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Professor Brian Bell
Migration Advisory Committee
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17 January 2024

Dear Professor Bell,

Further to my announcement on 4 December 2023, I am writing to commission the Migration Advisory Committee to carry out a rapid review of the new Immigration Salary List in time for its implementation in the Spring Immigration Rules. I will write again shortly to commission a fuller review of the list for future implementation, as well as setting out the parameters and timings of the graduate route review.

Immigration Salary List

The Government is increasing the salary threshold for those arriving on the Skilled Worker route, by 48% from £26,200, which is based on the 25th percentile under Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) data from 2021, to £38,700 from April 2024, which is based on the 50th percentile under ONS ASHE data from 2023. 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. We would, however, 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 – ASHE 2023 - when they next make an application to change employment, extend their stay, or settle. This is in line with normal practice.

Migrants entering the UK through the Health and Social Care Visa route will be exempt from the specific £38,700 salary threshold requirement applied to skilled workers, so that we can continue to bring the healthcare workers that our care sector and NHS need. We are also exempting workers in national payscale occupations, which will continue to be subject to their relevant occupational payscales. As the MAC recommended in October 2023, we will remove the 20% going rate discount for occupations on the Shortage Occupation List (SOL), which will be renamed the Immigration Salary List (ISL). The ISL will also be introduced from April 2024.

As with the SOL, roles should only be included on the ISL where they are skilled, where there is a shortage of suitable resident workers available, and where it is sensible for immigration to be a part of the solution, at least in the short term. No sector should be permanently reliant on immigration and roles should not remain on the ISL forever. Part

of the consideration for adding a role to the ISL should be whether the sector has a realistic and sustainable strategy for what happens when it is removed in future.

Roles should also only be included where they will meaningfully benefit from the discount to the salary threshold, and where it is sensible to offer this discount to employers - meaning the discount must not put downwards pressure on pay, such that it is likely to undermine efforts to recruit resident workers.

In your letter to the previous Home Secretary and Minister for Immigration accompanying your October 2023 SOL report, you advised any future review would need to be conducted using the new Office for National Statistics' Standard Occupational Code (SOC) 2020 coding system. I confirm we intend to adopt SOC 2020 alongside the other changes in April 2024. Among other reasons, this is necessary to update the going salary rates for occupations to the latest data.

On the basis of the above, I am therefore asking the MAC to consider which occupations from the current SOL and/or the MAC's October 2023 recommended SOL (converted to their SOC 2020 equivalents) should be temporarily included on an initial ISL from April 2024 ahead of a wider review, which the Government will commission in the near future.

I would be grateful if the MAC could report by 23 February 2024. The Government will then consider the MAC's recommendations with a view to implementing an initial ISL from April 2024.

With my very best wishes.

Yours sincerely,

Rt Hon. James Cleverly MP