

Information correct as at 09:00am on 09.10.2020

- The free movement of EU citizens will be restricted from 1 January 2021
- There is currently no immigration route for farm workers under the new legislation
- UK dairy farmers are urged to reassess labour strategies and seek staffing opportunities

## **Policy changes**

The UK's departure from the EU and drive to secure a 'meaningful' exit led the Government to introduce a new points-based immigration system starting from 1 January 2021. The new system will apply both to EU and non-EU citizens wanting to work in the UK.

The new points-based system will offer immigration routes for highly skilled workers, skilled workers, students and other specialist roles with occupations deemed as having shortages being able to navigate the points-based system if their salary is sufficient.

Fundamentality livestock farm workers (there is a separate route for seasonal horticulture workers) fall into the 'unskilled' category and will not be able to use the scheme for accessing employment in the UK. A campaign that sought to include 'farmers' on the Migration Advisory Committee's (MAC) Shortage Occupation List (SOL) failed with the MAC not recommending their inclusion in their report to the Home Secretary.

## What it means for UK dairy farms

As of 1 January 2021 EU citizens (and non-EU citizens) will be able to come to the UK for up to six months without a visa but will not be able to work.

Farms that have previously relied on a turnover of EU workers will no longer be able to access 'new' EU labour, it will not affect existing EU employees provided they apply for the Government's EU Settlement Scheme.

It has the potential to affect those not currently using EU labour as demand for farm workers could outstrip the supply, with competition being strong for farm workers.

There is the added impact that in event of a no deal exit and weakening sterling those eligible to remain in the UK may seek higher wages or decide to move elsewhere in the EU to ensure that they get the best value when their wages are exchanged to their homeland currency.

It is essential that eligibility to work is checked for all employees, existing methods (identity cards, passports, etc) will be valid until 30 June 2021, after this date EU citizens eligible to work in the UK will be able to present evidence online by the prospective employee supplying a 'share code' for an online facility.

## What does it mean for EU citizens currently here?

EU citizens currently living and working in the UK or intending to before 31 December 2020 can apply for the Government's EU Settlement Scheme; they will be able to apply for settled or presettled status dependent on how long they have been in the UK for. Those living in the UK for five years or more can apply for settled status, and those with less than five years' residency can opt for pre-settled with the option of applying for settled status once they have been in the UK for five years. Those applying for settled status must satisfy a 'continuous residency' test which means they must have lived in the UK for five years or more for at least six months in a 12-month period.

The scheme only applies to those resident in the UK by 31 December 2020 and those eligible must apply by 30 June 2021.

Guidance is available in all EU member state languages and the scheme is free to access, more information may be found <u>here</u>.

## What can UK dairy farms do about this?

With some sources predicting that there could be up to 4 million people unemployed by 2021 the post-pandemic labour market offers opportunities for UK dairy farms. The challenge to the sector is to reassess labour strategies and prepare to embrace change; open-mindedness regarding recruitment and the roles offered will be required.

Accepting that workers from other industries have transferable skills but not necessarily having experience in agriculture is important; employing staff with the right attitude rather than experience often proves more successful. Farmers must consider the roles offered on farm including the working hours, conditions and days off. It is critical that dairy farms understand that they are competing in a broader labour market and that they need to secure and retain good reliable labour.

We are working with clients to create and implement a labour strategy which minimises risk and business disruption in relation to this legislation. Including recruitment of employees, preparing the necessary contracts of employment and putting in place the necessary protocols and processes to reduce staff turnover.

For further discussion or to help with any questions that you may have, please contact Consultant Support on consultantsupport@kiteconsulting.com or 01902 851007 / 07542 403225