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appginquiry@cic.org.uk

25 November 2016

RE: Joint CIfA and FAME response to APPGEBE inquiry into the impact of Brexit on future skills needs in the construction industry and the built environment professions

Dear Mr Watts,

Thank you for the opportunity to provide evidence to this inquiry. We would like to use this submission to highlight the status of important skills not only in the construction sector, but also in supporting industries, such as archaeology. Development-led archaeology is part of the supply chain for delivering housing and other development and is subject to many of the same current skills-gap and skills shortage issues as faced by the housebuilding sector, particularly in the light of the huge boom in infrastructure projects scheduled over the next 15 years. This response details some of the current issues and sector responses, describes how Brexit may pose a threat to efforts to ensure a sustainable supply of labour, and highlights where government support would be beneficial.

About us

The Chartered Institute for Archaeologists (CIfA) is the leading professional body representing archaeologists working in the UK and overseas. CIfA promotes high professional standards and strong ethics in archaeological practice, to maximise the benefits that archaeologists bring to society, and provides a self-regulatory quality assurance framework for the sector and those it serves.

CIfA has over 3,200 members and nearly 80 registered practices across the United Kingdom. Its members work in all branches of the discipline: heritage management, planning advice, excavation, finds and environmental study, buildings recording, underwater and aerial archaeology, museums, conservation, survey, research and development, teaching and liaison with the community, industry and the commercial and financial sectors.

The Federation of Archaeological Managers and Employers (FAME) is the trade association for archaeological employers and managers. FAME represents one in three archaeological practitioners, employing the majority of archaeologists across the UK. Its membership includes over 50 archaeological practices, from small consultancies to all the largest contractors, from commercial companies, universities and local authorities across England, Scotland and Wales. In addition to representing its members' interests in matters of policy, its aims are to foster an understanding of archaeology across the construction and development sector and promote best professional practice, training and development, and a safe and healthy work environment.

Evidence for a shortage of skills in archaeology

There is a current skills gap in the archaeological sector, which affects both ‘commercial’ archaeologists undertaking archaeological investigation through the planning system, and local authorities, where restrictions on public spending and a lack of an explicit statutory duty to employ specialists in archaeology and conservation have resulted in close to a 30% decrease in staffing since 2006¹. With increasing workloads for both commercial and local authority archaeologists, these capacity issues are likely to be exacerbated in the coming years as the government invests heavily in a number of key infrastructure projects and seeks to boost housebuilding numbers. It is therefore our position that any impacts of Brexit which may contribute to a restriction on non-UK labour would be detrimental to the sector and would have a knock-on effect on the wider construction sector.

There is strong evidence to show that this is also a developing skills shortage in the archaeological sector such that there is serious concern about the capability of the sector to deliver the level of work required, which is expected to increase significantly in the coming 10-15 years, in part due to the huge expansion in large infrastructure projects, such as HS2, Thameslink, the A303/A30/A358 corridor, A14 upgrade, the Cambridge-Oxford-Milton Keynes corridor, and major airport upgrades, which are currently planned or underway. The Chancellor’s recent Autumn Statement served to underline the Government’s commitment in this area, with even more housing and infrastructure initiatives promised, which will further add to demand on the construction industry, and by extension, archaeology. Recent figures from Historic England² have shown that the sector is currently working at or near capacity and is already dealing with skills shortages. However, the co-incident of over 40 major infrastructure projects planned across the UK from 2015-33 mean that there is expected to be a projected shortage of between 25 and 64% in the available workforce needed to service the archaeological needs of proposed projects. The peak co-incident activity lies in the period 2016-20.

The sector is making plans to address this shortage, through diversifying routes to entry into the workforce and improving links with higher education institutions, as well as by creating new strategies for undertaking work on large projects. However, there is likely to be a period of intense uptick in activity before many of these initiatives begin to deliver results of the scale required. In this context, uncertainty over possible impacts to the free movement of labour from the EU (which currently accounts for 3% of the UK workforce) at this critical time is potentially concerning. In their report on sector capacity Historic England highlight the importance of access to non-UK staff as a key factor in maintaining and building capacity.

Archaeologists from EU countries in the UK workforce

Current data from Historic England³ shows that 3% of archaeologists working in the UK in 2012-13 were from countries within European Union outside of the UK. Less than 1% were from non-EU Europe and 4% from elsewhere in the world. This figure for non-UK EU workers was down from 5%

¹ <https://content.historicengland.org.uk/images-books/publications/seventh-report-la-staff-resources/7th-report-la-staff-resources.pdf/>

² p.1 - <https://historicengland.org.uk/images-books/publications/national-infrastructure-development-and-capacity-2015-33-assessment/>

³ p.11 - <https://historicengland.org.uk/images-books/publications/national-infrastructure-development-and-capacity-2015-33-assessment/>

in 2007-08. This decline may have something to do with the overall decline in numbers in the profession over the last decade, and with demand now rising, the levels of non-UK labour may be set to rise.

Furthermore, recent survey analysis undertaken by FAME shows that 67% of respondents stated that they currently employ non-UK EU staff, 85% had employed non-UK EU staff in the past, and 85% stated that continuing access to non-UK EU staff is important to their organisation.

Although there are difficulties in employing archaeologists from different countries, even those within the EU, where regulatory frameworks, archaeological practices, and archaeological material can be very different, it is recognised by employers that this labour market is likely to become more important in the light of current skills shortages and demand in the UK sector. Any imposition of Brexit on the accessibility of this market would be potentially damaging to the archaeology sector.

Concerns and potential policies

Currently, it is difficult to recruit archaeologists from outside the EU due to visa and immigration restrictions which, for example, require minimum salaries to be demonstrated which are usually above those of archaeological workers working below a managerial level. If workers from EU countries were to become subject to similar immigration requirements it would provide significant barriers to harnessing the EU labour market to import available capacity during periods of high demand for archaeologists.

As a sector, we therefore have strong reasons to support the free movement of labour and would like to discuss the various potential ways in which the benefits of labour movement could be achieved, through (a) an EU exit settlement which retains free movement of labour within the EU, or (b) a points based system – or similar – which recognises a need for skilled and semi-skilled archaeologists from the EU and makes it easy for them to come to the country to work. If this was not possible within any Brexit settlement, one solution would be to include archaeologists within any exempted classification, potentially linked to visa exemptions for construction workers. Another proposal would be for professionally accredited archaeologists to be recognised as meeting necessary threshold for visas.

There are other routes to increase capacity in the sector through expansion of training of UK archaeologists, diversifying routes into the sector, and improving pay and conditions in order to improve sector skills retention. There are various schemes already underway in all these areas. However, it is acknowledged that harnessing the market for non-UK workers will be an important element in meeting the challenges posed by the current skills shortage during the next 10 years.

In addition to immigration restrictions, there is a danger than a post-Brexit Britain will also be perceived as a less attractive place to work and therefore struggle to attract EU workers to the UK. Although we do not yet have figures that can show what this effect is likely to be in practice, a recent survey of ClfA members showed that 68% of non-UK EU respondents stated that they were less likely to want to work in the UK following the referendum result. It may, therefore require strong and clear Government immigration policy which ensures that foreign workers feel that they are welcome in Britain.

Concluding remarks

We hope that this evidence, though subsidiary to the problems facing the much larger construction sector, is helpful to the review. Please do not hesitate to contact us if we can be of any further assistance.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'P. Hinton', written in a cursive style.

Peter Hinton BA MCifA FSA FRSA FIAM

Chief Executive, Cifa

A handwritten signature in black ink, appearing to read 'N. Shepherd', written in a cursive style.

Nick Shepherd BA PgDip MCifA

Chief Executive, FAME