

The background of the cover is a dark blue field. In the top right corner, a portion of the United States flag is visible, showing its characteristic red and white stripes and a blue field with white stars. The rest of the cover is dominated by the European Union flag, which consists of a circle of twelve gold stars on a blue background. The text is overlaid on this background.

Post-Brexit migration and accessing foreign talent in the Creative Industries

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About the Creative Industries Policy and Evidence Centre

The Creative Industries Policy and Evidence Centre (The Creative Industries PEC) works to support the growth of the UK's Creative Industries through the production of independent and authoritative evidence and policy advice. Led by Nesta and funded by the Arts and Humanities Research Council as part of the UK Government's Industrial Strategy, the Centre comprises a consortium of universities and one joint enterprise from across the UK They are: Birmingham, Cardiff, Edinburgh, Glasgow, Work Advance, London School of Economics, Manchester, Newcastle, Sussex, and Ulster. The PEC works with a diverse range of industry partners including the Creative UK.

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The PEC works with a diverse range of industry partners including the Creative UK. To find out more visit www.pec.ac.uk and @CreativePEC The Creative Industries Policy and Evidence Centre (The Creative Industries PEC) is part of the Creative Industries Clusters Programme, which is funded by the Industrial Strategy Challenge Fund and delivered by the Arts and Humanities Research Council on behalf of UK Research and Innovation. The PEC has been awarded funding by the AHRC for an additional five years, and will have a new host organisation in 2023.

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1

Introduction

Following the outcome of the June 2016 referendum, the United Kingdom left the European Union (EU) and the 'single market', founded on the 'four freedoms' of goods, labour, capital, and services. This decision has considerable economic and social implications, especially in the way UK firms conduct cross-border trade (Brown et al., 2019). As a result, the creative industries have been particularly adversely affected by Brexit. Among the key reasons for this is their significant reliance on foreign workers (See section 2.2). This effect on creative firms will be doubly damaging to the UK economy because, prior to the pandemic, they were growing twice as fast than the rate of the UK economy as a whole (Department for Digital, Culture, Media and Sport (DCMS), 2021).

The impact of Brexit on the creative industries is already being observed in the constrained access to foreign talent (Frontier-Economics, 2022). A decrease in the proportion of foreign talent will cause uncertainty in staffing and hinder the diversity of thinking, expertise, and social awareness (Fragkiskos, 2019). Moreover, the competitiveness of creative firms relies on a highly skilled workforce, including foreign workers. This competitiveness is hampered by more controlled movement of labour (Fazio, 2019). As part of the post-Brexit agenda, the UK government has announced a new points-based immigration system, which will transfer administrative burden and responsibility to Small and Medium Enterprises (SMEs). Consequently, attracting and recruiting EU workers will become more challenging and costly for most SMEs (Ready for Brexit, 2020). Indeed, the pitfalls of the new immigration process are apparent and need to be identified and fixed. Research in this direction will be critical for informing and optimising the post-Brexit migration arrangement (Fazio, 2021).

Against this backdrop, the purpose of this research is to explore the challenges UK creative SMEs face when recruiting international workers under the post-Brexit visa system. There is a pressing need to ensure that the UK can continue to attract international talent. Research in this direction is therefore critical for informing policy and optimising the post-Brexit migration arrangement (Fazio, 2019). It is recognised that the impact of Brexit on small businesses has been largely overlooked in the academic literature (Brown et al., 2019).

2

Current evidence on the Creative Industries

2.1. The role of Creative Industries in the UK Economy

The Creative Industries (CIs) are defined in the UK Government's 2001 Creative Industries Mapping Document as those industries "...which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property" (DCMS, 2022). They include the following sub-sectors: Advertising, architecture, the Art and antiques market, Crafts, Design, Designer fashion, Film and video, Interactive leisure software, Music, the performing arts, Publishing, Software and computer games, Television and radio (Appendix 1 shows a full breakdown of all sub-sectors).

CIs are increasingly recognised as key to both social and economic development (Landoni et al., 2020). They are also seen as an important job provider (Banks and Hesmondhalgh, 2009). Key statistics reveal that, prior to the pandemic, CIs were growing twice as fast than the rate of the UK economy as a whole (DCMS, 2021). In 2019, CIs contributed almost £115.9 billion in Gross Value Added, an increase by 43.6% from 2010. In terms of job creation, from 2019 to 2020, CIs accounted for over 2 million jobs, an increase of 34.5% since 2011 (DCMS, 2021). Table 1 shows the individual contribution of each sub-sector in both job creation and GVA. Top contributors include IT, Software and Computer services, Film, TV, Video, Radio and Photography, Advertising and Marketing, Publishing and Music, Performing and Visual arts.

Table 1: Gross value added (GVA) expressed in current prices in the DCMS sectors and subsectors (Unit GVA: £bn/Unit Employment: thousands)

Sector	Sub sector	GVA 2019	Employment (including self-employment) 2019
Creative Industries		115.9	2,101
	Advertising and Marketing	17.1	190
	Architecture	3.6	112
	Crafts	0.4	9
	Design and Designer fashion	3.6	171
	Film, TV, Video, Radio and Photography	21.6	239
	IT, Software and Computer services	47.0	775
	Publishing	11.0	196
	Museums, Galleries and Libraries	1.0	95
	Music, Performing and Visual arts	10.6	315

Source: DCMS Economic Estimates 2019: Gross Value Added – Published 10 December 2020 (revised in 02/2021) (Link <https://www.gov.uk/government/statistics/dcms-economic-estimates-2019-gross-value-added#history>)

DCMS Sectors Economic Estimates 2019: Employment – Published 30 April 2020 (Link <https://www.gov.uk/government/statistics/dcms-sectors-economic-estimates-2019-employment>).

However, it should be noted that economic contribution in terms of value is not uniform across the UK regions. Table 2 depicts the CIs' contribution in each UK region. As can be seen, London and the South East are the top contributors, followed by the North West and the East of England. Tether (2019) posits that the economic contribution of the CIs is uneven across regions, especially in terms of value of economic outputs. This imbalance is much more pronounced than in employment. Within sub-sectors, Tether's analysis showed that the economic value added of the creative industries is more concentrated geographically than employment, with the largest regional inequality noted in 'Film, TV, Video, Radio and Photography', 'Publishing' and 'Music and the arts. Contrastingly, the 'IT, Software and Computer services', 'Architecture' and 'Design' sectors are less concentrated, with a relatively stable pattern.

Table 2: UK regional GVA and Employment estimates of CIs.

Region name	GVA 2019	Creative Industries Employment % 2019-2020
North East	1,129	2.9
North West	6,769	3.5
Yorkshire and The Humber	3,405	3.6
East Midlands	2,752	3.4
West Midlands	4,090	3.4
East	6,230	4.7
London	60,858	10.0
South East	19,092	6.1
South West	4,442	3.8
Wales	1,177	2.7
Scotland	4,620	3.4
Northern Ireland	1,311	2.7
UK	115,875	4.9

Source: DCMS Sectors Economic Estimates 2019: Regional GVA – Published 26 August 2021 (link: <https://www.gov.uk/government/statistics/dcms-sectors-economic-estimates-2019-regional-gva>)

Source: Experimental Official Statistics – 2019 & 2020 UK estimates of the percentage of all 16-64 year-olds with a main job in the DCMS Sectors (excl. Tourism)- Published 8 July 2021 (link: <https://www.gov.uk/government/statistics/dcms-sectors-economic-estimates-employment-percentage-measure>)

In terms of cities, Garcia et al (2018) show that the highest economic contribution comes from London, followed by the South East, Manchester and Birmingham. In short, the contribution of the CIs is smaller in relative terms outside London and the South East of England. The authors state that the UK's creative industries are more geographically concentrated than other sectors, which leads to regional imbalances. Innocenti and Lazzeretti (2019) concluded through their analysis that the impact of CIs on development is notable in areas with high concentration of creative workers along with workers in sectors considered close to CIs in terms of cognitive proximity. The authors note that the CIs' economic contribution may depend on the presence of other related sectors, since firms in isolated contexts were not able to foster innovation and employment growth. Likewise, Carey et al. (2020) acknowledge that CIs remain highly centred around London and the South East.

Although micro-businesses constitute the largest group in the sector, these tend to be highly international in focus (Giles et al., 2020). The CI's contribution to global trade has also been recognised. According to the United Nations Conference on Trade and Development (UNCTAD) (2019), the value of the global market for creative goods doubled from \$208 billion in 2002 to \$509 billion in 2015. In the UK, The Department of International Trade (2021) reports £37.9 billion exports in 2019, accounting for over 12% of the UK exports in services. It describes the CIs as *"one of the UK's export success stories"*. In pre-Brexit UK, local creative industry businesses may have had a greater international presence than was initially thought, due to their digital abilities. The UK Government's 2018 Industrial Strategy: Creative Industries Sector Deal may have under-estimated the potential of the sector. The strategy's aim was to increase creative industry exports by fifty percent in five years.

In short, Mourescu (2020) has described the CIs as the heart of the UK economy, a vital employing sector and an exporting powerhouse. For these reasons, the UK government has supported the CIs development to promote the country's global soft power (Brown et al., 2020). The above statistics illustrate the important economic role CIs are playing in driving the growth of the UK economy, which warrants further attention from the government (Tether, 2019). That said, the impact of Covid-19 needs to be acknowledged. The House of Commons Digital, Culture, Media and Sport Committee described the pandemic as the biggest threat to the UK cultural organisations. However, the focus in this review will be on the impact of Brexit rather than the pandemic. This does not undermine the devastating effect of Covid-19. In fact, the implications of post-Brexit immigration policies will inevitably be entangled with the effects of the Covid-19 pandemic. In this regard, Mattocks (2021) recognised that the pandemic might be concealing the full scale of the Brexit challenges for the CIs.

2.2. Foreign workers in CIs

Di Novo et al. (2020) acknowledges that both domestic and international talent and skills are key to creative industries. However, skills shortages and talent mismatch remain significant challenges in the UK. For instance, in the screen industry, a ScreenSkills (2019) report revealed that 41% of the employers based in Yorkshire and the Humber expressed recruitment difficulties and 38% reported skills gaps in their workforce. These gaps are expected to be UK wide and among the causes underpinning this issue are the expansion and growth of specific areas of production, technological development, issues with job quality and working conditions or new immigration measures (Ozimek, 2021).

Across CIs sub-sectors, Carey et al. (2020) reported that 6% of employers acknowledged issues in sourcing the skills, qualifications, or experience, while 8% expressed skill gaps in their staff. Also, 24% of vacancies are due to skill deficiencies. These deficiencies are often critical to the success of the creative firms. Skill shortages seem more prevalent in Crafts; IT, software, and computer services; and architecture, with higher skilled specialist roles being the most deficient. Likewise, skills shortages seem to be mainly in industries requiring a mix of creative and technical skills like graphic design and visual effects (Creative Industries Federation, 2018). Skills deficiencies are also found in emerging highly developed technologies used in industries such as videogames. In terms of size, larger firms appear to be the most affected compared to smaller employers (24% vs. 4% having skills shortage vacancy).

To address the skill shortages issues, a good proportion of firms in the UK CIs resort to international recruitment. Ozimek (2021) posits that CIs firms' source international workers because of a skills and experience shortages in the UK. In fact, some of the skills needed by creative firms are in essence global skills (such as emerging technologies) only mastered by a limited number of people worldwide and these cannot be fulfilled by domestic workers (Creative Industries Federation, 2018). To illustrate this, 43% of Creative Industries employers compared to 38% across the economy tried to source foreign talents, mainly EU workers, with the IT, Software and Computer services leading the trend (Bakhshi and Spilsbury 2019). In the DCMS report covering 2021-2022, around 15% of the total employees in the UK creative industries were from EU and non-EU countries (DCMS, 2022). More so, sub-sectoral figures seem to suggest an even higher reliance, reaching 30% in the UK screen cluster, 20-30% in video games, and 25% in architecture. Table 3 depicts the 2019 employment figures in CIs based on nationality. As can be seen, a higher reliance on foreign workers is noted in IT, Software and Computer services (22%), Publishing (17%) and Architecture (17%) and Music, Performing and Visual arts (14%). In contrast, sectors such as Crafts and Museums, Galleries and Libraries did not seem to be relying on foreign workers. That said, the Museums Associate has warned the UK prime minister that many cultural organisations will be negatively affected due to visa issues, work permits and reduced people movement (Adams, 2021).

Table 3: Employment (number of filled jobs, thousands) in the CIs subsectors, based on nationality, 2019 (unit: thousands)

Creative Industries	UK	EU	Non EU	% Foreign Workers
Advertising and Marketing	168	13	9	13
Architecture	95	13	3	17
Crafts	9	-	-	0
Design and Designer fashion	152	9	9	12
Film, TV, Video, Radio and Photography	216	13	11	11
IT, Software and Computer services	635	66	74	22
Publishing	167	15	14	17
Museums, Galleries and Libraries	87	-	-	0
Music, Performing and Visual arts	276	25	13	14

Source: DCMS Sector and Subsector employment: 2019 – Published 30 April 2020 (Link <https://www.gov.uk/government/statistics/dcms-sectors-economic-estimates-2019-employment>)

The reliance on foreign workers by creative firms is a common and longstanding practice in Europe. Egedy and Kovacs (2011) postulate that Europe's creative economy development depends on the presence of highly skilled transnational migrants. Pethe et al. (2010) argued that many European cities and countries sought an international and highly skilled workforce through developing favourable policies. Cities like Amsterdam and Dublin have been successful in attracting creative foreign workers to fulfil the shortages of highly skilled labour. In Budapest, Egedy and Kovacs (2011) reported that although the share of foreign workers is lower than most EU countries, it is steadily increasing and positively affecting the development of the country's creative industries. Furthermore, allowing foreign workers into the CIs market not only helps to fill skills shortages but also promotes the performance of domestic workers through a learning effect in terms of new techniques and practices brought from the immigrants' origin countries (Alvarez et al., 2011).

On the factors attracting foreign workers, Pethe et al. (2010) enumerated several institutional factors likely to attract a creative foreign workforce such as the state of the regional economy and labour market, national immigration and tax policies, and family and migration networks between the host and home countries. Egedy and Kovacs (2011) found that in Budapest, foreign workers were attracted by hard factors such as work and studies, living and housing conditions, along with personal and family reasons. Contrastingly, the authors concluded that the Hungarian heavy tax system, the low purchasing power of salaries and high levels of bureaucracy in business affairs were negatively affecting the foreign workforce.

2.3. The New Migration System

As part of the post-Brexit agenda, the UK Government has adopted a new points-based immigration system. Part of this system means transferring any administrative burden to SMEs, 95% of which have limited experience of handling immigration issues such as submitting visa sponsorship applications and preparing visa applications (Ready for Brexit, 2020, 2021). The new rules also require foreign workers to earn a minimum salary, which can be restrictive (Carey et al., 2019). The House of Lords EU Committee considers this detrimental to the sector as it exceeds what many firms can offer (Haves and Winchester, 2018). Similarly, prior to leaving the European Union, the Creative Industries Policy and Evidence Centre (PEC) had already expressed concerns about the restrictive impact Brexit will have on international talent access (Carey et al., 2019), especially given the skill shortages discussed in previous sections.

A study by Arts Council England reported that 60% of organisations surveyed acknowledged that having EU workers in UK markets is important for their activity (Mattocks, 2021). Such concerns were also echoed by the House of Lords research briefings (White, 2017). Attracting EU workers will therefore become more challenging and costly for creative SMEs. Post Brexit migration control measures would hamper the access to much needed workforce, and subsequently decrease output and productivity (Brown et al., 2019). Montalto et al. (2021: 52) stressed that Brexit and the new control measures will potentially have *"a devastating effect"* on the UK cities' unique capacity to attract creative workers. Mattocks (2021) argues *"Exchange and collaboration are central to the working practices of the arts and cultural sectors, and a mobile workforce is a crucial part of this"*. The author further adds that foreign talent will only fill domestic gaps, but also contribute to the growth of CIs and enhance their global reputation as a global soft power.

This situation needs urgent redress by immigration policy (Hatton, 2020). Table 4 provides an overview of the key aspects of the new points-based system (skilled worker route) applied post-Brexit.

Table 4: Key aspects of the new points-based system – Skilled worker route

	Key aspects
1	Introduced: 01 January 2021
2	The system treats EU citizens in the same way as citizens from the rest of the world.
3	The new policy aims to 'select migrants who will contribute the most to the UK's economy'.
4	No cap on the number of skilled workers who can migrate to the UK, and employers no longer have to demonstrate that their jobs could not be done by the resident workforce.
5	To get a Skilled Worker visa, most people will need a job offer for a middle-skilled or high-skilled job that meets certain salary thresholds.
6	The higher of £25,600, or the 'going rate' (the 25th percentile of earnings in that occupation).
7	The threshold falls by 20% when job in Shortage Occupation List, 10-20% if PhD holder, 30% if new entrants to labour market.
8	The new system is substantially more expensive and restrictive for EU citizens (over 6k total costs for route to settlement).
9	EU citizens, including skilled workers, now require a visa to live or work in the UK, and must pay substantial costs, such as the NHS surcharge of £624 per person per year (paid up-front).
10	No maximum period of stay and no cooling off period.
11	Workers in low-skilled jobs are mostly ineligible for work visas under the new system.

In a nutshell, EU and non-EU citizens wishing to work in the UK would need to score 70 points and fulfil three essential criteria as depicted in Table 5. However, it should be noted that the Home Office produced an occupation shortage list which is intended to enable entry to the UK to make up the employment and skills shortfall, some of which fall within the creative industries. For example, programmers and software developers, web design and development, architects, artists, dancers and choreographers, skilled musicians, arts officers, graphic designers

Table 5: The new post-based system

How to get 70 points		
Characteristics	Required	Points
Offer of job by approved sponsor	✓	20
Job at appropriate skill level	✓	20
Speaks English at required level	✓	10
Salary of £20.480 to £23.039	x	0
Salary of £23.040 to £25.299	x	10
Salary of £25.600 or above	x	20
Job in a designed shortage occupation	x	20
PhD in subject relevant to job	x	10
PhD in STEM subject relevant to job	x	20

Source: Startups.co.uk graphic cited in Hawley 2021.

2.4. Predicted impacts of the new Migration System ahead of its implementation

Reviewing the existing literature in relation to the potential impact of the new post-Brexit immigration system on creative firms' access to foreign talent, along with the expected challenges arising from this has revealed several themes. These will now be reviewed in turns.

1. The salary threshold issue.

The new points-based system introduced a revised minimum salary threshold set at the higher of £25,600 or the going rate. The idea of setting up a salary threshold to the CIs has sparked a lot of concerns about the inapplicability of such a practice to the nature of the CIs. In fact, the Creative Industries Federation (2018) stresses the fact that higher skills do not necessarily correlate with higher salaries when it comes to creative firms, and this could be particularly the case in smaller firms. Also, while the new points-based system often emphasises a selective approach that focuses on high skilled migrants, Montalto et al (2021) question this approach. The authors stress that, in CIs, it can be challenging to gauge workers' potential with qualification titles, particularly when it comes to younger workers, who can easily fall in the 'low skilled' category due to their low salaries. Hatton (2020) posits that salary cannot be considered a measure for skill and a single threshold cannot be relevant to all industries.

Hepburn and Bell (2020) note that in Wales, where salaries are significantly lower than the UK average, the threshold will cause recruitment problems for firms relying on migrant workers, particularly in culture and the arts sectors. In 2019, 56.6% of all workers in Wales earned less than the £25,600 cut-off. Moreover, the authors warned that such restriction increases the gender imbalance in the labour market. They argue that 67.9% of jobs employing females will not be accessible to foreign workers under the new threshold. Another report by Morris (2020) argued that the revised new salary threshold was *“too inflexible and does not reflect the full contribution of migrant workers”*. Statistics have shown that over 50% of EU employees in 2019 in the UK would not meet the salary threshold. Against this, the CIPD (2019: 5) suggested scrapping the skill threshold as they argued *“The salary threshold, not the skills threshold, will decide whether employers can recruit EU nationals and other overseas workers under the new system”*.

2. The cost of visa applications.

The new points-based system incurs additional costs for businesses both in visa fees and sponsorships. Pre-Brexit, Bakhshi and Spilsbury (2019) reported in their survey that the cost for creative firms of employing non-EU workers could reach over £2000. Given that the post-Brexit system applies to recruiting EU workers, similar costs are expected to be incurred. In this regard, Morris (2020) acknowledges that the new system will still bear significant costs to sponsoring a migrant skilled worker. The report estimates that typical costs for employers could range from £1099 for small and charitable organisations to £2675 for large and medium sponsors. As for the applicant fees, these will typically cost between £2454 for small and charitable organisations to £2736 for large and medium organisations (excluding jobs in shortage lists). The Creative Industries Federation (2018) explains that these costs were initially introduced to discourage firms from sourcing foreign workers, with the money raised from this charge invested to develop a domestic workforce. The report recognises that such a charge constitutes *“a significant cost to business and one that impedes access to international talent”*. (p.44). Likewise, the costs of maintaining sponsorships will be a key challenge for businesses (ICAEW, 2020).

3. The administrative burden and the complexity of the process.

The extension of the new points-based system to cover EU workers constitutes an administrative burden, especially in the case of smaller firms. The Recruitment and Employment federation had warned about the likelihood of a system overload, administrative burdens, and long waiting times (REC, 2017). The global talent report by the Creative Industries Federation (2018: 29) recognises that applying the system to both EU and non-EU countries *“involves huge administrative and financial burdens that would be intolerable for many creative businesses”*, which will eventually impact their performance. Such a burden would be even more significant with arts businesses as those businesses will be required to make several applications to cover artists' visits to the UK. Sapsted (2020) reported that UK SMEs expressed concerns over the new system since most never had to apply for a visa before. A report by the Royal Society of Chemistry (2019) acknowledged that the visa system is so challenging for SMEs

that it often requires them to outsource this to legal practices. In their survey, the report indicated that many SMEs did not have the capacity to deal with visa issues, and hence they resorted to costly outsourcing. Some also highlighted the inflexible and opaque nature of the process where applications can be rejected due to minor issues with no opportunities for interaction. Adding to this, the constant changes to immigration rules was also an issue engendering additional time and resources to stay up to date with the rules. With an average of 3.3 staff in creative firms, access to expertise on complex visa and immigration issues is often non-existent, which puts creative firms at disadvantage when recruiting internationally compared to other larger employers in other sectors (Creative Industries Federation, 2018). The complexity of becoming a sponsor was also noted, being a time-consuming procedure. In this regard, Institute of Chartered Accountants in England and Wales (ICAEW2020) outlined the risk of receiving hefty fines should the firms not comply with the obligations of being a sponsor. A report by the Chartered Institute of Personnel and Development (CIPD2019) also points toward the additional HR resource commitment needed to tackle this administrative burden. They posit that the complexity of the system and the administrative bureaucracy will inhibit labour mobility. The impact of this complexity was also overwhelming the Home Office, with this becoming apparent when the Covid-19 hit, which led to a longer waiting time and more mistakes being made. This uncovered a great lack of capacity in times of crisis at the Home Office level (Hepburn and Bell, 2020).

4. Reduced mobility and the issue of freelancers.

Free movement of EU citizens has been replaced by a single immigration system that applies equally to EEA and non-EEA nationals. This reduced mobility is expected to have serious implications on CIs, which in their nature require greater mobility. It is recognised that freedom of movement is highly relevant to the diverse work patterns often found in CIs firms, which range from one-off performances to permanent full-time contracts. For instance, a common practice among creative firms is to hire EU freelancers on a rapid turnaround. Chandler and Cuneo (2021) explain that many creative freelancers such as artists work mainly on a contract-to-contract basis with creative firms. Yet, the new system does not accommodate this due to the financial burden and the processing times. It should be noted that freelancers (self-employed) constitute about 27% of the creative workforce (DCMS, 2022). This could be problematic as another report by the Creative Industries Federation (2017) found in their survey that over 70% of respondents who employed non-British freelancers could not replace them with British workers. Hence, sectors that rely considerably on freelancers will be particularly affected given the requirement of sponsorship and that no clear provisions are dedicated to self-employed (Morris, 2020).

5. Unwelcoming environment, damaged reputation, and increased risk of exploitation.

Beyond the direct impact of the new rules and regulations, the post-Brexit migration system will have an impact on the integration of foreign talent and the global reputation of the UK CIs. Looking at the impact of Brexit on community relations in Scotland, Hepburn (2019) reported that the post-Brexit migration policy could lead to increased hostility and racism towards foreign workers. Similarly, Hepburn and Bell (2020) argued that the immigration system may influence foreigners' perceptions of the UK as a welcoming place for migrants to seek work. In fact, the new post-migration system was seen as reflecting a hostile environment for migrant workers (Hawley, 2021). The UK's global reputation for being a hub for creative industries has been attracting foreign creative talents worldwide, who have been contributing significantly to the success of the sectors, often fulfilling skill gaps. Yet, this reputation as a welcoming cultural hub might be damaged with a restrictive system (Creative Industries Federation, 2018). Lastly, Morris' (2020) report warns of an increased risk of employee exploitation and poor working practices. Foreign workers are more at risk of labour exploitation due to their insecure work status. It is acknowledged that *"A system of tiered visas and employer sponsorship heightens the risk of exploitation, because it places an employer in a position of power over their worker's immigration status."* (p26). There is also a risk that firms that do not meet the new criteria for employing EU workers will continue to do so informally. Here, unscrupulous employers will likely abuse migrants' employment rights. The report found evidence on existing issues in this regard amongst migrant workers.

2.5. Summary

The present review has discussed the important role played by the CIs in driving the UK's economy in terms of employment, value added and international trade. However, such a contribution was partly thanks to a significant contribution from foreign workers and freelancers (prior to Brexit). The new points-based system that is implemented as part of Brexit is expected to disrupt the industry and create significant challenges in international recruitment. Several reports suggest that nano, small and medium creative firms would face challenges when sourcing EU talents, in the form of restricted mobility, higher wage restrictions, higher costs and administrative burden and an unwelcoming environment. The consequences of these challenges are damaging for the CIs, given their particular nature and work patterns. That said, most of these challenges have been discussed prior to the enforcement of Brexit and hence remain hypothetical. This study aims to look at the reality of the situation now and to answer the following question: What are the post-Brexit challenges perceived by UK creative SMEs when accessing foreign talent?

3

Methods

The research is based on a sequential mixed method approach. The first step involves qualitative interviews with managers in the creative industries. Here, challenges to international talent sourcing are identified using thematic analysis (Boyatzis, 1998). Subsequently, a second stage quantitative design follows, with a questionnaire listing the identified barriers distributed to a larger sample. The Analytical Hierarchy process (AHP) technique (Saaty, 1980) is applied to determine the weight of those identified barriers.

Starting with the qualitative phase, the primary purpose is to identify the post-Brexit migration challenges affecting UK firms. Prior to this, a list of challenges has been extracted from the existing literature, and these constituted the key themes underlying the qualitative phase. The full interview schedule (questions) is included in Appendix 2. The research focuses mostly on SMEs employing at least 5 workers. This is because larger businesses are more likely to employ non-UK workers (79% vs. 13% according to a pre-Brexit survey) (Bakhshi and Spilsbury, 2019). As for the recruitment of respondents, a quota sampling method is employed to ensure maximum representation across geographical and sub-sector differences. Using the FAME database and the LinkedIn platform, businesses were contacted directly with an email introducing the purpose of the research along with the requirement of the interview. Interviews were then arranged with those who accepted the invitation. The project team targeted various regions across various sectors in an attempt to achieve a representative group. That said, some sectors and regions were more responsive than others, which led to some imbalances (please see section 4.1). The process of analysis involved transcription, coding,

identification of themes, and data display. Each online interview is recorded via Zoom or Microsoft Teams, and face-to-face interviews recorded with a device and transcribed using aids from video conferencing platforms and dictation tools.

Thereafter, the quantitative phase is conducted to weigh and rank the importance of the main challenges identified in the qualitative phase. Here, participants are selected from the FAME database. A combination of postal and online distribution is adopted to maximise returns. The questionnaire was also circulated through several newsletters in CIs forums and organisations. Therefore, we consider the sampling approach as non-probability convenience based¹. Notwithstanding its limitations in terms of generalisability, non-probability sampling remains prevalent in small business and entrepreneurship research, which is due to difficulties in reaching this audience (Nowinski et al., 2019). As for the questionnaire, it includes pairwise comparisons and is analysed with the AHP technique. Developed by Saaty in 1980, the AHP is used to evaluate the weight, and rank the importance of decision-makers' judgments (Mukeshimana et al., 2021). It is based on pairwise comparisons using respondents' opinions and judgements wherein each pair of two barriers are compared to know which is more important and how much more important. Using the fundamental scale of AHP, each barrier is assigned a number ranging from 1 (equal importance) to 5 (extreme importance) (Mukeshimana et al., 2021). The technique is widely used when the purpose of the research is to identify management-related challenges (e.g., Mangla et al., 2018; Ikram et al., 2020; Solangi et al., 2021). The software used to conduct this analysis is SpiceLogic (spicelogic.com).

1. Convenience sampling means participants are selected because they are the most accessible to the researcher. Easy access can be due to geographical proximity, availability, personal contacts, or voluntary participation. Convenience sampling is however considered as the least generalisable approach and one that could generate non-representative samples.

4

Analysis: Qualitative findings

This section reports the findings of the qualitative phase. Sample characteristics are first presented, followed by an examination of key evidence supporting the existing lack of skills in the UK creative sector. Thereafter, a discussion of migration challenges faced by SMEs in creative industries is provided.

4.1. Sample characteristics

In this study, 38 interviews have been conducted with SME managers of firms operating in the UK creative industries. Table 6 depicts the main characteristics of those firms. As can be seen, the majority of companies employed or have employed EU and non-EU workers. Their sizes range from 2 to 145 employees. 50% were based in London, while the remaining were from Scotland, Midlands, North West England, South East England, Wales and South West England. In terms of years of operation, it ranged from 3 to 50 years. As for sector, firms were mainly from Film/Radio/TV/Photography, Design and Performing Arts. The vast majority of the key informants were CEOs, managing directors and founders.

Table 6: Respondents' profiles

Firms	Sector	Size (Emp)	Location	Years in operations	Key Informant	EU/non-EU
Company 1	Film/ TV	1–20	West Midlands	11–20 years	Co-founder	Yes
Company 2	Film/ TV	1–20	West Midlands	5–10 years	Director	Yes
Company 3	Film/ TV	101–150	London		COO	Yes
Company 4	Animation, Design	51–100	London	21–30 years	HR Manager	Yes
Company 5	Photography	1–20	London	21–30 years	Director	Yes
Company 6	Design	51–100	London	Longer than 30 years	HR Manager	Yes
Company 7	Design	1–20	London	5–10 years	Creative Director	Yes (before Brexit)

Table 6: Respondents' profiles (continued 1)

Firms	Sector	Size (Emp)	Location	Years in operations	Key Informant	EU/non-EU
Company 8	Design, Film	1–20	North West	21–30 years	Managing Director	Yes
Company 9	Design	1–20	Yorkshire	Less than 5 years	Digital Manager	Yes
Company 10	Gaming	1–20	London	11–20 years	Senior Business Partner	Yes
Company 10a	Gaming	21–50	Scotland	5–10 years	Founder	Yes
Company 11	Design	1–20	South East	11–20 years	Founder	Yes (as freelancers)
Company 12	Design, Gaming		North West		Founder	Yes
Company 13	Performing Arts	21–50	Wales	21–30 years	Executive Director	Yes
Company 14	Performing Arts	1–20	North East	21–30 years	CEO and Artistic Director	Yes (as freelancers)
Company 15	Design	1–20	East Midlands	Longer than 30 years	Director	No
Company 16	Performing Arts	1–20	Scotland	21–30 years	Artistic Director	No
Company 17	Design		London	21–30 years	Co-founder and Managing Director	Yes
Company 18	Design	1–20	South West	21–30 years	Founder	No
Company 19	Performing Arts	1–20	London	11–20 years	Founder and Managing Director	Yes
Company 20	Performing Arts		London	11–20 years	CEO and Director	Yes (as freelancers)
Company 21	Design	1–20	South West	5–10 years	Founder and Creative Director	No
Company 22	Gaming	1–20	South East	5–10 years	CEO	Yes
Company 23	Performing Arts	1–20	South East	21–30 years	Artistic Director	Yes (in the past)
Company 24	Film/ TV	21–50	London	11–20 years	Managing Director	Yes (prior to Brexit)
Company 25	Visual Arts		London	21–30 years	Founder	Yes

Table 6: Respondents' profiles (continued 2)

Firms	Sector	Size (Emp)	Location	Years in operations	Key Informant	EU/non-EU
Company 26	Design	101-150	London	Longer than 30 years	Head of Recruitment	Yes
Company 27	Fashion	1-20	London	11-20 years	Founder	Yes
Company 28	Design	21-50	London	Longer than 30 years	Founder	Yes
Company 29	Design	1-20	London	11-20 years	Owner and Creative Director	Yes (before Brexit)
Company 30	Design	1-20	London	21-30 years	Director	No
Company 31	Performing Visual Arts	1-20	Scotland	5-10 years	Director	Yes
Company 32	Design	1-20	London	5-10 years	Founder and Creative Director	Yes
Company 33	Performing Arts	1-20	Midlands	21-30 years	CEO	Yes (In the past)
Company 34	Design	1-20	Midlands	11-20 years	Co-owner and Director	Yes (In the past)
Company 35	Design	51-100	London	5-10 years	Founder and Director	Yes
Company 36	Performing Arts	1-20	North West	21-30 years	Director	Yes (in the past and interns)
Company 37	Recruiter	51-100	London	11-20 years	Associate	Yes recruited EU and non-EU for other companies

To provide insight about the representativeness of the qualitative sample in terms of sub-sectors and geography, Table 7 includes a comparison between actual distribution and sample distribution. As can be seen, London was somewhat overrepresented, while the South West was underrepresented. As for sub-sectors, 'IT, Software and Computer services' was significantly underrepresented, which is probably due to the project's focus on computer gaming firms. On the other hand, 'Design and Designer fashion' was considerably overrepresented. The project team noted that businesses from this sector were significantly more engaged in the interview process. The same can be said for 'Music, Performing and Visual arts'.

Table 7: Comparison between actual distribution and sample distribution

Regions	Actual distribution	Sample distribution
London	33.8%	50%
Midlands	13%	13.1%
NW England	6.8%	7.8%
SW England	7.2%	5.2%
Scotland	4.7%	7.8%
NE England	1.5%	2.6%
SE England	18.8%	7.8%
Wales	2.0%	2.6%
Yorkshire	4.5%	2.6%
Sub-sector	Actual distribution	Sample distribution
Design and Designer fashion	7.8%	43.2%
Film, TV, Video, Radio and Photography	11.5%	16.2%
IT, Software and Computer services	50.2%	13.5%
Music, Performing and Visual arts	11.8%	27%

Source: DCMS Sectors Economic Estimates 2019: Business Demographics– Updated 6 May 2022 (link: <https://www.gov.uk/government/statistics/dcms-sectors-economic-estimates-2019-business-demographics>)

4.2. Lack of skills in UK Creative Industries

The lack of creative skills in the UK market was a significant challenge and a reality that emerged frequently during the interviews, which in some cases affected the growth of the businesses. In this regard, Interviewee 24, a representative from a company in the film and TV sector, said *"... we simply cannot get the skills to be able to service that type of turnover. So, we've dropped our turnover, now it's about 5 million projected for this year. I simply cannot increase that turnover based on the fact that I just can't get the staff"*. They later added *"We are now seeing fairly chronic skills shortages"*. Likewise, a games design firm argued:

"... we're looking at essentially a lower quality skills base, there's far fewer people of the right calibre that we have access to, so we're just going to recruit less essentially, and our growth will be slowed. If we grow at all, it's hard to tell. We are trying to grow at the moment and we've got a new project in virtual reality that we're working on, it's questionable to me whether that sort of project can succeed in the UK in the current environment, because it's not just recruitment, the whole financial setup in the UK is not great for high risk projects. So, between that and the recruitment, and the other Brexit related problems, we are actively considering moving some or all of the company's business overseas".

A director of a Film/TV company, explained:

"I would say skills wise on certain topics, other countries are superior. Anything to do with animation, and art, France and Spain are better, they just train their students better. Anything mathematical generally other countries are better. Have we got any young people from the UK? We have got some, but they take a lot of training. We've got a young designer who's done a literature degree and (a) masters in game design, but then will need training basically from scratch, coz they didn't really learn much in uni... on some topics, other countries are better at it but it always has been, like animation in France, they just really good at it. And that sort of translates while over to games and people wanting to work in games".

An animation company acknowledged "... (for certain roles) we've been looking for months and haven't found anyone for the role ... pretty sure we would have found someone (pre-Brexit)". Some interviewees have also referred to European creative education being superior to the one in the UK. For example, a design company said "for one reason or another, the graduates that get put out by certain European schools, they just seem better on the tools, earlier on. And, so I think, there are just some schools in Europe that produce really well rounded, highly productive, very capable designers, at graduation. Whereas, you might have to work with someone more from a British school potentially", while others referred to the need for variety as explained by another design firm, "So it's really it's not so much about have the students in the UK got the skill set?, but we're missing out on that variety, and the mix of backgrounds. We don't struggle to attract the right skill set in the UK, so it is there for us. But it's about just different life experiences actually, which is as equally important for us, so it's tricky".

Lastly, Interviewee 1 referred to a problem of attitudes and said:

"... not only just skills but also actually attitudes as well, so yeah, we've had experiences. Again, this is more like the intern side or like trainees, so for years we've been working with XXX university, the nearest to where our studio is. We've had XXX university grads from the UK or British students and then also students at XXX who are from abroad. And the difference is really night and day, just in terms of attitude, willingness to learn, turning up. We've had people coming here like they) are entitled, they think we're training them, so we're spending our time. But they see it the other way around that they're here and feel entitled and they don't want to listen, or they don't show up on time or (have a very strange attitude. So, we've had that a number of times from British nationals. Whereas the interns who come here from abroad studying, or interns who have come all the way from Saudi Arabia as well. Completely different attitude...like eager to learn, totally dedicated, very different experience".

4.3. Immigration challenges faced by UK creative firms in the post-Brexit era

From the literature, a total of ten themes emerged representing the main challenges related to the post-Brexit new immigration that affect creative SMEs' recruitment and attraction of EU and non-EU talents. These were salary threshold, increased costs, complex and heavy administration, damaged reputation, restricted access to freelancers/temps, lack of resources, loss of existing workforce, time consuming process causing delays, restricted access to international interns and restricted access to juniors. For some of those barriers, sub-themes emerged. Table 8 depicts the main themes and sub-themes as well as the number of times each was cited by the interviewees. From the content analysis, it seems that the Salary threshold was the challenge cited the most, followed by increased costs, complex and heavy administrations, and damaged reputation. These three challenges were cited 20 times or more. Restricted access to freelancers and temporary workers, lack of resources and loss of existing workforce came next, with 15 citations or more. Lastly, time consuming processes causing delays, restricted to junior roles and international interns came last, with 10 citations and less.

Table 8: Content analysis of Key themes and Sub-themes

Themes	# Interviewees mentioned
Salary threshold	28
Increased costs (total)	24
Sub: Increased costs (general)	15
Sub: Increased sponsor costs	16
Sub: Increased visa costs	5
Sub: Increased legal costs	2
Complex, heavy admin	20
Damaged reputation	20
Restricted access to freelancers/temps	18
Lack of resources (total)	17
Sub: Lack of general resources	5
Sub: Lack of skills	7
Sub: Lack of time	6
Loss of existing workforce	15
Time consuming process causing delays	10
Restricted access to juniors	7
Restricted access to interns	4

4.3.1. Salary threshold

The salary threshold was mentioned by approximately 28 interviewees, yet many acknowledged that this was not a significant challenge for the creative industries, and especially those based in London. In fact, the COO of a medium sized TV/Film company acknowledged *"It's got a limited impact for us, as a London-based organisation, 25K is quite a low salary. It will impact some of the more manual roles in the sector"*. Similarly, interviewee 4, the HR manager of a small animation firm echoed this *"That seems fair, I mean we pay as a minimum 26,000 in any role, which is what we thought was like a reasonable number for someone to live in London"*. In Yorkshire, a digital manager of a small design company added *"...that seems about fair for a graduate. Maybe too low for a graduate even. In terms of visas and getting fully fledged senior people in, that's not an issue. We pay... somewhere in the top 80th percentile of salaries for these positions... so I don't necessarily feel that would be a concern for us. Not now anyway, not in the short-medium term. Maybe as we develop into a fully-fledged studio with multiple junior titles, maybe in the future it might, but... hard to say at the moment"*.

That said, some interviewees did acknowledge that this might be a problem for junior roles, while others outlined this as an issue for smaller firms. The co-founder of a design firm acknowledged *"We do have some staff that are juniors, young, great talent. And that's another problem, we're always looking for brilliant, talented youngsters, and that's going to limit our ability. We have taken on some really good young people from the EU, but that (the salary threshold) will limit our ability to do that"*. The founder and managing director of a London based micro firm in the performing arts explained:

"... in our industry, depending on the range, the type of job you want to apply for. But for us for example, it will be kind of a low salary, so we start at 22-23k, depending on experience. And this is to be an assistant artist manager, so we wouldn't be able to qualify, you know, because it's under. And then the person who would be just out of university won't have the money just to put up front, this is definite. So, I think that it will be OK for big companies who have the means, but for small companies, definitely not. So, it's, no, no, no. It's why actually we don't want to expand so much; we want to keep it small".

Likewise, the founder and creative director of a micro firm in the South West added:

"...we pay 23 to 24,000 at that graduate level (junior), even though we're in Bath, that's what a lot of London agencies pay as well, so it's not just because we're out in the sticks. We pay against London agencies because we're an ex-London agency. So yeah, that's going to be a massive problem for any junior designer, because I don't think there's many agencies that will pay over 25 grand for a graduate. It might go up to that after a year or two, but that's entry level salary. And when you think they pay to have three grand out of their money too, you wouldn't be able to live in London and pay those fees as well, so yeah, it's definitely a barrier".

Lastly, an interviewee argued *"Looking at the salary it just seems like an impossible market to get into as a junior from a European, non-EU country."*

4.3.2. Increased costs when recruiting international workers

The majority of interviewees (24 interviewees) mentioned increased costs as a significant barrier to recruiting international workers under the new, post-Brexit points-based visa system. Of which, organisations attributed specific costs such as sponsorship, visa and legal fees as particularly challenging for their organisations, as further explored below. A director of an animation firm, noted that *"The biggest thing for us is now the increased number of people that apply, and the opportunity of getting the best people at the studio has increased to 77% of applicants needing a visa, whereas before it was probably around 50/50"*. Following the notion that the best candidates for the job may reside outside of the UK, an HR manager of a design company explained, *"So let's say in the next six months we're going to employ 10 graphic designers and we can't find them living in the UK. All of sudden that's 70-80K that we need to then account for in other areas of the business"*. In relation to additional costs, the founder of another design firm, recognised that, *"It's not just the salary, you need to add on the money for the application, the money to sign up, the money to their contributions, so even the 26 grand salary might end up being a 32 grand investment. It doesn't stack up"*.

Many interviewees echoed similar sentiments of such increasing costs heightening barriers to recruitment in this area, or even completely ruling international recruitment out of current business operations for these reasons. *"Obviously all that cost is extra cost that wasn't there before we were a part of Europe, so yeah that's another hurdle"* (founder of a design firm), *"It's going to be too difficult because it's too expensive"* (Director of a performing art firm), *"It would put you off right from the beginning"* (Artistic manager of a performing art company), *"I would definitely say the cost of actual recruitment abroad is a real kind of challenge"* (co-founder of a design firm), *"Very specifically for us as a company that would represent a massive challenge"* (founder of a design firm).

Organisations who have yet to recruit from the EU under the new points-based visa system also state their reasoning for not doing so is due to costs, as a recruitment consultant in creative industries notes, *"Small-mid size agencies just don't have the ability to be spending any money on sponsorship to bring candidates on board"*. They added *"It (cost) really puts companies off. And then obviously having to pay if you're working through a recruitment agency, have to pay if they are successful, obviously pay a fee to place that candidate. And then also pay a fee for sponsorship, it's just adding up"*. Similarly, A COO of a TV and Film company and a Director of a photography firm explained, *"I'm aware there are statuses for employers to become a sponsor, which I know we haven't done as its quite cost prohibitive", "We don't feel there's a need for us to be taking out the relevant licences and getting the approval to do that, and then going through the relevant costs in terms of bringing somebody over from the EU to the UK"*.

Sponsoring costs. In reference to sponsoring costs, interviewees acknowledged it is a significant barrier for them recruiting international workers. A photography firm director said, *"If you're employing people and you've got to pay fees in a £2,800 range, it puts a fundamental stop at that level"*. In addition, a HR manager of a design and animation firm pointed out, *"The cost could be around £2,000 per employee. It's also about the cost of my time in trying to understand and manage the process, all the paperwork together. That very easily goes up to more than a couple of grand, and especially if we have got to do that for every single hire"*. Furthermore, smaller organisations explained that, *"Yearly income is probably between 50 and 100,000 pounds. I don't think we'll be able to go ahead and begin something like that"* (Director of a performing arts firm).

Visa fees. Visa fees are another significant barrier when considering recruitment outside of the UK. A co-founder and managing director of a design firm said, *"I think the visa application is going to be a challenge, I mean the additional costs that that is going to bring is a problem, and the admin involved is a challenge. That is probably the main component"*. Organisations interviewed generally felt limited by the number of new, international workers they can bring to the business due to visa fees, subsidising applicant costs on their behalf, adding to additional costs. For example, a CEO of a gaming firm said, *"People in France, a pretty well-paid country, culturally very similar (to the UK), they would not have 2500 pounds to spend on their side of the deal in order to come to the UK"*. Another firm added felt:

"Either way it seems very complicated. Honestly the fees aren't that bad for the company, if you're talking two, two and half thousand. It's more for the applicant. I would imagine if I was going to employ someone it would be on me to pay their fee as well because they'd be probably giving up almost like a month's wages. You also have to be in a specific position to be able to do that in the first place as a European worker".

One more company noted, *"It costs us about 7000 pounds to use a visa agent to help us with the process. And yeah, that's all we can do, which is quite limiting really, because we can't be doing that for every hire that we want to make. We're having to factor in the visa as part of the cost, just as a base you know. It's like we just need to assume that they're probably going to need a visa, which is mental"*.

Legal costs. Echoing previous reactions towards additional costs across the recruitment process when hiring international workers into the UK's creative industries, it became clear throughout the qualitative data that organisations in the sector do not have typical HR teams and legal expertise in-house, further discouraging those organisations to actively recruit outside of the UK, or inhibiting organisations to do so on a larger scale due to the costs of outsourcing legal advice for each applicant navigating the points-based system. The founder of a micro design firm in London said:

"It would make it unappealing to employ that person. We spoke to an HR lawyer, and they would have charged it something like 7 grand to do it. I was like – well that's just really quite expensive! I mean, the fact that we have to sponsor Europeans now, to the tune of, whatever it is, two thousand pounds... is enough to think about, let alone paying a legal practice to do it for you. It's going to put so many businesses off".

A gaming organisation who does have in-house expertise noted, *"If we didn't have that knowledge in-house it's just another cost, where you have to go and find these third parties that will do the legwork for you and you know, they're not cheap"*.

In addition to the costs mentioned above, interviewees regularly discussed a major risk involved with paying fees for prospective employees who then may choose to not continue their employment with that company. For example, a director of a photography company, said:

"If you are spending 2,4,5,6 thousand pounds to get them into the country and they go, do you know what, I can't do this, you've lost them and you've spent all that money. (The risk) is adding to costs of bringing somebody in that you're not sure may or may not work. And you know, people can tell you until they're blue in the face that they'll stay for two years (...) but you don't know."

Likewise, the head of recruitment of a medium sized design firm added *"We have to be absolutely sure that person is going to work out, which is such a risk when you're asking someone to move countries. There is (sic) so many things to think about"*. Similarly, when discussing the risk of relocation, travel, onboarding and sponsoring costs, Interviewee 6, an HR manager of a design firm employing 79 people said, *"There's now additional costs of 7-8 grand just to get them into the building and then sponsor them. Once they're here, if they don't work out, then that's another 7 grand to then sponsor the next person"*.

4.3.3. Complex and heavy administration to bring international talent

Approximately half of the respondents (20) mentioned this aspect as an important challenge for attracting and recruiting an international workforce. Referring to the clear process contrast of pre and post Brexit, the founder of a London design firm stated:

"Well, our experience of having done it in the last six months, I can't compare it with what it was before, you know. Previously taking on, we had XXX who was Polish, that was kind of seamless. Compare that to the experience of taking our current guy on, who's from India – I think there's quite a lot of sentiment that we wouldn't do that again, or if we could turn back the clock, we would never have started it."

They further added:

"I did say, pointlessly, to one of the kind people at the Home Office help desk, you know, I'm trying to run a UK business here, for the value of the UK, so why are you stopping me? Why are you trying to hold me back? I don't understand. Because it's not just the processes..."

Also, as in the case of costs, the digital manager of a design firm argued *"Because you're going to go through this process, there is no guarantee the person is going to stick with you, there's no guarantee they are going to be happy in the role, and you don't know whether they're going to work out. And then it's just, go through it all over again?"*. Other interviewees referred to the fast moving nature of the industry and added *"...it's quite a quick industry in terms of jobs come up quite quickly, need to turn things round quite quickly and you haven't got that time that you need to deal with that kind of process"* (Co-founder of a small Film/TV firm), while others outlined the heavy load onto the applicants:

"So, a very clear example is that we are now having to audition dancers four months before the contract can start. So that once selected, both they and us go through that awful portal. I could use many of other words for that, but I choose awful, to work our way through that. And it's again the individual, I do feel it's unfair on the individual, if, we both have to pay something, but the individual not only has to pay, but also has to spend a lot of time and effectively surrender their passport while the process is taking place. I mean how many more things do you want to put in place to stop a person coming and working with this, you know?" (Interviewee 20, CEO of a performing arts firm).

On a similar note, the founder of a small design company added *"that sentiment that we wouldn't do it again. Although I know now having the license of sponsorship in place, it would make future recruitment easier, but I think we would absolutely think again, you know, we would be very reluctant to recruit someone who wasn't a UK national. Which is a shame."*

As for the premium and fast track process, some interviewees were still raising concerns and said:

"...the fact that they offer a fast-track service... there's a premium service that you can pay thousands of pounds for. Which we were just going to bite the bullet when we got the email about the delays, we were going to bite the bullet just to try help fast track that process. But even getting onto that process is entirely ridiculous, in the 21st century, you basically have to email them, email some random address, you get no response back unless you are successful. And they only take something like the first fifteen emails basically. I had set up every single day, I'd set up a barrage of emails to go automatically, to try and get on that system, as I'm sure everyone else does. So, it's like a lottery. But you paid for the service, so if they're charging you for the service, why don't they just pro-rata their consultants and get more people in, as per the demand." (Director of a micro performing arts firm).

4.3.4. Damaged reputation of the UK internationally

Over half of interviewees (20) described the reputational effects of leaving the EU affected their organisation, and the consequent direct/indirect impacts, such as the relationships with clients and prospective projects. Precisely, the interviewed organisations reflected on how damages to the reputation of the UK could be affecting the recruitment on an international level. For instance, Interviewee 1, the co-founder of a Film/TV firm in midlands said, "..., if you're an EU citizen, you'll be looking elsewhere in Europe now to work if you can't find stuff in your home country". The HR manager of an animation company claimed, "Certainly since Brexit we haven't had many at all; applicants just email our careers email address or webpage. So, it definitely feels as though it has put off EU talent". An executive director of a performing arts firm echoed the same notion, "So recently we've been recruiting, when previously 5, 6, 7 years ago we would have received applications from all over the world, that has just stopped", as did Interviewee 35 from a design firm in London, "We used to get applications, my inbox would get three or four a month from the EU before Brexit. I don't get any now. Nobody reaches out". Likewise, some from a similar company said, "It's difficult now to get them, and also, they themselves I think are just less inclined to come to the UK. I mean it's difficult. We lost one girl who was French and one girl who was Dutch because they were concerned about being based in the UK," and another one added, "They (potential candidates) don't want to leave the EU. Because of the environment we've created here in England". Touching upon opinions around the environment Brexit has created, Interviewee 10a, the founder of a Scottish gaming firm

said, *"Even before the vote was made, it created an impression that EU citizens were not wanted in the UK and then, after the vote was made and the result came out. They confirmed to many EU citizens who worked for us that they didn't want to be here because culturally the UK did not welcome them anymore"*. Equally, Interviewee 10, another gaming company in London stated *"...you think about how hostile we make it for people looking to come in, how hard we make it for them to stay, bring families over"*. Expanding on the reputational damage Brexit in general has created on people's attitudes to come to work in the UK from EU countries, a performing arts director said: *"Both Brexit in general and the current government have seriously damaged Britain's international reputation. Britain is now toxic as a brand for many people in many countries"*.

Interesting to note, London (as a creative hub for talent) was mentioned frequently during conversations around damaged reputation with interviewees. There were mixed experiences and challenges surrounding this, of which some interviewees claimed London is *"Seen as a hugely beneficial area to build your experience. We've got some of the best creative agencies in the world (...) I think it's still seen as the place to start your career by many young international creatives"* (Co-founder of a design London based firm). The founder of a performing arts London-based firm agreed that *"England would be the first, probably preferred destination (for EU creatives), but conceded that the "environment has changed"*. Contrary to those experiences, some interviewees noted significant portions of communities leaving London to go elsewhere, for instance, one manager said *"Designers or architects that many of whom may have automatically headed for London but now go, okay well what other practises are there in other parts of the EU"*, another added *"Beforehand it was London that was the creative market that people wanted to move to. That's not really the case anymore, we have so many agencies in places like Amsterdam and Lisbon and Paris, so it is not necessary to come to London anymore"*.

Lastly, it appeared that the damaged reputation will not only attract foreign talent, yet also existing employers. For example, a digital manager of a design company added:

"...as somebody who is technically an immigrant myself, I don't particularly like this environment, I can't imagine anyone would want to come into it. If we were to pay a lot of attention to some of the conversation that have been going around, obviously we're not in the EU, so then you are going to be expecting changes and there's going to be differences".

4.3.5. Restricted access to international freelancers and/or temporary workers

About 18 interviewees referred to the restricted access to international freelancers and temporary workers. Here, the co-founder of a TV/Film company said *"...we did some recruitment in August/September last year, and for simplicity we recruited UK workers. It narrowed the field quite significantly which is not kind of what we would have wanted if I'm honest, because there were candidates that we would have definitely employed previously that were from the EU"*. The director of another TV/Film company explained

"Another example is when we had a lighting artist that was from Europe and come over here, so you know, we're working with them. And with their contracts expiring they've been easily able to go right I'm just going to go and work across at another studio, and they can go and jump onto a project with them. This happens a lot in London too. But as soon as you start introducing visas, you then need to have them (other studios) as a Tier 2 sponsor to take on the sponsorship with the applications for them to be able to move, you can't even hold a really good pool of talent in an area without it just causing you more problems. How's that going to work?"

The CEO of a performing Arts firm further stated:

"I would imagine it would make it pretty impossible to do that (hire freelancers). Chances are that most people aren't going to have enough work to be able to do that. Because they're only going to be here for a short amount of time, and we pay usually an hourly rate for work, on what they deliver. So, I imagine that's pretty impossible to jump through all of those hoops. I've already had a few conversations over this and think that it is going to be an issue for them".

Referring to the specific nature of freelancers' jobs, the CEO of a London based performing firm argued:

"Nightmare, nightmare. Absolute nightmare. ... I think the fluidity of being able to kind of come over, actually for both sides, that points-based system is just not fit the purpose for a freelance existence. And the skill that individual may bring over for us, it could be a lighting designer, could be a set design, costume designer, it could be another choreographer. It's just almost impossible for us to kind of, without going through all of what I described, for maybe four weeks work. It's not fit for the purpose. It's just a one size fits all".

Likewise, as a firm manager recognised *"The freelance market is so quick. You get someone who wants one tomorrow. So, when you work on the freelance market, you can get people who were saying we need someone this afternoon, need someone tomorrow, we need someone next week. And they don't have the time, obviously, they want someone who's skilled in that area,"*

Some interviewees mentioned remote working as an alternative to involve freelancers now. For example, The HR manager of a design firm said *"So we'd be looking at freelancers to do stuff remotely, which costs more. Then there's all the other issues that come in with that so things to do with tax and stuff like that. It's like the government has gone 'hey creatives...nope!', while some raised the issue that such processes will drive talent away the UK".*

4.3.6. Lack of resources dealing with immigration issues in international recruitment

Almost half of interviewees (17) noted their lack of resources greatly affected their ability to recruit international talent under the new points-based visa system.

Similarly, the CEO of a small gaming company outlined, *"The amount of my time required to get through this process is just ridiculous. Which is why we've ended up using outsourcing companies. I do have to pay a lot. Every year it's costing like 13,000 pounds... but it's actually cheaper because it doesn't take up so much time because they deal with all the admin".*

Lack of skills. In particular reference to lack of skills when navigating the new points-based visa system, interviewees consistently referred to the absence of HR teams or legal expertise available within their organisations, leading to unqualified people taking on roles or having to outsource advice via third parties. For instance, a micro design firm in the South West stated, *"We don't have an HR team here. That would fall on me, and I've already got lots of hats to wear. My job is really full on you know, I'm still hands on, I'm still a designer here as well. So, if I have to spend hours and hours sifting through paperwork to employ people that's going to really be hard".* The co-founder of another Film/TV small firm commented, *"We're a really small company, so we haven't got an HR department you know. We don't really want to spend it on lawyers and an HR specialist if we don't need to".* Likewise, the digital manager of a small design firm in Yorkshire said, *"So it doesn't make sense for us to do that unless there's a very, very niche specific talent which we're after that we just cannot find anywhere. I don't feel we're personally as big enough to do that or have that kind of requirement. The lack of skills surrounding the process is a particular problem for smaller to medium sized organisations in the sector".* Another company stated, *"For someone like me, who doesn't have an HR department, who has to basically work it out, it's horrible".* Similar comments were made in other interviews, *"For small and medium sized enterprises I would say it's a huge barrier basically to being able to do it"* (HR manager of an animation company). This issue was also raised by larger firms. Here, the head of recruitment of a medium London based company recognised *"If we actually really understood every single step of the process ourselves we would be more comfortable doing it ourselves, but just to make sure that we are crystal clear, and clean, and doing everything right, we've always used an agent for anything we've done with visas".*

Lack of time. When discussing lack of resources dealing with current immigration issues, interviewees regularly discussed and documented the impact that time has on their ability to navigate the new system. The founder of a gaming firm located in the North West of England said, *"I'm a full-time software developer, I don't personally have the time to deal with that much bureaucracy. If I want a recruiter to deal with it, it's very expensive, so for us it's preferable not to do that either"*. Another director of a micro firm in design said, *"We're a small business, we don't have an HR department, ... it's also the time involved, which is substantial"*. The founder of a design firm echoed this *"It definitely is a situation where you know it's not just the cost to pay the government to do this...our accountants have to spend time on it, our HR have to spend time and then we'd have to bring in our employment lawyer to finalise it all"*. A manager talked through the process in terms of time

"It's so consuming. Especially because it's such a fast-moving industry, and also just the general process of doing the applications and having to do it. I talked to our immigration lawyers who say from a sponsorship point of view you're talking a month. The points-based system is going to be different. But let's say that a month of someone dedicated to just doing all of that, that's fine. But if you're in a smaller agency like ours, one person doing recruitment, onboarding, HR, visas, payroll that stuff – all of a sudden, that's actually going to take three months. And that's time that we're missing out on. And then the fact that someone might come for a year and then move on".

Likewise, the founder of a performing arts company said, *"It'll just give a massive strain on pretty archaic structures anyway. But then for that to work within that timeframe... we're quite a nimble organisation, we rely on having access to talent immediately. It just won't work. It's just not going to happen"*, while the founder of a micro design firm reflected, *"It was stupidly long. The whole process is a nightmare, generally speaking. Not the points specifically, but the process of sponsoring someone, is absolutely ridiculous. You definitely won't receive an email decision within the eight-week time frame, and it could be as long as 13, 14 weeks. I think it took us in all, about 20 weeks"*.

4.3.7. Loss of an existing international workforce

15 interviewees referred to the loss of the existing international workforce as one of the immediate consequences of the new migration system, and in some cases, this occurred soon after the Brexit vote. For example, the director of a West Midlands based Film/TV company described *"We had somebody else (who) was working for us from the EU – when Brexit happened, they left. They were from Spain, yeah, I think we had another, I think we've had three people, from one was from Italy, two from Spain"*. Interviewee 7 added *"... they left before Brexit. We had one full time person from France and he left right as Brexit was kind of happening, but it was a combination of like, I think of a lot of Europeans felt like kind of a bit over London – with Brexit. ...It feels like there's been a shift in the dynamic like what it means to be in London"*. While the executive director of a performing arts firm based in Wales recognised *"...some of the EU citizens who had been working for us pre-Brexit or pre-referendum left quite soon after the referendum"*.

4.3.8. Time consuming process delays to international recruitment

The time-consuming process to navigate the current visa system when recruiting international talent is a major obstruction for creative industries in the UK, described as 'Administration against entrepreneur' (Founder of a performing arts company). In total, 10 interviewees referred to this challenge. A CEO of another performing arts micro firm, stated, *"We're having to consider how we change the rhythm of our work in order to accommodate not just all of the bureaucracy, but also the time delay in the appointment to the actual person being able to start work"*. Consistently, referring to the fast-moving nature of creative industries, organisations noted the near impossibility to recruit within the timeframes needed to complete business objectives and creative projects; *"It can't take eight weeks to do these things, it's impossible"* (CEO of a gaming firm). The artistic director of a performing arts company explained, *"It's completely unreasonable, because the way we work, working with very tight timelines. There is not very much mobility (...) usually the projects are quite short duration, 2, 3, 4 months and we have to move on a project within 6-8 weeks. So having to go through this recruitment process with the points-based system just wouldn't be feasible or viable"*. A managing director of a Film/TV firm said, *"If I can't find the skillset I need in the UK labour market, then you would try and look further afield. But then when you're up against an 8-week process, costs associated to the company, costs associated to the applicant, I just think it makes the UK a really unattractive place to come"*. Echoing that statement, a co-founder of a design firm said:

"It's always going to be a problem, I mean our business in the creative industry is dynamic, we need people...we can't wait three months. If we go through the recruitment process then there's another eight weeks to actually go through the application of visa, and get them the right immigration papers, and all the rest of it, that project might well have gone. So, it is going to definitely...limit our appetite to take on EU nationals"

In specific relation to e-gaming, one manager noted, *"The time lag is just ridiculous. I mean for creative projects, for video games, they take about between eighteen months to three years to make. So, if you're taking five months of that time to get someone over from a country, that's like quite a significant proportion of the development time. That's just madness basically"*. In addition to feasibility, the time-consuming element of the process is also jeopardising potential work for some organisations, having knock on effects on the wider economy. The director of a Film/TV company shared a particular problem pertaining to this:

"We have to tell this potential client we need six months before we can start the project because I need a couple of months to be able to put applications out and hire the person, then I need two months to get visas in place to then start the project. Now that might mean we don't do the project. There's a good chance the client will turn around and say somebody else can start in three months. We lose the work. We don't just lose that work, the country loses pulling in, I think the project is worth £2.5 million... Which would have come into the country. It's mental. And that's the reality of it."

4.3.9. Restricted access to junior roles from international applicants

Seven interviewees discussed how restricted access to junior applicants within their organisations is another major barrier. Interviewees discussed this from both their organisational perspective and the perspective of the applicant. For example, a HR manager of a design firm stated,

"I think there isn't a full understanding of it yet. Say from a European, especially younger person wanting to come, I don't think there's a full understanding of what's needed, and the cost associated with it. So, let's say that you were going to come over, you personally would have to pay 3 and a half grand to come here. So actually, what it does it limits the pool of people even further by saying actually, if you're from a family, 21, just out of university, from family that can afford to pay three and a half grand for you to come and work – great. If you can't, that's a whole group of people who now cannot get into the industry".

A performing arts firm director in Scotland acknowledged *"For junior roles it's just unfair for smaller organisations, it's a massive barrier. Particularly in certain sectors, such as the performance sector which relies a lot on international talent, yeah, it's a massive off-putting thing for employers"*. Furthermore, the co-founder of a TV/Film firm explained, *"often we're recruiting graduates, we've taken on four this year. If they were from somewhere else, they wouldn't have the work experience and be able to score on those points"*. Likewise, a HR manager of a London based design company recognised, *"You're limiting it to UK based design schools, which limits the industry as a whole. Instead of having these... broad mind of people who are coming from all different areas of the world effectively, and are able to bring all their key things, we're going toward 'right, UK, same university, same schools, same background, same beliefs, same views"*.

4.3.10. Restricted access to international interns

Around four interviewees mentioned the restricted access to international interns under the current visa system is inhibitive of them recruiting talent to their organisations, with some mentioning the lack of intern applicants after the Brexit vote, despite previously having strong relationships with European universities for internship programmes. For instance, Interviewee 11, the founder of a micro design firm located in the South East explained,

"Like the one in France we were getting 2, 3, applicants a year, they'd come over for 3 months as part of their degree and come abroad to do an internship, really enthusiastic. It was really, really good. Even in the UK, in Brunel, we used to get applicants. We've gone on to hire interns full time to work with us for a couple of years and it's been brilliant, so we've found that to work really well (...) That seems to have stopped since Brexit, I don't know if that's directly related but it has definitely seemed to have stopped".

In specific relation to the points-based visa system, an HR manager of another design firm in London said, *"It removes us from doing interns. Whereas before we would take quite a few interns from European countries and design schools, we physically cannot do that anymore. So then, you're limiting it to UK based design schools, which limits the industry as a whole (...) it could potentially have an effect on the general creative industry in the UK about the types of work that we can create"*. Similarly, the head of recruitment of a medium sized design company in London said,

"I think that a lot of candidates that contact us don't have a lot of an idea that this is happening, and that they actually need to have a visa to work with us. We have got a history of having a very good internship programme, and a lot of our interns would have been EU citizens in the past, and that's a great thing to do isn't it going work in a company in UK for six months, and if it works out, great, but if it doesn't you can go back home. But we can't do that now without huge costs. And we're not going to. We're not going to invest 7000 pounds in an intern for six months. We are missing out on a huge amount of raw talent that we will just never see, which is a real shame".

4.4. Consequences of the post-Brexit migration challenges

Several interviewees referred to the creation of subsidiary offices in EU countries and the shift to remote working as ways to mitigate the challenges created by the post-Brexit migration system. In this regard, the creative director of a micro design firm stated *"So it was part of my initiative to think okay let's go to Paris and then if we need to get people working and if we need European workers and it's difficult to happen in the UK, we can employ them through the French company so I started a French company too so if we do need talent in France we can employ them here or in Europe"*. Likewise, the founder of a Scotland based gaming firm also argued *"... it's something we've actively got on our radar (setting up a subsidiary abroad) as from a risk mitigation point of view it's going to be easier to hire EU citizens in the EU. So, it's probably not even a question of if, it's when you will choose a point to do it"*. Lastly, another manager argued *"... we've already stopped really looking overseas to employ in the UK. ... we would look to have a subsidiary set up in a different country and then hire talent locally there"*. They further explained that skill wise, SMEs would be more able to set up a subsidiary abroad than to go through the immigration process to recruit internationally. They acknowledged *"I feel like even though it seems like a bigger task to set up a subsidiary, it just is a bit more in line with – like – skills that you might have in an SME. Because every SME is generally going to have an accountant, but they are less likely to have an immigration specialist or HR department"*.

As for remote working, because of the Covid-19 pandemic, a manager in Film/TV company, explained:

“What we have found is, through lockdown, it’s really changed the way we work as well. We’ve still got people working from home which has been for like two years now. So, on a recent project we’ve got animators working far afield as Brazil, obviously working from home, including Italian workers and Spanish, so they were working from home this time rather than coming to the UK to work. You know, the advent of zoom for things like this, what we do now and day to day working has really opened our minds to actually ways of working too, and not necessarily having everybody in the same space”.

They further added:

“I’ve talked to friends, you know, they do hire people abroad, but they don’t bring them over. I think with Covid and everything it’s really established the idea of people working remotely...Other agency owners I know are hiring people full time, but they’re not actually bringing those people over, so they’ll just work from the country that they live in Europe or wherever and they seem to be able to manage that fine without having all the hassle relocating people”.

5

Analysis of the quantitative results

In total, 147 fully completed responses were obtained for the quantitative phase. In this section, the sample characteristics are presented first. Thereafter, a ranking process using the AHP technique is conducted. The purpose of this phase is to rank the perceived importance of the post-Brexit migration challenges when accessing foreign talent.

5.1. Sample characteristics

Table 9 depicts the main features of the respondents involved in the quantitative phase. As can be seen, the highest level of participation was from the Music, Performing and Visual arts sub-sector, followed by Advertising and Marketing, then, Film, TV, Video, Radio and Photography, Design and Architecture. In terms of size of businesses, the majority of organisations employ 6 to 50 Employees, followed by 1 to 5 Employees and 101 to 250 Employees. As for location, most businesses are based in London, followed by the Midlands, South East England, North West England, Scotland, Wales and Northern Ireland. Regarding the key informants, the vast majority were directors, managers or owners. Most had over 10 years' experience in the industry, which reflects the high expertise of the informants.

Table 9: Sample characteristics

Sector of organisation	Percent
Advertising and Marketing	16.9
Architecture	14.2
Arts, Festivals, Education	0.7
Design and Designer fashion	8.8
Film, TV, Video, Radio and Photography	12.8
IT, Software and Computer services (including e-games)	2
Publishing	1.4
Museums, Galleries and Libraries	5.4
Music, Performing and Visual arts.	19.6
Other (Please Specify)	18.2
Key informant role	Percent
Associate Director	2.7
CEO	8.8
Director	54.1
Founder/Owner	5.4
HR Employee	2.7
Manager	15.5
Trustee	1.4
Other	9.5
Key respondents' years in organisation	Percent
0–2 Years	7.4
3–5 Years	11.5
6–8 Years	6.1
8–10 Years	12.2
Longer than 10 Years	62.8
Key respondents' years in industry	Percent
0–2 Years	3.4
3–5 Years	3.4
6–8 Years	4.7
8–10 Years	2.7
Longer than 10 Years	85.8

Table 9: Sample characteristics (continued)

Size of organisations	
1–5 Employees	12.8
101–250 Employees	10.8
6–50 Employees	60.8
51–100 Employees	9.5
More than 250 Employees	6.1
Region	Percent
North East England	/
North West England	11.5
Yorkshire and The Humber	1.4
Midlands	10.1
East England	4.7
London	31.8
South East England	7.4
South West England	13.5
Wales	3.4
Scotland	8.1
Northern Ireland	2
Multiple Locations	4.7

To provide insight about the representativeness of the quantitative sample in terms of sub-sectors and geography, Table 10 provides a comparison between actual and sample distributions. As can be seen, 'IT, Software and Computer services' was heavily underrepresented, with a similar note for 'Museums, Galleries and Libraries'. In contrast, 'Advertising and Marketing', 'Architecture' and 'Music, Performing and Visual arts' were overrepresented. As for regional coverage, North West, South West and Scotland were slightly overrepresented, whereas Yorkshire and the Humber and South East were underrepresented.

Table 10. Sample distribution vs. Actual distribution

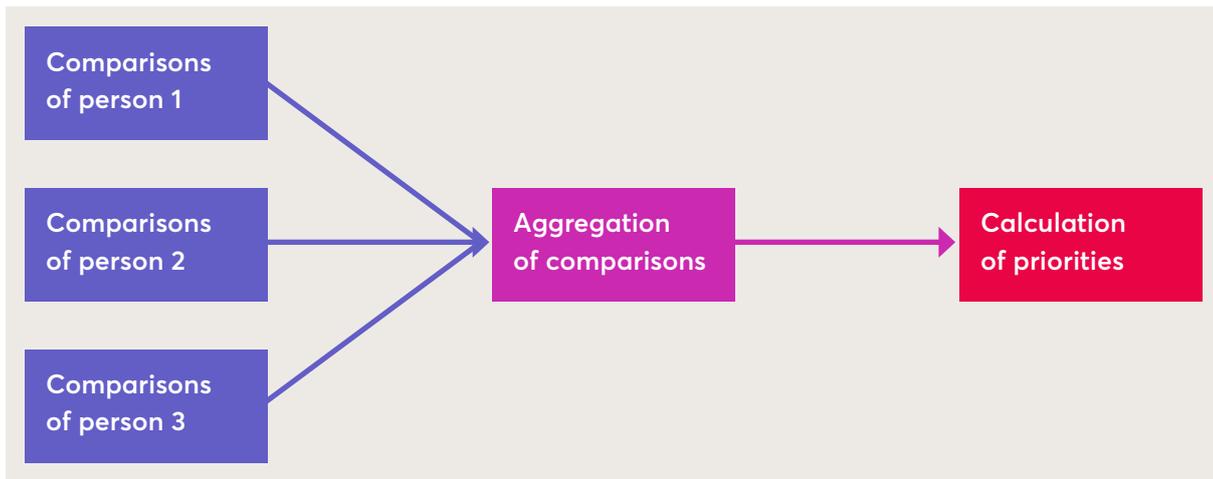
Sector of organisation	Percent	Actual
Advertising and Marketing	16.9	8.4
Architecture	14.2	5.5
Arts, Festivals, Education	0.7	/
Design and Designer fashion	8.8	7.8
Film, TV, Video, Radio and Photography	12.8	11.5
IT, Software and Computer services (including e-games)	2	50.2
Publishing	1.4	3.6
Museums, Galleries and Libraries	5.4	11.8
Music, Performing and Visual arts	19.6	11.8
Other (please specify)	18.2	/
Sub-sector	Percent	Actual
North East England	/	1.5
North West England	11.5	6.8
Yorkshire and The Humber	1.4 (North)	4.5
Midlands	10.1	13.8
East England	4.7	9.4
London	31.8	33.8
South East England	7.4	18.8
South West England	13.5	7.2
Wales	3.4	2.0
Scotland	8.1	4.7
Northern Ireland	2	1.0
Multiple Locations	4.7	/

Source: DCMS Sectors Economic Estimates 2019: Business Demographics– Updated 6 May 2022 (link: <https://www.gov.uk/government/statistics/dcms-sectors-economic-estimates-2019-business-demographics>)

5.2. AHP analysis

In AHP modelling², the decision problem needs to be structured into a hierarchy. At the top, the decision goal is defined as the identification of the most obstructive challenges affecting UK creative SMEs when accessing and attracting international talent. Based on the literature review and the findings of the qualitative analysis, nine challenges have been identified. To assess the obstructive weight of each challenge, practitioners working in the UK creative industries have been invited to answer a questionnaire which includes pairwise comparisons of the nine challenges identified above. The scale used was ranging from 1 (equally important) to 5 (extremely more important). In total, 147 fully completed questionnaires have been recorded. Using the SpiceLogic software, the constructed pairwise matrices represented aggregated weights of each criterion, which were calculated using the weighted arithmetic mean of all individual priorities from the practitioners' pairwise judgments. This method is known as 'Aggregation of Individual Priorities'. It takes each member's final calculated priority for an option and then computes the arithmetic mean. Figure 1 illustrates the process.

Figure 1. Process of aggregation of individual priorities



2. Full calculations methods can be accessed here <https://www.spicelogic.com/docs/ahpsoftware/intro/ahp-calculation-methods-396>

Table 11 depicts the priority ranking of the nine barriers. According to the experts, the most highly ranked barriers are damaged reputation and unwelcoming environment of the UK as a workplace (0.15), followed by loss of existing international talent (0.14), complex visa process and heavy administration load (0.13), visa requirements restricting access to freelancers (0.12), lack of resources and skills to deal with visa and sponsorship processes (0.11), junior and entry level applicants not eligible to meet visa requirements (0.09), time consuming visa process (0.09), increased costs (0.08) and restricted access to international interns (0.07).

Table 11. AHP analysis

Challenges	Value
Damaged reputation and unwelcoming work environment discouraging international talent from applying to UK based roles.	0.15
Loss of existing international workers due to post-Brexit migration system	0.14
Complex visa process, heavy administration load and inefficient system preventing international recruitment.	0.13
Visa requirements restricting access to international freelancers and/or temporary workers.	0.12
Lack of resources and skills dealing with visa and sponsorship processes when hiring international workers	0.11
Junior and entry level roles not eligible to meet the visa requirements (including salary threshold of £25.6k)	0.09
Time consuming visa process causing delays in international recruitment	0.09
Increased cost of visa application, sponsoring and legal fees when recruiting international workers.	0.08
Visa requirements restricting access to international interns	0.07

6

Discussion

Brexit has undoubtedly brought many challenges to the UK's creative industries, including a restricted access to a foreign creative workforce. This is problematic as evidence from the qualitative analysis confirmed the lack of creative skills in the UK market as a significant challenge and a reality that emerged several times during the interviews, with – at times – severe consequences on business growth. The 'chronic skills shortages', to quote one of the interviewees, was partly blamed on the superiority of European creative education in some areas, when compared to the UK education system, which is having an impact on both skills and attitudes of graduates. Several scholars and prior works have already anticipated the lack of skills issue in industries such as screen, fashion design, Crafts and high-tech (ScreenSkills, 2019; Carey et al., 2020). Skills shortages were found to be prevalent in industries requiring a mix of creative and technical skills (Creative Industries Federation, 2018).

In exploring the main post-Brexit challenges obstructing UK small and medium creative firms from accessing foreign talent, the current study uncovered nine main aspects perceived by creative firms' managers as the most problematic when it comes to reaching EU and non-EU talent. Starting with the most challenging, the AHP analysis revealed that 'Damaged reputation and unwelcoming work environment discouraging international talent from applying to UK based roles', 'Loss of existing international workers due to the post-Brexit migration system' and 'Complex visa process, heavy administration load and inefficient system preventing international recruitment' were the top three factors. This is broadly in line with the findings from the qualitative phase in which the damaged reputation and complex processes aspects were amongst the top two most challenging factors, while loss of existing staff was also mentioned as relatively obstructive. In this regard, interviewees noted the impact Brexit had on the number of applications received from outside the UK, which seems to have dramatically declined. In this respect, the damaged reputation was perceived to be one of the main causes for this phenomenon. The problematic nature of these two factors has been anticipated by previous works, warning about the likelihood of a system overload, administrative burdens and long waiting times (REC, 2017), overwhelming administrative and financial burdens and unclear processes (Creative Industries Federation, 2018). It was also acknowledged that such complexity will force creative firms to outsource the process to legal practices (Royal Society of Chemistry, 2019), which would inhibit labour mobility (CIPD, 2019). Likewise, several scholars had warned against the reputational consequences of leaving the EU on the UK as a hub for creative workers. In this sense, the UK could potentially be perceived as a hostile and unwelcoming environment for foreign workers (Hepburn, 2019; Hepburn and Bell, 2020; Hawley, 2021).

Similarly, interviewees noted a clear contrast between pre and post Brexit and acknowledged that the complexities caused by the new system deter them from recruiting internationally in the future. As for the 'Loss of existing international workers due to the post-Brexit migration system', several interviewees saw this as the immediate consequences of the post-Brexit migration system, with some highlighting its occurrence even before Brexit was enforced (i.e. as soon as the referendum results were published). Moreover, some interviewees referred to emotional reasons and issues with belongingness being the underlying reason. This issue has not been anticipated or extensively discussed in previous reports. Thus, the current study highlights this as an important consequence that warrants urgent redress.

Furthermore, the AHP analysis identified the 'Visa requirements restricting access to international freelancers and/or temporary workers' and 'Lack of resources and skills dealing with visa and sponsorship processes when hiring international workers' as the next most challenging aspects affecting creative firms' access to an international workforce. Regarding the access to freelancers, this finding is in line with the evidence from the qualitative phase. Several interviewees stressed that the new requirements narrow down firms' options when it comes to hiring freelancers. The 'temporary' nature of freelance work does not seem to be considered by the post-Brexit visa process and this has made hiring international freelancers almost impossible, according to several interviewees. Particularly, freelancers are well suited to the fast-moving nature of the creative industries. Here, Easton and Beckett (2021) explain that freelancers are particularly crucial since CIs are often 'project-based production systems' requiring a variety of creative skills that can be gained through hiring freelancers.

However, access to this group seems to have been compromised. The issue has been mentioned in previous reports as creating considerable challenges to creative firms. In fact, Chandler and Cuneo (2021) noted that creative freelancers such as artists work on a contract-to-contract basis which is not considered by the new post-Brexit system. This is particularly tricky as freelancers constitute a third of the creative workforce (DCMS, 2022). What's more, over 70% of creative firms employing non-British freelancers are not able to replace them with British workers, according to a report by the Creative Industries Federation (2017). Hence, many of those freelancers will have to be sourced from foreign markets. As for 'Lack of resources and skills dealing with visa and sponsorship processes when hiring international workers', the qualitative evidence provided further information on the nature of those resources that creative firms are short of. The lack of skills needed to navigate the new points-based visa system was often referred to by smaller firms without dedicated HR teams, who recognised that they did not have the expertise to handle the visa process. This has deterred many from recruiting internationally despite an existing need.

Time to deal with such immigration processes is another resource creative firms were lacking. This was also mentioned by firms with dedicated HR departments, of which many had to resort to legal practitioners as they did not have the time to navigate through the process. Once more, the fast-moving nature of creative industries came up as an additional pressure. An interviewee reported that the sponsoring process could take as long as 20 weeks to be completed. A timeframe that is not suitable for a fast-changing cluster like creative industries. This concern was anticipated by Sapsted (2020) who argued that UK SMEs expressed fears over the new system since most never had to apply for a visa before. Similarly, the time issue was also raised even when firms did not necessarily report the lack of capacity to deal with this. Indeed, the AHP analysis ranked the 'Time consuming visa process causing delays in international recruitment' as the seventh most problematic issue with the post-Brexit migration system. The qualitative phase has reiterated this finding with some participants acknowledging negative implications on the rhythm of work to accommodate the delays created by the visa process. Once more, the eight-week processing time of visa was seen as unsuitable to many project-based creative firms.

On the other hand, the aspect 'Visa requirements restricting access to international interns' was the least problematic challenge according to both quantitative and qualitative phases. That said, some interviewees did outline these aspects as significant issues. The restricted access to foreign interns was only mentioned by four interviewees. Those managers pointed out that the new system jeopardised links they had with EU universities to access interns, which at times resulted in full time employment. This is an issue that did not often come up in previous reports and hence although not widely recognised by the current sample, one that might need to be considered.

Surprisingly, the challenge 'Junior and entry level roles not eligible to meet the visa requirements (including salary threshold of £25.6k)' was not amongst the top factors according to both quantitative and qualitative phases. This is intriguing as previous reports had often emphasised the salary threshold aspect as being extremely problematic. For instance, Montalto et al (2021) stressed that, in CIs, it can be challenging to gauge workers' potential with qualification titles, particularly when it comes to younger workers, who can easily fall in the 'low skilled' category due to their low salaries. Similarly, Hatton (2020) posits that a single threshold cannot work for all industries. Hepburn and Bell (2020) note that in Wales the threshold will cause recruitment problems while Morris (2020) described the threshold as *"too inflexible and does not reflect the full contribution of migrant workers"*. The CIPD (2019: 5) suggested scrapping the skill threshold as they argued *"The salary threshold, not the skills threshold, will decide whether employers can recruit EU nationals and other overseas workers under the new system"*.

In contrast, the current study seems to suggest that the salary threshold might not be a considerable issue to UK creative firms as many interviewees recognised that they already meet the threshold. In fact, the 25.6k was seen as suitable for creative roles with some considering this as a fair threshold. This perception was shared by businesses both within and outside London. Hence, based on the findings of this research, we argue that the threshold issue may have been exaggerated by previous reports, since the cut-off salary seems to be suitable for creative firms across the UK. That said, some firms did acknowledge the threshold might be a problem for junior graduate roles, although the AHP analysis still ranked this amongst the least problematic challenges.

Lastly, mixed evidence emerged in relation to the challenge 'Increased costs when recruiting international workers' with the qualitative phase putting this as the second most problematic issue, whereas the quantitative AHP analysis ranking this as the second least challenging aspect. In fact, numerous interviewees considered the costs associated with the visa and sponsoring process as being significant, biasing the recruitment process toward less suitable yet less costly candidates. Some have also acknowledged excluding international recruitment due to such costs. We conclude that while this aspect might be highly problematic, it is relatively less so when compared to challenges such as admin complexity, damaged reputation of the UK and the loss of existing workforce. Nonetheless, previous reports did warn against this challenge several times. In fact, Morris (2020) and ICAEW, (2020) cautioned that the new system will still bear significant costs related to both visa and sponsoring fees. Likewise, the Creative Industries Federation (2018) posits that such costs were initially introduced to discourage firms from sourcing foreign workers, yet such a charge constitutes *"a significant cost to business and one that impedes access to international talent"* (p.44).

7

Conclusion and policy recommendations

This project is investigating the post-Brexit migration challenges to attracting international workforce among SMEs in the Creative Industries (CIs). The project was based on a mixed-method approach in which key challenges have been identified with relevant narrative illustrating why and how those challenges are being problematic to UK SMEs in CIs. Such narratives will be crucial in developing potential solutions to mitigate those challenges. The qualitative part was based on 38 interviews with managers across UK CIs, while the quantitative phase is based on 147 respondents. Based on the findings, the following policy recommendations are proposed:

1. Simplify the administration requirements and reduce the complexity of the visa process. The Home Office should take advantage of smart technology and introduce a smart visa scheme.
2. UK diplomatic missions in EU and non-EU countries should endeavour to project a better image of the UK as a soft power and a hub for creative firms.
3. Special visa and immigration measures should be offered to existing creative workers to stop the loss of existing talent. These arrangements should be extended to their family members.
4. A new visa scheme should be introduced to accommodate creative freelancers. The scheme must consider the fast-moving nature of the creative industries.
5. The Home Office should offer a dedicated helpline to businesses so that they can be supported with visa applications and sponsoring processes.
6. The existing salary threshold seems to be suitable for the majority of the creative industries. However, we propose a new visa scheme for junior creative workers with a lower salary threshold. To mitigate potential risks, this new scheme could be offered for a maximum of 2 years, after which the applicant could switch to the regular visa scheme with the higher threshold.
7. A new visa scheme for interns could be introduced with a similar arrangement mentioned above. In fact, we suggest a set of visa categories that could span from interns to junior creators, to skilled creators, with different salary thresholds and maximum timeframes.
8. In terms of costs, the latter was not amongst the top challenges, yet a problem often reported by smaller firms. Hence, we suggest the Home Office charge businesses depending on their size and revenue. Micro businesses should be exempted from visa and sponsoring fees due to their smaller relative turnover.



Limitations

In this project, several limitations ought to be acknowledged. First, the list of challenges that have been extracted from existing reports is by no means exhaustive, despite this being confirmed through the interviews. We do not exclude the existence of other challenges that could have been missed. Second, the project team faced significant issues in engaging creative firms in the process due to lack of time and/or scepticism toward the willingness of the government to introduce changes. Consequently, the sampling approach for both steps was non-probability which implies that generalisability of the results should be taken with caution. Also, some regions and sub-sectors have been over/underrepresented, which affects the representativeness of the sample. Third, due to the high number of challenges, the AHP questionnaire was relatively long, with some respondents finding it difficult to follow the pairwise comparisons. This has affected the quality of the data, with a consistency score of greater than the 0.1 recommended threshold. That said, the findings were mostly in line with the findings from the qualitative interviews, which does provide some validity.

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Appendices

1: Standard Industrial Classifications used in DCMS creative industries estimates

Subsector	SIC07	Description
Advertising and Marketing	7021	Public relations and communication activities
	7311	Advertising agencies
	7312	Media representation
Architecture	7111	Architectural activities
Crafts	3212	Manufacture of jewellery and related articles
Design and Designer fashion services	7410	Specialised design activities
Film, TV, Video, Radio and Photography	5911	Motion picture, video and television programme production activities
	5912	Motion picture, video and television programme post-production activities
	5913	Motion picture, video and television programme distribution activities
	5914	Motion picture projection activities
	6010	Radio broadcasting
	6020	Television programming and broadcasting activities
	7420	Photographic activities
IT, Software and Computer services	5821	Publishing of computer games
	5829	Other software publishing
	6201	Computer programming activities
	6202	Computer consultancy activities
Publishing	5811	Book publishing
	5812	Publishing of directories and mailing lists
	5813	Publishing of newspapers
	5814	Publishing of journals and periodicals
	5819	Other publishing activities
	7430	Translation and interpretation activities
Museums, Galleries and Libraries	9101	Library and archive activities
	9102	Museum activities
Music, Performing and Visual arts	5920	Sound recording and music publishing activities
	8552	Cultural education
	9001	Performing arts
	9002	Support activities to performing arts
	9003	Artistic creation
	9004	Operation of arts facilities

Source: DCMS

2: Interview schedule

Step 0:

Researcher to introduce herself, provide an overview of the project (The impact of Brexit on Staffing and Mobility issues), outline the relevant ethical guidelines and confirm consent, explain the interview process and ask if the respondent has any query.

Step 1:

Researcher to ask general questions about the company and the interviewee:

- Could you please provide me with a brief overview about your company?
- Could you please tell me about your role in the company?
- Do you have EU or non-EU workers in your company? (If Yes, how many, if No, why not? Has this changed pre-Brexit post-Brexit?)

Step 2:

- Researcher to ask about the interviewee's knowledge of the current points-based visa system:
- Do you know about the current UK points-based visa system?

IF YES

Researcher to ask about the impact of the new points-based system on international recruitment and staff mobility.

Step 3a:

The researcher should ask the following question while referring to a pre-set the list of themes (See below)

- Do you anticipate that the current points-based system will make recruiting international workers harder? If Yes, how?

Step 4a:

If the respondent does not mention one of the themes, the researcher should highlight them and ask whether the themes are relevant.

[Themes: The salary threshold issue; The cost of visa applications; The processing times, The cost of sponsorship, The administrative burden and the complexity of the process; Reduced mobility and the issue of freelancers; Unwelcoming environment, damaged reputation and increased risk of exploitation+ Any emerging themes from other interviews)

IF NO

Researcher to go through a scenario exercise wherein the interviewee is asked to envision recruiting (permanently or temporarily/freelancing) foreign candidates.

Step 3b:

The researcher to enumerate the main aspects in terms of costs, time of the new immigration system (January 2021).

Step 4b:

The research to ask the interviewee to comment on how each of these measures would potentially affect the business if they had to go through them.

Step 5:

The researcher to thank the respondent and ask for any comments + thoughts on the future + changes they would like to see in the system + ask if they know other firms that would like to take part.

END

3: Example Interviewee extracts for each theme (non-corrected text)

Themes	Sub-themes	Description
Lack of Skills in UK creative industries		"... we simply cannot get the skills to be able to service that type of turnover. So, we've dropped our turnover, now it's about 5 million projected for this year. I simply cannot increase that turnover based on the fact that I just can't get the staff". They later added "We are now seeing fairly chronic skills shortages"
		"... we're looking at essentially a lower quality skills base you know, there's far fewer people of the right calibre that we have access to, so you know we're just going to recruit less essentially, and our growth will be slowed. If we grow at all, you know, it's hard to tell. We are trying to grow at the moment and we've got a new project in virtual reality that we're working on, um but I mean it it's questionable to me whether that sort of project can succeed in the UK in the current environment, because it's not just recruitment you know, the whole financial setup in the UK is not great for high risk projects. So, between that and the recruitment, and the other Brexit related problems, we are actively considering moving some or all of the company's business overseas"
		"I would say skills wise on certain topics, other countries are superior. Anything to do with animation, and art, France and Spain are better, they just train their students better. Anything mathematical generally other countries are better. Have we got any young people from the UK? We have got some, but they take a lot of training. We've got a young designer who's done a literature degree and masters in game design, but then will need training basically from scratch, coz they didn't really learn much in uni... on some topics, other countries are better at it, but it always has been, like animation in France, they just really good at it. And that sort of translates over to games and people wanting to work in games"
		"... (for certain roles) we've been looking for months and haven't found anyone. for the role it I've got in mind in particular, pretty sure we would have found someone (pre-Brexit)".
		"For one reason or another, the graduates that get put out by certain European schools, they just seem better on the tools, earlier on. And, so I think, there are just some schools in Europe that produce really well rounded, highly productive, very capable designers, at graduation. Whereas, you might have to work with someone more from a British school potentially".
		"So, it's really not so much about have the students in the UK got the skill set, but we're missing out on that variety, and that that the mix of backgrounds. We don't struggle to attract the right skill set in the UK, so it is there for us. But it's about just different life experiences actually, which is as equally important for us, so it's tricky".
		"... not only just skills but also actually attitudes as well, so yeah, we've had experiences. Again, this is more like the intern side or like trainees, so for years we've be working for with XXX university, the nearest to where our studio is. We've had from XXX university grads from the UK or British students and then also students at XXX who are from abroad. And the difference is really night and day, just in terms of attitude, willingness to learn, turning up. We've had people coming here in like they are entitled, they think we're training them, so we're spending our time. But they see it the other way around that they're here and feel entitled and they don't want to listen, or they don't show up on time or you know just very strange you know, yeah, just very strange attitude. So, we've had that a number of times from British nationals. Whereas the interns who come here from abroad studying, or interns who have come all the way from Saudi Arabia as well. Completely different attitude like really like eager to learn, totally dedicated, very different experience".
Salary threshold		"It's got a limited impact for us, as a London-based organisation, 25K is quite a low salary. It will impact some of the more manual roles in the sector".
		"That seems fair, I mean we pay as a minimum 26,000 in any role, which is what we thought was like a reasonable number for someone to live in London"
		"Yeah, I mean that seems about fair for a graduate. Maybe too low for a graduate even, in VFX. In terms of visas and getting fully fledged senior people in, that's not an issue. We pay you know, somewhere in the top 80th percentile of salaries for these positions, erm, so I don't necessarily feel that would be a concern for us. Not now anyway, not in the short-medium term. Maybe as we develop into a fully-fledged studio with multiple junior titles, maybe in the future it might, but... hard to say at the moment".
		"We do have some staff that are juniors, young, great talent. And that's another problem, you know, we're always looking for brilliant, talented youngsters, and that's going to limit our ability. We have taken on some really good young people from EU, but that (the salary threshold) will limit our ability to do that".
		"... in our industry, depending on the range, the type of job you want to apply for. But for us for example, it will be kind of low salary, so we start at 22-23k, depending on experience. And this is to be an assistant artist manager, so we wouldn't be able to qualify, you know, because it's under. And then the person who would be just out of university won't have the money just to put up front, this is definite. So, I think that it will be it will be OK for big companies who have the means, but for a small company, definitely not. So, it's, no no no. It's why actually we don't actually want to expand so much, you know, we want to keep it small".

3: Example Interviewee extracts for each theme (non-corrected text) – continued 1

Themes	Sub-themes	Description
Salary threshold (continued)		<p>"...we pay 23 to 24,000 at that graduate level (junior) – which is you know, even though we're in bath, that's what a lot of London agencies pay as well, so it's not just because we're out in the sticks. We pay against London agencies because we're an ex-London agency. So yeah, that's going to be a massive problem for any junior designer, because I don't think there's many agencies that will pay over 25 grand for graduate, you know. It might go up to that after a year or two, but that's entry level salary. And when you think they pay to have three grand out their money too, you wouldn't be able to live in London and pay those fees as well, so yeah, it's definitely a barrier".</p>
		<p>"Looking at the salary it just seems like an impossible market to get into as a junior from a European, non-EU country."</p>
Increased costs when recruiting international workers		<p>"The biggest thing for us is now the increased number of people that apply, and the opportunity of getting the best people at the studio has increased to 77% of applicants needing a visa, whereas before it was probably around 50/50".</p>
		<p>"So, let's say in the next six months we're going to employ 10 graphic designers and we can't find them living in the UK. All of sudden that's 70-80K that we need to then account for in other areas of the business".</p>
		<p>"It's not just the salary, you need to add on the money for application, the money to sign up, the money to their contributions, so even the 26 grand salary might end up being a 32 grand investment. It doesn't stack up"</p>
		<p>"Obviously all that cost is extra cost that wasn't there before we were a part of Europe, so yeah that's another hurdle"</p>
		<p>"It's going to be too difficult because it's too expensive"</p>
		<p>"It would put you off right from the beginning"</p>
		<p>"I would definitely say the cost of actual recruitment abroad is a real kind of challenge"</p>
		<p>"Very specifically for us as a company that would represent a massive challenge"</p>
		<p>"Small-mid size agencies just don't have the ability to be spending any money on sponsorship to bring candidates on board".</p>
		<p>"It (cost) really puts companies off. And then obviously having to pay if you're working through recruitment agency, have to pay if they are successful, obviously pay a fee to place that candidate. And then also pay a fee for sponsorship, it's just adding up"</p>
		<p>"I'm aware there are statuses for employers to become a sponsor, which I know we haven't done as its quite cost prohibitive"</p>
		<p>"We don't feel there's a need for us to be taking out the relevant licences and getting the approval to do that, and then going through the relevant costs in terms of bring somebody over from the EU to the UK"</p>
	Sponsoring costs	
		<p>"The cost could be around £2,000 per employee. It's also about the cost of my time in trying to understand and manage the process, all the paperwork together. That very easily goes up to more than a couple of grand, and especially if we have got to do that for every single hire"</p>
		<p>"Yearly income is probably between 50 and 100,000 pounds. I don't think we'll be able to go ahead and begin something like that"</p>
Legal costs		<p>"It would make it unappealing to employ that person. We spoke to an HR lawyer, and they would have charged it something like 7 grand to do it. I was like – well that's just really quite expensive! I mean, the fact that we have to sponsor Europeans now, to the tune of, whatever it is, two thousand pounds... is enough to think about, let alone paying a legal practise to do it for you. It's just, I mean, it's going to put so many businesses off"</p>
		<p>"If we didn't have that knowledge in house, it's just another cost right, where you have to go and find these third parties that will do the legwork for you and you know, they're not cheap"</p>
		<p>"If you are spending 2,4,5,6 thousand pounds to get them in to the country and they go, do you know what, I can't do this, you've lost them and you've spent all that money. (The risk) is adding to costs of bringing somebody in that you're not sure may or may not work. And you know, people can tell you until they're blue in the face that they'll stay for two years (...) but you don't know."</p>
		<p>"We have to be absolutely sure that person is going to work out, which is such a risk when you're asking someone to move countries. There're so many things to think about"</p>
		<p>"There're now additional costs of 7-8 grand just to get them into the building and then sponsor them. Once they're here, if they don't work out, then that's another 7 grand to then sponsor the next person".</p>

3: Example Interviewee extracts for each theme (non-corrected text) – continued 2

Themes	Sub-themes	Description
Complex and heavy administration to bring international talent		"Well, our experience of having done in the in the last six months, I can't compare it with what it was before, you know. Previously taking on, we had XXX who was Polish, that was kind of seamless. Compare that to the experience of taking our current guy on, who's from India – I think there's quite a lot of sentiment that we wouldn't do that again, or if we could turn back the clock, we would never have started it."
		added "I did say, pointlessly, to one of the kind of people at the Home Office helpdesk, you know, I'm trying to run a UK business here, for the value of the UK, so why are you stopping me? Why are you trying to hold me back? I don't understand. Because it's not just the processes... The thing that did our head in, sorry this is kind of a side thing, maybe it's not useful."
		"Because you're going to go through this process, there is no guarantee the person is going to stick with you, there's no guarantee they are going to be happy in the role, and you don't know whether they're going to work out. And then it's just, go through it all over again?"
		"...it's quite quick industry in terms of jobs come up quite quickly, need to turn things round quite quickly and yeah you haven't got that time that you need to deal with that kind of process"
		"So, a very clear example is that we are now having to audition dancers four months before the contract can start. So that once selected, both they and us, go through that awful portal. I could use many of other words for that, but I choose awful, to work our way through that. And it's again the individual, I do feel it's unfair on the individual, who not only has to kind of, we both have to pay something, but the individual not only has to pay, but also has to spend a lot of time and effectively surrender their passport while the process is taking place. I mean how many more things do you want to put in place stop person coming and working with this, you know?"
		"That sentiment that we wouldn't do it again. Although I know now having the license of sponsorship in place, it would make future recruitment easier, but I think we would absolutely think again, you know, we would be very reluctant to recruit someone who wasn't a UK national. Which is a shame."
		"Looking at the salary it just seems like an impossible market to get into as a junior from a European, non-EU country."
Damaged reputation of the UK internationally		"We've lost that kind of free movement obviously and with that, if you're an EU citizen, you'll be looking elsewhere in Europe now to work if you can't find stuff in your home country".
		"Certainly, since Brexit we haven't had many at all applicants just email our careers email address or webpage. So, it definitely feels as though it has put off EU talent"
		"So recently we've been recruiting, were previously 5, 6, 7 years ago, we would have received applications from all over the world, that has just stopped",
		"We used to get applications, my inbox would get three or four a month from the EU before Brexit. I don't get any now. Nobody reaches out".
		"It's difficult now to get them, and also, they themselves I think are just less inclined to come to the UK. I mean it's you know, it's difficult. We lost one girl who was French and one girl who was Dutch because they were concerned about being based in the UK, and wanted to be closer to family",
		"People who we've interviewed from Spain, they love the job, the role, the company, but they don't want to leave Spain. They don't want to leave the EU. Because of the environment we've created here in England".
		"Even before the vote was made, it created an impression that EU citizens were not wanted in the UK and then, after the vote was made and the result came out. They confirmed to many EU citizens who worked for us that they didn't want to be here because culturally the UK did not welcome them anymore"
		"The UK was sort of held to this bastion of freedom and everything else that, you know, I think we stand for. And then, you think about how hostile we make it for people looking to come in, how hard we make it for them to stay, bring families over... And the rhetoric around we want skills, people with skills to come in, make their lives better, make our country better... The rules around actually trying to make that happen don't align with those aims, right?"

3: Example Interviewee extracts for each theme (non-corrected text) – continued 3

Themes	Sub-themes	Description
Damaged reputation of the UK internationally (continued)		<p>"Both Brexit in general and the current government have seriously damaged Britain's international reputation. Britain is now toxic as a brand for many people in many countries. I think in some ways the reputational damage is comparable to that of Trump in the USA, and people just don't want to come here. I think as well as the very practical barriers, I think there are also the cultural barriers now and the attitudinal barriers. There is a really strong feeling that the UK has chosen to turn its back on the world, has chosen to isolate itself, that we don't want foreigners here"</p>
		<p>"Why would you go through all of this just to come here (...) when you can go to any EU country without this"</p>
		<p>"I think they felt slightly disenfranchised and rejected, I think that's part of the reason the designer we had went back to Germany (...) they felt like "I don't really feel like this country wants me here".</p>
		<p>"Seen as a hugely beneficial area to build your experience. We've got some of the best creative agencies in the world (...) I think it's still seen as the place to start your career by many young international creatives"</p>
		<p>"England would be the first, probably preferred destination (for EU creatives), but conceded that the "environment has changed"</p>
		<p>"Designers or architects that many of whom may have automatically headed for London but now go, okay well what other practises are there in other parts of the EU"</p>
		<p>"Beforehand it was London that was the creative market that people wanted to move to. That's not really the case anymore, we have so many agencies in places like Amsterdam and Lisbon and Paris, so it is not necessary to come to London anymore"</p>
		<p>"There would be many, many other people of Polish, or even my dad, with his Irish accent. You're not welcome here anymore. ...it really doesn't feel any different to me. I feel extremely angry about it, so much so, that I would genuinely consider going and living in Ireland in my retirement, because I feel this country has changed, although of course it hasn't, it feels like it has"</p>
Restricted access to international freelancers and/or temporary workers		<p>"...we did some recruitment in August/September last year, and for simplicity we recruited UK workers. It narrowed the field quite significantly which is not kind of what we would have wanted if I'm honest, because there were candidates that we would have definitely employed previously that were from the EU"</p>
		<p>"Another example is when we had a lighting artist that was from Europe and come over here, so you know, we're working with them. And when their contract's expiring, they've been easily able to go right I'm just going to go and work across at another studio, and they can go and jump onto a project with them. This happens a lot in London too. But as soon as you start introducing visas, you then need to have them (other studios) as a Tier 2 sponsor to take on the sponsorship with the applications for them to be able to move, you can't even hold a really good pool of talent in an area without it just causing you more problems. How that's going to work?"</p>
		<p>"I would imagine it would make it pretty impossible to do that. Chances are, most people aren't going to have enough work to be able to do that. Because they're only going to be here for a short amount of time, and we pay usually an hourly rate for work, on what they deliver. So, I imagine that's pretty impossible to jump through all of those hoops. I've already had a few conversations over this and think that it is going to be an issue for them"</p>
		<p>"Nightmare, nightmare. Absolute nightmare. ... I think the fluidity of being able to kind of come over, actually for both sides, that points-based system is just not fit the purpose for a freelance existence. And the skill that individual may bring over for us, it could be a lighting designer, could be a set design, costume designer, it could be another choreographer. It's just almost impossible for us to kind of, without going through all of what I described, for maybe four weeks work. It doesn't... it's not fit for the purpose. It's just a one size fits all"</p>
		<p>"The freelance market is so quick. You get someone who wants one tomorrow. So, when you work on the freelance market, you can get people who were saying we need someone this afternoon, need someone tomorrow, we need someone next week. And they don't have the time, obviously, they want someone who's skilled in that area".</p>
		<p>"So, we'd be looking at freelancers to do stuff remotely, which costs more. Then there's all the other issues that come in with that so things to do with tax and stuff like that. It's like the government has gone "hey creatives...nope!"</p>
		<p>"Also, look at everything they got to go through, to come here four weeks' worth of work? I mean that is really a driving factor, they just won't come to the UK. Why would they want to go through that process for four weeks work as when they can just go to Germany or Spain and get three months' work? So, it's driving people away."</p>

3: Example Interviewee extracts for each theme (non-corrected text) – continued 4

Themes	Sub-themes	Description
Lack of resources dealing with immigration issues in international recruitment		<i>"I'm a full-time software developer, I don't personally have the time to deal with that much bureaucracy. If I want a recruiter to deal with it, it's very expensive, so for us it's preferable not to do that either."</i>
		<i>"We're a small business, we don't have a HR department, and have to contract that out as and when. She does an excellent job but the whole thing costs some thousands of pounds, and it's also the time involved, which is substantial"</i>
		<i>"The amount of my time required to get through this process is just ridiculous. Which is why we've ended up using outsourcing companies. I do have to pay a lot. Every year it's costing like 13,000 pounds... but it's actually cheaper because it doesn't take up so much time because they deal with all the admin"</i>
	Lack of skills	<i>"We don't have an HR team here. That would fall on me, and I've already got lots of hats to wear. My job is really full on you know, I'm still hands on, I'm still a designer here as well. So, if I have to spend hours and hours sifting through paperwork to employ people that's going to really be hard"</i>
		<i>"We're a really small company, so we haven't got HR department you know. We don't really want to spend it on lawyers and an HR specialist if we don't need to"</i>
		<i>"So, it doesn't make sense for us to do that unless there's a very, very niche specific talent which we're after that we just cannot find anywhere. I don't feel we're personally as big enough to do that or have that kind of requirement. The lack of skills surrounding the process is a particular problem for smaller to medium sized organisations in the sector"</i>
		<i>"For someone like me, who doesn't have a HR department, who has to basically work it out, it's horrible".</i>
		<i>"For small and medium sized enterprises, I would say it's a huge barrier basically to being able to do it"</i>
		<i>"If we actually really understood every single step of the process ourselves, we would be more comfortable doing it ourselves, but just to make sure that we are crystal clear, and clean, and doing everything right, we've always used an agent for anything we've done with visas"</i>
	Lack of time	<i>"It definitely is a situation where you know it's not just the cost to pay the government to do this, you know, our accountants have to spend time on it, our HR have to spend time and then we'd have to bring in our employment lawyer to finalise it all"</i>
		<i>"It's so consuming. Especially because it's such a fast-moving industry, and also just the general process of doing the applications and having to do it. I talked to our immigration lawyers who say from a sponsorship point of view you're talking a month. The points-based system is going to be different. But let's say that a month of someone dedicated to just doing all of that, that's fine. But if you're in a smaller agency like ours, one person doing recruitment, onboarding, HR, visas, payroll that stuff – all of a sudden, that's actually going to take three months. And that's time that we're missing out on. And then the fact that someone might come for a year and then move on"</i>
		<i>"It'll just give a massive strain on pretty archaic structures anyway. But then for that to work within that timeframe... we're quite a nimble organisation, we rely on having access to talent immediately. It just won't work. It's just not going to happen"</i>
		<i>"It was stupidly long. The whole process is a nightmare, generally speaking. Not the points specifically, but the process of sponsoring someone, is absolutely ridiculous. You definitely won't receive an email decision within the eight-week time frame, and it could be as long as 13, 14 weeks. I think it took us in all, about 20 weeks"</i>
	Loss of an existing international workforce	<i>"We had somebody else was working for us from the EU – when Brexit happened, they left. They were from Spain, yeah, I think we had another, I think we've had three people, from one was from Italy, two from Spain".</i>
		<i>"... they left before Brexit. We had one full time person from France and he left right as Brexit was kind of happening, but it was a combination of like, I think of a lot of a lot of people a lot of Europeans felt like kind of a bit over London – with Brexit. ...It feels like there's been a shift in the dynamic like what it means to be in London"</i>
<i>"We had a EU citizens who as soon as the Brexit process ... started to happen"</i>		
<i>". some of the EU citizens who had been working for us pre-Brexit or pre-referendum left quite soon after the referendum. I think mostly for emotional reasons that they felt that the referendum was an indication that they were not welcome in this country"</i>		
<i>"I mean you know; I know artists who have gotten out of the UK for that reason. Either they took you know they were they were they understood what was going to happen and they moved over to the EU while they still could, or they went off to Australia, New Zealand, because they just didn't like the idea of a Little Britain. One that wasn't really open to the world, and especially, its greatest, you know, its largest neighbour"</i>		
<i>"I had three. And represented a couple of photographers from Europe as well. So yeah, you know we've had to change a little bit how we're doing things. Absolutely due to Brexit. One lady, my Italian right-hand lady had been with me for 12 years. She could stay, she was she was eligible to stay but her boyfriend wasn't. And you know it just meant she had to make some tough decisions. My Spanish lady, again, wonderful, she was eligible to stay her partner was not and, in each instance, it wasn't them it was their partners that couldn't stay"</i>		

3: Example Interviewee extracts for each theme (non-corrected text) – continued 5

Themes	Sub-themes	Description
Time consuming process causing delays to international recruitment		<i>"We're having to consider how we change the rhythm of our work in order to accommodate not just all of the bureaucracy, but also the time delay in the appointment to the actual person being able to start work"</i>
		<i>"It can't take eight weeks to do these things, it's impossible"</i>
		<i>"It's completely unreasonable, because the way we work, working with very tight timelines. There is not very much mobility (...) usually the projects are quite short duration, 2, 3, 4 months and we have to move on a project within 6-8 weeks. So having to go through this recruitment process with the points-based system just wouldn't be feasible or viable"</i>
		<i>"If I can't find the skillset, I need in the in the UK labour market, then you would try and look further afield. But then when you're up against an 8-week process, costs associated to the company, costs associated to the applicant, I just think it makes the UK a really unattractive place to come"</i>
		<i>"It's always going to be a problem, I mean our business in the creative industry is dynamic, we need people, you know, we can't wait three months. If we go through the recruitment process then there's another eight weeks to actually go through, the application of visa, and get them the right immigration papers, and all the rest of it, that project might well have gone. So, it is going to definitely, I think you know, limit our appetite to take on EU nationals"</i>
		<i>"The time lag is just ridiculous. I mean for creative projects, for video games, they take about between 18 months to three years to make. So, if you're taking five months of that time to get someone over from a country, that's like quite a significant proportion of the development time. That's just madness basically"</i>
		<i>"We have to tell this potential client we need six months before we can start the project because I need a couple of months to be able to put applications out and hire the person, then I need two months to get visas in place to then start the project. Now that might mean we don't do the project. There's a good chance the client will turn around and say somebody else can start in three months. We lose the work. We don't just lose that work, the country loses pulling in, I think the project is worth £2.5 million... Which would have come into the country. It's mental. And that's the reality of it."</i>
	<i>"For small and medium sized enterprises, I would say it's a huge barrier basically to being able to do it"</i>	
Restricted access to junior roles from international applicants		<i>"I think there isn't a full understanding of it yet. Say from a European, especially younger person wanting to come, I don't think there's a full understanding of what's needed, and that the cost associated with it. So, let's say that you were going to come over, you personally would have to pay 3 and a half grand to come here. So, actually what it does it limits the pool of people even further by saying, if you're from a family, 21, just out of university, from family that can afford to pay three and a half grand for you to come and work – great. If you can't, that's a whole group of people who now cannot get into the industry"</i>
		<i>"For junior roles it's just unfair for smaller organisations, it's a massive barrier. Particularly in certain sectors, such as the performance sector which relies a lot on international talent, yeah, it's a massive off-putting thing for employers"</i>
		<i>"Often, we're recruiting graduates, we've taken on four this year. If they were from somewhere else, they wouldn't have the work experience and be able to score on those points"</i>
		<i>"You're limiting it to UK based design schools, which limits the industry as a whole. Instead of having these real sorts of like broad mind of people who are coming from all different areas of the world effectively, and are able to bring all their key things, we're going toward "right, UK, same university, same schools, same background, same beliefs, same views".</i>
Restricted access to international interns		<i>"Like the one in France we were getting 2, 3, applicants a year, they'd come over for 3 months as part of their degree and come abroad to do an internship, really enthusiastic. It was really, really good. Even in the UK, in XXX, we used to get applicants. We've gone onto hire interns full time to work with us for a couple of years and it's been brilliant, so we've found that to work really well (...) That seems to have stopped since Brexit, I don't know if that's directly related but it has definitely seemed to have stopped"</i>
		<i>"It removes us from doing interns. Whereas before we would take quite a few interns from European countries and design schools, we physically cannot do that anymore. So then, you're limiting it to UK based design schools, which limits the industry as a whole (...) it could potentially have an effect on the general creative industry in the UK about the types of work that we can create"</i>
		<i>"I think that a lot of candidates that contact us don't have a lot of an idea that this is happening, and that they actually need to have a visa to work with us. We have got a history of having a very good internship programme, and a lot of our interns would have been EU citizens in the past, and that's a great thing to do isn't it going work in a company in UK for six months, and if it works out, great, but if it doesn't you can go back home. But we can't do that now without huge costs. And we're not going to. We're not going to invest 7000 pounds in an intern for six months. We are missing out on a huge amount of raw talent that we will just never see, which is a real shame".</i>

3: Example Interviewee extracts for each theme (non-corrected text) – continued 6

Themes	Sub-themes	Description
Consequences of the post-Brexit migration challenges	Relocation to Europe	<i>"So it was part of my initiative to think okay let's go to Paris and then if we need to get people working and if we need European workers and it's difficult to happen in the UK, we can employ them through the French company so I started a French company too so if we do need talent in France we can employ them here or in Europe"</i>
		<i>"... it's something we've actively got on our radar (setting up a subsidiary abroad) as from a risk mitigation point of view it's going to be easier to hire EU citizens in the EU. So, it's probably not even a question of if, it's when you will choose a point do it"</i>
		<i>"... we've already stopped really looking overseas to employ in the UK. ... we would look to have a subsidiary set up in a different country and then hire talent locally there". They further explained that skill wise, SMEs would be more in a position to set up a subsidiary abroad than to go through the immigration process to recruit internationally"</i>
		<i>"I feel like even though it seems like a bigger task to set up a subsidiary, it just is a bit more in line with like skills that you might have in an SME. Because every SME is generally going to have an accountant, but they are less likely to have an immigration specialist or HR department"</i>
	Remote working	<i>What we have found is, through lockdown, it's really changed the way we work as well. We've still got people working from home which has been for like two years now. So, on a recent project we've got animators working as far afield as Brazil, obviously working from home, including Italian workers and Spanish, so they were working from home this time rather than coming to the UK to work. You know, the advent of zoom for things like this, what we do now and day to day working has really opened our minds to actually ways of working too, and not necessarily having everybody in the same space"</i>
<i>"I've talked to friends, you know, they do hire people abroad, but they don't bring them over. I think with Covid and everything it's really established the idea of people working remotely. Even so, yeah, friends, another agency owners I know are hiring people full time, but they're not actually bringing those people over, so they'll just work from the country that they live in Europe or wherever and they seem to be able to manage that fine without having all the hassle relocating people".</i>		

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