

New migration rules: threat to UK science and STEM

A Prospect briefing • Updated March 2024

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Summary

From Spring 2024 the UK government is making a number of changes to immigration rules.¹ These include:

- From 4 April 2024, increasing the **minimum earning threshold for new Skilled Worker visas** by nearly 50% from its previous position of £26,200 to £38,700
- From 4 April 2024, "going rate" thresholds for occupations paid above this minimum will increase from the (previously used)² 25th percentile of the distribution of full-time earnings for equivalent jobs to the full 2023 median. Initial analysis suggests that this could mean increases of the order of £10,000 to £15,000 in affected "SRET" (Science, Research, Engineering and Technology) occupations.³
- The above salary thresholds will *not* apply to workers already in post via the Skilled Worker route, or whose applications have already been made, including in future should they apply to extend their visa, change employment or sponsor, or settle.⁴
 Someone who had a Skilled Worker visa before 4 April 2024, and applies to extend it or for settlement before 4 April 2030, only needs to meet a minimum salary threshold of £29,000 (the current level of £26,200 adjusted for inflation).
- The changes would, however, catch **workers already in post or in the UK under a different visa** (for example a Graduate Visa) who had planned or expected to switch to a Skilled Worker visa when this expired.
- From 4 April the Shortage Occupation List (SOL), which previously specified around 55 skilled occupational categories for which Skilled Worker visas could be obtained for roles if paid at 80% of the 25th percentile "going rate", will be abolished, and replaced with a new, much shorter, Immigration Salary List (ISL) with 23 roles on it. Skilled Worker visas will be available for roles on the new Immigration Salary List if paid less than £38,700 if they meet a general minimum of £30,960 (ie., 80% of the new general threshold) or, if higher, the median rate for that occupation. Workers who have already applied or in post for roles that appear on the new Immigration Salary List that are looking to extend will need to meet a new minimum salary threshold of £23,200 (80% of what would have been the new general threshold under the old rules), or (it seems to

¹ For a definitive statement see https://www.gov.uk/government/publications/statement-of-changes-to-the-immigration-rules-hc-590-14-march-2024

² Detail of the previous methodology is at https://www.gov.uk/government/publications/calculating-salary-thresholds-technical-note/calculating-salary-thresholds-technical-note

³ Based on comparison of 25th percentile for 2023 with median (or new minimum threshold if higher). Note that any occupations included on the new Immigration Salary List may not be affected in the same way

⁴ "those already in the Skilled Worker route before the Immigration Rules changes should be exempt from the new median salary levels when they change sponsor, extend, or settle " – Home Office correspondence with Prospect, 19 January 2024; see also <u>https://questions-statements.parliament.uk/written-questions/detail/2023-12-14/6967/</u>. The Home Office has said it will expect "expect their pay to progress at the same rate as resident workers; therefore, they would be subject to the updated 25th percentiles using the latest pay data" when they do. Correspondence with Prospect, 19 January 2024. Further confirmation provided in correspondence dated 15 March: "the Immigration Rules changes have no effect on individuals for the duration of their existing visas. If they are not changing visa they would not need to be paid more to meet the new rules … In addition, up until the point with which the Immigration Rules have effect, those already in the Skilled Worker route will be exempt from the new median salary levels when they change sponsor, extend, or settle".

be implied)⁵ 80% of the new median threshold if higher. *Prospect is still seeking clarification / confirmation of this consequence for existing holders of Skilled Worker visas for roles previously on the Shortage Occupation List who may be looking to extend.*

- It appears that workers currently in post on a Skilled Worker visa obtained for a role previously on the Shortage Occupation List but now not on the new, shorter Immigration Salary List may be now covered by new, significantly higher salary thresholds if and when they look to extend, change sponsor or settle when their current visa runs out. Prospect has yet to receive a clear answer from the Home Office to queries on this point but will continue to seek clarification.
- From 4 April it will no longer be possible to obtain visas for roles on the Shortage
 Occupation List if paid at 80% of the "going rate" (the 25th percentile of the earnings
 distribution). Workers sponsored in an occupation on the new (much shorter)
 Immigration Salary List (published on 14 March) will need to meet a general salary
 floor of £30,960 (20% below the new general £38,700 threshold) if they are new to the
 route; if they are extending they will need to meet a floor of £23,200 (20% below the
 £29,000 it would have been under old rules).⁶ There will be a full review of the
 Immigration Salary List, on which evidence will be invited from interested parties, later
 in 2024.
- Other existing Skilled Worker salary discounts, relating to "new entrants" to the labour market (eg applicants under 26) are retained with thresholds increased to £30,960 (up from £20,960) or, if higher, 70% of the "going rate". Future applicants with a relevant STEM PhD will need to meet a minimum salary of £30,960 (up from £20,960) or (if higher) 80% of the going rate.
- From 11 April 2024, the minimum income for **family visas** will be raised from £18,600 to £29,000, and will be raised again to £38,700 by early 2025. The Home Office has stated that "Family rules changes only apply to dependants applying in line with a permanently settled migrant or UK national. Changes to the dependant rules for Skilled Workers only affect anyone newly applying as a care worker or senior care worker after 11 March 2024. Anyone applying for a Skilled Worker visa or a Health and Social Care visa in those occupations before 11 March will still be able to have dependants apply in relation to their visa."⁷

In addition there will be new restrictions on visas for **overseas care workers and their family dependents**, which this briefing does not focus on.

These changes come on top of a 15% increase in application fees across most immigration routes including the Skilled Worker route, introduced on 4 October 2023, and a 66% increase in the Immigration Health Surcharge introduced on 6 February 2024.

⁵ This point is not explicitly spelt out in information provided by the Home Office but seems to be implied.

⁶ The Home Office has stated that "if the data shows that the median or 25th percentile wage for UK workers in that role is below the £38,700 / £29,000 level they will benefit." Prosect is seeking clarification of the meaning of this statement. Correspondence with Prospect, 15 March 2024.

⁷ Correspondence with Prospect, 15 March 2024.

These changes could have a significant impact on Prospect members and the organisations they work for. For example:

- Overseas workers not yet in post may have found job offers withdrawn or contracts rewritten if employers feel they will have to pay higher than planned salaries. This was reported as an immediate effect of the announcement in some cases, possibly related to difficulty in organising visa applications in time given the sudden "rush" to meet deadlines amid lack of clarity and certainty.⁸
- Overseas workers already in the UK under a different visa (for example a Graduate Visa) who had planned or expected to switch to a Skilled Worker visa (for example when their current placement ends) may now find it harder or not possible because employers are not willing or able to meet the higher salary thresholds than would have previously been the case.
- Overseas workers in occupations previously included on the Shortage Occupation List may find themselves unable to extend, change sponsor or settle unless their salary meets significantly higher thresholds than previously expected, especially if their occupation does not appear on the new, much more restricted, Immigration Salary List.
- British workers or overseas workers now in post may find that planned projects they expected to work on are delayed or cancelled because employers will no longer be able to fill posts as they might have planned.⁹
- Organisations that wish to offer positions to workers from overseas will no longer be able to do so if these posts pay less than the minimum threshold or recalculated "going rate" for the role. This may be a common scenario for organisations requiring rare or niche areas of expertise or experience.
- Organisations that wish to offer positions to workers from overseas may, even if paying at levels above the new thresholds, find those workers deterred by the general tone and direction of policy.

Overall, these rules risk:

- Negatively impacting the security, mobility and future employment opportunities
 of some overseas workers already in the UK, for example those who had planned
 to switch from a Graduate Visa to a Skilled Worker Visa, or those employed in a
 role previously classified as a Shortage Occupation
- Risk undermining the flexibility, attractiveness and competitiveness of organisations that operate in areas where skills and expertise are often highly specialised and where career pathways and collaborative networks typically traverse national borders.

⁸ https://www.ft.com/content/3a122051-91af-42cc-a480-8b76535278d9

⁹ One reported example is an engineering project in Northern Ireland now struggling to fill more than 100 engineering roles – "because they are regional, they simply do not meet the new salary threshold". https://www.ft.com/content/3a122051-91af-42cc-a480-8b76535278d9

Why it matters for UK science and STEM

There is a degree of cross-party consensus around the priority of developing and expanding the UK science base, as well as STEM-based industries from clean energy to the tech sector, as essential to raising the UK's productivity and competitiveness, and to meeting societal challenges from safeguarding national security to meeting net zero targets.¹⁰

However, a key challenge remains the scarcity of specialised skills and, in many areas, comparatively low pay for the levels of skill and qualification entailed.

This means that workers from overseas make a vital contribution to the UK's strength and potential in these areas. It also means that, as things stand, their pay is often not at a level that many would expect for the level of skill and expertise involved.

Particular areas of concern for Prospect include:

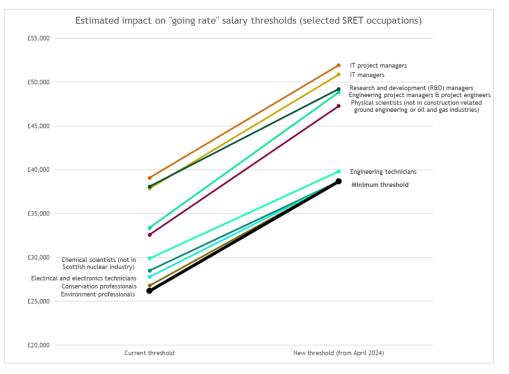
- Academic Research: Potential restrictions in hiring international talent for early-career and postdoctoral positions, impacting vital research fields.
- **Healthcare and Medical Research:** Challenges in recruiting international professionals for clinical and research roles, which could slow medical advancements.
- Engineering and Technology: Difficulties in attracting international experts in key areas such as renewable energy and information technology, crucial for the UK's innovation and infrastructure projects.
- Startups and SMEs in Science and Tech: The increased salary threshold may pose significant challenges for these organisations, known for their tight budgets and significant contributions to innovation.
- **Public Sector and Non-Profit Research Organizations:** The rigid pay scales in these sectors might not accommodate the required salary adjustments, affecting the ability to attract international talent in critical research areas.

¹⁰ For background and Prospect's overall agenda for UK science and STEM, see https://library.prospect.org.uk/download/2023/00519

Impact of new thresholds for STEM occupations

For occupations now typically paying above the minimum threshold, these changes can be expected to result in an increase in required salaries typically of the order £10.000 to £15,000 – either because they will be caught by the new minimum threshold or because of the increase to the full time median salary for 2023.¹¹ STEM occupations that were not on the Shortage Occupation List that see their thresholds increased in this way include:

- Chemical scientists (barring those working in the Scottish nuclear industry)
- Physical scientists (barring those working in construction-related ground engineering or the oil and gas industry)
- IT project managers and managers
- Engineering project managers and project engineers, and technicians
- Electrical and electronics technicians
- · Conservation and environment professionals
- R&D managers



Source: Prospect analysis comparing currently published Home Office "going rates" with 2023 full time median earnings¹²

The replacement of the Shortage Occupation List (SOL) with an Immigration Salary List (ISL) with fewer occupations and different consequences for the calculation of salary

¹² <u>https://www.gov.uk/government/publications/skilled-worker-visa-going-rates-for-eligible-occupations/skilled-worker-visa-going-rates-for-eligible-occupation-codes;</u>

¹¹ Prospect analysis comparing currently published Home Office "going rates" with 2023 full time median earnings

https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/occupation4digit soc2010ashetable14

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thresholds further complications the position. Information provided publicly and by the Home Office remains unclear on key points but potential consequences are set out below.

Occupations that were on the SOL, that have been included on the new ISL, include:

- Chemical scientists in the Scottish nuclear industry, for whom the salary threshold will rise from £22,800 to £35,200. (Those who have already applied or are in post may, if extending or changing sponsor, need to meet a new threshold of £29,600)¹³
- Biological scientists and biochemists, for whom the salary threshold will rise from £24,480 to £37,100. (Those who have already applied or are in post may, if extending or changing sponsor, need to meet a new threshold in the region of £29,000)¹⁴
- Archaeologists, for whom the salary threshold will rise from £20,480 to £36,400. (Those who have already applied or are in post may, if extending or changing sponsor, need to meet a new threshold in the region of £25,150)¹⁵
- Laboratory technicians, for whom the salary threshold will rise from £15,120 to £30,960. (Those who have already applied or are in post may, if extending or changing sponsor, need to meet a new threshold of £21,900)¹⁶

Occupations that were on the SOL that do not appear on the new ISL include:

- Engineering geologists, hydrogeologists, geophysicists in construction for whom the salary threshold will rise from £26,080 to £47,300. (Those who have already applied or are in post may, if extending or changing sponsor, need to meet a new threshold in the region of £40,000)¹⁷
- Geophysicists, geoscientists, geologists, geochemists, technical services managers in nuclear decommissioning and waste, senior resource geologists and staff geologists in the mining sector for whom the salary threshold will rise from £26,080 to £47,300. (Those who have already applied or are in post may, if extending or changing sponsor, need to meet a new threshold in the region of £40,000)¹⁸
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- Civil, mechanical, electrical, electronics, design and development, and production and process engineers for whom salary thresholds will rise from £25,600-£31,440 to

¹⁸ Assumes 25th percentile threshold as above. Estimated on basis of available ONS data in absence of a specific data point for the 25th percentile.

¹³ Assumes will need to meet threshold set at 25th percentile without 20% discount, which is implied though not fully spelt out in Home Office information

¹⁴ Assumes need to meet 25th percentile threshold as above; this is not given in ONS data but can be inferred to be of this order from available data.

¹⁵ Assumes need to meet 25th percentile threshold as above; this is not given in ONS data but can be inferred to be of this order from available data.

¹⁶ Assumes 25th percentile threshold as above.

¹⁷ Assumes 25th percentile threshold as above. Estimated on basis of available ONS data in absence of a specific data point for the 25th percentile.

¹⁹ Assumes 25th percentile threshold as above. Estimated on basis of available ONS data in absence of a specific data point for the 25th percentile.

£42,500-£53,500. (Those who have already applied or are in post may, if extending or changing sponsor, need to meet a new threshold in the region of £35,000 to £42,000)²⁰

- Engineering professionals not elsewhere classified for whom salary thresholds rise from £26,720 to £42,900. (Those already applied or are in post may, if extending or changing sponsor, need to meet a new threshold in the region of £34,350)²¹
- IT business analysts, architects and systems designers for whom salary thresholds rise from £30,080 to £51,700. (Those already applied or are in post may, if extending or changing sponsor, need to meet a new threshold in the region of £39,300)²²
- Programmers and software development professionals for whom salary threshold rises from £27,200 to £49,400. (Those who have already applied or are in post may, if extending or changing sponsor, need to meet a new threshold in the region of £36,300)²³
- Web design and development professionals for whom salary thresholds will rise from £21,440 to £41,300. (Those who have already applied or are in post may, if extending or changing sponsor, need to meet a new threshold in the region of £30,000)²⁴
- Cyber security specialists for whom the salary threshold will rise from £25,680 to £45,300. (Those who have already applied or are in post may, if extending or changing sponsor, need to meet a new threshold in the region of £35,140)²⁵
- Quality control and planning engineers for whom the salary threshold will rise from £25,280 to £40,000. (Those who have already applied or are in post may, if extending or changing sponsor, need to meet a new threshold in the region of £33,100)²⁶

Prospect will seek further clarification on the impact on workers in these groups already applied or in post at the point of extending, renewing or settling.

- ²² Assumes 25th percentile threshold as above.
- ²³ Assumes 25th percentile threshold as above.

²⁰ Assumes 25th percentile threshold as above.

²¹ Assumes 25th percentile threshold as above.

²⁴ Assumes 25th percentile threshold as above. Estimated on basis of available ONS data in absence of a specific data point for the 25th percentile.

²⁵ Assumes 25th percentile threshold as above. Estimated on basis of available ONS data in absence of a specific data point for the 25th percentile.

²⁶ Assumes 25th percentile threshold as above. Estimated on basis of available ONS data in absence of a specific data point for the 25th percentile.

UK STEM: pay levels and contribution of overseas workers

A great many important STEM workers are currently paid well below the new minimum threshold of £38,700. According to the latest ONS data,²⁷ if applied to the existing working population, this threshold would exclude:

More than 20% of engineering project managers and project engineers; pharmacists; and IT business analysts, architects and systems designers

More than 25% of biochemists and biomedical scientists; and aerospace engineers

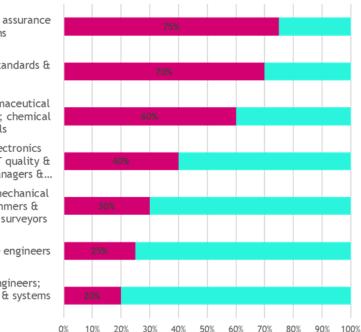
More than 30% of cyber security professionals; civil engineers; mechanical engineers; IT network professionals; quality assurance and regulatory professionals; programmers and software development professionals; and quantity surveyors

More than 40% of engineering technicians; quality control and planning engineers; electrical and electronics technicians; conservation professionals; IT quality and testing professionals; health and safety managers and officers; web design professionals; and chartered surveyors

More than 60% of science, engineering and production technicians; building and civil engineering technicians; pharmaceutical technicians; professional archivists and curators; chemical scientists; and environmental professionals

More than 70% of IT technicians; professional inspectors of standards and regulations

More than 75% of laboratory technicians; data analysts; quality assurance technicians; and IT operations technicians



laboratory technicians; data analysts; quality assurance technicians; IT operations technicians

IT technicians; professional inspectors of standards & regulations

building & civil engineering technicians; pharmaceutical technicians; professional archivists & curators; chemical scientists; environmental professionals

engineering technicians; electrical & electronics technicians; conservation professionals; IT quality & testing professionals; health & safety managers &...

cyber security professionals; civil engineers; mechanical engineers; IT network professionals; programmers & software development professionals; quantity surveyors

biochemists & biomedical scientists; aerospace engineers

engineering project managers & project engineers; pharmacists; IT business analysts, architects & systems designers

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https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/d atasets/occupation4digitsoc2010ashetable14

This impact can also be seen if we look at typical pay levels in key organisations across the science and STEM landscape. In many organisations around half the jobs pay less than the new threshold. For example:

The Met Office, where 1 in 4 workers earn less than £33,000 (excluding performance-related pay) and half of workers earn less than £38,000

UKAEA, where 1 in 4 workers earn less than £35,961 and half earn less than £44,494

UKRI, where half of the workforce earns less than £39,748

Diamond Light Source, where half the workforce earns less than £45,310

Overseas workers make up a significant proportion of the workforce in these occupations and organisations. This reality has been highlighted by Prospect members in relation to a number of organisations across the public, private and third sectors.

Official data are not collected but the picture is confirmed by independent analysis where available. For example:

A 2018 study of UK research infrastructures – covering employers such as the Centre for Fusion Energy at Culham, digital and data resources such as the Met Office or ARCHER supercomputing service, and strategic multi-user facilities such as those on the Harwell Campus – found that 32% of their staff were from overseas.²⁸

A 2022 inquiry by the House of Lords Science and Technology Committee into people and skills and UK STEM stressed in its conclusions that

*"overseas STEM talent will play a key role in ensuring the UK achieves its science superpower ambitions. Skilled individuals should feel valued and welcome".*²⁹

The Campaign for Science and Engineering has recently stressed that

"Research is a global endeavour. Migration brings enormous benefits to the UK R&D sector, increasing international collaboration and knowledge exchange. This is in addition to the benefits of diversity in the workplace and the value that different viewpoints and cultural approaches bring to science.

"The UK currently also has a shortfall of workers with Science Technology Engineering and Mathematics (STEM) skills... The government itself has estimated that 380,000 additional researchers will be needed by 2027. While it is important to increase domestic talent through upskilling the existing workforce and increasing the number of people training in STEM, the emergence of these newly trained workers will take time. In the short term, international talent is needed to fill these skill gaps. Attracting global talent is essential to support a thriving, collaborative UK R&D sector that in turn drives economic growth."³⁰

²⁸ https://royalsociety.org/~/media/policy/Publications/2018/snapshot-uk-research-infrastructures.pdf

²⁹ https://committees.parliament.uk/publications/33254/documents/179987/default/

³⁰ https://www.sciencecampaign.org.uk/analysis-and-publications/detail/international-talent-iscrucial-if-the-uk-is-to-achieve-its-research-intensity-ambitions/

Reactions to the rule changes

In response to the announcements, Sue Ferns, Senior Deputy General Secretary of Prospect, said:

"This rushed and ill-considered policy could fatally damage the standing of the UK as a global leader in science.

"It is clear that changes to the salary threshold are more about managing internal Conservative Party problems than striking a sensible balance to meet the current and future needs of the UK economy or society. What kind of message does it send to all those in STEM and science who are working to maintain our global reputation in these fields? The Government would do well to apply a bit more scientific method to its policy making instead of chasing headlines."³¹

One of our members, at an organisation that has often featured in government speeches and was visited by the Prime Minister within the past year, told us:

"Many members ... view it as an attack on them and their friends and families. It makes the Government seem ungrateful for the work done by our members of all nationalities. And it is, to a lot of people, the single biggest risk that's appeared since they've been in the UK."

Another at world-leading non-profit research centre that has a key strategic role in UK productivity and competitiveness said:

"My two postdocs have a 4-y contract so when the time to renew their visas arrives, they won't qualify for a visa renewal under these conditions. Moreover, one of them will not be able to bring his spouse to the UK when this new salary threshold is in place (he is waiting to settle and find appropriate accommodation before bringing his wife). This may imply that the postdoc will have to resign and return to his country given that the family situation would become unsustainable. This will obviously impact on the realisation of the deliverables of the research programmes and in their career development."

Other organisations who have responded to the changes include the Campaign for Science and Engineering, which warned of the impact on the UK's R&D sector and made a number of recommendations for improving the system, including:

- 1. Reduce the upfront cost of UK visas
- 2. Clarify eligibility for the Global Talent and Skilled Worker Visas
- 3. Increase visa flexibility
- 4. Support businesses to navigate the visa system
- 5. De-risk visa sponsorship for organisations
- 6. Mitigate the impact of visa changes on students and universities³²

³¹ https://prospect.org.uk/news/prospect-warns-uk-science-at-risk-from-punitive-immigration-income-threshold

³² https://www.sciencecampaign.org.uk/analysis-and-publications/detail/international-talent-iscrucial-if-the-uk-is-to-achieve-its-research-intensity-ambitions/

Appendix: Science and STEM-based occupations on Shortage Occupation List and Immigration Salary List

Scientific and STEM-based occupations currently on the Shortage Occupation List³³:

Chemical scientist in the Scottish nuclear industry

Biological scientist and biochemists

Engineering geologists, hydrogeologists, geophysicists in construction

Geophysicists, geoscientists, geologists, geochemists, technical services managers in nuclear decommissioning and waste, senior resource geologists and staff geologists in the mining sector

Archaeologists

Civil engineers

Mechanical engineers

Electrical engineers

Electronics engineers

Design and development engineers

Production and process engineers

Engineering professionals not elsewhere classified

IT business analysis, architects and systems designers

Programmers and software development professionals

Web design and development professionals

Cyber-security specialists

Quality control and planning engineers

Laboratory technicians

Scientific and STEM-based occupations on the new Immigration Salary List³⁴:

- Chemical scientist in the Scottish nuclear industry
- Biological scientist and biochemists
- Archaeologists
- Laboratory technicians

³³ The full list is at https://www.gov.uk/government/publications/skilled-worker-visa-shortage-occupations/skilled-worker-visa-shortage-occupations

³⁴ Included in regulations at https://assets.publishing.service.gov.uk/media/65f18e57ff11701fff6159bb/E03091226_-_HC_590_-_Immigration_Rules_Changes__Web_Accessible_.pdf