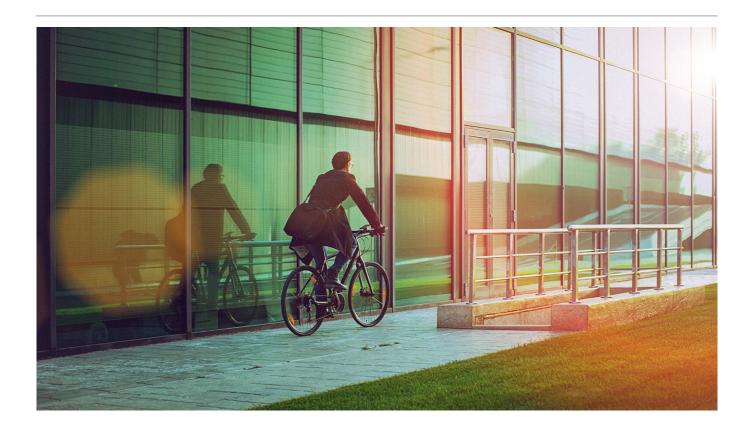
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Brexit immigration changes for the food and drink industry



The Brexit transition period expired on 31 December 2020, bringing an end to freedom of movement. Now, a new immigration system is in place meaning European nationals will no longer be able to move to the UK and work without a visa. With new skills requirements and thresholds in place resulting in a reduction in supply of cheap labour from mainland Europe, this will likely entail drastic changes to the hiring practices within sectors such as catering, farming and hospitality who have grown to rely on migrant workers from Europe to fill low-skilled roles.

The new immigration system

Under the points-based immigration system, anyone coming to the UK for work must meet a specific set of requirements for which they will score points. Visas are then awarded to those who gain enough points.

As part of the minimum requirements, applicants are required to have a job offer from an approved employer sponsor for a role requiring a minimum skill level (roughly A-level) and a minimum salary threshold of £25,600 (with some exceptions in job categories with critical shortages). Crucially, applicants will also need to be able to speak English.

How can I mitigate the impact on my business?

The new system is likely to have a significant impact on recruitment in many food and drink businesses, potentially causing long term issues with regards to increased overheads and disruption to the supply chain. It is

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now more important than ever to consider your future recruitment needs and identify areas of potential impact.

The first step is for businesses to carry out a risk assessment. Initially, businesses should assess whether they can sponsor workers under the new scheme. If so, they should ensure they have the correct systems in place, including the sponsor licence.

The government has noted the UK's reliance on migrants to do low-skilled jobs in the farming sector and has to some extent addressed this issue. For UK farmers and growers, the Seasonal Workers Pilot may offer some respite from the new immigration rules. The pilot has been expanded for 2021, allowing farmers to hire up to 30,000 migrant workers on temporary visas of up to six months. The government hopes this pilot will help horticulture growers pick and package their produce sufficiently, whilst reducing their reliance on migrant labour.

Where the new system does not fit your business, consider:

- 1. amending the job role(s) so that the scheme applies;
- 2. retention strategies to keep current staff engaged;
- 3. developing new ways to attract more local applicants to roles that have historically been filled by European nationals;
- 4. recruitment strategies which could include increasing skills investment through apprenticeship schemes, improving salaries, improving job quality and also progression routes;
- 5. how best to mitigate potential future supply chain issues; and
- 6. look to invest in technology and automation.

It is important to start planning now to reduce the impact of the new immigration rules on your business. For further information or for general employment queries please get in touch with our <u>employment team</u>.