Migration Advisory Committee Call for Evidence

Biffa Waste Service response January 2018

Introduction

Biffa is a UK leading integrated waste management company providing collection, recycling, treatment, disposal and technologically driven energy generation services. We control a significant proportion of waste arising in the UK which places us at the centre of a dynamic and growing sector, providing indispensable services to all UK businesses.

We operate a network of collection depots, transfer stations and material recycling facilities (MRF’s) across the UK, which handle general waste, glass, dry mixed recyclables, food waste and other segregated recyclables. Our household waste division is a leading service provider to local authorities, providing household waste and recycling collections, and other services to 40 local authorities including 4 of the top 10 best performing local authorities in England. As such we are a significant contributor to managing the UK waste stream and meeting local and central government targets in respect of recycling and waste reduction.

Evidence Submission

EEA Migration trends

1. Please provide evidence of the characteristics of EEA migrants in your particular sector

Within Biffa we process and treat several waste streams including;

- Dry mixed recycling – plastic, paper, tin, cardboard, card and glass,
- Organic recyclables – food and garden waste,
- non-recyclable materials

With our two largest MRF’s we handle mixed recyclables, with a processing capacity of 400k tonnes per annum. This is equivalent to the household recycling of 4 million people. The operation is labour intensive and in order to staff this we rely on both direct labour employed by Biffa and labour sourced through third party labour providers.

The majority of our work is in low skilled roles such as manual sorting of dry mixed recyclables in a MRF. EEA workers form the majority of our workforce making up 98% of the labour provided by our suppliers. In addition a large proportion of those directly employed by us in roles such as team leader and supervisor are EEA migrants. In our experience UK workers do not have the desire to work in the roles that we have available.

The majority of roles will be from national minimum wage to £9.00 per hour with a small proportion at rates above this for supervisory positions. Operations run 24 hours a day 7 days a week and therefore will require shift work.
2. To what extent are EEA migrants seasonal; part-time; agency workers; temporary; short-term; self-employed?

We engage that the majority of workers via third party labour supplier who in turn engage workers on flexible contracts of service (with guaranteed minimum hours). The nature of our work is not seasonal, short –term nor temporary i.e. the waste we process is produced by householders and businesses all year round, therefore all our employees and workers are either permanently employed or on long-term assignments. In addition, to the constant, long term requirement of this workforce there are seasonal peaks e.g. at Christmas and Easter where waste volumes tend to increase and workers are on holiday, therefore a surplus of workers is required at these times.

3. Are there any relevant sources of evidence that would allow the MAC to get a more detailed view of the patterns of EEA migration?

We would recommend the MAC engage with organisations such as the Association of Labour Providers, who may have an evidence base or data source in this regard. Anecdotally, our labour providers have highlighted that following Brexit they have experienced significant difficulties in the attraction and applications of workers to meet our requirements.

4. Have the patterns of migration changed over time?

Again we would recommend the MAC engage with organisations such as the Association of Labour Providers, who may have an evidence base or data source in this regard. We have seen, in the pool of workers we engage a shift in the country of origin; changing from almost 100% Polish population of EEA worker to approximately 80%. This anecdotally is because a number of Polish workers have chosen not to return to the UK following periods of holiday.

5. Have you conducted any analysis on the future trends of EEA migration?

Currently we have conducted no analysis. Whilst the policy on immigration remains somewhat uncertain this would be difficult to do meaningfully.

6. Have you made any assessment of the impact of the possible reduction in the availability of EEA migrants as part of our workforce?

The UK’s exit from the EU may have an adverse impact on the availability of appropriate resource for our operational workforce. It may be more difficult in the future to recruit workers from the EU than it is today. Also any downward pressure on the sterling / exchange rate will make the UK a less attractive place to work for migrant workers. These risks are faced not only by Biffa in its direct resourcing / recruitment but also our partners; Managed Service Providers who provide essential / core workers in operations such as our MRF sites.
The impact on the waste and recycling sector through a reduction in the number of EEA migrants will be substantial and significant. The impact to our business will be equally be substantial and significant. A potential decline in EEA migration will have an adverse impact on the Company and its supplier’s ability to attain the required fulfilment rates at our sites. This will have a negative impact on productivity and therefore on the UK’s ability to effectively recycle.

**Recruitment Practices, Training and Skills**

7. **Please provide evidence on the methods of recruitment used to employ EEA migrants. Do they differ by skill type?**

The majority of workers are sourced via a managed service operated via a third party labour provider. Workers are engaged via contracts of service. For those directly employed we often recruit directly from the pool of workers in our managed service. In addition, we operate standard recruitment practices including online and local press.

8. **What are the advantages and disadvantages of employing EEA workers?**

The advantages include; EEA workers adapt well to the nature of work and the working environment. They are skilled at the work and productivity levels are high.

Disadvantages include; the language and communication barriers as there are relatively low levels of English within the group. Therefore, cohesion and social integration can be a challenge due to this. In addition, peak demand times such as Christmas are often under staffed due to the workers wishing to take extended holidays therefore a surplus of workers is often required.

9. **To what extent has EEA and non-EEA migration affected the skills and training of UK workers?**

There has been no impact. As described above, these roles are considered low skilled roles and are not, in our experience, desirable to British workers. UK worker training has not been affected by this.

10. **How involved are universities and training providers?**

N/A – see question 9.

11. **How well aware are you of current UK migration policies for non-EEA migrants? Which forms of migration into low skilled work should be prioritised? Do you think that the current shortage occupation list be expanded to cover low skill levels?**

Between us and our suppliers there is a good knowledge of UK migration policy and eligibility to work rules.
The current shortage occupation list likely would exclude the low skilled roles upon which we as a business (and likely the waste sector as a whole) are reliant. See Chart 1 (below) which highlights the make of the managed service workforce in our two largest MRF’s. A reduction in EEA migration would likely present a recruitment difficulty for our suppliers and have an adverse impact on productivity and the effectiveness of the waste and recycling sector. This is particularly significant given the large amounts of local authority was we are contracted to process.

We would encourage a review of the current shortage occupation list and the role it is likely to includes, in particular in relation to the waste management sector.

![Chart 1](https://via.placeholder.com/150)

**Economic, Social and Fiscal impacts**

**12. What are the economic, social and fiscal benefits of EEA migration to the UK economy?**

In our view the pool of EEA migrants currently engaged within our workforce fulfil a necessary and key role within the waste and recycling sector. These roles are not attractive to UK workers and would therefore be extremely difficult to fill in the absence of EEA labour. Without this labour there will be an impact on productivity and on the UK’s ability to process and recycle its own waste.

Beyond our industry there are clear social benefits to EEA migration which include a diverse population and fulfilment of key professions e.g. health care and hospitality professions. In addition, many of our workers are settled in the UK and have been for some time and are members of their individual communities.