous work that MAC has carried out that these issues are being monitored, or reported to the Home Office.
- The 2015 partial review of the shortage occupation list considered a wide range of healthcare practitioner roles, including geriatric and old age

psychiatry posts, but not social care workers. In recent history, the shortage list has included a series of roles related to the health sector, such as “social worker working in children’s and family services”, or “specialist nurse working in neonatal intensive care units”, but no specific attention was devoted to care services for older people. Indeed, since 2011 senior care workers or social workers have been removed from the Tier 2 shortage list.

- Just focusing on skills levels and attributes that can be listed to help refine which occupations are kept within the Tier 2 route, we advise MAC to meet with Independent Age and researchers at ILC-UK, so we can present the data we have been gathering from the National Minimum Dataset. We believe this will provide MAC with specific examples of highly skilled care (often registered nursing) roles being delivered by non-EU workers. We also believe the data will point to workforce shortages, which unless addressed strategically, look only set to get worse.

Proportion of workers in adult social care, by job type and area of birth



Source: Author’s elaborations from NMDS Workers’ File and NMDS-SC 2014 report. Note: establishments with questionable Country of birth data have been excluded.

- Nearly 1 in 3 (29%) of workers in the adult care sector work in ‘professional’ roles (social worker; occupational therapist; registered nurse; safeguarding and reviewing officer; allied health professional etc.). Interestingly, nearly 1 in 10 (8%) of manager/supervisor roles are occupied by workers from outside the EU.
- We worry there is a significant risk that restricting Tier 2 and indeed raising salary thresholds could act as a further obstacle to providers as

they look to secure the professionals and managers they need in the future.

- Like Skills for Care, from our own modelling, we believe a care workforce of at least 1 million workers could open by 2037, but the gap could grow as high as 400,000 in less than ten years. Our own projections are based on a scenario which sees the sector remaining unattractive to work in, but where England experiences low levels of migration using ONS projections.
- MAC recently found little evidence to suggest there is widespread undercutting of UK resident workers by Tier 2 migrants occurring under the current salary thresholds. We trust MAC will continue to examine all the evidence through to the completion of its review in December 2015. We also hope the government will act on MAC's recommendations, basing any future changes to the Tier 2 route on sound evidence.

Recommendations

1. An exemption for non-EU migrants working in highly skilled professional care roles

Given the migration policy framework regarding non-EU migrant workers, this is potentially the most realistic approach. Currently the only route into the UK for non-EU migrant workers is Tiers 1 and 2 – for “high value” or skilled migrants. But the vast majority of migrant care workers would not come under either of these headings. Under this option, an exemption for non-EU migrant care workers working in specialist (particularly registered nursing) roles would be built into the current framework for Tier 2 (General).

MAC would need to work with sector representatives and professional bodies to examine the specific job titles and roles that could reasonably be exempted in this way, but roles would almost certainly include registered nurses, where there is a major concern around current levels of recruitment and retention.

Such an approach would be accompanied by a reversal of the Government's commitment to the £35,000 earnings threshold for non-EU migrant workers in the social care profession. With around 190,000 current care workers born outside of the EU, this could hit key professionals who entered the care sector through Tier 2. In fact, we believe around 1,600 non-EU care workers would be looking at the possibility of having to leave the country.

And in the longer-term

While we recognise this may not be considered a realistic option in the immediate term, we still believe the most effective and straightforward route would be to enable non-EU migrants into the care workforce by opening the Tier 3 route.

Debates about migration policy have long acknowledged the important role that high skilled migrants play within the UK but often neglect the role that low skilled migrants play. While such a reversal of migration policy is arguably unlikely, reopening Tier 3 would provide more flexibility for those industries

where there are particularly severe shortages of low skilled workers. Indeed, the care workforce is one of many low skilled sectors facing labour shortages.

For more information on this submission please contact

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